

downturn over the last few years. Many towns have encountered the closing of businesses, Main Street looks a lot less appealing, there is a shortage of health care services, and a younger generation is leaving home in search for employment. In light of these challenges, the community leaders of Stafford are taking steps to cure that town's future.

We have a chain of retail stores across our State called Duckwalls. Two years ago they announced that they were closing 20 of their stores across Kansas, and the residents of Stafford were left to drive more than 20 miles to do their routine shopping. What happens in a community like Stafford? The community leaders gathered and they raised the funds to open and operate a new store, a general store on Main Street called Stafford Mercantile.

One of the things that makes this shop unique is it is owned by the community and it features a lot of Stafford's history, including a 1928 soda fountain and the marble-topped counter. In fact, one local resident, Judy Mayes, brought her mother to that store to have ice cream from the same fountain used at their wedding reception in 1934. The new shop brings back fond memories of the past but also now brings a future for younger folks in Stafford to enjoy a store, a mercantile, and a soda fountain. The mercantile has made it possible, once again, for residents to see what can happen when they work together and now they can shop at home.

Another challenge Stafford faced was the likelihood its local hospital would have to close its doors, after more than 50 years of serving that community, due to the pressures of declining population, Medicare reimbursement rates, and the difficult financial circumstances most hospitals across Kansas now face. Access to health care services and hospitals is vital to the survival of a community. If you can't access health care in communities across my State, it is one more circumstance that creates the likelihood senior citizens will reluctantly move away to someplace where there is a doctor and a hospital, and young families will not take the risk of raising their families without access to that health care. But with more than \$½ million in debt, it seemed like, other than closing the hospital, there was no option for Stafford. But rather than throwing in the towel and giving up, the hospital got new leadership, they sought help from the folks in the county, and they worked hard to make ends meet so the hospital doors could remain open and continue that long tradition of serving the residents of Stafford County.

Many rural communities often struggle to add younger generations of residents to their workforce, given the lack of job opportunities. The superintendent of the local school district, Mary Jo Taylor, recognized this challenge in her community, and she decided to do something about it. With

the support of the leadership of the community, the citizens, the business community of the town, and the support of local teacher Natalie Clark, the Stafford Entrepreneurship and Economic Development Center was created at Stafford High School in 2003.

The goal of this center is to equip high school sophomores, juniors, and seniors with the training needed to become successful entrepreneurs. Who better to start a business in their hometown than a young person who grew up there and who is now educated and trained and has a desire for entrepreneurship? More likely that person than probably anyone else. By learning what it takes to develop and manage a small business, young people gain those valuable skills that open doors for a wide range of future employment opportunities and, most important, the opportunity to create a business at home.

As part of that learning experience, local store owners hire those students and give them hands-on experience in managing their own business. Those skills are important as those students leave high school and will help enable them to create those jobs the community of Stafford so desperately needs.

These are only a few examples of how the community of Stafford worked together to revitalize their community and pave the way for its future. Carolyn Dunn, the Stafford County Economic Development Director, summed it up this way when she said: "Stafford is proving that when communities look within themselves for growth, they do have the capability to forge a stronger, more positive future."

The community of Stafford is a success story. It is a role model. It demonstrates how teamwork and creative thinking and how caring about the future of your community can make a positive difference for that community and for all of rural America. I am proud to recognize the efforts of Stafford with what we have called the Building Better Communities Award. Today, in the Senate, I offer my congratulations and gratitude for the kind of leadership and effort among all residents of the community to see that Stafford is a good place to live today and, perhaps even more important, a great place to live tomorrow.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. COBURN. Mr. President, I ask unanimous consent to use oversized charts on the floor today because, basically, the information I have will not fit on a standard size chart and still be readable.

