

ORDERS FOR MONDAY, MARCH 9, 2009

Mr. WARNER. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 2 p.m., Monday, March 9; that following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate resume consideration of H.R. 1105, the Omnibus appropriations bill.

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

PROGRAM

Mr. WARNER. Mr. President, Senators should expect a series of rollcall votes in relation to amendments to the appropriations bill beginning at 5:30 p.m. Monday.

ORDER FOR ADJOURNMENT

Mr. WARNER. If there is no further business to come before the Senate, I ask unanimous consent that it adjourn under the previous order, following the remarks of Senator BOND.

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

ORDER FOR RECORD TO REMAIN OPEN

Mr. WARNER. I ask unanimous consent that the RECORD remain open until 1 p.m. for the purpose of submitting statements and cosponsors.

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

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

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

MAKING FURTHER CONTINUING APPROPRIATIONS FOR FISCAL YEAR 2009

The PRESIDING OFFICER. Under the previous order, H.J. Res. 38, having arrived from the House, is considered read three times and passed, and the motion to reconsider is considered made and laid upon the table.

The Senator from Missouri.

Mr. BOND. Congratulations, Mr. President. You have witnessed democracy in action, and that is the most painless way to pass a measure I have seen.

CREDIT CRISIS

Mr. BOND. On a much more somber note, Americans got more bad news today.

For February, our Nation's unemployment rate is now a staggering 8.1 percent. This is the highest unemployment rate in more than 20 years. More than 650,000 jobs were lost in February. These job cuts come on the heels of 655,000 jobs lost in January and another 681,000 jobs lost in December.

This job loss means that what we are doing to solve the economic crisis is not working. This job loss is much more than a bad number for millions of Americans. These layoffs may mean missing a mortgage payment and facing foreclosure. These layoffs may mean not being able to take a sick child to the doctor. These job layoffs may mean not getting enough money to put food on the table.

Right now, in every community across the Nation, workers are losing their jobs. These families are suffering as bills pile up and savings evaporate and businesses are struggling to meet payroll.

After the new administration heralded the passage of their trillion-dollar spending bill as the answer to this economic crisis, some Americans began hoping their economic futures may be turning around. Unfortunately, this crisis is one where we cannot spend our way out.

Until we fix the real root of the crisis, our credit crisis, the hemorrhaging of jobs will not stop. I spoke about this earlier this week, and I will keep speaking about it until policymakers decide to act responsibly.

The President, in his message in the State of the Union, said nothing is going to work until we fix the credit crisis. This latest jobs report is another sad reminder that right now our financial system is not working. Our financial system has become clogged with toxic assets, and until they are removed, fear and uncertainty will continue to dominate the markets and our economy.

Our banking and financial system affects every American's standard of living, our ability to create and maintain jobs, and our ability to compete globally. It is central to all financial and household activities for Main Street America.

Nothing the Government has done, to date, is working. Instead, the previous and the current administrations have been throwing billions in good taxpayer dollars into bad, failing banks. Why hasn't pouring more money into the system worked? Because policymakers are only treating the symptoms rather than the cause.

The good news is, though, we do not have to go back to the drawing board. Under my American Credit Cleanup Plan, the Government can put to work the statutory authorities already in existence and long used by the FDIC, the Federal Deposit Insurance Corporation, for failed banks. This plan is to take advantage of the lessons we have learned. We saw what works in our Nation's experience during the savings and loan crisis. We also saw what won't work.

During the 1990s, Japan lacked the will to clean up its sick banking system by taking out the toxic assets, and the end result was a "lost decade" during which Japan was stuck in a recession. I, for one, refuse to repeat Japan's mistakes, dooming the Nation's families and workers to a recession any longer and deeper than it takes to clean up the mess.

The first step toward recovery is to identify troubled banks and then remove the banks' toxic assets in a transparent, market-friendly manner that is free from political interference and micromanagement. The toxic assets of the troubled banks would be removed through a temporary conservatorship. Under conservatorship, the first order of business there is to protect the banks' depositors up to the current FDIC guaranteed loan levels. It is essential that we continue to protect American families' investments.

Also, many Americans are understandably angry as policymakers debate lowering pay caps for some executives who got us into this mess. Well, capping pay or taking away corporate jets isn't enough. Instead, we need to fire the failed executives and the boards of directors that took their businesses and their banks down the tubes.

Next, the Government needs to separate the bad assets from the good and hold the bad assets until the market conditions improve when the value of these assets—a good part of the value of these assets—can be realized. Unlike the current ad hoc approach, my plan also provides an exit strategy. Once you get the bad assets out, you cleanse the toxic assets, then you have the restructured institution which won't continue to call on the taxpayer for more dollars to survive.

I share the bailout fatigue all Americans are feeling, but we cannot afford to ignore the crisis. Failing to act could lead to families being unable to get loans to refinance homes, farmers unable to get credit to buy seed, students unable to get loans to go to school, and businesses unable to get credit to meet payrolls, keep workers, or expand. Our economic recovery depends directly on unlocking the credit system. It is time for policymakers to act.

This action must be a bold, coherent, and smart approach like my American Credit Cleanup Plan. It has to tackle the root cause of the problem—the toxic assets—get them out of the system, and lead us out of this economic crisis and help Americans get back to work. I, for one, say no more throwing good taxpayer money down a rat hole, no more "ad hoc" where we look at the crisis of the day and throw money at some institution that has already depreciated significantly in value in hopes of keeping it afloat. We need to take those institutions, cleanse the assets necessary, get new management, new executives, and put them back in the marketplace to function without Government interference.

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Mr. President, I thank the Chair. I yield the floor.

ADJOURNMENT UNTIL MONDAY,
MARCH 9, 2009, at 2 P.M.

The PRESIDING OFFICER. Under the previous order, the Senate stands

adjourned until 2 p.m. on Monday, March 9, 2009.

Thereupon, the Senate, at 12:34 p.m., adjourned until Monday, March 9, 2009, at 2 p.m.