

Obama administration boosts bureaucracy for 1970s-era liberal programs, say stimulus critics

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Democrats initially sold the Recovery Act as an attempt to resuscitate an economy on the brink of collapse. But a year later critics contend a large slice of the bill's \$500 billion in spending has been used to bolster federal programs that appeal to liberal interest groups.

Along with significantly increasing funding for established federal programs such as Pell Grants and providing financial aid to states and municipalities, the stimulus pumped resources into a number of smaller programs and agencies while assigning them much greater responsibility. Agencies dealing with education, energy and telecommunications saw some of the largest increases in their bureaucratic footprints.

For example the Office of Electricity Delivery, a moderately sized office in the Department of Energy, was slated to receive \$100 million in its budget for fiscal 2009 before the stimulus tasked the staff with distributing an additional \$4.5 billion in grants aimed at modernizing the electric grid. Similarly, the Office of Environmental Management received double its annual budget (\$6 billion) via the Recovery Act while the Office of Energy Efficiency and Renewable Energy was given \$16.8 billion, more than eight times its annual budget.

"These programs show that the administration and Congress intended to use the economic 'crisis' as an excuse to fund pet big government programs to a degree that they wouldn't have been able to through the traditional appropriations process," said Tad DeHaven, a budget analyst at the Cato Institute.

With so much of the stimulus money being distributed in the form of grants, awarding them has created a backlog of work for staff in agencies designed to operate on a much smaller scale. In the fall an employee with the Energy Department [called distributing the money](#) ^[1] a daunting task for most offices.

The alternative energy industry was probably the biggest winner among liberal causes, as the stimulus not only establishes billions in research grants and loan guarantees but also significantly expands the number of agencies concerned with "green" causes. The stimulus included \$5 billion for the weatherization of modest income homes, a program that previously received \$300 million per year. Two billion more will go to grants for battery research and NASA received billions to research climate change.

Ben Lieberman, a senior policy analyst for energy at the Heritage Foundation, said most of the programs funded in the stimulus, such as weatherization and green jobs, originated in the 1970s. "They're reviving old ideas but throwing a lot more money at them," Lieberman said, adding that other agencies are latching onto global warming in order to maintain their funding levels. "NASA's interest in global warming is increasing because the taste for expensive space exploration has declined. "

Conservatives are concerned that by creating or expanding so many programs related to liberal causes the Obama administration has created a powerful bureaucratic infrastructure that will be difficult to eliminate or pare back even after the initial goals are met.

"It was Milton Friedman who said that 'Nothing is so permanent as a temporary government program.' When a new program is created a special interest is also created," DeHaven said. "This special interest will then spend time and money making sure that Congress keeps their program funded. The interests of taxpayers quickly becomes an afterthought, if they're thought of at all."

The stimulus significantly increases the federal government's presence in a number of other areas including the expansion of broadband coverage, the adoption of electronic health records and the promotion of passenger rail service. Most of that funding will come in the

form of federal grants, which Lieberman criticized as the government “picking winners and losers.”

“Green jobs are fine if they happen through marketplace. Businesses that pay own energy bills have incentive to be efficient,” Lieberman said. “But when the government gets involved, it creates inefficiencies. You’re not going to encourage efficiency through the government.”

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[1] called distributing the money:

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