

when we saw these large tax breaks, particularly for those affluent in this society. We were told this was going to be a job creator. It has not worked. I think it is time for people to focus on the realities as opposed to trying to hyperventilate about what they would like to think is going to happen. The differences between projections and reality just continue over and over. So when it comes to jobs, this administration's record, in my view, is a complete failure.

Sadly, though, that is just the beginning on economic policy. The President has not only produced the worst jobs record in several generations, in fact, he has created the worst fiscal situation we have seen in the history of the country. Frankly, it is shifting the tax burdens and the financial burdens of paying for Government from one generation to the next. The reality is that we are putting on the backs of our kids and their kids the responsibility to pay for the actions of the Government both today and obviously future responsibilities as we go forward, but particularly creating debt. There is \$530 billion worth of debt being created this year. Actually, it is about \$630 billion because we are using the Social Security trust fund which is going to have to get paid back to be able to fund Social Security as we go forward.

Over the long term, in my view, this failure on fiscal policy is a more serious problem than even the job creation issue because it is going to undermine the capacity of our economy to be able to grow and be strong in future years, and we are going to get even greater resistance to job growth over a long period of time because the Federal Government is going to be out there competing for every dime in the private capital markets. That competition is going to end up dampening growth and creating a situation where we have very little opportunity to see job creation as we go forward.

To put it in perspective, when this administration came into office there were projections that we would have \$5.6 trillion worth of budget surpluses over the succeeding 10 years. Today, the budget projections are \$5 trillion worth of deficits. That is a negative cash flow swing—that is an old term I remember from business—of over \$10 trillion. It is mind-boggling that we could see a flip of the switch in policies that would take us from \$5.6 trillion surpluses that would allow us to pay down the debt.

The PRESIDING OFFICER (Mr. GRAHAM of South Carolina). The Senator has 1 minute remaining.

Mr. CORZINE. It is absolutely essential that we get focused on reality. I hear people suggest that Senator KERRY, because he wants to propose a health care plan that over 10 years will cost \$900 billion, is going to impose a tax increase on the American people just to fund that. That is flat out wrong. It would be like saying the Bush administration is proposing a \$10

trillion tax increase because they have run up budget deficits of these kinds.

There is a lot more to say about the economy—failure on jobs, failure on the deficit, and we ought to be passing this JOBS bill in this Senate today so that we put America back to work. I will come back at a later point and finish up with some of the other remarks.

I yield the floor.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Washington is recognized for 10 minutes.

EXTENSION OF UNEMPLOYMENT BENEFITS

Ms. CANTWELL. Mr. President, I join my colleague from New Jersey in discussing jobs, job creation and whether we will have the opportunity to vote on two key amendments that will help stimulate our economy—one amendment addresses overtime pay and the other would reinstate the federal unemployment insurance program.

Many of my colleagues know that when we took a vote on reinstating the unemployment program on February 26, we actually had a majority of Members of this body supporting the program. On February 4, a majority of Members of the House of Representatives supported a similar provision.

Congress supports this program, and supports an extension. The reason we created the State and Federal unemployment programs was to provide temporary and partial wage replacement to people who are involuntarily unemployed and to help stabilize the economy during recession. That is why we created the program.

Yet, for some reason, we have put that notion aside and somehow think the economy is getting better and unemployed workers who have lost their jobs, through no fault of their own, somehow should not be able to participate in this Federal program.

My own newspaper, the *Spokesman-Review*, had an editorial this week that basically said: Let us put money in the pockets of those who are not to blame for being out of work. Such a move will help businesses that rely on consumer spending, help them stay afloat, and was one of the chief reasons for creating unemployment benefits in the first place.

What we are doing this morning is continuing to ignore the plight of the American workers who have lost their jobs through no fault of their own. We are being irresponsible, not allowing Americans to participate in a Federal program that was designed to create opportunity for people and to allow them to sustain themselves in an economic downturn when there are no jobs being created.

So much has been bandied back and forth about whether we are actually recovering from this recession and whether and how many jobs will be created. I think it is important to look at the facts to see what economic projec-

tions have been made in comparison to what has really happened.

My point is not to place blame for what has happened. At this point my concern is with the unemployed workers who are struggling to make mortgage payments, pay insurance bills, put food on the table.

Any economist will tell you that sometimes projections are wrong. In the case of job creation in the past several years, we have been dead wrong about what was going to happen to the U.S. economy. In 2002, the Bush's Council of Economic Advisers said: We are going to have job loss, but it is not going to be that severe: We are going to lose about 100,000 jobs. But, in fact, in that year we actually lost 1.5 million jobs.

