

The conference report that we have before us will require the Federal Reserve to ensure that Visa, MasterCard, and their big bank allies can only charge debit interchange fees that are reasonable and proportional to the cost of processing each transaction. It also prevents Visa and MasterCard from engaging in certain specific anticompetitive practices. I might add, the Department of Justice's antitrust section has confirmed publicly, at a meeting before the Senate Judiciary Committee a little over a month ago, that Visa and MasterCard are currently under investigation. Finally, Visa, MasterCard, and the Wall Street banks will face some check against their unbridled market power in the credit and debit industries.

Finally, small businesses and merchants are going to have relief that will lead to real savings, profitability, and reduced cost for consumers. The Dodd-Frank Wall Street Reform and Consumer Protection Act is a landmark bill, including the most sweeping reforms to Wall Street since the New Deal.

Let me tell you the political reality. In the Senate, there are 41 Republican Senators. The bill I have described should be a bill supported by both sides of the aisle. We will be fortunate to have four or five Republicans step up and join us to pass this bill. The overwhelming majority of Republicans will oppose this bill and side with the banking industry.

One of the Republican leaders in the House, JOHN BOEHNER of Ohio, said we were using with this bill a nuclear weapon to kill an ant. I don't think anybody in America believes the recession we are facing today, with 8 million unemployed and 1.2 million losing their homes, is an ant. It is devastating to the millions of Americans who are unemployed and those who are losing their homes. I think this response is a measured, thoughtful, good response to deal with it.

Why don't we have the support of more Republicans? Why won't they step up with us and make this bipartisan? Four or five of them will have the courage to do it, and I tip my hat to them. I am glad they are joining us. This should be a bipartisan effort. But the others need to explain why they do not want us to move forward with financial regulatory reform. They have to explain why they wanted to stand for the status quo, leave the laws as written, and run the risk of another recession in another day, leading to millions of people losing their jobs and businesses failing. They do not have an answer for that. Their vote against this will be good news to the banking industry, the special interest groups, such as credit card companies, but it certainly doesn't face the responsibility we all have to deal with the economic crisis facing this Nation.

On behalf of the taxpayers in Illinois and throughout the country, who never again want to bail out big banks, I wholeheartedly support this bill's passage. On behalf of consumers and small businesses in Illinois and throughout the country, who want the power to make wise financial choices, I wholeheartedly support this bill. I am going to urge my colleagues to vote yes on this conference report so that President Obama can sign this bill into law.

Finally, reform will have to come to Wall Street.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. BURRIS). The Senator from Iowa.

#### EXTENSION OF UNEMPLOYMENT COMPENSATION

Mr. HARKIN. Mr. President, I want to thank my friend and our majority whip, Senator DURBIN, for laying out, I think in very stark and honest and open terms, what we are facing in this country today. I wish to pick up on that and to carry it a little further in talking about the number of people who are unemployed, what is happening to people across America today who can't find work, while the Congress sits here immobilized, unable to pass an extension of unemployment insurance benefits.

It is unconscionable what is happening to so many people in America, through no fault of their own—people who are at the end of the line. They are looking to us, asking us to do something. Yet the Congress sits here immobilized, unable to act. We are unable to act because a small minority here in the Senate on the Republican side refuses to let us move ahead with an extension of unemployment insurance benefits. If we could ever have a vote—if we could get a vote on it—we would get over 50 votes. A majority would vote for the extension. But once again, under the rules of the Senate, a minority of the Senate gets to decide what we vote on.

I wonder how many students in government classes that are being taught in high school today, even in college, are being taught that the majority does not govern in the Senate. I wonder how many understand that in our democratic form of government, 41 Senators decide what we vote on—41. Not 51 but 41 Senators decide what legislation comes before this body.

You can go back to the Framers of our Constitution and read all they wrote in our Federalist Papers—what Madison said and others—and they all warned against the tyranny of the minority. That is why they set up a system of majority rule. I think it was Madison who referred to the aspect as perhaps a small junta being able to control legislation if we did not have a majority vote. Well, we have turned that on its head. Because today, a mi-

nority—41 Senators—decides what we vote on. Please explain that in terms of our democratic principles to kids who are taking government classes throughout America today.

