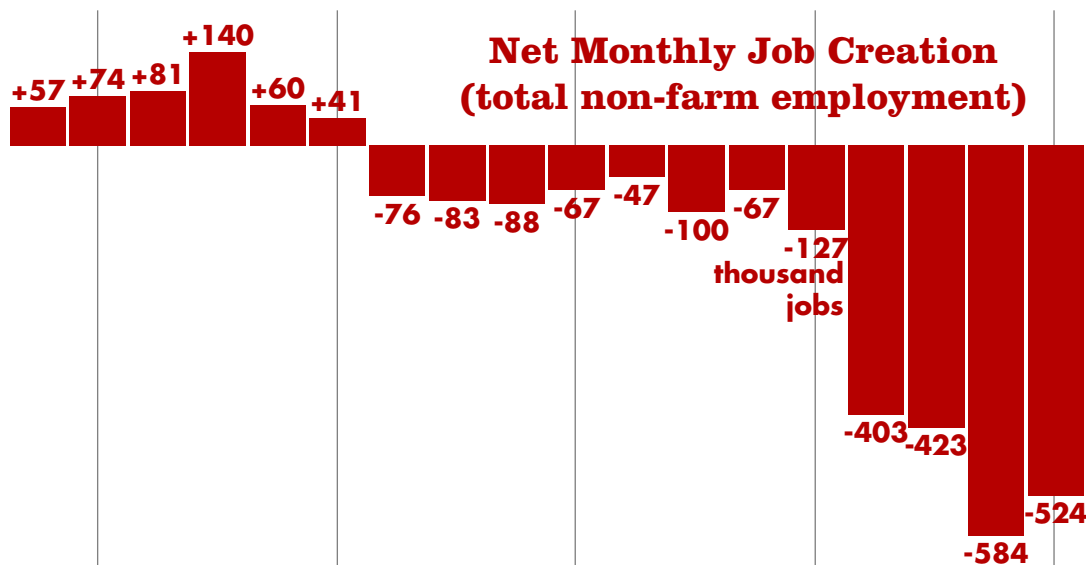


THE STIMULUS: Four Reasons We Can't Afford Not to Pass It

1

FEWER JOBS

The job market in the United States is contracting after a year of economic crisis.

