EDAILY CALLER

Why is there so much government waste?

By Tad DeHaven - 10/17/2012

Every year the office of Sen. Tom Coburn (R-OK) releases a compendium of the worst examples of government waste. And every year I'm reminded of H.L. Mencken's quote that "Every decent man is ashamed of the government he lives under." Released this week, the 2012 edition should leave even the indecent ashamed of how the federal government spends our money.

The Coburn report finds that taxpayers have been paying for everything from robotic squirrels to talking urinal <u>cakes</u>. Did you know that people in their 30s who consume lots of alcohol feel immature? Thanks to a study funded by the National Institutes of Health, now you do. Feeling down but don't want to get drunk because then you'll feel immature? Another study funded by the NIH found that you'll feel more chipper if you simply turn on the television and watch re-runs.

The one thing that these ridiculous expenditures all have in common is that they are a direct result of people being able to spend other people's money. In Congress's case, we have 535 people with trillions of other people's dollars to spend. That they're content to fritter billions away on toys for special interests shouldn't be shocking.

Countless Americans will express their indignation after learning of some of the details in the Coburn report. But after a couple of minutes the anger will subside and most folks will go about their business. There's a good chance that come November they'll pull the voting lever for a candidate who had a hand in the waste. There's also a good chance that while they're upset with a particular expenditure, they're okay with the general mission of the program responsible for the waste.

Take the numerous examples in the Coburn report of federal money being wasted on subsidies to state and local government. Every year the Department of Transportation gives Oklahoma \$150,000 for an airport that receives one flight a month. Beverly Hills, California received \$180,000 from a HUD program that's supposed to help spur economic development in lower-income locales. The Department of Commerce and the USDA teamed up to provide over \$1 million to help a county in New York build a new yogurt factory for PepsiCo, Inc.

While most Americans would probably have a problem with these expenditures, many would simply respond that policymakers should just make sure that money is spent more wisely. Transportation is good. The federal government should fund it. Economic development is good. The federal government should fund that, too. Etc, etc.

There are two problems with this mindset. First, so long as the federal government can spend money on anything it wants, politicians are going to spend money on anything they want. Second, contrary to what we're taught in school, policymakers generally allocate money on the basis of political and parochial concerns — not on the basis of sound economics or even the so-called "public interest."

That means that so long as the government can fund transportation, there is going to be waste. So long as the federal government can give handouts to state and local politicians to spend on economic development, there is going to be waste. And as we have documented at Cato's website, www.DownsizingGovernment.org, even when there isn't de facto waste, federal programs are fraught with countless other shortcomings.

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