

Red State Socialism and the Politics of the Stimulus

By Jon Perr
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In just their latest posturing for the 2012 Republican presidential race, governors [Sarah Palin](#) (R-AK) and [Mark Sanford](#) (R-SC) joined Texas' Rick Perry, Mississippi's Haley Barbour and Louisiana's Bobby Jindal in announcing they would reject some of the federal stimulus funds allocated to their states. But as the steady one-way flow of [tax dollars](#) and [earmarks](#) spreading the wealth from Washington to their states shows, de facto red state socialism is alive and well.

State	Federal Spending per Dollar of Federal Taxes	Rank
New Mexico	\$2.03	1
Mississippi	\$2.02	2
Alaska	\$1.84	3
Louisiana	\$1.78	4
West Virginia	\$1.76	5
North Dakota	\$1.68	6
Alabama	\$1.66	7
South Dakota	\$1.53	8
Kentucky	\$1.51	9
Virginia	\$1.51	10

As a [2007 analysis](#) (above) of federal spending per tax dollar received by state shows, the reddest states generally reaped the most green. Eight of the top 10 beneficiaries of federal largesse voted for John McCain for President. Unsurprisingly, all 10 states at the bottom of the list - those whose outflow of tax revenue is funding programs elsewhere in the country - all voted for Barack Obama in 2008.

The numbers for Sarah Palin's Alaska are particularly telling. While [Palin declared](#) she would reject \$288 million (31%) of the \$931 million funds allocated for schools, energy assistance and social services, her state [led the nation](#) in earmark dollars received per capita in the omnibus spending bill just passed. (Alaskans got almost \$210 per person in earmarks, while Californians got \$16 and New Yorkers \$13 in comparison.) Overall, Alaska ranks third in the federal gravy train, taking in \$1.84 from Washington for each dollar sent there.

[Bobby Jindal's Louisiana](#) also gets a pretty sweet deal from taxpayers around the United States. Jindal's home rates #4 in pocketing federal spending per tax dollar contributed, just behind [Haley Barbour's Mississippi](#) (#2) and Palin's Alaska. (In all likelihood, the massive spending of the Hurricane Katrina recovery effort may have moved Louisiana to number one since this 2005 data was compiled.) Foregoing \$98 million in funds designated for

unemployment insurance out of \$3.5 billion set aside for his state won't be a sacrifice for Bobby Jindal. For the residents of his state, that is another matter altogether.

After the Obama Office of Management and Budget refused [South Carolina](#) Governor Mark Sanford's request to use \$700 million to pay down the Palmetto State's debt, Sanford confirmed he would [refuse those funds](#) altogether. (Ironically, Sanford, too, is rejecting intended to provide extended unemployment benefits in a state where joblessness is a staggering 10.4%.) Still, [Sanford will take the rest](#) of the \$2.8 billion headed for South Carolina, which already receives \$1.35 from DC for every tax dollar paid.

Alone among the Republican refuseniks in leading a state which is a net contributor to federal coffers is [Texas Governor Rick Perry](#). While Perry has threatened to turn down \$555 million in unemployment benefits from the \$787 billion ARRA recovery package, Texas at least gives more to the U.S. Treasury than it receives in return. Ranking 35th, the Lone Star State gets back only 95 cents on its tax dollar. (That will come as welcome news to Texas secessionist [Chuck Norris](#).)

None of which is to suggest that there is anything untoward or inappropriate in the underwriting of red states by blue ones. On the contrary. After all, many of these Republican states are home both to key defense contractors and military bases which help ensure U.S. national security. Just as important, Americans nationwide want to provide the funding and resources for the education, health care and anti-poverty programs their red state brethren badly need - and deserve.

So while Palin, Perry, Jindal, Sanford and Barbour vie for the crown of mythical fiscal conservative, most Americans want them to just take the stimulus money. (Sadly, a [report from the CBO](#) this week suggests that state legislature may not have the constitutional authority to override them.) No doubt, most of the residents in their own states feel the same way.

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