

where we feel it is important, especially the unemployed people who are desperate for another check and are trying to find a job.

Mr. President, the Orwellian Bush administration has now slopped over into the Senate, and now the Republican leader is becoming Orwellian himself.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business for 60 minutes, 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 first half of the time under the control of the Republican leader or his designee and the second half of the time under control of the majority leader or his designee.

The Senator from California.

ORDER OF PROCEDURE

Mrs. BOXER. Mr. President, I ask unanimous consent that I be allowed to speak on the Democrats' time to pay tribute to Marine Cpl Sean Andrew Stokes. I thank Senator KYL for agreeing to this request.

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

HONORING OUR ARMED FORCES

CORPORAL SEAN ANDREW STOKES

Mrs. BOXER. Mr. President, tomorrow, Wednesday, February 6, at Camp Pendleton in my home State of California, one of the true heroes of our country will receive a rare and distinguished honor. On what would have been his 25th birthday, Marine Cpl Sean Andrew Stokes—and I show you that beautiful face in this picture—will be awarded the Silver Star for heroic actions performed in the line of duty during Operation Phantom Fury in Fallujah, Iraq.

From November 9 through November 18 of 2004, then-Private Stokes took the position of "point" in his platoon. That means he was the first Marine to enter a building and the first Marine to encounter whatever and whoever was inside. Bullets, grenades, and rockets were around every corner. For 9 days and nights, Sean fought insurgents in hand-to-hand combat, in house after house, in building after building.

Most of us would lose our sanity in such a place, but Sean kept his sanity with a simple prayer of thanks after coming out of each house alive.

Word of Sean's actions over those days quickly spread. The History Chan-

nel made a documentary about the battle of Fallujah, and Sean's heroic actions were prominently featured.

Embedded in Sean's platoon was Pat O'Donnell, a historian who wrote a critically acclaimed book, "We Were One: Shoulder to Shoulder with the Marines Who Took Fallujah." Mr. O'Donnell has said Sean hid his wounds on more than one occasion so he could stay with his Marine brothers rather than take the mandatory medical evacuation. He said:

Sean always put others first before himself.

Sean will be receiving the Silver Star tomorrow for his actions on his first tour. His father Gary conducted research, and as best as he can tell, Sean is the first Marine to be awarded the Silver Star for actions while a private since two Marine privates received such an honor during the Vietnam war.

In September 2005, Sean returned to Iraq, once again at the front of his platoon, where he distinguished himself and was eventually promoted to corporal.

Sean could have left the Marine Corps at the end of that tour. His father urged him to get out, but Sean said: What about everybody else? He felt the need to stick by his buddies who had stood by his side every single day in Iraq.

In April of 2007, Sean went back for his third deployment. Sean's father wrote:

He went back to Iraq to protect his best friend, Bradley Adams, and because he wanted to be a Marine more than anything else in life.

Sean, along with Bradley, was assigned to the battalion commander's personal security detachment, a position reserved for elite and combat-seasoned warriors. The two managed to eventually maneuver their way into the lead vehicle, once again taking point, which earned Sean the nickname "Pathfinder."

That battalion commander told Gary Stokes his son had saved his life on numerous occasions, including on July 30, 2007, the day Sean Stokes died from an improvised explosive device attack while on patrol in Al Anbar Province.

Over 820 men and women who were either from California or based in California have died in Iraq. This young and heroic Marine is one of them.

Sean Stokes represented the best of the Marine Corps, the best of the United States, the best of California. He was born 25 years ago Wednesday in Fremont, CA. He grew up in the gold country of California in the town of Auburn.

He was into cars and his dad says he had lots of them. When he returned from his first tour in Iraq, the people of Auburn learned he wanted to fix up his Honda Prelude, so they, the people of the town, put on some new rims, spruced it up, and made it look good—all free of charge—for Sean.

He attended Bear River High School, where he played linebacker on the foot-

ball team and the outfield on the baseball team.

Upon learning that Sean died, Bear River retired his No. 51 football jersey, the first time the school has ever retired a number.

Of his baseball ability, Sean's dad draws a parallel to a great home-run hitter also born on Wednesday—Babe Ruth. He said it is no coincidence that he was the only kid on the all-star team to hit the ball out of Babe Ruth Baseball Park onto the nearby road, not once but three times.

