

PERSONALLY SPEAKING

Special Issue

March 9, 2009

PORK CAP-AND-TRADE: A *MODEST* PROPOSAL

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If carbon cap-and-trade really is an effective way to reduce greenhouse gas emissions, why not extend it to Congressional pork barrel projects? This is how pork cap-and-trade would work.

Set aside one bill every year exclusively for pork, impose a dollar limit on the total amount of pork, divide the total into two equal parts, one for the Senate and one for the House of Representatives. Let the senators share equally their part and the representatives share theirs in like manner. Everyone would be allowed to freely add projects to that bill as long as they respected their individual limits. Allow those who oppose pork or don't use up all of their own funds to sell their unused share to those who support it and would like to raise their limits. Permit trading if need be across party lines or from one house of Congress to the other.

The president sets the cap in his annual budget message, making it transparent for everyone to see, and sets a deadline for the pork bill to arrive on his desk for signature. If the president is dead set on eliminating pork, he can zero-out the entire pork line in his budget. However, to keep him from punishing his political enemies, he cannot line out specific projects in the bill. Whatever he may decide one year, he nevertheless remains free to change his mind the next year.

No one need rationalize or justify the pork in the bill. In essence, each member of Congress has a blank check for pork subject to clear limits. Every pork project in the bill would be listed by the name of its sponsor and the amount budgeted. Pork, in other words, is strictly budgeted similar to the way a household budgets spending on holiday gift-giving. Congresspersons in favor of pork can readily point to the projects in the bill which they sponsored as proof that they are working effectively for their constituents. Those opposed can point to the bill as evidence that they are true to their convictions.

The advantages are several. There is: (1) equal treatment for all senators and representatives, for all states and Congressional districts; (2) one bill where everyone can see who supports pork and who opposes it, who wants more pork than his/her allotted portion and who is willing to share his/her portion, no time wasted trying to insert/hide pork in other legislation, no time spent looking for pork in other legislation; (3) no time wasted trying to defend pork or ferret it out, no time wasted voting on the pork bill in

committee or on the floor. And because the pork bill is an *agreed* bill, a done deal, it may help reduce some of the contentiousness in the halls of Congress.

Any senator or representative buying pork would have to transfer monies dollar-for-dollar from his/her own campaign funds to the war chest of the person selling pork. Thus two more advantages emerge. First, Congress would learn first hand the difference between the usual horse-trading that goes on behind closed doors on Capitol Hill and how a real-world market works. Second, pork forsaken becomes a source of funds for the next election cycle allowing that senator or representative to spend less time raising funds and more time on the people's business.

Pork not spent or traded cannot be carried over from one budget to the next: *use it, trade it, or lose it*. Anyone trying to slip pork into other legislation would have to pay the full amount of that project from his/her own campaign funds or scratch the project and pay the full amount into the U.S. Treasury. If necessary, that member of Congress could borrow the funds from the Treasury with interest and repayment of the entire principal due in two years – a golden opportunity to experience the workings of a financial market.

Our *modest* proposal is based on this hardcore political principle: whether the pig wears lipstick or not, America thrives on pork.

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