

Dr. King also guided mass demonstrations in Birmingham, AL, with others in the Student Nonviolent Coordinating Committee. The protests caught headlines around the world, as clashes between protesters and police turned violent. Despite police dogs and fire hoses, Dr. King persevered, leading to the decision by President Kennedy to submit broad civil rights legislation to Congress, and eventually to the Civil Rights Act of 1964.

Despite becoming Time magazine's Man of the Year in 1964, Dr. King continued to face many challenges to his nonviolent tactics. While attempting to assist a garbage workers' strike in Memphis on April 4, 1968, Dr. King was assassinated. The world changed for many on that day. Many thought that Dr. King's message of tolerance, equality, and love for our fellow men and women would die with his death. It did not. Rather, Dr. King's message and legacy continue to spread.

In the wake of the attacks on the World Trade Center and the Pentagon on September 11, many have found it difficult to adhere to Dr. King's message.

As we searched for understanding, many mistook symbols of religious tenets, such as beards and turbans, for symbols of distrust and terror. Arab Americans and Sikh Americans have been harassed, threatened, and assaulted because of the physical and religious similarities they share with the terrorists who took the lives of thousands of Americans four months ago. The passage of a resolution condemning hate crimes against Sikh Americans, which I sponsored and worked to include in the antiterrorism bill, underscores Congress's commitment to prevent any such acts of bigotry and violence.

A Human Rights Watch report revealed that over 1,100 individuals have been detained as part of the Justice Department's terrorism investigation after the September 11 attacks. Scores of detainees are still in custody today, some having been detained for over two months with no explanation to family members or friends. We need to be careful. History has taught us that in times of war, our government has sometimes acted in haste and in error. We can point to incident after incident where the Executive Branch implemented measures that in hindsight went too far and infringed on our civil liberties. Let us make sure that history does not repeat itself as the Justice Department continues its investigation of the terror attacks of September 11.

In celebrating Dr. King's birthday, we continue to learn from his words. I am proud to say our nation is a melting pot of different ethnic groups, and together we form the strongest nation in the world. In his famous "I Have a Dream" speech, Dr. King said, "Let us not wallow in the valley of despair. I say to you today, my friends, that even though we face the difficulties of today

and tomorrow, I still have a dream. It is a dream deeply rooted in the American dream. I have a dream that one day this nation will rise up and live out the meaning of its creed: We hold these truths to be self-evident, that all men are created equal."

Let us not forget the truths Dr. King taught us. We must join together to celebrate his triumphs, and live out his words, that all men and women, having been created equal, will be treated with equal dignity and respect.

Mrs. CARNAHAN. Madam President, earlier this month I had the opportunity to visit our troops in Afghanistan who are on the front lines in the global war to conquer terrorism. I also spoke with new Afghani leaders, who desire a far different future for their people. While visiting with them, I was reminded of a quote from Martin Luther King Jr.'s letter from Birmingham city jail: "Injustice anywhere is a threat to justice everywhere. We are caught in an inescapable network of mutuality tied in a single garment of destiny. Whatever affects one directly affects all indirectly."

The life of Dr. King always reminds me of the power of one; the possibility that each of us has for righting wrong, no matter who we are or where we are. When Dr. King began his work, he was not a prominent political figure. He did not have great financial resources at his command. He was a simple Baptist preacher.

He was walking in the footsteps of those who had gone before him. People like Sojourner Truth who embodied the power of one. She was not famous in any way; she was a humble slave woman with a commanding presence and a heart-wrenching story.

There was Harriet Beecher Stowe, writer of "Uncle Tom's Cabin." She was not a social philosopher or a theologian; she was a housewife with seven children.

Rosa Parks was not a revolutionary; she was a woman who was tired after a day's work and wanted to sit down on a bus.

None of these people began with great wealth, fame, or political power. Yet they harnessed the inner strength to challenge traditional thinking and to change the course of our Nation, not with guns and hatred, but with non-violence and love.

This past year we saw the heroism of average working Americans—firefighters, police officers, emergency medical personnel, postal workers and members of the armed forces. We learned again that each of us owes a debt to freedom.

Dr. King reminded us that "the arc of the universe is long, but it ends in justice." For more than 200 years, Americans like Sojourner Truth, Harriet Beecher Stowe, Rosa Parks and Dr. King himself have pushed and prodded our Nation toward greater equality. Now in this century, it is up to us to continue that long journey. We cannot be bystanders to history. We all have some

Martin Luther King in us. His work is now our work, and there is much to be done.

#### ECONOMIC STIMULUS

Mr. KYL. Madam President, the Senate has failed to follow the House of Representatives in passing compromise, bipartisan legislation to help stimulate our economy and provide temporary assistance to displaced workers. While the Bush administration and the House compromised, some would say too much, in their effort to act responsibly and find the middle ground, opponents of this legislation were tireless in their efforts to undermine its passage. I applaud the House, the Bush administration, and the Senate Republican leadership, including Senator GRASSLEY, for their effort to provide the Senate with an opportunity to pass an economic stimulus package.