Sean's dad also says he was quite popular and had lots of girlfriends. But he had found true love and was engaged to Nicole Besier, a beautiful young girl who is also a Marine.

Gary Stokes wrote to me about his son:

Sean turned out to be a great fisherman and from the time he was a little guy, he loved to fish. I remember taking Sean camping, and that is all he wanted to do the entire time during our camping trips and other outings and vacations. Even though I understand that the Tigris River was polluted and at times surrounded by terrorists, I would be surprised if Sean did not throw in a fishing line a few times during one of his three tours in Iraq.

"Sean, like his brother Kevin, is a great son," his father writes. We do have a photo, I believe, of Kevin. We are going to get out the photo to show the brothers together.

Sean, like his brother Kevin, is a great son, and we always would make sure to make time to do fun things together as much as possible, like golf, fishing, or camping.

This is a picture of Sean and his brother.

His father continues:

Sean and I made the commitment years ago to not be like the father and son in the song "Cats in the Cradle." Sean has touched many lives during his short life and he was loved and was respected by everyone whom he met.

Sean's life was short, but it was full and he always gave it his all in everything he did.

Tomorrow's ceremony at Camp Pendleton honors the heroism and the bravery of Sean Stokes. Similar to the other Marines out at Camp Pendleton and the rest of the men and women in uniform around the world, he volunteered to carry the burden of protecting our beloved Nation.

He fought for the man next to him and for the troops behind him, and he died in service to them. We owe him our gratitude. And we owe his family our gratitude and we owe the families of all the men and women who serve in harm's way our gratitude. We can never forget what they have sacrificed.

I conclude as the Senator from California, we have lost so many. As a mother, as a grandmother, I will do everything, along with my colleagues, to bring our troops home and to spare others the deep grief this family has endured.

I again thank Senator KYL for his graciousness in allowing me to have this opportunity to pay tribute to Sean.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Arizona.

Mr. KYL. Mr. President, I thank the Senator from California for her remarks about Sean and his service to this country. He clearly represents all those marines, soldiers, and others who have given their lives and the many others who have been casualties of conflicts on behalf of the American people.

We do, indeed, owe them our debt of gratitude and we, as policymakers, in the country owe them decisionmaking which ensures that their sacrifices will not have been in vain.

ECONOMIC STIMULUS PACKAGE

Mr. KYL. Mr. President, I wish to turn to the business at hand, which is the so-called economic stimulus package. I have not had an opportunity to offer my personal views on this issue.

I do not believe that tax rebate checks and an extension of unemployment benefits will boost the economy. Of course, Americans deserve to keep more of their hard-earned dollars and Washington should spend less of them. But giving people tax rebates and telling them to go shopping will do virtually nothing to grow our economy. Our economy grows—GDP increases—when new goods and services are produced. A one-time shopping spree is not going to encourage a business to hire one additional worker or invest in one additional machine. Only a permanent reduction in tax rates will do that.

Gross domestic product increased by just 0.6 percent in the fourth quarter of 2007. While most economists do not forecast that the U.S. economy will enter recession this year, they do estimate it will enter a period of below-trend growth in the first half of 2008, with growth recovering in the third and fourth quarters.

The current unemployment rate is 4.9 percent; down from 5 percent in December. The drop is due to an upward revision in the number of jobs created in December.

The preliminary estimate is that the number of jobs created in January fell by 17,000—the first decline in many months. But note that a very small increase in December job creation was revised upward to 82,000 new jobs. Also, the initial August 2007 jobs reading showed a 4,000 job decline, but it too was revised upward substantially. The January figure could well be revised upward.

Over the past 30 years, from 1977 to 2007, personal consumption has grown steadily and strongly and has not fallen off during economic downturns.

In contrast, during times of economic weakness, private investment declines significantly. We are seeing this very thing happen during this economic downturn as well.

The Treasury Secretary negotiated an agreement with the bipartisan House leadership. That agreement was fairly simple:

It provides a rebate of \$600 for individuals and \$1,200 for married filers, and gives parents another \$300 for each child. The rebate is phased out for individuals with adjusted gross income of more than \$75,000, and couples with adjusted gross income of \$150,000.

