Governors Bobby Jindal and Tim Pawlenty earn top marks in economics from Cato Institute

By Alexis Levinson - The Daily Caller 9:50 AM 10/05/2010

Last week, libertarian think tank the Cato Institute released its <u>Fiscal Policy Report Card</u> for governors. In the study, "governors are graded on their fiscal performance from a limited-government perspective," earning points for tax cuts and spending cuts, and losing points for tax hikes and increased spending.

Several of the governors on that list who have been floated as possible Republican candidates for president in 2012, such as <u>Bobby Jindal</u> of Louisiana and Tim Pawlenty of Minnesota, scored at the top of the class.

Unfortunately, "Alaska is excluded due to peculiarities in that state's budget that make comparisons difficult," depriving the public of a rating for former governor Sarah Palin. The study also excluded the newly elected governors of Kansas, New Jersey, Utah and Virginia, so conservative favorite Chris Christie of New Jersey, who has lately been fending off rumors that he might make a run, does not appear on the list either.

Given the state of the economy and concern with the national debt, the Cato's high scorers exhibit qualities that Americans will likely be seeking in a presidential candidate. Governors were graded in six categories that looked at spending, revenue, and tax rates. These scores were averaged for the final score, and candidates were given a corresponding letter grade A through F.

The Daily Caller took a look at the grades for 2012 presidential contenders.

Minnesota Gov. <u>Tim Pawlenty</u>, widely seen as a potential presidential candidate, made Cato's honor roll. Pawlenty earned an A with the third highest score of 66 percent. (The highest grade is a 74 awarded to Mark Sanford of South Carolina, so the grades are curved as heavily as a pre-med class). <u>Pawlenty's Freedom First PAC</u>, ostensibly set up to raise money for Republican candidates but seen by some as a precursor to a presidential run, is trumpeting the "kind words" from the Wall Street Journal about the Cato grades, and highlighting the success by further tweeting "What grade would you give Obama, Biden, Geithner, Pelosi and Reid on the economy?" The Cato study rewarded Pawlenty for the fact that he has "proposed pro-growth tax reforms, opposed tax increases, and been a relatively frugal budgeter."

Bobby Jindal of Louisiana, another governor cited as a potential candidate in 2012, also received an A, outscoring Pawlenty with a 71 percent. Jindal's name has been floating around since last year, and at one point his supporters even formed a PAC called "Jindal"

For President Draft Council Inc." Jindal has denied rumors that he would seek office in 2012, and his Press Secretary Kyle Plotkin maintains, "As far as 2012, the governor has made it clear that he is 100 percent focused on running for reelection." But the Times-Picayune in Louisiana reported last week that Jindal had planned a trip to New Hampshire next week, an indication that he is at least considering the idea.

Mitch Daniels, another potential White House hopeful, got a B because, the study says, "he seems to focus more on balancing the <u>state budget</u> than shrinking the size of government." His office could not be reached for comment.

Haley Barbour, governor of Mississippi, did not fare as well, earning a 53 percent and a C. Barbour is chairman of the Republican Governor's association, and he is considering a run for president. The study's authors said "Governor Barbour has a conservative reputation, but his tax and spending record over seven years as governor has not been very conservative," citing an increase in taxes on hospitals that he instituted, as well as increased spending. But Dan Turner, Barbour's press secretary, defended the governor's record in a statement:

"The Cato Institute erroneously thought the hospital tax reinstated in 2009 was a new tax. This was a reinstatement of a tax that had been in effect since 1992 that the federal government required Mississippi to read just to meet federal guidelines. In fact, during Governor Barbour's term the hospital taxes imposed have been \$400 million less than they would have been under existing law when he came into office. In this recession, we have chosen to reduce state spending because we recognize that raising taxes is the worst thing you can do in this economy."

The statement also points to Barbour's other economic successes, like a balanced budget, increased per capita income, attracting companies and jobs to the state.

Interestingly, the governor who received the highest marks was Mark Sanford of South Carolina, who is probably better known for the scandal he caused when it was revealed that he had had an affair with an Argentine woman and used public funds to jet out to see her. Before the scandal, his name came up as a potential candidate, but as the Cook Political Report's Jennifer Duffy points out, "I can't imagine that Sanford can run for anything." His fiscal policies, however, are spot on according to the Cato Institute, though the study does point out that "Sanford might have been more effective at getting proposed reforms passed if he hadn't made political and personal mistakes."

In a testimony to different political ideologies, the study noted that Republicans scored higher, on average, than Democrats. The average Republican scored a 55 and the average Democrat got a 47. The notable exceptions include the Democratic Governor of West Virginia Joe Manchin, who had the fourth highest score and earned an A, and Connecticut governor Jodi Rell, who was the one Republican to earn an F.