



Congressman Jeff Flake

News Release

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Congressman Flake Sends Letter to President Bush Criticizing Proposed Auto Bailout

Federal Government Should Not Choose Winners and Losers in the Economy

Mesa, Arizona – Republican Congressman Jeff Flake, who represents Arizona’s Sixth District, today sent a letter to President Bush regarding reports that the Treasury Department may use funds from the bank bailout to assist struggling automotive companies.

News reports have also indicated that General Motors and Chrysler would use bailout funds to complete a merger, with the federal government receiving an equity stake in the new company.

“Many of us feared that the nationalization of the financial sector would spread to other industries,” said Flake. **“Today it’s the automakers asking for a bailout; tomorrow we can expect the airline industry and other struggling industries to be next in line.”**

“If liquidity is the issue, measures such as cutting the corporate tax rate, suspending the tax on capital gains, and removing penalties for the repatriation of foreign assets are far better options than putting the federal government in the position of choosing winners and losers in the economy.”

[Click here for a copy of Congressman Flake’s letter to President Bush.](#)

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