

have lost 2.7 million manufacturing jobs not likely to ever be replaced by jobs paying as well.

In 2000, the unemployment rate was 4 percent when President Bush took office. Today it is 5.6 percent. There are 8.2 million Americans out of work, a third more than when the President took office.

In addition, long-term unemployment has nearly tripled under President George Bush. Look at the situation with long-term employment. When he took office, 649,000 people were out of work. Today, 1.9 million are out of work. There are long-term unemployed and the Republican administration refuses, still, to provide unemployment benefits for these people struggling to keep their families together while they are out of work.

In addition, what we have seen is this administration has also turned record surpluses under President Clinton into record deficits. When President Bush took office, we were on track for a 10-year surplus of over \$5 trillion. Sadly, in this situation today, we are headed toward a 10-year deficit of over \$3 trillion.

In 2000, we were saving every penny of the Social Security trust fund for those who needed it in the future. Since 2001, we have raided it every year to pay for President Bush's tax cut for the wealthiest Americans. That does not add up. It does not add up to income security for seniors. It does not add up to fiscal responsibility, which this administration promised.

In addition, because of the weak state of the economy, State taxes have been on the increase, rising by \$14.5 billion in 2002 and 2003 after 7 straight years of going down.

So while the President may talk about tax cuts for wealthy people, State taxes and local taxes are increasing to make up the difference. Household debt has increased among families in America from \$7.1 trillion in the year 2000 to \$9.4 trillion at the end of last year, a 32.8-percent increase. Our public debt has reached record levels under this President and, unfortunately, that debt comes down to \$20,000 for every American—a \$20,000 mortgage we are carrying because this President insisted on tax cuts while we fought a war, the first President to ever ask for that. Consumer confidence has fallen by 20 percent under this President.

And we come back, again, to the famous question asked by President Reagan in 1980. That question—*are you better off now than you were 4 years ago?*—it is hard to see in any circumstance why families, on an economic basis, could be considered better off. Their wages are flat, jobs have escaped us, and the costs of doing business in America and raising a family in America continue to go up.

It is clearly a time for a new direction in America. We need strong leadership to point us in a new direction of fiscal responsibility and economic growth. For the next 4 years we need to

dedicate ourselves to working families struggling to make ends meet and raise a family that in the future can enjoy even a better standard of living than their parents.

We are not better off than we were, but we can be.

I yield the floor.

The PRESIDING OFFICER. The Democratic leader.

STATE OF THE ECONOMY

Mr. DASCHLE. Mr. President, I will use my leader time and save what Democratic morning business is still allocated to others. I compliment the distinguished Senator from Illinois for his comments this morning.

This week it will be our hope to discuss the question about how it is that Americans view themselves as we enter this critical decisionmaking period for our country, choosing its national leadership for the next 4 years.

Senator DURBIN has put his finger on the question that was so appropriately posed by then-candidate Reagan in 1980. The question he asked in 1980 to the American people was: *Are you better off?* In many cases, Americans had a right to say yes in 1980, but there was a perception that on many specific issues and circumstances they were not better off.

So we felt it was appropriate that we have some analysis of our circumstances today in the year 2004. *Are we better off than we were in 2000?* *Are we better off in education today than we were back then, having passed but not funded the No Child Left Behind Act?* *Are we better off with our own national security and homeland security today than we were in 2000?* *Are we better off in our fiscal policy, our economic policy?* *Are we better off with regard to crime statistics?* *Are we better off with infrastructure?* Where is it that we are better off?

I dare say no one could possibly say we are better off.

Well, this week, we hope to analyze a little bit of the lay of the land as the American people see it today. Wondering out loud, expressing concern, and certainly providing some of our own reaction to the question, *Are you better off today?*

Senator DURBIN, our distinguished colleague from Illinois, said it so well with regard to our circumstances for average working families. In asking the question, *Are you better off than you were 4 years ago, when you look at the first 2 years of the Bush administration, real income actually dropped by \$1,500 per household, and throughout the last 4 years growth in wages has actually been very weak.*

After growing at a healthy rate during the Clinton administration, wages have barely kept up with inflation under the Bush administration. In fact, the Labor Department recently reported that in the last 12 months wages and salaries grew at the slowest rate in 20 years. At the same time, Americans

are facing skyrocketing costs. Whether it is a 25-percent increase in gasoline prices at the pump, a 28-percent increase in college tuition, a 36-percent increase in family health care premiums, the middle class is being squeezed.

This chart says it as graphically as one can. Here you have the average weekly earnings for a typical American household. It has gone up 1 percent over this period of time. In that same timeframe, while wages have only gone up 1 percent, gasoline prices have gone up 25 percent; college tuition, 28 percent; health care premiums, a whopping 36 percent. So at times like these, the last thing you want to do is threaten wages, but that is exactly what the Bush administration is planning to do in August, by implementing rules that will actually strip millions of Americans of the ability to cope with this situation.

