

Cato Policy Report

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“To Be Governed...”

THE PENALTY IS LOSING MONEY. NO GOVERNMENT INTERVEN- TION REQUIRED.

NEW: Gov. @RonDeSantis announces an inquiry into @abinbev and @budlight's impact on Florida pension holders.

“There's got to be penalties for when you put business aside to focus on your social agenda at the expense of hardworking people.”

— **DeSantis War Room on Twitter,**

July 20, 2023

REMEMBER WHEN COLLEGE STUDENTS STARTED THE FREE SPEECH MOVEMENT?

Both conservative and liberal college students believe they should report a professor if they say something they find offensive, according to a survey from the Sheila and Robert Challey Institute for Global Innovation and Growth. . . .

Overall, 74 percent of all students say professors should be reported for saying something found offensive.

— **The Hill, July 19, 2023**

NEW SOURCES OF CAMPAIGN FUNDING

Trump often suggests that the [direct payments to farmers hurt by tariffs] are a source of support for his campaign against DeSantis. “But after you give \$28 billion to the farmers, I said, ‘Do you think the farmers are voting against me? I don’t think so,’” he said in South Carolina. . . .

Research conducted by Joe Janzen of the University of Illinois at Urbana-Champaign and colleagues found that the farm payments . . . helped lead to a larger-than-usual share of farmer income coming from the federal gov-

ernment. He also determined that the payments (along with covid relief in 2020) increased turnout for Trump—677,512 votes with an estimated cost per vote gained of \$66,124.

— **Washington Post, July 13, 2023**

BIDENOMICS

Jigar Shah is living an investor's dream, one with more strings attached than a symphony orchestra.

Shah has \$400 billion of government funds to pour into businesses touting green-energy projects. . . .

The source of Shah's financial firepower is the Energy Department's Loan Programs Office, an overlooked piece of the Biden administration's strategy to address climate change. Largely quiescent for almost a decade, the office is designed to finance businesses that are important to the country's energy transition but unable to borrow from traditional lenders, often because their technology is seen as too risky or because the terms are too onerous. . . .

Some were reluctant to apply, worried about the complicated approval process and the risks of taking a government loan. Shah, eager to get funds out the door, can be impatient. In September, he pressed a startup company that has a plan for recycling batteries to borrow hundreds of millions of dollars from the federal government to construct a plant.

— **Wall Street Journal, July 3, 2023**

CUOMONOMICS

New York spent nearly \$1 billion over the past decade on Elon Musk's ambitious plan for what was supposed to be the largest solar-panel factory in the Western Hemisphere, one of the largest-ever public cash

outlays of its kind.

“You almost have to pinch yourself, right?” New York's then-Gov. Andrew Cuomo said at a construction ceremony for the factory in 2015. “That this is too good to be true.”

Eight years later, that looks like a pretty good assessment. . . .

A state comptroller's audit found just 54 cents of economic benefit for every subsidy dollar spent on the factory, which rose on the site of an old steel mill. External auditors have written down nearly all of New York's investment.

— **Wall Street Journal, July 6, 2023**

THANK YOU, TAXPAYERS IN THE OTHER 48 STATES, FOR FIXING OUR LOCAL ROADS

Rep. Robert B. Aderholt (R-AL.), a top appropriator, delighted in the receipt of \$1.6 million to replace a bridge in Courtland, Ala., noting in a release that he is “always happy to support this type of funding in Congress”—even though he voted against the infrastructure law that expanded the RAISE program.

And Rep. Sam Graves (R-MO.), the chairman of the House's powerful Transportation Committee, said he was “proud” to share the news that the city of Maryville would receive \$1.3 million to repair its portion of a local highway.

— **Washington Post, July 9, 2023**

COINCIDENCE?

China's AI development lags far behind its Western counterparts in many sectors, analysts say. But there is one area where Beijing has gotten ahead of Washington, and that's putting regulations on the AI industry.

— **Washington Post, July 6, 2023**