



Written by [R. Cort Kirkwood](#) on February 15, 2012

Post: Congressmen Used Earmarks for Personal Gain and to Help Relatives

Congressmen are not only sending millions of tax dollars back home in earmarks that affect the value of their own property but also funding projects in which family members are involved. That's the latest revelation describing high-level graft and corruption on Capitol Hill, courtesy of the Washington Post. In an investigative project titled "Capitol Assets," the newspaper shows that "public projects meet private interests," and that what some Americans believe — that almost all politicians are crooks — might have some merit.



Capitol Improvements

[According to](#) the main website, the *Post* "compared the annual financial disclosure reports filed by every member of Congress over the past decade to a wide range of public records."

The resulting snapshot was then matched to earmarks and other spending provisions members sought for pet projects. The process uncovered nearly 50 members who helped direct millions of dollars in earmarks to projects that either held the potential to enhance the surroundings of a lawmaker's own property, or aided entities connected to their immediate family. Lawmakers said their earmarks and spending provisions were done to benefit the public, not their private interests.

One of the report's two main articles [deals with](#) congressmen shoveling money at projects which are near property they own.

Between 2005 and 2009, according to the *Post*, Rep. Todd Akin (R-Mo.) "helped secure \$3.3 million to upgrade part of Route 141 in his district west of St. Louis." The paper explained:

Less than a half-mile east of Route 141, Akin and his family own nine acres. Akin's family has applied to construct six homes on the land. His spokesman said Akin's land had no bearing on his support for the earmarks. "It is going to be helpful as a connector but not helpful for residential property values whatsoever," he said.

[Darrell Issa](#) (R-Calif.). the *Post* [reported](#), channelled \$815,000 to his district to "widen a road less than a mile from a medical building in Vista, California, that Issa purchased for \$16.6 million in 2008. Issa sold the property on Jan. 19 for \$15 million."

A third beneficiary of public swag is Rep. [Bennie Thompson](#) (D-Miss.), who locked down "a \$900,000 earmark that was used to resurface about two dozen roads in Mississippi in 2010," said the *Post*. "One of those was LC Turner Circle, a quarter-mile residential loop in the small town of Bolton, where Thompson and his daughter own two homes. Johnson, of course, says he didn't order the roads department to use the earmarks to his benefit.



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The newspaper also revealed that in 2008, Rep. [Jack Kingston](#) (R-Ga.) sent more than \$6 million back home to “replenish the beach on [Tybee Island](#), where he owns a cottage about 900 feet from the beach.” Kingston’s reply to the charge of corruption: “It’s absurd.”

Last but certainly not least on the [list](#) is former House Speaker [Nancy Pelosi](#) (D-Calif.):

Over the past decade, the House minority leader helped secure \$50 million in earmarks toward a light-rail project that provides direct access to San Francisco’s Union Square and Chinatown for neighborhoods south of Market Street. Pelosi’s husband owns a four-story commercial building blocks from Union Square.

That material came from [Peter Schweizer’s](#) book, *[Throw Them All Out](#)*, which also documented another of Pelosi’s alleged scams on the taxpayers: insider trading of stock based on legislation over which she exerted some control. As [The Daily Beast reported](#) of Schweizer’s findings, “Pelosi and her husband, Paul, are reportedly worth \$40 million, with a significant stock portfolio.” It continued,

In the spring of 2008, when Pelosi was speaker of the House, Paul made a big play — between \$1 million and \$5 million — on Visa, the credit-card company. What was striking about the investment, apart from its size, was the price the Pelosis paid for it. The Visa initial public stock offering was one of the hottest of the decade, its price-per-share jumping from \$44 to \$65 just 48 hours after public trading began. But the initial public offering, at the \$44 price, was reserved for institutional investors and mutual funds, plus a select group of individual investors. The Pelosis bought their Visa shares in three transactions, the first of which — 5,000 shares — came at the lower IPO price. This may have been just a piece of investment luck or an instance of Visa extending a friendly gesture to an important political figure.

Schweizer is happy to posit another possibility. The Pelosis acquired their IPO shares shortly after the introduction into the House of legislation that, if passed, would adversely affect Visa’s business. Visa makes money by licensing its name to banks (which in turn issue the cards and charge customers interest) and by charging “swipe fees” to merchants who accept the card as payment. These fees paid by retailers range from 1 percent to 3 percent of the purchase amount every time a Visa card is used. The proposed 2008 law would have allowed retailers to negotiate lower fees with the major credit-card companies, who, gaining billions from those fees, predictably opposed the measure.

The bill passed through committee but never made it to the floor of the House. It eventually died, and two similar efforts also failed to reach the House floor. Congress did finally act on the issue two years later, as part of the Dodd-Frank Wall Street Reform and Consumer Protection Act. By that time, the value of Pelosi’s IPO shares had more than doubled, while the market as a whole had shown a double-digit decline.

Like all the other politicians, Pelosi denies anything is wrong. When CBS correspondent Steve Kroft [nailed her](#) at a press conference, she claimed she was innocent. Schweizer, she charged, is a “right-wing hack.”

Family Affairs

Beyond helping boost the value of their own properties, congressmen [also channeled money](#) for the benefit of relatives.

The *Post* investigation revealed that Sen. Tim Johnson (D-S.D.) “has supported a Pentagon program called Starbase that teaches science, math and engineering skills to children in dozens of locations



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around the country.” In 2008, he and his colleagues boosted the program’s budget by \$4 million. But Johnson’s wife benefited:

At the time, Johnson’s wife, Barbara, was paid an annual salary of \$80,000 as a contract employee to evaluate the program. From 2005 to September, she worked for the Spectrum Group, a lobbying and consulting firm in Alexandria, that has a \$1 million Pentagon contract to monitor Starbase. A social worker and educator, Barbara Johnson was also assigned to manage its Web site.

Rep. C.W. Bill Young (R-Fla.) has pumped nearly \$75 million into companies that employ his sons. Rep. Norman Dicks (D-Wash.) has sent millions to an environmental agency in his home state, and his son just happened to work there. Rep. Sanford D. Bishop, Jr., (D-Ga.) sent money to a program back home that employs his stepdaughter and her husband.

And for years, said the [Post](#), Rep. Ed Pastor (D-Ariz.) “has directed [the Energy Department’s National Nuclear Security Administration] to send millions to fund the scholarship program for at-risk high school students headed by his daughter in Arizona. She earns \$75,774 a year.”

Rep. Kay Granger (R-Texas) [has done both](#): boosted the fortunes of her property and helped a family member with the same pot of cash, noted the paper:

Over the past decade, Granger has helped obtain \$51.9 million in earmarks toward a project to make over downtown Fort Worth and reroute the Trinity River.

Until 2010, Granger co-owned a condominium building with her son about a half-mile south of the project. Her son is director of the group in charge of the project.

“The congresswoman has always given her support to qualified programs in full compliance with the House Ethics Committee and the rules of the House of Representatives,” her spokesman said.

Another of the ethically-challenged legislators on the list is Rep. Sheila Jackson Lee, (D-Texas). [According](#) to the *Post*, this guardian of the public weal “helped secure” more than \$5 million for the University of Houston. Her husband “was vice president of student affairs and vice chancellor of student affairs for the university system.”



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