This is the kind of approach we should be taking in the Senate, putting aside these great big partisan bills that Democrats know have bipartisan opposition and focusing on smaller proposals that can actually pass. On their own, these bills will not solve the jobs crisis. Frankly, no piece of legislation can, large or small—but they will help, and they make it easier for businesses to start hiring.

They will show the American people something they do not believe we do enough of around here; that is, to work together on their behalf. This is how divided government works, through real cooperation and a search for common ground and solutions. This is what Republicans on the joint committee have been trying to do for the past several weeks. It is what House Republicans have been doing all year.

I say let's take up these bills and pass them and then send them on down to the President for signature. The administration supports many of these House-passed bills. Democrats in the House strongly support many of them and Republicans support them overwhelmingly. So let's do it. Let's build on the momentum we have from last week after passing the 3-percent withholding and the veterans bill, and let's show the American people we have hit upon a formula for legislative success around here.

I yield the floor.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, 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 until 11 a.m., 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 majority controlling the first half and the Republicans controlling the final half.

The Senator from Maryland.

CHAINED CPI

Ms. MIKULSKI. Madam President, I wish to address one of the most important issues facing the supercommittee; that is: Where does Social Security fit into their plans? The Chair knows because she is very close to the people of New Hampshire, she knows all over her great State, and mine in Maryland, people are getting ready for Thanksgiving. As they get ready, they first of all give gratitude for living in the United States of America, the land of the free and the brave. But they are also wondering what kind of country are we living in right now because the Chair and I know they are worried about paying their bills. As they get ready for their holiday dinner and the family gathering and all the wonderful traditions that go into this very special holiday they are saying: Where are we? Have we lost our way? Are we so mired in partisanship we cannot seem to find a path forward?

They think we are the turkeys. They want us to stuff it. They want us to get on and start worrying about the table, worry about their kitchen table, and bring everybody to the table here and begin to solve national problems and to do it in a way that brings the country together. What do they want us to do? While maybe at the kitchen table the children will argue over who gets the wishbone, they want us to have backbone to make the tough decisions that these times call for but not to be tough on one another.

As I think about this, I think about Social Security. We say everything should be on the table. I think everything should be on the table that caused our deficit. I think everything should be on the table that caused our debt. Social Security did not cause our deficit. Social Security did not cause our debt. Do we need to take a look at Social Security to ensure its safety and solvency for the rest of the century—or certainly well beyond 2050 or 2070? Absolutely. But I say this: While the supercommittee is charged with looking at a more frugal government, we must maintain the social contract. The social contract in the United States of America is the contract that the U.S. Government made with its people. It said, if a person went by the rules and they paid their dues, al la the payroll tax, there will be a benefit for them. It will be a defined benefit. It is called Social Security. It will be undeniable, it will be reliable, and it will be inflation-proof.

Every President has agreed there is a social contract. Every President has taken a look at how to provide for that. Some ways we have agreed with, some we have disagreed with. Where we agreed was the great, wonderful way we worked in the 1980s when Social Security was facing challenges and President Reagan reached out to Tip O'Neil, Bob Dole, Bob Byrd, Howard Baker, and we made Social Security solvent for 30 or 40 years. We did the same under President Bill Clinton.

President George Bush, the No. 2 Bush, ''W,'' wanted to privatize Social Security. We stopped that. We do not believe in the privatization of Social Security. We did not want to turn Social Security over to Wall Street. We believed Wall Street got enough, they didn't have to get Social Security. If a person were older or sick, we didn't want them to rely on the bull of political promises or the bear of a market.

Social Security affects so many people. There are 50 million Americans who rely on Social Security: retired workers, their spouses, people with disabilities. For two-thirds of the people on Social Security, their benefit is between $14,000 and $15,000 a year. It makes up all or more than half their income. In my own State, 500,000 workers are on Social Security, so protecting the social contract is clearly in our national interest.

What brings me to the floor today? Two things. No. 1, I don't think Social Security should be in the debate about how to reduce our debt or our deficit. I do think Social Security should be discussed in a rational, calm, nonpartisan way to ensure safety and solvency and reliability.