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

OUT OF CONTROL SPENDING

Mr. COBURN. Mr. President, in a very short period of time, we are going to be considering an increase in the debt limit. It is for a specific period of time, but it is, at a minimum, going to be \$500 billion. What is in front of our country, especially as we see negative growth in the third quarter, as reported today, and the continued printing of money by the Federal Reserve, is that there is no accountability to rein in either the size, the scope or the spending habits of the Federal Government.

Over the next 2 weeks, I am going to be very succinctly outlining \$1.35 trillion worth of spending reductions that I would imagine the vast majority of Americans would agree with me on. I am going to build the case almost every day as I come out here as to why we can't keep doing what we are doing, and I will demonstrate the stupidity in how the Federal Government is running today.

I know I will have no chance to defeat an increase in the debt limit that is coming forward. I don't expect to accomplish that. The votes are here to raise the debt limit and not do anything about our spending. But most Americans realize the Federal Government is twice the size it was 11½ years ago—twice the size. In just the last 4 years, the average family income has declined over 7½ percent. So while family income is declining, our deficits are rising. Our debt is now at almost \$16.5 trillion and we are projected to spend \$1.3 trillion more than we take in this year and we have claims by the President and others that we have already cut something from the Federal Government. The fact is, that is only true using Washington accounting.

As somebody with a degree in accounting and understanding generally accepted accounting principles, what I want America to know is the Federal Government is bigger right now than it was last year at this time. We have not spent \$1 less than we were spending last year at this time. As a matter of fact, we have spent about \$18 billion more. Is that an improvement? Yes. But the claims we have cut \$2.7 trillion from the budget are absolutely bogus. There is no truth in it. There is no reality in it. All anyone has to do is look at the amount of money we are borrowing to recognize that.

I want to lay out in sequential fashion five areas where we can, in fact, make significant changes in the Federal budget and start truly addressing our problems. These changes will have an impact of over \$1.3 trillion over the next 10 years. That doesn't solve our problem immediately, but if in fact we do this, what we will have done is to start down a long road of making the hard decisions. The decisions I will outline are not hard. They are the easy ones. But we will be starting down a road to get our country back and to secure the future of the young people sitting right down here and their children

and the expectation that opportunity could be alive and well in America.

There is coming to this country a debt bomb. There will come a time when the world will not loan us additional dollars. When that happens, the consequence of that will be rising interest rates. The Fed will no longer be able to control interest rates, and the interest rate will end up being whatever it takes, whatever the people of the world need in terms of what they require to loan us money. If we go back to historical interest rates, the average over the last 50 years on what we have borrowed—the cost per year for the debt we have today, not after the additional \$500 billion, at a minimum, we will increase with this new debt limit—will be an additional \$640 billion per year added to the must-pays coming from Congress. Once that starts, if we have made none of the adjustments, none of the changes, none of the choices of eliminating some of our wasteful and profligate spending, the next year it adds another \$150 billion on top of that. So then we would be at \$700-some billion, and pretty soon we will be in a spiral where the debt bomb explodes. That is the last place we want to go. The reason it is the last place we want to go is because the very wealthy aren't going to be harmed by that. The middle class will be destroyed, and with all the programs we have to support the lower class, we will not even be able to fund those.

It is imperative we no longer just have words. It is time for us to act. I know the administration doesn't agree with that. I know a lot of my colleagues on the other side do agree with it but will not offer up the courage that is going to be required to make the tough choices in this country.

We just increased tax rates in this country \$600 billion over the next 10 years.

I voted for that bill. But the problem isn't revenues; the problem is the size and scope of the Federal Government.

I want to spend a little bit of time showing you what the GAO—not TOM COBURN, not my oversight, not my research, but what the GAO has said about where we are in terms of stupidity and duplication. I asked permission for these oversized charts because the detail behind them cannot be seen unless you have it on a chart this size. I will go through these rather quickly so the American people can get a little bit of a flavor of the programs we have.

