Analysis: Democratic districts getting much more stimulus money than Republican ones

posted at 7:19 pm on March 31, 2010 by Allahpundit Share on Facebook | regular view

That's the word from Cato scholar <u>Veronique de Rugy</u>, although she can't quantify how statistically significant the relationship is. There *is* a relationship, though. A big one:

First: The idea behind the \$787 billion stimulus bill is that, if the government spends money where it is the most needed, it will create jobs and trigger economic growth. Hence, we should expect the government to invest more money in districts with higher unemployment rates.

Controlling for the percentage of the district employed in the construction industry, a proxy for the vulnerability to recession of a district, I find no statistical correlation for all relevant unemployment indicators and the allocation of funds. This suggests that unemployment is not the factor leading the awards. Also, I found no correlation between other economic indicators, such as income, and stimulus funding.

Second: On average, Democratic districts received one-and-a-half times as many awards as Republican ones. Democratic districts also received **two-and-a-half times more stimulus dollars than Republican districts** (\$122,127,186,509 vs. \$46,139,592,268). Republican districts also received smaller awards on average. (The average dollars awarded per Republican district is \$260,675,663, while the average dollars awarded per Democratic district is \$471,533,539.)

Not only that, but the number of jobs "created or saved" has actually declined in the last quarter, leaving the amount of money spent per job at a cool ... \$286,000. As for the accusation of political favoritism, I'll defer to de Rugy since she's the economist, but I actually never understood the stimulus to be targeted specifically at districts where unemployment was highest. My understanding was that, yeah, the money would be spread around the country, but that the intended effect was systemic: Money directed to district X would stimulate its economy, which would in theory increase demand for goods or services produced locally *or* in far-flung district Y, just as an injection in the arm can be aimed at curing a problem in some other part of your body via circulation. But even assuming she's right, is it safe to draw an inference of favoritism? Here's what <u>USA Today</u> reported in July 2009, shortly after our Keynesian experiment got up and running:

Counties that supported Obama last year have reaped twice as much money per person from the administration's \$787 billion economic stimulus package as those that voted for his Republican rival, Sen. John McCain, a USA TODAY analysis of government disclosure and accounting records shows. That money includes aid to repair military bases, improve public housing and help students pay for college...

Investigators who track the stimulus are skeptical that political considerations could be at work. The imbalance is so pronounced — and the aid so far from complete — that it would be almost

inconceivable for it to be the result of political tinkering, says Adam Hughes, the director of federal fiscal policy for the non-profit OMB Watch. "Even if they wanted to, I don't think the administration has enough people in place yet to actually do that," he says...

The imbalance didn't start with the stimulus. From 2005 through 2007, the counties that later voted for Obama collected about 50% more government aid than those that supported McCain, according to spending reports from the U.S. Census Bureau. USA TODAY's review did not include Alaska, which does not report its election results by county.

The report concluded that the money was doled out "guided by formulas that have been in place for decades and leave little room for manipulation." Sure would be nice to see a follow-up piece springboarding off of de Rugy's work now that we have another nine months of data in the bank. I'm sure everything's kosher: Surely a president who showed such fierce resistance to special interests during the ObamaCare process wouldn't let political considerations affect his stimulus awards.

By the way, the number who say he deserves "a great deal" of blame for America's economic problems is now up to 26 percent. The numbers for Bush? 42 percent. Gulp.



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Counties that supported Obama last year have reaped twice as much money per person from the administration's \$787 billion economic stimulus package as those that voted for his Republican rival, Sen. John McCain

They payoffs continue. Change indeed./

CWforFreedom on March 31, 2010 at 7:22 PM

I. Am. Shocked.

HornetSting on March 31, 2010 at 7:24 PM

Duh. It's the Chicago / Crook County way.

Jaibones on March 31, 2010 at <u>7:25 PM</u>

its called earmarks and payoffs in exchange for votes.

rob verdi on March 31, 2010 at 7:25 PM

Analysis: Democratic districts getting much more stimulus money than Republican ones

Does this surprise anyone?

Chip on March 31, 2010 at 7:26 PM

As slow joe says...Big F&^%n' Deal!