Sadly, the majority leader refused even to allow a simple vote on this legislation. Why? Was it because he knew that this compromise would pass the Senate? If the economy continues to falter, there can be no question where the blame lies.

Voting on the economic stimulus package would have provided an excellent opportunity for members to put aside their partisan objectives, and come together in the best interests of the American people. The economic data are compelling. The terrorist attacks have thrown an already struggling economy into a tailspin, and the dismal economic reports released for the months of October and November, detailing the rise in unemployment and the decline in manufacturing activity, confirmed these worst fears; that we are in the midst of a recession.

As many economists, including Federal Reserve Chairman Alan Greenspan, have correctly noted, this is an "investment" recession, meaning that the slowdown is caused by a contraction of business investment, with resultant job loss and economic dislocation. Yet the majority leader fought against proposals that would have provided incentives for investment, and innovation. He and his supporters incomprehensibly denied the unarguable truism that meaningful economic stimulus emanates from the private sector, from businesses both large and small. An objective observer would likely note that, having already passed legislation that provides for \$40 billion in emergency spending for disaster relief, and \$15 billion in additional spending for an emergency airline package to deal with the temporary shut-down of air travel, it made sense for Congress to balance this spending, and any further spending, with tax relief targeted towards stimulating economic activity in the private sector.

The majority leader argued instead that spending would be more beneficial. But it should already be obvious that the perils of unrestrained spending are real. Congress has already

spent all of the Social Security surplus, and our Federal budget is now in a deficit position. Consequently, additional Federal spending will require the Federal Government to issue new debt in order to finance new spending. This new debt will mean that the government, in addition to maintaining post-World War II record high levels of income tax burdens of Americans, must again borrow from the American public to finance its operations. This renewed Federal borrowing may cause interest rates to rise, which in turn would slow down our economic recovery. In short, Congress must be extremely skeptical about any new spending, especially when it results in deficit spending.

The real point, however, is that we cannot spend our way out of a recession. Everyone agrees that some additional spending is needed to assist the hundreds of thousands of workers both directly, and indirectly affected in the aftermath of September 11. But should the goal be to provide these workers with unemployment checks? Or should it be to provide them with paychecks? Clearly, people would prefer to work, not collect unemployment benefits. And creating jobs starts with spurring investment so that entrepreneurs are able to form and grow businesses, which in turn, will be able to employ workers.

Nearly 2 months ago, President Bush proposed a package that promised to both provide additional spending to support those workers who lost their jobs and, at the same time, enact fundamental tax relief measures to promote investment and ensure that those same workers would be able to find work again in the near future. In the effort to avoid a partisan debate at this critical time, he included several recommendations from the Senate majority in his bipartisan proposal. It was a balanced and responsible combination of tax relief and temporary spending.

Prior to September 11, our economy was beginning to show signs of a possible turnaround. The bipartisan tax relief package passed by Congress, and signed into law by President Bush on June 7 was just starting to make its way through the economy. However, any progress on the road to recovery has all but been lost due to the terrorist attacks. In fact, the general economic situation has worsened substantially. That is why the Senate would have passed the President's proposal.

First, it would have accelerated all of the marginal income-tax rate cuts that became law this summer, but are now delayed until 2004 and 2006. The proposed plan would have them take effect on January 1, 2002, and would have applied to rates at every level of income. Considering that roughly one-third of personal tax filers are actually small businesses, I believe that it is essential that the 40 percent top marginal tax rate come down immediately to 33 percent to help unincorporated small firms retain and create more jobs. Entrepreneurs and the customers they

serve are the life-blood of our economic system. More money in their hands means more money moving through the entire economy.

In an effort to encourage investment, the President's original plan also incorporated a 30 percent depreciation bonus for the purchase of any new capital assets. This would enable companies to get much-needed equipment and other resources that might not otherwise have been affordable.

Furthermore, his original plan included a full repeal of the corporate alternative minimum tax, AMT, a thoroughly regressive, tortuously complicated, and utterly unfair tax that literally imposes a heavier burden on companies when their income falls. On November 6, the Treasury Department released data showing that, in 1998, some 30,226 companies paid higher taxes due to the corporate AMT than they would otherwise have paid. Thus, during an economic downturn like the one we are currently experiencing, as companies are currently seeing their sales and profits dip, their tax burden is actually increased.

The President's original plan advocated a prospective repeal of the corporate AMT, unlike other proposals that are retroactive. Repeal would have immediately freed up monies for investment and employee retention. What's more, elimination of this administrative nightmare would dramatically lessen the tax code's current drag on the economy. It's really quite simple; repeal of the corporate AMT yields immediate short-term relief at a time when the economy needs it most.

Lastly, in a bipartisan effort, the President reached across the aisle and embraced a Democratic proposal that would provide rebates of up to \$300 for workers who filed income-tax returns but did not have an income-tax liability.

Senate Republicans embraced the President's reasonable and responsible approach. We urged the majority leader to quickly act upon his plan and the first economic stimulus package that the House passed.

Personally, I strongly supported the President's plan; however, I believed it could have been strengthened by a couple of key provisions. First, I believe it is absolutely crucial that we make the provisions of the tax law signed on June 7 permanent, especially with respect to repeal of the estate tax. The importance of permanence cannot be understated. It is critical to the financial planning of families and businesses, all of whom must make important decisions based on what they expect will be the tax laws in the future. Assuring taxpayers that the tax relief they now have will still be there 10 years down the line provides a level of economic certainty in these less-than-certain times, helping to bolster consumer confidence and encourage investment.

Second, if we are to prevent thousands of bankruptcies, hundreds of

thousands of lost jobs, and many other indirect consequences to the rest of the economy, we need to specifically help our struggling travel and tourism industry. Accordingly, I introduced legislation that I had hoped would be included in the economic stimulus package. My bill, entitled the Travel America Now Act of 2001, would provide a \$500 tax credit per person, and \$1,000 for a couple filing jointly, for personal expenses for travel originating within the United States. This includes travel by airplane, ship, train, car, and bus, hotel and motel accommodations, and rental cars, but not meals. As first drafted, the credit would have been effective from the date of enactment until December 31, 2001. The most important effect of such legislation is that it would get America moving and doing business again. Millions of small businesses would have benefited.

I believed that the President's plan could be improved by these two proposals, but I supported the President's plan because I wanted to help enact legislation to help our economy get back on track.

Unfortunately, most members of the Senate majority were less interested in compromising. In November, they crafted a partisan bill in the dead of night that was a special interest grab bag of new spending items, enhanced entitlement programs, and expanded bureaucracy. Its meager \$20 billion business investment proposal, and the \$14 billion consumer spending proposal would have done very little to stimulate consumer activity, and even less to stimulate investment.

The bill increased spending and reduced revenues by \$67 billion in fiscal year 2002, and \$53 billion through 2011. However, two items made the real cost much more expensive than the advertised price tag might have suggested. First, the majority leader insisted on amending this partisan bill with an additional \$15 billion of new spending, which would have included a veritable collage of new projects, from tunnels for Amtrak, ferries for New Jersey and New York, agriculture research, to highway repairs. Second, the unemployment provisions contained in this partisan bill included some \$19 billion in accelerated Reed Act payments. The result: taxpayers would have seen a significant increase in their tax burden, approximately \$14 billion, over the next 10 years.

The bill was rammed through the Finance Committee on a strict, partisan vote. When it became clear that this partisan legislation could not pass on the Senate floor, the majority leader chose to stop the consideration of an economic stimulus package and move to low-priority legislation. The House had acted, as had the President, but in the Senate, the majority leader continued to block consideration of an economic stimulus package.

He brought up a big spending railroad retirement bill and then a pork-laden farm bill, both of which could have

waited until next year. For several weeks, the Bush administration, the majority in the House, and the minority in the Senate negotiated with the majority leader's deputies in an effort to craft a bill he would be willing to bring to the Senate floor for a vote. These deputies erected various roadblocks to disrupt these negotiations. Then the majority leader, himself, unilaterally raised the bar to agreement by insisting on a compromise package that would be acceptable to two-thirds of the Democrats in the Senate. Despite these deliberately constructed obstructions to compromise, advocates of an economic stimulus package continued to work hard to construct a compromise that would be acceptable to a majority of the House and Senate.

The administration made significant compromises, especially related to greatly expanded health insurance benefits to the recently unemployed through an individual tax credit for health insurance. The majority leader once again raised the bar and insisted that these benefits be provided to employers for the benefit of all workers who are unemployed. Under his proposal, even those workers who chose to retire early would be entitled to this new expansive health care program. Additionally, he refused to empower these displaced workers with individual tax credits, but insisted on burdening businesses with a new government mandate.

With three days left until the holiday weekend, the administration, the House, and a majority in the Senate agreed on a bipartisan compromise on economic stimulus and aid to dislocated workers. The House then passed this legislation. Despite the fact that a majority in the Senate was committed to voting for it, the majority leader still refused to allow this compromise legislation to come to the Senate floor. So the 2001 session ended without Senate action on the most important issue facing the country.

