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Senate

The Senate met at 10 a.m. and was called to order by the Honorable JON TESTER, a Senator from the State of Montana.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

Almighty God, who inhabits eternity, whose throne is in Heaven, whose footstool is Earth, You are worthy to receive our gratitude, worship, and praise. We thank You for Your gracious mercy and forgiveness when we fail and sin. We praise You for Your grace, which is lavished upon us despite our indifference, our pride, and our selfishness. Lord, we worship You, we adore You, we glorify You. We humble ourselves before You. Let Your presence be felt today on Capitol Hill. Inspire our lawmakers to be examples in their words, faith, and purity. May this be a day in which Your love is expressed in their attitudes and actions. You are worthy, Lord God of the universe, world without end. Amen.

PLEDGE OF ALLEGIANCE

The Honorable JON TESTER led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,

Washington, DC, September 16, 2008.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby

appoint the Honorable JON TESTER, a Senator from the State of Nevada, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. TESTER thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

THE ECONOMY

Mr. REID. Mr. President, on the morning of October 30, 1929, President Herbert Hoover awoke the day after the biggest one-day stock market crash in American history, surveyed the state of the U.S. economy and declared:

The fundamental business of the country, that is production and distribution of commodities, is on a sound and prosperous basis.

In the coming weeks and months after that, President Hoover remained in an economic bubble, unaware of the extreme suffering of ordinary Americans—even declaring that anyone who questioned the state of the economy was a “fool.”

For Herbert Hoover, I guess ignorance was bliss. It wasn't until the American people replaced this out-of-touch Republican President with a Democrat, Franklin Delano Roosevelt, that our Nation's economic recovery began. Yesterday, nearly 80 years after the Hoover administration took America with blissful ignorance into a depression, the Dow Jones industrial average dropped 504 points—the biggest one-day decline since trading opened after the attacks of 9/11.

With one major investment bank headed for bankruptcy, and another sold at a bargain-basement price, and one of the world's largest insurance companies teetering, investors rushed to sell their shares, and not only in America but all over the world.

With our financial markets reeling, the American people are wondering whether they will lose their jobs, whether they will be able to pay their child's next tuition bill, and whether their pension and retirement savings will be safe, or even whether their bank will survive.

There is no reason to think we are headed into an economic depression. I believe there is no reason to panic. Yet one Senator—JOHN MCCAIN—woke yesterday morning, surveyed the state of the U.S. economy, summoned the ghost of his fellow Republican Herbert Hoover, and declared:

The fundamentals of our economy are strong.

For whom are the fundamentals of our economy strong? Certainly not the 606,000 American people who have lost their jobs this year. Certainly it is not strong for the commuters and truckers who are sending more and more of their hard-earned dollars overseas to pay for fuel. Certainly our economy is not strong for those struggling to make one paycheck last until the next, with record home heating prices looming in the coming winter months, and the price of oil teetering around \$4 for a gallon of gasoline. It is not strong for the cities and towns that have been forced to cut back on police, schools, and firefighters because their tax base is shrinking. Certainly it is not strong for the millions of families who have or may soon lose their homes, or the tens of millions who are seeing their home equity plummet.

No matter what George Bush, JOHN MCCAIN, or the ghost of Herbert Hoover may think, this economy is not strong, and the American people deserve better.

This is not a time for panic, but it is a time to look back on the past 8 years of the Bush-Hoover-McCain economics and figure out what brought us to this point so we don't repeat the same mistakes.

The tragic truth is this disaster was avoidable. In its palpable disdain for

• This “bullet” symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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all things relating to government, the Bush-Cheney administration willfully neglected the Government's most important function, which is to safeguard the American people from harm—not only physical harm but economic harm.

In their simplistic philosophy of “big business equals good, government equals bad,” the administration and the Republican Congress failed to conduct oversight, and let the financial sector go wild.

Without anyone regulating their actions, market excess destroyed the financial prudence that allowed a firm such as Lehman Brothers to prosper for 158 years.

Vast fortunes were made virtually overnight, and now vast fortunes have been literally lost overnight. Yesterday, we heard that Hewlett-Packard laid off 25,000 people. There is some talk that Lehman Brothers—somebody may buy them, so instead of losing 25,000 jobs, they will only lose 15,000 jobs. I hope that is the case for those 10,000.

The unfortunate irony is that the Bush administration's zeal to favor big business has crippled it and left the American people to pay the price. President Bush did nothing to stop this disaster, and now he will leave the mess to the next President.

Now our Nation must decide who is better suited to end the Bush-Hoover economics and return sanity and security to our economy.

Senator MCCAIN says the economy is not his strong suit. That is an understatement. That is what he said about himself. So JOHN MCCAIN went searching for an economic adviser who could bolster his weakness. Who did he choose? Phil Gramm. I served with Phil Gramm in the Senate—the same Phil Gramm who was responsible for deregulation in the financial services industry that paved the way for much of this crisis to occur. I like Phil Gramm, but I don't like his economics.