/s

lukespapa on March 31, 2010 at <u>7:26 PM</u>

Seriously, who didn't think Dem districts weren't going to get the bulk of the money?

The real analysis should be done by the conclusion of the 2010 election. From day one this was about preserving government jobs and propping up vulnerable Dems. Allah? Do you really think Nancy Pelosi just said "walk the plank"? Or is it more likely that she said, "Don't worry, we've still got 60% of the stimulus money that hasn't been spent. A significant portion of that will go to to your district this summer, and you'll get significant credit for the economic improvement"?

BKeyser on March 31, 2010 at 7:26 PM

Wow.

Really?

And this surprises who . . . ?

CPT. Charles on March 31, 2010 at <u>7:28 PM</u>

Nothing like spending \$800 Billion dollars demonstrating the **Broken Window Fallacy**.

<u>catmman</u> on March 31, 2010 at <u>7:28 PM</u>

We might be conflating cause and effect. Districts that live off of federal funds are probably more likely to vote democratic.

But I wouldn't be surprised at all if there are Chicago style politics involved.

Count to 10 on March 31, 2010 at 7:29 PM

Of course they are, that's where the leeches are.

Sporty1946 on March 31, 2010 at <u>7:30 PM</u>

Heh. Who cares.

Good luck getting cousin pookie off da couch.

Over-reach: "When a half white/half black Man tries to put black face on one side and white face on the other, he gets half assed. And that my friends, is what we have.

Key West Reader on March 31, 2010 at 7:32 PM

They didn't play, so they can't win.

spmat on March 31, 2010 at 7:32 PM

No surprises on that one.

yoda on March 31, 2010 at <u>7:33 PM</u>

I am profoundly shocked.

CHANGE.

hillbillyjim on March 31, 2010 at 7:34 PM

From each according to his abilities, to each according to his needs vote.

- Barack Marx

MB4 on March 31, 2010 at <u>7:36 PM</u>

And as our ability to pay out entitlements dwindles away – you can expect that the Democrats will pay out entitlements to their voters first.

<u>HondaV65</u> on March 31, 2010 at <u>7:36 PM</u>

And here's a real Earth Scorcher!

When will the MSM claim the White half of BHO? Where is the White half? The White half is the failing half!

Cue: MSNBC and Cwhishcy Maffews talking points.

Obama's failure is because.. he is white half.

Ya heard it here first, on the number one blog in America! Take it away, Schiscy Maffews!

Key West Reader on March 31, 2010 at 7:36 PM

Seriously, who didn't think Dem districts weren't going to get the bulk of the money?

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Of course the Dems are going to spend money on their cronies. This is the most corrupt political party in American history and they think Americans are so damned stupid they don't see all of these crimes. Were you really shocked that the 11 "Stupak" votes that went for Obamacare have since asked for \$3.4B in earmarks. That's right \$3.4 Billion.

Analysis after 2010, IMO, might be meaningless. Too many Dem leaning districts with Republican freshmen in Congress. My keyboard to God's laptop.

highhopes on March 31, 2010 at 7:37 PM

Just wait until we get medical "redistribution" through the HHS. It's coming. Go over there to their dotgov website and poke around...you will be angry if you click long enough.

hillbillyjim on March 31, 2010 at 7:37 PM

No Tickee, No Washee

No Votee, No stimlusee.

MB4 on March 31, 2010 at 7:38 PM

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Obama's failure is because.. he is white half.

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I think it will go the other way. All those racists who have been seething since 2008 that a black man got ahead took revenge and "unfairly" brought an uppity brother down.

highhopes on March 31, 2010 at 7:38 PM

Well duh, its called Vote Buying!!

canopfor on March 31, 2010 at 7:39 PM

Does anyone think that the unspent portion of Porkulus won't disappear at a rate increasing in proportion to the time left 'til election day?

hillbillyjim on March 31, 2010 at 7:40 PM

By the way, the number who say he deserves "a great deal" of blame for America's economic problems is now up to 26 percent. The numbers for Bush? 42 percent. Gulp.