We have 15 different programs run by 13 different agencies in the Federal Government that cost \$30 million to teach financial literacy to the American people. No. 1, I don't think that falls within the enumerated powers. But let's assume it does. Why in the world would we have 15 sets of administrators, 15 sets of overhead, to spend \$30 million? It makes no sense whatsoever. Let's assume that is a role for the Federal Government. I disagree that it is. But why not one program? If you take away the overhead, you could

spend exactly the same amount of money teaching financial literacy and you wouldn't waste it on overhead. The savings just from this one simple program are \$15 million to \$20 million a year. The way you get to 1 billion is 1 million at a time, and the way you get to 1 trillion is 1 billion at a time.

Let's take the next program, green buildings. We have 94 separate programs run by 11 different agencies spending \$1 billion on green buildings. There is nothing wrong with incentivizing green buildings, but anybody with any common sense has to ask the question, Why does the Federal Government need 94 separate programs to incentivize green buildings? And why do we need to run it through 11 different agencies instead of 1? And why do we need to have 11 sets of overhead, administration, and costs associated with it? It makes no sense at all.

The next one, housing assistance. We have 160 programs. Nobody in the administration—nobody in the country—knows all the programs. I am probably the only one in Congress who does, because nobody else has looked at it. Twenty different agencies spending \$170 billion. If we are really interested in housing assistance, why would we have 20 sets of overhead and 20 sets of administration? And what would it cost to accomplish the same thing?

All these numbers come from the Government Accountability Office, by the way. They don't come from me.

The other part of the report is that nobody knows if these programs are working. We have no data to say that with the 160 programs we are actually making a difference on housing assistance through this expenditure of money. So we are not even asking the most basic questions a prudent person would ask—in fact, if it is our role in housing assistance—do we know what we are doing is working? And the GAO says you can't tell. There are no metrics on it. No wonder we have 160 programs. Because the first time somebody sees there is another need out there, rather than reform and oversight the programs we have, we create another one without ever looking at our housing programs.

Department of Justice grants. The Department of Justice is the only agency in the Federal Government where if they don't spend all their money every year, they get to keep it. Most people don't know that. They have 253 different grant programs, and outside of the Department of Justice are 9 other agencies involved in that. Most of these grant programs have no metrics, no measurement on them whatsoever to say whether they are actually accomplishing the purpose Congress created them for in the first place.

So if, in fact, a prudent person would say, We have these grant programs, what are they doing, what are they supposed to do, and how are they measuring up, we don't know, because we don't require the Federal Government

to measure the effectiveness of its programs.

If, in fact, it is a legitimate role for the Department of Justice and these 10 other agencies to grant taxpayer dollars to all sorts of State-based criminal defense—prison, police force, investigative—if, in fact, that is a Federal role—which, again, I would go back to the Constitution and the enumerated powers and ask the question, and I think about half of these would fail. But if it is, why would we have this many different grant programs? Why would we have this much overhead? Why would we have absolutely zero measurement on whether they are actually accomplishing their goal?

Where we have been so far, just so we know, we have \$176 billion worth of spending that is wastefully spent. It is duplicative, one overlaps the other, and we have no knowledge whatsoever about what we are doing. We know from our heart we are trying to accomplish good, but we have no capability to measure what we are doing. And that is just the first four.

Look at diesel emissions. We all want clean air. Why would we have 14 separate programs on diesel emissions run through 3 different agencies? Why not have three—one for agriculture, one for routine surface transportation, and one for stationary? That is all there is out there. There is transportation, there is agriculture, and there is stationary, and yet we have five times as many grant programs as we have utilization.

I hope America can see how incompetent we are as we allow all these things to continue.

We are going to raise the borrowing against your children. In less than a week we are going to raise the borrowing against your children, and we are not going to do anything to fix these problems. Nothing.

Early learning and childcare. We have 50 different programs, 9 different agencies on which we spend \$16 billion.

