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THINK TANK PUBLISHES GUIDE TO PREVENTING CORPORATE WELFARE

Oklahoma is Top-Ten in handing out corporate welfare.

OKLAHOMA CITY, OK (September 30, 2020) – The 1889 Institute has published “Policymaker’s Guide to Evaluating Corporate Welfare,” which attempts to guide policymakers in how to avoid supporting corporate welfare schemes. It does this by urging policymakers to ask critical questions about proposed “jobs” and “economic development” programs that might sound good when lobbyists are making their best sales pitches but are actually economically counterproductive.

Authored by the Institute’s Research Associates, Spencer Cadavero and Tyler Williamson, as well as 1889 Institute Director, Byron Schломach, the study offers solutions to the corporate welfare problem as well as criticism. It recommends that more time and effort be devoted to perfecting the state’s tax system as a better way to compete with other states. It condemns incentives for retail and distribution centers, given that these automatically locate where people are. And finally, it advocates an interstate compact where states contractually promise not to compete on the basis of direct subsidies and special tax benefits.

“The 1889 Institute is dedicated to maximizing opportunity for individuals and sweeping away government-granted privilege,” said Byron Schломach, 1889 Institute Director. “Corporate welfare giveaways that unfairly privilege some companies over others, some jobs over others, and some taxpayers over others exemplify the kind of tyranny and privilege nobilities practiced over the people before the American Revolution. The only difference is today’s nobility is particularly good at lobbying,” said Schломach.

The study is also critical of what the authors consider the failed Incentive Evaluation Commission project that has been ongoing since its authorization in 2015. The study notes that the Commission often evaluates programs already slated for elimination and then claims savings from their elimination in the benefits of its recommendations.

“The Incentive Evaluation Commission is, believe it or not, a funded project that has essentially nothing to show for its cost and the time it takes. It should be eliminated,” said Schломach.

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About the 1889 Institute

The 1889 Institute is an Oklahoma think tank committed to independent, principled state policy fostering limited and responsible government, free enterprise and a robust civil society. The publication, “Policymaker’s Guide to Evaluating Corporate Welfare” and other reports can be found on the nonprofit’s website at www.1889institute.org.