

July 25, 1990

## WHILE TALKING ABOUT A DEFICIT CRISIS, CONGRESS PROPOSES BILLIONS IN NEW SPENDING

### INTRODUCTION

The Bush Administration and congressional leaders involved in the current budget deficit reduction summit claim that the deficit is such a crisis that American taxpayers must give even more of their money to help pay Uncle Sam's bills. Some taxpayers may assume that before policy makers decided on a tax hike, they did everything possible to cut wasteful spending, to eliminate pork barrel projects and to shut down programs that serve no overriding national interest.

Such an assumption would be wrong.

Neither Congress nor the Bush White House has tried seriously to cut spending. Quite the contrary. At this very moment, while they wring their hands about a "budget deficit crisis," policy makers are proposing to spend more money on existing programs and to launch costly new programs. They are pushing federal spending to record high levels. As Washington veterans of the budget process could have predicted, the convening of the budget summit and Bush's broken no-new-taxes promise have opened the floodgates for this spending spree.

**Congress's Bad Faith.** George Bush betrayed his campaign pledge of no new taxes reportedly as a good-faith measure to convince congressional leaders of his sincere desire to reach an agreement in the budget summit. In the four weeks since then, the liberal-dominated House of Representatives has responded to Bush's gesture by passing six appropriations bills totalling \$182.3 billion. This is \$18.75 billion over 1990 appropriations levels, a 11.47 percent increase.

If the House continues this trend for the remaining seven appropriations bills required by the Budget Act of 1974, and if these spending levels are matched by the Senate and accepted by the President, total appropriated spending will increase by \$75 billion in fiscal 1991. At the same time, the House soundly defeated a series of amendments that would have reduced these proposed spending increases, in some cases reducing these huge increases by as little as 2 percent.

**Costly New Programs.** The House has not merely increased current spending in appropriations bills. With members smelling blood in the water, the House Ways and Means Committee okayed a new foster care entitlement program which will cost taxpayers more than \$4 billion over the next five years. The House Agriculture Committee has approved legislation to expand Food Stamp and nutrition entitlement programs by \$7.5 billion over five years.

At the same time that many House members have been congratulating Bush for his "statesman-like" betrayal of his no-tax pledge, they have been quietly adding spending to the budget that could cost every American household \$750. Yet, nowhere in any of these bills have members of Congress attempted to cut spending.

The message is clear.

Congress does not want new taxes for deficit reduction.

Congress wants new taxes for new spending.

## CONGRESSIONAL BETRAYAL

In April, Bush invited congressional leaders to a "budget summit" to negotiate a good-faith deal to bring the projected fiscal year 1991 deficit of \$168 billion down to the \$74 billion level<sup>1</sup> required by the 1985 Gramm-Rudman-Hollings deficit reduction act, a level that does not include the cost of bailing out ailing savings and loans.

Rather than trying to cut wasteful spending, many congressional leaders pressured Bush to betray his no-tax pledge. On June 26, he obliged by stating that it was clear to him that "tax revenue increases" would be needed to bring the deficit in line. What followed has been a spurt of new federal spending in the first six appropriations bills.

Table 1 compares the first six FY 1991 appropriation levels with totals from previous years.

