



Congress of the United States
House of Representatives

June 10, 2010

The Honorable Barack Obama
President of the United States
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear Mr. President,

Enclosed please find a statement signed by more than 100 American economists urging that bipartisan action be taken immediately to rein in federal spending in order to boost our economy and create much-needed private-sector jobs.

Republicans have offered and continue to offer ideas on ways to immediately eliminate hundreds of billions of dollars in unnecessary spending by the federal government. In addition, Republican Whip Eric Cantor (R-VA) and I have written to you on several occasions recently to say we stand ready to work with you in a good faith manner to force immediate votes in the House on spending cut legislation you send to Congress using the rescissions authority you already have as president. But to date, such legislation has been neither passed by the Democratic leadership nor offered by the administration.

Failing to pass such legislation – and failing to pass a budget in the House this year for first time since at least 1974 – means squandering an opportunity to begin to provide the discipline economists say is needed.

Republicans stand ready to work with you to take immediate action to rein in federal spending so we can begin to boost private sector job creation and end the legacy of debt being passed on to our children and grandchildren.

Respectfully,

A handwritten signature in blue ink that reads "John Boehner".

John Boehner (R-OH)
House Republican Leader

June 10, 2010

ECONOMISTS TO PRESIDENT OBAMA: REIN IN SPENDING NOW TO CREATE AMERICAN JOBS

The jobs report released last Friday by the U.S. Department of Labor was a source of disappointment and alarm. Of the 431,000 new jobs in May, 95% were temporary government jobs created by the Census Bureau. Only 41,000 private-sector jobs were generated, and the civilian labor force shrank by 322,000. In addition, 46% of those out of work have been jobless for six months or longer – the first time in history that such a dire statistic has been recorded for the American economy. Efforts to spark private-sector job creation through government ‘stimulus’ spending have been unsuccessful. Small businesses face an array of new challenges imposed on them by the federal government, including the threat of tax hikes and the newly-enacted health law, which will discourage hiring, increase the deficit, and raise health care costs, according to the chief actuary of the U.S. Department of Health & Human Services.

As economists deeply concerned about our nation's future, we urge a change in direction. To support real economic growth and provide the spark needed to support creation of private-sector jobs, immediate action is needed to rein in federal spending, prevent job-killing tax hikes through the expiration of current tax rates, and reverse the harmful effects of the health care law on small businesses, the engine of job creation in our economy.

We are disturbed by reports that rather than taking such action, Congress will not even propose a budget this year – the first time in modern history that the U.S. House of Representatives has failed to even pass a budget. Such a failure will mark a massive missed opportunity to help our economy grow and create private-sector jobs. Failing to restrict spending growth will further balloon the national debt, impede economic growth, and threaten our nation's long-term economic health.

This issue cannot simply be deferred to a presidential commission. As last week's jobs report illustrates, action is needed now to begin to slow government spending and support the creation of new private-sector jobs. For the sake of millions of Americans who remain out of work – and future generations of Americans, who will carry the debt burden we are accumulating today – we respectfully urge that the leaders of both parties take action immediately to eliminate unnecessary federal spending, prevent tax hikes, stop regulatory threats to job creation, and enact reforms to put our nation back on a true path to prosperity.

Sincerely,

Joseph R. Antos
Wilson H. Taylor Scholar in Health Care
and Retirement Policy
American Enterprise Institute

Nathan J. Ashby
Assistant Professor of Economics
University of Texas at El Paso

King Banaian
Department of Economics
St. Cloud State University

Bruce Bender
Professor
Lubar School of Business
University of Wisconsin-Milwaukee

Scott Bradford
Associate Professor
Economics Department
Brigham Young University

Phillip J. Bryson
Brigham Young University

Richard J. Cebula
Editor, Journal of Regional Analysis and Policy
Managing Editor, Journal of Economics and
Finance Education

Clyde Wayne Crews, Jr.
VP for Policy
Director of Technology Studies
Competitive Enterprise Institute

Antony Davies
Associate Professor of Economics
Duquesne University

John Eckalbar
Professor of Economics
California State University

Stacie Beck
Department of Economics
University of Delaware

Donald Booth
Professor of Economics
Chapman University

David P. Brown
Laun Professor of Finance
University of Wisconsin-Madison

Charles Calomiris
Henry Kaufmann Professor of
Financial Institutions
Columbia University

Don Chance
James C. Flores Endowed Chair of
MBA Studies and Professor of Finance
Louisiana State

Coldwell Daniel, III
Professor Emeritus
The University of Memphis

Ted Day
Professor of Finance
School of Management
University of Texas at Dallas

Dorla A. Evans
Professor of Finance
University of Alabama –Huntsville

Frank Falero
Emeritus Professor of Economics
California State University

Eugene F. Fama
Professor of Finance
University of Chicago

Dorsey D. Farr
French Wolf & Farr

W. Ken Farr
Chair & Professor of Economics
Georgia College & State University

Harold D. Flint
Department of Economics & Finance
Montclair State University

Michelle Michot Foss
Chief Energy Economist and Head
Center for Energy Economics
Bureau of Economic Geology
Jackson School of Geosciences
University of Texas

Lawrence Franko
Professor of Finance (Retired)
University of Massachusetts, Boston

Douglas C. Frechtling
Professor of Tourism Studies
School of Business
George Washington University

Diana Furchtgott-Roth
Senior Fellow
Hudson Institute

Gerald Gay
Professor of Finance
Georgia State University

Robert Genetski
President
classicalprinciples.com

Otis W. Gilley
Head, Department of Economics and Finance
Clarke Williams/Century Telephone
Distinguished Professor of Economics
Louisiana Tech University

Micha Gisser
Professor Emeritus of Economics
University of New Mexico

Barry K. Goodwin
Distinguished Professor
Departments of Agricultural and Resource
Economics and Economics
North Carolina State University

Richard J. Grant
Professor of Finance & Economics
College of Business
Lipscomb University

Simon Hakim
Professor
Department of Economics
Temple University

Joseph H. Haslag
Professor of Economics
University of Missouri

James Henderson
Ben Williams Professor in Economics
Baylor University

Douglas Holtz-Eakin
President
American Action Forum

C. Thomas Howard
Professor
Reiman School of Finance
Daniels College of Business
University of Denver

Forrest E. Huffman
Professor of Real Estate and Finance
Temple University

Stephen Jackstadt
Professor Emeritus of Economics
University of Alaska Anchorage

Gerald R. Jensen
Professor of Finance
Northern Illinois University

Paul Gregory
Cullen Professor of Economics
University of Houston

Dennis Halcoussis
Professor of Economics
California State University, Northridge

Kevin Hassett
Director of Economic Policy Studies
Senior Fellow
American Enterprise Institute

John P. Hoehn
Professor
Michigan State University

Daniel Houser
Chairman
Economics Department
George Mason University

R. Glenn Hubbard
Dean and Russell L. Carson Professor of Finance
and Economics
Graduate School of Business
Columbia University

J. Christopher Hughen
Associate Professor of Finance
Daniels College of Business
University of Denver

Sherry L. Jarrell
Professor of Practice in Finance and Economics
Wake Forest University

Corinne Krupp
Sanford School of Public Policy
Duke University

Marek Kolar
Assistant Professor
Ketner School of Business
Trine University

Tom Lehman
Professor of Economics
Indiana Wesleyan University

Philip Levy
Resident Scholar
American Enterprise Institute

Jane Lillydahl
Professor Emerita
University of Colorado at Boulder

Yuri N. Maltsev
Professor of Economics
A.W Clausen Center for World Business
Carthage College

Michael L. Marlow
Professor of Economics
California Polytechnic State University

Lawrence J. McQuillan
Director
Business and Economic Studies

Daniel Landau
Associate Professor of Economics
University of Connecticut

Richard LaNear
Chair holder of Free Enterprise
School of Business
Missouri Southern State University

Dean R. Lillard
Senior Research Associate
Cornell University

R. Ashley Lyman
Professor Emeritus of Economics and Statistics
University of Idaho

Richard D. Marcus
Associate Professor of Managerial
Economics and Finance
University of Wisconsin-Milwaukee

Timothy Mathews
Assistant Professor of Economics
Kennesaw State University

Lawrence J. McQuillan
Director
Business and Economic Studies
Pacific Research
Institute for Public Policy

Roger Meiners

Goolsby Distinguished Professor of Economics
University of Texas-Arlington

James C. Miller, III

Senior Fellow
Hoover Institution
Stanford University

Leroy Roger Miller

Research Professor of Economics
University of Texas-Arlington

Thomas P. Miller

Resident Scholar
American Enterprise Institute

Ed Miseta

Lecturer in Economics
Black School of Business
Penn State Erie
The Behrend College

John E. Murray

Department of Economics
University of Toledo

Robert D. Niehaus

Principle Economist
Robert D. Niehaus, Inc.

James B. O'Neill

Professor of Economics
University of Delaware

James B. O'Neill

Professor of Economics
University of Delaware

Stephen T. Parente

Associate Professor
Department of Finance
Carlson School of Management
University of Minnesota

Judd Patton

Professor of Economics
Bellevue University

Tomas Philipson

Daniel Levin Professor of Public Policy Studies
University of Chicago

G. Michael Phillips

Professor of Finance, Real Estate, and Insurance
College of Business and Economics
California State University, Northridge

Ivan Pongracic, Jr.

Associate Professor of Economics
Hillsdale College

Barry W. Poulson

Professor of Economics
University of Colorado Boulder

R. David Ranson
President and Director of Research
H.C. Wainwright & Co. Economics Inc.

Paul H. Rubin
Emory University

Thomas R. Saving
Professor of Economics
Texas A&M

William F. Shughart II
F.A.P. Barnard Distinguished Professor
The University of Mississippi

Charles Skipton
Assistant Professor of Economics
University of Tampa

James F. Smith
Chief Economist
EconForecaster, LLC

Derek Stimel
Assistant Professor of Economics
Menlo College

Brian Strow
Associate Professor of Economics
Western Kentucky University

Thomas A. Rhee
Professor of Finance,
California State University, Long Beach

Thomas Carl Rustici
Assistant Professor of Economics
George Mason University

Mike Schuyler
Senior Economist
Institute for Research on the Economics of
Taxation, (IRET)

George A. Shumaker
Professor Emeritus, Ag & Applied Economics
University of Georgia

Lawrence Southwick
University Research Scholar
University at Buffalo

Charles N. Steele
Herman and Suzanne Dettwiler Chair in Economics
Assistant Professor
Department of Economics and Business
Administration
Hillsdale College

Courtenay C. Stone
Professor of Economics
Ball State University

Gerry L. Suchanek
University of Iowa
Tippie College of Business

Robert Tamura
Professor of Economics
Clemson University

John A. Tatom
Associate Professor of Finance
Indiana State University

Jason E. Taylor
Professor of Economics
Central Michigan University

Lester D. Taylor
Professor Emeritus of Economics
University of Arizona

Henry Thompson
Professor of Economics
Auburn University

Leo Troy
Professor of Economics
Rutgers University-Newark

Kamal P. Upadhyaya
Professor and Chair
Department of Economics and Finance
University of New Haven

David VanHoose
Herman W. Lay Professor of Private Enterprise
Baylor University

Richard Vedder
Edwin and Ruth Kennedy
Distinguished Professor of Economics
Ohio University

Richard E. Wagner
Professor for Economics
George Mason University

John C. Weicher
Director
Center for Housing & Financial Markets
Hudson Institute

Glenn Wilson
Associate Professor of Economics
Odessa College

Gary Wolfram
William Simon Professor of Economics
Hillsdale College

Joseph Zoric
Associate Professor of Economics
MBA Director
Franciscan University of Steubenville