



January 14, 2009

An Open Letter to the United States Congress and President-elect Obama: Instead of “Shovel-Ready” Spending, Focus on “Ax-Ready” Waste

Dear President-elect Obama and Members of Congress:

In the debate over how best to stimulate the American economy, many have claimed that governments should pour money into so-called “shovel-ready” infrastructure projects. But before elected officials spend money that they must necessarily tax out of the private economy, borrow, or create out of thin air in order to fund earmark giveaways, they should focus on eliminating the billions of dollars of waste that now litter the federal budget. Just as it would make no economic sense to pay someone to dig a ditch and then fill it back in, it doesn’t make sense to spend scarce tax dollars on wasteful and inefficient programs – especially in difficult times such as these.

In the interest of fostering a rational debate over Washington’s priorities, both the National Taxpayers Union (NTU) and Council for Citizens Against Government Waste (CCAGW) maintain extensive lists of programs that could be cut and legislation that would reduce spending. We target programs that are either ineffective or duplicative, as well as activities best left to state and local governments or the private sector.

CCAGW’s research arm, Citizens Against Government Waste (CAGW), released “Prime Cuts 2009” this week, a database containing 700 spending cut recommendations across the entire federal budget totaling \$1.9 trillion over five years. It includes the elimination of duplicative and inefficient ventures such as the Market Access Program, which is funneling \$231 million over five years to some of the largest and most profitable American companies for advertising abroad. “Prime Cuts” also makes tough calls, like canceling the NASA Mars Initiative, saving \$11.5 billion over five years. It is available from CAGW staff or at www.tinyurl.com/primecuts09.

NTU’s research arm, the National Taxpayers Union Foundation (NTUF), has through its BillTally project compiled a list of legislation in the 110th Congress that would have reduced outlays dramatically. Just one example is H.R. 5957, which would have eliminated \$35 billion worth of agricultural subsidies over five years. NTUF also keeps a roster of 2,150 spending cut bills introduced in the last nine Congresses that totaled over \$9.5 trillion, only 69 of which were eventually signed into law (for a savings of \$89.6 billion). Furthermore, NTU reviewed data from the Bush Administration’s Program Assessment Rating Tool, which found that nearly 220 programs in 2007 were ineffective or did not demonstrate results. This research is available from NTU staff or at www.tinyurl.com/cutbills.

This is an extraordinarily trying time for American families, many of whom are struggling to make ends meet in their own household budgets. Instead of lavishing these Americans’ hard-earned tax dollars on thousands of “shovel-ready” pet projects, Congress and the Administration should scrub the federal budget of the hundreds of wasteful “ax-ready” programs that already exist.

Sincerely,

Duane Parde
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National Taxpayers Union

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President
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