

against its employees for their exercising a legal right to organize and bargain collectively as a union.

Did Boeing retaliate against them for doing that? I don't know. My Republican friends seem to think they know. But it should go through the process before the administrative law judge, and that finding can be appealed by either side—management or labor—and it goes to the NLRB, and then they make a decision, which could be appealed to the Federal appeals court or circuit court. That decision can be appealed to the Supreme Court. Yet the Republicans want to interfere in that process and make it a political decision as to whether this case should go forward. Just as they are wrong to try to change the rules in the middle of a case going forward to benefit Boeing, what is happening now with the FAA is also wrong. They are trying to interfere in the reauthorization of the Federal Aviation Administration to change a rule from the National Mediation Board.

The other day, one of my colleagues was talking about when are we going to stop doing favors for the union bosses or big unions or something like that. I never thought the National Mediation Board rule was a favor to a union. I always looked upon it as a fair decision, regulation, to make it in line with the National Labor Relations Act. Why should we have two separate kinds of election procedures for forming a union in this country? Take it to the American people. It is common sense. I think that most people would say that someone who doesn't vote shouldn't be counted as a "no" vote? As I said, we don't do that in the National Labor Relations Act. We have had this sort of anomaly for years. We finally tried to get it straightened out, and that is what is costing us these jobs and \$25 million a day.

There is another issue they have brought up, and that is the essential air service at a number of small airports. We can debate that. We can talk about essential air service to small airports. The bill would eliminate it. That is about \$16 million a year—\$16 million a year—that it would save. Clearly, that is not what the Republicans care about. Every week—every week—they hold up the FAA reauthorization, it is costing the Federal Government some \$150 million in uncollected taxes to support our airports. So in order to save \$16 million a year, they are willing to cost the government \$150 million a week. Boy, that is some kind of economics on the part of my Republican friends. So strictly from a budget perspective, the House's obstructionism is not just absurd, it is grossly counterproductive.

Again, this is uncalled for, what they are doing, to hold up the FAA reauthorization. As I said, we are now going into the sixth day, and it is going to have an effect on air travel. It is going to have a profound effect on air travel the longer this plays out. So I ask the

House Republican leadership to get off of this obstructionism—get off of this—and let us deal forthrightly on the bill before us—which is the FAA reauthorization—and quit trying to overturn this rule of the National Mediation Board.

On essential air service, I think there are probably some compromises that can be made. There are some adjustments and modifications that can be made. I think that is probably so. We ought to work in good will in doing that on the longer term bill. But it is not right to hold up the FAA reauthorization right now on either the essential air service objections or their trying to overturn the decision of the National Mediation Board.

Again, I want to thank Senator ROCKEFELLER for his leadership on this issue and for his vigorous opposition to the House Republicans' effort both to eliminate totally essential air service and to try to do a backdoor, end run around the National Mediation Board's rule on providing for fair elections for those who seek to belong and to form a union in the airline or railway industry.

With that, Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mrs. SHAHEEN. Madam President, let me begin by applauding Senator HARKIN, my colleague from Iowa, for his comments relative to the FAA and the need to put the people who are out of work back to work and to get the FAA reauthorization done. It has been way too long.

We have a number of people who staff the tower that deals with air traffic coming into the United States north of Boston. That tower is in New Hampshire. We have people out of work. We need to get them back to work and we need to see this legislation done and moving forward.

DEBT DEFAULT

Mrs. SHAHEEN. Madam President, I came to the floor this afternoon because the United States Government is now less than 1 week away from defaulting on its obligations for the first time in our history. As we have heard from economists and business leaders across the country, a default could result in hundreds of thousands of lost jobs and in higher interest rates for every American, yet we are still debating whether we should avoid default. It is a very dangerous game, and we are risking permanent harm to the American economy.

I want to examine one consequence of default for a minute. All three credit rating agencies—S&P, Moody's, and Fitch—have said a default would automatically result in a lower credit rating for the U.S. Government. I think we all understand the principle of credit rating. It is like the credit scores on record for most of us in our personal lives. The better we have been about

paying our debts in the past, the better our credit score. When we go to buy a house or a car, when we ask for a loan, the bank looks at that credit score and decides how much interest to charge us. The worse we have been at paying our debts in the past, the lower our score and the more money we pay in interest.