At least the second number isn't surprising. Fully 35 percent of the current population will still be blaming Bush 20 years from now. I expect the blame Obama number to grow a point or two a month until it hits the low 50s.

BuzzCrutcher on March 31, 2010 at 7:40 PM

in inverse proportion...

hillbillyjim on March 31, 2010 at 7:40 PM

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No thanks. It is damned near impossible these days for me to keep my blood pressure within reasonable levels what with the jug-eared dictator, a Congress of traitors, and concern trolls like Jimbo who show up in "safe areas" to spew lies and propaganda.

highhopes on March 31, 2010 at 7:40 PM

!!!!!!!!! Stealth Reparations !!!!!!!!!!

canopfor on March 31, 2010 at <u>7:41 PM</u>

Nothing like spending \$800 Billion dollars demonstrating the Broken Window Fallacy.

catmman on March 31, 2010 at 7:28 PM

Very interesting, and quite right.

fourdeucer on March 31, 2010 at 7:41 PM

Does anyone think that the unspent portion of Porkulus won't disappear at a rate increasing in proportion to the time left 'til election day?

hillbillyjim on March 31, 2010 at 7:40 PM

Much as I think he is more part of the problem that got Obama elected than part of our future solution, I have to give it to John McCain for his comment about spending like a drunken sailor...... Even when I was drunk, I stopped spending when I ran out of money.

highhopes on March 31, 2010 at 7:42 PM

Odumbo and his henchmen are are crooked to the bone. It's going to be a long and difficult three years.

rjoco1 on March 31, 2010 at <u>7:43 PM</u>

Gah. Just let's admit that the guy was just another poitician from a long line of politicians that let us down.

Now, this politician had Greek Columns and peeps in germany that were supposed to make us vote for him and we did.

So now, here we are, stuck with the hope and the change and the taxes and the bullsh*t and the racism and the protests and the unemployment and the disenfranchisement and the poverty and the food stamps and the violence and the gang members and the robbing and the raping and the rising food prices and gas prices and the illegal immigrants, and the...

Where's that Hope n Change? I need me some Hope n Change.

What a disaster.

Key West Reader on March 31, 2010 at 7:44 PM

It's gonna be funny if all that baksheesh doesn't save 'em come November.

Christien on March 31, 2010 at 7:45 PM

Key West Reader on March 31, 2010 at 7:44 PM

I think you hit every nail on the head. Bravo! +1000

milwife88 on March 31, 2010 at <u>7:45 PM</u>

"The report concluded that the money was doled out "guided by formulas that have been in place for decades and leave little room for manipulation."

Don't be surprised when the next time you go to your Doctor you are asked...

"Would you like to register for the Democrat Party?"

Seven Percent Solution on March 31, 2010 at 7:47 PM

This isn't a big surprise. I'd venture that, generally speaking, the more urban districts get more Federal dollars as a general rule of thumb. "Need", as defined by the government, is to a large part the beginning assumptions that lead to re-distribution.

If that's true, we could certainly argue whether it is fair or not. Does anyone have data that tracks spending over decades?

Red State State of Mind on March 31, 2010 at 7:47 PM

So they spent \$122 Billion on Democrat districts and \$46 Billion on Republican districts, for a total of \$168 B and change. The stimulus bill was supposed to spend \$787 Billion. Where did they spend the remaining \$619 Billion? Socialist districts? Libertarian districts? Joe for Connecticut districts? The 99th district of North Dakota? The District of Columbia?

The point is, if it was SO URGENT to pass a \$787 Billion spending bill to "stimulate" the economy and provide jobs in February 2009, why has only 21% of the money been spent over a year later? We the People are paying interest on that borrowed money, and over \$600 BILLION of it is sitting idle somewhere, until somebody figures out how to spend it!

Why don't they pay it back to the Treasury, and reduce the deficit, and get several million Chinese creditors off our backs?

Steve Z on March 31, 2010 at <u>7:51 PM</u>

Just more proof that elections have consequences.

Something to remember come November.

JohnGalt23 on March 31, 2010 at 7:52 PM

post-partisan baby!

