

# The Washington Times

## Taxpayers fund research for world's richest, most powerful companies, watchdog finds

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Fortune 100 companies are among the most aggressive at lobbying Washington — and collect nearly \$100 billion a year in federal contracts and grants, according to a watchdog report that suggests taxpayers are feeding the bottom line.

Most of the \$399 billion collected from 2014 to 2017 went to buy goods or services, especially the complex and expensive weaponry upon which a modern military relies, OpenTheBooks found.

But the watchdog's report did find billions in grant money, too.

IBM components in New York and California, for instance, got more than \$103 million for “using high-resolution scanning tunneling microscopy to explore the use of atomic spins on surfaces as quantum bits.”

Meanwhile, between FY 2014 and 2017 the Energy Department gave more than \$63 million to General Electric divisions in New York and Texas for, among other things, “model-based extracted water desalination system for carbon sequestration,” and “cyberattack detection and accommodation for the energy delivery system.”

In other words, U.S. taxpayers were subsidizing the research of the richest and most powerful companies on Earth.

“A lot of this stuff has a legitimate public purpose, that's true, because if you need a fighter jet or a nuclear submarine you have to buy them from the people who make those things,” said Adam Andrzejewski, founder and CEO of OpenTheBooks.

“But these are some of the most wealthy, connected, elite companies in the world,” he said. “Especially with the grants, these amount to giveaways for a myriad of projects, none of which the U.S. taxpayer has any equity interest in the future.”

The report profiles 10 giants in particular — AT&T, Boeing, Caterpillar, Federal Express, Ford, General Dynamics, GE, IBM, Lockheed Martin, McKeesson — which spent more than \$220 million on lobbyists from 2014 to 2017, and raked in almost \$295 billion in federal money.

The Washington Times sought comment from the companies, but they did not respond to questions about connections between lobbying and federal largesse.

Jordan Libowitz, a spokesman with Citizens for Responsibility and Ethics in Washington, said OpenTheBooks' data paints a picture of Washington as a place where Big Business has its hands on the government wheel.

"It's unfortunately not that surprising," Mr. Libowitz said. "With all this money coming in it's fair for the people to wonder if decisions are being made with the best interest of the public, and if you can trust elected officials to make those decisions. There's a legitimate public perception that it isn't."

OpenTheBooks' report offers one of the most comprehensive, current examinations of where Fortune 100 and taxpayer money mingle.

All told, in the four years the report studied, Fortune 100 companies spent roughly \$2 billion on their lobbying efforts.

DowDupont led the way with \$75.6 million. Other big spenders were Home Depot at \$62.8 million, Comcast at \$62.3 million and Alphabet, the parent company of Google, at \$50.8 million.

Not all of that lobbying money is spent in a dash for taxpayers' cash. The companies are also trying to shape the legal field on which they play, fending off new burdensome regulations or ensure continuation of key tax breaks.

The lobbying ran the gamut through hundreds of bills. Several of the companies who benefit from its policies lobbied in support of the Export-Import Bank and other multinational lending agencies that chiefly conservative economists regard as crony capitalism cornerstones.

Specific proposed bills also caught companies' eyes. Ford, for example, lobbied against a "Burma Human Rights and Democracy Act," that popped up in Congress just months after Ford became the first American car company to open a showroom in Yangon, Myanmar, the country's largest city. Burma is the old name for Myanmar.

Other lobbying efforts detailed in the report make sense, such as FedEx working with some seafood companies that rely on fresh crab and other products, or AT&T working politicians engaged in telecommunications bills.

"There's nothing inherently wrong with corporate lobbying," noted Chris Edwards, a budget policy expert at the Cato Institute. "Corporations have got a right to defend themselves and look after their and their shareholders' interests."

He also challenged the notion that the federal government was propping up market losers.

"Look at the billions people have been willing to risk in thus far losing propositions like Uber and Lyft; look at Elon Musk who, yes, is subsidized but has also gotten piles of private money," Mr. Edwards said.

Yet Mr. Andrezjewski argued that argument also cuts against the notion Fortune 100 companies need federal taxpayer grants and should instead rely on market-based corporate finance.

"If General Electric, say, thinks it has a great idea for a new battery, then it's a big, elite company, let it go to Wall Street and raise the money," he said.