

NOVEMBER 13, 2001

WHOSE SIDE ARE YOU ON?

DEMOCRATS WANT IMMEDIATE RELIEF FOR AMERICAN WORKERS AND SMALL BUSINESSES

REPUBLICANS OFFER UP TURKEY DINNER FOR BIG BUSINESS AND SCRAPS FOR WORKERS

WASHINGTON, D.C. - On the day that House Democrats are holding events nationwide demanding relief for workers, U.S. Representative Jan Schakowsky (D-IL) today on Capitol Hill called for an economic recovery plan which invests in American workers and small businesses, not irresponsible tax giveaways to large corporations. Schakowsky was joined at the news conference by Roger Hickey, Co-Director of the Institute for America's Future, and Nancy Zirkin, Director of Public Policy and Government Affairs American Association of University Women.

Below is Schakowsky's statement:

"Seven million people are out of work today. Last month showed the largest increase in monthly unemployment numbers in twenty years. Our economy is in distress, but to their credit, Republicans are sticking to their worn out script. They're rallying around a plan that offers \$7.4 billion to 16 corporations, accelerated tax cuts to the rich, and no real relief to those who are jobless and without healthcare.

"The Republican plan fails all three tests for an economic recovery initiative. First, it will not stimulate the economy. Giving money to large corporations and the wealthy may be a nice early Christmas present for them, but it will not do much to promote spending and turn our failing economy around. After all, the airline bailout bill hasn't stopped layoffs. Instead, we need to put money into the hands of those who will invest in America now. As Nobel-prize winning economist Joseph Stiglitz has said, "give money to people who have lost their jobs in this recession, and it would be quickly spent."

□

"Second, it does not get help to those who need it. Seven million laid-off workers and their families are struggling to pay mortgages, rent and health insurance premiums. Small businesses affected by the recession are struggling. State and local governments are cutting budgets. Yet, the Republican bill virtually ignores those needs.

"Third, instead of providing short-term relief, it provides permanent tax breaks that once again benefit the wealthy, threaten Social Security and Medicare, and use up needed resources to invest in longer-range needs like affordable housing and school

modernization.

"It is with astonishing audacity, the Republicans reward billions of taxpayer dollars to big business and then have the nerve, or as some would say chutzpah, to call that an economic stimulus. One tax break in the Republican plan even rewards corporations for investing overseas. And it is shameless to once again slash the taxes of the richest few and claim that it's good for America's working men and women."

"How is the so-called GOP economic stimulus plan going to help the low paid workers who have suffered so much since September 11? The numbers are staggering, especially in the personal service sector. Last month alone, we lost 439,000 private-sector jobs. The average salary of workers laid-off because of the World Trade Center disaster was \$23,000. On average, a laid-off worker would have to use over twenty-five percent of their unemployment insurance benefits to pay for health coverage. Certainly, providing help for those workers and their families is the right thing to do from an economic and from a moral standpoint."

"Democrats have plan to offer unemployment insurance and health coverage for laid-off workers, tax rebates for middle- and low-income people who need immediate relief, and tax incentives for small businesses to encourage immediate investment in new plants and equipment. It is a recovery plan that stimulates the economy, invests in people, and offers immediate help to those who really need it."

"Democrats have a plan to help real people today. Republicans are offering up a Turkey Dinner with all the fixings to Big Business and scraps for hard-working families."