Employment assistance for disabled individuals. This is job training for disabled people. Fifty different programs run through nine different agencies, and we are going to spend \$16 billion. I think that is an appropriate thing for us to be involved in, but why in the world would we have 50 different training programs for the disabled? Nobody can answer that. There won't be a person come to the floor and answer the question of why we have 50.

What we continue to do is treat the symptoms of our disease and not the real disease. We are going to argue we should have training programs for the disabled, but we are going to deny the fact that the training programs for the disabled that we have oftentimes are marginally working. And if we streamline them and focus them, we would get a whole lot more value for our money, and we would also save money just in the overhead associated with it.

Surface transportation programs, 55, and 5 different agencies. We have a transportation bill every year. It is \$43

billion. And yet we take that money—which, by the way, isn't being adequately funded. We are stealing from other things to keep the transportation funding alive, and we run it through all this bureaucracy rather than say, We took the money from the States, it is for highways and mass transit, and give it back to them and let them prioritize it themselves. Instead, we consume a good portion of it here. We put all sorts of mandates on what they can and can't do with their own money that we collect from them and send it back to them, and then we run it through five different Federal agencies. So they are jumping through five agencies' hoops just to be able to spend their own money—their own tax money.

Support of entrepreneurs. I can guarantee you this one doesn't fit in the enumerated powers of the Constitution.

So we have 53 times that we have said, We don't care what the Constitution says, we are going to go out and support our entrepreneurs. It is not a role for the Federal Government. We are terrible at it. We don't know what we are doing at it. And yet we have 53 programs run through 4 agencies, \$2.6 billion a year, and the vast majority of it is waste and ineffectively spent.

STEM education programs. This is science, technology, engineering, and math. It is an area we need to work on. It is an area we need to incentivize. But 209 different programs, 100 or more of which are in the Defense Department? Two hundred nine programs to incentivize science, technology, engineering, and math? How about a couple of them that really work, that really create the incentives people will really go after that you can really manage and measure whether they are effective—\$3.1 billion a year.

This is just the first of what the GAO has so far outlined, at the request of my office, which became a law which forced GAO to have to do it.

Just a little history on this. Three years ago I asked the Government Accountability Office and Congressional Research Services, Tell me every program in the Federal Government. And both of them said, Impossible; we can't do it. The Congressional Research Service said: We can't do it. We do not have the capability to do it.

So I put into statute a law mandating that the Government Accountability Office over a period of 3 years will identify and seek out every Federal program, and notify Congress where they overlap. So that is how we have gotten this information thus far. In April of this year, we will get the last third. There is no doubt in my mind at all that we are wasting at least \$200 billion a year through duplication coming from the Federal Government.

Think about that for a minute. If I am right—and I dare anybody to come down here and challenge me on it—that is \$2 trillion over the next 10 years.

That is 18 percent of our deficit this year.

The question you have to ask is, Where is Congress? Why aren't they doing something about this? We passed one bill out of the Senate in the last 3 years associated with this—it got thrown out in conference—that saved \$5 billion. We could easily save \$20 billion to \$30 billion with minimal work.

I know it is much greater than that. There will be controversy as you go up. But the fact that we have done nothing addressing these issues tells you that there is a problem in Congress in terms of facing reality.

It also tells you there is a problem in Congress in that the political is much more important than the country; that we dare not offend anybody who is a partaker of any of these programs, especially the people who are employed in the administration in the implementation of these programs—even though some programs have 250 or 209 duplications.

We have met the enemy, and the enemy is the U.S. Senate and the U.S. Congress.

Let me go to the next list.

Unmanned aircraft programs. There is no question in terms of our warfighting and our intelligence services that our unmanned capability has been a tremendous asset to us. But somebody needs to ask the question, Why do we have 15 different sets of programs run from 5 different agencies costing us \$37 billion over 5 years? Where is the explanation for that? Where is the idea that we might concentrate expertise in one or two areas or three areas or four? But to have 15 separate programs means we are wasting money and getting less out of the research and less out of the dollars we invested than if we were to streamline those programs and limit them to targeted objectives. But we refuse to do that.

