

The following is a response by Troy Marshall, of Cow-Calf Weekly, to the recent disasters along the Gulf Coast.

The government was criticized in the wake of this disaster, and responded in the way that democratic governments always do to criticism, they get out the checkbook. In President Bush's address on September 15th, he called for an unprecedented federal commitment to rebuild New Orleans and other areas affected by Hurricane Katrina. Amazingly, the U.S. is projected to spend more in the next year on rebuilding efforts than it has spent in three years executing the war in Iraq and its rebuilding efforts there. We are taking billions of dollars for cleanup and reconstruction, and everything from finding jobs, rebuilding housing health care and education for the flood victims.

This will simply be the largest reconstruction effort on U.S. soil and the most expensive in world history. These expenditures will create significant implications for the government's finances for years to come. For perspective, if we assume that roughly 200 million people are paying the bulk of taxes, every single taxpayer's bill for Katrina would be \$20,000. The reality is that the magnitude of this spending is not only about a safety net for our citizens hit by a disaster, but also a safety net for politicians and political parties, who believe this disaster has the potential to change not only the natural landscape but the political landscape as well.

The reality is that the tax cuts of 2003, had worked in driving up revenues and dropping the projected deficits as the strengthening economy was replenishing government coffers, These increases will once again double the deficit, probably exceeding \$400 billion next year, which is roughly 3% of the country's GDP.

The other realized costs will be significant as well. The American Farm Bureau Federation estimated that the loss of crops and livestock, coupled with higher fuel and infrastructure rebuilding would cost agriculture in the Gulf region \$2 billion. Mississippi is estimating a loss of \$1.7 billion on timber and forestry plantation. Dairy and sugar cane producers will most likely have to receive aid.

While the ports are expected to be up and running shortly, 27% of our agriculture produce is exported and 60% of that flows down the Mississippi River, every day.

Although the floodwaters did not reach our area, we will all feel the ripple effect of hurricane Katrina for years to come. This viewpoint can, in no way, represent the innumerable thoughts and feelings of the American people, but it does put it all in perspective.