Go to other countries, where we are trying to get them to establish democratic forms of government, and tell them: Oh, it is okay to have a minority decide what you vote on. They have to scratch their heads and say: What are you talking about? We need a majority. Yet here in our own country, a minority rules in the Senate.

I know a lot of polls show that people are angry and they are mad at Congress. I can understand that. If I had been out of work for 99 weeks and I had a family to feed and house payments to make and all of a sudden my unemployment insurance benefits ended, I would be pretty mad at Congress too. I think what the Republicans are counting on is that this fall they will be so mad they will vote against whoever is running Congress, and that is the Democrats, obviously. That is what they are counting on; that people will vote because they are mad, they are angry, and they will vote the Democrats out. Yet it is the Republicans, a minority, who are keeping us from voting on extending unemployment insurance benefits.

I don't care what my friends on the other side of the aisle think. The American people will know. People are not stupid. The voters of this country are pretty smart. Oh, you might fool them for a little bit. As Abraham Lincoln said: You can fool them for a little bit, but not all the time. And pretty soon they will catch on. They will catch on that the Congress is not acting because a small minority of the Senate will not let us act.

A group of business economists recently released their economic outlook and they said that we are on track for recovery. They gave a large share of the credit to the Recovery Act that we passed last year, of course without one single Republican vote. I think the recovery bill prevented a catastrophe. But, quite frankly, the economy is still in the doldrums. Sales of new homes plummeted last month to 33 percent, the lowest level in 40 years.

According to the Federal Reserve, U.S. companies—get this—private U.S. companies are now hoarding an all-time high sum of \$1.84 trillion in cash. Companies in America are holding \$1.84 trillion in cash. They are unwilling to invest, to hire, or to expand. So again, it is a very fragile recovery that could dip back into even another big recession.

We had the Great Depression in the 1930s. In the 1990s, as a result of the profligate spending and the huge tax cuts for the wealthy under the Bush administration and the Republicans who controlled Congress—as the Senator from Illinois pointed out—President

Obama was left with a deficit of \$1.3 trillion. When President Clinton left office, there was a budget surplus of about close to \$300 billion. Because of all that, we have had the great recession of the 2000s—2007, 2008, 2009, and now 2010.

A lot of figures are thrown around about how many are unemployed. The official unemployment is 9.5 percent with nearly 15 million workers. But the real unemployment, including those discouraged workers, those who are working part time because they can't find a full-time job, is close to 26 million Americans. Twenty-six million Americans can't find a full-time job. They are desperate and they need help. Right now, there are five job seekers for every new job opening. Actually, more accurately, there are more than eight. This 26 million who are right now unemployed, officially, they say, there are about 5 to 6 unemployed workers for every job. But actually, it is closer to about eight job seekers for every opening.

I was reading an article in the Post yesterday. Michael D. Tanner, a senior fellow at the Cato Institute—a libertarian think tank—said:

Workers are less likely to look for work or accept less than ideal jobs as long as they are protected from the full consequences of being unemployed. That is not to say that anyone is getting rich off of unemployment or that unemployed people are lazy, but it is simple human nature that people are a little less motivated as long as the check is coming in.

Boy, that almost takes your breath away, that we have people such as this in high places who are setting economic policy, or trying to set economic policy. He says: As long as people are protected from the full consequences of being unemployed. What does he mean: They have to starve; they have to go out on the street corner with hat in hand, give up their homes, put their furniture out on the street, send their kids to the orphanage? Is that what Mr. Tanner means by the full consequences of being unemployed? Maybe starving; can't get enough to even eat? What is he talking about—the full consequences—when there are eight people looking for every job?

He says that by extending unemployment benefits, it makes people less inclined to look for work. You wonder where people like this come from. Where did they ever go to school? What did they learn in their lifetimes? Or are they just so uncaring about their fellow human beings that they just say: Let it happen. Whatever happens, let it happen and the government can't do anything to help.