Domestic food assistance, 18 different programs, 3 agencies; homeless programs, 21 different programs, 7 agencies, \$2.9 billion; transportation services for transportation-disadvantaged persons—that is something we ought to be involved in. I don't have any problem with that. But 80 programs, each with their own overhead, each with their own set of rules that communities have to comply with? Why would we not want to say: How do we make this 20 programs, make it more effective, eliminate the overhead and save the difference? We don't have to cut money. What we have to do is save money, and we could have exactly the same result through efficiency and smart planning by eliminating duplication.

In my hometown there are 78 different programs for transportation for these people that they can access, lapping over each other. It is not that we should not be doing it, but what about the saving? Are we in a crunch or not? Are we going to continue to stick our heads in the sand and say we don't

have a difficult time in front of us in terms of our financing the basic needs for our Federal Government?

We are less than 8 years away, where Medicare, Medicaid, Social Security, and interest on the debt will consume every penny of tax revenue this country has. That is less than 8 years away, if we make it that long, before we have hyperinflation. Why would we in Congress not start addressing these very real needs?

Job training and employment—47 different programs, \$18 billion a year, 9 different agencies. In the House subcommittee, Chairwoman VIRGINIA FOXX, last year, I think, took about 35 of these programs and converted them into 6. She did not look at all of them because she did not have the authority or jurisdiction in her committee. It is the only thing that has been done in the last 3 years that addresses anything the GAO has said. Yet we will not even take it up. Saving billions of dollars a year and improving the job training programs, yet we will not take it up. It is not a priority for the HELP Committee.

Teacher quality—82 different programs. We have 82 programs to improve the quality of teachers. Remember, we have a Department of Education, but nine other agencies have teacher improvement programs. Why would we have agencies outside the Department of Education running teacher improvement programs? Is it because some Congressman or Senator wanted a program named after them? Maybe they saw a need and did not want to put it in with the other ones so we expanded it. So we expanded overhead and we expanded the costs and we decreased the efficiency.

I would also make note that Thomas Jefferson, in his inaugural address, addressed the American people when it came to the Federal Government and education. Here is what he said: In order for the Federal Government to be involved in education, you must make an amendment to the United States Constitution.

I don't know a greater authority, other than maybe Madison and Monroe, on the Constitution. But here is one of the authors. In his own inaugural address as President of the United States, he said we have no business being in education. Just so I might enlighten my colleagues and the American people, since the Department of Education was founded, we have spent in excess of \$2 trillion of Federal taxpayer money, and there is not one parameter that we can measure that is better than when we started. Not one—we cannot find one parameter that is better than when we started.

So there was wisdom in our Founders. We have great hearts, but we are not very good at some things, and this is one of them that we are not very good at. Yet here we have 82 different programs from 10 different agencies.

Food safety—a legitimate role for the Federal Government. We have done

some work improving food safety in the last few years, but we have multiple agencies. Do you realize if you buy a cheese pizza that the FDA doesn't have any control over that, but if you buy a meat pizza the FDA controls the food quality? But the cheese pizza, that is not FDA. So the Agriculture Department takes care of one pizza and the FDA takes care of another one. Does that make any sense to anybody in America? Yet we do not have one agency totally responsible for food safety in this country. Instead, we have 15 different agencies with 30 different programs, and the cost of food goes up—not because we are markedly improving food safety, but we are markedly increasing the regulations and requirements from 15 different agencies. There are all sorts of hidden costs in this as well.

Military and veterans health service. I want you to think about this for a minute. We have a Pentagon and we have a Veterans' Administration, two agencies. But we have four different agencies involved in veterans and military health care. Why is that? Can anybody explain that? What is the purpose of that? Why do we have three different sets of rules and regulations within the Pentagon for health care: one for the Army, one for the Navy, and one for the Air Force? All of them are different. They are still taking care of the same diseases among the same group of people, but we are a bureaucracy. Rather than one organization running that we have three giant organizations running that. How stupid is that? Is that pride of keeping everything within the Air Force or in the Navy or in the Army?