---

1 The Gramm-Rudman-Hollings deficit target for FY 1991 is \$64 billion plus a \$10 billion "margin for error."

**Table 1**  
**Appropriations Bills**  
**(\$billions)**

<b>BILL</b>	<b>FY '89 Approps.</b>	<b>FY '90 Approps.</b>	<b>FY '91 Bush Proposal</b>	<b>FY '91 Approps.</b>	<b>\$ Change '90-'91</b>	<b>% Change '89-'91</b>	<b>% Change '90-'91</b>
Commerce/ Justice	14.85	11.70	11.10	10.50	-1.20	-29.30	-10.20
Energy/Water	17.83	18.43	20.20	20.77	+2.40	+16.52	+12.70
Foreign Operations	14.29	15.52	15.52	15.78	+0.30	+10.46	+1.69
VA/HUD	59.39	71.28	78.78	83.57	+12.30	+40.72	+17.25
Transportation	25.67	28.17	26.73	30.94	+2.70	+20.54	+9.50
Treasury/P.O.	16.02	18.45	20.71	20.72	+2.27	+29.34	+12.30
<b>TOTALS</b>	<b>148.05</b>	<b>163.55</b>	<b>173.34</b>	<b>182.31</b>	<b>+18.75</b>	<b>+23.14</b>	<b>+11.47</b>

### CONGRESS REFUSES TO TRIM INCREASES

When some lawmakers attempted to slow the proposed increase in spending, Congress ignored them. By substantial majorities, the House of Representatives soundly defeated a series of amendments that would have rolled back proposed spending increases at various levels. Defeated were amendments to the Energy and Water Appropriations bill as well the Housing and Urban Development-Veterans Administration (HUD-VA) Appropriations bill offered by Representative Bill Frenzel, the Minnesota Republican, that would have nullified the proposed increases and returned spending to inflation-adjusted 1990 levels. The HUD-VA bill, just passed by the House, contains \$12.6 billion in new spending.

Congress also has been averse to amendments that would roll back the appropriated increases by much smaller amounts. Representative William Dannemeyer, the California Republican, for instance, unsuccessfully offered amendments for 5 percent across-the-board reductions in appropriations for the Energy and Water bill, Commerce and Justice bill, and the HUD-Veterans Administration bill. And of the five attempts by Representative Timothy Penny, the Minnesota Democrat, simply to reduce appropriated levels 2 percent across-the-board all but one, which amended the Treasury/Post Office bill, were defeated. Even had these amendments passed, however, spending would have increased over fiscal 1990 levels (Table 2).

**Table 2**  
(\$ billions)

<b>BILL</b>	<b>FY '90 Appros.</b>	<b>Frenzel Amendment<sup>1</sup></b>	<b>Dannemeyer Amendment<sup>2</sup></b>	<b>Penny Amendment<sup>3</sup></b>	<b>FY '91 Approps.</b>
Energy	18.43	18.54	19.74	20.36	20.77
HUD/VA	71.28	71.46	79.39	81.90	83.57
Commerce/Justice	11.10	N/A	9.97	10.29	10.50
Transportation	28.17	N/A	N/A	30.33	30.94
Treasury	18.45	N/A	N/A	20.31	20.72
<b>TOTALS</b>	<b>147.43</b>	<b>152.16</b>	<b>160.77</b>	<b>163.18</b>	<b>166.51</b>

1. Representative Frenzel introduced two amendments. One would have cut Energy and Water appropriations by 10.53 percent across the board. The other would have cut HUD/VA appropriations by 14.5 percent across the board, except for VA medical benefits.

2. A 5 percent across-the-board cut.

3. A 2 percent across-the-board cut, except for VA medical benefits and HUD Section 8 housing.

## **BIG SPENDERS AT THE WHITE HOUSE**

Bush cannot blame Congress solely for the alleged need for new taxes. His Administration also has been seeking higher federal spending. Table 3 shows a sample of higher spending requested for current programs.

The Bush Administration is seeking spending authorization for new programs as well. Table 4 offers a sample of these requests.

For years critics of high government spending have pointed to the need to cut or eliminate programs. Yet as Congress looks for ways to increase taxes, it refuses to address the \$424 billion in government waste reported by the "Grace Commission" six years ago or the more than \$150 billion in program waste, fraud, and financial mismanagement found earlier this year by Congress's own General Accounting Office (GAO). Moreover, nowhere is there evidence that members of Congress attempted to enact the roughly \$60 billion in program saving measures recommended this year by the Congressional Budget Office or the \$130 billion in program savings recommended by analysts at The Heritage Foundation.