A respected economist at the University of Texas, James K. Galver, said that Gramm was: “the most aggressive advocate of every predatory and rapacious element that the financial sector has” and that “he's sorcerer's apprentice of instability and disaster in the financial system.”

It was Phil Gramm who pushed legislation through a Republican Senate that allowed firms such as Enron to avoid regulation and destroy the life savings of its employees, and it was Phil Gramm's legislation that now has Wall Street traders to bid up the price of oil, leaving us to pay the bill.

Warren Buffett called the results of Gramm's legislation “financial weapons of mass destruction.” That is what Warren Buffet said.

And now the architect and leading cheerleader for every mistake and neglect that created the Bush-Cheney financial nightmare is whispering into the ear of JOHN MCCAIN, who says he doesn't know much about the economy. I repeat, that is an understatement.

Whether you call it Hoover economics, Bush economics, or McCain economics, it is not a recipe for change; it is a recipe for more of the same.

For all of the college students worried about finding a job, the working families who don't know how they will pay their bills—talking about families and jobs, a man is coming to visit me from Las Vegas. He has two sons who are so brilliant. One of them, a few years ago, was the only person in Nevada to be admitted to Harvard. He had a perfect score in his SAT. He can't find a job. He is a graduate, with honors, from one of our elite ivy league schools and he cannot find a job. His dad is coming to talk to me to see if I can help him. His other boy is still in college and, of course, worried, as I have indicated, about finding a job. Working families don't know how they will pay their bills, and the fixed-income seniors are trying to figure out how to pay for medicine. We have to do better.

We cannot afford another Republican President who will follow his party's ghosts down the path of recession, depression, and more suffering. We desperately need a President who understands that working people, not industry titans, are the backbone of our country and economy.

We need a President who will cut taxes for working people and senior citizens, end the windfall profits of oil companies, and put that money back into the pockets of those who are paying record prices at the pump, and put millions of Americans back to work by investing in jobs on Main Street, not Wall Street.

In November, we can elect a President who will break from the past and invest in the future, a person of change. But until then, the Senate should pass our tax extenders. We need to do that. If we want to jump-start the economy, let's pass the tax extenders for renewable energy. In the State of Montana, the State of the Presiding Officer, renewable energy is a job creator. On August 18 and 19, I had an energy summit in Las Vegas. We had Democrats, Republicans, academics, and people from the industry. I talked to the Governor from Colorado and asked him how his State is doing. He said they are not being hit as hard as others because they are creating thousands of jobs with renewable energy projects. That is what the future holds for us. We need to pass the energy tax extenders. I hope we can work something out with the Republicans to pass other tax extenders for more than 1 year. We have to get away from the 1-year deal. Let's do them for 2 years so that people in the private sector can look at Congress as a friend. I hope we can do that.

I also think we have to take a look at a stimulus package that funds infrastructure projects, creates jobs, prevents cuts in desperately needed State services, invests in renewable energy, expanded unemployment benefits for victims of this administration's econ-

omy, and helps working people and senior citizens afford the costs of energy.

I think the House of Representatives will pass the stimulus bill in the coming days. I hope that today they pass the Energy bill. As I indicated to the distinguished Republican leader, we are going to finish this Defense authorization as soon as we can. I hope to get cloture on it this afternoon.

I hope the unanimous-consent request Senator LEVIN will offer around 11 o'clock—whenever we finish morning business—will be accepted. When we finish that, I think there is an agreement between the Republican leader and me that we are going to go to the tax extenders, renewable first. We have to have a vote on AMT. We are going to vote on the other tax extenders. That will be helpful. It sets a great pattern for what we need to do here. I hope the House follows suit and takes care of that business.

We are going to now have a period for morning business, with Senators allowed to speak for up to 10 minutes each, as soon as the Republican leader finishes his statement, if he has one. The Republicans will control the first 30 minutes, and the majority will control the second 30 minutes.

Following morning business, the Senate will resume consideration of S. 3001, the national defense authorization bill. The managers are working through filed amendments to the bill. Senators should be on notice that the chairman has shared a proposed unanimous consent agreement with Republicans and will ask for consent prior to the caucus recess. If we are unable to reach agreement, at 3 p.m. the Senate will proceed to a cloture vote on the bill, with the final 30 minutes equally divided and controlled by the two leaders, with the majority leader controlling the final 15 minutes. Senators have until 12 noon to file second-degree amendments to the Defense bill.

I will finally say that under the regular procedure, we would have a cloture vote an hour after we come into session. But I had a conversation with the Republican leader last evening, and we felt it would be best to wait until after our caucus so people understood how important this Defense authorization bill is and how Senator WARNER and Senator LEVIN have tried hard to work through all these amendments. Hopefully, we can get cloture invoked and work on the amendments that are available postcloture and finish this bill, say, 9:30 tomorrow morning, something like that. I hope that can be the case.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there