



It doesn't take an alchemist to turn angst to anger

By Jim Waters

Most clear-thinking Kentuckians know that significant changes must occur to keep Kentucky's \$26-billion pension crisis from bankrupting the state.

So, why won't anyone fix the problem?

One reason involves public angst not yet turning to voter anger. No significant consequences await politicians who fail to act.

Most private-sector companies figured out long ago that they couldn't continue to provide Cadillac pension plans and stay profitable. Now, their employees have "compact" pension vehicles and share health-care and retirement and costs. Companies ignoring that template draw shareholder wrath or face bankruptcy.

Kentucky voters need to start acting like government's "shareholders." When CEOs fail to satisfy the shareholders – usually through over-promising results and under-delivering them – they get fired.

Politicians try to score political points all the time by citing the ills of over-paid CEOs. Ironically, these same panderers refuse to take decisive action to address the pension crisis – the single biggest threat to Kentucky taxpayers.

For years, the "Frankfort Follies" have starred politicians who knew the dire condition of the state's pension accounts. Yet some lawmakers in the House actually walked out of negotiations during this year's legislative session, claiming they didn't get enough time to "read the proposal" for changes – as if the problem suddenly appeared and caught them off guard.

"Puhleeze."

For years, the chorus in "Taxpayer Blues" repeatedly warned that unless the Legislature changed health-care and retirement benefits for government workers, hardworking Kentuckians faced higher taxes and an empty state checkbook.

Yet, we continue to hear the same excuses and see the same games played in the Legislature. And voters provide the same results – election after election.

What does it take for voters to rid themselves of the scourge of politicians who care more about avoiding the wrath of labor unions and protected state employees than facing the righteous anger of taxpayers forced to pay the piper?

Like his predecessor, Gov. Steve Beshear has appointed yet another impotent Blue Ribbon

Commission to “study” the issue. As for the results, don’t hold your breath for recommendations that get to the heart of the issue.

A not-so-subtle clue contributing to this prediction: I found only three of the 27 task-force members who truly represent the private sector. The remaining members are people who benefit from the system: bureaucrats, politicians and union types, including John Stovall of the Teamsters union and Brent McKim of the Jefferson County Teachers Association.

Don’t expect this task force to provide courageous recommendations that effectively address the state’s unfunded pension accounts. Stovall and McKim, among others, represent constituencies with highly vested interests in maintaining – or fattening – the status quo. They expect their leaders to fight any changes that mandate more reasonably priced benefit plans.

Instead, private-sector business leaders – who made the tough decisions to keep their boats afloat – should dominate this Blue Ribbon Commission.

They would offer a realistic view, compared with that of a “Yellow” commission, loaded up with those determined not to touch a goose and its golden eggs: Workers who go on the state’s payroll at age 20 and who make \$50,000, retire at 47 and reap a \$29,700 annual pension to go along with generous health-care benefits.

Private sector business leaders would question allowing the state’s part-time workers to collect a pension – such as legislators currently do.

Oh, yeah, did I mention that six of the stars in “Blue Ribbon II: The Sequel” currently reside in the Legislature? How many companies allow part-time workers a pension? I bet most voters would share the view of private-sector experts.

Kentucky voters need to take the next step – turn angst to anger.

They must send to Frankfort elected officials who share their views and who can drown out the voices of those for whom the plight of taxpayers and the opportunities of future generations remain the furthest thing from their minds.

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