



October 18, 2012

To the President and Members of Congress:

We write today to urge you to work together to reach a bipartisan agreement to avoid the approaching “fiscal cliff,” and take concrete steps to restore the United States’ long-term fiscal footing. The consequences of inaction—for stability in global financial markets, for economic growth, for millions of Americans still without work, and for the financial circumstances of American businesses and households—would be very grave.

Federal Reserve Chairman Ben Bernanke has warned that the fiscal cliff would push the U.S. economy back into recession “and about 1.25 million fewer jobs would be created in 2013.” At a press conference on September 13, 2012, Chairman Bernanke stated that no amount of quantitative easing can offset the impact of the fiscal cliff.

On August 22<sup>nd</sup>, Doug Elmendorf, Director of the Congressional Budget Office, said that the economy is already being “held back” by the mere anticipation of the fiscal cliff and the uncertainty surrounding it, as many businesses are putting off investment and hiring decisions. “The sooner that uncertainty is eliminated, the better,” he said.

On September 11<sup>th</sup>, Moody’s Investor Service warned that if upcoming fiscal negotiations do not “lead to specific policies that produce a stabilization and then downward trend in the ratio of federal debt to GDP over the medium term,” Moody’s will downgrade the United States’ AAA credit rating. Another downgrade of our nation’s debt by a major rating service (S&P lowered its rating of U.S. debt on August 6, 2011) could lead to significantly higher interest rates. Higher interest payments would worsen our nation’s fiscal burden and likely increase uncertainty and instability in global financial markets.

At a time when economic growth is less than 2 percent, and with nearly 25 million Americans either out of work or underemployed, the still-fragile U.S. economy cannot sustain—and the American people do not deserve—the impact of more gridlock in Washington. We urge you to negotiate a bipartisan agreement as quickly as possible to prevent us from going over the fiscal cliff so that we can avoid the damage to the economy and the markets that inaction will cause.

But merely avoiding the fiscal cliff is not enough. We further urge you and your colleagues to enact legislation that truly restores the nation’s long-term fiscal soundness.

The U.S. economy and the businesses and households that depend on it need your help. Even more important, the solvency, productive capacity, and stability of the United States, as well as its moral authority as a global leader, require that its fiscal challenges be

credibly met. We trust that you will do everything you can to deliver the necessary leadership at this crucial time.

Respectfully,

Thomas Wilson  
Chairman, President and CEO  
Allstate Insurance Company

Brian Moynihan  
CEO  
Bank of America

Gerald Hassell  
Chairman, President and CEO  
BNY Mellon

Michael Corbat  
Chief Executive Officer  
Citigroup

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Group Executive Committee  
Deutsche Bank

James Weddle  
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Lloyd Blankfein  
Chairman and CEO  
The Goldman Sachs Group, Inc.

Jamie Dimon  
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Steven Kandarian  
Chairman, President and CEO  
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James Gorman  
Chairman and CEO  
Morgan Stanley

John Strangfeld  
Chairman and CEO  
Prudential Financial, Inc.

Jay Hooley  
Chairman, President and CEO  
State Street Corporation

Sergio Ermotti  
Group CEO  
UBS AG

John Stumpf  
Chairman, President and CEO  
Wells Fargo & Company

Robert Nichols  
President and CEO  
Financial Services Forum