As a result, the President proposed his policies that were based on that projection. I didn't support his policies, but I am not going to spend a lot of time this morning critiquing whether or not they were sound. Instead, I am asking my colleagues on the other side of the aisle to not make this a partisan issue. I am asking them to make this about the American worker who needs our help utilizing a Federal program designed to help out in times just like this.

So, then in 2003, the President's economic forecast projected that the economy would create 1.7 million new jobs. But in reality, there was no job growth. In fact, we lost jobs. Instead of growing the economy, we lost 406,000 jobs.

This year, some of my colleagues on the other side of the aisle are saying we don't have to keep the Federal unemployment benefits program going because the President has projected that we are going to have a record year—that we are going to create 2.6 million jobs. That was the actual forecast from the Council of Economic Advisors. I can provide to my colleagues the specific page, the specific citation.

When several members of the President's Cabinet traveled to my state of Washington in February, they backed away from the projections. They said: We don't think that 2.6 million really is the number of jobs that are going to be created this year. We don't really think the forecast means what we thought it meant. I can tell you, the unemployed worker is not a rounding error; they are real people with real needs they have to meet on a day-to-day basis.

To reach this 2.6 million jobs by the end of the year, the economy would need to create between 200,000 to 300,000 jobs per month. That is not what is happening at all. That is not what happened in January and it is not what happened in February. It is probably not what is going to happen in March.

The real issue is that, while some people are saying the economy is better, and gee, things are rosy since the unemployment rate is only 5.6 percent, they are hiding the fact that the unemployment rate held steady last month largely because 392,000 people are no

longer counted as unemployed. Many economists and many newspapers around the country have said the national average would be more like above 7 percent if you actually included those people who aren't getting counted.

Some people question whether the Federal program helps or hurts in the end. They say, don't we want these people out looking for jobs? Well, I can guarantee they are out looking for jobs. I have had so many constituents who have come to my Web site and told me their personal stories about how they are trying to find a job, often competing with 20 or 30 other people for a job for which they are all over-qualified because there are not jobs being created. Consequently, they are without the opportunity we all would like to see in their communities. They have lost a job through no fault of their own, they are working hard to find a new opportunity, but jobs are not being created.

What do you do when jobs are not being created? You utilize this Federal program that could provide opportunity to people for 13 weeks beyond the State program. And this program creates an economic stimulus. Even Alan Greenspan recently said he believed we should have programs like this one in times of economic downturn. In fact, he testified before the House Education and the Workforce Committee before we adjourned for our last recess and he said:

In times like this, I have supported the issue of extension of unemployment insurance.

He said that is because it is important to stimulate the economy.

The program we are talking about right now would generate billions of dollars of stimulus that would go directly into the economy over the next 6 months. In fact, for every dollar spent on unemployment insurance, those individuals turn around and spend that money, \$2, in our local economies. They pay their mortgage payments, their health care bills, their tuition for education, for their children to go to college. It helps sustain them until economic growth actually returns.

When the first Bush administration was faced with this dilemma, when they had a recession in the 1990s, the first Bush administration said: Let's extend the Federal unemployment insurance program. Actually, the economy had been creating substantial numbers of new jobs for several months when the first Bush administration extended the program. Why? Because they knew that it would take time for the economy to recover. They knew all of those people were not going to find jobs immediately. Even though jobs had been created, the Bush administration extended the unemployment benefit program for another 9 months. As we all know, that was the right policy decision and many people went back to work over a period of time and they

had the wherewithal to sustain their families in the meantime.

I say to my colleagues on the other side of the aisle, it is time to get past the obstructionists who are holding this up. A majority of Members in both the House and the Senate want this legislation passed. They want to help the American worker. 5.6 is not the real number of unemployed people in America. It is not a fair representation.

Even Business Week did a fabulous story presenting the issue of jobs in America, "Where Are The Jobs?" I urge all my colleagues to read through it in detail and see where exactly the jobs are in America. In reading it, you will find there has been an increase in productivity. There has been an increase in productivity and consequently there have been fewer new hires. While corporate CEOs have made more money and the stock market has benefited from the efficiencies of business, the person who has not benefited is the American worker who has not found a job. Unlike the 1990s when there were millions of jobs created at the same time that we achieved gains in productivity, now we have productivity gains and no jobs are being created. It is going to take us longer to recover.