The other issue that brings me to the floor is how do we put our arms around the cost-of-living problem? It is indeed vexing. How do we meet the needs of the people but not exacerbate the drawdown in the trust fund? These are valid conversations. Wise people should talk about it. But one thing I am opposed to is called the chained CPI—isn't that a terrible word, ''chained'' CPI? In our country, the very word ''chains'' has such a negative connotation.

What I worry about is that its Draconian effect will have a chain reaction on seniors that will cause a tremendous crash. I am concerned we are about to shred the social contract. Let me tell you what the chained CPI is. It would actually cut Social Security by over $100 billion over the next 10 years. It does it by changing the cost of living as calculated. It is based on a theory. It is based on social engineering, some kind of abstract concepts about human behavior, that invisible hand that Adam Smith talks about. I worry that this invisible hand will actually pinch Social Security. It assumes consumers will substitute lower cost items for what they normally purchase; that is, if the price of apples increases, they will go buy oranges. I am afraid what we are doing is we are going to buy lemons.

The chained CPI is inappropriate because actually seniors have a fixed market basket. They not only have a fixed income, but they have a fixed market basket. Their primary expenditure is health care, over which they have little control. The cost of health care continues to rise. Their next one is energy, then food, and then housing. For seniors, this is not like giving up opera tickets for movie tickets. It is not like giving up a latte for Dunkin' Donuts. For them, it is not giving up Whole Foods, it is having no food. We have to get real about the market basket of seniors.

I wish to make three points about the myths. No. 1, the chained CPI is not a technical fix. Despite popular notions, op-eds, editorial boards, it is not just a technical corrective. It would actually fundamentally restructure Social Security. It could very well have a chain reaction, pushing old people into poverty. Under the way the CPI is calculated, if a person is now getting $15,000 a year when they are 65, when they are 75, they will have $5,000 less, and if they live to 85, it will be reduced by $1,000.

I have this in this chart. The numbers I am giving do not come from BARB MIKULSKI. They don't come from some wonky, lefty think tank, this comes from the Social Security Actuary, the keeper of the books and the projections for Social Security. For a single woman on Social Security under the chained CPI, from the time she is 65 until the time she is 80, she could lose as much as $6,000. In other words, the older we get, the worse it will get. Remember, under chained CPI, the older we get, the less we will get; the older we get, the worse it will get.

Myth No. 2 is, this is not an immediate cut. Oh, it is going to go into future beneficiaries. Oh, it is a long way off. Whomever it hits, it will hit hard. Remember the chain reaction. But it is a myth. According to the Social Security Actuary, the chained CPI will affect everyone, and if we pass it as part of the supercommittee, it will go into effect December 2012. It will go into effect immediately, December 2012. That is a pretty big deal.

The third myth is, this change would mirror people's behavior, but it doesn't take into account health care costs, the cost of prescription drugs, copays, and premiums. Remember, one way or the other we are going to change Medicare.

What I want to do at this time is sound the alert. I want to ring the bell. I am at my battle station. I am at my duty station. I want every Senator, when they vote on this, to have informed consent. I want people to read about it and know about it and make up their own minds. I oppose the chained CPI. I oppose Social Security being in the supercommittee. I am not drawing a line in the sand today. I want to say for the supercommittee, God bless them in their work, they are truly pursuing this in a duly diligent way, and we hope we can come to a great resolution where we can reduce our debt, reduce our deficit, and do it in a way that is a balanced approach but does not balance all this on the backs of senior citizens.

FDR signed this bill 75 years ago. Every President, regardless of party, said we will keep the social contract, pay your dues through this payroll tax, Social Security is going to be there for you. We want Social Security to be there for the seniors, and we need to be there for the Social Security Program.

I hope my colleagues put due diligence into understanding this policy.

I yield the floor and note the absence of a quorum.

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

The legislative clerk proceeded to call the roll.

The ACTING PRESIDENT pro tempore. The Senator from Oklahoma.

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

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

Mr. COBURN. It is my understanding we have until 11 a.m.

The ACTING PRESIDENT pro tempore. The Senator is correct.

