to trade imbalance, trade deficits, huge deficits in our budget; we have seen a lack of enforcement on trade agreements; jobs lost, 3.6 million manufacturing jobs alone; and I think this is more than just a little bit of volatility in the economy.

So, Mr. President, I am extremely hopeful that we will say no to this Colombian Free Trade Agreement and that we will stand up for Americans, that we will stand up for Americans who have lived their lives working hard, trying to play by the rules, and who expect us to stand up for them, and American businesses that have done the same thing. Let's pass Trade Adjustment Assistance the right kind of way. Let's make sure we have a strong policy on currency manipulation. Let's make sure we toughen our trade enforcement laws. And let's most certainly recognize the tens of thousands—millions at this point—of those who are on unemployment insurance and who are asking us to extend those benefits, as has been done in every other time of recession, so that they have the ability to be able to care for their families while they are looking for a job.

Mr. President, I hope we will value the dignity of work and what millions of Americans are going through every day now and understand it is our job, first and foremost, to fight for them.

I thank the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Missouri.

IRAQ

Mr. BOND. Mr. President, I know many people have been watching General Petraeus and Ambassador Crocker reporting on what is going on in Iraq. Obviously, it is very important information, and I would hope we would heed what they are saying.

Regrettably, I must say that too many in the Democratic Party remain in denial over the progress being made in Iraq and still remain politically vested in defeat. We have heard the leaders of the party say: Oh, we have already lost. They believe that might give them an advantage in the November elections. That is certainly a bad way to decide what our strategy should be to defend the security of the United States.

We have made great progress in our fight against terrorism. The war is far from won, but today there is no question that the central battleground in the global war on terror is Iraq. Our men and women in the military are fighting the al-Qaida terrorists there in Iraq, where Osama bin Laden and Ayman Zawahiri say they are going to establish their caliphate. We are fighting that war so that future generations will not have to fight them on our own soil.

For my colleagues who argue we should not be fighting them in Iraq but in Afghanistan, let me get you a little bit of intelligence news. Al-Qaida is not in Afghanistan. Al-Qaida left Afghanistan after we deposed Saddam Hussein. What we are fighting there are the indigenous Taliban insurgents, not al-Qaida.

More than anyone else, our brave veterans who are fighting in Iraq against the al-Qaida know the dangers of defeat. They know what they and others like them have done. Their word to us is: We as a nation, but more specifically we as your military, have made too many contributions and too many sacrifices to walk away from this essential battle for our freedom and declare defeat.

My own son, a marine, returned last fall from his second tour of Iraq with his scout snipers. He returned on success because they cleaned al-Qaida out of Falluja and Al Anbar, and they turned the job of keeping security over to the Iraqi Sunni Citizens Watch and the police.

If my colleagues will listen today to the voices of veterans who are on the Hill in their tan golf shirts, they are the voice of people who have been in the field—the Vets for Freedom, with whom I have had the honor of being this morning, and to General Petraeus and Admiral Crocker—these are the people we need to listen to, not the voices of moveon.org and the Code Pink extremists. We need to bring our troops home, but we need to bring them home on success. That is what they fought for; that is what they are there for.

As one man in the field reported today: You can't be for us, for the troops, and against the war because we are the war.

Despite the evidence of progress in Iraq, the media seems trigger happy to report bad news. Less than 48 hours after Iraqi security forces began their campaign against the militant Shia factions in Basra, the media already was declaring the operation a failure. The operation initiated on March 25 was designed to quell rogue factions of Muqtada al-Sadr's Mahdi army. In covering the fighting, the press displayed its previously seen penchant for quickly throwing in the towel when the military operation does not instantaneously achieve its goals. If the operation were a failure and didn't meet its goals, then why did Muqtada al-Sadr order a cease-fire? I don't know of any commander who has declared a cease-fire when he is winning.

Right now, General David Petraeus and Ambassador Ryan Crocker are testifying before the Senate on the progress being made in Iraq. I expect that testimony will show that the new counterinsurgency, or COIN strategy, backed up by the surge, has been working and has brought Iraqi citizens to our side in the fight against al-Qaida.

