

in Southeast Asia, but to the security of the United States, unless we ensure that a government such as Yudhoyono's manages to provide security and prevent the development of terrorist training areas and agencies, where they are willing and able to carry out operations, disrupt terrorist organizations.

In "The Next Front," we argue, as I have, that the best way to do that is through significantly increasing contact between the United States and those governments that are dealing with those problems, that are on the wrong track, which have the potential to provide security and peace and prosperity for their own homeland. When they have too many young males who cannot find a job, they are often lured by the radical religious extremists into the terrorist organizations and convinced to undertake terrorist attacks on Americans, on democratically elected governments.

We believe that steps that were taken yesterday in the Foreign Operations Committee, under the able leadership of Chairman LEAHY, to put us on the path to increasing significantly the assistance and the contact we have with Southeast Asia. We increased to \$65 million the amount of economic support fund assistance. They also instituted other programs to provide more assistance for Peace Corps. An expansion of the Peace Corps is one way to get American sandals on the ground now, so that we don't have to put American boots on the ground later.

Smart Power says that when you are faced with a radical, violent extremist group like al-Qaida, or the Taliban, which we face in Afghanistan and Pakistan now, you have to use force to deal with them. At the same time you are using force, you must build up the economy and meet the needs of the local leaders, so that they will work with the forces who are trying to drive the extremists out. That was the secret to the success of General Petraeus in Iraq with the counterinsurgency strategy, who said we will not only clear an area but we will go in and hold it and build, looking to local leaders to tell us what they are doing.

My son, who is a marine, an intel officer who served two tours there, said the first time he was there they couldn't get support from the local government because they were getting no assistance from Baghdad. They were Sunnis in Fallujah. The government in Baghdad was not Sunni; they were Shia, and they didn't provide assistance. The second time, the counterinsurgency and our government were working through the popularly elected Iraqi Government to provide support and assistance to the Sunnis in Fallujah. They were able to cooperate and provide assistance and make sure they kept that area safe.

We are trying to do the same thing now in Afghanistan. I am proud that the Missouri National Guard is leading

the way, along with 10 other States' national guards, and we are sending over agricultural development teams to help the local farmers develop a more effective means of producing crops. We saw, last year, in Kandahar province, where the Missouri National Guard operated for 1 year. They started producing much more high-valued crops. As a result, they no longer needed to produce the poppies needed by the drug lords to manufacture cocaine and dope and opium. They were able to drive the poppy producers—put them into productive use and take the drug lords out, and the Taliban which normally follows them. This is working in Afghanistan.

In areas where we have peaceful governments that are threatened by extremist groups, it makes sense that we increase economic assistance but primarily personal assistance—one-on-one assistance from American volunteers going there—economic assistance, encouraging American firms to invest there, to help them develop small- and medium-sized enterprises; opening up free trade so their products can come into the United States so we can trade with them and so they can build their economies. We need significantly to increase educational exchanges between our countries and theirs.

I mentioned earlier that President Yudhoyono had served in the IMET Program at Fort Leavenworth. I first met him as President—well, I met him before—when I went to Indonesia after the tsunami in Bugatchi, and we talked about the work we were doing to help them recover from that tragic event. But I also extended an invitation for him to come to Webster University in St. Louis, MO, from which he had also gotten a degree. They gave him an honorary degree, and I was pleased to introduce him when he came to St. Louis to Webster University.

His is just one of hundreds, thousands, millions of examples where we have helped develop leaders in countries with which we are allied and which can be even stronger allies. They could take the information we develop, take the learning and the skills we have, and provide the assistance they need to strengthen their country, to provide not only security but a good livelihood for their people so there will no longer be unemployed young men who are willing to take blood money from the terrorists in exchange for a pittance for their family to conduct terrorist attacks.

We think we have a great opportunity not only in Indonesia, following these steps—expanding on the Smart Power that has been used in Iraq, is now being used in Afghanistan—to show that people who work with the United States can expect not domination but help in establishing their own free country, their own democratically elected principles, respect for human rights, and a respect for religious differences so that we respect Muslims and they respect Christians and Jews and Buddhists and Hindus.

That was the original idea of the country of Indonesia when it was founded in the 1940s. They laid out the principles of Pancasila—in which we recognize diversity; we recognize there are different religions; we will learn from and tolerate differences, particularly in religion.

We have a challenge facing us in Indonesia and others where extremists want to establish shariah law, which has mullahs and ayatollahs who prescribe very harsh penalties for women who step out of place, who appear without total cover in broad daylight, where anybody who commits a violent crime is either thrashed or has a hand cut off or is put to death. This kind of backward approach to maintaining law and order is a threat to the civilized world and progress as we know it.

