

What the \$862 Billion Stimulus Bought

This is not the usual kind of research project that I provide for you. But, when I stumbled on this one, I was astounded. Where are we headed? The future for America appears very bleak!
—vf

When Congress passed the \$862 billion *American Recovery and Reinvestment Act* in 2009, otherwise known as the stimulus bill, it passed with assurances that it would stem the loss of American jobs and keep the economy from floundering. As most can see, it hasn't.

It's been over a year since the law's passage, millions of jobs are still gone and the economy is as uncertain as ever. The only thing getting a boost is our national debt. —The stimulus has helped push it 23 percent higher, to \$13.2 trillion, a new record.

The dramatic increase in government spending has not shortened the nation's unemployment lines.

According to the Bureau of Labor Statistics, the unemployment rate in June 2010 was 9.5 percent, which is essentially the same as June of last year. Many economists are forecasting that the debt incurred to pay for these projects increases the risk of a greater economic downturn in the near future.

Recently, the *Government Accountability Office (GAO)* did some investigation into Obama's "stimulus money." The official report is dated July 2010. Here is part of what the GAO discovered:

Obama's stimulus plan, which you and your descendants will pay for, helped pay the home air conditioning bills for more than 11,000 dead people, 1,100 federal employees, and 725 convicts in fiscal year 2009 alone.

The payments were made by a \$5 billion program, known as the *Low-Income Home Energy Assistance Program (LIHEAP)*. LIHEAP is designed to provide federal assistance, administered by the states, to help people pay the energy bills to heat their homes in the winter and cool them in the summer. The funds are disbursed by the *Department of Health and Human Services*.

The GAO examined the LIHEAP programs in seven states: Virginia, Maryland, Ohio, New York, Illinois, Michigan, and New Jersey. According to its

official report, the agency found evidence of fraud in each state.

The California Academy of Sciences is receiving nearly \$2 million to send researchers to the Southwest Indian Ocean Islands and east Africa, to capture, photograph, and analyze thousands of exotic ants.

The photographs of the ants—over 3,000 species' worth, according to the grant proposal—will be posted on AntWeb, a website devoted to organizing and displaying pictures and information on the world's thousands of ant species.

The project's goals are, to the lay person, both laudable and arcane: In addition to "foster[ing] . . . a large pool of ant taxonomists," it also strives to document "the vast majority of ant species known from [Africa]."

Weather Predictions for Other Planets (San Antonio, TX) - \$298,543 Want to know if it's going to rain this week on Venus? According to scientists at the Southwest Research Institute (SWRI) in Texas, you absolutely do. So the government has given them nearly \$300,000 in stimulus funds to satisfy the American taxpayers' profound need for interplanetary weather info. "The atmospheric forecasting of weather and climate on other planets has great public appeal," insist the SWRI researchers in their grant summary. Therefore, they will boldly go where few meteorologists have gone before: the lower atmosphere of Venus. (They're just the folks to do it, too; they boast of their expertise in "the atmospheres and exospheres of Mercury, Venus, the Moon, Io, Titan, comets, Chiron, Triton, Pluto, and the Jovian planets.") How will you, the U.S. taxpayer, learn of the results? SWRI's findings will find a home in "popular publications, museum presentations, and radio shows," the researchers wrote.

Monkeys Get High for Science (Winston-Salem, NC) - \$144,541 The Department of Health and Human Services has sent the money to the Winston-Salem college to see how monkeys react under the influence of cocaine. The project, titled *Effect of Cocaine Self-Administration on Metabotropic Glutamate Systems*, would have the monkeys self-administer the drugs while researchers monitor and study their glutamate levels. When

2 asked how studying drug-crazed primates would improve the national economy, a Wake Forest University Medical School spokesman said, "It's actually the continuation of a job that might not still be there if it hadn't been for the stimulus funding. And it's a good job."

