

United States Senate

WASHINGTON, D.C. 20510

1993 APR 26 AM 9:49

April 16, 1993

Mr. John E. Flynn
Office of the City Clerk
City Hall
Cambridge, Massachusetts 02139

Dear Mr. Flynn:

Thank you very much for your recent comments regarding President Clinton's economic plan.

As you know, the plan is intended to address the serious economic challenges facing Massachusetts and the nation. Unemployment continues at recession levels. Major corporations have shocked the country with large layoffs. College graduates and experienced professionals are working at part-time jobs for low-wages and no benefits. Runaway health care costs and the enormous federal budget deficit threaten the long-run vitality of the economy and our strength as a nation.

President Clinton's plan addresses each of these challenges. It has three essential components: (1) short-term stimulus to create jobs and guarantee the recession has truly ended; (2) incentives for long-term economic growth by investing in critical areas such as health care, education, transportation and other infrastructure, and defense conversion; and (3) substantial deficit reduction. I strongly support these initiatives. Their burden is fairly shared, and the benefits of a strong and growing economy will be shared by all our citizens.

Congress has already taken the first step toward implementation of the plan, by adopting a Budget Resolution that includes the short-term stimulus and long-term investments, and that still achieves major overall deficit reduction over the next five years through a combination of spending cuts and revenue increases.

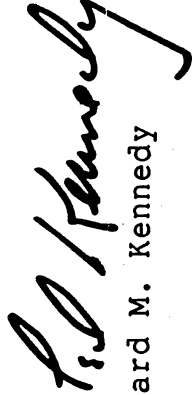
You may be interested to know that according to figures of the Senate Budget Committee, the deficit reduction plan contains 94 cents in spending cuts for each dollar of revenue increases in 1994, rising to \$1.54 in spending cuts for each dollar of revenue increases in 1998. The average for the five-year period is \$1.21 in spending cuts for each dollar of revenue increases.

We are now debating the specific legislation needed to write the terms of the Budget Resolution into law, beginning with

the stimulus portion of the President's plan. The stimulus is vitally important to Massachusetts and to our ability to end the current recession, and I am very hopeful that Congress will approve it as soon as possible.

Again, thank you for contacting me about these extremely important issues. I know that many parts of the plan are controversial, but I believe that overall, it is fair and well-balanced and deserves to be enacted. If I can be of further assistance or provide additional information, please let me know.

Sincerely,


Edward M. Kennedy

EMK/trs

Consent Comm. # 4

8-211

Comm. from Senator Edward M. Kennedy,
in acknowledgement to the resolution
adopted by the City Council regarding
President Clinton's economic plan.

In City Council,

May 3, 1993

Placed on file