

That is a direct quote from the President of the United States. There is absolutely no economic justification for insisting on a debt limit increase that brings us through the next election. It is not the beginning of a fiscal year. It is not the beginning of a calendar year. Based on his own words, it is hard to conclude that this request has to do with anything, in fact, other than the President's reelection.

Look, Congress has raised the Federal debt limit 62 times since 1972. The average length of an increase over that period is just over 7 months. But now the President says it has to be nearly 2 years. Why? So he can continue to spend as he pleases.

This weekend, we offered the President a bipartisan proposal to avoid default so we could have the time we need to put together a serious plan for getting our house in order, and he rejected it out of hand—not for economic reasons, understand, but, as he put it, “to extend this debt ceiling through the next election.”

Time is running out. With all due respect to the President, we have more important issues to worry about than getting through the next election.

A bipartisan plan to resolve this crisis was literally within our reach this weekend. The President has to know this approach is the responsible path forward, and we ought to put it back on the table.

Congressional leaders of both parties have shown they are willing to work in good faith. I suggest the President reconsider their offer rather than veto the country into default.

I yield the floor.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. The Senate will now be in a period of morning business until 4:30 p.m., with Senators permitted to speak therein for up to 10 minutes each.

The Senator from Minnesota is recognized.

NORWAY TERRORIST ATTACK

Ms. KLOBUCHAR. Mr. President, I rise to share my deepest sympathies for the people of Norway who, as my colleagues know, experienced a despicable terrorist act this past Friday, July 22.

In the Senate, I represent the State of Minnesota. It is a State that has the largest number of people of Norwegian heritage outside the country of Norway itself.

The influence of Norwegian culture can be found throughout our State, and the bonds between Norway and Minnesota continue to be incredibly strong

to this day. That is why the shock of Friday's violence hit us so close to home.

This past weekend, I joined Minnesotans and the whole world in offering our country's prayers and sympathy to the people of Norway. I attended a memorial service at the Mindekirke Norwegian Lutheran Memorial Church in Minneapolis, where hundreds of people of Norwegian heritage gathered to go to mourn their loss.

It is especially heartbreaking that a mass murder such as this would take place in a country such as Norway. The world knows Norway as a country that is both peaceful and peace-seeking.

After all, Norway is home to the Nobel Peace Prize, and it has offered safe haven to refugees and the politically persecuted from all around the world. It just doesn't make sense.

I am a parent. My daughter is the same age as many of the young people who were at that camp. She was there with our family at the memorial service on Sunday. The kids at this camp were idealistic kids. They were teenagers. They were at the camp because of their interest in their community and in democracy.

It is very hard and very painful even to think about such a cold-blooded attack and the massacre of so many innocent children. It is a kind of terrible tragedy that puts all of us to the test. It tests our resilience, our trust, and our faith.

On Saturday morning, I spoke with Ambassador Strommen, Norway's Ambassador to the United States. I conveyed the deepest sympathies of the people of our State. He assured me that, even though this is a very difficult time, Norway is strong, the Norwegian people are strong, and they will make it through this time of trouble and sorrow.

We will stand by them. But we will also stand against the hate that inspired this action. We are starting to get a sense, over the last 2 days, of what motivated this madman. We know now that while most of the people attacked were native Norwegians, there were also people from other countries, immigrants to Norway, new citizens there.

We all need to remember that my State was originally settled by Norwegians, Swedes, Danes, and Germans, but we also remember there were other waves of immigrants who came too, including Slovenians, such as my relatives, as well as people from Poland, Russia, and most recently in Minnesota the Hmong people have a major presence, as well as people from Somalia. We must remember what made our State, our country, and Norway such vibrant places for democracy is that openness, that freedom, and it is that tolerance.

I reminded my friends at the Norwegian church on Sunday morning of something President Clinton actually said after the Oklahoma City bombing, when he spoke at that memorial. He said this:

Let us let our own children know that we will stand against the forces of fear. When there is talk of hatred, let us stand up and talk against it. When there is talk of violence, let us stand up and talk against it.

I call on my colleagues to stand true to those words. We will continue to confront the forces of fear and hatred with that same spirit of faith, tolerance, and good will. Let us continue to stand strong in support of our allies and friends in Norway. Today, our thoughts and prayers are with them.

The ACTING PRESIDENT pro tempore. The Senator from Arizona.

Mr. KYL. Mr. President, let me associate myself with the remarks of the Senator from Minnesota. My wife and I traveled to Oslo, Norway, a few years ago and were deeply touched by the hospitality of the people there and the peacefulness of the country. It is almost too much to bear to think about what they have gone through as a result of this recent tragedy. I appreciate her remarks.