In Indonesia, we have the opportunity to move forward, and I congratulate the people of Indonesia. I particularly congratulate Susilo Bambang Yudhoyono and Vice President Boediono on their election—re-election—on July 8, and we look forward to seeing the final results certified on July 27. I hope I will have the support of my colleagues for the robust foreign operations support for Smart Power. It is the wave of the future.

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

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

#### HEALTH CARE REFORM

Mr. WYDEN. Mr. President, as the Congress focuses on health care reform, I wanted to take a few minutes to discuss one approach that has been documented by the Congressional Budget Office as producing significant cost savings in American health care. That approach is free choice and rewards for selecting health care wisely.

Today, 85 percent of American businesses that offer health care coverage offer no choices. That is not because they would not like to. Quite the contrary; they would very much like to offer additional private sector choices. But for example, if you are a small businessperson—and I know the distinguished Senator from Alaska identifies with this—and you go out into that broken private insurance market, with huge administrative costs very often approaching 30 percent, you can't offer choices. Without choices there can't be real competition and accountability in health care. As a result, costs go up and care for our workers and our employers and small businesses and others becomes less affordable.

Some in America enjoy a better system, one where they have a full array of private sector health care choices.

Everyone in this Chamber knows what that is all about because it is the system we have as Members of Congress. We get a menu—a menu of private health plan offerings. The plans that are offered to Members of Congress can't discriminate, for example, against someone with a preexisting illness.

You go into a large group where you have a lot of bargaining power, which means you can hold down costs, and you don't face discrimination on the basis of age. That is particularly important because it looks as if under some of the approaches that are being discussed in the Congress there could be significant discrimination against older workers.

I believe all Americans should have the opportunity to be part of a health care system where they have more choices, and they are in a position to benefit from the wise selection of those kinds of choices. I think that will lead to reduced costs, and I think it will lead to more affordable health care coverage.

The legislation that is being developed in the Congress would not allow most people to have the free choice of insurance exchange plans. In fact, it wouldn't allow them to have free choice of health plans generally, whether they are in a private plan or a public plan. Without choice, there won't be competition to hold down costs.

So I very much hope in the weeks ahead Democrats and Republicans alike will come to see what the Budget Office has documented, and that is free choice of an increased menu of private sector health care—where the insurance companies can't cherry-pick, where they can't discriminate against someone with a preexisting illness, where people would go into a large group, and where you don't have older workers being discriminated against—will hold down skyrocketing health care costs and help keep quality health coverage affordable. I would hope Democrats and Republicans would see that kind of approach, with expanded choices, would help hold down health care costs and make health care more affordable for our people.

The reason I have focused on this question of holding down costs, making coverage more affordable by expanding choices—free choice, as I call it—is in light of the discussion we have held this week in the Senate on the costs of health care reform.

I note my friend from Utah, Senator HATCH, is here. He is someone who has, in my view, done so much good work on health care for children, for community health centers, for a variety of needs in our country. He and I participated in discussions, particularly in the Senate Finance Committee, about how to come up with additional money to expand coverage, particularly for the more than 45 million Americans who don't have coverage.

The Finance Committee is going to continue to grapple with this issue, but

I only wanted to talk about cost savings through free choice today because I believe that is what most Americans look at first.

Most Americans feel very strongly that they want to get all our people covered. They know it is a disgrace that, in a country as rich and strong and good as ours, that close to 50 million people do not have coverage.

But they are also very concerned about the idea that, when you are already spending \$2.5 trillion annually on health care, before you go out and spend a trillion dollars or more to pay for expanding coverage, you better have a plan to save money through choice, through the kinds of approaches I have been talking about in order to be credible. It is not credible to go to the American people and say we need \$1 trillion or more to expand coverage, expand coverage and pay this huge sum on top of the \$2.5 trillion being spent today, unless you have an actual plan to hold down costs and generate savings.

That is why I hope the Democrats and Republicans will look at how the Congressional Budget Office has documented that, through choice, you can generate significant cost savings and make health care more affordable.

I am concerned that the point I have made this morning has gotten a bit lost as the focus this week has been on the question of paying this very large additional sum to finance coverage expansion. There is no question that at a time of soaring deficits, the Congress must pay attention to what it costs to pay for health reform.

It would be fiscally irresponsible to pass health reform that is not paid for. But it would be equally irresponsible to pass a bill that is labeled health reform that fails to put a lid on the skyrocketing costs of our health care system. The two go hand in hand.