Scrappy on March 31, 2010 at <u>7:53 PM</u>

No thanks. It is damned near impossible these days for me to keep my blood pressure within reasonable levels what with the jug-eared dictator, a Congress of traitors, and concern trolls like Jimbo who show up in "safe areas" to spew lies and propaganda.

highhopes on March 31, 2010 at 7:40 PM

Man, I'm in the same boat — I'm on two different BP meds now; just had to double one of them to get me where I need to be on the xxx/xxx scale.

I couldn't believe some of the shizzle I found just poking around on the HHS website; to believe it, you've actually got to see it (and then you might have to pinch yourself).

... I have to give it to John McCain for his comment about spending like a drunken sailor...

I've gotta bunch of problems with Johnnie Mac on policy, but he's been pretty good on spending, with the unholy TARP debacle being the most glaring exception.

hillbillyjim on March 31, 2010 at 7:55 PM

And we just gave the government control over student loans?

Guess which districts will have the highest percentage of students attending college? at the best schools? with the best loan rates?

We have to repeal these bills.

journeyintothewhirlwind on March 31, 2010 at 7:56 PM

Steve Z on March 31, 2010 at 7:51 PM

Personally I think they are saving a lot of that money to funnel to the dems come this november. It should be interesting to see which dem incumbent has a lot of "extra" cash in the coffers around August, September time frame.

milwife88 on March 31, 2010 at <u>7:58 PM</u>

Now, this politician had Greek Columns and peeps in germany that were supposed to make us vote for him and we did.

Key West Reader on March 31, 2010 at 7:44 PM

We? I even held my nose and overcame my gag reflex to vote for McCain which would have been nothing more than a socialist-lite version of the jug-eared dictator. So, please don't include me in the morons that voted for this.

BTW, I saw all this coming from the beginning and was attacked on HA for not being civil and not giving the filthy lying coward "a chance to reach across the aisle" before saying that I wanted him to fail. I was right and all the appearsers were dead wrong.

highhopes on March 31, 2010 at <u>7:58 PM</u>

...why has only 21% of the money been spent over a year later?...

Steve Z

They're saving it for a rainy election day.

hillbillyjim on March 31, 2010 at 7:59 PM

milwife88 on March 31, 2010 at 7:58 PM

You beat me to it.

hillbillyjim on March 31, 2010 at 8:02 PM

And we just gave the government control over student loans?

journeyintothewhirlwind on March 31, 2010 at 7:56 PM

Right idea wrong conclusion. We just gave the government control over WHICH students get loans at all. I can easily see all the loans wrapped up in programs which favor "Obama's people" with demographics being far more important than scholarship or financial need being the main criteria.

More than that, I can easily see the day when the feds dictating things like major that will be funded.

highhopes on March 31, 2010 at <u>8:02 PM</u>

Duh.

Dingbat63 on March 31, 2010 at 8:04 PM

Have ya some fun with this.

hillbillyjim on March 31, 2010 at 8:08 PM

...and this

hillbillyjim on March 31, 2010 at 8:10 PM

Not that I give a rat's behind, but I suspect here in Oklahoma there will be a big fat zero in stimulus money because not one county in the entire state went for the other zero.

I believe Oklahoma was the *only* state that went completely red.

tru2tx on March 31, 2010 at 8:23 PM

Does anyone think that the unspent portion of Porkulus won't disappear at a rate increasing in proportion to the time left 'til election day?

hillbillyjim on March 31, 2010 at 7:40 PM

This was always the plan...it was so obvious from the way the spending was spaced out, even before passage.

I really, really dislike these people.

Missy on March 31, 2010 at 8:33 PM

There are 250 Dems and 180 Reps in the house. Since stimulus money was nothing more than a) a slush fund for Dems and b) a pork extravaganza, it stands to reason that Dem districts got more.

Not that I agree with it, but come on people, it's how earmarks and crap like that works.

angryed on March 31, 2010 at 8:37 PM

I thought that these Socialists in charge were very interested in the *equitable* distribution wealth....? If their ultimate goal is "**equality**" then they have a funny way of showing it......Then again, some people are *more equal* than others....

Dick Turpin on March 31, 2010 at 8:41 PM

There is a perfectly good reason. Districts run by Democrats need more stimulus money because they are complete hell-holes. Why? Because they are run by Democrats.

