

us are concerned about future deficits. All of us are concerned about where our country is going. All of us are concerned about the fact that if we don't deal with this issue responsibly, we are going to end up with a downgrade in our debt regardless, even if we make it. If we had a clean debt ceiling vote, which, obviously, is not going to occur now—if we had a clean debt ceiling vote, we would be right back at the table trying to figure out a way to keep from having a downgrade. So for what it is worth, I am choosing today to come to the floor and to be slightly optimistic because both sides of the aisle are beginning to look at ways of reducing that issue.

As to the rating agencies, actually we don't put a lot of faith in them, I know, but smart people who actually buy Treasuries have said the order of magnitude that we need to deal with as it relates to deficit spending over the next short period of time is a minimum of \$4 trillion, and that \$4 trillion has to be real, and that \$4 trillion needs to be accompanied by entitlement reforms.

What I would say is, right now, I don't think there is any proposal that is being discussed that is strong enough, and I don't say that to knock any of the authors. There is nothing out there that I am aware of that is being discussed by the media or being discussed in either Chamber that really deals with this issue. Most of us have taken the position that we want to use the debt ceiling vote to force dramatic reductions in deficits, dramatic reductions in spending and, fortunately, we have gotten to that place, finally. We have just gotten there in the last 24 hours.

So this is my hope: We know none of the proposals out there now are strong enough. None of the proposals out there—I am talking about in legislative language. There are a lot of people working in other ways to try to come up with a solution, but there is no legislative language out there yet that actually forces us to do the things we need to do to achieve not being downgraded, if you will, after this debt ceiling vote occurs.

So it appears we are going to be voting on a proposal the majority leader has offered. It is very apparent to me it is not going to pass. I know there are some activities that may be taking place in the House over the next 24 hours, but at least we have both sides of the aisle talking about the right topic, finally. It has taken us a while to get here.

I urge us to sit down and figure out a way to make the proposals that are being discussed real—make sure they don't have gimmicks—and that they force us to do those things we need to do to make sure we don't just kick the can down the road and pass something that looks like we have actually taken action, but to pass something instead that actually will address the issues we have before us.

So, again, I have a glimmer of hope. Both sides of the aisle have offered pro-

posals. No doubt in both cases they are not nearly strong enough, but both sides have offered proposals that look at reducing the deficits over the next year or so. So I urge people to sit down—as Members have done recently on other proposals, let's sit down and figure out a way to make some proposal strong enough so we know that not only have we moved past this debt ceiling vote, but we have also put in place those actions that will cause us to make it through this entire next year, in a way that we know we are not going to be downgraded by the credit rating agencies and have other issues.

There is not a proposal before us today that does it, but both sides of the aisle are talking about proposals. That, to me, is a sign for a degree of optimism. If we need to extend the debt ceiling issue for a week while we work out the details or whatever, let's do it. But let's don't let this opportunity where we finally have both sides of the aisle talking about the right subject, let's don't let this opportunity go by. Let's solve this problem while the focus is on it.

I thank the Chair for allowing me to take to the floor.

I yield the floor.

The PRESIDING OFFICER (Mr. BENNET). The majority leader.

EXTENSION OF MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that morning business be extended until 5 o'clock and that I be recognized at 5 o'clock and that Senator SESSIONS be recognized for 10 minutes at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Alabama.

THE DEBT CRISIS

Mr. SESSIONS. I thank the majority leader, and I appreciate his courtesy, as always, in so many issues that come before the Senate.

I wish to say a couple of things. One is fundamental, and that is that the crisis we face—and I think my Senate colleague from Tennessee would agree—is not the debt limit, it is the debt. It is the surging debt. The debt limit is Congress's power, and it says to the administration: You can't borrow any more money. We only authorize so much money to be borrowed. Like a 102-degree mark in our thermometer, it is not the thermometer that is the problem. It is the underlying fever that the thermometer indicates. So reaching the debt limit so soon after we raised it is an indication we have something unhealthy in our system that needs to be dealt with.

Senator REID has very difficult challenges before him. It is not easy. But as I like to remind him, he asked for the job and, hopefully, he can make progress at this point in time.

