money but because he is asking for so much of it.

Yet, incredibly, the President's budgets would do nothing to reverse this trend. So he can claim to be interested in a solution, but what he put on paper makes the problem worse.

Right now, the President is asking Congress to raise the debt ceiling by more than it has ever been raised before in our history—even as the Nation is teetering on the edge of a crisis caused by that very debt.

Let me repeat, our Nation is facing a crisis because of the size of our debt, and the President of the United States, the man Americans elect to be the steward of our economy, is threatening to veto any bill that doesn't add more than $2 trillion to the debt ceiling, the largest increase in history.

The President is not taking a stand on cuts. He is not taking a stand on reform to entitlements. He is not insisting on reforms. Forget all that. What he wants more than anything else is more room under the debt ceiling to get him through the election. He has said that is his bottom line.

I remain as committed as ever to resolving this crisis in a way that will allow us to avoid default without raising taxes and to cut spending without budget gimmicks.

There is only one option that does that and that is the one Speaker BOEHNER has proposed, and that is being improved as we speak.

I yield the floor.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will be in a period of morning business for 1 hour, with Senators permitted to speak therein for up to 10 minutes each, with the time equally divided and controlled between the two leaders or their designees, with the Republicans controlling the first half and the majority controlling the second half.

The Senator from South Dakota is recognized.

THE DEBT

Mr. THUNE. Madam President, yesterday, I came to the floor to talk about where we have been, where we are and where we are going and to discuss how we are going to get out of this mess. I pointed out the President's disappointing record when it comes to the debt issue.

The President originally requested a clean debt ceiling increase that didn't have any spending reductions attached to it. He then submitted a budget that failed to ever balance, and this budget didn't include the recommendations from the Simpson-Bowles commission he had appointed to come up with some suggestions about how to put our country on a more sustainable fiscal path.

According to the CBO, his budget didn't even meet his metric of primary balance, which is balancing the budget not including interest costs. After realizing House Republicans were the only ones with a plan to balance our budget and pay down the debt, President Obama decided to give a speech. Of course, it was just a speech. It did not include numbers. He didn't resubmit his budget, despite requests to do so. He just gave a speech.

As they say, talk is cheap. We need action. The only action he promised, though, is that he will veto plans that would do something to address our debt and deficit problems.

Earlier this month, the administration issued a veto threat for the cut, cap, and balance bill. This was a reasonable proposal that immediately cut spending, put a cap on spending, and would have raised the debt limit after a balanced budget amendment was approved by the Congress.

In fact, this was so reasonable that, according to a CNN poll, 66 percent of the people in this country supported this plan. This bill garnered the support of 234 Members of the House of Representatives, including 5 Democrats. But Senate Democrats voted to table the bill after this veto threat was issued by the President.

So Speaker BOEHNER in the House of Representatives unveiled yet another plan. It certainly isn't perfect, but it begins to deal with our spending problem while also increasing the debt limit to provide a period of time for Congress to pass more substantial budget savings.

Unfortunately, the administration issued a veto threat for this bill. Their reasoning? It doesn't extend the debt limit past the election.

It doesn't take a genius to figure out why. It is not because the markets require a longer term increase; they don't. It is not because Congress generally approves long-term increases in the debt limit; we don't. It is not because a long-term increase would force us to cut more spending; it would not. It is because the President has to face reelection next year. That is it—nothing more, nothing less. It is a political consideration, not an economic one.

So after months of fearmongering about the risk of not raising our debt limit, the President will actually veto a bill because it casts him in a bad political light. This is unacceptable.

Tomorrow, I am hopeful the House of Representatives will pass the Boehner bill. I am hopeful that as soon as we receive it in the Senate, we will take it up, pass it, and send it to the President for his signature.

We need to do it not just for the debt limit increase, which we do, but we also need to do it to start cutting spending and creating a process to reform entitlement programs.

Already, our economy is feeling the impact of these debts and deficits. We know from the Reinhart and Rogoff study that our economy is growing at 1 percentage point less than it should be because of our debt. This is costing us about 1 million jobs every single year.

If we don't take action to cut spending, we know what our future holds: downgrades, interest rate increases, austerity programs filled with tax hikes and Draconian spending cuts, and anemic economic growth.

Looking at Europe right now, Ireland pays 12.9 percent interest on 3-year bonds. Portugal pays 19.4 percent. Greece pays an astounding 28.9 percent. These rates would truly bankrupt our country in short order.

Unfortunately, as former Bush economic adviser and Federal Reserve Board of Governors member, Larry Lindsey, pointed out in a Wall Street Journal op-ed recently and reiterated it yesterday at a Finance Committee hearing, even a normalization of interest rates in the United States to their historical average for the past 20 years would add $4.9 trillion to our projected debt over the next 10 years.

We can't afford the spending we have now, let alone this additional interest. We need to start cutting spending now. Both the cut, cap, and balance plan and the Boehner plan would do this.

We also need to create a process to reform entitlements. The cut, cap, and balance plan does this by capping spending, and the Boehner plan does this through the new joint committee that has a firm deadline for congressional action yet this year.

I wish I could say there was a plan by the President that does this. There isn't. That is why we in the Senate and in the House of Representatives are going to have to take the leadership in this debate. The President has obviously decided this is more about politics and, unfortunately, has not stepped up with the leadership that is necessary to get our country back on a sustainable fiscal path. We are where we are as a consequence of that, and we are facing a deadline in a few days where we will have to increase the borrowing authority of this country.

What I submit to colleagues is, the issue and the challenge and the problem in front of us is not the debt limit, it is the debt. If we don't do something about this debt, we are going to bankrupt this country, we are going to see the kind of interest rates they are seeing in Europe and we are going to see anemic economic growth in this country and it is going to be difficult to get people back to work. So cutting spending, getting our fiscal house in order, making government smaller, not larger, making the government economy smaller and the private economy larger is the way we need to get this country back on track. But it starts by having a plan that puts our fiscal house in order. So we, in the next few days, are going to have a chance to vote yet again on a plan put forward by the