

debt or to push the problem down the road for a few weeks or a few months. That is what he said. Back then he was not interested in a short-term solution. Back then he was right.

This is why: Economists, market analysts, and rating agencies have said the world economy simply cannot bear this kind of uncertainty any longer. They have said a short-term solution to the impending default would still result in the loss of our AAA rating that has kept interest rates low in this country and saved consumers money for more than 70 years. So I trust Speaker BOEHNER and other reasonable Republicans understand the seriousness of a default crisis. Here is what the Speaker said very recently:

That would be a financial disaster not only for our country but for the worldwide economy. You cannot create jobs if you default on the Federal debt.

But a short-term fix does not get the job done. It would cause many of the same calamitous results as a technical default, including rising interest rates that would essentially raise every person's taxes. American families will pay more for their mortgages, car loans, student loans, credit card bills, and everything else. Higher interest rates would not just be costly for consumers, it would also cost the Federal Government more, and would actually increase our deficits and debt—and very quickly.

A less than 1-percent increase in interest rates, which economists have predicted if the United States debt is downgraded, would cost our government more than \$100 billion every year. I repeat: It would cost our government \$100 billion extra every single year. In a decade, that would cost this country as much taxpayer money as Speaker BOEHNER's proposal would cut from the deficit. In effect, his short-term plan would yield not a single dime of savings. Nothing.

Republicans would like the American public to believe Democrats in Congress and the White House are insisting on a long-term deal for political reasons. They say Democrats want to push this off until after the Presidential election. That is not true. It is not Democrats who have asked for a long-term solution. It is the economy. The economy has demanded it.

If Republicans in Congress are willing to risk our economy by playing politics in July, why would they not do the same in September, October, November, when his proposal—Speaker BOEHNER's proposal—would run out of money? That is why every economist, every market analyst, every rating agency, has insisted any legislation to avert a default on the Nation's debt must take us through the end of 2012.

The Senate is considering a measure that would avert default and cut \$2.7 trillion from the deficit. It is a reasonable measure. Republicans have supported every one of its cuts in the past, and it should be able to pass both Houses of Congress with bipartisan

support. I have heard a number of my friends on the other side of the aisle come here and say: But they are talking about the overseas contingency fund. The Congressional Budget Office—the nonpartisan watchdog of Congress—has decided that is worth \$1 trillion, just what we put in our bill. The Office of Management and Budget said it is worth \$1 trillion. The legislation we are projecting gives each side something it wants. It protects Social Security and Medicare without raising a single penny of revenue. And, most importantly, it is a long-term strategy to safeguard the economy and give the markets the stability they need.

Unlike Speaker BOEHNER's legislation, which economists have rejected, it would not put us through all of this again in a few months—probably only a few weeks—and with even less certainty of achieving a compromise than now.

British Prime Minister David Lloyd George said: "There is nothing more dangerous than to leap a chasm in two jumps." That is true. Congress has a duty to do what it takes to avert a national default in one swift leap.

It will take political courage. I urge all of my friends, Democrats and Republicans, to join hands. We can take courage from one another and make that leap together. Because if we do not clear this chasm, our Nation's economy will go over the edge with us.

I suggest the absence of a quorum.

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

The assistant legislative clerk proceeded to call the roll.

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

RECOGNITION OF THE MINORITY LEADER

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

DEBT LIMIT NEGOTIATIONS

Mr. MCCONNELL. Madam President, yesterday afternoon the White House issued a Statement of Administration Policy which said that when the legislation Speaker BOEHNER is now revising reaches the President's desk, unnamed senior advisers will recommend that the President veto it.

I have a question for these senior advisers: what about this legislation is so offensive that you would rather see the Nation default on its obligations than have the President sign it into law?

From what I can tell, the only thing in this bill the President has not already expressed his support for either publicly or privately is that it does not get him through his election without having to engage in another national discussion about the debt crisis that has brought us to this point.

So I would ask these senior advisers whether that is a position they want to

put the President in. Do they really intend to suggest that he veto the Nation into default for political reasons?

That is how I read the threat. And I think that is how the rest of the country would read it too.

So this morning I would like to reiterate my strong support for Speaker BOEHNER, the House Republican leadership and this plan to prevent default and reduce Washington spending.

I also want to commend the Speaker for his efforts and his determination.

This has not been an easy process, but I hope through it all the Nation sees how hard the Speaker has worked to ensure our Nation avoids calamity while safeguarding the American dream.

The Nation has had a chance to see the Speaker at his best over the past few days.

Unlike the President, he not only put forward actual legislation to prevent this crisis, he is keeping his promise to cut spending more than any increase in the debt limit—with no tax hikes.

What about the President's plan? When asked about the President's plan, his aides point to a speech and a veto threat.

With all due respect, Congress cannot vote on a speech, and a veto threat would not prevent default. The fact is Republicans have offered the only proposal at this point that attempts to get at the root of the problem and which actually has a chance of getting to the President's desk.

That is why we will continue to press for the legislation Speaker BOEHNER has proposed, and that is why we will fight against anything that pretends to solve the problem but doesn't—including the bill from Senate Democrats that proposes the largest debt limit increase in history, while falling $\frac{3}{2}$ trillion short on the cuts it claims to provide.

This crisis our Nation faces at this moment has a very simple cause and is easily understood: Washington spends a lot more money every year than it takes in. Do that every year and the debt piles up. Now we have reached the point where our deficits and debt are so large they are suffocating job growth, threatening the wider economy, and imperiling entitlements.

It took more than two centuries for Washington to amass a debt of \$10.6 trillion. But just $2\frac{1}{2}$ years after President Obama swore the oath of office, it is higher by more than one-third. Based on the President's actual policies, the situation is expected to get much worse.

In just 5 years' time, under President Obama's budget plan, the Federal Government will spend almost as much money just to cover the interest on its debt as it will on national defense. Over the next 10 years, the President's policies will add more than \$9 trillion to the debt.

This is why S&P revised its long-term credit outlook for the United States, not because we haven't authorized the President to spend more