REMEMBRANCE OF FALLEN OFFICERS

Mr. KYL. Mr. President, the majority and minority leaders talked about the sacrifice of two of our Capitol police officers who died in the line of duty protecting people here at the Capitol and our remembrance of them on this day. The Chaplain also prayed that we remember their sacrifice.

I think it is important for us to pause in circumstances such as this, especially when we are involved in such deeply divided discussions about the issues of the day that confront us.

DEBT CEILING

Mr. KYL. Mr. President, I also thought it interesting that, regarding the issues we are debating that so deeply divide us, a Wall Street Journal op-ed today appeared, which is one of those rare times when the author puts into a much larger perspective, a more cosmic perspective, what we are talking about and puts it in moral terms—long-term moral terms—rather than just Democrats versus Republicans and the fight of the day.

Mr. President, I ask unanimous consent that this article be printed in the RECORD after my remarks. It is written by Arthur C. Brooks and is called “The Debt Ceiling and the Pursuit of Happiness.”

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. KYL. Arthur Brooks is the head of AEI, American Enterprise Institute, and he has written on the subject of happiness in our country and how we get there. His most recent book is called “The Battle: How the Fight Between Free Enterprise and Big Government Will Shape America's Future.”

His theme in this article was similar to the one in the book, which is that

we have the system we have because Americans have found that it is a system which most leads us to the pursuit of happiness, the achievement of success, and things that are important in our lives. He talks about the fight we are engaged in now about extending the debt ceiling as being a fight against 50-year trends toward statism, which he identifies as a state that would be very disappointing to Americans, where we would not have the ability to pursue our dreams or the same opportunity we have today to be successful if we take risks and to utilize the full potential of the free market system.

He says, "Consider a few facts," and this is the one thing I will quote from his article:

The Bureau of Economic Analysis tells us that total government spending at all levels has risen to 37 percent of the gross domestic product today from 27 percent in 1960—and is set to reach 50 percent by 2038. The Tax Foundation reports that between 1986 and 2008, the share of Federal income taxes paid by the top 5 percent of earners has risen to 59 percent from 43 percent. Between 1986 and 2009, the percentage of Americans who paid zero or negative Federal income taxes has increased to 51 percent from 18.5 percent. And all this is accompanied by an increase in our national debt to 100 percent of gross domestic product today from 42 percent in 1980.

All of these, obviously, portend a trend toward statism, toward the funding of the state through increased taxation by fewer and fewer people but at a greater and greater amount of money. In his view and in mine, it will ultimately reduce the kinds of incentives that the free market system provides for Americans to be able to earn and hire others and to assist our economy to grow and, in the process, to increase our standard of living.

This is one of the reasons why Republicans have been so focused on reducing spending as the solution to the problem we face in Washington today. Our problem is not that we don't tax Americans enough; our problem is that we spend too much here in Washington. That is manifested by the statistic that now we are spending almost 25 percent of the GDP. We were up to 25, and we are headed back up there. Yet just 3 short years ago, we were at the average level of spending in our country of about 20 percent of GDP. So spending has skyrocketed in the last 3 years.

If a physician is wanting to treat a patient's condition, the physician diagnoses the patient for what is wrong and then treats that illness. What is wrong with us today is that Washington spending is out of control. That is the diagnosis. What is the treatment? The treatment is not to pile more taxes onto an already sick economy. The treatment is to reduce the amount of government spending.

That is what Republicans have urged us to do. The American people, fortunately, are in the same place.

I will cite three surveys that make the point. One of them is a Rasmussen survey, just reported July 22, of likely voters in the country. It asks the ques-

tion: Would you fear that the debt deal would raise taxes too much or too little? Would you fear that the debt deal will cut spending too little or cut spending too much?

The answer was interesting. Among likely voters, the answer is this: 62 percent of voters believe the deal will raise taxes too much. Only 26 percent think we will raise taxes too little.

On the spending side, 56 percent are afraid it will cut spending too little. Only 25 percent think it will cut spending too much.

We can see the American people are with us here. They understand our problem is spending, not taxes. They are worried we are not going to reduce spending enough and that, in fact, we are going to increase taxes too much. Rasmussen had already done a survey a week before of likely voters. It asked: Do you favor including a tax hike in the deal?

This was interesting. Fifty-five percent of voters said no. Only 34 percent of likely voters said yes. So the majority, by far, is saying don't include a tax hike in the deal. Again, they understand what the problem is: It is not taxes, it is spending.

CNN had a poll a few days before that, and the question—there were several questions in the poll, but the one that struck my eye asked about raising the debt ceiling only if we also cut spending, cap it at certain levels, and pass a balanced budget amendment. That is the so-called cut, cap, and balance proposal that passed the House of Representatives but was tabled by our Democratic colleagues here in the Senate last week. CNN reports that by a 2-to-1 margin the American people thought we should cut, cap, and balance—66 percent favored, only 33 percent opposed.

It is interesting to me the American people have internalized the same thing as we Republicans; and probably the reason Republicans are expressing this is because we have been listening to our constituents who have been telling us this. Our concern is not that we should raise taxes; our concern is that we should cut spending. That is why we have been saying what we have been saying here.

I find it interesting even the President himself—in an earlier time—shared the same sentiment. In August of 2009 he made a similar point. In December of last year, when the tax rates that have been in existence for decades were extended for another 2 years, he said: You don't raise taxes in a recession. He is exactly right. And, by the way, at the time he said that, growth in the quarter was at about 6 percent of GDP. Today, growth is less than 2 percent of GDP. So our economic situation has gotten worse since then. We are up to 9.2 percent unemployment. Obviously, you don't raise taxes in a recession. When you have a bad economic condition, the worst medicine is to raise taxes.

Another point Republicans have been trying to make with regard to this dif-

ference between raising taxes or reducing spending is that usually a couple of things happen when Congress sets out to do this. You get the permanent increases in taxes, but you never get the same dollar for dollar or \$2 or \$3 for \$1 that you are promised in reductions in spending. Moreover, when you aim at hitting the millionaires and billionaires—which is usually the excuse for raising taxes—you end up hitting a lot of other folks.

One of the things we are concerned about is exactly what happened with the alternative minimum tax. We tried to make sure 128 specific millionaires didn't get out of paying taxes because of deductions and credits they could take, and so we put into effect the alternative minimum tax. Today, the alternative minimum tax affects 25 million Americans. So when you aim at the millionaires, you hit everybody else. In fact, that is exactly what would happen under the proposal of the President today.

The President says we need to hit the millionaires and billionaires. Well, there are 319,000 American households that report incomes of over \$1 million a year, but there are 3.6 million other households that would be affected in the same way by the President's tax increase because they are also in the top two income tax brackets. So when you raise the top two brackets, you are not just going to hit the millionaires and billionaires, you are also going to hit a lot of other Americans who don't report incomes of over \$1 million a year.

Probably the primary reason Republicans have argued we should not be raising taxes in this bad economic time is that it is a job killer. This is illustrated by many things, one of which is the President's own Small Business Administration. One of the taxes the President has proposed hiking would hit small businesses especially hard. According to the Office of Advocacy of the Obama Small Business Administration, this tax "could ultimately force many small businesses to close." Why would you impose a tax on small businesses that could ultimately force many of them to close? It is the wrong medicine for a sick economy.

In addition to the fact we always end up hitting a lot more than the millionaires and billionaires, and that taxes are forever but the savings never quite seem to materialize, the most important point here is that raising taxes is a job killer. Two-thirds of all the jobs coming out of a recession are in the small business sector. Fifty-four percent of all jobs in the country are created by small business.

Republicans are going to continue to push for reductions in spending as the way forward here, and I hope during this next week we will be able to get together with our House colleagues, and Republicans and Democrats alike will be able to at least rally around one thing we can all agree on: spending has to be reduced. If later on we need to have discussions about tax reform, that

is a debate I think all of us wish to have. Our Tax Code needs reforming. But let's do that not in the context of raising revenues but rather in the context of making it a Tax Code that would enable us to grow more. At the end of the day, that is what we should all be for. Because a growing pie means there is more for everyone—rich and poor alike—the families of America as well as the governments. I hope my colleagues will focus on what the American people are telling us through these surveys: Let's reduce spending, not increase taxes.

EXHIBIT 1

[From the Wall Street Journal, July 25, 2011]

THE DEBT CEILING AND THE PURSUIT OF HAPPINESS

(By Arthur C. Brooks)

The battle over the debt ceiling is only the latest skirmish in what promises to be an ongoing, exhausting war over budget issues. Americans can be forgiven for seeing the whole business as petty, selfish and tiresome. Conservatives in particular are beginning to worry that public patience will wear thin over their insistence that our nation's government-spending problem must be remedied through spending cuts, not by raising more revenues.

But before they succumb to too much caution, budget reformers need to remember three things. First, this is not a political fight between Republicans and Democrats; it is a fight against 50-year trends toward statism. Second, it is a moral fight, not an economic one. Third, this is not a fight that anyone can win in the 15 months from now to the presidential election. It will take hard work for at least a decade.

Consider a few facts. The Bureau of Economic Analysis tells us that total government spending at all levels has risen to 37% of gross domestic product today from 27% in 1960—and is set to reach 50% by 2038. The Tax Foundation reports that between 1986 and 2008, the share of federal income taxes paid by the top 5% of earners has risen to 59% from 43%. Between 1986 and 2009, the percentage of Americans who pay zero or negative federal income taxes has increased to 51% from 18.5%. And all this is accompanied by an increase in our national debt to 100% of GDP today from 42% in 1980.

