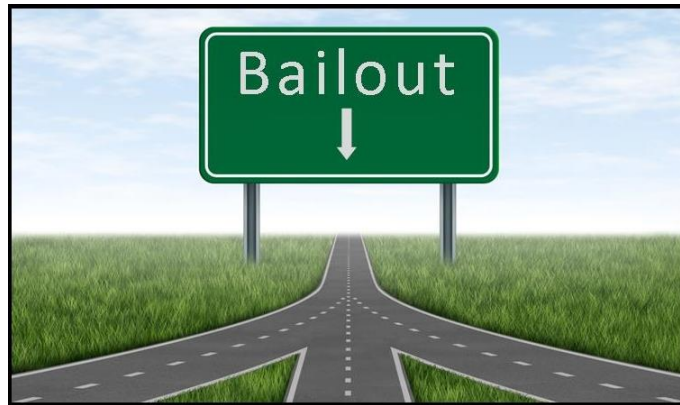


Museums, Libraries, and Public TV Receive Half a Billion in Bailout From Senate

Written by Joe Wolverton, II, J.D. | March 26, 2020



“The terrible circumstances of our French neighbours, under the plague in some places, expecting it in others, and dreading it in all, is a loud warning to us, to take all expedients and possible precautions against such a formidable calamity.

We have already had, and still have, a contagion of another sort, more universal, and less merciful, than that at Marseilles: The latter has destroy’d, we are told, about sixty thousand lives; ours has done worse, it has render’d a much greater number of lives miserable, who want but the sickness to finish their calamity; either by rendering it complete, or by putting an end to them and that together.

Indeed, had the alternative been offered us half a year ago, I think it would have been a symptom of wisdom in us to have chosen rather to fall by the hand of God, than by the execrable arts of stock-jobbers: That we are fallen, is a sorrowful truth, not only visible in every face which you meet, but in the destruction of our trade, the glory and riches of our nation, and the livelihood of the poor.”

— Thomas Gordon, *Cato’s Letter* No. 2, November 12, 1720

Just before midnight on March 26, the U.S. Senate unanimously and “urgently” approved a \$2 trillion emergency aid package to help America recover from the economic repercussions of the coronavirus lockdown decreed by local, state, and federal government.

With the pretense that this financial-aid package is designed to help Americans survive the pecuniary punch dealt by the federal fist, the government, as you will see below, decided to dole out billions of dollars to federal agencies, some of which are tiny and all of which, with few exceptions, are unconstitutional.

Notice that *not a single senator* voted against the “relief” package. This is especially important to remember considering that, as reported by *Forbes*, “Twice during the first hour of Senate debate, two ‘final’ versions were distributed. No one had time to read the final language.”

OpenTheBooks.com published a summary of the legislation’s supplemental \$340 billion surge to emergency funding that was drafted by the Senate Appropriations Committee.

Senate Majority Leader Mitch McConnell (R-Ky.) introduced the GOP’s 250-page version of this Coronavirus Aid, Relief, and Economic Security Act a week ago. From this humble sprout sprang the Jolly Green Giant in the form of a \$2 trillion, 883-page CARES Act — Coronavirus Aid, Relief, and Economic Security Act — (H.R.748).

What follows here are some of the most egregious expenditures that the U.S. Senate unanimously agreed were needed immediately to help Americans, as reported by *Forbes* and [OpenTheBooks.com](https://www.openthebooks.com):

- \$25 million in the Senate bill went to the John F. Kennedy Center for the Performing Arts in Washington, D.C. During the past 10 years, the center received \$68.3 million in federal grants (2010-2019). The Kennedy Center has total assets of \$557 million.
- \$75 million in the Senate bill funded the Corporation for Public Broadcasting.
- \$7.5 million for the Smithsonian Institute.
- \$50 million for The Institute of Museum and Library Services (FY2019 budget: \$230 million).
- \$150 million to the National Endowment of the Arts and the Humanities (FY2019 budget: \$253 million). In 2017, an [OpenTheBooks.com](https://www.openthebooks.com) study revealed that 80 percent of all non-profit federal grants flowed to well-funded organizations with over \$1 million in assets.
- \$88 million to the Peace Corps for “evacuating volunteers and U.S. direct hires from overseas.” The agency just fired all of their 7,300 volunteers working in 61 countries on March 15.
- \$250 million to the Internal Revenue Service (IRS). The subsidy would cover “taxpayer services,” “enforcement,” and “operations support.”
- \$350 million to the State Department for “Migration and Refugee Assistance.”
- \$400 million to the federal Election Assistance Commission to assist the states with “election security grants.”
- \$30.8 billion to the Department of Education for the “State Fiscal Stabilization Fund,” which provides grants to support elementary and secondary education (\$13.5 billion), higher education (\$14.25 billion), and state flexibility grants (\$3 billion).
- \$100 million to the Department of Agriculture to provide broadband service in rural areas.
- \$15.5 billion to the Supplemental Nutrition Assistance Program (SNAP), commonly known as Food Stamps. This is to cover the increased enrollment that will come as a result of the recession brought on by the isolation ordered by local, state, and federal governments.

- \$200 million in SNAP-like benefits to people in the Northern Mariana Islands, Puerto Rico, and American Samoa.
- \$60 million to NASA to cover the costs of having to postpone missions.
- \$2.45 billion to the Defense Department to cover the cost of constructing military depots, running supply lines to those new depots, and the cost of other materials associated with using the Armed Forces to ensure “national security” and the peaceful recovery from the COVID-19 pandemic.
- \$1.6 billion to the Defense Department to cover the cost of building “expeditionary military hospitals” throughout the country.
- \$70 million to the U.S. Army Corps of Engineers to cover the construction and maintenance of “Emergency Operations Centers” throughout the country to help the Corps of Engineers with the prevention and response to the coronavirus.

Remember, every senator voted on Wednesday night that every item on the list was absolutely necessary to answer the emergency created in the wake of the COVID-19 panic.

While there may be some items on that list of expenditures that a reasonable person could argue are legitimate emergencies, how can anyone with good faith argue that the Kennedy Center, the Smithsonian, and Public Broadcasting urgently needed over \$100 million to survive the coronavirus crisis?

In fact, it is profligacy of this sort that has resulted in Republicans and Democrats running up the national debt from \$10 trillion in 2008 to \$23.6 trillion in 2020.

Before closing, Americans should remember that *inflation is taxation without representation*. For every dollar that the Federal Reserve prints, every dollar currently in circulation decreases in value. If the reader wonders how inflation impacts an economy, he should Google Venezuela.

Finally, I hope you’re asking yourself just how the federal government will scrape together the \$2 trillion to save the American people from the effects of the economic stall that government officials on every level forced on Americans, telling them that going to work, going to restaurants, going to gyms, or in any way providing income to any small business — income not provided by the government itself, that is — would expose them to a deadly virus.

The simple answer was provided by Jeff Diest, president of the Mises Institute:

The unasked question lurking underneath the Senate bill is this: How do we pay for it all? Congress doesn’t have \$2 trillion to spend, and 2020 tax receipts won’t begin to cover the bill. This means the federal government will effectively “print” the money, likely in a circuitous way by issuing new Treasury debt and using the Federal Reserve Bank as a backstop to buy it all if investors won’t. And what sort of investor wants to loan Uncle Sam money for 10 years at less than 1 percent interest anyway?

Joe Wolverton II, J.D., is the author of the book The Real James Madison and What Degree of Madness: Federalist 46 and James Madison’s Call to Make America STATES Again. He hosts the YouTube channel “Teacher of Liberty.”