

## Obama Stimulus Plan Fails Middle Class, According to the American Small Business League

[\(BUSINESS WIRE\)](#)-- *The following is a statement by the American Small Business League:*

On Friday, Nov. 9, 2009, the U.S. Department of Labor announced that the national unemployment rate rose to 10.2 percent in the month of October, its highest point in 26 years.

Small business advocates like the American Small Business League (ASBL) believe the unemployment rate continues to soar because the Obama Administration's economic stimulus plan has virtually ignored middle class firms.

Firms with 20 or fewer employees are responsible for over 97 percent of all net new jobs, according to the most recent U.S. Census Bureau data. <http://www.inc.com/news/articles/200708/data.html> To date the Obama Administration has awarded less than one percent of all funds allocated under the stimulus to those firms.

In February of 2008, President Obama released the statement, "It is time to end the diversion of federal small business contracts to corporate giants."  
[http://www.barackobama.com/2008/02/26/the\\_american\\_small\\_business\\_le.php](http://www.barackobama.com/2008/02/26/the_american_small_business_le.php) The statement is based on a series of federal investigations, which have found that every year billions of dollars in federal small business contracts are diverted to some of the largest companies around the world.  
<http://www.asbl.com/documentlibrary.html>

The ASBL estimates that since President Obama took office over \$100 billion in federal contracts were diverted to corporate giants around the world.

Despite pledging to address these issues, the Obama Administration has consistently refused to adopt any legislation or policy to solve the problem. Consequently, Fortune 500 firms like Lockheed Martin, Boeing, Raytheon, Northrop Grumman, British Aerospace (BAE), Rolls Royce, and French giant Thales Communications continue to receive federal small business contracts. The most recent data released by the Obama Administration lists Fortune 500 corporation, Textron Inc. as the largest recipient of federal small business contracts. Textron has 43,000 employees.

"If President Obama really wants to stimulate our nation's economy and create new jobs, he needs to help pass H.R. 2568, the Fairness and Transparency in Contracting Act," ASBL President Lloyd Chapman said. "H.R. 2568 offers the most efficient and cost effective method anyone has proposed to redirect federal infrastructure spending to small businesses. It would also solve the 10-year-old contracting scandal the Small Business Administration (SBA) Inspector General referred to as, 'one of the most important challenges facing the small business administration and the entire federal government today.' "

Source: American Small Business League