But to raise the debt ceiling, the majority leader knows a couple of things

must be done. He knows, one, the Republican Congress and the American people want to see changes in our spending. It is on a reckless path. We cannot continue on this path. So the idea is, shouldn't we change what we are doing that has put us in a situation in which 40 cents of every \$1 we spend today is borrowed?

This year we will pay \$240 billion in interest on our national debt. Under the budget the President submitted to us—which was voted down, I will acknowledge, 97 to 0 in the Senate; but it indicates the debt path we are on—it would cause in the tenth year interest to be paid in 1 year of \$940 billion—a stunning figure. The Federal road program is about \$40 billion. Federal aid to education is about \$100 billion. We would be surging from \$240 billion to \$940 billion in interest on this rising debt, according to the Congressional Budget Office, our experts.

I would note also that President Bush's last year was an extraordinary deficit of \$450 billion—but President Obama's deficits have been \$1,200 billion, \$1,300 billion, and it is expected this year to be \$1.5 trillion—\$1,500 billion—in 1 year. These are the 3 years.

In the first 2 years of President Obama's administration, his non-defense discretionary spending surged 24 percent. This does not count the stimulus of almost \$900 billion that we sent out the door that was supposed to stimulate the economy.

Speaker BOEHNER, and I think with the support of the American people, has said: Well, we can do a long time. We can do a fairly large increase in our debt ceiling to allow the country to continue to borrow or we can do a short one, but we in the House, in the Republican House, believe we have to confront our problems. So I would propose, and he has stated, that the House would vote to raise the debt ceiling but only to the extent to which spending has been reduced an equal amount.

If you reduce spending enough over 10 years, you get an immediate increase in the debt ceiling of an equal amount now. If you reduce spending over 10 years a larger amount, you could increase the debt limit a larger amount. It has become a vehicle, an opportunity for the American people to understand how we are spiraling out of control, and how it is Congress that needs to figure out a way to rein this in. It is unsustainable, the path we are on. So this \$1 increase in the debt ceiling for \$1 reduction in spending kind of caught on. People seem to be going along with that. It seems to be fairly reasonable.

Senator REID claims he has a plan that would reduce spending \$2.7 trillion over 10 years and this would allow him to raise the debt ceiling about that amount, and this would allow us to, in effect, raise it enough that we would not have to talk about this again for almost 2 years—about 22 months.

Well, OK. That sort of seemed to meet what Speaker BOEHNER had suggested. But I am the ranking member

of the Budget Committee. I have been a real critic of what has been going on. I have been predicting we were going to end up at the last minute and a bill was going to be thrown on the floor, and I was concerned it was going to be filled with gimmicks. It was not going to be honest, and we were going to be told if we do not pass it, the Republic is going to fall, and no matter what is in it, we have to pass it. And do not worry about it, trust us on these numbers.

Unfortunately, that is where we are getting. Senator REID, in his \$2.7 trillion in claimed deficit reduction—about \$1.2 trillion of that is savings from the war in Iraq and Afghanistan. Well, that has not ever been projected to stay at the current level of \$158 billion a year for 10 years.

Speaker BOEHNER, when he proposes to reduce spending for a shorter term, does not count savings from the declining war expenditure because that is not a baseline expenditure and we have never extended and planned to do that. We never planned to spend \$158 billion a year in the next 10 years. This is inevitably going to drop. Some say it could go to zero, some say to \$50 billion, saving \$100 billion or a little more a year for the next decade. So the Budget Committee Republican staff calculates this is over \$1 trillion in inaccurate estimations of spending reductions. It just is. It should not be counted. Speaker BOEHNER does not count it in his numbers.

Senator REID also claims \$1.2 trillion in deficit reduction from spending caps by capping discretionary spending. Well, those caps are counted from a baseline that ignores the savings that were enacted in the full year CR that we did the year we are in.

What happened was, we had a higher level of spending. There was an election last fall. A new Republican House was elected—huge numbers of people who were elected who said: We have to do something about spending. So we had a fuss over what our spending levels should be this year because we were operating not under authorization of appropriations bills but a continuing resolution, and that number was reduced. So the spending level for this year now is not the same as it was when the year began. The current level of spending is the number we ought to be talking about when we say we are going to save money. Correct? It should not be the number that was higher but has been abandoned and been reduced. That reduces the amount of legitimate claims in discretionary savings to less than \$800 billion. Then he claims \$100 billion in mandatory savings. But it is likely—from our staff looking at them—it would amount to no more than \$60 billion.