**Table 3**  
**Bush Administration Proposals for Spending Increases**

<b>Program</b>	<b>1991 Request</b>	<b>Increase over 1990</b>
National Endowment for the Arts	\$175 million	\$ 4 million
National Endowment for the Humanities	\$165 million	\$ 8 million
Smithsonian Institution	\$308 million	\$41 million
Institute for Museum Services	\$ 24 million	\$ 1 million
National Gallery of Art	\$ 49 million	\$ 7 million
Historical Preservation Fund	\$ 34 million	\$1.4 million

**Table 4**  
**Bush Administration New Authorization Requests**

Program	Requested Amount
Magnetic Levitation Technology	\$10 million
Airport Grants	\$1.5 million
Global Change Research	\$1 billion
Environmental Protection Agency Operating Budget	\$230 million
Government Research and Development	\$4.5 billion
Manned Missions to the Moon and Mars	\$408 million

## PROSPECTS OF ENTITLEMENT EXPANSIONS

The serious economic damage that could result from Congress's spending increases is exacerbated by the fact that these 13 appropriations bills represent only about 60 percent of federal budgetary spending. The remainder of the budget is driven by interest on the national debt and, more important, by "automatic" spending such as entitlement programs, which congressmen rarely consider as targets for spending cuts. These programs are expected to grow in 1991 by roughly 6 percent, or \$33 billion, to \$606 billion. There is the possibility, moreover, that overall entitlement programs will balloon to even higher levels. Since the President broke his no-new-taxes promise, Congress has voted out of committee new entitlements: A Foster Care bill, the Congressional Budget Office (CBO) estimates, will cost \$4.2 billion over five years, and expanding the Food Stamp and Nutrition programs will cost \$7.5 billion over five years, according to CBO.

The six appropriations bills that the House already has passed are not "bare bones" programs. They are larded with wasteful spending, pork barrel programs, and outdated agencies. If the pork and fat were eliminated and if a spending freeze were imposed on the remaining spending, the budget would be near the \$74 billion Gramm-Rudman-Hollings deficit target without harming entitlements.

Congress should analyze each program and spending item by asking:

**1) Does the program serve the nation as a whole?** If it does not, then Congress must ask if the program supersedes the responsibilities of state and local officials. Filling potholes on Main Street and fixing a railroad crossing in Springfield are not roles for Congress.

**2) Does the program or service have an identifiable user?** If so, then the user should be charged a sum equal to the cost of the service, or the service should be "shed" to the private sector as a competitive enterprise. In reality, this means that landlubbers should not have to subsidize Coast Guard services to wealthy yacht owners or that folks in rural America should not have to subsidize the mass transit costs of urban dwellers.

**3) Has the program failed, fulfilled its mission, outlived its usefulness, or simply become irrelevant?** If so, then these programs should be abolished. Too often Congress continues to fund a program even when Congress's own research groups determine that a program is a failure. If a program has outlived its usefulness or even fulfilled its mission Congress finds new activities for the program to do. Congress hates to abolish programs.

**4) Is Congress engaging in central planning or attempting to set "national priorities" that should be left to communities or individuals?** Example: the more than \$1 million appropriated in this year's Transportation bill to establish a national bicycle program and to encourage safe bicycle riding. Certainly the decision to commute by bicycle or car is an individual one. Moreover, most local park districts already conduct classes for children in bicycle safety.

Before Congress makes another move toward higher levels of spending it owes it to American taxpayers to take a critical look at its spending habits. If Congress simply answers the four questions outlined here it will go a long way toward streamlining federal spending and freeing up sufficient funds to solve today's problems.

## CONCLUSION

Congress has sent a clear message to American taxpayers that it wants more money for new spending, not for serious deficit reduction. After passing just the first six of the required 13 appropriations bills, Congress is exceeding last year's spending levels by nearly 12 percent. If this pace continues for the remaining seven appropriations bills, the "controllable" portion of the federal budget will balloon by at least \$75 billion over fiscal 1990 levels.

Congress also is sending a clear message to Bush by enacting these increases in addition to the more than \$11 billion in entitlement program expansions it has approved. This message is: Spending cuts have been taken "off the table" at the budget summit. Congress will accept nothing less than higher taxes. If Bush needs additional evidence of Congress's intentions, he need but look the fact that Congress refused nine of the ten opportunities it had to simply roll back the proposed increases in the appropriations bills.

Congressional action leads to only one conclusion: The only way to reduce the deficit is for Congress to reject new spending and to trim some existing programs. New taxes will not reduce the deficit. As Congress demonstrates almost every week, new revenues will be used for new spending.

Scott A. Hodge  
Grover M. Herman Fellow  
in Federal Budgetary Affairs

Heritage Foundation research interns John Gurney, Angela J. Hulsey, Geoffrey Manne, and Matt Rawlinson assisted in the preparation of this study.

**APPENDIX**  
**THE FIRST SIX 1991 APPROPRIATIONS BILLS**

*DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY,  
AND RELATED AGENCIES*

As this appropriations bill is not yet complete, it is difficult to compare to previous spending levels. Nearly \$9 billion in authorized program spending remaining to be appropriated by the House Appropriations Committee. But if the spending levels for Commerce Department technology programs recently appropriated by the House are any guide, spending for the finished appropriations bill will outpace last year's levels. For fiscal 1991, the House approved \$290 million in spending for these programs and \$468 million in fiscal year 1992. The fiscal 1991 spending level marks an 82 percent increase over the \$159 million spent this year.

Congress and the budget summitters should give serious consideration to terminating or reforming the following spending programs within this bill; this list is far from complete.

**Department of Commerce**

Programs for which funds have not yet been authorized: The Economic Development Administration, the Export Administration, the International Trade Administration, the U.S. Travel and Tourism Administration, the Minority Business Development Agency, and the Technology Administration.

**National Oceanic and Atmospheric Administration  
(NOAA)**

Fishing Vessel and Gear Damage Fund: \$1,202,000

Fisherman's Contingency Fund: \$1,000,000

Zebra Mussel Research: \$1,000,000

Stuttgart, Arkansas Fish Farm: \$2,850,000

**National Telecommunication and Info.  
Administration**

Grants for public TV & radio: \$20,833,000

## Department of State

**Contributions to 52 International Organizations: \$787,605,000**

**Examples: International Jute Organization: \$69,000**

International Lead and Zinc Study group: \$36,000

International Office of Epizootics: \$62,000

World Meteorological Organization: \$6.6 million

International Sugar Organization: \$261,000

Fisherman's Protective Fund: \$500,000

## Related Agencies

**Total Spending: \$1,901,419,000**

Board for International Broadcasting: \$192,586,000

Christopher Columbus Quincentenary Jubilee  
Commission: \$214,000

Commission on Agricultural Workers: \$1,457,000

Commission on the Bicentennial of the  
Constitution: \$14,973,000

Federal Maritime Commission: \$15,894,000

Marine Mammal Commission: \$1,003,000

Small Business Administration: \$437,700,000

## ***ENERGY AND WATER DEVELOPMENT APPROPRIATIONS***

Appropriations levels for 1991 Energy and Water programs are \$2.4 billion more than fiscal 1990 levels, an increase of 12.7 percent. By comparison, fiscal 1990 levels were only \$600 million over fiscal 1989 levels, an increase of 3.4 percent.

The Energy and Water Appropriations bill is a case study in pork barrel spending, federal involvement in local affairs, and federal involvement in activities that should be entirely left to the private sector. Congress should consider terminating many programs in this bill, such as the following:



## **Army Corps of Engineers**

\* General Investigations: \$167,847,000

### **Examples of Feasibility Studies and Investigations:**

Red River Basin Comprehensive Study: \$425,000

Red River Waterway, Index, Arkansas: \$500,000

Red River Waterway, LA: \$1,900,000

Rancho Palos Verdes Landslide, CA.: \$500,000

Beaver Creek, Floyd County, Kentucky: \$200,000

Clinton River Spillway, Michigan: \$225,000

Howard Hansen Dam, Water Storage, Washington:  
\$200,000

Waikiki Beach, Hawaii: \$100,000

\* General Construction: \$1,362,025,000

### **Examples:**

#### **McClellan-Kerr, AR, River Navigation System, Locks and Dams:**

1991 Cost: \$9,900,000

Total Federal Cost: \$584,800,000

#### **Santa Ana River Mainstem, CA:**

1991 cost: \$65,000,000

Total Federal Cost: \$908,000,000

#### **Melvin Price Lock and Dam, IL & MO:**

1991 Cost: \$29,000,000

Total Federal Cost: \$742,400,000

#### **Melvin Price Lock and Dam, Second Lock, IL & MO:**

1991 Cost: \$75,000,000

Total Federal Cost: \$230,000,000

#### **Red River Waterway, Mississippi River to Shreveport, LA:**

1991 Cost: \$61,636,000

Total Federal Cost: \$1,724,000,000

\* General Operation and Maintenance: \$1,457,488,000

Examples: Beaver Lake, AR: \$14,718,000

Tennessee-Tombigbee Waterway, AL & MS:  
\$18,000,000

McClellan-Kerr Arkansas River Navigation System,  
AR: \$22,403,000

Ohio River Locks and Dams, KY, IL, IN, OH, PA,  
WV: \$41,060,000

Keweenaw Waterway, MI.: \$664,000

East River, NY: \$1,410,000

### **Bureau of Reclamation**

General Investigations: \$12,926,000

Examples: American River Folsom South Optimization Study, CA: \$50,000

Upper Gunnison-Uncompahgre Basin Project, CO:  
\$280,000

Josephine Co. Water Management Improvement  
Study, OR: \$200,000

Technical Assistance to States: \$1,350,000

Construction Program: \$649,697,000

Examples: Colorado River Basin Project: \$201,966,000

Ogden River Project, Utah: \$1,954,000

Operation and Maintenance: \$231,516,000

Department of Energy Supply, Research and  
Development Activities: \$2,703,272,000

Examples: Solar Energy Programs: \$130,430,000

Geothermal and Hydropower: \$23,600,000

Electric Energy Systems and Storage: \$41,253,000

Nuclear Energy Programs: \$313,490,000

Biological and Environmental research:  
\$371,394,000

Magnetic Fusion: \$325,300,000

Super Conducting Super Collider: \$317,866,000 (Total Estimated Cost of the Program: \$5 billion to \$8 billion)

Uranium Enrichment Facilities: \$1,406,018,000 (Could be sold to the private sector for \$1.8 billion.)

The Five Power Marketing Administrations: \$326,387,000 (Each could be sold to the private sector for over \$1 billion.)

Appalachian Regional Commission: \$150,000,000

Delaware River Basin Commission: \$681,000

Interstate Commission on the Potomac River Basin: \$200,000

Susquehanna River Basin Commission: \$501,000

Tennessee Valley Authority: \$135,000,000 (Could be sold to the private sector for over \$5 billion.)

#### *TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS*

Appropriations for the Treasury and the Postal Service are \$2.27 billion higher than 1990 levels, a 12.3 percent increase.

Postal Service: Although the U.S. Postal Service is technically "off budget," the taxpayer will nonetheless spend over \$522,734,000 to subsidize the Postal Service.

National Critical Materials Council: \$235,000

Advisory Committee on Federal Pay: \$207,000

Administrative Conference of the United States: \$2,079,000

#### *DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES*

Appropriations for the Department of Transportation and Related Agencies will climb \$2.7 billion in fiscal 1991 to a total of \$30.9 billion, a 9.5 percent increase.

This bill provides an excellent example of how the federal government subsidizes "gold-plated" local projects, fails to require those who use services to pay for what they receive, and pays for projects which clearly are the responsibility of local governments. Among the many spending items that should be terminated, Congress should consider the following:

## **Department of Transportation**

Office of Small and Disadvantaged Business Utilization: \$3,500,000

Transportation Policy and Planning: \$6,748,000

Including: \$50,000 for a national bicycle program manager

Research on sleep and fatigue in transportation

### **Coast Guard**

Boat Safety: \$35,000,000

### **Federal Aviation Administration**

Grants-in-Aid for Airports: \$1.4 billion

New Denver Airport: \$25,000,000

Dallas/Ft. Worth Airport: \$12,500,000

L.A. Basin Facility Consolidation: \$76,100,000

\$117,509,900 total for airport grants

### **Federal Highway Administration**

Research Programs:

Intelligent vehicle/highway systems: \$12,000,000

National bicycling and walking study: \$1,000,000

University Transportation Centers: \$5,000,000

Railroad-Highway Crossings Demonstration Projects: \$14,845,000 Including projects in: Elko, NV, Wheeling, WV, Matamoros, Mexico.

Federal Funds to complete Substitute Highway Projects: \$1,646,832,472. Including: San Francisco, Washington, Atlanta, Chicago, New York City, New York City-Trenton, New York City (New Jersey).

Baltimore-Washington Parkway.: \$9,900,000

Intermodal Urban Demonstration Projects: \$10,000,000

Indiana Industrial Corridor Safety Demo. Project: \$3,000,000

Alabama Highway Bypass Demonstration Project: \$10,000,000

Kentucky Bridge Demonstration Project: \$4,000,000

Virginia HOV Safety Demonstration Project: \$8,500,000

Bicycle Transportation Demonstration Project, Macomb County, MI: \$1,000,000

Local Rail Service Assistance: \$7,000,000

Orange County, CA Monorail System: \$1,000,000  
Long Island Railroad Intermodal Project: \$250,000  
Amtrak: \$482,000,000  
MAGLEV/High Speed Rail: \$12,000,000  
Urban Mass Transit Administration:  
Local Construction Projects: \$440,000,000  
Including, Los Angeles, Jacksonville, Honolulu, and Atlanta.  
Washington, D.C. Metro: \$108,000,000  
Washington Metro Interest Payments: \$51,663,000  
St. Lawrence Seaway Development Corp.: \$10,500,000  
Interstate Commerce Commission: \$45,844,000

***DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES***

The \$83.58 billion appropriated in this bill represents a massive 17.25 percent increase over 1990 levels and a 40.72 percent increase over 1989 levels. Programs within this bill too often duplicate private sector services, prevent the private sector from operating efficiently, or simply compensate for restrictive regulatory policies at the local level. Congress should consider terminating the following programs:

**Department of Veterans Affairs**

Construction, Major Projects: \$575,456,000, an increase of \$45,456,000 above budget estimate

Examples: \$7,000,000 new hospital at Detroit

\$8,900,000 for nursing home care unit at Lake City, FL

\$3,400,000 for a laundry and warehouse at Mountain Home, TN

\$8,000,000 for a clinical, outpatient, research, parking and central air conditioning project at Ann Arbor, MI

\$800,000 for the advanced planning of a modernization project at Wilkes-Barre, PA

\$4,800,000 for the contract documents of a replacement for the ambulatory care facility in El Paso.

\$3,100,000 for the design of a psychiatric and outpatient facilities modernization project at Northport, NY

\$3,200,000 for the design and site preparation of a clinical addition project at Wilmington

\$1,450,000 for planning and site acquisition for a new national cemetery at Albany, NY

\$1,506,000 for planning and site acquisition for a new national cemetery in the Chicago area.

\$1,690,000 for planning and site acquisition for a new national cemetery in the Cleveland area.

\$2,385,000 for planning and site acquisition for a new national cemetery in the Seattle area.

Parking Garage Revolving Fund: Total '91 \$28,900,000

### **Department of Housing and Urban Development**

Management and Administration Salaries and Expenses: \$816,466,000  
Including:

\$10,000,000 more staff – FHA

\$2,000,000 more staff – In-house Program  
Evaluation and monitoring

\$1,750,000 more staff – Public and Indian Housing  
programs

Public Housing Reconstruction/New Development: \$550,320,000

### **Independent Agencies**

American Battle Monuments Commission: \$15,900,000

Consumer Product Safety Commission: \$37,109,000

Including:

\$950,000 for transfer to the National Institute on Standards and Technology for the Technical Study Group on Cigarette and Little Cigar Safety to design and implement a study to collect data about the characteristics of those cigarettes, ignited products, and smokers that are involved in fires.

\$50,000 for travel expenses of individuals in the above mentioned study by the Technical Study Group on Cigarette and Little Cigar Safety.

**Environmental Protection Agency: \$6,012,175,000**

Research and Development: \$254,900,00

Including: \$1,500,000 to establish solar and renewable energy demonstration projects

\$250,000 for research on control of the "Zebra mussel"

Abatement, Control, and Compliance:  
\$1,006,525,000

Including: \$1,000,000 for the Rouge River basin non-point source control demonstration

\$3,000,000 for lead-based paint studies and support

\$1,225,000 for continued work on the Spokane Aquifer

\$200,000 for a Southwest Arkansas/Southeast Oklahoma Millwood Basin Water Quality Study.

\$1,000,000 for the EPA National Training Center at West Virginia University

\$275,000 for the Lake Pontchartrain new wetlands creation demonstration project

Construction Grants/State Revolving Funds: \$2,000,000,000

**National Aeronautics and Space Administration**

Research and Development \$6,458,625,000

Including: Space Station: \$1705,000,000

Search for Extraterrestrial Life: \$6,100,000

National Aerospace Plane: \$114,000,000

Consumer Information Center: \$1,540,000

National Science Foundation: \$2,337,000,000

National Institute of Building Sciences: \$250,000

## **FOREIGN OPERATIONS APPROPRIATIONS**

Fiscal 1991 appropriations for Foreign Operations inched up by 1.69 percent over 1990 levels, but were 10.46 percent higher than 1989 appropriated levels.

Even though last year saw discussions in both the Administration and Congress about the failures of U.S. foreign aid, appropriations are up again for 1991. This is due in part to a desire to help the emerging Eastern European and Central American democracies. The U.S. agreed, for example, to contribute \$70 million to a new development bank for Eastern Europe despite the failures of similar institutions such as the World Bank and the Inter-American Development Bank.

**Multilateral Aid: \$1.95 billion**

**Examples: Inter-American Development Bank: \$78,000,000**

**Inter-American Investment Corporation:  
\$13,000,000**

**World Bank: \$50,000,000**

**International Development Association: \$1.06  
billion**

**Asian Development Fund: \$243,900,000**

**African Development Fund: \$105,452,000**

**European Development Bank: \$70,021,000**

**Bilateral Aid: \$7.7 billion**

**Examples: Agricultural Aid: \$491,635,000**

**Private Sector, Energy, Selected Development Aid:  
\$152,223,000**

**Sub-Saharan African Development Aid:  
\$800,000,000**

**Agency for International Development (AID)  
Operating Expenses: \$435,000,000**

**Economic Support Fund: \$3.46 billion**

**Anglo-Irish Accord: \$20,000,000**

**Multilateral Assistance Initiative:**

**Philippines: \$160,000,000**

**Eastern Europe: \$418,675,000**



**Other:Export-Import Bank: \$785,000,000**

**Trade and Development Program: \$35,000,000**

**Overseas Private Investment Corporation:**

**Direct Loan Limitation: \$40,000,000**

**Guaranteed Loan Limitation: \$250,000,000**