This Senator believes very much in the economy of the future. I believe there are some very strong sectors. As my colleague said yesterday, I believe we have to have the right fiscal plan, we have to have the right sectors—sectors like biotechnology and nanotechnology, software, and aerospace will continue to grow with the American economy. I think if we make this investment in unemployment now, we can give the American workers the help and the assistance they need during this time of job loss.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. ENSIGN. Mr. President, I am going to speak on the JOBS bill and the importance of passing the JOBS bill. In particular, a portion of the JOBS bill called Invest In The USA Act, which I authored with Senator BOXER last year. I just want to take a couple of minutes to respond to the comments of the Senator from Washington about unemployment and extending the temporary extension of unemployment benefits.

We have had this debate many times on the Senate floor and it has been shown that when the Democrats were in control of the House, the Senate, and the White House, the extension of unemployment benefits was terminated when the unemployment rate in the country was 6.4 percent, almost a full percentage point higher than it is today. Historically, the termination criteria remains true.

In the past, both President Clinton and the Democrat leader of the Senate, TOM DASCHLE, talked about a 5.6 percent unemployment rate and what a

strong economy the US had at that time. Today, people's mindsets are different. People think that our current rate is actually a high unemployment rate.

I believe we need to continue to look for things that will create jobs in America. We need to have job training, in fact we have passed a bill in the Senate that would improve job training. But we need to stop the filibuster of the Workforce Investment Act and allow it to move into conference, in order for the benefits to be seen. That bill will help train almost 1 million new workers and help them find new jobs in United States. The Workforce Investment Act is an important piece of legislation.

There is a large number of jobs going overseas, and on the other side there are a lot of jobs that have moved to the United States. That is what makes up a global economy. It is a constantly changing global economy. Lower paying jobs usually move overseas, while higher paying jobs are created in this country. But there is a problem. In the last few years, as our economy has changed, not as many jobs have been created in this country as there could have been.

We have a provision called the Invest in USA Act, which recognizes that over \$500 billion has been accumulated in bank accounts for U.S. companies overseas because of the tax rates that would be charged on that money if it was brought back to the United States. U.S. companies pay up to a 35-percent corporate tax rate to bring that money home.

This is a list of some of the various developed countries around the world. This is their normal corporate tax rate. The United States has the highest corporate tax rate when compared to countries in the world. This is just one fact that represents the stark contrast of what the United States does to its companies compared to what other countries do when companies invest in countries outside their own market.

If a U.S. company goes to China and earns income over there, when it brings that money back, it has to pay up to a 35-percent tax rate on the money it brings returns to the U.S. If a company from France goes to China and makes money over there, and they bring the money back to France, it is zero percent. France charges them zero percent; Germany, zero percent; Canada, zero percent; Australia, zero percent; and, Great Britain, zero percent. These countries have recognized that it is a positive thing for the money to come back into their country.

The Invest in USA Act, which I introduced with Senator BOXER last year, passed 75 to 25. Every Republican voted in favor of it and half of the Democrat Senators voted in favor of the Invest in USA Act. Unfortunately, it was dropped out in the tax debate in what is called a conference committee. It is now part of the bigger JOBS bill we have before us today. I might add—because of the tariffs the European Union

will be putting on American companies—it is important to have this JOBS bill passed. I believe, of everything in this JOBS bill which is important, this is the most important piece.

First, I talked about the \$500 billion in the overseas markets. Of the \$500 billion or so in American companies' bank accounts overseas, \$400 billion conservatively—I think the lowest estimate of any of the studies I have seen is that \$300 billion comes back—will come from the four corners of the world back into the United States.

To put this \$400 billion number in perspective, from 1996–2002, it was clear that the United States was experiencing pretty good economic times. There are IPOs—initial public offerings—on the stock market. With IPOs, people raise money to be able to invest and pay down debt. There are all kinds of various uses for IPOs. During 1996–2002, all of the money raised with those IPOs does not equal this \$400 billion number. With this one simple Act, Congress can bring back more money to the United States and create jobs than in all of the initial public offerings that were done for the stock market from 1996–2002.

It is critically important we enact this legislation in order to bring jobs back to America. Some critics say it is unfair for the companies that are here in America which have paid their 35-percent corporate taxes. I am supportive of lowering the corporate tax rates, as often companies pass their taxes on to the consumer and are not directly responsible for them.

We need to make American businesses more competitive. One of the ways we can do that is to lower the corporate tax rate. But given the fact that the rate is where it is, companies have no incentive to bring the money back here to the United States.

For all of those companies that are paying that higher tax rate, if they want to share in a better economy, let us bring \$400 billion back to the United States to invest, pay down the debt, invest in new capital improvements, do research and development in the United States, and create jobs right here in the United States.

Various studies have been done regarding this important issue. Alan Sinai is probably one of the most respected economists in the United States. He certainly is not considered a conservative. Many would say he is maybe a little more liberal than conservative. I do not know that you can really paint him one way or the other, however he is well respected by both sides of the aisle. His estimate is that 660,000 jobs would be created by this one Act alone.

The Joint Tax Committee says that over a 10-year period of time, if we enact the Invest in USA Act, it will help reduce the deficit by around \$4 billion over 10 years. That in and of itself is a very small number compared to the over \$2 trillion budget we have on an annual basis. But the Joint Tax

Committee does not count any jobs that are produced. They do not count any of the taxes that are paid by those jobs that are being produced. Alan Sinai, on the other hand, looked at what kind of total impact this bill would have on the U.S. Government. In other words, would there be a loss of taxes or a gain of tax revenues because of the health in the economy. He has estimated that \$75 billion in deficit reduction would be possible because of this one provision in the JOBS bill.

The Invest in the USA provision will create 660,000 jobs, and I believe that is a conservative estimate. It will bring back \$400 billion in cash for all kinds of positive things for U.S. companies and U.S. workers. It will help the taxpayer and help pay down the debt, and everybody around here talks about how important it is to ensure the deficit is reduced.

Of all the good things in the JOBS bill that we are talking about today, for those who are truly interested in creating jobs in America, we need to pass this incredibly important piece of legislation.

Of the few objections I have heard to this legislation, one is that it is not fair to American companies. I believe that issue has been addressed. The second is you should not implement a temporary fix, that companies and people are content to wait. Instead of paying 35-percent corporate tax rate, they are only charged 5¼ percent. Critics say you should not do that just for 1 year because then companies will wait for the next tax holiday. I agree, doing temporary tax holidays is not necessarily a good idea, however, I want to use this as a model to show that if we encourage United States companies that have invested overseas to bring their money back—if the tax laws in America are changed—we can, indeed, create more jobs on American soil in this growing global economy.

There is a clear imbalance. Most of which is not the fault of the companies. Lou Dobbs constantly talks about job outsourcing and paints United States companies as evil companies. The bottom line is the companies are doing what is in their best financial interest. It is the Congress that has set up these incentives to go overseas and to keep the money overseas.

What the Invest In The USA Act does, is allow a temporary fix to bring the money back in the next 12 months, stimulate the economy, and then show the model of how a permanent fix can make America more competitive in the global marketplace.

I yield the floor.

The PRESIDING OFFICER. The Senator from Missouri.

TERRORISTS

Mr. BOND. Mr. President, this morning I heard the minority leader talking about a couple of books that have been written, one by Mr. O'Neill and one by Mr. Clarke. It appears there is an effort

in the Senate to use the September 11 Commission and its work as an effort to point fingers, to say—in this instance, by the minority leader—somehow President Bush and his administration were responsible for the September 11 attack.

I took a post on the Senate Intelligence Committee this past year because I believe the most important thing we can do to safeguard the United States and our citizens from further terrorist attacks is to figure out how to improve the intelligence-gathering system. There is no question there were flaws, there were holes in the intelligence system, that we did not get as good intelligence as we should have.

Some of those were legislatively mandated. We had walls between the CIA and the FBI that prevented them from sharing information. We took those down in the PATRIOT Act. We had problems with inadequate funding for intelligence, particularly human intelligence. We found a lot of areas with sophisticated electronic surveillance and aerial surveillance. While they could tell us the movements on the ground and pick up conversations, they were not good at knowing what was going on. We did not have the sources we needed inside of the countries and even inside of the terrorist organizations themselves to find out what should be done.

I hope the focus of this body when we talk about intelligence is not on what political advantage we can gain. I have seen some of Senator KERRY's political advisers say we are going to carry the battle for the White House to the floor of the Senate. When we start talking about intelligence and trying to bring that in as part of the political campaign, we are not serving the needs of this country and its intelligence service well.

There is much we need to do and there are lots of votes in Congress we ought to debate. The joint inquiry into September 11 has identified a number of systemic problems which contributed to the intelligence community's failure to prevent the September 11 attacks. There was a lack of comprehensive counterterrorist strategy, a lack of information sharing among intelligence agencies, and even a lack of military response to al-Qaida and others.

There have been problems for a number of years, predating the Bush administration, I might add. When Mr. Clarke points to the Bush administration in his book and claims there were all kinds of failures and faults on behalf of the Bush administration, those people who look at his previous statements, read his testimony, and listen to the other testimony, tend to believe there was a lot of fiction going into the writing he put into that book. He has made unfounded statements that are contradicted in a number of other places where he has made comments.

The article that appeared in the New Yorker on March 24, by Jane Mayer, in