

September 30, 2008

Contact: Mike Tavenier 651.214.8357

Ed Matthews Opposes Bailout Plan; Applauds Members of Congress Who Voted “No”

Fourth District Republican Candidate Ed Matthews continued his campaign for common sense and fiscal responsibility by expressing his support for those Members of Congress who voted “No” on the bailout plan. “I applaud and support the 133 Republican and 95 Democrats in the House who had the courage to stand up to President Bush, Congressional Leaders, Secretary Paulson, and Fed Chairman Bernanke by voting against the \$700 billion financial institution bailout. This was a bad bill and a raw deal for the American taxpayer. Had I been in Congress this year, I would have led the effort to defeat it.”

The bailout was designed in part to rid the market of so-called “toxic mortgage-backed securities” and other holdings that could cause large New York financial institutions to default. Matthews believes that such a bailout is unnecessary. “The free market is perfectly capable of handling the current situation. Sure there will be some tightening of credit, but that’s what we should expect after years of easy money and reckless borrowing,” Matthews said. “Our economy is flexible, resilient, and dynamic enough to get through this.”

“Washington should not be in the business of picking winners and losers on Wall Street,” Matthews noted. “Hard working Minnesotans should not be on the hook for the risky and greedy behavior of New York bankers. They certainly shouldn’t pay for golden parachutes for the executives that drove their companies into the ditch.”

“The Federal Reserve and Congress are also responsible for the current mess,” Matthews pointed out. “The Fed injected easy money into the system by lowering interest rates to artificially low levels. Congress strong-armed lenders, including Fannie Mae and Freddie Mac, into making loans to people who could not afford to make the required payments. Fannie and Freddie made huge contributions to numerous incumbents to prevent necessary regulations.”

“It’s time for new leadership in Washington. I will fight for the hard-working men and women of the Fourth District who play by the rules and pay their bills on time,” Matthews concluded. “I will stand up to the special interests and lead the effort for common sense and fiscal responsibility. And regardless of what my party pressures me to do, I will never ask my constituents to pay for the greed and recklessness of others.”