

tally friendly. Of course by 'change', the President really wants to make sure those who put him in office receive the proper paybacks. There is a current law called the *Green Jobs Act* that only allows union members to be eligible for training grant funding. The only people who can perform these new 'green jobs' are those who are trained to do so; and according to law, the only organisations who can receive federal funding for this training must partner with an organised labour union. The *Green Jobs Act* states that:

(ii) *ELIGIBILITY- To be eligible to receive a grant under clause (i), an entity shall be a non-profit partnership that—*

*(I) includes the equal participation of industry, including public or private employers, and labor organizations...*

This provision directly stifles competition by excluding non-union workers, giving those affiliated with labour organisations an unfair advantage over a majority of the Americans.

As a result, millions of workers will find it nearly impossible to survive in this turbulent economy and will not be able to meet the growing demand for more energy efficient technology.

The original goal of the *Green Jobs Act* was to support workforce training that would advance and promote energy efficient technology. How can Obama expect America to succeed in meeting this goal if we do not allow private sector construction workers the ability to use these crucial training resources? This change now excludes over 90 per cent of the working population in America from competing in one of the fastest growing and highest paying construction fields not only in the U.S. but abroad.

Obama has paid back the environmental-left wing establishment, but that was after he drastically rolled back the tide on tort reform with the *Lilly Ledbetter Act*. Obama has successfully changed discrimination law and rolled back conservative tort reform efforts for decades.

**R**

## Reckless stimulus: lots of money, almost no accountability

**Timothy Brown**

If you wanted evidence of the recklessness of the Obama administration's approach to economic policy, you need look no further than its response to the global financial crisis. Obama's stimulus package, otherwise known as the *American Recovery & Reinvestment Act* (ARRA), has brought with it a number of daft and unproductive ways for large sums of money to be siphoned off with no apparent benefit. In particular, it is the limited guidance provided by the White House to the organisations doing the spending, and the lack supervision of how these same organisations are dealing with the public funds, that is leading to such large wastage. The following examples show this.

First of all, \$300 million in stimulus funds has been provided to organisations with a history of poor book-keeping and the improper spending of public monies. *USA Today* found that ARRA funds have been provided to 61 housing agencies that have been previously criticised by auditors to have mishandled government aid. Apparently the Obama Administration had permission from Congress to withhold funds from housing authorities for such reasons as poor financial management. But the Department of Housing and Urban Development chose to release the funds anyway because, according to spokeswoman Donna White, 'they [the housing authorities] should have the opportunity to improve their housing'.

The lack of proper guidance from the White House on how stimulus funds should be spent means that monitoring the spending has been left to individual states. However, state auditors are unable to keep up with the workload created by the stimulus package, which means that states have been forced to hire independent accounting

firms to do the work. And so, to pay for this, the states are requesting further funding in addition to the stimulus monies to pay auditors to monitor how the funds are utilised, all because the Obama administration did not think to provide proper guidance.

There are also the lobby group putting their hands up for some stimulus money. *The Wall Street Journal* reported that the asphalt and concrete industries are fighting over how the government should spend billions on repairs for roads and bridges. But Ilya Somin from George Mason University has pointed out that this is forgetting the highway bill Congress passed just three years ago in 2005. The \$286.4 billion program is the largest public works program in US history, and was described by President Bush and the leaders of both congressional parties as the bill that would fix America's infrastructure problems.

Finally, there is the new industry sprouting up based on finding ways of spending stimulus funds. Mark Steyn has reported on the creation of new jobs at one community centre in rural Vermont to:

- Co-ordinate new programs based on the ARRA;
- Write new grant applications to augment stimulus funds to help develop the new programs funded by the stimulus; and
- Raise public awareness for the new stimulus funded services.

And so Steyn writes that:

If you wanted to stimulate the economy, you'd take every dime allocated to [local]... counties under ARRA and divide it between those households. But, if you want to stimulate bureaucracy, dependency and the metastasization of approved quasi-governmental interest-group monopolies as the defining features of American life, then ARRA is the way to go.

**R**

---

*Timothy Brown is a researcher at the Institute of Public Affairs.*