Contained within this legislation is \$60 billion of investment stimulus—just the sort of assistance that Chairman Greenspan had urged us to enact. Under the bipartisan stimulus package, the current 27 percent rate would drop to 25 percent in 2002. This provision accelerates the bipartisan decision the Senate made last summer to reduce individual tax rates. Under last summer's tax cut bill, the 27 percent rate would have fallen to 26 percent in 2004 and 25 percent in 2006. This cut benefits married couples with taxable income between \$45,200 and \$109,250; singles with taxable income between \$27,050 and \$65,550; heads of household with taxable income between \$36,250 and \$93,650. Acceleration of the 27 percent rate reduction would yield \$17.9 billion of tax relief in 2002 for over 36 million taxpayers, or one-third of all income taxpayers.

The bipartisan stimulus package provides 30 percent bonus depreciation for three years. Property eligible for the 30

percent bonus depreciation includes property depreciated over 20 years or less, water utility property, computer software, etc. Property which takes longer than three years to construct will qualify for bonus depreciation on a pro-rata basis, if the property is placed in service before 2007. The portion eligible for bonus depreciation would be the costs incurred within the three-year bonus depreciation window. This provision would encourage accelerating long-term construction activity into the next three years.

Additional investment stimulus included in this legislation is an extension of net operating loss carrybacks for two years, corporate alternative minimum tax relief, and an increase of the small business expensing amount to \$35,000. All of which would help stimulate economic activity in our country.

The House-passed bipartisan stimulus package would also provide checks to low-income Americans in order to stimulate consumer spending. The legislation also would extend popular expiring tax provisions, provide targeted incentives to help with the New York City reconstruction, and exempt the victims of terrorist attacks from federal taxes. Finally, the bill would provide nearly \$20 billion of aid to dislocated workers in the form of greatly expanded unemployment payments and health benefits.

This proposal was a compromise. It is not the legislation that I would have written. But this legislation was a carefully crafted bipartisan, bicameral compromise that the President would have signed. It passed the House. It had the support of a majority of the Senate. But it died because the majority leader was unwilling to let the majority act.

So the economy will not be helped. Unemployed workers will not be helped. Small businesses will not be helped. Taxpayers will not be helped. Workers hoping to save their jobs will not be helped. All because of one man. Remember that next year.

#### THE AMERICAN SMALL BUSINESS EMERGENCY RELIEF AND RECOVERY ACT OF 2001

Mr. KERRY. Madam President, I rise today to speak on the behalf of thousands of small business owners across this country who are still struggling to keep their businesses open in the aftermath of the terrorist attacks. They're having a tremendously tough time paying their bills and making payroll, and they need access to affordable loans so that they have sufficient working capital as they adjust to the market or until business returns to normal.

Senator BOND and I put forth a comprehensive bill in the last session, shortly after terrorist attacks, that addressed not only disaster assistance and the worsening credit crunch that has compounded the financial problems of small businesses, but also the need

for business counseling and protection in recovering lost revenue from frozen federal contracting jobs. I am talking specifically about S. 1499, the American Small Business Emergency Relief and Recovery Act of 2001.

For the sake of small business owners and their employees, I wish I could say that I was here to speak about implementation of this legislation. But I cannot. S. 1499, was blocked by the Administration and a few Republican Senators. So here I am, at the beginning of another session, a new year, and four months after the bill was introduced, talking about the Senate acting on emergency legislation as small businesses wait for us to do something to help them. I really do not know how anyone in this body could stand to go home after Congress adjourned and explain to their constituents how we could provide billions in loans and grants to airlines, but we could not provide a modicum of that assistance to small businesses.

Republicans holding the bill in the Senate tell me and the press that they blocked the bill and still have holds on the bill because the Administration has problems with it. The Administration says they have problems with the bill because they do not believe there is a credit crunch making it harder and more expensive for small businesses to get loans. They do not believe we need to provide incentives to stimulate borrowing or to encourage banks to make loans to small businesses.

How can there be no credit crunch when survey results by the Federal Reserve reveal that as many as 51 percent of banks have reduced lending to small businesses? How can there be no credit crunch when established giants like the airlines could not get loans in the post-September 11th economy?

Please tell me how the Administration's priority is an economic stimulus package, but the Administration wants us to drop the stimulus provisions in S. 1499? What better way to stimulate the economy than through business investment and job creation? What is homeland security without economic security? They want us to drop the protection for small businesses doing business with the Federal Government. And they want us to drop incentives making the Small Business Administration's loans more affordable for borrowers and lenders.

Senator BOND and I asked them to meet us halfway, and they said no. We asked them to give us alternative language, and they didn't give us any. We spent more than 20 hours negotiating on this bill and it appears as if the Administration never had any intention of finding common ground. It appears as if it was an exercise in delay.

Let me describe briefly where I disagree with the Administration about how to help small businesses battling bankruptcy and employee layoffs triggered by the terrorist attacks and economic downturn. The Administration believes that all assistance should be