

HOW TO TALK ABOUT AUSTERITY

A decade after the Great Recession, economists agree that austerity measures – cutting public investment in the name of so-called “fiscal responsibility” – lengthened the last crisis and throttled the recovery. Yet the most committed “austerians” are at it again, hawking their message that government spending must be constrained.

The economics of austerity are wrong, racist, and politically unpopular. The following key messages can help you make the economic case against austerity and for a bold, recovery policy that puts people first.

AUSTERITY IS BAD FOR THE ECONOMY

Austerity is bad for the economy. If we listen to austerity proponents again, we will face an even greater scale of economic collapse.

- The economic case for austerity is based on faulty research that has been [thoroughly debunked](#) – in [theory](#) and in [practice](#) – for over a decade.
- Cuts to public services cost our economy more than they save the government, especially in hard times.
- Cutting public investment and restraining aid during economic crises is especially irresponsible – and has been shown to [lengthen and deepen recessions](#).

Austerity arguments are rooted in racism, and so are the policy choices they justify.

- The politics of austerity are inextricable from [anti-Blackness and the racialized myths about Black people](#), and particularly Black women, that have been used to justify decades of cuts to vital public services.
- Austerity policies always result in cuts to government jobs and services, which [disproportionately harms](#) Black, brown, and marginalized people.
- By further hurting marginalized workers and families, austerity policies [destabilize the broader economy and put us all at risk](#).

The failure of austerity responses during the Great Recession showed that especially in a crisis, the gravest danger lies in spending too little.

- Congressional austerians’ [pivot to spending cuts](#) just two years after the official end of the recession, with unemployment still at 9%, [killed jobs and cut incomes, wiped out savings and increased household debts](#), and [worsened racial and gender inequality](#).
- Recession-era austerity measures stuck the U.S. economy in a “[permanent recession](#)” in the form of lost jobs, wages, and savings that have never returned – especially for communities of color, who still haven’t fully recovered over a decade later and always stand to lose the most from premature spending cuts.
- Austerity in the midst or the aftermath of the COVID-19 pandemic risks driving us into a [full-blown depression](#).

The public does not support austerity.

- By wide and bipartisan margins, the public is [opposed to budget and services cuts](#), prefers to invest in the economy than lower [the deficit](#), and the public understands how much more people stand to suffer during this crisis if the [government response is not bold enough](#).

ONLY BOLD PUBLIC INVESTMENT WILL SAVE US

Only massive, smart public investment will allow us to recover from the current crisis and invest in the next generation– and only the federal government is up to the task.

- Public investment would directly support the many, fight against opportunistic power grabs by the wealthy few, and rebuild our institutions and infrastructure stronger than ever before.

Every dollar we invest now in people, in communities, in small businesses, in local governments, is money that will strengthen the economy and pay big dividends for years to come.

- Smart public investment in the current crisis could include: providing direct payments to individuals to help with bills and necessities, aid to state and local governments for services, and ensuring housing, health care, and other essential services for all who need them.
- Giving away public money to powerful private interests, or giving tax breaks to people who will just hoard wealth, is wasteful and counterproductive during economic crises. These policies don't make sense as part of any COVID response or recovery plan.

Under current conditions, smart public investment will more than pay for itself.

- A [decade of research](#) has confirmed that in a depressed economy, increased public investment more than pays for itself in GDP growth – [as much as \\$3 in growth for each dollar spent](#).
- Remember: public spending in the public interest is an investment, not a cost.

The public wants the government to do whatever it takes to save the economy.

- The public wants the government to spend [what it needs for as long as it needs](#) to address the crisis – and the people are [unconcerned with big sticker prices](#).