The bottom line is, we have looked at this a lot of different ways. I believe the numbers I am going to repeat to you today will be sustained in any competitive argument about it. I believe these are honest and true num-

bers. The bottom line is that the total real savings that are proposed by the Reid plan are not \$2.7 trillion but \$1 trillion. If you do \$1 trillion in savings, and you raise the debt limit by \$1 trillion, then that would extend to 6 or 8 months or so into early next year, which is, I suggest, where we ought to be. Because this amount of savings—\$1 trillion—is nowhere near what we need to do to get off the debt course we are on.

As Senator CORKER indicated, most of the financial experts tell us we need at least \$4 trillion in savings, not \$1 trillion. So if we are just going to get \$1 trillion so we can vote in this crisis period to raise the debt limit before August 2 so the checks can go out and everybody can be paid and the government can operate—and I hope we can do that; we need to do that—but if all we are going to get is \$1 trillion, this is just an interim step. This is not a real fix at all, but it is an interim step. If so, we need to be right back on this issue soon. That gives us an opportunity to do so early next year or late this year because we have not solved the problem.

Mr. President, \$1 trillion is not enough. Madam President, \$4 trillion is not enough. Depending on how you calculate the debt that has been projected to accrue over the next 10 years, it is somewhere between \$9 and \$13 trillion. So \$1 trillion is not going to do anything to change the disastrous debt course we are on.

By the way, the President—I want to say this because he was pretty tough last night blaming Republicans for all kinds of problems. Let me say, the Republican House passed—and I voted for in the Senate—a budget for 10 years that changes the debt course of this Republic. It puts us on a sound financial path. It reduced spending by as much as \$6 trillion over 10 years. It even reduced taxes to create more economic growth and make us more competitive in the world marketplace. It was a thoughtful, long-term, serious budget that would do real, positive things for America.

The Senate has not passed a budget, not had one marked up in the Budget Committee. The leadership here in the Senate refused to allow it to happen. Senator REID said it would be foolish to pass a budget. We have gone now over 2 years without a budget. It is unthinkable in the debt course we are on—how disastrous it is, how unsustainable it is, how unlike anything that has ever happened in our history—to have this kind of debt path and we do not have a budget.

The President said a few weeks ago: Well, I have a plan that cuts \$3 trillion. Is it like Senator REID's \$2.7 trillion plan? It was never made public. It was never spelled out. If he has a \$3 trillion plan to cut spending, well, let's see it. Maybe we could extend the debt limit more, if he is going to cut \$3 trillion in honest numbers. If he has those numbers, as he says he has—in between at-

tacking Republicans for causing all the problems—let's see them. Maybe that would be a basis for something.

But I suspect it is no more accurate than this plan because when the President proposed his budget, as the law required him to do, early in the year, he said: My budget calls on us as Americans to live within our means and to not increase the debt, when according to the Congressional Budget Office, the lowest single budget deficit that would occur under his 10-year budget would be \$750 billion—nowhere close to a balanced budget—and in the out years that deficit would be going up. So I will challenge the President, if he has a \$3 trillion plan, let's see it.

Some people say we need to raise the debt limit for a longer period of time and we cannot afford to have a short term increase. They say this is somehow a wrong thing to do, and so forth. I would point out to my colleagues, it is not unusual at all. A \$2.7 trillion increase in the debt—if that were to occur—would be very high. It would be a 19-percent increase in the current debt limit, putting the debt limit 50-percent higher than when President Obama took office. It would be the largest debt increase in history, the fourth debt limit increase during President Obama's tenure in office, the fourth time it has been raised. So this is not unusual.

I warned from the beginning that if we skirted the legislative process in favor of closed-door White House meetings and so forth, we would find ourselves in the eleventh hour with gimmick-filled legislation being rushed through a panic-driven Senate. This is not responsible governance from our leadership here in the Senate.