When we are facing a \$1.3 trillion deficit this year—that is what it is going to be at a minimum—why would we not streamline that? Why wouldn't we ask the hard questions? Why wouldn't we do the things aligned with common sense and prudence instead of a political spoils system?

Economic development—4 different agencies, 80 separate programs, tons of waste, tons of duplication, tons of overlap, tons of fraud. When we have 80 programs, or 85 programs, and the bureaucracies cannot manage them, the gamblers come in. The Federal Government this year will create over \$800 billion worth of grants. I want us to think about that for a minute. Somewhere between one-fourth and one-fifth of our budget will go out of here in terms of grants. There is only one agency that oversees their grants effectively and smartly. The rest of the grants are totally not overseen—effectively. We work at it a little bit.

If we think about it, one-fifth of the Federal budget is run out of Washington in terms of grants that have requirements on them, that have time lines on them, that have specifics on them, and nobody is watching them.

Do you know what happens when you go to look at those? What you find is fraud, mismanagement, some accom-

plishing exactly what they were supposed to but not in the time, some underbudget, but the money never gets sent back to the Federal Government; some grant money that is sent out and a penny is never spent, and it is lost out there so it is never recaptured. There are hundreds of billions of dollars of grant money sitting out there that have never been used and never been pulled back to the Federal Government. Why is that? That means hundreds of billions of dollars that we are going to borrow because we have moneys that we do not manage effectively.

Let me just do the third one, and I will wind up in a little bit, and I will come back tomorrow and talk about the details of these. Here is the third sheet. I suspect when we get the report, April 1, from the GAO, I will have another two sheets.

When we start adding up this money, we get real money. We get hundreds of billions of dollars that we are wasting. But nobody is working on it.

Reducing reliance on petroleum fuel for the Federal fleet. We have 20 agencies working on that, but we only have 5 programs. So we have 20 sets of bureaucrats and administrations and everything else for 5 programs, and we are spending—it is not a lot of money in terms of Washington money, but fuel efficiency for the Federal fleet? We put in new CAFE standards. We could replace this \$50 million and say, you would not buy an automobile that doesn't have X mileage; you will limit trips. We can do lots of management things to eliminate the need for a program like this just through sound management and proper management.

Electronic health records system for veterans and the military. The VA has a pretty good program. We have two different agencies, the VA and the military, the Pentagon. We have 10 separate programs. We are spending all this money at the Pentagon right now on electronic medical records when we have a system already at the VA that they could have adopted. Are we just doing one? No. We are doing different ones for each branch of the service.

It makes you want to throw your hands up and get sick to your stomach when you think about what we are doing today that we should stop doing so we protect the future of this country.

Here is an area that I have looked at closely, preparedness grants. Remember when FEMA was started 10, 11 years ago—maybe 15 years ago—preparedness grants, we built all this up so we could prepare for catastrophes—right? We have been doing this a number of years, well over a decade, maybe almost two. Why do we continue to need more preparedness grants?

I have not done this yet, but we plan on going back to look at all the money that has gone out for preparedness. But we just passed a Sandy bill, and 64 percent of the money is going to be spent on preparedness and mitigation for the

future on 50-year events. Yet we are continuing to spend money every year on preparedness. Is there ever a time at which we get prepared, that we can stop spending money? That is a question the average American would probably ask: Is there a point in time when we have prepared enough? Or can we spend enough money to totally prepare against anything? And, of course, the answer is no. So how much is enough? How much is prudent, given our budget situation today.

