



# AMERICANS *for* TAX REFORM

Grover G. Norquist  
*President*

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The Honorable Hank Paulson  
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Dear Secretary Paulson,

It is with great concern that I am hearing today that the Department of Treasury is considering using funds from the Troubled Asset Relief Program to bail out Detroit's unionized automakers, and I strongly urge you to refrain from doing so.

With yesterday's rejection of cloture of H.R. HR 7005, the shell bill for the auto bailout language, the U.S. Senate decided that using taxpayer dollars to prop up a failing business model was not the right direction.

The administration would be ill-advised to ignore this decision and to send TARP money to Detroit.

Congress made the Troubled Asset Relief Program funds available to the Treasury Department to serve the sole purpose of purchasing toxic assets. **As ill-conceived as the vote to authorize the TARP program may have been, it was not intended to provide the administration with a taxpayer-funded piggy bank.**

We must not allow the perpetuation of "moral hazard," and the partial nationalization of an entire industry, to continue. The federal government should not purchase ownership of any U.S. industry. There's a term for this: socialism. When the government begins to own the means of production, something has gone terribly wrong.

The fact of the matter is that automakers hamstrung by their obligations to Big Labor will be best served by a restructuring of Detroit under bankruptcy laws.

**Congress has spoken. I urge you not to violate the will of Congress, and to refrain from diverting TARP funds to prop up Detroit.**

Onward,

Grover Norquist