

Dear Majority Leader McConnell, Minority Leader Schumer, Speaker Pelosi, and Minority Leader McCarthy:

The novel coronavirus outbreak has unleashed a recession that is unprecedented in the speed and severity of its decline. Since February, 1 in 5 workers has applied for unemployment benefits. And among people who were working in February, almost 40 percent of those in households making less than \$40,000 a year had lost a job in March.¹

These parallel health and economic crises are especially damaging to many communities of color in the United States. Black, Latinx and Native American families are bearing a greater share of COVID-19 deaths and also face higher rates of unemployment than their White counterparts. Over the past 30 years, Black Americans have consistently faced unemployment rates twice as high as those for White Americans, and are particularly hard hit during economic downturns. Evidence from the Great Recession indicates that a prolonged economic downturn will seriously damage the economic opportunities and wealth accumulation of all Americans, but especially of families of color.

Policymakers in Congress and the Federal Reserve responded to this crisis with unprecedented levels of economic support for those affected, but more needs to be done. If Congress fails to act, state and local governments face potentially disastrous budget shortfalls, and the Congressional Budget Office estimates the unemployment rate will likely be more than 11 percent at the end of the year.

Congress must pass another economic recovery package before most of the support in the CARES Act expires this summer. Given current projections of economic need, this new bill should provide, at a minimum, continued support for the unemployed, new assistance to states and localities, investments in programs that preserve the employer-employee relationship, and additional aid to stabilize aggregate demand. While the signers of this letter have different views on the optimal size and composition of the package, we all agree that an adequate response must be large, commensurate with the nearly \$16 trillion nominal output gap our economy faces over the next decade, according to CBO estimates.

A full economic recovery will remain dependent on the public health situation, including efforts to develop effective therapeutics or vaccines. Insufficiently bold congressional policy responses to the Great Recession unnecessarily prolonged suffering and stunted economic growth. Congress should not make this mistake again. As Jerome Powell, the chair of the Federal Reserve, warns, the economic outlook is “highly uncertain and subject to significant downside risk.” In the opinions of the undersigned, Congress should address this risk, and the already occurring economic damage, by passing, as soon as possible, a multifaceted relief bill of a magnitude commensurate with the challenges our economy faces.

Signed:

Dr. Ben Bernanke, co-lead

Distinguished Fellow in residence, Economic Studies Program, The Brookings Institution

Dr. Heather Boushey, co-lead

President & CEO, Washington Center for Equitable Growth

Dr. Cecilia Rouse, co-lead

Dean, Woodrow Wilson School of Public and International Affairs, Princeton University

¹ Jerome H. Powell, Remarks delivered at Peterson Institute for International Economics, 13 May 2020, <https://www.federalreserve.gov/newsevents/speech/files/powell20200513a.pdf>

And signed: (151)

The opinions expressed here reflect the personal views of the signees and should not be understood to reflect the views of any institutions with which they are affiliated.

Aaron Sojourner	Carlson School of Management, University of Minnesota
Abigail Hornstein	Wesleyan University
Ajay Shenoy	University of California, Santa Cruz
Alan J. Auerbach	University of California, Berkeley
Andrew Fieldhouse	Middlebury College
Anmol Chaddha	Institute for the Future
Anna Stansbury	Harvard University
Anne E Fitzpatrick	University of Massachusetts Boston
Arnab Datta	Employ America
Atif Mian	Princeton University
Austan Goolsbee	University of Chicago Booth School of Business
Ben Meiselman	Johns Hopkins University
Brad Hershbein	W.E. Upjohn Institute for Employment Research
Bradley Hardy	American University
Brian Callaci	Data & Society Research Institute
Bruce A. Blonigen	University of Oregon
Bryan Stuart	George Washington University
Carol Graham	The Brookings Institution
Claudia Sahn	Washington Center for Equitable Growth
Courtney Coile	Wellesley College
Damon Jones	University of Chicago
Dan Sichel	Wellesley College
Daniel Reck	London School of Economics
Danny Yagan	University of California, Berkeley
David Johnson	University of Michigan
David Lindauer	Wellesley College
Diane C Swonk	Grant Thornton
<i>Donald Kohn</i>	Brookings
Doyne Farmer	University of Oxford
<i>Dr. Alan S. Blinder</i>	Princeton University
Eileen Appelbaum	Center for Economic and Policy Research
Elena Prager	Northwestern University