Since the surge forces began operating under this new policy in mid-2007 and the adoption of the COIN strategy, there is some important security progress to point to. Overall violence in Iraq, civilian deaths, sectarian killings, and attacks on American forces are all down. Coalition forces have captured or killed thousands of extremists in Iraq, including hundreds of key al-Qaida leaders and operatives. American troops are beginning to return home on success.

In addition to security progress, the Iraqis are also making critical political progress. While this front has been the slowest—and we must continue to demand that the Iraqis assume greater control—the Government has taken several important steps. The Iraqi Government has enacted a pension law that keeps the promises made to Sunnis. It has enacted a debaathification law that allows midlevel Baath Party members to reenter political and civic life. It has passed a budget that focuses spending on security reconstruction projects and provincial governments. It has enacted an amnesty law, and it has reached agreement on a provincial powers law that will ensure the Iraqis the right to be heard in upcoming elections.

Democrats are in denial of the progress in Iraq despite this evidence of both security and political gain. Their rejection of the reality in Iraq does not extend just to the current Petraeus and Crocker testimony, however. Some who favor retreat and defeat in Iraq have also taken issue with the classified Iraq National Intelligence Estimate, or NIE, distributed to lawmakers last week.

Always quick to tout and cherry-pick information from a NIE that can be twisted to support their motives, the retreat-and-defeat gang has outright rejected the latest Iraqi intelligence report. They claim it is ''too rosy.''

Unfortunately, this denial is no more than rhetoric and fodder for the mainstream media because we know that defeat in Iraq would have serious national security implications and do great harm to our image around the world, an image that so many of our colleagues on the other side say they wish to repair. Iraq is the central battleground in the war on terror. In addition to giving al-Qaida safe haven, defeat in Iraq would embolden a possibly nuclear-armed Iraq. The intelligence community has stated in an open hearing before the Intelligence Committee earlier this year that if we withdraw from Iraq before their army and police can maintain security, violence and chaos will spread across the region.

This has been a tough fight. We have lost over 4,000 of our bravest and finest men and women. The surest and most fitting way to honor their memory and their service is to ensure victory, not defeat.

Mr. President, I have several Members on my side who have been waiting for time in morning business. What is the situation?

The ACTING PRESIDENT pro tempore. The Republicans control 9 minutes.

Mr. BOND. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, the Senator from Georgia is also waiting to speak, so I would like to be notified at 4½ minutes, and I will split it down the middle with the Senator from Georgia.

Mr. President, I rise today to speak about General Petraeus' testimony. I was able to watch a little bit of it before I came over here. I was beginning to see, of course, the questioning from the Armed Services Committee. I think it is so important that we look at the big picture and what General Petraeus is saying. Also, of course, we have Ambassador Crocker who is doing a terrific job over there.

I was there at the end of February, just 6 weeks ago. I met with both of them. But what I saw was an incredible change from the other time I had been in Iraq. As General Petraeus said himself, from June 2007 through February 2008 deaths from ethno-sectarian violence in Bagdad have fallen 90 percent. American casualties have fallen sharply, down by 70 percent. In the last year, the number of high-profile attacks have fallen by 50 percent.

All of us believe one American death is not worth the price we would pay if we had a choice. But every one of those who are there understand our mission and how important it is. Every one of those with whom I have met, both the people who have returned from Iraq and Afghanistan and the families of those who have lost loved ones, say: Do not leave. Do not leave without a victory, without seeing through the successes that we have gained.

They understand this mission. Unfortunately, it does not seem that the majority in the Congress see it as those who are on the ground and who have suffered the most do. As recently as February, the Senate leadership was trying to stop the surge by requiring an immediate and arbitrary withdrawal of U.S. forces from Iraq when we didn't even have the results. Yet those of us who have been there recently have seen the results.

I went to a police station with our embedded forces and to a security regional center with embedded forces. I did that because I was very concerned. I wanted to see it myself. I was very pleased with the fact that our troops embedded there were causing the Iraqis to come forward and do more and help us.

The Sons of Iraq, which are now 91,000 strong, are serving as neighborhood watches. They are manning the checkpoints. They are taking us to the weapons caches. Do you know that, since the beginning of this year, we have found, because of the Sons of Iraq's cooperation, more weapons than we discovered in all of 2006? We are making progress. Mr. President, 21,000 of the Sons of Iraq have now been accepted into security forces or government work. It is amazing that we are seeing military gains, and we are seeing political gains. It is not as fast as we would like to see it, of course, but it is progress. It is in the right direction.