It also expands the ability of small businesses to expense new equipment purchases for 2008 and gives businesses of all sizes the ability to write off 50 percent the cost of many new depreciable assets placed in service in 2008.

The House bill was passed on January 29 by a vote of 385 to 35.

The administration predicts that the proposal would boost the economy by about 0.7 percent. In reality, that “growth” would be borrowed from the future. It would not create new growth.

While I disagree with the central premise of the House-passed bill—that we need to stimulate consumer spending—I am impressed that the bill was very narrowly focused and that it generally did not include new spending.

While the House bill was not the bill I would have written, I feared that it would become far worse in the Senate. It has.

The bill passed out of the Finance Committee dedicates \$10 billion to extend unemployment benefits. Our current unemployment rate is 4.9 percent. Congress has never before extended unemployment benefits when the rate is this low. Because extending unemployment benefits has the effect of lengthening the traditional spell of unemployment by 1 to 2 weeks, this provision effectively eliminates any possible stimulative effect of the bill.

It also included a slightly smaller tax rebate—\$500 per individual, \$1,000 per couple, \$300 per child. Unlike the House bill, the rebate would be available to senior citizens and disabled veterans who otherwise have no earned income. While I generally oppose the idea of rebate checks, this change from the House bill is probably one on which we can agree. But we should understand that fully 42 percent of the rebate approved by the Finance Committee is classified as “spending” because it would go to individuals with no tax liability.

The Finance bill also seeks to ensure that illegal immigrants cannot legally obtain tax rebates, something we all support.

The Finance package also includes the same business tax breaks as the House bill but adds a 5-year carryback for net operating losses. This is an important provision that I helped to have included in the Finance bill and I would support adding it to the House bill.

From this point, the Finance Committee bill really becomes a Christmas tree. All kinds of legislative ornaments have been attached:

\$3 billion for utilities wind and solar energy production;

\$1.6 billion for energy-efficient homes, not particularly wise, given the glut of new homes on the markets;

\$323 million for manufacturers of energy-efficient appliances;

\$247 million for tax breaks for wealthier investors in marginal oil and gas wells;

\$153 million to for energy-efficient commercial buildings; and

\$100 million for coal companies owed interest by the Federal government from a court case.

Interestingly, the committee defeated an amendment I offered to patch the AMT for 2008.

The committee defeated an amendment offered by Senator ENSIGN to provide another repatriation window, during which companies could bring back overseas earnings at a much-reduced tax rate.

The committee also denied me an opportunity to offer a package of individual and business tax provisions that expired at the end of 2007 and other provisions that expire at the end of this year, including:

- the teacher tax deduction,
- the tuition deduction,
- the R&D tax credit,
- accelerated depreciation for leaseholds and restaurants, and
- extending foreign tax changes that help U.S. multinationals compete—active financing and the CFC look-through.

At best, proposals for short-term, demand-side stimulus will borrow economic growth and consumer spending from the future, and will appear to create a small boost for the economy.

My real worry is that we are doing a disservice to all Americans if we tell them that increasing consumer spending is a panacea to our economic problems.

We would be far wiser to recognize that our short-term challenge now is deflated home values and a glut of housing, along with insufficient liquidity in the capital markets—none of which will be fixed by this, or the House-passed, stimulus bill.

The only viable remedy is to focus on policies that encourage sustainable economic growth by encouraging work, investment, and entrepreneurship.

We are scheduled to see across-the-board hikes in income tax rates and investment tax rates, as the current rates automatically expire, reverting to the pre-2001 and pre-2003 higher rates—and we know from economists that the only way to encourage sustainable economic growth is to encourage work, savings, and investment through lower marginal rates.

No one is willing to see the child tax credit cut in half, the marriage penalty spring back to life, or a host of other popular provisions disappear.

Washington is slowly coming to the realization that our corporate tax rate of 35 percent hurts American competitiveness. Only one OECD country—Japan—has a higher rate.

In fact, I filed an amendment to cut the corporate rate to 25 percent when the Finance Committee considered the economic stimulus bill. Larry Kudlow had this to say about my amendment: