

a few days to respond, but if you do not act, there will be a financial meltdown not only in America but all over the world.

So year after year, until very recently, either because of incompetence and not understanding what was going on in the economy or perhaps dishonesty and not wanting to let the American people know what was going on in the economy, we were told everything was going well. Then they say: Oops, we made a slight mistake. Actually, we are on the verge of a major financial meltdown and we want Congress to accept a \$700 billion bailout, and we do not want the Congress to discuss it very much. We do not want the Congress to change it very much. It has to act immediately because if it doesn't, terrible things will happen.

Well, when we talk about the reasons for the possible need of a bailout, we cannot minimize the incredible greed, the ugly greed we have seen among many of the wealthiest people in this country in the last few years, not least of all the people on Wall Street.

Let me give you some examples. In 2005, Henry Paulson, our now Secretary of the Treasury, was then the CEO of Goldman Sachs. He received, in 2005, a \$38 million bonus. At that time, that was the largest bonus ever given to a Wall Street CEO.

In December of 2006, John Mack, the CEO of Morgan Stanley, broke Mr. Paulson's record by receiving a \$40 million bonus—a bonus. This is on top of other forms of compensation.

Not to be outdone, Lloyd Blankfein, the new CEO of Goldman Sachs, received a \$53 million bonus later that month. In 2007, 1 year ago, Mr. Blankfein, the CEO of Goldman Sachs shattered his own record by receiving a \$68 million bonus.

In October of 2007, E. Stanley O'Neal, the former chief executive of Merrill Lynch—I think we all know what has happened to Merrill Lynch very recently—collected a severance package worth an estimated \$161 million.

Angelo Mozilo, the former CEO of Countrywide—we know what happened to Countrywide—received a severance package of about \$110 million. That was on top of \$140 million in Countrywide stock that he sold off during 2006 and 2007. Mozilo was also paid \$48 million in 2006.

In 2007, here is perhaps—when we talk about Wall Street greed and when we talk about Wall Street bonuses—the most outrageous fact out there, which is that in 2007 Wall Street's five biggest firms—Bear Stearns, Goldman Sachs, Lehman Brothers, Merrill Lynch, and Morgan Stanley—paid out \$39 billion in bonuses to themselves.

Wall Street investment bank bonuses are larger, just their bonuses, than the gross domestic products of Sri Lanka, Lebanon, or Bulgaria, and the average bonus—average—of \$219,000 is more

than four times higher than the median U.S. household income.

Why do I raise those issues and give those facts? I do that for a very simple reason; that is, I regard it as an outrage for anyone to suggest the middle class of this country, whose standard of living is going down, should be forced to bail out Wall Street when people on Wall Street have made huge amounts of money in recent years and, in general, as a result of Bush's reckless and irresponsible economic policies.

The wealthiest people have also done extraordinarily well. What President Bush would have us do is to say to the middle class that is sinking, you pay for the bailout caused by Wall Street's irresponsibility, and we do not have to ask them to do anything. They pay no price at all.

I regard that as an absolutely unacceptable outrage, something we must not allow to happen. I am open to other ideas on this issue, but for me, the bottom line on this bailout is that the middle class should not be paying. There are a number of ways we can go forward to protect the middle class. I have suggested a 5-year, 10-percent tax on incomes over \$1 million a year for couples, and \$500,000 for single taxpayers. That would raise more than \$300 billion in revenue.

That begins the process of saying to the wealthiest people who have benefited from Bush's reckless policies: You have to step to the plate, and this is not going to be on the middle class to provide the money for the bailout—this money, by the way, which is \$2,200 for every woman, man, and child in this country and, a family of four, close to \$9,000.

In addition, we have to ensure that assets purchased from banks are realistically discounted so companies are not rewarded for their risky behavior and taxpayers can recover the amount they pay for them.