We had that attitude prior to the 1930s, prior to the Great Depression. But I thought we turned the corner. I thought we recognized that government could be an instrument to make sure that people's lives were not miserable, that they did not have to suffer

the "full consequences of being unemployed," being thrown out on the street or starving or putting their kids in orphanages because they couldn't take care of them any longer. I thought we turned the corner on that. But, obviously, there are some who would like to turn the clock back.

There are eight job seekers for every one unemployed. They are hanging by a thread. Their savings are exhausted. They have no safety net whatsoever. Every day we get stories in our office, heartbreaking stories, of families back home struggling to survive, but there just are not any jobs. I heard from a woman in Waukon, IA. She worked in the same job for 33 years, the plant closed, she and 300 other workers lost their jobs. This is in a town of 3,500 people. She is a diabetic without health insurance. She has applied for more than 200 jobs. She is crying out for a job. She wants to work, but she comes up emptyhanded because there are no jobs.

I heard from a worker in the Des Moines area who had been in the insurance industry for many years and was laid off a year ago. Her benefits were cut off last week. Here is what she said:

My concern is that my family cannot survive without the unemployment benefits. We have depleted our savings just to save the house and not get behind on the bills. I know there are others far worse off. Please help pass the emergency unemployment insurance extension.

These are hard-working people. They have tried their best. They have not shirked their duties and responsibilities. They are being good citizens, hard-working citizens. What we are talking about is just a matter of fundamental fairness and decency and using the power of the government to make sure people do not—what did Mr. Tanner say?—"suffer the full consequences of being unemployed," whatever that may mean.

Yet in the face of these families in this crisis, the extension of unemployment insurance benefits is stalled, it is stuck. I would say it is cruelly obstructed in the Senate. We have tried time and time again to pass an extension. Every time it is blocked by our Republican colleagues on the other side of the aisle. As a result of this, more than 2 million Americans have now exhausted their unemployment benefits.

Actually, when I took this floor before the Fourth of July recess, I talked about the number of people who would be out, and I said it would be about 2 million. It is now 2.5 million. Last week, 2.1 million; this week, 2.5 million. These are people out of work. They have been out of work so long, although they have looked for work, that now their unemployment benefits are gone.

I ask people to think about it. Around this place we all have jobs, don't we? We all have jobs. Everybody

who works on the Senate floor has a job. I have a job. You, Mr. President, have a job. We get paid pretty darned well too. We are not facing unemployment. No one who works here is facing unemployment. Just think how you would feel. Just think how you would feel if you got a pink slip yesterday, and it said don't come to work next week. You have house payments to make, you have kids in school, maybe one in college or two. You might even have car payments to make. All of a sudden you are out of work and you cannot find a job. They say: I am sorry, you can't get unemployment benefits either. What do you do? What do you do?

Put yourself in the shoes of these people. What would you do? How mad would you be at the U.S. Congress and the government if you had worked all your life, like this woman from Waukon, 33 years—out of work, diabetic, no health insurance, has applied for over 200 jobs, can't find a job, and we cut off your unemployment benefits? How mad would you be?

We keep hearing this, and I have heard it from the other side of the aisle, I have heard it from Sarah Palin and others, that people are lazy. They just rely on those benefits instead of looking for work. Even the distinguished minority whip, Senator KYL, put it recently—here is the quote:

Continuing to pay people unemployment compensation is a disincentive for them to seek new work.

There are eight people looking for every job. How low do we have to drive people down? I suppose if we paid people 50 cents an hour we might get people to work, to do things. Is that what we have come to as a country, that people have to be pushed that far down before we respond?

I think those who say people are just lazy are out of touch with reality. Let's look at the facts. Numbers vary from State to State. Unemployment insurance benefits vary from State to State. Right now it is about \$300 a week average nationwide—\$300 a week. For a family of four, get this, if you get unemployment benefits—if you are lucky enough to still be on them—you are getting \$300 a week average. That is about \$15,000 a year. Can you keep your family going on \$15,600 a year, a family of four? The poverty line is \$22,000. I suppose, according to my friend from Arizona, Senator KYL, if you are getting \$15,600 a year, that is a disincentive for you to try to find a job that pays more than \$22,000.

I don't understand the logic of that reasoning. The truth is, the long-term unemployed would like nothing more than to pull themselves up by their bootstraps. But the problem is, in the economy right now we are kind of short of bootstraps.