So what will provide significant savings? All the experts agree that we need to change incentives and behavior to change how people buy and use their health care.

First, show that you can generate cost savings for all Americans through increasing choice and rewarding those who make a wise selection of their coverage. That, in my view, ought to be built around what the Congressional Budget Office has documented, which is savings through an approach very much like what Members of Congress have. If you do that first, then you have the credibility to go back and say to the American people: Here are the choices in front of us for expanding coverage to the close to 50 million people who do not have it today.

What I have tried to describe this morning is a way to keep faith with the small business owners who are across this country, from Coos Bay, OR, to Oyster Bay, Long Island. Let's keep faith with them by showing we are going to hold down costs and then also, in a bipartisan way, come together and grapple with the question

Senator HATCH and I were discussing with our colleagues this week, which is how to best and most responsibly finance coverage for the close to 50 million Americans who do not have it. I believe we can do it. I believe the approach I have outlined this morning is one path to do it.

I have never said, in the course of health reform debates, that it is my way or the highway. But I think we certainly ought to learn from the constructive analyses done by the Congressional Budget Office that show it is possible to get hard cost savings, not within a decade but within a matter of years, by expanding choices for our people and rewarding those who make a wise selection from that menu of choices.

I yield the floor.

Mr. HATCH. Mr. President, I note the Senator from Oregon has to read some things, but I have a brief additional comment to make and then I ask unanimous consent I be given the floor thereafter.

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

Mr. HATCH. Mr. President, the distinguished Senator from Oregon is one of the leading figures on health care in this Congress and has been in the past. He is thoughtful. He works very hard. He is one of the most contributing members of the Senate Finance Committee and I, personally, respect him very much and we have a very dear friendship. I appreciate the kind remarks he has expressed about me here today.

Mr. WYDEN. Mr. President, I have unanimous consent requests to make. Before I do that, I wish to say, again, how much I appreciate the Senator from Utah and his involvement and particularly his leadership on health care issues. When you look at the array of important legislation that has clearly improved American health care, Senator HATCH's name is all over that legislation.

Think about landmark legislation for children. It could not have happened without Senator HATCH. He and I have written legislation together. One of the accomplishments of which I am most proud is that we found a bipartisan way to increase coverage for community health centers by lowering their malpractice costs. I think it was an example of the way Senator HATCH approaches that kind of legislation. He brought together advocates of low-income people, trial lawyers, community health centers. Everybody said you could not find common ground among those kinds of organizations, and with Senator HATCH's leadership we were able to do it.

I am going to make a unanimous consent request, but I wish to tell the Senator from Utah I am convinced this year we are going to be able to pass health reform. One of the reasons we are going to be able to do it is because of both the good will and the expertise of the Senator from Utah. I am very

much looking forward to working with him on that.

Mr. HATCH. I thank the distinguished Senator from Oregon and appreciate his remarks.

The PRESIDING OFFICER. The Senator from Utah.

#### OBAMANOMICS

Mr. HATCH. Mr. President, I rise today to talk about the richest man in the world, the new king of the hill. No, you won't find this financial titan in Forbes magazine's list of the world's billionaires. He hasn't started a mega-computer software company like Bill Gates. Nor has he made shrewd investments like Warren Buffet or even inherited this money like the Walton family of Wal-Mart fame.

No, the billions amassed over the years by those business magnates are chump change compared to that collected by the current champ, who has ascended to the title of the world's wealthiest man by collecting trillions of dollars in a mere 155 days.

He now owns two auto-manufacturing companies, oil sands and offshore drilling leases, interest in several hundred banks, and enough real estate holdings to make Donald Trump envious. In fact, managing this vast portfolio has become too time-consuming and too much for him to handle. He recently said, "I don't want to run auto companies. I don't want to run banks. I've got two wars I've got to run already. I've got more than enough to do. So the sooner we can get out of that business, the better off we're going to be."

I doubt even John D. Rockefeller, Cornelius Vanderbilt, Andrew Carnegie or William Randolph Hearst could ever have dreamed about having that amount of control. But despite his professed eagerness to divest himself of his newfound, unprecedented wealth, the reigning world's richest man, President Obama, seems reluctant to relinquish his vast holdings.

Indeed, I am beginning to think he actually enjoys this—well, what I call "Obamanopoly." Soon, he will own all the railroads, all the utilities, Park Place and Boardwalk. And when taxpayers pick up the yellow or orange cards from the stacks, they will have to dig deeper in their wallet to fund this high-stakes Obamanopoly.

OK, I realize that our President does not really personally own all this wealth. But while I am speaking tongue in cheek, my remarks do point to the very real serious consequences of an ever-expanding U.S. Government. I care a great deal for the President, and I don't want to personally offend him. But I think the point is made.

We are moving toward what I have referred to as the "Europeanization of America." On the spectrum between anarchy and a centralized government invested with complete power and control, our current government is so far removed from the limited government

that our Founding Fathers intended that they must be rolling over in their graves.

There is method to this unprecedented meddling in the private sector. As the government acquires more auto manufacturers, banks, insurance companies and other private-sector businesses, we become more dependent on the government. The Obama administration's answer to everything is to take control of companies, increase regulation and spend, spend, spend. They are now talking about taxing and taxing more.

Not only does the government have more control over the economy, but it has a freer rein to regulate and restrict free speech. Modern political thought is, in many respects, based on a distinction between the public and private spheres. Liberal democracies—using the word "liberal" in the classical sense—have historically been based on the notion that there are realms that are ripe for government involvement—the public sphere—and others that should remain unaffected by government—the private sphere.

This was one of the central ideas behind the drafting of our Constitution and the founding of our Nation. Indeed, the Founding Fathers were all too aware of the problems that could arise under a government that is too expansive and too powerful. As James Madison, one of the main architects of the Constitution argued, "All men having power ought to be distrusted to a certain degree."

Because of this inherent distrust of those holding power, our Nation's Founders devised a government that was allowed to exercise its enumerated powers. As Alexander Hamilton stated, when it comes to framing a desirable government, "[Y]ou must first enable the government to control the governed, and in the next place, oblige it to control itself." He also said, "Indeed, the genius of our Constitution is that it provides an effective government that is subject to strict limitations."

But it isn't only in the Constitution that we can observe the relevance of this public-private distinction during the Founding Fathers' generation. The beliefs, practices, and culture of that era further demonstrate just how separate and distinct our nation has traditionally viewed the public and private spheres. French political philosopher Alexis de Tocqueville, in observing the uniqueness of American government and culture, described how private citizens in America addressed needs in their communities. He stated:

When a private individual mediates an undertaking, however directly connected it may be with the welfare of society, he never thinks of soliciting the cooperation of the Government, but he publishes his plan, offers to execute it himself, courts the assistance of other individuals, and struggles manfully against all obstacles. Undoubtedly he is often less successful than the State might have been in his position; but in the end the sum of these private undertakings far ex-

ceeds all that the Government could have done.

I believe this spirit of private determination still exists in our country today. I have argued many times that the American people are the most inventive and innovative people in the world. However, in an era when the President can impact huge portions of the American economy, that spirit is given little opportunity to work its magic in the private sector. Indeed, James Madison argued that "there are more instances of the abridgement of freedom of the people by gradual and silent encroachments by those in power than by violent and sudden usurpations." I wonder how Madison would have viewed some of our current President's recent decisions.

Ours is a government that from the very beginning has been limited in what it can do and how far in may encroach into the private sphere. Those limits are not defined by the Nation's economic circumstances or political winds. There is not an exception in the Constitution that allows popular Presidents to exercise more power than unpopular ones. Ours is the oldest functioning constitutional republic on the planet, not because of change, hope, or adaptation, but because of consistency and respect for the limitations imposed upon our institutions. I believe many of the times we have struggled have been those in which we have strayed from the principal obligation that our Constitution imposes on the Federal Government—the obligation to control itself.

One such example—one often cited by the administration and my Democratic colleagues to justify the steps the President has taken—is the Great Depression. Some may say the Great Depression was the last time we saw such an expansion of government power. It came in the form of FDR's New Deal, which is now the model for how the majority and this President intend to remake the Federal Government and our economy. They credit the New Deal with ending the depression and claim that this new expansion will cure our current economic ills.

I hope, for our country's sake, that they are wrong.

What New Deal proponents don't mention when making their case, is that even with Roosevelt's policies in place, the depression lasted for over a decade and, in fact, deepened in the late 1930s. Coincidentally—and I use that word sarcastically—the New Deal's supposed effect wasn't fully realized until the United States entered World War II.

Now, I don't mean to argue that our current situation is directly comparable to the Great Depression. I would say it is far from it. But I do hope that the Democrats' long-term plan isn't to keep expanding the Federal Government for several years, wait for an unforeseen outside calamity to take place and rescue the economy, and then take credit for the recovery.