Thirdly, we must require that the taxpayers receive equity stakes in the bailed-out companies so the assumption of risk is rewarded when a company's stock goes up. We are going to buy this stuff, and as stocks go up we should benefit from that. In addition, at a time when the middle class has so many serious problems; when people in my State and in the State of the Senator from Rhode Island are worried about how they are going to be able to heat their homes this winter; when millions of middle-class families are worried about how they are going to be able to send their kids to college; at a time when our infrastructure is collapsing, and we have the potential to create millions of jobs rebuilding our bridges, our roads, our rail systems; at a time when we must move from fossil fuels to energy efficiency and sustainable energy and create large numbers of jobs in that area as well; we need a major economic recovery program

which puts millions of Americans to work dealing with the many unmet needs facing our country.

In addition, to my mind, any serious piece of legislation dealing with this bailout must include language which undoes the damage caused by excessive deregulation. That means reinstalling regulatory firewalls that were ripped down in 1999. And, lastly—not lastly because I think many other people have other good ideas as well, but the last point that I want to make tonight is a very important point.

We are where we are today because of the doctrine of "too big to fail." The assumption is that if we allow these huge institutions to fail, they take down the entire economy and virtually all of our people suffer.

I would respond to that in the future by saying that if an institution is too big to fail, that institution is too big to exist. I should tell you that I have serious concerns right now about the Bank of America swallowing up Countrywide, swallowing up Merrill Lynch. If they were to be teetering, does anyone have any doubt that there would have to be a massive bailout for that bank? But it is not only the Bank of America. I think we have to take a very hard look at these huge institutions, which, if they fail, could impact the entire economy. I think we need to start doing something that was talked about in the early part of the 20th century about breaking up these huge institutions.

There is a lot of work that has to be done in the near future. But for me, the bottom line is that at a time when the wealthiest people made out like bandits under Bush's reckless economic policies, while at the same time the middle class declined, it would be absolutely grotesque to ask the middle class of this country to pay for this bailout.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

THE ECONOMY

Mr. SESSIONS. Mr. President, I know the country is focusing on and we are all concerned about the state of the economy and some of the proposals that are being raised to fix that, including the proposal from the Secretary of the Treasury and the administration for a \$700 billion expenditure. That is almost one-third of the entire governmental expenditure this year. It is more than the war in Iraq has cost, and it is an extraordinary thing.

I do not know the answer. I am not a master of the universe. I have used the phrase sometimes: Masters of the Universe. Understand that if this legislation, as was proposed, were to become law, we would have one single master of the universe, almost, the Secretary of the Treasury.

I think this Congress has a responsibility here. I want to say that. I know now is not the time to go into a lot of detail, but I want to say this Congress has a responsibility, and we are not free to dust our hands and say: Mr. Secretary, you have all the power you want to buy and sell private corporations, to spend up to \$700 billion, and we are all going to be happy about it. We think you can fix it, and we will go home and do our campaigning. I think we have a bigger responsibility than that.

I wish to say—and I have great respect for Secretary Paulson, I do—I would want to know more about the nature of the crisis we are facing. I know we have a serious crisis. I wish to know why we cannot slow down a little bit and think this thing through. That is the tradition of the Senate, the saucer that cools. But we are hearing: It is a crisis, and you politicians will mess it up. Go on and get out of the way and vote this thing out and we will take care of it. But that implicates the separation of powers to an extraordinary degree and may well be adverse in the long run. The proposal certainly was not greeted by Wall Street today as an indication of a solid fix. The market dropped again, and people apparently thought it would weaken the dollar and that is the reason oil prices increased. So this is a matter we need to think about.

I urge my colleagues on the relevant committees and the leadership on the Republican side in the Senate and the Democratic side: Let's not be stampeded here. Let's ask good questions. I am one who is not adverse to taking action, appropriate action, but I think we need to not be stampeded. It is a bit hubris to think one person can fix it all and somehow that person can stand in the middle of all of the market forces and rebalance them. Do we believe in the market or not?

One socialist is reported to have said when asked: What is socialism: It is the ability to control the commanding heights of the economy. Well, financial institutions are one commanding height of the economy. Who are we not giving control of that over to?

I think in a fundamental sense, the goals I believe we should have would be first to protect the interests of the taxpayers before we spend in a manner of days an amount of money equal to and in excess of the war in Iraq—almost one-third of our annual expenditures. Let's protect the taxpayers. How do we do that? We need to find out more about the problems. We are told there

are grave problems, problems, problems, and we have to act, act, act. Exactly what are those problems that require us to act so fast?

Secondly, I think our action should be respectful of the marketplace, and let's try to do what would restore integrity in the marketplace. I don't think it is necessary that we need more regulation as much as we need better, more appropriate regulation. I would note that my colleague, Senator SHELBY, the ranking Republican on the Banking Committee and former chairman, has fought for years to have more control over Freddie and Fannie and their activities, as the Wall Street Journal noted recently.

I urge my colleagues: Let's take some time. We got into this in large part by some bad government policies and actions. I think we can all admit that. The government is going to have to take action. I recognize that. But I think it is important that when we act on a matter of this size and this importance, we take enough time to understand what is in it and do the right thing, not the political thing in this political season.

I thank the Chair for the opportunity to share those thoughts. I know there are some fine Members of this Senate worried right now who are wrestling with these issues. I, for one, believe that maybe a little slower action, a little more thought, may turn out to be better in the long run than a panicky response.

I thank the Chair and yield the floor, and I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

ORDER OF PROCEDURE

Mr. REID. Mr. President, the decision has been made that we are going to try to work with Dr. COBURN tomorrow to see if we can get part of the 34 bills he has held up for long periods of time, to see if we can get some of those passed by unanimous consent. There is a possibility that we can get 8 or 10 of them done and if we could, that would be very nice. If we can't, we will wait until next year when we have more opportunity to do things such as this and less problems of people holding things up. So we are going to do the best we can.

40TH ANNIVERSARY OF MALDEF

Mr. REID. Mr. President, I rise to call the attention of the Senate to the 40th anniversary of the leading Latino litigation, advocacy, community edu-

cation, and outreach organization in the United States. The Mexican American Legal Defense and Educational Fund, MALDEF, celebrates 40 years of protecting and promoting the civil rights of Latinos in the United States.

MALDEF'S service to the Latino community is exemplary; they utilize multiple strategies to foster sound public policies, laws, and programs that secure the civil rights of Latinos. Their work on employment, education, immigration, political access, language, and public resource equity issues is pivotal to the advancement and progress of the Latino community in the United States.

Over its rich 40-year history, MALDEF has been led by some of the best and brightest Hispanic leaders who paved the way for excellence in nonprofit leadership. Thanks to the fine leadership of Mario Obledo, MALDEF's first president and general counsel; Antonia Hernandez, who served MALDEF for 23 years; and John Trasviña, MALDEF's current president and general counsel, we have much to celebrate. MALDEF's leadership is heard throughout the nation from their headquarters in Los Angeles, to San Antonio, Chicago, Washington, DC, Houston, and Sacramento.

During these especially hard times for our Latino brothers and sisters, when the anti-immigrant sentiment is at its highest, MALDEF has been fighting to challenge breaches in voting rights, workplace discrimination, access to justice, and educational access. In 2006, MALDEF went before the U.S. Supreme Court and successfully challenged a congressional redistricting plan that discriminated against Latino voters in Texas. Most recently, MALDEF won a case that will require the Texas Education Agency to fix the State's English Language Learner, ELL, programs in secondary schools and restore educational equity for our Latino students.

I commend the Mexican American Legal Defense and Educational Fund for their 40-year commitment to the Hispanic community. Their record of legal representation, advocacy, and educational outreach has indisputably improved the quality of life and opportunities of all Latinos in the U.S. It is through the hard work of organizations like MALDEF that we will be able to overcome social and economic inequalities faced by Americans of different ethnic and racial backgrounds.

RETIREMENT OF CHARLES MICHAEL "MIKE" NANNINI, JR.

Mr. REID. Mr. President, I rise today to recognize my friend Charles Michael "Mike" Nannini, a dedicated public servant who retired last month after 16 years of service to Nevada as an Elko county commissioner.

Mr. Nannini was first elected in 1992 and has since completed four terms as