

U.S. Senate Committee on Homeland Security and Governmental Affairs Subcommittee on Federal Spending Oversight

Senator Rand Paul, M.D. (Kentucky), Chairman

WASTE REPORT for May 16, 2016

East-West Waste Center

Over time '*The Waste* Report' has told you various international follies aimed at building good will around the world. Who could forget such things as sending <u>jazz bands to Turkey</u>, <u>Pakistani kids to Space Camp</u>, or <u>fostering better understanding with the UK</u>. But did you know Uncle Sam spends millions of dollars supporting a center at the University of Hawaii¹ to promote better relations with Asian and Pacific island nations?

The East-West (E-W) Center, as it is known, was created by Congress in 1960 to "better relations and understanding among the people and nations of the United States, Asia, and the Pacific." Of course in 1960, Hawaii had just become a state, the U.S. was on the cusp of its third war in the Pacific since 1941, we weren't even talking to mainland China, no one had the internet, and international travel was rare. No one drove a Kia or wore Nikes, which have always been produced in Asia, and *Ninja Warrior* wasn't even a thing. In the last five decades it's safe to say things have changed a little.

In addition to trade and media, today, China and Japan are our two largest foreign creditors. While the U.S. is borrowing money from China, Japan, and other Asian nations (about \$3.4 Trillion³), over 600 of those countries' citizens are attending the E-W Center the U.S. taxpayer is funding.⁴ In fact, according to the one paragraph on finances from the E-W Center's FY 2014 annual report, which is the most recent and is little more than an 8-page pamphlet, the center received about \$21 million in federal support, roughly 2/3^{rds} of its entire budget.⁵

So what does fostering understanding on your dime look like? Well in addition to conferences and events, the E-W Center funds research fellowships and scholarships with, "Substantial funding toward education and living expenses, including tuition and fees, graduate residence hall room costs, health insurance, book allowance, and partial living stipend." This year they are also putting on a 12-day *U.S. Presidential Election Reporting Seminar* with aim to, "enable participating journalists to report before, during and after the U.S. presidential election from key states in the American electoral system." Of course they will have to put what they learn to use in 2020 as the seminar conflicts with the actual election this year.

What is most amazing about the E-W Center is that in the FY 2010 budget, President Obama, whose mother was actually an E-W Center student while he was growing up⁷, tried to cut the center's funding in half, "arguing that this would encourage the center to seek other sources for money." Instead, the then Senate Appropriations Committee Chairman Dan Inouye from Hawaii increased funding to his home-state project by \$2 million.⁸ Year-after-year, including this year, the President's budget unsuccessfully proposes the same thing, roughly cutting funding in half for the center. At least in this instance Congressional pork is mightier than even the President. Reminds us of Ronald Reagan's famous quote, "The nearest thing to eternal life we will ever see on this earth is a government program."

¹ Technically the center is not a part of the university, though it is adjacent to the campus. In the 1950's the university had the idea for the E-W Center, but could not justify the cost and instead turned to the federal government.

² Mission and Organization Overview, East Waste Center; Honolulu, HI; May 2016

³ Major Foreign Holders of Treasury Securities, U.S. Department of Treasury; Washington, D.C.; May 2016

⁴ Participation Statistics For FY 2014, East Waste Center; Honolulu, HI; May 2016

⁵ East-West Center Annual Report 2014, East Waste Center; Honolulu, HI; May 2016

⁶ Student Programs: Opportunities for Study & Scholarships, East Waste Center; Honolulu, HI; May 2016

⁷ Spotlight an Alumni: EWC Alumna Ann Dunham-Mother to President Obama and Champion of Women's Rights and Economic Justice, East Waste Center; Honolulu, HI; May 2016

⁸ Fahrenthold, David A., Even in an era of budget cuts, these government programs won't die; The Washington Post; Washington, DC; April 2011