The credit rating agencies are keeping a credit score on the U.S. Government. So far, it has been perfect. The United States has never failed to pay its debts. That is why we have the lowest interest rates in the world, and loaning money to the U.S. Government is considered the world's safest investment. With a default, that would all change. And here is the key: It would change in just minutes, and that change would last for generations. If we default, the credit rating agencies will lower our credit rating immediately.

I recently had a conversation with Martin Regalia, the chief economist of the U.S. Chamber of Commerce. In that conversation he said the market reaction to default would take "nanoseconds." Once we have defaulted, we can never unring that bell. Our special status as the world's safest investment may never return. We will have increased our interest rates for decades to come and maybe even longer. JPMorgan Chase said this week that a lower credit rating could cost our government \$100 billion a year in interest.

This is the worst kind of wasteful spending because that money wouldn't be going to investments in our economy or to secure a better future for our children. It would go to nothing. It would do nothing. It would be money down the drain.

We have a path forward. It is the plan that has recently been proposed by Senator REID. There are a lot of things about this plan I don't like. I am concerned because I don't think it takes a balanced approach toward deficit reduction that I have long called for, and I am disappointed that it lacks the \$4 trillion in deficit reduction we need. But I am ready to support it. And because all the cuts in this bill are cuts that Republicans have already supported, they should be prepared to support this plan too.

The Reid plan would cut at least \$2.2 trillion of our debt while allowing us to avoid default through the end of next year. These two elements are crucial to avoiding the lower credit rating we have been hearing raised as a concern. We need to provide the markets with some long-term certainty that will avoid default, and some proof we can deal seriously with our long-term deficits and debt.

A short-term, 6-month increase, as proposed in the House, would kick the can down the road. It won't prevent a lower credit rating. We need to end this constant threat of default which is paralyzing our government and our economy. The Reid plan achieves this through a combination of cuts to our

domestic spending, reduced spending on the wars in Afghanistan and Iraq, and through targeted cuts to mandatory spending. It doesn't raise taxes, and it doesn't touch Medicare, Medicaid, or Social Security.

Again, this is not a perfect plan. I have been on the floor many times in favor of a balanced package that includes cuts to spending—domestic, defense, and mandatory—but also includes increased revenues. The Reid plan doesn't achieve those goals, but I do have hope that we will get there eventually.

This is not a proposal I would have written, but I am 1 of 100 Members of the Senate and 1 of 535 Members of Congress, so I don't get everything I want. None of us here in Congress get everything we want. That is the nature of compromise. That is the nature of democracy. That is why the Framers of the Constitution created checks and balances in government. That is why they created two Chambers in Congress and three branches of government. When you are a leader in government, you don't have the luxury of drawing a line in the sand and walking away. You have to be prepared to stay at the table and to give up something.

I have just laid out what I and I believe many of my colleagues are willing to give up in this proposal—our demand for a comprehensive balanced plan to reduce the deficit. In exchange, I am willing to accept a plan that includes more cuts than any other plan on the table. These are cuts that 40 of our colleagues on the other side of the aisle have already supported. This is a plan that I think neither side is going to love but both sides should be able to accept. It is a plan that gets the job done.

We here in the Senate and in Congress have to get the job done, so I urge that we come to the table, we adopt a compromise, and we put this debt ceiling vote behind us.

Madam President, I yield the floor.

The PRESIDING OFFICER. The majority leader.

Mr. REID. Madam President, we are not in a quorum call?

The PRESIDING OFFICER. Correct.

Mr. REID. It is a rare occasion.

ECONOMIC STABILITY

Mr. REID. Madam President, today the House of Representatives will vote on Speaker BOEHNER's short-term plan to raise the debt ceiling. As soon as the House completes its vote tonight, or this afternoon, the Senate will move to take up the message they send to us. It will be defeated. They know that, and the American people now should understand that clearly.

No Democrat will vote for a short-term bandaid approach that will put our economy at risk and put the Nation back in the untenable situation we are in today in just a few short months from now. Economists have said a short-term arrangement holds many of

the same risks as a technical default. Democrats are not willing to put our economy on the line for something such as that. It is something we cannot do for the good of the country. Our economy and the financial markets desperately need stability. Speaker BOEHNER's bill does not provide either. It does not provide stability, and it certainly doesn't help our economy in any way.