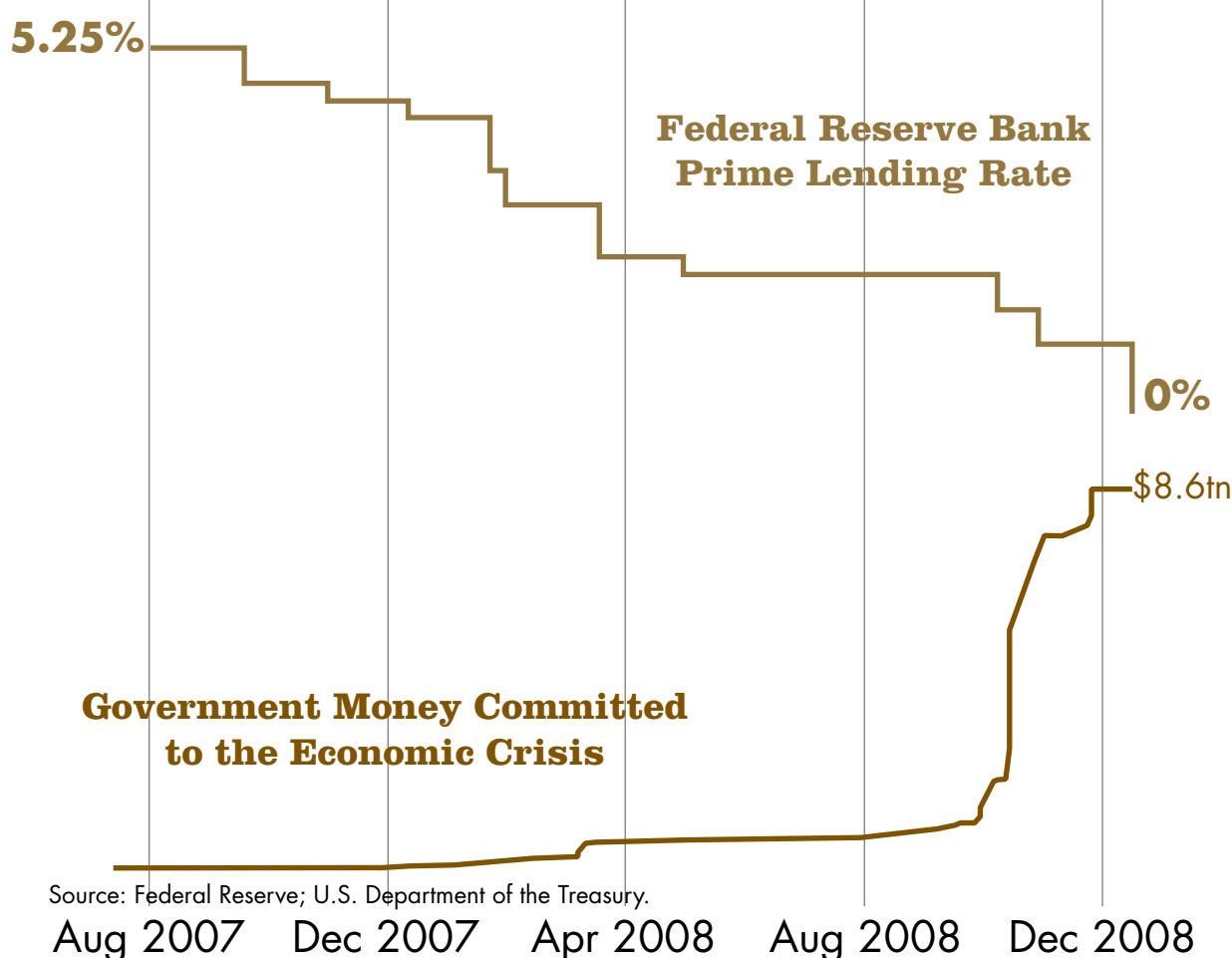


Source: Center for American Progress analysis of Bureau of Labor Statistics Current Employment Statistics Survey.

2

ATTEMPTED REMEDIES

The "prime lending rate," basis of interest rates for all manner of banks, is now at zero. The rate has done all it can to encourage lending and stimulate economic recovery. And the government has committed trillions attempting to combat the crisis with little stimulative effect.

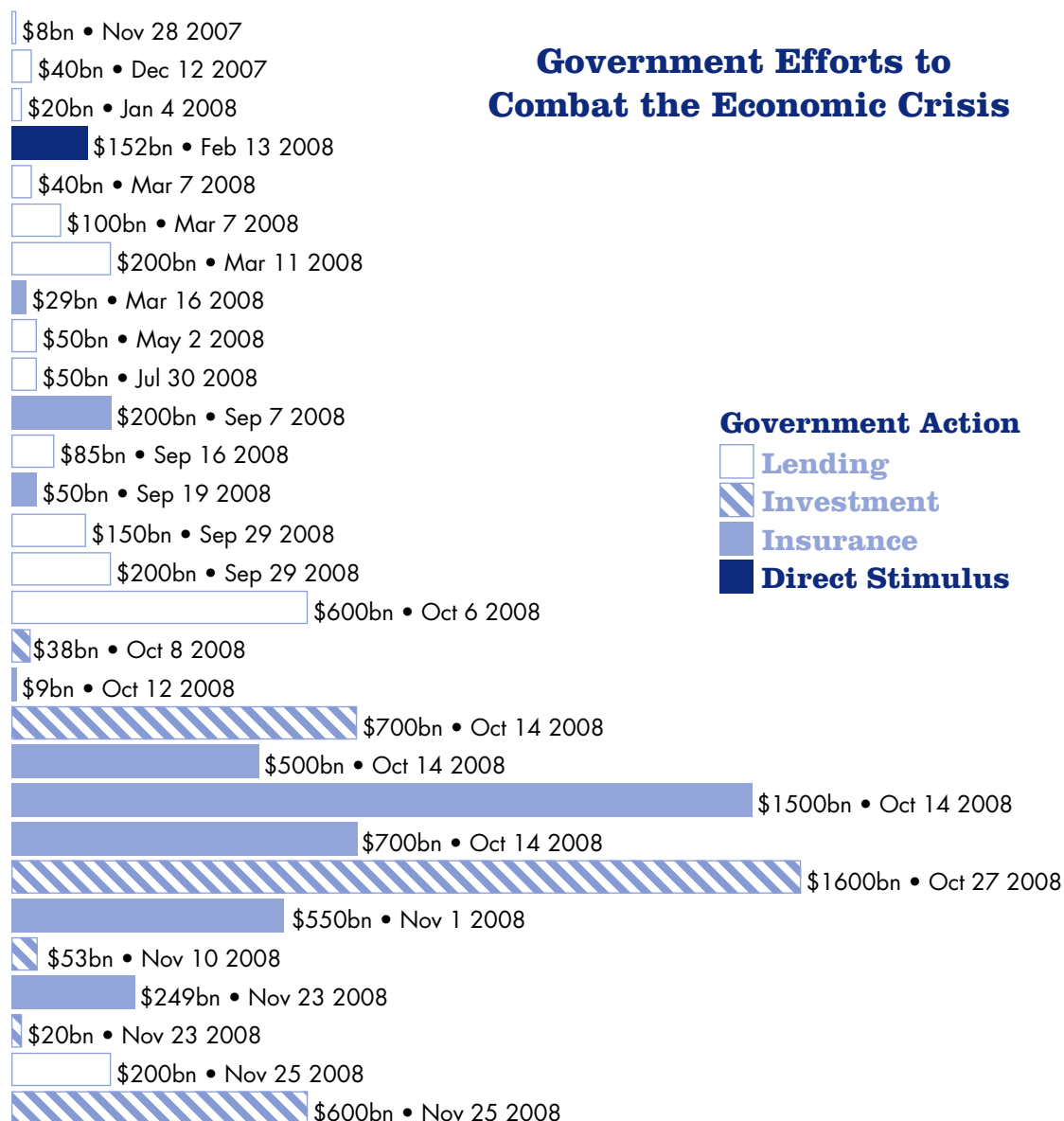


Source: Federal Reserve; U.S. Department of the Treasury.

3

FEDERAL SPENDING

The federal government has attempted to contain and redress the crisis almost exclusively by lending, investing, and insuring debt to expand liquidity in the market and by lowering the prime rate. The other option, promoting economic growth through direct economic stimulus, remains virtually untried.

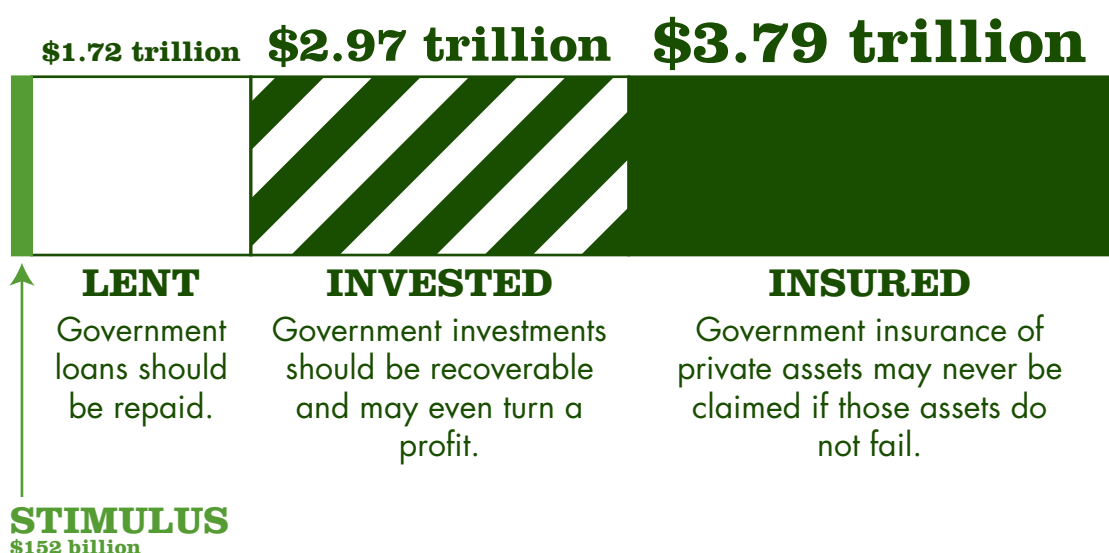


Source: Federal Reserve; U.S. Department of the Treasury.

4

MONEY

Most of the money the government has laid down so far has not gone to actual spending. Instead, the government has been promised in case of further catastrophic events or used in recoverable outlays. As a result, we have the funds to directly stimulate the economy.



Source: Federal Reserve; U.S. Department of the Treasury.