Here you have an increase in earnings of 1 percent. One of the ways Americans have historically coped with that situation is to say: *OK, if I am only making a 1-percent increase, I am going to work harder and longer.*

We already have the longest workweek in the world with regard to industrialized nations—the longest workweek in the world and Americans respond to these increasing pressures by saying: *I am going to work longer. If they work longer, under current law, they are allowed overtime. But what the administration says is: We are going to make you work even harder and longer because we are going to take away some of your overtime. So the pressure is even greater.*

For many Americans, the problem is even worse than just flat wages and high costs. For millions, the problem is no wages because they have lost their jobs. We have actually lost 2.2 million private sector jobs under President Bush, compared to 21 million jobs created during the time President Clinton was in office. The manufacturing sector has been particularly hard hit, with jobs lost in 36 out of 39 months under the Bush administration. In all, we have lost 2.7 million manufacturing jobs. And a net of 2.2 million private sector jobs lost—the first time since the Hoover administration we have actually seen an actual job loss over the 4 years of any one President's term in office.

So here you have it: During the Clinton administration, 21 million private sector jobs created; under the Bush administration, a loss of 2.2 million private sector jobs.

In 2000, the unemployment rate was 4 percent. Today, it is 5.6. Mr. President, 8.2 million Americans are actually out of work, a third more than when President Bush took office. In addition, long-term unemployment has nearly tripled in the last 4 years.

In 2000, the number of long-term unemployed people was 649,000. Now there are 1.9 million long-term unemployed people, three times what it was in 2000

when President Bush took office, chronically long-term unemployed people who have virtually given up any real prospect of gaining employment any time in the short term.

Put simply, the Bush administration has the worst jobs record since the Great Depression. As a result, millions of Americans are now worse off than they were 4 years ago.

It is not just jobs and unemployment, however. As I said, these cost pressures that American families are feeling go beyond their income and they go beyond their employment. They go to the very nuts and bolts of making ends meet on a weekly basis. There is no better illustration of the problem they are facing with pressure on prices than we have seen in gas prices over the last several months.

In 2001, gas prices were averaging \$1.47 per gallon. Today, the nationwide average is \$2.01 per gallon, and the Bush administration recently announced that it expects the average price to climb even higher by June. Unfortunately, the Bush administration has done nothing to help consumers relieve that pressure.

During the 2000 campaign then-candidate Bush urged President Clinton to put pressure on OPEC to increase oil production. But today, President Bush is actually refusing—refusing—to follow his own advice, and his administration has said it won't call on OPEC to increase production.

The administration has also failed to take other action that could help stem the rise in gasoline prices. It has refused to defer deliveries of oil to the Strategic Petroleum Reserve and, in fact, has not investigated anticompetitive actions in the gasoline market.

While Americans struggle to pay higher prices at the pump, oil companies are posting record profits. In the first quarter of 2004, British Petroleum reported a 165-percent increase in their profits; Chevron-Texaco reported a 294-percent increase in their profits; Conoco-Phillips, a 44-percent increase in their profits; and Exxon Mobil, a 125-percent increase in their profits.

The Bush administration has been totally unengaged, not providing one scintilla of leadership in addressing gasoline prices as these prices continue to flummox the American people and press them into longer working hours without the wage increases through overtime.

There is also a concern for fiscal irresponsibility. The Bush administration has turned record surplus into record deficit. When President Bush took office, we were on track for a 10-year surplus of \$5 trillion. Now we are headed for a 10-year deficit of \$3 trillion.

This graph shows the budget surplus/deficit just in the 4 short years President Bush has been in office. In 2000, we had a \$236 billion surplus. This year, we are going to have the largest single deficit in our Nation's history.

We're now on track to take \$2.9 trillion from the Social Security trust

funds. On an individual basis, that means the Government will end up borrowing an average of \$18,500 for every worker covered by Social Security last year. Much of that money, which belongs to the workers, will be used to finance the tax cuts we have heard so much about with this administration.

While millionaires get billions in Federal tax breaks, middle-class Americans are facing dramatic increases in their State taxes. State taxes actually rose by \$14.5 billion in 2002 and 2003, after 7 straight years of decline. Household debt has climbed from \$7.1 trillion in 2000 to \$9.4 trillion at the end of last year. That is a 32-percent increase.

What does that tell you? What that tells you is that American households, because they are paying higher State taxes, higher gas prices, higher health insurance premiums, and higher tuition costs, what they are now doing is borrowing more and more. They are putting more of that debt on their credit cards, maxing out their credit cards at the very time when they do not have the ability to pay back that debt on a monthly basis.