THE TAX CODE

Mr. COBURN. Madam President, our country is at a crossroads. Anybody who is watching Europe will find that they have been very slow to address the real underlying problems of debt and deficits there. They have a much more difficult time than what we should because they have a monetary union without a political union. We have a monetary and political union.

The fact is that over the next 10 years we are going to have a debt—including borrowing money for student loans, borrowing money to pay back Social Security, what has been stolen—we are going to have a true debt of about $27 trillion to $28 trillion. It is absolutely unsustainable. It won't happen—according to Ben Bernanke—because his statement is, the world will not loan us the money.

What is going on in Europe today? What is going on in Europe today is the markets are punishing the countries that have excessive debt-to-GDP ratios. We sit at 100 percent debt to GDP. We see what has happened just in the last 2 weeks to bond rates for Italy. The differential between an Italian bond rate and a German bond rate is now about 430 basis points, a 4.3 differential for the same length maturity bond for Italy versus Germany. What is the difference? Germany is living within the confines of its economic capability. Italy didn't. How does that apply to us? It applies to us in that we are not and what will happen to us if we don't make the difficult changes that are necessary.

There has been a lot of rhetoric on both sides of the aisle and there has been rhetoric from the President in terms of us looking at who pays what in terms of taxes in this country. But nobody is looking at what we are doing with our Tax Code that enables those who are the wealthy in this country to pay less taxes. So I had my staff put together a list of the subsidies for the wealthy in this country, because the answer isn't just to raise taxes; part of the answer is to quit subsidizing these behaviors.

We came up with a piece that we put out called ''Subsidies for the Rich and Famous.'' It is a report that looked at every government program. We looked at everything we do. What we found is every year, for people having adjusted gross incomes above $1 million, we give $28 billion worth of benefits in the Tax Code or through our programs. I will tell my colleagues that if we wanted—I am one of those who thinks we ought to reform our Tax Code, we ought to lower the rates, we ought to make it where it actually increases productivity in this country, creates capital investment. But one of the first steps in doing that is to make sure our Tax Code and our safety net programs are for those who truly need it and not for those who don't.

We went through the total tax breaks of $113.7 billion over the last 4 years. Mortgage interest: $27.7 billion in tax breaks to people who are making more than $1 million a year. That is a lot of dough.

Rental expenses. The writeoff of rental expenses for those making more—we are not talking businesses. None of these are business deductions. These are personal deductions for the very wealthy in this country who are making more than $1 million adjusted gross income a year. We allow them to write off $64.3 billion in rental expenses.

Gambling losses. We allowed the rich and famous to reduce their taxes by $21 billion because we allow them to gamble, and if they lose money, they get to write it off. So we are subsidizing the loss. We are subsidizing their gambling losses.

Canceled debt, debt writeoffs, debt forgiveness. We have allowed $128 billion in terms of writeoffs for those people making more than $1 million adjusted gross income.

Business entertainment—and this is not through business, though, not run through a business; this is personal deductions for business entertainment—$607 billion.

Electric vehicle. What are we seeing? Who are the people taking advantage of our messing in the economy and creating an incentive for somebody to buy an electric vehicle? The vast majority are the people who don't need the writeoff in the first place. What we have is $12.5 million last year alone in tax credits for the very wealthy to take a $7,500 or $8,500 tax credit for buying an electric car.

Childcare, nanny care for the very wealthy last year: $18 million.

Renewable energy tax credits for the very wealthy: $75.6 million.

The whole point of putting this report out is we are schizophrenic with our Tax Code. We have it upside down. When people talk about how they want millionaires to pay more—they are paying plenty. The top 1 percent pays 38 percent, the top 20 percent pays 80 percent of all of the taxes in this country. But if we want to start getting at this, the way we do it is start taking away the things that reduce their tax burden that don't make sense, that aren't smart, and that don't help those who need the true safety net in our country. These people aren't dependent on these. They will do fine without them. The whole purpose for most of these programs was to create and sustain a safety net for those who are less fortunate.

When we allow $113.7 billion in tax breaks for the wealthy over 4 years, what could we do with that money? Well, we could run a NASA that is twice as big. We could not borrow $113 billion because the interest rates on that are significant; another $4 billion or $5 billion a year in interest that we