

businesses that you can imagine—restaurants. This will create many jobs immediately. So I was happy when I heard that from her. I knew that was going to be the case, but I wanted to hear it from her.

When that funding gets to where it is going, as many as one-half million people who are looking for work today will soon be on their way to a new job. We fought so hard for this bill against such stubborn minority opposition because we know we have to do everything we can to get people back to work. That means we have to work just as hard to create new jobs as we have to protect existing ones. It means that when a corporation tries to take away someone's job in Nevada and send it halfway around the world, we have to stop them. We cannot let the greedy CEOs do that anymore, and that is exactly what we are going to do this week. We are going to take away the incentives that our corporations have to send our jobs overseas and give them powerful new incentives to keep the jobs right here in America.

Right now, our Tax Code actually rewards corporations for offshoring jobs. It is hard to comprehend that, but it is true. It helps them pay the costs of closing their plants and offers them tax breaks if they move production to other countries. The current system even encourages companies to ask their employees to train their foreign replacements. Think about how an American feels about that. That is a slap in the face to hard-working Americans. It is no way to get our economy back on its feet and certainly no way to get Americans back to work.

Our bill rights this wrong, and it is going to help revive our Nation's manufacturing industry. We are giving companies the right kind of tax cut, a payroll tax holiday as a reward for bringing jobs back home. So far, we have seen little to indicate that our friends on the other side of the aisle have any interest in protecting American jobs. Instead, we have seen them fight with great enthusiasm to keep corporate tax loopholes as wide open as possible.

Let's use this week to remember whom we work for: middle-class families and the hard-working people who built this country and will rebuild it toward recovery; middle-class families and not corporations that take advantage of tax loopholes at their expense; American workers and not foreign companies that want to take away their jobs. That is the most important thing we can do.

Nothing is more important to me, as a Senator, than the work to create jobs in our States.

Will the Chair now announce morning business.

#### 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, there will now be a period of morning business until 3 p.m., with Senators permitted to speak therein for up to 10 minutes each.

The Senator from Delaware is recognized.

#### FISCAL AND ECONOMIC CHALLENGES

Mr. KAUFMAN. Mr. President, although we have come a very long way since January 2009, our Nation faces profound short-term and long-term fiscal and economic challenges. In the short term, we need to do more so our economy will grow significantly again. This should include the small business jobs bill, the extension of middle-class tax cuts, and additional spending on infrastructure, as the President has proposed. In the longer term, we need to shore up our fiscal balance sheet and develop policies, including investment in innovation, research and development, clean energy and science, technology, engineering and math—STEM education—that promote sustainable growth and job creation.

Unfortunately, instead of distinguishing between our distinct short-term and long-term problems, we have conflated them, focusing most of our attention on our immediate fiscal deficits.

Sometimes overlooked is that these deficits are, in a large part, legacies of unpaid-for policies of the previous administration, whether they be the wars in Iraq and Afghanistan, not paid for, tax cuts for the wealthy, which were passed and not paid for, or Medicare Part D, which was passed and not paid for. In addition, the economic fallout from the financial crisis, a primary driver of our current fiscal deficits, was itself a product, as you well know, Mr. President, of governmentwide deregulation.

While we all support cutting wasteful government spending, it is not, by itself, a solution to our fiscal woes. Indeed, if we were to eliminate all non-defense discretionary spending in the next fiscal year—Department of Justice, Department of Education, Department of Energy—we would still have a deficit of more than \$700 billion; that is, if we eliminate all of them. We hear people coming to the floor and talking about cutting that, that is going to save us. If we eliminate the whole thing, go down Constitution Avenue and close down every building, we would still have a deficit of more than \$700 billion.

This focus on Federal Government spending is shortsighted and even counterproductive, since it distracts us from the real problem of addressing our weak economic fundamentals.

All too many Americans are painfully aware of the current economic conditions in which we find ourselves.

It is clear these conditions would even be worse if not for the Recovery Act. It saved us from another full-blown depression and allowed us to rebuild our economy and add jobs. The nonpartisan Congressional Budget Office concluded that the American Recovery and Reinvestment Act resulted in anywhere between 1.8 million and 4.1 million more jobs.

The CBO also estimated that our gross domestic product was 1.7 percent to 4.2 percent higher in the first quarter of 2010. Other economic indicators show similarly strong results, following the passage of the Recovery Act. After the passage of the Recovery Act, the markets hit bottom, with the Dow 6,547, on March 9, 2009, just about the time we passed the Recovery Act. Since we passed the Recovery Act, the Dow has risen dramatically, climbing above 11,000 early this year, even remaining above 10,000 amidst recent market turmoil, and most recently spurting higher by more than 7 percent in the month of September alone. All that happened after we passed the Recovery Act.

The Purchasing Managers Index, a leading indicator of business confidence, has also been generally trending upward since the passage of the Recovery Act. That we are not where we want to be is testament to the magnitude of the problems inherited by the President and this Congress. Indeed, millions of Americans are without jobs and overburdened with debt. Although large corporate balance sheets are generally strong, many small businesses have limited access to credit, a condition which will be helped with the small business jobs bill, which the President signs today.

What is more, many businesses will simply not invest without consumer confidence. In such an environment, where consumer and business confidence is low, there are obviously limits to the effectiveness of monetary policy, irrespective of the creativity of the economists and policymakers at the Federal Reserve.

Fiscal policy, whether through direct government spending or through tax or other incentives, is the one lever we have to spur growth. As Olivier Blanchard recently stated: "If fiscal stimulus helps reduce unemployment and thus avoid an increase in structural unemployment, it may actually largely pay for itself and lead to only a small increase in debt relative to the alternative of doing nothing."

Conversely, policies aimed at an immediate spending cut and a tightening of the proverbial fiscal belt could actually harm our economy. Therefore, it is critical we extend middle-class tax cuts and expand, not contract, stimulus measures.

In addition, the President's \$50 billion of infrastructure investment is a good way to put more Americans back to work, to make a downpayment on rebuilding our infrastructure.

Of course, our need to promote economic growth in the short term does