

(To sign on to this petition, please go here: <http://tinyurl.com/FedSignOn>.)

**Deadline is February 20).**

The American economy is still far from healthy. That is the reality for the tens of millions of families that our organizations represent, families in small towns and large cities in every state in this country. **We are writing to urge you to do everything in your power to strengthen the economy so that it produces millions of new, good jobs and meaningfully higher wages for the broad swath of working families across America.**

Above all else, the families and individuals whom we represent seek a life of dignity. No single factor is more important to their pursuit of happiness than the availability of a good job. It is the cornerstone for everything else: safe and comfortable housing, good health, education, and the freedom to build strong and rewarding friendships, families, and communities.

But for far too many people, **this American dream remains out of reach.** The statistics are staggering:

- Over 8 million workers are unemployed, another 8 million are underemployed, and millions more have given up looking for work because the job market remains so weak.
- For those lucky enough to have work, wages are stagnant: they've risen by only two percent per year since 2010 and have lagged price increases for the vast majority of workers. Largely as a result of low wages, 14.5 percent of Americans live in poverty. Workers' share of national income is lower than it has been since the 1940s.

Although the labor market has been particularly weak since the Great Recession, the American economy has been stacked against working families for most of the past 40 years. Since 1979, annual earnings for the bottom 90 percent have grown by only 15 percent, while those for the top 1 percent have risen by 138 percent. From 1948 to 1979, the average unemployment rate was 5.2%. But, since 1979 it has averaged 6.4%. And this has been accompanied by wage stagnation that has happened despite vast increases in workers' productivity and educational attainment.

The opportunity for good, stable employment is particularly absent for African American and Hispanic workers who are more easily the victims of discrimination when the labor market is weak. **And because our political culture does not give full value to the lives of Black and Brown people, we do not treat this reality as a crisis that must be solved immediately.**

Our economy has unraveled over recent decades in large part because monetary policy has prioritized very low rates of inflation over low rates of unemployment. This unequal attention to the two sides of the Fed's dual mandate has led to significant pain for tens of millions of families.

We urge the Federal Reserve to do everything in its power to change this story. **Raising interest rates in 2015 would be a catastrophic mistake. The American economy needs to see significantly *more* wage growth, not less.**

**The central question faced by the Federal Reserve is whether the labor market has reached full strength.** Contractionary monetary policy is only appropriate if the labor market has become so tight that workers will demand unreasonably high wages that will lead to spiraling inflation. But our economy shows no signs of reaching such status, now or for the foreseeable future.

The reality is that workers continue to struggle to find good jobs with stable hours and a decent wage. The reality is that inflation continues to be below the Federal Reserve's already low target of 2 percent. **The reality is that, at the current rate of growth, the labor market is still years away from genuine health.**

And yet, despite no evidence that inflation of 3 or 4 percent would cause any harm to the economy, some voices both inside and outside the Fed are calling for increases in interest rates now, well before inflation has even reached 2 percent. But because these voices have been loudly warning of the threat of inflation since 2009, their claims have lost all credibility.

After years—indeed, decades—of a labor market tilted against working families, these voices are now urging the Fed to slow down the economy at the first sign that workers have started to see better job prospects and a glimmer of hope for higher wages. This is exactly backwards.

**Permitting the economy to speed up significantly offers only upsides:** Until nominal wages are rising by 3.5 to 4 percent, there is no threat that price inflation will meaningfully exceed the Fed's low 2 percent inflation target. And such wage growth is necessary for workers to begin to reap the benefits of economic growth and to achieve a genuine recovery from the Great Recession. Indeed, during the past three decades, it was only in the late 1990s, when the Federal Reserve permitted economic growth to speed up and the labor market to tighten, that workers across the economic spectrum—and in communities of color—saw genuine wage improvements. **Those were good years for the American economy, and the Fed should seek to replicate them now.**

The Federal Reserve's decisions over the coming months and years will have a profound impact on this country. Although a weaker labor market may help the profit margins of those corporations and financial institutions that benefit from low wages and disempowered workers, the Federal Reserve cannot let its policy choices be dictated by those interests. It must prioritize the well-being of the broader American public—a public for whom the inflation/wages tradeoff is straight-forward: **Higher wages and a tighter labor market will make life better, more dignified, and more just.**

On behalf of tens of millions of working and middle-class families across this country, we urge you not to yield to ideology or fear-mongering. **Follow the data. Listen to the experiences of underemployed and underpaid workers. Permit the American economy to regain its full strength** and to begin to reverse the tide of decades of rising inequality and economic insecurity. Please, do not clamp down on the dreams of America's families.