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LEGISLATIVE ALERT!

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Dear Senator:

The AFL-CIO urges you to oppose the Conrad-Gregg amendment when it is offered next week to the resolution to increase the statutory public debt limit (H.J. Res. 45).

This amendment would create a Task Force "to provide recommendations and legislative language that will significantly improve the long-term fiscal imbalance of the federal government," including recommendations addressing federal expenditures and revenues. It would force Congress to consider these recommendations without amendments under a fast track procedure.

We agree that securing our country's long-term financial future is a challenge we must address. We disagree, however, with the premise of this amendment which, we believe, is that entitlement programs must be cut. Entitlement programs are not the crux of the problem. Social Security, for example, though frequently a target of fiscal "reform," does not contribute to the deficit, and its long-term solvency can be achieved through relatively modest adjustments to the program without diminishing benefits. Particularly in this time of economic hardship and uncertainty for so many, we should be strengthening, rather than cutting, critical safety-net programs like Social Security, Medicare and Medicaid.

The best way to address our government debt is to enact policies that support economic growth. As economist Dean Baker of the Center for Economic Research reminds us, "[t]he federal government's debt burden shrank from more than 110 percent of GDP immediately following World War II to less than 30 percent of GDP in 1980. This happened in spite of the fact that the government ran a deficit in all but eight years over this period. The debt burden shrank because the economy outgrew the debt."

Furthermore, apart from one's view on the root causes of our economic challenges, legislation of this magnitude, likely to include substantive changes to major federal programs, should be afforded the usual Senate procedures and protections. Congress should not be outsourcing the development of legislative recommendations to an outside body that has no accountability. Moreover, any such recommendations should be subject to the full committee system of review.

We urge you to vote against this ill-conceived proposal.

Sincerely,

William Samuel, Director
DEPARTMENT OF LEGISLATION