As I feared and as I have just described, the majority leader's bill has not achieved close to the promised savings he says it would. From the \$2.7 trillion in cuts claimed, the troop-spending cuts in the proposal are closer to \$1 trillion over 10 years—less than a third of what was advertised—while he is asking for a nearly \$3 trillion increase in the debt limit. Spending cuts next year would be only \$3 billion less than the enacted amount for 2011. This falls short of the idea that a dollar in cuts should accompany a dollar in debt limit increase. Senator REID's proposal is structured in a way that is clearly designed to further degrade and undermine the budgetary process of the Senate, and it allows the majority not to have to come forward and produce a budget plan.

Given the late hour, rather than rush through legislation to the President—the largest debt ceiling increase in history—we should pursue a more responsible approach, a short-term extension with real cuts through the immediate time period the extension covers, not 10 years down the road. Then, using the extra time we have, Congress should pursue a binding framework, such as the cut, cap, and balance plan, to bring these gimmicks to an end and to alter

our debt course. We should try the one thing we refused to do from the beginning: open hearings, regular order, and a real legislative process and public participation.

I yield the floor.

IRAN'S NUCLEAR PROGRAM

Mr. KYL. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the July 21 edition of the Washington Post. I completely agree with this editorial.

The metric is not how many long overdue individual sanctions are made. We must instead be focused on our goal: preventing the acquisition of a nuclear weapons capability by the Islamic Republic of Iran.

I fear we are spiraling at an accelerating speed to the point when we have but one option left to stop the Islamic Republic of Iran's illegal nuclear weapons ambitions. If that happens, history will judge that we were put into this position by our own failure to avail ourselves of other options while we still had them.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, July 21, 2011]
SANCTIONS AREN'T SLOWING IRAN'S NUCLEAR PROGRESS

According to a recent story in The Post, the Obama administration is "quietly toasting" the success of international sanctions against Iran. The Islamic republic is having increasing difficulty arranging imports, including food, and the central bank is reportedly short of hard currency. Billions of dollars in foreign investment projects have been canceled, and few banks, insurance companies or shipping firms are willing to do business with Tehran.

There are also signs of political stress. President Mahmoud Ahmadinejad is bitterly at odds with conservative clergy and a majority of parliament and appears to have lost the support of Supreme Leader Ayatollah Ali Khamenei. Iran's closest ally, the Syrian regime of Bashar al-Assad, is slowly but steadily losing ground to a popular uprising, raising the prospect that Iran's once-firm foothold in the Arab Middle East will be reduced to an isolated Hezbollah militia in Lebanon.

We don't begrudge the White House a toast or two over these developments; the administration has worked hard and relatively effectively to make the sanctions work. But it's important to note a stubborn reality: There has been no change in Iran's drive for nuclear weapons or in its aggressive efforts to drive the United States out of the Middle East.

If anything, Tehran has recently grown bolder. Last month it announced plans to triple its capacity to produce uranium enriched to the level of 20 percent—a far higher degree of processing than is needed to produce nuclear energy. Western diplomats and experts say that Iran is preparing, and may have already begun, to install a new generation of powerful centrifuges in a plant built into a mountain near the city of Qom. As British Foreign Secretary William Hague wrote in an op-ed published by the Guardian last week, it would take only two to three months to convert uranium enriched at Qom into weapons-grade material. That means that Iran could have a "breakout" capacity allowing it to quickly produce a weapon when it chose to do so.

Mr. Hague told the British Parliament last month that Iran also has been secretly testing medium-range missiles capable of carrying a nuclear warhead. Britain believes there have been three such tests since October. Meanwhile, Iranian-backed militias have launched a new offensive against U.S. forces in Iraq. According to Defense Secretary Leon Panetta and other senior officials, Tehran has supplied sophisticated rockets and roadside bombs for attacks on U.S. troops, 15 of whom were killed during June.

Iran's ability to sustain its nuclear program and its meddling in Iraq reflect the fact that these initiatives are controlled by the Revolutionary Guard, which has not been affected by the political feuding in Tehran and has first claim on the oil revenue that Iran continues to reap. Economic and political hardship also has had no apparent impact on Mr. Khamenei, who has maintained the regime's refusal even to negotiate with the U.N. Security Council, much less obey its resolutions.

