

In conclusion, Congress has many opportunities to advance the worthy cause of reducing child exploitation. I call on my colleagues to continue this noble cause and pledge my continued support to advance appropriate legislative endeavors.

FISA

Mr. HATCH. Finally, I wish to briefly turn to FISA. This Congress has been working on FISA modernization for over 400 days with apparently no end in sight. Should it take this long? The Constitution of the United States was written in about 115 days. That included travel time on horseback for the Founding Fathers.

Congress has had plenty of time to debate this issue. We have to make sure we do not create unnecessary obstacles for intelligence analysts to track terrorists. As has been said, they can't connect the dots if they can't collect the dots.

While negotiations continue, it is important to look at the two bills that have passed the Chambers. Let me paint a picture, a Tale of Two Bills, if you will. One bill was available for the public to review for over 4 months, went through 2 committees, had 2 weeks of floor debate including votes on 13 amendments, and passed the Chamber with a huge bipartisan veto-proof majority.

The other bill was available for review for 2 days before receiving a vote. It went through no committees, had 1 hour of floor debate, allowed no amendments, and failed to receive bipartisan support, while barely passing the Chamber. Any negotiator would say the first bill in this instance would be the basis for negotiation, not the other way around. I am sure it is no surprise to anyone that the first one I described is the Senate-passed bill.

Make no mistake, I will not support any compromise that disregards the extensive work of the Senate in order to facilitate a quick political fix.

I appreciate those who are standing tall on the FISA bill in both Houses. I hope we continue to do so because our very country is in jeopardy if we do not.

Also, I wish to personally pay tribute and give my gratitude and thanks to the distinguished Senator from North Dakota for his kindness in allowing me to make these remarks out of turn because they are important remarks. I would feel badly if I didn't get on the floor and make these remarks. It was a very gracious thing for him to do.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from North Dakota.

Mr. CONRAD. I thank my colleague, Senator HATCH. He is always gracious. I also thank him for his words on Senator KENNEDY because we know they have shared a close association in the Chamber for many years.

I also thank him for his leadership on child pornography. It is pretty sick,

some of the things that go on. It is almost hard to believe. I saw the slide the Senator from Utah showed about activity on just 1 day of this year, earlier this month. It is almost hard to comprehend. We thank him for his leadership there as well.

Mr. HATCH. I thank my colleague for his kindness. He has always been very gracious and particularly gracious to me.

MORNING BUSINESS

Mr. CONRAD. Mr. President, I ask unanimous consent that we be in a period of morning business, that Senators be permitted to speak for up to 10 minutes each, and that the clerk keep a close count on the time consumed and that this period be for debate only. We are asking colleagues—we do not have a unanimous consent agreement—but we are asking colleagues to confine their remarks to the budget because we have up to 10 hours and, in the interest of getting the work of the Senate done before the break, it will be most effective and most efficient if we can focus our time on that.

I ask unanimous consent that after I am done, Senator GREGG be recognized, that I be allowed such time as consumed and the Senator then be given that same opportunity.

The PRESIDING OFFICER (Mrs. MCCASKILL). Without objection, it is so ordered.

THE BUDGET

Mr. CONRAD. Madam President, we are now considering the conference report on the budget. For the knowledge of my colleagues, and especially my colleague, Senator GREGG, I will consume somewhere in the range of 35 minutes. If he has other things to do, we can get that word to him so he is not inconvenienced while I make an opening statement.

Here is what we are confronting—a very dramatic deterioration in the budget condition of our country. You can see, in 2007, the official deficit was \$162 billion; that is down from what had been record levels. We achieved an all-time—not achieved, there is no achievement to it—we saw an all-time record deficit in 2004 of \$413 billion. That became the record. The year before was the record up until that point—\$378 billion in the red. Of course, the real situation is far worse because this does not disclose how much the debt has been increased.

Then we saw some improvement, to 2007, a deficit of \$162 billion. But now we are right back at record levels—\$410 billion estimated for this year. I believe it is going to be even worse, and 2009 will be about the same level.

When I talk about debt, here is what I am talking about. The gross debt of the United States has gone up like a scalded cat under this administration. When this President came into office at the end of the first year, the debt

stood at \$5.8 trillion. By the time we are done with the 8 years he will have been responsible for, the debt will have increased to more than \$10.4 trillion—a near doubling of the debt of the country. Increasingly, this money is being borrowed from abroad. As this chart shows, it took 42 Presidents—all the Presidents pictured here, 224 years to run up \$1 trillion of U.S. debt held abroad. This President has far more than doubled that amount in just 7 years. There are over \$1.5 trillion of foreign holdings of U.S. debt run up by this President in just 7 years. He has taken what 42 Presidents took 224 years to do and he doubled it and then added another 50 percent to foreign holdings of U.S. government debt. The result is we owe Japan over \$600 billion, we owe China almost \$500 billion, we owe the United Kingdom a little over \$200 billion, we owe the oil exporters over \$150 billion. My goodness, we owe Hong Kong over \$60 billion. We now owe Russia over \$40 billion. That is a sad fiscal record, but that is the legacy of this President's fiscal policy.

This tremendous runup in foreign debt means we have spread dollars all over the world and are now increasingly dependent on the kindness of strangers to finance our debt here. One of the results of that has been a substantial drop in the value of our currency. If you think about it, the value of a currency is in part a reflection of supply and demand. When you put out a tremendous supply of dollars, guess what happens to the value of the dollar—it goes down. That is what has happened.

You can see back in 2002, this is Euros per dollar. It was 1.13 in January 2002. Through the end of last month, we were down to .63. The value of the dollar against the Euro has dropped like a rock. It has dropped 44 percent.

If anybody is wondering why food prices are going up so rapidly, why oil prices are going up so rapidly, here is one of the key reasons. Those commodities are sold in dollar terms in the world market. When the dollar goes down in value, guess what happens to the value of commodities: there is tremendous upward pressure on their value. That is what, in fact, has happened.

We have also seen the economic growth of the country stagnate. You can see, if we look at the nine previous business cycles we have experienced since World War II, you can see that economic growth averaged 3.4 percent a year during previous business cycle expansions. But, if we look at average annual economic growth since the first quarter of 2001, we see it is stagnating at 2.4 percent.

Something is happening in this business cycle that is unlike what we have seen in the nine major business cycles we have seen since World War II. We see this recovery is much weaker. We see it in job creation; we see it in business investment.

For example, on job creation, if you look at job creation, again looking at