Cato Institute Praises Pawlenty, Disses Daniels

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Former Minnesota governor Tim Pawlenty, who kicks off his national book tour (i.e. the unofficial start of his presidential candidacy) this week, is viewed as a somewhat squishy establishment Republican by some in the media and the conservative movement. That perception may be due in part to the his association with John McCain, his environmentalism, and his "Party of Sam's Club" rhetoric--or maybe he's just too darn nice. Whatever the reason for the perception, the libertarian Cato Institute, which grades the governors on fiscal issues every two years, thinks Pawlenty's record tells a different story. As I note in a short piece in the magazine this week:

Pawlenty was one of just four governors to earn an "A" on the libertarian Cato Institute's most recent biennial fiscal report card. (Indiana governor Mitch Daniels, beau ideal of the budget hawks, got a "B.") "I actually went into doing this report card sort of thinking [Pawlenty] was mediocre on fiscal policy," says Chris Edwards, who wrote the report. "I think he's been superb about the last five years or so."

Edwards's coolness toward Daniels was actually a little more surprising than his enthusiasm for Pawlenty. Edwards said of Daniels:

"He's kind of a more of a 'trains run on time' kind of guy, like a balanced budget kind of guy. He wants the government to be efficient but he doesn't necessarily want it to be smaller. Other than his property tax cut, he hasn't cut state level taxes at all. He hasn't really even proposed to cut them. Indiana has an above-average business tax. He should have proposed to cut it like Pawlenty, like Sanford proposed in South Carolina. I get a sense from some of the things he's done that his political instincts aren't quite where they should be in a terms of limited government point of view."

"He's an awfully good manager, very intelligent, very skilled, but I don't know whether he's going to go for the jugular if he got elected," Edwards concluded.

Pawlenty's grades from Cato were slightly better than Daniels's during the years that both were in office. Here are the reports for 2010, 2008, 2006, 2004 in that order (click on any year to read the full report):

Pawlenty: A, B, C, B

Daniels: B, B, D, na

The two earned their low marks during the years when they agreed to tax hikes. But the fiscal records of both Daniels and Pawlenty compare favorably to other potential 2012 candidates who were governors during that same period:

Mike Huckabee (Ark.): na, na, F, D

Mitt Romney (Mass.): na, na, C, C

Haley Barbour (Miss.): C, D, C, na

Rick Perry (Tex.): B, B, B, D

Huckabee, the only aforementioned governor who was graded by Cato in previous years, got a "B" in 1998, a "C" in 2000, and a "C" in 2002. Cato doesn't score the governor of Alaska because of peculiarities of the state budget.