The bottom line is that the threat from Iran is not diminishing but growing. Where is the policy to reverse that alarming trend?

DEFENSE CUTS

Mr. KYL. Mr. President, I ask unanimous consent to have printed in the RECORD a piece from Politico by my colleagues in the House, Chairman FORBES, Chairman TURNER, Congressman BISHOP, and Congressman CONAWAY.

I fundamentally disagree with the President when he said in a recent interview with NPR:

A lot of the spending cuts that we're making should be around areas like defense spending as opposed to food stamps.

I wish the President would listen to the advice of Secretary Gates, who said in his AEI speech this May:

I revisit this history because it leads to an important point for the future: when it comes to our military modernization accounts, the proverbial "low hanging fruit"—those weapons and other programs considered most questionable—have not only been plucked, they have been stomped on and crushed. What remains are much-needed capabilities—relating to air superiority and mobility, long-range strike, nuclear deterrence, maritime access, space and cyber warfare, ground forces, intelligence, surveillance and reconnaissance—that our nation's civilian and military leadership deem absolutely critical.

My colleagues in the House are absolutely right when they wrote:

The time to draw a line in the sand, and go on the offense to support national security must be now.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From Politico, July 25, 2011]

ON THE OFFENSE OVER DEFENSE CUTS

(By Representatives J. Randy Forbes, Michael Turner, Rob Bishop, and Mike Conaway)

America's all-volunteer military is the most well-trained, well-equipped fighting force the world has ever seen. But the strength of our armed forces should not be taken for granted.

Without sustained investments in our troops and their equipment, the military

power our nation now wields in defense of our security—including our economic security—will slowly be hollowed out. The result is likely to be an America that can go fewer places and do fewer things in defense of its global interests.

While that may sound good to those who remain uncomfortable with America's leadership role in the world, starving the military will not make us any safer, given the global demands on our security interests.

The U.S. military confronts readiness shortfalls and a growing array of risks and security challenges. That is why I am deeply concerned about the avalanche of military spending cuts being discussed—from President Barack Obama's \$400 billion proposal to the Senate's Gang of Six proposal that could cut up to \$886 billion.

The time to draw a line in the sand, and go on the offense to support national security must be now.

Let's be clear: Defense spending is not what put us in this position, and gutting the defense budget to pay the bills is unlikely to get us out of it. As a percentage of our gross domestic product, the defense budget remains just 3.6 percent. This figure is low by all historical standards.

Even if we start slashing major portions of the budget—say \$50 billion each year over the next decade—that figure would still only add up to a fraction of the nation's debt. Yet the additional risk to the nation could be substantial.

Today's military is worn out from a decade of operations that have pushed already aging platforms to the edge. More than half the Navy's deployed aircraft are not fully combat ready, as we recently discovered at a House Armed Services Readiness Subcommittee hearing, and approximately one in five of our Navy ships are deemed unsatisfactory or mission degraded.

With known shortfalls in the Navy maintenance accounts, the Defense Department would be severely challenged to meet the expected service life of its equipment. Even more concerning are the assessments from our Combatant Commanders in the unclassified portion of the Quarterly Readiness Report to Congress. This paints a distressing picture of a military stretched thin by nearly 10 years of war and a sustained lack of resources.

Even as our forces have been aged rapidly by the high tempo of operations in the past decade, the president has cancelled a generation of weapons programs in just the last two years. While much of the nation has smart phones and iPads, the Army is still operating on an Atari-like system.

With readiness shortfalls and pressure to modernize aging platforms, how can we pretend we can defend the country with even more defense cuts? Our national defense planning must be based on an open and objective review of the threats we face and the resources required to meet them. Unfortunately, we now have that process in reverse.

In many ways, it's like a family who is about to purchase a new home. The correct course would be to have an inspector look at the house and tell the family what the problems are and what they will cost to fix. What if, instead, that family told the inspector that they only had \$1,000, and they wanted the inspector to go through and identify only \$1,000 worth of problems to fix?

This is analogous to the way the Defense Department and the Obama administration expect Congress to approach national defense. They dictate how much we will spend on defense without fully and objectively detailing the risks we face, or the choices we must make.

This wouldn't be a sensible course for the new homeowners. So why does it pass as acceptable for managing our national security?