By 2001, we had actually seen a reduction in the amount of public debt. It had fallen for 4 years, and we were on track to eliminate the debt by 2009. Now we are on track to reach \$5.9 trillion in public debt by 2009. That is more than \$20,000 for every American child, every American parent, every American family member.

We have heard a lot about the death tax, the so-called death tax, which is the estate tax paid by some who have large property transfers from one generation to the next. I do not hear my Republican colleagues talk about the birth tax.

There is now a birth tax of more than \$20,000 because of fiscal irresponsibility and mismanagement. That birth tax is paid not just by people who inherit but by every single American child when they are born.

The consumer confidence index has fallen by 20 percent in the last 4 years. The NASDAQ has dropped over 30 percent. Standard & Poor's 500 has dropped by over 18 percent, and the Dow Jones by 5 percent.

We come back to the question posed famously by President Reagan: Are we better off? Are wages better off? Are gasoline prices better off? Are we better off with college tuition or health care costs? Do we have more or fewer jobs? Have we provided more or less tax relief when the entire picture of taxes paid by workers is taken into account? The question provides a simple and very obvious answer to all of us: We are not better off. Americans are not better off than they were 4 years ago.

But we can do better. We are a "can do" country. We can be stronger economically, stronger in national security. We can be strong in meeting the values and ideals of our heritage.

We proved during the Clinton administration that Federal deficits can be eliminated, that the stock market can

boom, that 22 million jobs can be created, and that low interest and inflation rates could increase the quality of life for families from Maine to Washington. We are not better off than we were, but we can be and we will be with a new majority, with a change in administration policy, and new leadership in the White House.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, it is said that we inherit this great country of ours from our parents and we borrow it from our children. Yet, for all of us, it is what we do with this country, in what shape do we leave it for our children?

All of us aspire to give our children something more, leave a country to our children that is a better one, a stronger one, with better jobs and growth and opportunity.

My colleague asked the question: Are you better off today than 4 years ago? That was a question President Reagan asked repeatedly many years ago. It is a fair question. We have some serious challenges: the challenge of responding to the threat of terrorism; the challenge we now find in Iraq and Afghanistan; the challenge in this country of finding a way to create new jobs, to pay our bills and avoid running up very large deficits, and to deal with our trade imbalance. These are very significant challenges. In many ways the answer to these challenges relates to our values.

David McCullough wrote a wonderful book about John Adams, who traveled a great deal as they tried to put this new country together. He was in London and France. He would write right back to Abigail and he would ask the question in his letters plaintively: Where is the leadership? Where will the leadership come from to help put this country of ours together? Then he would answer his question by saying: There is really only us. There is Thomas Jefferson, Ben Franklin, George Washington, me, Mason, Madison.

In the rearview mirror of history we know the "only us" represents some of the greatest talent in human history. But for every generation, the question has been, Where will the leadership come from? Now more than ever the question is, Where will the leadership come from?

Let me talk for a moment about some of the challenges we face. I mentioned terrorism, the war in Iraq, Afghanistan. Let me talk about this country's fiscal policy and specifically trade policy with respect to large and growing and dangerous deficits.

This year we will have the largest Federal budget deficit in history, the largest ever in the world by any country. Last week we saw a story in the Washington Post that says: "U.S. Trade Deficit Grows Unchecked," \$46 billion gap in March is the biggest monthly trade deficit in our history. Think of that, \$46 billion in 1 month,

over \$10 billion of it to China alone. This is at a time when the dollar is weakening, and they expect that our trade deficit will begin to shrink. Our trade deficit grows.

We have the largest budget deficit in history, the largest trade deficit in history, and the administration acts as if this is just routine. They say: What problem? This is not a big issue. What problem?

Ultimately, our children will repay this trade deficit with a lower standard of living. They will inherit the budget deficit and have to repay it. As important as that is, the combination of these deficits that are choking our economy mean we will have fewer jobs and less opportunity and a less robust economic growth in the future. That is a fact.

Where are the values that deal with these questions? Should we not as a country begin to address this? Where is the leadership?

I know conservatives who say this is not true. It is true. The President says: Let's increase spending. He says: Let's increase defense spending by well over \$100 billion a year. Let's increase homeland security spending. Let's increase spending on health care issues because health care spending is increasing. He proposes we pay that. So we have very large spending increases and at the same time he says, Let's cut taxes and cut taxes again. Yesterday's CQ Daily talks again about an additional tax cut campaign.

The question is, How do you pay for all this? Does it add up to have budgets proposed by this President that say, let's increase spending in category after category and then, by the way, let's cut revenue and let's have the kids pay for all this?

Now we have a proposal for \$25 billion in additional funding for Iraq. That is on top of the nearly over \$80 billion we appropriated recently just months ago. Part of that money, incidentally, which is not paid for and that is charged to the kids, is to reconstruct Iraq.