Two Riders an Hour Get Brand New Buses (Winter Haven, FL) - \$2.4 million Winter Haven Area Transit (WHAT) buses carry two to three riders per hour, according to the City Commission's liaison to the Transit authority. While that may be a bit of an undercount, according to the Transit Authority, City Commissioner Jamie Beckett is "not convinced we need 40-foot buses for two or three riders an hour." All the same, the town is getting five new buses for its fleet, thanks to more than \$2.38 million stimulus dollars. The entire WHAT budget for fiscal year (FY) 2009 was only \$60,000; and, for FY 2010, it was only \$110,000. Yet the average cost of the new buses will be \$380,000.

Studying the Effect of Local Populations on the Environment in the Himalayas (Ann Arbor, MI) - \$529,648 The U.S. Department of Health and Human Services has awarded researchers at the University of Michigan a grant to study the "reciprocal relationship between population processes (marriage, fertility, and migration) and the environment (land use cover, vegetation abundance, species diversity, and consumption of natural resources) *in the foothills of the Nepalese Himalayas.*" What this relationship means to the population of American taxpayers halfway around the world is less clear. In 2007, researchers received a five-year grant for essentially the same project, worth almost \$2.5 million, from the National Science Foundation.

Eighth Rock from the Sun (Berkeley, CA) - \$456,663 Researchers at the University of California, Berkeley, are putting nearly a half million dollars of stimulus funds toward getting a better understanding of the global circulation in the atmosphere of Neptune. One area in particular that will be examined is the altitude of clouds on the planet. Results will be compared with previous analysis from the Voyager era when, coincidentally, the unemployment rate was lower.

Airport Receives \$800,000 to Improve Wildlife Fence (West Lafayette, IN) - \$665,880 Incidents of wildlife strikes at the Purdue University Airport in West Lafayette, Indiana, are extremely rare; but that didn't stop stimulus money from be-

ing used to fix the problem. Without a commercial carrier for more than six years, the airport has only had 14 reported incidents of an aircraft striking wildlife since 1990, of which thirteen were birds. Officials also suspect that an airplane may have struck a skunk in 2006. Yet, the airport will be replacing its entire current eight-foot perimeter fence with an eleven-foot fence, using a Federal Aviation Administration (FAA) grant worth over \$665,000. In 2004, the FAA issued guidance recommending airports have a 10-12 foot fence to keep deer off aircraft movement areas, with the exception that "in some cases an airport may be able to use an 8-foot chain link fence with 3 strand barbed outriggers, depending upon the amount of deer activity." There have never been any reported deer incidents at Purdue Airport.

Field Trip to Study Dinosaur Eggs . . in China (Bozeman, MT) - \$141,002 This past spring, nine students from Montana State University (MSU) were given a six-week, all-expenses-paid trip to China, funded by the National Science Foundation. MSU received a grant to send students to work with researchers at the Natural History Museum in Hangzhou, studying various dinosaur eggs and other fossils.

Stimulus Funds Going to the Dogs (Ithaca, NY) - \$296,385 Cornell University scientists have received \$296,385 in stimulus funds to study "dog domestication." Researchers believe that there is common understanding of where dogs descended from, but the progression from there to Lassie "is poorly understood." The new study "will likely challenge current theories of dog origins and develop village dogs into a useful system for the study of domestication, speciation, behavior, and morphology."

A Better Way to Freeze Rat DNA (Columbia, MO) - \$180,462 For many years, scientists have found laboratory rats to be good test subjects for studying human disease. One problem, however, is that once you deep-freeze rat sperm, it apparently becomes less useful when unfrozen. Solution? Study the freezing process for rat sperm. Calling it an "urgent need," scientists at the University of Missouri received stimulus funds "to develop freezing protocols for epididymal rat sperm, which would allow reconstitution of genetics by using standard artificial insemination and in vitro fertilization methods." The scientists note that "[o]ver the last few years, our laboratory has generated ample amount of data related with optimal sperm handling."

The Wheels on the Stimulus Go Round and Round (Clearfield, PA) - \$1.4 million Fullington Auto Bus Company provides luxury tours to destinations, such as Penn State football games, and has recently been the recipient of more than a million dollars in stimulus funding. The company plans to purchase a brand new 57-passenger luxury bus to add to its 50 luxury motorcoach fleet; the new luxury bus is expected to transport passengers from Harrisburg to a handful of small towns across the state of Pennsylvania. Carrying a \$500,000 price tag, the local bus officials touted this as the “future of inter-city transportation.” It has seat belts, electrical outlets, Wi-Fi, personally controlled air vents, and closing overhead storage bins available for use.

Here are several more examples of how Obama’s “stimulus money” is an enormous waste:

\$5 million to create a geothermal energy system for a shopping mall in Tennessee. **The mall is over half empty of tenants and has had falling shopper attendance for years.**

\$1.57 million to Penn State University **to study fossils in Argentina.**

\$100,000 **to a puppet theater** in Minnesota.

\$2 million **to build a replica railroad** tourist trap in Carson City, Nevada.

A boat cruise company in Chicago got almost \$1 million to “combat terrorism.”

\$500,000 went to Arizona State University **to study ant genetics.**

Another \$450,000 went to the University of Arizona **to study ants.**

Almost \$400,000 went to the University of New York **to pay students to drink beer and smoke marijuana** for a study there.

\$219,000 to the *National Institute of Health* to study **if young people “hook-up” after getting drunk.**

\$210,000 to the the University of Hawaii **to study bees.**

\$700,000 to crab fishermen in Oregon **to pay for lost crab pots.**

\$5,000 a person tax rebate **if you buy a new electric golf cart.**

Up to \$1 million went to prisoners, each with a \$250 stimulus check.

\$54 million to a New York Indian tribe **to run its casino.**

\$1 billion for a power plant in Mattoon, Illinois, that is based on speculative science **and may not even work.**

\$15 million to **back-road bridges that get little traffic** in Wisconsin.

\$800,000 for a practically **unused airport** in Pennsylvania.

\$3.4 million for an **animal walkway** under a road in Florida.

\$1.15 million to **install a guardrail for a lake that doesn’t even exist** in Oklahoma.

\$10 million **to renovate a rail station that has stood unused for a decade.**

\$578,000 to Union, New York, **to battle homelessness, even though the town says they have no homeless people** there.

\$233,000 to the University of California **to study why Africans vote—in Africa.**

\$2 million **to build a new firestation in a Nevada town that has no firemen.**

North Carolina schools got \$4.4 million **for literacy and math coaches—to teach their teachers.**

\$54 million for a railroad project in Napa Valley **went to a minority owned company that then hired a local construction company for half the price, pocketing the rest.**

A California company was given \$15 million in stimulus money **to monitor water quality in a stream it was under indictment for polluting** previously.

I’m sure that no small business has money to waste on boondoggles like these—but they are being taxed to pay for the government to do it! And that leaves less money for them to create jobs.

Obama’s spending spree is about one thing and one thing alone—buying votes from the constituencies that voted for him, so that they’ll vote for him again. That’s why public sector employment, public sector salaries, and public sector benefits are all up during this massive recession, while *millions* of jobs have been lost in the private sector.

On August 3, 2010, Republican Senators John McCain (AZ) and Tom Coburn (OK) released a report profiling 100 stimulus projects they say represent the failings of the stimulus package.

The *American Recovery and Reinvestment Act* “passed with assurances that it would stem the loss of American jobs and keep the economy from floundering,” reads the introduction of the report, *Summer Time Blues: 100 Stimulus Projects that Give Taxpayers the Blues during the Summer of Recovery.* “As most can see, it hasn’t.”

The projects spotlighted represent just a tiny percentage of the more than 70,000 stimulus projects underway. Coburn said at a press conference, however, that the point of the report is to show

4 that the stimulus is an immense waste of money. **The program, he said, has raised the national debt while funding inappropriate projects.**

The report highlights projects funded by the stimulus—such as a water park in New York, research into whether yoga can reduce hot flashes, and a sidewalk in Boynton, Oklahoma that leads into a ditch.

McCain said, “The question should be posed, how many jobs did this create? And obviously with these projects, little or none.”

McCain and Coburn’s report argues that the current unemployment rate, which is close to 10 percent, shows that the stimulus has proven to be a mistake.

“What’s the price we have paid for future generations of Americans?” McCain said today. **“A \$1.1 trillion additional debt.** That, in my view, overwhelmingly negates any positive effects that it may have had initially.”

Millions in Stimulus Spending Being Doled Out for Questionable Jobs, February 4, 2010, FOXNews.

Federal agencies are spending stimulus money at the rate of \$196 million an hour. And they will do so every hour for the next eight months until a September 30, 2010, deadline.

“When you put that kind of money out the door that fast, **there’s a possibility of \$55 billion dollars of waste, fraud, and abuse connected with it,**” Sen. Charles Grassley, R-Iowa, said Thursday before a Senate Finance Committee hearing examining **the lack of oversight in the \$878 billion dollar economic stimulus bill passed a year ago.**

Grassley said he fears much of the money is going to some individuals and businesses that don’t qualify for it and projects that do not serve taxpayers’ best interests. Judge for yourself:

- **\$233,000 to the University of California at San Diego to study why Africans vote.** Jobs created: 12, but seven of those are Africans in Africa.

- In Nevada, **\$2 million in stimulus money to build a new firestation; but,** because of budget cuts, **the county can’t afford to hire firefighters to work in the new firestation.**

- Penn State University got **\$1.5 million to study plant fossils in Argentina.** Of 5 jobs created, 2 belong to Argentines.

- Researchers at the State University of New York in Buffalo got **\$389,000 to pay 100 Buffalonians \$45 each to record how much malt liquor they**

drink and how much marijuana they smoke each day. Consumption is then reported via an automated phone hotline. Cost per job: almost \$200,000.

- The Obama administration is spending **\$5 billion to weatherize homes. But one Texas county spent \$4 million to weatherize just 47 homes. That’s \$78,000 per house.** Each retrofit is supposed to save homeowners \$500 a year in energy costs. That means taxpayers will recoup their investment in 156 years, long after the home is probably torn down.

- Two Arizona universities got almost **\$1 million dollars, so 3 grad students can study how ants work.** That’s more than \$300,000 per job.

- Companies that raise tropical fish, shellfish, catfish, alligators, and even turtles qualify for **\$50 million in tax money to buy fish food.**

Take the Napa Valley Wine Train. **The county received \$54 million to build a railroad bridge,** relocate a half-mile of track, and build a flood wall to protect a wine train passenger station. The no-bid contract went to a minority owned business operated by an Eskimo tribe outside Anchorage.

The company then hired a real construction company for a fraction of what they were paid by the government to actually do the work. The tribe’s CEO has no construction experience. His last business, a website for sailors, went bankrupt after spending \$13 million in investor money.

“That wine train is sort of the perfect storm of practically all of the things that are wrong with government contracting,” said Danielle Brian, director of the *Project on Government Oversight*.

Other dubious contracts include:

- **\$6 million in stimulus money to a California contractor who was already under federal investigation** for overcharging San Diego for cleanup after the 2007 wildfires.

- **A Denver developer received \$13 million in tax credits** to help build a senior housing complex **despite being sued as a slumlord for running decrepit, rodent-infested apartment buildings** in San Francisco.

- Kentucky gave **\$24 million to a contractor on trial for bribery.**

- An aerospace company received **\$15 million to monitor water quality in a Ventura County creek it was already fined for polluting.**

Some inspectors general are spending less than one percent of stimulus expenditures on oversight.