



FOR IMMEDIATE RELEASE

September 7, 2011

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In Advance of Tonight's GOP Presidential Debate in California, Chairman Pacheco Releases New Numbers on Jobs Losses in RI Resulting from GOP's Extreme Policies

*GOP's Support of Tea Party Budget Plan Would Cost 9.5 Million American Jobs,
More than 30,000 in RI*

Providence, RI – In advance of tonight's Republican presidential debate in California, Rhode Island Democratic Party Chair Ed Pacheco, based on a new analysis conducted by the Democratic National Committee, released an estimate of the number of jobs lost in Rhode Island as a result of the GOP presidential candidates' support for extreme economic policies, including their wholesale embrace of a balanced budget amendment to the Constitution like that which is included in the Tea Party budget plan passed by the U.S. House of Representatives this summer.

The DNC's analysis found if just the balanced budget amendment called for in the plan was in place in 2012, it would result in the loss of 9.5 million American jobs – 31,011 jobs right here in Rhode Island. The loss of so many jobs could sink the U.S. into a depression the likes of which the country has not experienced since the Great Depression.

Prior to the Republican debate, Pacheco released the following statement regarding the impact of extreme GOP-Tea Party policies on the State of Rhode Island:

"9.5 million American jobs and 31,011 jobs here in Rhode Island. Possibly a second Great Depression and devastation for the middle class, small businesses, students and seniors. An economic quagmire that could last generations. Ending Medicare and slashing Social Security. That's the price Mitt Romney, Rick Perry, Michele Bachmann, Ron Paul and the rest of the Republican Party are willing to pay to appeal to the most extreme and narrow elements of the Tea Party. There's not a Democrat or Republican in this country who doesn't think we need to get our fiscal house in order, but what this crop of Tea Party-loving Republicans has signed on to would lay ruin to our country and is beyond irresponsible.

"The drastic cuts to education, health care, infrastructure, research and development, higher education, Social Security, Medicare, and job training supported by Republicans would cost us millions of jobs if the plan were fully implemented in 2012 and would ensure that we aren't making the very types of investments we need to create jobs and be globally competitive in the 21st Century. The Republican approach is like setting dynamite to your home to fix a leaky faucet – and these wrongheaded policy choices are the result of a Republican Party which has turned over an increasing amount of power to its Tea Party fringe.

"Americans want real solutions to the problems we face and they want a plan to create jobs in the short term and lay a foundation for long term economic prosperity. What Republicans are proposing falls devastatingly flat on all fronts."

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This new analysis looked at the nonpartisan Congressional Budget Office's (CBO) August deficit projections for 2012 (\$991 billion deficit with CBO options for Iraq drawdown, extension of all tax provisions and Alternative Minimum Tax indexing and accounting for the so-called "Doc" fix). Using the conservative Romer-Bernstein Rule that one percent of the GDP equates to 1 million jobs, analysis concludes that if the plan were fully phased-in in 2012 and nearly a trillion dollars in federal spending was slashed, the balanced budget amendment would cost 9.5 million jobs nationwide.

In essence, the balanced budget amendment envisioned by the Tea Party plan would cut spending so deeply as a percentage of GDP that it would grind the economy to a halt and devastate middle class families and small businesses. And, because of the amendment's strict requirements for deep cuts, hard spending caps and a two-thirds majority to raise revenue, Congress would be virtually helpless to reverse the negative effects of these Tea Party Republican policies. Despite these negative consequences, every Republican presidential candidate, courting the extreme Tea Party vote, has come out in favor of a balanced budget amendment to the Constitution or the Tea Party plan which contains one.

Link to Report: [<http://my.democrats.org/DNC-report>]