The consequences of leaving precipitously are consequences that would be unthinkable. People talk about the cost of Iraq, the cost of the war on terror, as if the costs are prohibitive. The costs are high. But the cost of leaving and letting al-Qaida have a base in Iraq are much more expensive. We are talking about 9/11 costing over $1 trillion, if you put it in monetary terms, which I don't think we should—this is not the thing that we should even be considering. We should be supporting our troops, and we should be supporting the effort that would require complete success for our country. This is the United States of America.

I met with the Vets for Freedom who just met by Senator BOND as well. They are the patriots who have been there, who know what it is like, and who are saying stay and fight and win. It is the right thing for the United States of America to do.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Georgia.

Mr. ISAKSON. I thank the distinguished Senator from Texas for allowing me part of the time. I ask unanimous consent to be recognized for 10 minutes.

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

Mr. ISAKSON. I associate myself with the remarks of the distinguished Senators from Texas and Missouri. I am grateful for great Americans such as David Petraeus, and I am particularly grateful for the young men and women, Americans who volunteer day and night, who go to defend liberty, peace, and freedom around the world. I come to the floor now for just a few minutes to speak on the housing bill pending, coming back, and the stimulus bill coming to the floor, and a cloture vote that is going to take place at 2:15.

HOUSING CRISIS

Mr. ISAKSON. Mr. President, I come to the well specifically today to talk for a few minutes about the tax credit proposal that is included in the base bill as introduced by Senators DODD and SHELBY and approved by the Finance Committee, Senator GRASSLEY, and Senator BAUCUS. To that end I want to pay particular thanks to the staff of the Finance Committee for the tremendous work they did with respect to the housing tax credit amendment which is now part of the base bill.

I come here today, though, to correct some misinformation that has been appearing in the media particularly over the past weekend and in a couple of national publications and Washington newspapers with regard to the housing stimulus and tax credit being inappropriate or wrong. The presumptions of those who have written are absolutely inappropriate and wrong. Although they are attempting, I am sure, to contribute to the debate, they are in fact contributing to a tremendous misunderstanding about the reality of what the tax credits will do.

For the sake of discussion, the tax credit is a $7,000, $3,500-a-year tax credit that goes to any family who buys and occupies as their residence any home that has been foreclosed upon or is owned by a bank or lender, new or resale, and any resale owned by an owner occupant who is fending foreclosure.

There have been two comments made about what is wrong with this proposal that are exactly the opposite of what is really right about this proposal. No. 1, in one editorial it said it is rewarding people who did not pay their payments and punishing people who are making their payments. It is not rewarding anybody. If you are purchasing a foreclosed-upon house, the damage has already been done to the borrower. The family who didn't perform is not rewarded. In fact, they have already suffered their punishment. But everybody else in the neighborhood is suffering punishment because that vacant house sits there deteriorating and causing declining house values.

Secondly, it does not punish the homeowner who is in their house making their payments because the truth is, that home owner is hurt more when a foreclosure sits vacant and unsold than it is when that property is taken, bought by a homeowner, reestablished, the lawn is kept, the values are stabilized.

The fact is, we have an obligation at this critical time in our economy to do what we can to stimulate the market to solve our problems, not have a plethora of government solutions to problems. Stimulating the market to go back, absorb these houses, get them back in owner-occupied hands, get them out of REO inventory is precisely what we need to do.

Now, I do not come to this opinion as someone who has no experience; I come to it based on experience 33 years ago, in 1975. I was in the business. The United States had gone through a serious decline in housing. We had a problem. We had a 3-year supply of new houses standing unoccupied on the market. Buyers retreated because they did not know where the bottom was. The economy went down. Everything was in a mess.

Gerald Ford, a Republican President, and a Democratic Congress came to this very floor and introduced a $2,000-a-year tax credit to any family who went and bought one of those standing vacant new houses only—not any house, the standing vacant new houses that were there, the problem houses. They passed the $2,000 tax credit. The market immediately responded. Within the 1-year window of opportunity for that credit, two-thirds of the standing inventory was absorbed, home values stabilized and began to go up, and the economy returned to vitality.

So I ask those who are writing in criticism about a bill rewarding people