

First, for the record to be clear, it is my understanding this measure—and there is no question the Senator from Illinois has put a great deal of work into this. All his motives are absolutely commendable and legitimate. The measure itself, I believe, has not gone through a markup in the Banking Committee. There are many Members who have serious concerns about this particular bill for which the unanimous consent request is being made.

More broadly, about the Ex-Im Bank—in fact, I would argue this bill and this unanimous consent request puts a light on one of the concerns many of us have with the Ex-Im Bank in the first place. Let's remember what the Ex-Im Bank is. This is a taxpayer subsidy for large corporations to export products. I am a big fan of trade. I am a big fan of exports. I am not a fan of taxpayers having to subsidize the activity, and some of us, myself very much included, believe it ought to be a very high priority of this and any other administration to work for the mutual end of these taxpayer-subsidized export vehicles all around the world. They exist in other places as well, and that is the excuse that is usually given for why we have to also subsidize our corporations on their exports. I don't think that is a very good argument. I would certainly prefer to see a broad curtailment and eventually the end of this process; whereby, Europeans and Asians and Americans all engage in this flawed policy of subsidizing their respective corporations' export efforts.

Here is what happens with this bill, and this is exactly the kind of thing that happens when the government sets up a political venture to engage in economic activity. It gets politicized. Someone comes along with perfectly good motives and good intentions and decides there is some category of activity that is more important than other categories of activity. In this case, it is a geographical prioritization that the Senator from Illinois wishes to make by requiring a certain amount of business be transacted in Africa. I suspect there are people in this body and in other places who would make similarly persuasive arguments that there are places in Asia that ought to get this special treatment which the Senator from Illinois is recommending, and there are other people who would suggest maybe it shouldn't be a geographically based preference, but it ought to be a product line-based preference or it ought to be driven by the number of American workers who are involved in whatever it is that is being exported.

I can imagine all kinds of export criteria by which political forces could decide that the Ex-Im Bank ought to have special treatment in special categories, all of which simply distorts the normal market activities that would actually optimize exports, economic growth, and job creation.

So despite all the good intentions and the hard work done by the Senator

from Illinois, I think this specific policy would be a mistake. More broadly, I think we are not yet on the right path of curtailing the taxpayer obligation for these export subsidies.

For that reason, I object.

The PRESIDING OFFICER. Objection is heard.

The Senator from Illinois.

Mr. DURBIN. Mr. President, I wish to clarify a few things. The Parliamentarian referred the bill to the Senate Foreign Relations Committee. It was reported favorably by that committee. It was referred to the Senate Banking Committee, but I made a point with Senator BOOZMAN, our colleague on the Republican side, of taking this bill to the Banking Committee, which clearly shows this is not an attempt to go around this committee. I have the greatest respect for the Members of the Banking Committee on both sides and we have done our best to work with them.

Secondly, this argument that we have to get out of the business of having government support for business activity is a naive argument. Let me give just a couple numbers to reflect on, when it comes to the future of our chances of American businesses working successfully to export to Africa.

Right now, the Export-Import Bank of the United States has supplied the support of about \$1 trillion in 2011 for all exports to Africa. Some of these are guarantees on loans. Some of them allow for lower interest rates because the guarantees do exist. But let me tell my colleagues what is happening with the Chinese at the same time. While we are putting in \$1 trillion in Africa, the Chinese are putting in \$12 trillion. Who is going to win that competition? When it is all over, who will win that competition? By a margin of 12 to 1 the Chinese will win it. Many of those who say they support business and new jobs for America basically want to abandon the field and walk away from it. They want to let the Chinese take it away: We are going to play free market, that is all; no government involvement. We are just going to have a flatout arms' length transaction with these countries—and we will end up with fewer jobs in America, fewer exports to Africa, fewer businesses working on that continent.

Some people say: Why did you pick Africa? Of all the places, we could have picked Asia or all these different places. When we take a look at the indicators, the African Continent is undergoing a period of rapid growth and middle-class development that most Americans aren't even aware of. In the year 2000, 6.7 percent of the population of Africa had access to the Internet. Talk about the Dark Ages: 6.7 percent, in 2000. By 2009, it had grown from 6.7 percent to 27.1 percent of the population with access to the Internet. Seventy-eight percent of Africa's rural population now has access to clean water. Our images of a backward continent are just plain wrong. Our oppor-

tunities are unlimited but not if we ignore the reality. The Chinese are going to outthink us and outwork us and we are going to lose and we will ultimately say: We are pure of heart. We are not going to have our government in this. The Chinese may want to do it. We will just give up the jobs that could have come to America. We will give up the opportunity for businesses to export to Africa from the United States. What a terrible outcome that is. It truly is shortsighted. It argues for a good economic theory but one that doesn't reflect the reality of the world we live in today.