We have a program in this country offered to us by the administration for Iraq, a domestic program. They have a roads program for Iraq. They have a jobs program. They have a health care program for Iraq. They have an energy program for Iraq—all paid for by the American taxpayer. Is that what we ought to be doing?

Iraq has the second largest reserves of oil in the world. I had a soldier tell me he was standing on some sand in a low spot one day in Iraq and his boots got black with oil. It was seeping out of the sand. They have the second largest reserves of oil in the world. I believe the Iraqi people ought to sell Iraqi oil to pay for Iraq reconstruction. That is not the job of the American taxpayer. Yet this administration again, even on this issue, says: Let's borrow money and let the kids pay for it in order to provide a domestic program to reconstruct Iraq. In my judg-

ment, it is fundamentally wrong. It means fewer jobs in our country, less economic growth, and less opportunity here.

Unless we get our hands around these issues, a reckless fiscal policy that has now given us the largest budget deficit in history and a trade policy that seems oblivious to fairness for American producers and workers, when you hear people talk about trade policy who espouse these things, you wonder whether the tongue is in any way connected to the brain. What on Earth could they be talking about, setting up trade policies with other countries that undercut our producers and undercut our workers?

I could give you examples. I have done it in recent weeks. Huffy bicycles are made in China; the little red wagon, that is made in China, not in America. You want to buy Mexican food, go buy a Fig Newton. Fig Newton used to be an all-American cookie. That is now made in Mexico; Fig Newton is Mexican food. You wear Fruit of the Loom underwear? You are not wearing American underwear anymore. It is made in Mexico and China. And Levis, that isn't all-American. They are gone, too.

This country has to have a trade policy that begins to ratchet these huge deficits down. Instead, they are going up. This administration doesn't care. Their interest? Go do another trade deal with another country, just do another deal. It undercuts the interests of our country. It is perfectly appropriate, as the Democratic leader said, to ask: Are you better off now than you were 4 years ago? The answer with respect to this country's economy and long-term outlook is, no, we are not.

The answer to John Adams' question, Where will the leadership come from, is the leadership needs to come from an administration that says we have to pay for that which we consume. Why are we not asking in this country that we begin to pay for that which we are spending? If we want to increase defense spending \$100 billion a year, as the administration has done and Congress has approved, should someone pay for that? If homeland security needs, in order to deal with the threat of terrorism, have increased, we must increase spending in homeland security, should someone pay for that, or is this all the obligation of our children?

We need leadership, and we need it now. This administration understands, or should understand, that in fiscal policy and trade policy, these large deficits—large, abiding, and growing deficits—will choke this economy, and that is not what we should aspire to want for our country's future. We can do better than that.

Mr. President, how much time is remaining on our side in morning business?

The PRESIDING OFFICER (Mr. ENZI). There is 10 minutes 45 seconds remaining.

Mr. DORGAN. Mr. President, I yield back that time.

The PRESIDING OFFICER. All time is yielded back.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

ESTABLISHMENT OF CAMPAIGN MEDALS

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to the consideration of H.R. 3104, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3104) to provide for the establishment of separate campaign medals to be awarded to members of the uniformed services who participate in Operation Enduring Freedom and to members of the uniformed services who participate in Operation Iraqi Freedom.

The PRESIDING OFFICER. Debate is controlled. Who yields time?

The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I yield myself 6 minutes off of the time on this side, and then the remaining 4 minutes will be reserved for the Senator from Arkansas who is in the Chamber to speak. I know Senator WARNER intends to speak as well.

First, I thank the majority leader, the Democratic leader, Senator WARNER, and Senator LEVIN for their leadership in bringing this legislation to the Senate floor today for a vote.

H.R. 3104 is a bill to honor our service men and women in Iraq and Afghanistan with campaign medals that recognize—appropriately recognize, in my view—their service and their sacrifice.

A few days from now we will all honor those who have given their lives in defense of this great Nation. That is, of course, Memorial Day. This year it takes on special meaning since we clearly are engaged in two wars in which we have suffered many losses. Many fathers and mothers, sons and daughters will spend this Memorial Day not with family and friends but instead in Afghanistan or in Iraq. It is for them and their families that I believe we need to pass this legislation.

Over the last 2 weeks, we have been flooded with horrific images of Iraqi prisoners mistreated at the hands of a few soldiers. This set of incidents has cast a dark shadow over the honorable and courageous service of over 2 million men and women in uniform. Today, we have an opportunity to send a strong, unequivocal message of support for our brave young men and women who have served and continue to serve both in Iraq and in Afghanistan.

H.R. 3104 will provide the special recognition to these soldiers that, in my view, is long overdue.

The administration made a decision to award a generic global war on terrorism expeditionary medal to all of the men and women who have served in