Where will it all lead? Some despairing souls have concluded there are really only two scenarios. In one, we finally hit a tipping point where so few people actually pay for their share of the growing government that a majority become completely invested in the social welfare state, which stabilizes at some very high level of taxation and government social spending. (Think Sweden.)

In the other scenario, our welfare state slowly collapses under its weight, and we get some kind of permanent austerity after the rest of the world finally comprehends the depth of our national spending disorder and stops lending us money at low interest rates. (Think Greece.)

In other words: Heads, the statist win; tails, we all lose.

Anyone who seeks to provide serious national political leadership today—those elected in 2010 or who seek national office in 2012—owe Americans a plan to escape having to make this choice. We need tectonic changes, not minor fiddling.

Rep. Paul Ryan's (R., Wis.) budget plan is the kind of model necessary. But structural change will only succeed if it's accompanied by a moral argument—an unabashed cultural defense of the free enterprise system that helps Americans remember why they love their country and its exceptional culture.

America's Founders knew the importance of moral language, which is why they asserted our unalienable right to the pursuit of happiness, not to the possession of property. Similarly, Adam Smith, the father of free-market economics, had a philosophy that transcended the mere wealth of nations. His greatest book was "The Theory of Moral Sentiments," a defense of a culture that could support true freedom and provide the greatest life satisfaction.

Yet today, it is progressives, not free marketeers, who use the language of morality. President Obama was not elected because of his plans about the taxation of repatriated profits, or even his ambition to reform health care. He was elected largely on the basis of language about hope and change, and a "fairer" America.

The irony is that statisticians have a more materialistic philosophy than free-enterprise advocates. Progressive solutions to cultural problems always involve the tools of income redistribution, and call it "social justice."

Free-enterprise advocates, on the other hand, speak privately about freedom and opportunity for everybody—including the poor. Most support a limited safety net, but also believe that succeeding on our merits, doing something meaningful, and having responsibility for our own affairs are what give us the best life. Sadly, in public, they always seem stuck in the language of economic efficiency.

The result is that year after year we slip further down the redistributionist road, dissatisfied with the growing welfare state, but with no morally satisfying arguments to make a change that entails any personal sacrifice.

Examples are all around us. It is hard to find anyone who likes our nation's current health-care policies. But do you seriously expect grandma to sit idly by and let Republicans experiment with her Medicare coverage so her great-grandchildren can get better treatment for carried interest? Not a chance.

If reformers want Americans to embrace real change, every policy proposal must be framed in terms of self-realization, meritocratic fairness and the promise of a better future. Why do we want to lower taxes for entrepreneurs? Because we believe in earned success. Why do we care about economic growth? To make individual opportunity possible, not simply to increase wealth. Why do we need entitlement reform? Because it is wrong to steal from our children.

History shows that big moral struggles can be won, but only when they are seen as decade-long fights and not just as a way to prevail in the next election. Welfare reform was first proposed in 1984 and regarded popularly as a nonstarter. Twelve years of hard work by scholars at my own institution and others helped make it a mainstream idea (signed into law by a Democratic president) and perhaps the best policy for helping the poor to escape poverty in our nation's history. Political consultants would have abandoned welfare reform as unworkably audacious and politically suicidal. Real leaders understood that its moral importance transcended short-term politics.

No one deserves our political support today unless he or she is willing to work for as long as it takes to win the moral fight to steer our nation back toward enterprise and self-governance. This fight will not be easy or politically safe. But it will be a happy one: to share the values that make us proud to be Americans.

Mr. KYL. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

The ACTING PRESIDENT pro tempore. The Senator from Oregon.

Mr. MERKLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MOMENT OF SILENCE TO HONOR OFFICER JACOB J. CHESTNUT AND DETECTIVE JOHN M. GIBSON

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will observe a moment of silence in memory of Officer Jacob J. Chestnut and Detective John M. Gibson of the U.S. Capitol Police.

(Moment of silence.)

The ACTING PRESIDENT pro tempore. The Senator from Oregon.

Mr. MERKLEY. Mr. President, I thank the Chair for leading the moment of silence we just had for Officer Jacob Chestnut and Detective John Gibson of the U.S. Capitol Police.

It is important to recognize that each and every day the citizens of the United States come to the Capitol. They are able to visit this Chamber and visit the offices of their elected Senators and, across the building, the offices of the Members of the House of Representatives. They are able to do so because the Capitol Police maintain a form of security that gives us this access while at the same time protects the functioning of democracy from the very real threats of a changing world.

So it is appropriate that the east front door was renamed the Memorial Door in honor of Officer Jacob Chestnut and Detective John Gibson and that we take this moment to recognize the service of all of the members of the Capitol Police who not only protect all of those who work here, all of those who legislate here, but all of the citizens of the country who come to advocate for their concerns.

Thank you, Mr. President. I note the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MERKLEY). Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.