

to reward effective teachers and effective principals. He will increase the capacity of our young people to go to college on Pell grants. When we have a President who invests in education, we know we should support him because every dollar we invest comes back ninefold.

Then the President invests in health care. We know the biggest cause of bankruptcy in America is when a family is hit with a catastrophic health problem and they are uninsured or their insurance is capped. We know premiums have grown four times faster than wages in the last 8 years. Our President is going to finally take on the issue of health care. We should stand with him. Does that mean we will support every little thing he recommends? It may not. We may agree on 90 percent. But we will move on health care because not to do so, again, is a hostile act because the current situation is unsustainable. The cost to families today is unsustainable. The fear families have—what if somebody gets a catastrophic illness, what will happen—is unforgivable.

Lastly, we see our President investing in clean energy. What he is doing is looking at the future and recognizing that the old energy is not going to sustain us. If we want to lead the world, we have to do what Thomas Friedman suggests in his book "Hot, Flat, and Crowded"—step out and invent the new clean energy technologies. In doing that, we will lead the world in green jobs. We will lead the world in exports. If we adopt the cap-and-trade plan that is recommended by our President, we will see a robust economy because, once you put a price on carbon, all the other alternatives come up behind it, and it will lead us out of this economic morass.

I believed it important to come to the Chamber today to speak to these two issues. We cannot abide by the outrageous bonuses in a company led by people who took the company down. We can't abide by that. In addition, we need to work with our new President and bring about the change he promised in his campaign. That change is reflected in his budget.

I yield the floor.

#### CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

#### REVOLUTIONARY WAR AND WAR OF 1812 BATTLEFIELD PROTECTION ACT—MOTION TO PROCEED

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of the motion to proceed to H.R. 146, which the clerk will report by title.

The bill clerk read as follows:

A motion to proceed to the bill (H.R. 146) to amend the American Battlefield Protection Act of 1996 to establish a battlefield ac-

quisition grant program for the acquisition and protection of nationally significant battlefields and associated sites of the Revolutionary War and the War of 1812, and for other purposes.

The PRESIDING OFFICER. The Senator from New Hampshire.

#### THE BUDGET AND RECONCILIATION

Mr. GREGG. Mr. President, I listened this morning to President Obama as he spoke on the budget. In attendance with him were the chairmen of the Budget Committees in the Senate and the House, Chairman CONRAD and Chairman SPRATT. Essentially, the President was defending his budget, as proposed and sent up here to the Hill.

His theme was we should not pass on problems to the next generation. Thus, he said, his budget took on the issue of energy and took on the issue of health care as being core questions that need to be resolved now and not be passed on to the next generation. I could not agree with him more—first, that we should not pass on problems to the next generation, and, secondly, we should take on the problems we have today. And they are fairly big.

Where I disagree with him is the conclusion that the budget he sent up here does not pass problems on to the next generation. In fact, it passes the most significant problem on to the next generation, which is that it so greatly expands the size of Government in such a short period of time with so much borrowing that it basically will bankrupt our children and our children's children as a result of the cost of Government going forward.

People do not have to believe me to recognize this. All they have to do is look at the President's budget. In 5 years, the President's budget will double the national debt. In 10 years, the President's budget will triple the national debt. To try to put this in perspective, if you take all the debt the U.S. Government has run up since the beginning of our country—from George Washington all the way through to George W. Bush, that total amount of debt—in 5 years it will be doubled under this budget, as sent up by President Obama.

Now, a lot of that debt that is being run up in the short run I am not going to claim is inappropriate in the sense that it is something that is under his control or that he is responsible for as President. In fact, I agree that we as a nation need to expand our spending as a government in the short run in order to try to address this recessionary period, and specifically to try to stabilize our financial situation, our financial system. I do not happen to agree with the stimulus package which was passed. I do not agree with the omnibus package which was passed. They were both profligate and unfocused, money being spent inappropriately and inefficiently. But I am willing to accept the fact in the short run there has to be a spike in our national debt in order to address this recession.

What is not tolerable, however, is that under this budget, after the short

run—after this period from 2008, 2009, say, through 2011, when the recession, by all estimates, will hopefully be over—we will still be running the debt up radically, as sent up by this President. In fact, it doubles in 5 years, but it triples in 10 years, which means there is—I am not aware that a recession in the last 5 years of this budget is being proposed; I certainly hope it is not being proposed, but certainly there is nothing that requires that type of a radical expansion in our debt over that period.

The practical implications of this doubling of the debt are that by the time the budget gets into the year 2013, the public debt of this country will be, as a ratio of GDP, 67 percent of GDP. I suspect when CBO scores the President's numbers at the end of this week it will probably be close to 70 percent of GDP. What does that mean? Well, try to put this in perspective.

Prior to the recession, our public debt—that is the debt held by people such as the Chinese, for example, and the Europeans—our public debt—the debt which we sell to the world in order to finance our Government—was about 40 percent of our gross national product. That is an acceptable level. Most economists will say we can tolerate a debt to gross national product ratio of 40 percent. But when it gets up to around 70 percent, when it gets over 60 percent—when it gets into those numbers—it is not tolerable. You might be able to tolerate it for a little while, for a few years, but you cannot tolerate it for an extended period of time. What the President is proposing is that 67 percent of public debt to GDP ratio—which will be over 70 percent, I suspect, when it is rescored that goes on forever.

In addition, the deficit, beginning in the year 2012, under the President's budget, will be at 3 percent to 4 percent of gross national product. Now, historically, over the last 20 years—prior to the recession—the deficit has been around 2 percent of gross national product. Why is it important to keep that down? Because every time you run a deficit, you add to the public debt. When you get into the 3- to 4-percent range of annual deficits as a percentage of GDP, you are essentially adding so much debt so quickly every year that basically your Government becomes unaffordable. That is the bottom line here.

What happens, as you go into the outyears when you triple the debt and keep the deficit at around 3 percent or 4 percent of GDP the currency starts to be under pressure. The dollar becomes questioned as to its value. People start asking, especially in the international community: Do we dare buy American debt? In fact, you heard, regrettably, the Chinese Premier raise that issue already. If you cannot sell the debt and you cannot finance the Government, you do not have too many choices. You must move to inflation. That is not a good choice for Americans.