

# The Washington Post

## Letter to the Editor: Government Insourcing is Slowing Economic Recovery

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John M. Palatiello's commentary Oct. 25, "A New Private Sector Job Killer" ["The Myths and Downsides of Government Insourcing"], raises many important points on how the threat of reverse privatization is impacting businesses in our region.

The issue of government competing with the private sector has been a serious concern for small business in our region for decades. It is a fact that a direct result of insourcing is a loss of jobs in the private sector. It can, has and will cause federal contractors, major employers in our area, to go out of business.

This troubling shift to government performance of commercial activities is the exact opposite strategy to employ when facing a staggering national debt and a high rate of unemployment.

The government intrusion and competition in the private market that insourcing brings is having a detrimental effect on capital investment and job creation. Many private firms, including small and minority-owned firms, have lost jobs or have had jobs threatened by insourcing of federal contracts. This increases private sector unemployment and shrinks state and local tax revenues.

Our economy will recover when job creation in the private sector is made priority number one and government insourcing is shelved permanently.

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