I believe it is time for the tea party Republicans to stop resisting compromise. They must join Democrats and Republicans of good will to put the economy ahead of politics.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. Madam President, I wish to underscore what the leader has said.

The bottom line is very simple. Speaker BOEHNER is busy twisting arms right now to try to get his bill passed through the House, but it is a futile gesture because that bill is not going to pass the Senate. We have made that clear in the letter that 53 of us signed yesterday, and nothing has changed. The idea that we will take BOEHNER's bill and pass it or take BOEHNER's bill and tweak it and pass it is not what is going to happen. So we would urge Speaker BOEHNER and all of our Republican colleagues to sit down and negotiate.

Throwing a hot potato over to us that will not pass just delays things a day, and we are simply 4 days away from one of the worst financial catastrophes that could face this country; namely, for the first time in our 230-year history, a refusal to pay the debt. That means the time for these kinds of political games and political posturing is over.

Speaker BOEHNER is having a rough time getting the votes over there, but my guess is he will. But it will not make a darned bit of difference. It will not make a darned bit of difference because it is not going to pass this house, the Senate. It will not pass because a short-term extension risks the same things that no extension risks: a downgrade, a lack of confidence in the markets, and gridlock. We have seen gridlock up to now; 3, 4, 5, 6 months from now the same gridlock will occur. We cannot play with this kind of risky fire.

So our plea to the Speaker is stop continuing to throw pieces of red meat after red meat after red meat, piece after piece after piece of red meat to that rightwing lion in your caucus. Start taming the lion. That is what you have to do because otherwise that lion will devour you and devour the economy of our country.

The kind of narrow ideological approach that we have seen in the House will not get us anywhere. The shame of it all is that not every Member of the House, and I don't believe the Speaker, has that ideology, the sort of my-way-or-no-way ideology, the no-compromise ideology, and it is time to break free.

It is time to do what is good for the country.

A short-term solution will not work. The leader has just made clear that as soon as the House passes its bill, it will be defeated in the Senate. Let's not waste 5, 6, 7, 8 more hours. Let's start negotiating something that will save this country from potential financial catastrophe now.

Mr. HARKIN. Will the Senator yield for a question?

Mr. SCHUMER. I would be happy to yield to my friend from Iowa.

Mr. HARKIN. I thank the Senator from New York for his very lucid remarks and for his great leadership in trying to get through this mess.

I say to my friend, a lot of people in the country are looking and thinking that this is some kind of food fight; that somehow everybody is to blame for this here in Washington.

I ask my friend, the Senator from New York, isn't it true that there are some 50 members of the Republican caucus in the House who have said forthrightly that they will not vote to raise the debt ceiling under any circumstance? One of those, of course, being Representative BACHMANN, who is seeking the Presidential nomination on their ticket, said she would not vote to raise it under any circumstance.

Does the Senator know of any one Democrat, either in the House or the Senate, who has said they would not vote to raise the debt ceiling under any circumstance? I ask the Senator, is there one? I have not been able to find one.

Mr. SCHUMER. I thank my colleague from Iowa for the question. I concur in his findings. I haven't found one either.

Democrats know we have different views on this side of the aisle, and many of us would write deficit-reduction bills differently than some others of us would. But we realize that to let the debt ceiling lapse would be a disaster to not raise it. So I have not heard of a single Democrat who has said the debt ceiling ought to lapse, and I have heard scores of Republicans, elected, official Republicans and thousands of others and groups in that rightwing firmament pushing their members to let this debt ceiling lapse.

My guess is—and God forbid it happens; and we are doing everything we can to prevent it from happening—they will retract that language or they will find ways to explain what they meant because their analysis that it doesn't matter or it will not do much harm is, unfortunately, dead wrong.

Mr. HARKIN. If the Senator will yield for another question. Again, there is a lot of misunderstanding—and I sympathize with this—among the general populous that somehow raising the debt ceiling means that somehow we can go and borrow more money in the future and go further in debt.

Isn't it true that raising the debt ceiling just simply means that we are going to pay for what so many of us, Republicans and Democrats, have