Ellen Hughes-Cromwick	Third Way
Elton Mykerezi	Applied Economics, U of Minnesota, Twin Cities
Emmanuel Saez	University of California Berkeley
Eric Hilt	Department of Economics, Wellesley College
Erica Lynn Groshen	Cornell University
Ernie Tedeschi	Evercore ISI
Ethan Kaplan	University of Maryland at College Park
Fabio Ghironi	University of Washington
Gary Solon	University of Michigan
Gilbert Skillman	Wesleyan University
Gordon Hanson	Harvard University
Greg Leiserson	Washington Center for Equitable Growth
Harry J Holzer	McCourt School of Public Policy, Georgetown University
Heidi Shierholz	Economic Policy Institute
Hilary W Hoynes	University of California Berkeley
Indivar Dutta-Gupta	Georgetown Center on Poverty and Inequality
Ioana Marinescu	University of Pennsylvania School of Social Policy & Practice
J. Bradford DeLong	U.C. Berkeley
Jacob Robbins	University of Illinois at Chicago
James P. Ziliak	University of Kentucky
Jane Waldfogel	Columbia School of Social Work
Janet Currie	Princeton University
Janet Yellen	Brookings Institution
Jason Furman	Harvard University
Jeremy Stein	Harvard University
Jesse Rothstein	University of California, Berkeley
Jialan Wang	University of Illinois at Urbana-Champaign
John Bonin	Wesleyan University
John Maluccio	Middlebury College
John Sabelhaus	Washington Center for Economic Growth
John Van Reenen	MIT
Juan Carlos Suarez Serrato	Duke University
Julia L Coronado	MacroPolicy Perspectives
Juliana Londono-Velez	UCLA
Justin Wolfers	University of Michigan

Karen Dynan	Harvard University
Kate Bahn	Washington Center for Equitable Growth
Katharine Abraham	University of Maryland
Kenneth Rogoff	Harvard University
Kevin Hollenbeck	retired
Kimberly Clausing	Reed College
Kolleen Rask	College of the Holy Cross
Kristen Broady	Dillard University
Kristin F. Butcher	Wellesley College
Lara Shore-Sheppard	Williams College
Laura Rosner-Warburton	MacroPolicy Perspectives LLC
Leonard Burman	Syracuse University
Lily Batchelder	NYU School of Law
Lisa D Cook	Michigan State University
Manuel Pastor	University of Southern California
Marcus Casey	University of Illinois at Chicago
Marianne Bitler	UC Davis
Mark Joseph Stelzner	Connecticut College
Mark Paul	New College of Florida
Mark Zandi	Moody's Analytics
Martin Neil Baile	The Brookings Institution
Maurice Obstfeld	University of California, Berkeley
Melanie Khamis	Wesleyan University
Melissa Boteach	National Women's Law Center
Michael Reich	University of California, Berkeley
Michael Spence *	Stanford University
Nancy Birdsall	Center for Global Development
Naomi Zewde	CUNY
Nora Lustig	Tulane University
Olga Shurchkov	Wellesley College
Pascal Noel	University of Chicago Booth School of Business
Paul Goldsmith-Pinkham	Yale School of Management
Peter Hans Matthews	Middlebury College
Pierre-Olivier Gourinchas	University of California, Berkeley
Randall Akee	UCLA

Randy Albelda	University of Massachusetts Boston
Robert A. Moffitt	Johns Hopkins University
Robert Goldfarb	George Washington University
Robert Solow *	MIT
Ruth Milkman	CUNY Graduate Center
Salvatore Morelli	Stone Center on Socio-Economic Inequality
Sandra Black	Columbia University
Shantayanan Devarajan	Georgetown University
Simon Mongey	University of Chicago
Skanda Amarnath	Employ America
Spencer J. Pack	Connecticut College
Stefania Albanesi	University of Pittsburgh
Stephanie Hoopes	United For ALICE
Steven Durlauf	University of Chicago
Susan Helper	Case Western Reserve Univ
Sylvia A Allegretto	University of California, Berkeley
Tanya Byker	Department of Economics, Middlebury College
Tara M Sinclair	The George Washington University
The Honorable Caroline Atkinson	RockCreek
Tim Smeeding	University of Wisconsin- Madison
Timothy Duy	University of Oregon
Timothy J. Bartik	Upjohn Institute for Employment Research
Todd Sorensen	University of Nevada, Reno
Wendy Rayack	Economics Department, Wesleyan University, CT
William E. Spriggs	Howard University

Stephanie Aaronson	Brookings Institution
Louise Sheiner	The Brookings Institution
Gauri Kartini Shastry	Wellesley College
Lucie Schmidt	Williams College
Steven Fazzari	Washington University in St. Louis
Sarah Jacobson	Williams College
Kenneth Kuttner	Williams College
Matthew Gibson	Williams College
Susan Godlonton	Williams College

Peter Montiel	Williams College
Gerard caprio	Williams College
Jon Bakija	Williams College
Steven Nafziger	Williams College
Michael Samson	Williams College
Christina D. Romer	University of California, Berkeley

Anand V. Swamy	Williams College
Mark C. Long	University of Washington
David Zimmerman	Williams College
David Romer	University of California, Berkeley
Dukes Love	Williams College
Ralph Bradburd	Williams College

Asterisk (*) denotes a Nobel Laureate

Italics denotes former chairs or vice chairs of the Federal Reserve

Bold denotes former chairs of the Council of Economic Advisers

The opinions expressed here reflect the personal views of the signees and should not be understood to reflect the views of any institutions with which they are affiliated.