



COALITION ON HUMAN NEEDS

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Coalition on Human Needs Statement: the Budget Control Act

Washington, DC: The Coalition on Human Needs released this statement by Deborah Weinstein, Executive Director:

What the nation needs from Congress and the Administration is a plan to create jobs and stop the economy's downward slide. What we've gotten is a manufactured crisis over the federal authority to borrow, and a solution to that crisis that will lead inevitably to more harm to low- and moderate-income people.

The price of allowing the federal government to pay its bills will be more than \$900 billion in cuts over the next ten years, followed by another \$1.5 trillion in budget reductions to be determined by a new joint committee of Congress. If Congress does not enact the joint committee's recommendations, automatic cuts will take effect. The joint committee can recommend new revenues as part of its deficit reduction plan. But based on the failure by both parties to end upper-income tax cuts a year ago and the intransigence of right-wing members now, we know that it will be a difficult struggle, to say the least, to include new revenues in the plan.

Despite the difficulty, revenues must be part of the nation's deficit reduction strategy. It is unconscionable and damaging to the economy for millionaires and billionaires to continue to rake in hundreds of billions of dollars while children, seniors, people with disabilities, the unemployed and uninsured get less health care, food, education, and other essential services.

The Coalition on Human Needs recognizes that failure to adopt the Budget Control Act may inflict even worse harm to many millions of Americans. We cannot predict the impact on the economy, but it is easier to predict that prolonged negotiations to raise the debt ceiling will result in more cuts and fewer protections for low-income people.

The Budget Control Act includes some important provisions that reduce the threats to vulnerable people. The first round of more than \$900 billion in cuts will include about \$350 billion in reductions to military spending, assuring that education, nutrition assistance, children's services, affordable housing, home energy aid, as well as environmental protection and many other domestic needs do not bear the full brunt of the cuts. In addition, if automatic cuts are triggered, half the reductions will come from military accounts, and essential low-income programs will be exempt. These protections are necessary, but they are not sufficient.

The Budget Control Act propels Congress towards a set of choices, leaving the details to future legislative battles. The Coalition on Human Needs will redouble its efforts to fight cuts that endanger young and old alike and that prevent people from achieving economic security. We will continue to work for fair and adequate revenues to protect people now and invest in our future.

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