

The High Moral Stakes of the Policy Battles Raging in Washington

Our faith traditions provide a firm foundation upon which to stand against the divideand-conquer strategies of extremists. We believe in a moral agenda that stands against systemic racism, labor exploitation, poverty, xenophobia, and any attempt to promote hate towards any members of the human family.

We are thus deeply disturbed by the Trump-Republican agenda, which is focused on cutting programs for the poor to give tax cuts to the wealthy and big corporations and more money for the war machine and mass deportations. Below we summarize a longer report on the high moral stakes of this debate.

Deep cuts to the social safety net, health care, and housing

The Trump administration and Elon Musk have illegally frozen federal funds, and the House Republican budget framework would cut at least \$1.5 trillion-\$2 trillion in spending. Threats include:

- Cut **Medicaid** by \$880 billion through 2034: Medicaid is the federal-state program that gives health coverage to low-income people. Proposals could result in loss of coverage for <u>36 million people</u> and the closure of medical facilities, especially in rural areas.
- Cut food stamps (SNAP) by \$230 billion through 2034, potentially affecting all 40 million covered people,
- Cut federal contributions to federal-state programs and impose new work requirements for Medicaid, SNAP, and TANF (Temporary Assistance for Needy Families). Stricter work requirements would not significantly increase workforce participation, but would lead to poorer health and higher poverty rates.
- Cut **Head Start**, which provides early childcare for <u>650,000</u> poor and low-income children.
- Cut <u>federal rental assistance</u>: This program serves 5 million poor and low-income households, 69% of whom are children, older Americans, or people with disabilities. Nearly 23 million low-income renters pay over half of their income on **rent**, raising the risk of eviction or homelessness.
- House Speaker Mike Johnson has vowed to not cut Social Security or Medicare, but other recent Republican proposals have called for <u>deep cuts to Social Security</u> and <u>Medicare privatization</u>. Planned cuts to Medicaid would affect <u>12.8 million people</u> who get health insurance from both Medicaid and Medicare. In 2024, <u>68 million</u> people received Social Security and <u>61.2 million</u> had Medicare coverage.

Tax giveaways to the rich and big corporations

- The 2017 Trump-GOP tax law delivered <u>huge windfalls</u> to the rich and large corporations and contributed to the exploding power of the <u>billionaire class</u>. Now House Republicans are calling for **\$4.5 trillion** in tax cuts over the next decade that will overwhelmingly benefit the ultra-wealthy.
- For the bottom half of families, <u>savings</u> from extending the 2017 tax law would amount to less than \$1 per day while the richest 0.1% would enjoy windfalls of \$314,266 per year. If Trump's tariffs are factored in, the <u>richest 5%</u> would still owe less while the poorest 20% would owe **\$800 more**.
- The slashing of the corporate tax rate from 35% to 21% was the biggest giveaway in the 2017 Trump-GOP tax law, costing an <u>estimated \$1.3 trillion</u> over a decade. Now, President Trump and other Republicans are proposing a cut to just 15%, at an estimated 10-year cost of <u>\$522 billion</u>.
- Corporations promised to use windfalls from the 2017 rate cut to raise wages, but the <u>bottom 90%</u> of workers have seen no benefits at all. Instead, corporations spent trillions on stock buybacks that artificially inflate CEO stock-based pay. <u>Thirty-five profitable corporations</u> paid *less* in federal income taxes than they paid their top five executives during the first five years of the law.
- The House budget resolution would allow even greater **tax giveaways for billionaires** and corporations if lawmakers agree to decrease tax credits for low-income people. Instead of cuts, lawmakers should restore the 2021 "<u>expanded Child Tax Credit</u>," which reduced the U.S. child poverty rate by nearly half.

Halting or reversing progress on employment, real wages, and labor rights

- In their confirmation hearings, President Trump's <u>Treasury</u> and <u>Labor</u> secretaries did not support raising the **minimum wage**, even though it has been stuck at just \$7.25 per hour since 2009. A single adult working full time at this rate earns just \$15,080 per year. The Economic Policy Institute (EPI) <u>estimates</u> that 14 million workers (10%) are paid less than \$15 per hour.
- Slashing the federal workforce will decimate public services and jobs a particular blow to Black workers, who make up <u>18.6%</u> of federal employees (compared to their 12.8% of the U.S. workforce).
- The Trump administration's <u>trade policy</u>, centered on retaliatory tariffs, threatens to raise **consumer prices** and generate even more macroeconomic uncertainty.
- President Trump has gutted the National Labor Relations Board that had been strengthened to better support workers' rights to form unions and engage in collective bargaining. The president's <u>illegal</u> <u>removal</u> of the NLRB Board Chair for "unduly disfavoring the interests of employers" has left the body without the quorum necessary to act.

Harming immigrants with mass deportations and detentions

- President Trump has promised mass deportations of <u>11 million undocumented people</u>.
- About <u>4.4 million U.S. citizen children</u> live with an undocumented parent, and <u>850,000 children</u> are undocumented themselves. As many as <u>1,360 immigrant children</u> separated from their families during the first Trump administration were never reunited with their families.
- The President issued executive orders to end the longstanding policy against conducting deportations in <u>schools, hospitals or churches</u> and to <u>end birthright citizenship</u> for babies born in the U.S. who don't have at least one parent who is a citizen or permanent legal resident.
- One million immigrants with **temporary legal statuses** are under threat of losing their status and being deported, while all pending and new asylum and refugee claims are being denied.
- In past deportation programs, for every half-million people the government deported, <u>44,000 U.S.-born</u> workers lost their jobs.
- Deporting 8.3 million people could raise consumer prices by 9.1% in coming years.
- During the first half of February 2025, <u>41%</u> of new **immigration detentions** were for those with no criminal conviction or pending charges.

Funding the war machine and mass deportations at everyone's expense

- Senate Republicans would add <u>\$150 billion</u> in new Pentagon spending and <u>\$175 billion</u> in new spending for mass deportations and detentions over four years. House Republicans would add <u>\$100 billion</u> in new Pentagon spending and <u>\$200 billion</u> for mass deportations and detentions through 2034, though they could concentrate spending in just a few years.
- The Senate's proposed \$86 billion per year in new spending for the Pentagon and mass deportations would be enough to provide health insurance for all <u>four million</u> uninsured children in this country, expand <u>Head Start</u> enrollment to all <u>3.6 million children in poverty</u>, and provide public housing for all <u>3.9 million</u> families who receive eviction notices in a typical year.
- Even before these additions, the **Pentagon and war budget** already amounts to <u>more than half</u> of the discretionary budget that Congress allocates each year. The Pentagon, combined with deportations, border control, and law enforcement, accounts for <u>62% of that budget</u>.
- The Trump administration has <u>engaged the military</u> in its mass deportation plans, and the president has suggested the possibility of **military takeovers** in the <u>Gaza strip</u>, <u>Greenland</u>, and <u>Panama</u>.