

PERSONALLY SPEAKING

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BIG GOVERNMENT IS BACK

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Thirteen years ago in his State of the Union address President Clinton pronounced that “the era of big government is over.” To drive that point home, he used it three times in his address, and to further reinforce that message repeated it in his radio address four days later. This was no spontaneous, ill-conceived outburst on his part. He had tested the waters with it in October and November 1995 and found it to his liking.

In his address to the American public before Congress last night President Obama put supporters of limited government on notice that he intends to restore big government in order to assure jobs, housing, education, health care, and clean renewable energy for all Americans. This is Obama’s vision: *only* big government can put America back on the right track.

Bringing back big government includes 3.5 million jobs created or saved in two years, mortgage relief, more money for early childhood education, access to quality education for every child followed by affordable college education, and quality health care affordable and accessible for all. He said there would be a major cleanup of bank balance sheets, a “new lending fund” which he did not describe further, and pledged to cut the deficit in half by the end of his first term in the Oval Office.

Jobs would be created building wind turbines and solar panels, broadband access, plug-in hybrid cars, lithium batteries. He urged everyone to get at least one year of college to improve their prospects for finding work and set down the goal of having the highest percentage of college graduates in the world by 2020. He specifically urged passage of the Kennedy-Hatch sponsored *Serve America Act* which would amend earlier legislation and create a Clean Energy Service Corps, Education Corps, Healthy Futures Corps, Opportunity Corps, National Service Reserve Corps, along with a Commission on Cross-Sector Solutions to America’s Problems and a Community Solutions Funds Pilot program.

There will be more and better health care for all veterans, a cure for cancer, and more preventive care. He lauded the new SCHIP legislation offering expanded health care coverage to American children. He endorsed regulatory reform and cap-and-trade legislation to limit greenhouse gas emissions.

There were several no-no’s in Obama’s address openly expressed or between the lines. No torture. No Guantanamo, no fancy drapes and private jets for bank executives. Absolutely no earmarks. No mention of school vouchers, or energy produced from methane or nuclear

power. expanded offshore drilling, or ANWR. No mention of the moral hazard associated with government rescue plans which undermine personal responsibility by assuring everyone that when they stumble they will be saved.

He trumpeted passage of the stimulus package which would avert ten years of sputtering along had he taken no action at all and which will bring tax relief to 95 percent of working families starting in April.

Budgetary cost savings will come from rooting out waste and fraud in government programs, cutting out subsidies to agribusiness giants, setting up electronic medical records which will reduce redundant costs in the delivery of health care, and axing expenditures on new military weapons systems. Only those with incomes above \$250,000 -- about two percent of all taxpayers -- would have their taxes increased.

Several nagging questions remain. How does expanded government assurance for jobs, housing, education, health care, and clean renewable energy promote greater personal responsibility? Who pays for the continued deficit spending in the years ahead which adds to the public debt and the cost of servicing that debt? Other than make-work jobs, when jobs are created, aren't other jobs lost through the process of creative destruction? Why is it ok for Canada to despoil its environment processing oil from oil sands and not for the United States to tap the oil reserves in ANWR? How do we justify calling on Americans to become more responsible when already 41 percent pay no federal income taxes, with even more becoming exempt under new refundable tax credits? Is an earmark an earmark when it is inserted in a bill at the last minute but not an earmark when it was there from the very beginning?

How will we know that 3.5 million jobs have been created or saved when official employment estimates do not count the jobs created or saved? Do we simply attribute any and all of the increase in employment to the stimulus package? How do we reconcile electronic medical records which are shared with the 1996 Health Insurance Portability and Accountability Act (HIPAA) which protects the confidentiality of individually identifiable health information? Who sets the cap on cap-and-trade? Why not just tax the sources of emissions and use the revenues to reduce the budget deficit? Why isn't there a built-in trigger to shut down the flow of stimulus funds when the crisis is over? What incentives remain for physicians, many of whom earn more than \$250,000 a year (a pittance compared to the incomes of many hedge fund managers, bank executives, and professional athletes), to work long, exhausting hours performing risky procedures delivering health care to the increasing numbers of persons covered by government health programs which routinely slash reimbursement to half or less of their charges for services rendered?

Over and over in his speech, President Obama underscored transparency, accountability, and responsibility. Keeping in mind his admonition that we dare not "pass on to [our children] a debt they cannot pay," one wonders if in being faithful to his own accountability and responsibility as president he would not seek a second term if he fails to achieve his goal of cutting the deficit in half

After barely more than 30 days in office, President Obama has made it clear that he intends to sweep aside the Reagan/Clinton endorsed limits on government intrusion into our lives. Big government is back.

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