Anyhow, I think you can see, just from this limited list of words—and this is just one section of what I am going to be talking about. Duplication. I am going to be talking about health care. I am going to be talking about the Defense Department. Republicans have a blind eye to the waste in the Defense Department and the mismanagement and the duplication and the swinging revolving door from retired military officers to the very companies that end up getting the contracts that pay their salaries to get another contract to keep going on things that necessarily are not priorities.

Let me just take an example for a moment, if I can. This is the best one. Here is green buildings. Here are all the programs on green buildings. Does any of that make sense? That is why we had to have a chart this big. What we are doing is absolutely asinine as far as duplication and what we are doing through multiple different departments in terms of incentivizing green buildings.

Just think if we had 5 or 10 people in the administration of each one of these programs and what we could save if we ended up just having 5 or 6 programs. Just think what the benefit would be that would inure through the years in terms of the compounded savings for our kids and young people in this country.

This chart depicts green buildings. The Institute of Standards and Technology has three or four or five or six programs. The Department of Health and Human Services has a multitude of programs. The Department of Agriculture has a multitude of programs. The Department of Transportation has multiple programs for green buildings. Why don't we have a green building department in the Federal Government? If we have that, we can just have one and save the overhead and the money. We can see all the Environmental Protection Agency's programs on the chart. This is lunacy. It is craziness.

I am going to stop at that, but I have this comment for my fellow Oklahomans and fellow Americans: The next time you hear from a Member of the congress that we cannot cut spending, come and play this C-SPAN tape back for them. Either they don't want to or they know nothing about management or efficiency or common sense. There is no longer an excuse to say we cannot get marked savings from our Federal Government.

As I go through this over the next couple weeks, I am going to show example after example. It is painful to say the greatest Nation in the world is absolutely incompetent when it comes to managing its bureaucracy, its programs, and its money, but that is a true statement. I am going to show evidence over the next 2 weeks of just how incompetent we are.

I hope to build a case so no Member of Congress can ever tell a constituent again that we cannot cut significant spending by at least \$2 trillion just from duplication over the next 10 years.

The work of the government is hard. The work of the Congress is built on compromise, but there is no longer going to be a bogus set of facts out there that says we cannot cut spending. I am going to prove we can cut spending and the onus is going to be on the rest of the Members of the body to say why we cannot.

With that, I yield the floor and note the absence of a quorum.

The PRESIDING OFFICER (Mr. BLUMENTHAL). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

BUDGET AUSTERITY

Mr. WHITEHOUSE. Mr. President, I am here because I was on the floor the other day and I heard—while I was waiting my turn to speak—Senator HATCH give a speech. I have the very highest regard for my friend, the Senator from Utah, and his speech was very thoughtful. It was passionate. It was thorough. I thought it deserved a respectful response and so I am here to respond to that and I hope to begin a debate or engage in a debate, if not begin it.

Senator HATCH was talking about the fiscal situation, and he framed his remarks with the observation that our \$16.4 trillion debt is too high and the observation that “annual trillion-dollar deficits have become the norm with the current administration.”

Senator HATCH is certainly right that debt is too high and annual trillion-dollar deficits have indeed briefly become the norm. But I would suggest that is not the norm recently because of this administration; it is the norm because the economy collapsed.

We all remember the economy collapsed. To withdraw Federal spending from a collapsing economy is only to make things worse. The economic collapse created these deficits and, as the economy recovers, we can draw them down.

There is no agreement on that. Some have preached austerity as the way forward when the economy collapses. When this began, there was live-

ly debate between those who thought that stimulating the economy and supporting the economy would be more sensible than applying austerity. We are past theory and now we are into experience. The experience of foreign countries belies that austerity works when economies are collapsing. From Spain to Greece, European countries that responded to the economic downturn by slashing their budgets are suffering from shrinking economies and persistent double-digit unemployment rates.

A recent IMF, International Monetary Fund, report estimates that budget austerity in a weak economy might actually inflict significant harm and have a much lower than expected effect on the deficit, consistent with the observations in Europe.