AaronGuzman on March 31, 2010 at 8:45 PM

Jason matter asks sen smalley a q thread gets at least ten axleturd trolls. This post gets none. Hmmm

daesleeper on March 31, 2010 at 8:57 PM

Analysis: Democratic districts getting much more stimulus money than Republican ones

No need to state the obvious.

BobMbx on March 31, 2010 at 9:00 PM

Practically speaking, democratic districts are run down compared to republican districts. Take Detroit, please vs nearby Oakland county, a GOP stronghold, so yeah one could say the money went where needed.

Once upon a time the distress was blamed on white-flight, but we know better, those failures can be blamed on dumb*** progressive policies.

In any case, I'm all for districts standing or falling on their own fiscal experiments and let others learn from the examples. Why should I bail out a slum pit like Detroit?

AH_C on March 31, 2010 at 9:13 PM

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AH_C on March 31, 2010 at 9:13 PM

Beat me to it. I was thinking as I read Allah's Synopsis was that he and others were missing the obvious.

Democrat districts are already sucking on the government teat. However, milk has been so watered down it

doesn't provide enough nutrients to sustain life. Therefore, the districts need to feed more and more just to survive. No matter how much they suck from the teat, the milk has the opposite effect and instead of the districts growing and getting stronger, the district actually grows leaner and weaker the more it feeds.

PrettyD_Vicious on March 31, 2010 at 9:48 PM

Democratic districts getting much more stimulus money than Republican ones

Unexpected.

BacaDog on March 31, 2010 at 10:30 PM

I really, really dislike these people.

Missy on March 31, 2010 at 8:33 PM

As well you should.

I don't care much for them myself.

hillbillyjim on March 31, 2010 at 10:57 PM

Democrat districts are getting more money because those are districts where democrat policies are ruining their economies.

Look at Michigan, Illinois, New York, California...those states are bankrupting and they are also some of the heaviest democrat leaning areas.

The real question becomes how long does flyover country keep bankrolling the east and west (or left and left) coasts before they get sick of the hope and change.

Opportunity Costs on March 31, 2010 at 11:20 PM

By the way, the number who say he deserves "a great deal" of blame for America's economic problems is now up to 26 percent. The numbers for Bush? 42 percent. Gulp.

Number of dummies in this land, precisely 53%.

Schadenfreude on April 1, 2010 at 1:39 AM

I'm sure this is purely coincidental, or maybe a simple oversight at worst.

(rolls eyes)

Cylor on April 1, 2010 at 4:22 AM

It was always a buy partisan stimulus package not a bipartisan stimulus package. Just like the dealership closures for GM & Chrysler. What districts were favored then? Let's check in with Mr BFD, what say you Joe Biden?

Americannodash on April 1, 2010 at 4:45 AM

Apparently they missed Michigan because we haven't gotten squat here! The state with the highest unemployment and biggest job losses hasn't gotten a pot to pee in from that stimulus behemoth.

flytier on April 1, 2010 at <u>6:30 AM</u>

I wonder what would happen if a city like Detroit had a modern land rush. Reduce business start up costs and property taxes and let people come in on the land for free and rehab the place.

PattyJ on April 1, 2010 at 11:17 AM

Daily winner of the Captain Renault award.

Mass Victim on April 1, 2010 at 11:47 AM

Or funding by congressional district happens to give more funding to those districts that also happen to be the State Capitol. The funding is in order of size and state capitol....funny

Oooops...

http://www.fivethirtyeight.com/2010/04/study-claiming-link-between-stimulus.html

NextGen on April 1, 2010 at 1:30 PM

I suppose we need a look at those 'formulas'. Written into deemonrat legislation perhaps?

2ipa on April 1, 2010 at 1:48 PM

What did you expect, Allahpundit? A clean and honest government by the socialists? Power corrupts; power and money to spend corrupts many times over.

Later this year, watch money flow to Democrat congressional candidates. Between census games and money to buy people, the socialists aim to keep power.

Phil Byler on April 1, 2010 at <u>6:19 PM</u>

Comment pages: