

28 January 2010


Today's Tabbloid

PERSONAL NEWS FOR craig.kirchoff+fisccon@gmail.com

FISCALLY CONSERVATIVE BLOG FEEDS

ATRF Analysis: Prevent Repatriation Of Earnings In Certain Cross-border Reorganizations [Americans for Tax Reform]

JAN 27, 2010 05:06P.M.

This is part of an on-going series by Americans for Tax Reform Foundation analyzing the effects of proposed changes to international tax law. Click here to view the rest of the series: [Current Law &...](#) 

FISCALLY CONSERVATIVE BLOG FEEDS

That's Quite a Multiplier [Cato at Liberty]

JAN 27, 2010 05:05P.M.

By Sallie James

Via Cato's Director of Government Affairs, Brandon Arnold, comes this [\$] bold claim by the *National Journal's Congress Daily* (although, to be fair, they are just quoting a press release):

U.S. wheat promotion programs increase sales more than programs for other grains and agricultural products, according to an analysis of wheat export programs released this week.

The study by Cornell University professor Harry Kaiser showed that for every dollar spent on wheat promotion, U.S. producers get \$23 back in increased net revenue, Kaiser told U.S. Wheat Associates, which commissioned the study.

With that sort of return on "investment", the U.S. government should devote all of its revenue to wheat promotion as an ultra-quick revenue raising measure. Right after they've bought the swampland in Florida that the U.S. Wheat Associates has to sell them.


Alternatively, since it is such a great deal, perhaps U.S. Wheat Associates

should pick up *all* of the tab for the program, instead of saddling U.S. taxpayers with half the cost. 

FISCALLY CONSERVATIVE BLOG FEEDS

Updated: How Much Does It Cost To Hire a New Federal Employee? [Americans for Tax Reform]

JAN 27, 2010 03:48P.M.

When politicians claim that they will save money by "in-sourcing" federal functions from contractors, or will respond to some new need by expanding the federal workforce, that has a cost t... 

FISCALLY CONSERVATIVE BLOG FEEDS

Wednesday Links [Cato at Liberty]

JAN 27, 2010 03:43P.M.


By Chris Moody

- Cato experts will live-blog Obama's State of the Union Address tonight. Join in, submit questions, and watch the speech right here on Cato@Liberty at 9:00 PM EST.
 - A quick, ten-point libertarian State of the Union Address.
 - One "Great Canard": Federal Reserve Chairman Ben Bernanke argues that the Fed's monetary policy was not responsible for the U.S. housing bubble.
 - About that non-discretionary spending...
 - Podcast: "Obama's Fiscal Right Fake" featuring Chris Edwards. 
-

FISCALLY CONSERVATIVE BLOG FEEDS

Ghost of Tim Kaine Seeks to Raise Price of Spirits [Americans for Tax Reform]


JAN 27, 2010 02:28P.M.

On the campaign trail, Gov. Bob McDonnell proposed a terrific idea to bring the Commonwealth of Virginia additional revenue: privatize state-run liquor stores. In 2002, the Wilder Commission e... 

FISCALLY CONSERVATIVE BLOG FEEDS

Seven Prudent Reforms Tackling Our Nation's Over-Spending Problems [Americans for Tax Reform]

JAN 27, 2010 01:37P.M.

[PDF Document] On the eve of President Obama's State of the Union speech, and as the U.S. Senate continues to deliberate on amendments to the bill to raise the Federal debt ceiling yet again, h... 

FISCALLY CONSERVATIVE BLOG FEEDS

President to Call for Big New Ed. Spending. Here's a Look at How that's Worked in the Past [Cato at Liberty]

JAN 27, 2010 01:15P.M.

By Andrew J. Coulson

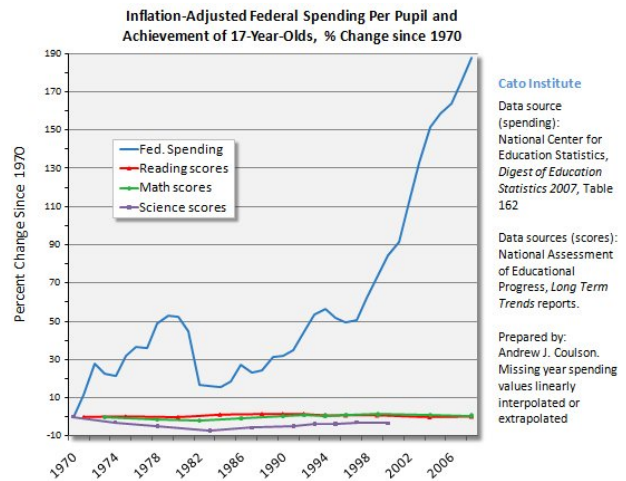
According to the *Washington Post*, "President Obama will propose a major increase in funding for elementary and secondary education for the coming year in Wednesday's State of the Union address." This, "senior White House aides said... fits into a broader effort by the administration to focus scarce resources on the nation's long-term economic health."

Give kids a better education and they'll be more successful when they ultimately enter the workforce. Sounds plausible enough. And if you dig into the scholarly research you find that, lo and behold, it's actually true.

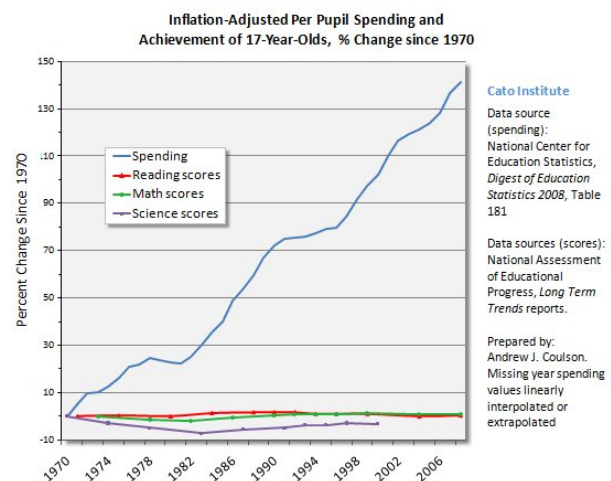
Nations that improve student achievement the most end up with faster economic growth.

But that leaves us with one important question: **does higher government education spending raise academic achievement?** At the risk of stepping on Ross Perot's toes, let's pull out the charts.

The first chart, below, shows the relationship between federal spending (adjusted for inflation) and the academic achievement of 17-year-olds since 1970. [The final years of high school are the decisive ones in this case, because we want to know how well our k-12 system has prepared kids for college and the workforce.]



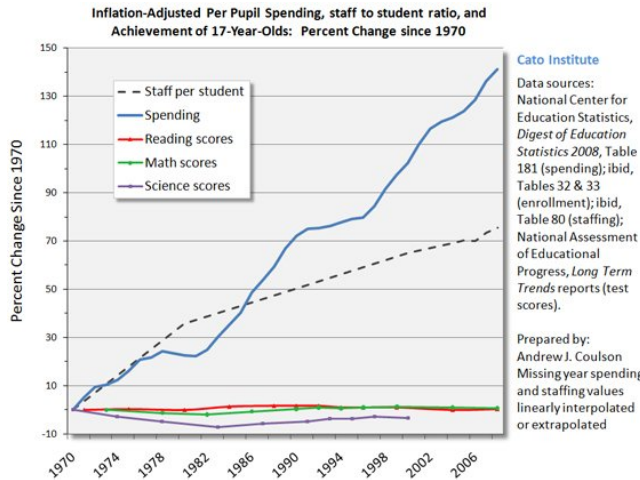
At first blush, there doesn't seem to be much of a relationship between federal spending and student achievement—and so it looks like President Obama is barking up the wrong tree from a policy standpoint. But what if state and local education spending have been falling just as federal spending has been rising, nullifying its effects? After all, we read every day in the newspaper about how public schools are starved for funds. So our next chart tooks at *total* expenditures per pupil and student achievement:




Hmm. As we see here, total expenditures per pupil are nearly two-and-a-

half times higher today than in 1970, after adjusting for inflation, while student achievement toward the end of high school has been flat or has even declined slightly (in science).

You may be wondering: "What *did* we get for that huge increase in spending?" The answer is: a lot more public school employees. The next chart adds an extra trend line to the one above: the number of public school employees divided by the number of students enrolled. This ratio of staff to students has gone up by 70 percent since 1970, swelling the ranks of the public school employee unions to about 4.5 million people.




What can we conclude from the above charts? By calling for a big increase in government education spending as a way to boost the U.S. economy, the president is doubling down on a bet that has already been lost, repeatedly, by his predecessors. Love isn't the only thing money can't buy. It can't buy you an improved public school system either. And by extension, higher government education spending won't buy you a better economy.

If the president goes ahead with his plan to spend billions more on public schooling, he'll be driving this country deeper into debt for no good reason at all... unless of course you consider swelling the ranks of the public school employee unions a good reason. 

FISCALLY CONSERVATIVE BLOG FEEDS

State of the Union: Time to play Obama BINGO! [Americans for Tax Reform]

JAN 27, 2010 12:29P.M.

Back by popular demand: Obama BINGO! To help you get through the State of the Union address on Wednesday night, Americans for Tax Reform once again presents Obama BINGO! Use the... 

FISCALLY CONSERVATIVE BLOG FEEDS

Club for Growth Asks Sen. Bennett, Gov. Crist to Sign Repeal It! Pledge [The Club for Growth]

JAN 27, 2010 12:15P.M.

WASHINGTON S COMMITTEE. 202-955-5500. 

FISCALLY CONSERVATIVE BLOG FEEDS

Double-Teaming the State of the Union [Cato at Liberty]

JAN 27, 2010 12:07P.M.

By David Boaz

While my colleagues are live-blogging President Obama's speech right here tonight, I'll be talking about the speech both before and afterward with Neal Cavuto and John Stossel on the Fox Business Network.

You have a computer AND a television; you can watch both. 

FISCALLY CONSERVATIVE BLOG FEEDS

SPECIAL EDITION OF CNBC's KUDLOW REPORT TONIGHT [Larry Kudlow's Money Politic\$]

JAN 27, 2010 12:05P.M.



This evening at 7pm ET:

OBAMA'S STATE OF THE UNION ADDRESS

- A pro-growth message or more bank bashing?
- Will his course correction have credibility?

Our special Washington guests this evening include:

- *Sen. John Thune (R-SD)
- *Rep. Paul Ryan (R-WI)
- *Rep. Mike Pence (R-IN)

WASHINGTON TO WALL STREET DEBATE

- What's the stock market angle?
- The economy...taxes, business & jobs

Panel:

- *Michael Farr, president of Farr, Miller & Washington
- *Steve Moore, Sr. Economics Writer for the Wall Street Journal Editorial Board; "The End of Prosperity" Co-Author
- *Michelle Girard, Managing Director & Sr Economist RBS Global Banking & Markets
- *Jerry Bowyer, CNBC Contributor/Syndicated Columnist
- *David Goodfriend, Fmr. Clinton W.H. Official; "Left Jab" Co-Host; Air America Co-Founder; Fmr. Staffer to Rep. Charles Rangel & Sen. Herb Kohl

Please join us. *The Kudlow Report*. 7pm ET. CNBC. 

FISCALLY CONSERVATIVE BLOG FEEDS

Wednesday's Daily News [The Club for Growth]

JAN 27, 2010 10:31A.M.

If you 500 Index. 

FISCALLY CONSERVATIVE BLOG FEEDS

A 10-Point, Libertarian, SOTU Address [Cato at Liberty]

JAN 27, 2010 10:03A.M.

By Jeffrey A. Miron

1. Abandon Obamacare
2. Forget Cap and Trade
3. Reject the Card Check Bill
4. Withdraw from Iraq and Afghanistan
5. Legalize Drugs
6. Scrap the tax code and replace with a flat tax.
7. Expand free trade and immigration.
8. Stop the bailouts
9. Cut spending
10. Cut spending

BONUS - Cut spending 