

Human Events[™].com



Bailout Fever Hasn't Disappeared

by **Brian Darling** ([more by this author](#))

Posted 07/27/2009 ET

Thank goodness for Tea Parties.

One reason for the parties is that many Americans oppose using tax dollars to bail out failing industry and failed government policies. Too bad our representatives in the Capitol aren't heeding their voices. There's growing evidence that -- even though they are harming capitalism -- bailout fever is still an option for our free-spending politicians in Washington, D.C.

To end the bailouts, the American people need to rally behind a strong, anti-big government, Tea Party movement.

Highway Fund Bailout

Later this month, Congress will likely approve a \$20 billion bailout for the Highway Trust Fund. Just five months ago President Obama signed a \$787 billion so-called stimulus bill with the promise that "we are remaking the American landscape with the largest new investment in our nation's infrastructure since Eisenhower built an interstate highway system in the 1950s." Yet less than 3.5% of the so-called stimulus was dedicated to infrastructure spending.

Congress and the President seem eager to resort to even more deficit spending. Sen. David Vitter (R-La.) has proposed an alternative though: paying for the bailout with unobligated stimulus funds. Ron Utt of the Heritage Foundation has another solution. "Historically only half of the highway fund earmarks get spent and they are used as offsets for the next highway bill. The Congress can use unobligated highway earmarks and projects from the last highway bill."

The stimulus was a waste of money. There's no reason to borrow and spend even more, merely to bail out yet another failed government program.

TARP May Destroy Capitalism

According to Neil Barofsky, the Inspector General of the Troubled Assets Relief Program, TARP has exposed taxpayers to as much as \$23 trillion in losses. It's unlikely taxpayers will lose that much, of course, but let's put \$23 trillion in perspective. That's the economic productivity for the whole United States -- for nearly two years. It's more than the federal government has ever spent on any other program or effort, including two world wars. The TARP program has the potential to grow into the biggest threat to capitalism. Ever.

Dan Mitchell of the Cato Institute tells HUMAN EVENTS that "there were many reasons to reject the Wall Street bailout last year, but blocking politicians from obtaining a new -- and likely permanent -- source of power over private markets was one of the most important." The biggest problem with the TARP is that it was sold as a program to free up frozen credit, yet it has morphed into a program that is a slush fund to bail out big business. It is time for a bipartisan effort to terminate the TARP program and force transparency on how the money is being spent while the program is winding down.

Another Broken Obama Promise

On his second day in office, President Obama promised "a new era of openness in our country." The President further declared that "transparency and the rule of law will be the touchstones of this presidency." Seven months into his presidency, the results are dicey.

As early as March, there was concern that the administration's economic assumptions (used to justify the massive stimulus package) were incorrect. Peter Orszag, the director of the Office of Management and Budget, said at the time, "I don't think we should be chasing our tail, constantly revising assumptions. Let's see what happens, let it work. We'll have a mid-session review later in the year." Except they didn't. Review day, July 15, came and went without a word from the administration.

Before Congress embarks on expensive overhauls of our health care, energy, financial, immigration, tax and education systems, the Administration should provide "an honest accounting of where we are," as the President promised in February.

Gun Grabbing Jeers

Jeers to Senator Frank Lautenberg (D-N.J.), Chuck Schumer (D-N.Y.) and Dick Durbin (D-Ill.).

They lead the debate against an amendment authored by Senators John Thune (R-S.D.) and David Vitter (R-La.) to allow law-abiding individuals with conceal-carry permits to bring their firearms into other states that allow concealed carry. Cheers to Sen. Jim Webb (D-VA) who spoke for the amendment and made a strong case for the right of self-defense.

Extra jeers to Sen. Bob Casey (D-Pa.), Mark Udall (D-Colo.) and Michael Bennet (D-Colo.) for, according to Dana Milbank of *The Washington Post*, voting yes, but being willing to vote no if the Lautenberg gun grabbing gang needed their vote.

The Thune/Vitter Amendment failed by a mere two votes. Senators who supported it without reservations deserve cheers for backing the 2nd Amendment right to “keep and bear arms.”

Brian Darling is director of U.S. Senate Relations at The Heritage Foundation.

[Advertise](#) | [Privacy Policy](#) | [Terms and Conditions](#)
Copyright © 2009 HUMAN EVENTS. All Rights Reserved.