

# Economic Recovery Package: Why We Need It

- The U.S. faces the most serious economic crisis since the Great Depression. The country is sliding into a deep recession. Just how deep we go and how long the recession lasts depends upon how quickly we take steps to counter it.



- More than 300 of the country's leading economists have called for immediate passage of a significant and broad-based economic recovery package. Both the Obama team and Congressional leaders are drafting such a package right now. It is expected to be in the range of \$500 billion to \$1 trillion over the next two years.
- The package should include the following:
  - Grants to state and local governments so that they will not be forced to raise taxes, layoff workers and cut services in the middle of a downturn. **Although some conservatives have floated the idea of loans to states instead of grants, this approach represents flawed public policy because it still will require states to make painful cuts in the areas of Medicaid, education and other essential services.**
  - Additional payments to low- and moderate-income households through programs such as Food Stamps and an expansion of kids health care (SCHIP)
  - Investments in alternative energy technology to create millions of new jobs and generate billions in public revenue and tackle the issue of climate change and reduce our dependence on foreign oil.
  - Investments in public infrastructure that will provide a crucial shot in the arm for the economy and create hundreds of thousands of good paying jobs to strengthen our middle class. **Conservatives have complained about the number of public-sector jobs that would be created. First, these investments in jobs will rebuild our crumbling infrastructure, a necessary condition for economic recovery. Second, the pass-through private sector spending that would result from the injection of dollars into the economy would in itself create jobs in a wide swath of industries and occupations, another important step toward economic recovery for America.**
- The economy is hemorrhaging jobs at a frightful rate. At least 533,000 jobs were lost in the month of November alone. In the three-month period from the beginning of September to the end of November, 1,256,000 jobs were lost, the second-highest such figure in more than 60 years.

- Even with action, unemployment is expected to reach 7 percent by January and 8 percent by next summer. Without action, it will reach 9 percent by the end of next year and 10 percent in 2010. **Conservatives are talking about opposing efforts to provide unemployment insurance for workers who have lost full-time jobs and can only find part-time work. This approach, besides immoral, ignores the reality of many part-time workers in the U.S. today. Many people have no access to health care and struggle to put food on the table for their families.**
- USAction, our affiliates and our allies have organized a series of more than three dozen Town Hall meetings in at least 30 states to rally support for an economic recovery package.
- 43 states faced budget shortfalls heading into 2009 due to the economic crisis. There is a direct connection between how the federal government responds to the crisis and whether states can meet basic budgetary needs. The amount of the recovery package we are proposing **exceeds** the combined budget shortfall states face. Only the federal government can help states balance their budgets.
- USAction is joining other progressive organizations in campaigning for passage of an economic recovery package. In addition to the Town Hall meetings, we launched the campaign in more than 35 communities across the U.S. focusing our efforts on key U.S. House members and members of the U.S. Senate.

### **TAKE ACTION NOW!**

Call Senator Lieberman and tell him to support an economic recovery package **NOW** that does not slash funding that creates jobs.

**Sen. Lieberman: (800) 225-5605**

**For more information, contact Phil Sherwood**  
at the Connecticut Citizen Action Group  
(860) 796-2398 or [psherwood33@gmail.com](mailto:psherwood33@gmail.com).



Connecticut Citizen Action Group  
30 Arbor Street Ste 6-N, Hartford, Ct 06106  
Phone: (860) 233-2181 [www.ccag.net](http://www.ccag.net)

