

The National Defense Authorization Act is designed to strengthen our military, provide the required resources to the Department of Defense to carry out the responsibilities our Nation asks of them, and to improve our servicemembers' and their families' quality of life. The proposed legislation and the funding priorities will ensure that our Nation maintains an adept and quality force to defend our country and allow us to continue to be an ambassador for a prosperous and peaceful world. I commend the chairman, the ranking member, and committee staff for their hard work on the bill and their diligence in bringing it to the floor.

Unfortunately, the bill does have several problematic provisions, including an unnecessary limitation on the role of private security contractors and an unnecessary prohibition on trained and qualified personnel conducting lawful interrogations. I hope we can address and resolve these issues in conference in a way that best serves our military personnel and allows them to effectively carry out their responsibilities.

I also hope the Senate can complete action on this very important piece of legislation and proceed to a House-Senate conference and passage of a conference report prior to the end of this month.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from California is recognized.

Mrs. FEINSTEIN. I thank the Chair. (The remarks of Senator FEINSTEIN pertaining to the introduction of S. 3493 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mrs. FEINSTEIN. Mr. President, I yield the floor.

Mr. LEVIN. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate stands in recess until the hour of 2:15 p.m.

Thereupon, the Senate, at 12:34 p.m., recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. CARPER).

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2009—Continued

The PRESIDING OFFICER. Who seeks recognition?

Mr. LEVIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DURBIN. I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. DURBIN. I ask unanimous consent to speak as in morning business.

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

THE ECONOMY

Mr. DURBIN. Mr. President, we continue to read today, as we did yesterday, about dramatic changes in the American economy, particularly the problems facing many of our larger financial institutions.

Not that many weeks ago, the Federal Government stepped in when Bear Stearns was in a terrible economic state and took over the responsibility for that company. It was an extraordinary decision because this is a company that we had not regulated as a Federal Government, not one at least in detail. We knew their transactions and balance sheets, but we put the full faith and credit of the American people and our Treasury behind rescuing Bear Stearns.

Then a little over a week ago the decision was made by this administration to do the same for two entities, Government-sponsored entities, Fannie Mae and Freddie Mac. These were the major institutions for housing in America. Between them, some 50 percent of all mortgages were being held. It was understandable that decision was made because the alternative was unthinkable. If Fannie Mae and Freddie Mac should collapse, it would jeopardize not only mortgages and homeowners but also the American economy. It is such a large part, it is understandable that the administration stepped in to make that decision.

Now this week comes a new round. Lehman Brothers, a company in New York which has prospered for many years, now faces bankruptcy, and along with it the question of the future of Merrill Lynch, a major brokerage house which appears to be in line to be acquired by Bank of America.

These are dramatic and unsettling events and a reminder to all of us that the state of the American economy is not as sound and solid as we would like to see it. But those are the events which happened at the highest levels of finance and the highest levels of Wall Street.

All of us representing our constituents—I represent Illinois—have traveled around our States and met with small business men and women, family farmers, and families as well, talking about the situation they face today. They do not make the headlines as Merrill Lynch or Lehman Brothers, but they should because if you go across the board and talk to these working families, these middle-income families,

you will find that over the last 7 or 8 years, this country has not been kind to them. Their spending power has been reduced. They continue to work. They are productive workers. America's economy is a productive economy. And yet they have not been rewarded for their work. Their wages have not kept up with the cost of living. They have fallen behind under this Bush administration some \$2,000 worth of spending power at a minimum. These are the people who are paying \$4.50 per gallon of gasoline trying to figure out how to get back and forth to work and to meet their obligations to their families and friends.

These are folks who are struggling with the cost of groceries and clothing. They are the same ones trying to figure how in the world to put their kids through college so their kids will not end up with student loans that look like their first mortgages.

They are worried also about health care, about the health insurance plans that do not cover as much this year as they did last year. They are worried about the out-of-pocket payments they may have to make. They realize, most of them, they are one diagnosis away from bankruptcy. That is the reality of life in the economy beyond Wall Street.

So when you look across the board at this economy, you realize the fundamental weaknesses of what we face today. Of course, the housing market has been the catalyst for some of the problems we now see. It turned out that the greed of Wall Street, of the overreaching of some companies, led to loans and mortgages which were totally unwise.

Many of those now have resulted in foreclosures, where people are having to leave their homes. Their misfortune is being visited on their neighbors. I recently had an appraisal on my home in Springfield. It is the same home I lived in when I was first elected to Congress many years ago. I have been there a long time. I have to tell you the value of my home has gone down 20 percent.

Why? It is not because we did not keep it up—we do a fairly good job with that—it is because the economy is weak in my hometown of Springfield, IL, and foreclosures nearby have taken their toll on the value of my home. We made all of our mortgage payments, but the value of our home went down 20 percent. That is the reality a lot of people are facing. My story is not one that should bring tears to anybody's eyes; we will get through it. But a lot of folks cannot. They cannot get through this, and that is where we are in the economy today.

How did we reach this point? We reached this point when we adopted a mentality that was dominant in this city for so long that, first, get Government off my back. Government is my enemy. Deregulate.

That was a pretty popular mantra around here 10 or 15 years ago. In fact, a lot of people laughed about it. Even