Congress continues to spend like there's no tomorrow

Zachary Hubbard

— Like Godzilla ravaging Tokyo, there's an insatiable monster in America's capital that's destroying our future. It's called the national debt, currently weighing in around \$14 trillion.

Congress keeps feeding the monster, and it grows bigger by the year, along with government bureaucracy.

It's time for Americans to tell their elected federal officials to stop the excessive spending at once. If you agree, move on to another column.

If you disagree or are undecided, please read on.

We hear a lot about cutting defense spending, but what about the government's other spending? It's under control, isn't it? Consider the federal contracting bureaucracy; then you decide.

Here's some background information: According to the official government website USAspending.gov, in 2010 the government awarded \$535 billion in contracts in more than 3.4 million contract transactions. About 28 percent of this money went to contractors in California, Texas and Virginia.

To put \$535 billion into perspective, House Republicans are fighting to cut just \$100 billion from President Obama's proposed budget.

America is broke, yet many politicians want to keep spending. The Associated Press recently reported, "As Obama seeks \$53 billion for high-speed rail over the next few years, House Republicans are trying to pull back \$2.5 billion that's already been promised." Imagine a family that's facing bankruptcy and simultaneously seeking to purchase a new house. This is how politicians behave.

Let's consider the management side of federal contracting. Imagine the enormous bureaucracy required to manage 3.4 million contract transactions per year. Ask yourself if each contract granted contains sufficient details and clarity to guarantee no taxpayer money is wasted or misappropriated.

Finally, ask yourself how such a bureaucracy could provide adequate contract oversight to ensure your tax dollars are spent in accordance with the contracts' terms.

Impossible. The federal contracting bureaucracy is too large to be efficient. Unfortunately, contracting is only one of many wasteful federal bureaucracies.

The following are a few examples of questionable federal spending. My source is a well-respected, subscription intelligence service used in the federal contracting sector.

First, let's look at government spending money on itself.

The Federal Retirement Thrift Investment Board administers a retirement savings and investment plan for federal employees called the Thrift Savings Plan (TSP).

The TSP currently has more than 3.4 million participants, with assets of more than \$152 billion.

This year, the board plans to award a five-year, \$18 million contract to operate a call center so federal employees can manage their savings accounts via telephone. How wonderful it would be if we could dial a number to manage how our Social Security contributions are managed.

Consider this: This year the U.S. Department of Agriculture is planning to renew a contract for a web-based, personnel staffing, recruitment, and position classification system for the U.S. Forest Service's human resource management center. Cost to taxpayers – \$28 million.

The system will help the Forest Service manage 30,000 full-time employees and up to 15,000 part-timers.

Wouldn't it be more efficient for the government to procure a standardized human resources management system that's made available to all federal agencies?

The two examples cited, with a combined value of \$46 million, are insignificant compared to the entire federal budget. Unfortunately, there are thousands of similar contracts amounting to a huge sum of tax dollars annually.

Then there are the massive contracts. For example, the Department of Education is planning to award a

\$200 million contract this year for computing and networking services to manage federal student-aid data. How many kids could go to college on \$200 million?

The Department of Homeland Security wants to spend \$3 billion over five years on information technology (computers, printers, software, etc.) for its 22 operational components. The department has more than 200,000 employees. How big is too big?

According to the department's annual financial report for 2010, the independent audit firm KPMG was unable to render an opinion on the department's balance sheets because of "materiel weaknesses in internal control over financial reporting." In other words, the department's books are in such disarray it was impossible to audit the department's

management of its \$42.7 billion 2010 budget.

Now consider this. The Commerce Department wants to spend \$2.4 million this year to renew a one-year contract to continue developing a systematic process for the estimation of shrimp fishing efforts in the Gulf of Mexico.

Does "continue" indicate the government initially underestimated the cost or that perhaps the contractor understated it?

Federal contracting cost overruns are outrageous. Take Boston's "Big Dig" highway project. The Boston Globe reported the original 1985 estimate at \$2.6 billion. The final 2005 tab was \$14.6 billion. According to the CATO Institute, cost overrun is particularly abysmal for large federal projects that begin with a cost estimate of \$1 billion or more.

Unfortunately, overruns are common for smaller projects, too. For example, The Washington Post reported the 1998 estimate for a parking lot at Washington's Kennedy Center was \$22 million. The final tab in 2003 was \$88 million – four times the original estimate. Similar examples abound. Historically, taxpayers, not contractors, have suffered for cost overruns.

When money gets tight, smart people cut back. They review their budgets and eliminate unnecessary spending. This requires tough choices. Instead of a vacation at Disney World, a camping trip might have to do. The big-screen TV remains on the wish list. Hamburger replaces steak.

Shouldn't our elected officials manage spending similarly? If you answered yes, then let them know. Now is the time for tough financial decisions in Washington, D.C.

Unlike a fine wine, national debt doesn't improve with age. It continues to sour until, like strong vinegar, it's impossible to swallow.

Zachary Hubbard is a freelance writer residing in Upper Yoder Township. He is a member of The Tribune-Democrat Reader Advisory Committee.