June 1, 2011

Dear Representative:

On behalf of the 1.6 million members of the American Federation of State, County and Municipal Employees (AFSCME), I am writing to urge you to vote no on H.J. Res. 1 and to reject this and any other effort to amend the U.S. Constitution by requiring a balanced budget.

The proposed constitutional amendment is not the answer to our nation’s economic problems. H.J. Res. 1 is an extremely Draconian and unwise proposal. It would require a balanced budget every year, regardless of the state of the economy. It would cap spending at an unreasonably low percentage of the gross domestic product (GDP), and make it nearly impossible to attain current majorities to either raise taxes or waive the rules. The spending cap it calls for would require the largest budget cuts to vital programs such as Social Security, Medicare and Medicaid precisely when the economy is at its weakest, perhaps tipping a struggling economy into a recession and keeping it there for a protracted period of time. This blind focus on spending cuts and making it next to impossible to raise revenues is a less than transparent effort to protect the wealthy and corporate special interests. Requiring a balanced budget by 2018 is more extreme than the House-passed budget or even the Republican Study Committee budget in that it would lead to even more severe programmatic cuts.

The economy is still in recovery and more job creation is needed. Yet, the weak economy is not the result of so-called rampant government spending or deficit spending. Irresponsible lending and Wall Street misdeeds have seriously weakened the economy and devastated the housing market. Looking carefully at what caused the recent rise in the deficit, it is clear the biggest factors have been the poor economy, failure to pay for the tax cuts enacted in 2001 and 2003, and the wars in Iraq and Afghanistan.

Although the recession officially ended in 2009, millions of Americans remain out of work and continue to struggle to provide for their families. Medicaid, unemployment insurance, food stamps and other safety net programs are helping to ensure that this temporary economic setback does not abandon families in need. Under a balanced budget amendment, these programs would not be available to many of the people who need assistance.

A balanced budget amendment would have devastating consequences for the U.S. economy. It would put us in an economic straightjacket, making it impossible to address changing economic circumstances, crippling the ability of the federal government to operate and hurting Americans who are struggling through hard economic times caused by the misdeeds of others and who rely on critical services provided by all levels of government.

AFSCME strongly opposes H.J. Res. 1 and any balanced budget amendment to the U.S. Constitution.

Sincerely,

Charles M. Loveless
Director of Legislation