Another argument I hear from our Republican colleagues is that extending the unemployment benefits will

add to the deficit. Their argument is that we should cut off some of the most desperate people in our economy, take away their last meager lifeline, because we are concerned about the deficit. Yet those very same Senators are demanding that we extend hundreds of billions of dollars in tax breaks for the wealthiest Americans in our society. My friend, the Senator from Vermont, Mr. SANDERS, who was here yesterday morning, gave a great speech on what is happening in our society in terms of the few controlling more and more and the rest getting less and less. As he pointed out, the top 1 percent, the richest people in America, control 90 percent of the wealth. They control 90 percent. The rest can get all the rest. Yet my Republican colleague said we have to keep giving them more tax breaks, but we cannot help people who are unemployed; it will add to the deficit.

Extending these tax breaks for the wealthiest in our society also adds to the deficit, but I guess in their way of thinking that is all right.

Again, when we talk about extending these tax breaks, my friends on the Republican side, they don't say we have to find an offset for it. They say, no, add that to the deficit; we don't have to pay for that. But if we want to extend unemployment benefits, we have to somehow pay for that.

Again, I am sorry, I am lost in the logic of that. According to our Republican colleagues, adding massively to the deficit to finance tax breaks for the wealthy is fine, but adding to the deficit to extend benefits for the long-term unemployed is unacceptable. I just happen to think those are misplaced priorities.

Let me speak a little bit about deficits because they are a concern and they are something we do have to pay attention to and we are going to have to fix for the long term. We are in a fiscal mess. But it was not so long ago then-Vice President Dick Cheney dismissed the need for fiscal responsibility when they were cutting tax breaks for the wealthy, spending more and more. Here is what he said: "Deficits don't matter."

Vice President Dick Cheney said: "Deficits don't matter." Again, under his administration, with President Bush, they didn't matter. Boy, the deficits just spiraled out of control. I do not remember any significant Republican dissent from Mr. Cheney's view during that period of time, that deficits don't matter because they were off going after weapons of mass destruction in Iraq, and that misplaced war has cost us pretty close to \$1 trillion, not counting untold lives lost, people injured for life. And the tax breaks for the wealthy spiraled us, again, into a deficit. But Mr. Cheney said deficits don't matter.

I tend to disagree with Mr. Cheney. Deficits do matter. They matter be-

cause when Mr. Clinton was President, we got out of the deficit hole. They said deficits don't matter when Republicans were in control. Now they say deficits do matter. They blame the Federal Government's fiscal mess on President Obama and actions taken by this Congress. That takes a wholesale rewriting and air brushing of recent history.

As we all know, it was the administrations of President Reagan and George Herbert Walker Bush in the 1980s that launched America into a new era of large budget deficits. President Clinton then spent the following 8 years cleaning up the fiscal mess he inherited.

In 1993, President Clinton, along with the Democrats, the Democratic Congress, passed a painful but a courageous deficit reduction plan without one single Republican "yes" vote in the Senate. That plan not only produced record budget surpluses, it expanded our economy. People were employed. It put us on a path, by the year 2000, to completely eliminate the national debt within a decade. We could have wiped out the national debt.

I remember that debate. I was here. In 1993, I remember the Senator from Texas, Mr. Gramm, getting up, wailing about how this plan was going to destroy America. It was going to plunge us into fiscal crisis. It was going to create unemployment. It was going to create a disaster.

We passed it without one Republican vote. Look what happened: the economy grew, unemployment went down, we paid down the national debt, and we left in 2000 with a huge budget surplus.

Yet in 1994, the year after we passed this without one single Republican vote, Republicans were all over the country taking the Democrats to task for raising taxes. You know what happened in 1994. The Democrats lost the Senate and lost the House and Republicans took over. But we were able to keep that program intact. They couldn't repeal it and we kept it intact during the 1990s, resulting in a good strong economy, more employment, less unemployment and, as I said, putting us on a plan to pay off the national debt.

Then in 2001 George Bush came to office, Republicans gained control, and again we moved into deficits once more in our country—huge deficits. As my friend from Illinois said, according to CBO, when President Obama took office we had a \$1.3 trillion deficit. When President Bush took office in 2001 we had about a \$300 billion surplus. What a difference. What a difference.

Now, because of the profligate spending and the deficits of those 8 years of Bush, because of the huge hole we were in when President Obama took over, our economy is in a tailspin.

Now we are trying to work our way out of it. That is why we had the Re-

covery Act. The Recovery Act helped us gain more jobs in this country. As I said, it kept us from having a catastrophe. Now we know we can bring the deficit back under control. We did it during the Clinton administration, and we can do that again.

As my friend from Illinois said yesterday, President Obama nominated Jack Lew to serve as Director of the White House Office of Management and Budget. He held that same position in the Clinton administration, in the latter years of the Clinton administration. So again we are looking to Mr. Lew to help us work our way out of this mess we are in.

So I can say that we Democrats are proud of our record of fiscal responsibility. But forgive us for asking: Why is it that again and again we Democrats are cast in the role of the shovel brigade in the circus cleaning up after the elephants? Why are we always doing that? And then people get mad because we have to clean up the mess. Well, I am tired of being the shovel brigade after those elephants. We all understand that deficits are unaffordable and unsustainable. However, among economists, a broad array of economists in this country; among many Senators—I am one of them—I believe there is a more immediate and urgent concern; that is, getting a recovery from the deepest economic downturn since the Great Depression. Do unemployment benefits cost money? Of course they do. Are they in our long-term interest? Absolutely.

The single most effective way to reduce the deficit is to keep the recovery on track. If we can do that, we can reduce the deficit, according to CBO, from 10 percent of GDP this year to 4 percent by 2014. I will be the first to say we cannot do it overnight. We did not do it overnight in the 1990s. It took us literally 8 years, but it built up slowly, and toward the end we were really rolling by the year 2000: low unemployment, the economy was booming, we had budget surpluses. But it took a long time to get there, and it is going to take us some time to get back there again. But extending unemployment benefits is an essential way to keep us on that path to recovery.

Economists calculate that for every dollar invested, the unemployment insurance safety net generates about \$1.63 in economic activity. Again, they tell us: If you are going to spend government money, if you are going to do that, you get the most bang for the buck by putting it in food stamps. Because when poor people get food stamps, they go out and they buy food. The next is unemployment benefits. When you give it to people who are unemployed, they go out and they spend that money. They buy food, they pay their rent, they pay their food bills, they pay their clothing bills, they pay for car payments, house payments, all

of those things just to keep afloat. So that spurs economic activity. Yet look down here—extending the Bush tax cuts. For every dollar we extend the Bush tax cuts, we only get back 49 cents. Compare that to unemployment benefits. Yet the Republicans want us to do this, spend every dollar we have to extend the Bush tax cuts, for which we will get back about 49 cents. They do not want to do unemployment benefits that for every dollar we spend we get back \$1.63 in economic activity. They say unemployed households spend these dollars on immediate needs.

From the Recovery Act alone in Iowa, more than 3,700 jobs were created in 2009 thanks to the economic activity of the Recovery Act. Did that get us all of the way out of the recession? No. But it sure as heck helped a lot of families and kept us from sinking even further. So that is why we had the Recovery Act, which has at least helped us out of a depression.

David Walker is the former Comptroller General under the Bush administration, the George W. Bush administration. Now he is president of the Peter G. Peterson Foundation, an organization that is single-mindedly focused on cutting long-term deficits. Last week, he testified before the bipartisan deficit reduction panel. He said it is a “myth that we cannot address our current economic crisis and our long-term fiscal crisis at the same time.” Yet that is what we are hearing from Republicans: We can’t do both of those; we have to focus on the deficit, and don’t worry about the crisis we have right now.

David Walker continued:

In our view, the answer is to continue to pursue selected short-term initiatives designed to stimulate the economy and address unemployment, but to couple these actions with specific meaningful actions designed to resolve our long-term structural deficits.

Well, I agree. We have to address the short term and then think about the things we have to do here to address the long-term problems of the deficit.

So, again, for the sake of all of the families who have written in to my office, for all of the families who are at the end of the line, I urge my colleagues on the other side of the aisle to stop this cruel obstructionism and do the right thing right now for people who desperately need our help. Stop the filibuster. Let us vote. There are more than 50 votes. There is a majority here to extend unemployment benefits. I ask the minority to allow us to vote on it, to help these families in desperate need all over the country.

It is my intention, as often as I can, to get to the floor to continue to speak about the desperate needs of those families we cannot continue to ignore.

To those who think they can gain politically at the polls in November, who think they can gain politically by having people suffer more, by having them

more desperate and more destitute, I say that is an aberration, that is a total abdication of our responsibility as officers, as people who are sworn to uphold and defend the Constitution of the United States. It is unworthy. It is unworthy of a great country for their leaders, for their elected leaders, to show they can get political gain by making people more desperate than they are today.

So I hope we can have the vote, we can extend the unemployment benefits, and we can help people who really need a lifeline right now. Anything short of that is not worthy of our great country. I urge the minority to let the bill come up for a vote so we can vote it through. It should be done this week.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. DORGAN. Madam President, I ask unanimous consent to speak in morning business for such time as I may consume.

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

#### CONGRESSIONAL TO-DO LIST

Mr. DORGAN. Madam President, the to-do list in the Congress, and especially in the Senate, is long and difficult. We have witnessed all of this year a determined minority to act as a set of human brake pads. The minority has tried to stop almost everything in the Senate, including providing extended unemployment benefits for those who are out of work during the country’s deepest recession since the Great Depression. It is unbelievable to me.

It seems to me everyone should understand that when we are in a deep recession, as we have been—and we are coming out of it—that is the time to extend unemployment benefits because it is necessary to do. Yet it, too, has gotten caught in this trap of saying no to everything.

I wish to go over just a bit of the to-do list in the Senate. First and foremost, there is no question that one of the most significant challenges facing this country is debt and deficits. Everybody understands that. The question is, How do we deal with it?

The President is criticized for describing what he took over, but it is pretty important. You go to a rental car dealership and they want you to look around and see what the car is like before you rent it, right? This President ran for President, but when

he took over this economy, had he done nothing, not lifted a finger, the Federal budget deficit was going to be \$1.3 trillion. On the first month of his Presidency, the economy he was left with had 680,000 people losing their jobs in that month.

This economy was in steep decline. That is what he inherited. It is not my taking a half hour to describe what was wrong in the previous 8 years, it is stating the obvious. What do we try to do about that?

Well, the President has created this commission to try to address the deficits and debt that have come from this steep economic decline. When a country is experiencing a very deep recession, there is less revenue coming in. We were losing about \$400 billion in revenue that we used to get. And then we have higher expenditures going out because we have the economic stabilizers that we pay for in order to help people during times of economic distress. So we had these unbelievable Federal budget deficits. That is not surprising. That will happen when there is a very steep economic downturn.

But we can’t, it seems to me, go into this with a structural imbalance, as we had, and then have a deep recession and have deficits explode and then not have a plan to deal with them. So the question is for all of us—the President and the Congress—what do we do?

The President has created a high-level bipartisan commission to say: All right, come up with a set of recommendations by the end of this year of what we can do. What are the range of issues with everything on the table? Yes, discretionary spending, military spending, entitlements, all of it. What is the menu necessary to put this country back on track?

In 2001, President Bush proposed very large tax cuts. I voted no on the floor of the Senate, and I said the reason I am voting no is that I don’t think we should provide 10 years of very large tax cuts just because we had a surplus the last year of Bill Clinton’s Presidency. We had a budget surplus—the first budget surplus we had in 30 years. They estimated that not only would we have a budget surplus that year, but we would have surpluses for the next 10 years.

I said: Let’s be a little conservative. What if something happens? What if we don’t have the surpluses?

They said: Don’t worry about that; let’s give large tax cuts—and the bulk of it, by the way, went to the wealthiest Americans. Without my vote, that passed. It did a lot of strange things.

Among the tax cuts was a cut in the estate tax that took the estate tax over these 9 years down, down, down, and down so that this year we have a zero estate tax. Think of that. The estate tax in this country this year is zero. We have about 400 billionaires in