The reason this is this way—I will get into jargon just for a minute—economists measure the effects of changes in government spending on GDP with a metric called the fiscal multiplier. A multiplier of 0.5, for example, means that a \$1 decrease in government spending would reduce GDP by 50 cents.

The higher the fiscal multiplier, the worse the impact a cut in spending has on the overall economy and, therefore, the lower its actual ultimate effect on deficit reduction.

The new IMF report suggests that in the United States—as in other countries that are recovering from the great recession—the fiscal multiplier is actually greater than 1, meaning that a \$1 reduction in government spending shrinks the overall economy by more than \$1, doing net harm.

Oxford Economics puts the fiscal multiplier of the United States at 1.4, which means that for every \$1 we cut, we would lose \$1.40 in gross domestic product. Goldman Sachs, which is not exactly a leftwing outfit, has put the multiplier for the United States close to 1.5—cut \$1; lose \$1.50 in gross domestic product. Economists at the University of California found that during recessions—and it is important, during recessions—the fiscal multiplier in developed countries generally falls between 1.5 and 2.

That complicated economic gobble-dygook boils down to this: \$1 in reduced government spending will reduce gross domestic product by more than \$1—by \$1.40 or \$1.70 or whatever the multiplier is—and damage the economy without accomplishing the intended deficit reduction.

Other countries attempted budget austerity during the economic downturn. Spain, Greece, and Portugal, particularly, have persistent double-digit unemployment—over 26 percent in Spain and Greece—and they have anemic or negative economic growth rates. Contrast that with the United States, where a more balanced approach to the economic crisis yielded an unemployment rate that is still far too high but markedly lower than the austerity countries and economic growth of 2.1

percent, where all the other countries are experiencing negative economic growth—Spain, Greece, and Portugal.

So let's not fault the President and the administration for deficits that were caused by, A, an economic collapse and, B, the wise decision to avoid the austerity path that has thrown Spain and Greece into nearly 27 percent unemployment rates and all three countries into negative GDP growth.

We will need to address the debt more and more as economic conditions improve, and Senator HATCH was correct to point to health care expense as our biggest national fiscal concern. It would, however, I believe, be a misdiagnosis to focus on Medicare and Medicaid as the source of the health care spending problem. Indeed, Medicare may be the single most efficient health care provider in our entire health care system. Medicare is a place where the health care cost problem hits the Federal budget because the Federal budget pays for Medicare, but Medicare is not the underlying source of the problem. I hope this was what Senator HATCH meant when he said “the problems with the program are systemic,” and when he said the solution is “structural reforms.”

I know that one of the leading health care providers in the country, one of the best at seeing the health care cost problem as systemic and one of the best at addressing it with structural reforms, is the health care system in Senator HATCH's home State of Utah, Intermountain Healthcare. The Senator has a living example at home that health care spending can be addressed through structural reforms, through delivery system reforms.

One example is that just a few weeks ago, Intermountain clinicians in Utah were recognized for their work in greatly reducing the number of patients who die from sepsis, which is the leading cause of death in U.S. hospitals. So it is no small matter. Through a new protocol to better detect and treat sepsis, these doctors and nurses brought the death rate for septic patients entering through the emergency room down from over 20 percent, 5 years ago, to under 9 percent. These advances have saved hundreds of lives in Utah, and they are a model to be applied by hospitals around the world.

That is an example of how the real problem in health care is the total cost of the underlying system. We pay more for health care than any other developed nation. Here is the United States at 17.6 percent of our gross domestic product spent on health care. The most expensive and least efficient other industrialized nation in the world is the Netherlands at 12 percent. Behind it fall France and Germany at 11.6 percent, Switzerland at 11.4 percent, and England and Japan at 9.6 and 9.5 percent, respectively.

If we could simply make our health care in this country as bad as the worst other industrialized country in terms of efficiency, if we could just meet the