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LOBBYISTS USE TRAGEDY TO RAID AMERICAN TAXPAYERS

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Within hours of the September 11 terrorist attack, ordinary Americans in communities across the country organized themselves into the most awesome relief force the world has ever seen. By the afternoon of the first day, blood donation centers were overwhelmed with offers; trained rescue workers (many just volunteer firemen from little towns and big cities) marched into harm's way; and young men and women were enlisting in the armed forces by the thousands. In less than two weeks, financial contributions to charities exceeded \$675 million: The Red Cross alone received enough money to provide every victim's family with emergency grants of up to \$30,000. This unprecedented sacrifice is an extraordinary tribute to the spirit and determination of the American people.

But for all too many in the nation's capital, the country's renewed patriotism has encouraged a parade of special interests to wrap themselves in the flag and use the tragic events to link their causes to the U.S. Treasury and the \$40 billion that Congress authorized for relief. In contrast to the rest of the country, what passes for sacrifice among some in Washington is how much of somebody else's money—i.e., the taxpayer's—you are prepared to spend.

However tastefully circumspect these Washington-style "sacrifices" may have been in the days immediately following the attack, the unfortunate precedent set by the \$17 billion bailout of airline shareholders and creditors encouraged other lobbyists and their friends in Congress to pull out all the

stops. In short order, the effort came to resemble the kind of spectacle H. L. Mencken described more than 60 years ago when he wrote in *The Baltimore Sun* that "government is a broker in pillage and every election is a sort of advance auction of stolen goods."

Elected representatives from steel-producing states were among the first to validate Mencken's cynicism by seeing the attack as a way to pander to America's troubled steel industry by demanding further restrictions on imports of less costly foreign steel. In defending the urgency of such restrictions, one steel-state Senator said, "Without steel, we cannot guarantee our national security. Without steel, we cannot build from our tragedy." How these objectives would be reached by policies that create shortages and raise prices was never explained.

Although no buses were used as weapons and scheduled bus service received a boost from passengers shifting from planes, the American Bus Association claimed that the "U.S. motorcoach industry is in the midst of an economic crisis." Bus

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owners are now asking Congress for a grant program, low-interest loans, tax credits, repeal of the federal fuel tax, and a new government program to promote tourism.

Apparently oblivious to competing services on the Internet, the American Society of Travel Agents (ASTA) declared, "Without travel agencies, the nation's travel industry cannot function." ASTA is seeking \$4 billion in grants and no-interest loans.

National security concerns are even being used to help advance a \$167 billion farm subsidy bill that insiders had thought would be defeated because of its budget-busting impact. Supporters now contend that "terrorist attacks have bolstered the argument that food production is a vital national interest." Apparently unaware that the terrorist attacks were confined to urbanized areas, trade associations representing the growers of more than 20 federally subsidized agriculture commodities wrote Congress on September 24 that "farmers, like other industries that Congress has helped since the terrorist attacks, are suffering economically."

However unseemly these appeals appear, they pale in comparison to Amtrak's perennial effort to extract bigger subsidies from government. Facing the prospect of financial insolvency because of operating losses that have worsened year after year, Amtrak's supporters saw the tragic attack as an opportunity for a bailout that is proportionately greater than the one received by the airlines.

Within two days of the attack, the head of the National Association of Railroad Passengers (NARP), an Amtrak support group advocating federal subsidies, e-mailed members that "The tragedy and its aftermath raise the possibility that more Americans will see the need for more modern passenger trains. We will be pointing this out."

Apparently, Americans did not see it as quickly or as clearly as NARP's head hoped, because Amtrak was not included as part of the airline bailout despite its best efforts to wriggle into a place at the trough. So NARP's next e-mail tried to make things

clearer with the perversely accurate assertion that "Amtrak took on *unusual* importance right after the tragedy." Unusual indeed: Within hours of the attack, Amtrak trains scheduled to leave Washington, D.C., as well as those of the Amtrak-operated Virginia Railway Express, were canceled, stranding more than 5,000 commuters in a city under terrorist assault.

Emphasizing that "it has become more apparent than ever that our transportation system and economy would be far stronger and more resilient if we had a world class passenger rail system," NARP urged Congress to pass the High Speed Rail Act of 2001 (taxpayer cost: \$19.1 billion) as well as Amtrak's most recent me-too proposal for an emergency cash infusion of \$3 billion—an amount well in excess of its total annual revenues of \$2 billion.

As one comes to expect with Amtrak, these excesses were only the beginning of an escalating auction of costly schemes. Within days of the attack, a Senator proposed giving Amtrak \$37 billion, while a House member proposed \$70 billion, in loans and grants for rail infrastructure improvements.

Sorting through this growing list of demands will be a difficult challenge for Members of Congress as the legitimate needs of real victims are forced to compete with those who seek advantage in the catastrophe of others. America has never faced such circumstances, so Congress has little precedent and no convenient formulas or rules of thumb to guide it in choosing among conflicting demands. Left with little more than their own good judgment and goodwill, perhaps Congress could gain inspiration from the sacrifices already made by millions of ordinary Americans and, before each decision, simply ask: "Am I serving my country as well as the New York firemen and policemen served their city?"

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