After all these months of hard work by a bipartisan group of Senators and Congressmen, we come down to one objection. That is how the Senate works. I know it and I respect it. Each Senator has a right to make an objection. I wish to applaud my colleague from Pennsylvania for coming to the floor and saying it in his own words. Many times this is done in secrecy without any disclosure of who is behind a hold or an objection, and I salute the Senator from Pennsylvania for his honesty in coming to the floor, even though we obviously disagree on this important issue.

#### THE FISCAL CLIFF

Mr. DURBIN. Mr. President, it is hard to imagine we are a little over 24 hours away from going over the so-called fiscal cliff, which occurs at midnight on December 31—tomorrow. This cliff is self-imposed. It is a penalty we voted for if we fail to deal with the deficit our Nation faces. Unfortunately, as of this moment, we have not reached an agreement to avoid it. I haven't given up hope. Conversations and negotiations continue all through this day and I am sure into tomorrow, and I hope by the end of tomorrow night we can celebrate the end of this year and the beginning of a new year with good news for the American people.

This is exactly the wrong time for us to go over this cliff. We are in the midst of an economic recovery. We are seeing new job creation. Businesses are seeing new growth. We are seeing the kind of economic indicators we have been waiting for, for years. Going over the cliff is going to bring uncertainty to our markets and, with that uncertainty, a pullback in consumer confidence and a reduction, I am afraid, in business activity and in the creation of new jobs.

There are sensible ways to avoid it. The President has suggested one. In addition to spending cuts, we need to increase revenue to reduce our deficit. The President said let's have the tax rates which applied during the Clinton administration—a time of great economic expansion—apply to those making over \$250,000 a year. That is only 2 percent of the population, but it generates hundreds of billions of dollars in savings over a 10-year period of time. There has been resistance from the

other side of the aisle, and we are in active negotiation with the Republicans now as to what we can do to raise revenue to reduce our deficit.

We are also talking about some other elements that trouble me. One of them is the estate tax. The estate tax is a tax paid by very few Americans. Less than 1 percent of those who die each year pay anything to the Federal Government on their estates because most people don't have an estate large enough to qualify for estate tax liability.

There was a long debate for many years on this issue, and Frank Luntz and some of the Republican advisers masterfully came up with this term the "death tax" and they created this impression among a lot of people that this tax—the estate tax or death tax—would be imposed on virtually everyone. In fact, when I went to O'Hare Airport once to check in curbside, where people can do that, one of the United Airlines attendants took my baggage, saw the name tag on it, and said: Senator, please do something and protect me from the death tax. I wanted to stop and tell this hard-working gentleman he would have to win the lottery to pay the death tax, as he called it. It is reserved for a small number of people in this country who have done very well in life and end up paying a tax ultimately on the increase in value of many of the assets they bought during the course of their life.

Having said that, it has become part of our deficit negotiation. I am troubled by the notion we are somehow going to give a tax break to some 6,000 very fortunate Americans and incur a new expense for our Federal Government of some \$130 billion or \$140 billion in the process. What are we thinking? At a time when we have to try to bring together the resources to reduce our deficit, why would we want to give a new bonus break for the wealthiest people in this country when it comes to the estate tax? That, to me, would be a step backward. I hope we aren't forced into any agreement that includes it, although I stand here knowing full well if there is an ultimate compromise, there will be parts of it I find disgusting and reprehensible which I may have to swallow in the name of finding a compromise that will avoid this fiscal cliff. That is the nature of a political compromise. I hope that one isn't included, but it may be.

In addition, we have to do things that are important for this economy and one of the most important is to make sure we extend unemployment benefits for the long-term unemployed. If we don't act and act quickly, 2 million Americans will lose their unemployment benefits tomorrow—2 million. These people are literally struggling to get by and keep their families together while they look for a job. We should make sure this stimulus—the money for unemployed families—continues, so while they are trying to find a job or, in fact, going through new education

and training, they have a helping hand. That is who we are as Americans and we ought to include it in any package that avoids this fiscal cliff.

Beyond that, there is much work that needs to be done beyond the fiscal cliff. This negotiation does not go deeply into deficit reduction, and I think we need to. I was a member of the Simpson-Bowles Commission. I salute my colleague KENT CONRAD of North Dakota, who is retiring in just a few days, for his amazing leadership in bringing us to this moment in this national debate, but we still have much work to do, and I am sorry KENT will not be here to be personally part of it. I have viewed him as an almost irreplaceable resource in this debate. He knows more about our Federal budget and the deficit challenge we face than any Member of Congress, period. All the rest of us have learned so much from him, and we are certainly going to miss him.

We need to continue this effort he started to reduce the deficit. We need to look seriously at our entitlement programs so at the end of the day we meet our obligation to future generations. Social Security is solvent for 20 years. We should make it solvent for 75, and we can do it; if we face it today, we can do it. I think we ought to have a separate commission taking a look at this challenge, reporting back to Congress and entertaining alternatives and substitutes on the floor that are certified to meet the same goal. That is important.

We also know in 12 years Medicare will not have the resources it needs to meet its obligations. Forty or 50 million Americans depend on it, literally, for their life-and-death issues when it comes to health care. We need to work on that immediately to deal with reducing the cost of Medicare while still protecting the integrity and promise of that amazing program that has served us so well for almost 50 years.

We have a challenge ahead of us. First, let's work together on a bipartisan basis to try to avoid this fiscal cliff; if we cannot, let's work as quickly as we can to get back on our feet, on a bipartisan basis, and come up with an agreement that moves our economy forward. Finally, let's deal with deficit reduction and long-term entitlement reform. That is part of our obligation.

I spoke to our Senate Democratic caucus a little earlier today about the terrible problems we face in Illinois, with one of the lowest credit ratings in the Nation, primarily because our pension systems are underfunded. For more than four decades, Republican and Democratic Governors have ignored the challenge, as have many leaders in our general assembly. And now the responsibility falls on this generation of leaders to try to deal with a vexing situation where it would take literally one-third of our State budget to meet the unfunded liabilities of our pension systems.

We cannot let that happen at the Federal level. Whether it is Social Se-

curity or Medicare, we need to make the thoughtful choices, the thoughtful advances in these programs today that protect them for generations to come.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. BLUMENTHAL). The Senator from Texas.

#### THE FISCAL CLIFF

Mrs. HUTCHISON. Mr. President, we are here just hours before a looming deadline that is going to affect just about every American in some way, and I do believe both sides of the aisle and both sides of the Rotunda want to come to a conclusion that will keep us from having what looks like a complete meltdown of governing in Washington.

Someone asked the question in one of our conferences: When was the last time Congress was in session and voting between Christmas and New Year's? The answer was, since 1970 there has not been such a session. And it has actually happened only four times in the history of our country, and two of those times were dealing with World War II.

So I think the enormity of the issue is very clear, and that is why we are here. I think we should have done this 6 months ago, a year ago. I think all of us agree we should not be here at this last hour still trying to negotiate a point at which so many Americans are going to be more heavily taxed.

I was pleased to see that the distinguished deputy leader on the Democratic side talked about the three areas we have to address, and deficit reduction is most certainly one of them because we are facing a ceiling of a \$16.4 trillion debt that is getting ready to be exceeded. So, yes, deficit reduction and entitlement reform are two areas we must address.

This country cannot continue to have Social Security and Medicare spiraling toward insolvency. We cannot do it. But it is going to take a bipartisan approach. It is not rocket science to see that we have a Democratic Senate, a Republican House, and a Democratic President, and that is going to be the same starting January 3 of next year for at least 2 more years. So we know what we are dealing with, and I think it affects us right now in the fiscal cliff negotiations because we are not going to do anything unless it is bipartisan. We will not be able to pass anything in the House that does not have significant Republican votes in the Senate, and the Democrats in the Senate are not going to be able to support something that will not require some votes of Democrats in the House.

So we are together—maybe it is like a dysfunctional family, but we do have to work together because without bipartisanship, nothing is going anywhere. Therefore, I think you have to go back to negotiations 101, which is that someone in a negotiation has to win some and lose some. The other party in a negotiation has to win some