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## DC feeding frenzy

By DANIEL J. MITCHELL Last Updated: 4:18 AM, December 16, 2010 Posted: 10:35 PM, December 15, 2010

The weeks since Election Day have provided nauseating confirmation of Mark Twain's observation: "There is no distinctly native American criminal class except Congress."

Exhibit A is the "omnibus" spending bill Harry Reid is trying to push through the Senate. This monstrosity contains about 6,500 earmarks -- special provisions inserted on behalf of lobbyists to benefit special interests. The lobbyists get big fees, the interest groups get handouts and the politicians get rewarded with contributions from both.

It's a win-win for everyone -- except the taxpayers who finance this carousel of corruption.

Defenders of earmarks and other forms of pork-barrel spending argue that this behavior can't possibly be corrupt because it's legal. But not everything that's immoral is illegal and not everything that's illegal is immoral -- and earmarks definitely belong in the first category. Normal people would call it bribery, but it's business as usual on Capitol Hill.

Equally troubling, earmarks and pork-barrel spending are the gateway drug that turns good legislators into big spenders. The new members may not take office until next month, but most are in Washington, and they're seeing how this process works. One hopes that they are shocked by this unseemly behavior -- but how long will it take before they get jaded and decide to play the game?

The bill's backers call it "fiscally responsible" because it increases spending by "only" 2 percent compared to last year -but that's no sign of austerity when spending for these programs jumped by 20 percent in the last two years, as the national debt soared by about \$3 trillion in the same period.

If politicians were serious about fiscal responsibility, they'd impose across-the-board cuts to bring spending back down to 2008 levels -- and then cut more from that new baseline.

And Reid's bill is just the spending for the parts of the budget that are funded by "appropriations." Entitlement spending, which is the lion's share of the federal budget, continues on auto-pilot -- and the auto-pilot's on course to turn the United States into Greece.

Exhibit B is the tax deal. This Congress has been in session for almost two years, with every single member fully aware that a failure to act would result in a huge tax increase next month. Yet the politicians apparently didn't care that a lengthy delay would create uncertainty and discourage much-needed investment and entrepreneurship.

The delay did make it harder for the Democrats to raise tax rates on investors, entrepreneurs, small business owners and other so-called rich taxpayers. But that doesn't mean the wait-until-the-last-moment tax bill isn't ugly. Regardless of what you think of its core elements, it's also packed with provisions -- known as "extenders" -- that reek of corruption and special-interest deal making.

Extenders are the tax version of pork-barrel spending: special tax breaks put in the law by powerful politicians in exchange for campaign cash and other support.

The biggest extender is the ethanol credit, a boondoggle that distorts agriculture markets and causes considerable economic and environmental damage, but is popular with politicians because big agribusinesses recycle some of their undeserved profits back to Washington in the form of contributions.

The dozens of other extenders include special loopholes for solar and wind power, education spending, bonds for Louisiana and NASCAR racing.

There are strong policy arguments against these kinds of special tax breaks, especially since we could use the revenue to finance lower tax rates -- but most people are even more upset by the dead-of-night process used to put these goodies into the tax bill.

The behavior on Capitol Hill reminds me of the movie classic, "Animal House": After their fraternity has been placed on "double-secret probation," John Belushi and the rest of guys at the Delta House decide to go out in a blaze of glory with a toga party.

Likewise, the politicians on Capitol Hill just got placed on the equivalent of probation by a Tea Party uprising. Yet rather than mend their crooked ways, they're throwing a massive party with our money.

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