

The Executive Memorandum

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RUSH!

ESCALATING THE PORK BARREL WARS: USING RESCISSIONS TO HELP OVERTAXED AMERICANS

Faced with an electorate angry to the boiling point over Washington's wasteful spending habits, Congress this week will consider George Bush's request to rescind nearly \$6 billion of spending approved last year for 68 mostly pork barrel projects. Compared to the \$400 billion federal budget deficit, \$6 billion in savings may seem too puny to console furious taxpayers. Yet taxpayers' fury and election-year politics have turned this traditionally dull presidential rescission request into a game of anti-pork one-upmanship. Democrats will offer their own list of proposed spending for rescissions.

Slabs of Pork. Taxpayers thus may witness a rare occurrence in Congress: Lawmakers outbidding each other to cut larger slabs of pork from the budget. If the rescission debate escalates into a war of cutting pork, the Administration's proposals, which save only \$88 per American family, could grow to meaningful proportions. Bush should not retreat from an escalated anti-pork barrel war—even if he must accept rescission of pork barrel projects favored by the Administration. Rather, the President should champion the cause of overtaxed Americans over the beneficiaries of political largess and support a bipartisan package of spending rescissions.

The current fight in Congress began when President Bush, on March 20, challenged Congress to rescind, or cancel, funding for 68 federal projects totaling some \$5.7 billion. The bulk of these savings, roughly \$5 billion, is defense related. For example, eliminating two *Seawolf* submarines saves nearly \$3 billion alone. However, the 65 domestic projects identified by the Administration, totaling more than \$700 million, are just the type of federal waste that most infuriates cash-strapped taxpayers.

Such projects include:

- ◆ \$100,000 for blackbird control in North Dakota;
- ◆ \$375,000 for a facility to process and promote the use of oilseed;
- ◆ \$3 million for the Poultry Center of Excellence in Arkansas;
- ◆ \$225,000 for a storage facility for Vidalia onions;
- ◆ \$750,000 for Appalachian hardwood research;
- ◆ \$46,000 to study aspects of mink feeding and reproduction.

Congressional supporters of this White House effort, calling themselves the "Porkbusters," and led in the House by Representatives Harris Fawell, the Illinois Republican, and Timothy Penny, the Minnesota Democrat, and in the Senate by John McCain, the Arizona Republican, have introduced 68 distinct bills (H.R. 4617-4684, S. 2411-2480) to force separate rescission votes on each of these programs. The bills' backers

argue that most of these projects would fail the test of public scrutiny if they were judged individually on their merits. But since these projects are hidden within massive appropriations bills that must be approved to keep the government running they are voted on without review or debate.

Leading members of the Appropriations Committee in both Houses, who control the pork barrel purse, are trying to block these rescissions. In the House appropriators plan to replace some of Bush's rescission items with projects from the Porkbusters' districts. This is an attempt to punish lawmakers currently working to eliminate pork and send a message to those who may attempt to do so in the future. For example, Congressman Fawell could lose over \$3 million in funding for the Fermi National Accelerator Laboratory located in his district as punishment for sponsoring Bush's rescission request.

Senate appropriators plan to keep all of Bush's requests, but add to this list projects from Porkbusters' states as well as projects dear to the Administration. They wish to bundle all of these projects into one omnibus rescission package for an up-or-down vote, forcing Bush and the Porkbusters either to support or to eliminate their own projects or to allow continuing pork barrel spending.

This attempt to embarrass Bush by attaching Republican pork barrel projects to the rescission list demonstrates that all sides in Congress are guilty of wasteful spending and that the Administration has indeed only scratched the surface of a very deep problem.

Capitalize on Anger. Bush now has the opportunity to escalate the anti-pork battle in a manner that directly benefits those who bear the real cost of this wasteful spending—working Americans. Rather than being scared off by the appropriators' tactics, Bush should call their bluff. He should review the additional proposed cuts to determine which ones really target pork projects that serve parochial rather than national interests. He then should endorse bundling his recommendations together with theirs into an omnibus pork-cutting bill. Bush then should capitalize on taxpayers' anger by linking cuts in pork barrel spending to tax relief for working Americans, thus creating a so-called "waste dividend." Bush can point out that every \$1 billion of pork eliminated from the budget can put \$1,000 back into the pockets of one million working families.

To allow such tax relief, the current budget rules, which apply savings from rescissions to be applied to deficit reduction, would have to be amended. But Bush can point out that American families will benefit far more directly from putting cash in their pockets than by lowering the budget deficit by little more than 1 percent. And allowing taxpayers to keep the waste dividend certainly is preferable to allowing Congress to spend the funds on other wasteful projects. Bush should leave it to Congress's big spenders to explain why pork barrel spending is more important than money in the pockets of working Americans.

George Bush claims that the 1990 budget agreement, with its record tax increase, was a political mistake. And he also should understand that most American families are suffering under a crushing tax burden. This year, Tax Freedom Day, the day Americans cease working to pay the government's bills and begin working for themselves, has arrived later in the year, May 5, than any previous year. Bush can atone in small part for his tax mistake by becoming the taxpayers' President. Escalating the war against pork barrel spending by creating a waste dividend for working families would be a great beginning.

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