The petition was presented to the Hampstead Board of Selectmen on Monday, December 10, 2007.

The Board of Selectmen accepted the petition and voted unanimously to support the project.

Please find enclosed the petition along with the signatures of 526 individuals.

Thank you for your help in moving this project forward.

Very Truly Yours,

RICHARD H. HARTUNG, *Chairman.*
PRISCILLA R. LINDQUIST, *Selectman.*
JIM STEWART, *Selectman.*

The ACTING PRESIDENT pro tempore. The Senator from Rhode Island is recognized.

Mr. REED. Mr. President, I ask unanimous consent that the recess be delayed until I complete my remarks.

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

ORDER OF PROCEDURE

Mr. REED. Mr. President, I ask unanimous consent that the order with respect to Senator DORGAN be changed to provide that if Senator DOLE is here at 2:15 p.m., she be recognized for up to 5 minutes and then Senator DORGAN be recognized.

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

THE ECONOMY

Mr. REED. Mr. President, I rise today to discuss the state of our economy. Regrettably, the news is not good. Two weeks ago, the Mortgage Bankers Association reported that the rate of home foreclosures and the percentage of loans in foreclosure is at the highest level ever recorded by this organization. At the same time, surveys by the University of Michigan and the Conference Board showed consumer confidence at the lowest levels in many years. The financial troubles that began with the subprime mortgage crisis last summer have now spread to all credit markets and created a liquidity crunch that threatens our entire economy.

Some say these troubles are merely temporary. In fact, some say there are two economies—the real economy, with people getting up and going to work, and the economy of Wall Street, which is financial engineering and all sorts of incredibly exotic financial products. The reality is these markets intersect. As a result, our whole economy is threatened now by forces that may be temporary, but they are working themselves out in a very difficult way for the people of this country, the men and women we represent, our constituents.

Some contend that the market has undergone a correction since the end of cheap credit and speculation in the housing sector. They point to job figures and quarterly GDP growth as indications that the overall economy, the real economy, is strong.

Frankly, I think we have to look critically at those assertions. What troubles me more than the numbers—the GDP and all the other financial statistics—is what I am hearing from Rhode Islanders and what I presume my colleagues are hearing from their constituents across the country. The mortgage crisis and credit crunch in many ways represents a culmination of their fears and sort of the tangible acknowledgement of what they have been fearful of for many months. Lately, I have been struck by how many people are finding it increasingly difficult to maintain a decent standard of living, despite having a steady job. People tell me they feel squeezed by the rising costs of energy, food, health care, and higher education, while at the same time the size of their paychecks does not seem to be expanding at all.

For thousand of families in Rhode Island and millions of people across America, wage stagnation has created a general feeling of anxiety. Instead of trying to get ahead, most people are finding it hard to get by. The subprime meltdown and subsequent credit crunch are adding additional stress to that equation. For some people, it has pushed them to the brink of personal and financial crisis.

Today, we are living in an era of divided prosperity, where a few do extremely well—extraordinarily well—and the rest of us are struggling to keep up. The Bush administration has aided and accelerated this trend of growing inequality, and its lax attitude toward regulation has allowed major economic liabilities to develop unchecked, allegedly for the sake of allowing the market to function ''efficiently.''

The latest crises show markets are not always efficient, nor always equitable, and rampant speculation in the absence of oversight can create problems that cannot be quickly assessed or fixed. This President has perpetuated a system that encourages a fortunate few to collect as much of the benefits of our economy as possible, while sharing very little with the rest of society.

At the same time, what we have seen developing are enormous blind spots that have begun to reveal themselves with disturbing frequency. The tragedies of Katrina and the collapse of the bridge in Minneapolis, as well as the subprime crisis, and even our policies in Iraq are all evidence of the administration's consistent failure to plan for long-term liabilities. Moreover, this shortsighted focus is reflected in massive trade and budget deficits and the absence of any comprehensive plan to address our addiction to foreign oil or the skyrocketing cost of health care. These are creating real challenges for our country.

This year, the new majority in Congress has tried to set a different course, but, unfortunately, we have not had the cooperation or support of the President in any real sense of the word. As a result, we have made some progress in addressing and correcting these issues but not nearly enough. In order to end the Bush era of divided prosperity, which some people speak of as two Americas, we have to, I think, reengage ourselves in a process of making sure America is competitive in the global economy and that it has sustainable policies that lead to true growth, which is shared by all Americans. We must reprioritize and take a more serious approach to the policy challenges at hand.

Since World War II, every period of economic expansion has resulted in shared prosperity for most America. To be sure, growth varied by degrees over time and from place to place, but in general the tradition in America has been that a rising tide will lift up all boats. Yet for the past 6 years, under the Bush administration, this tradition of shared prosperity has not been sustained.

In my State, the Poverty Institute of Rhode Island announced last month that our median wage actually declined since 2000, which makes Rhode Island the only State in New England to experience negative wage growth during this period. With stagnation in most places, we have actually seen negative growth. Since President Bush took office, the real national median household income has declined by $962, from $49,163 in 2000, to $48,201 in 2006. In fact, between the first quarter of 2001 and the third quarter of 2007, real median weekly earnings fell 1.2 percent, compared to 7.1 percent growth between 1996 and 2000 under the Clinton administration. We have seen a startling change in the economy affecting the families of America, whose incomes grew from 1996 to 2000 and have declined in real terms since then, and that reality is shaping the lives of millions of Americans.

While the President's economic policy has yielded extraordinary gains at the very top of the income scale, his fiscal policy has multiplied differences and exacerbated the disparity between the very wealthy and, frankly, most everyone else.

According to data recently published by the Congressional Budget Office, in 2005, real after-tax incomes jumped by an average of nearly $180,000 for the top 1 percent of households, while rising only $400 for middle-income households, and $200 for lower income households, which signifies an extraordinary divergence in terms of the wealth of the very few versus everyone else. That average income gain for the top 1 percent is more than three times the total income of the average middle-income household.

Taken together with prior research, this new data indicates that income is now more concentrated at the top of the income scale than at any time since 1929. I grew up in an era where we looked to the history of the lives of our parents who endured a depression