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Editorial: Governors should offer cost-cutting ideas, not wish list Leader-Telegram

The issue: A group of governors presents the incoming Obama administration with requests for up to \$1 trillion in new spending.

Our view: The governors should be told to go back and craft a cost-cutting plan before getting such a large federal handout of borrowed money.

The main reason Wall Street needed a \$750 billion (for starters) taxpayer bailout is because people who actually loaned money weren't on the hook when millions of people in over their heads couldn't repay it.

In the wake of this massive burden on taxpayers for generations to come, General Motors and Chrysler were rebuffed by Congress in their recent bid for a \$17 billion loan. The automakers eventually convinced the Bush administration to divert some of the money from the Wall Street bailout to the carmakers to buy them some time.

Now along comes a group of governors, including Wisconsin Gov. Jim Doyle, making the case for what at this writing was a \$1 trillion "federal stimulus package": \$250 billion for education; \$350 billion for roads, bridges, etc.; \$250 billion for Medicaid, unemployment insurance, welfare and other assistance programs; and at least \$150 billion for middle class tax breaks.

Nowhere in these requests for federal handouts - which can only be granted completely with borrowed money - is there any mention of what skin the states will put in the game. Congress hammered executives from Chrysler and GM, demanding to know what changes they planned to protect taxpayers from throwing good money after bad. Shouldn't the governors at least offer up some cost-cutting ideas of their own rather than simply asking the federal government to assume responsibility for what should be state and local spending decisions?

Senate Republican leader Mitch McConnell of Kentucky suggested Congress loan the money to states rather than give it to them. This would force the governors to really sharpen their pencils and prioritize what projects truly need federal help. Otherwise the wish list can be endless, with the bill going directly to our children and grandchildren.

Speaking of our kids, all we hear about is our responsibility to give them a better opportunity than we had. How does saddling them with another \$1 trillion in deficit spending on top of the projected and unfathomable deficit that could hit \$2 trillion this fiscal year benefit them?

It doesn't. It benefits people in the present who think getting anything less than an inflationary wage increase or paying an extra \$10 a month for health insurance is meaningful sacrifice. They fail to acknowledge that what got us to this point is a culture of excessive spending and borrowing both individually and collectively that must stop before we become a third-rate power.

Of course we can't just ignore the uninsured and unemployed. We must come up with money to provide needed health care while reforming an archaic system. Also, people who get laid off through no fault of their own need a safety net. Those must be our priorities.

Not so much with local building projects and basic repairs. It's irresponsible for governors and state lawmakers to look at the federal government as some kind of cookie jar as it faces a nearly \$11 trillion debt that balloons by the day.

Congress should tell the governors to come back with a cost-cutting plan of their own, just as they did with the automakers. But with President-elect Barack Obama taking office after a flood of campaign promises along with Democratic majorities in both houses of Congress, that's not likely to happen.

Whatever the size of the bailout, don't believe for a minute any claim that this is an investment for our children. In fact, our children are on the bottom rung of a huge pyramid scheme that for too long has substituted for responsible budgeting and leadership.

- Don Huebscher, editor