

## **You can keep your money**

By Jan Collins

Published: February 12, 2009

**The  
Economist**

### **Columbia, South Carolina**

#### **A backlash against stimulus plans**

MARK SANFORD, South Carolina's penny-pinching governor, has been called a rising star by Michael Steele, the new chairman of the Republican National Committee. But the star may well be about to crash to earth, in his home state at least. The recession has hit his state particularly hard; but he has been staunchly opposed to the federal government's stimulus package, which would bring South Carolina an estimated \$2 billion-\$3 billion.

So will he take the money, now that the stimulus plan looks likely to be enacted? "We'll cross that bridge when and if we get to it," is all Mr. Sanford's spokesman has said. This has so upset the state's top Democrat in Congress, House majority whip Jim Clyburn, that he has proposed a bill that would get the funds to the state even if Mr. Sanford is against them. The handful of other Republican governors who oppose the stimulus package in principle—such as Sarah Palin of Alaska, Tim Pawlenty of Minnesota, Bobby Jindal of Louisiana, and Don Carcieri of Rhode Island—concede they will take the money to help their states if it becomes available.

South Carolina's economy desperately needs a jolt. Its unemployment rate of 9.5% is the highest it has been for more than 25 years, and the third-highest in the country. The downturn means that some \$1 billion has gone from the state's budget of \$7 billion since July, cutting deeply into funding for education, prisons, health programmes for the old, the disabled, and children, meal deliveries for the housebound, and everything in between.

Mr. Sanford, recently elected head of the Republican Governors Association, has been leading the charge against the stimulus because it will increase debt, and because government spending is something he famously feels strongly about.

When he was a congressman from 1995 to 2001, he slept in his office on Capitol Hill rather than use a taxpayer-funded allowance for housing. In 1997 he voted against a defence appropriations bill that included funds for Charleston's historic harbour, which is located in the district he then represented. In 2004, as governor, he let two piglets loose in the South Carolina state house as a protest against pork.

Mr. Sanford has vetoed hundreds of bills approved by the Republican-controlled legislature during his six years as governor, mostly over what he considered wasteful spending. These included such outrages as expanding children's health insurance, funding HIV-prevention programmes, and increasing the fine for neglecting to put a child in a car's safety seat. The legislature, both chambers of which are controlled by Republicans, has overturned nearly all of the governor's vetoes.

Now he is feuding with the South Carolina Employment Security Commission, the agency that doles out cheques to the state's 200,000 jobless. Mr. Sanford, who says the commission is mismanaged (it has gone broke), plans to sack its commissioners unless they provide him with better data on who is collecting unemployment benefits. The agency director says their data are fine; the jobless claims have simply ballooned over the past few months.