

The Sun

January 4, 2007 Edition > Section: [Opinion](#) > Printer-Friendly Version

Time for Tenacity

BY KENT GARDNER and ERIKA ROSENBERG

January 4, 2007

URL: <http://www.nysun.com/article/46085>

ADVERTISEMENT

President George H.W. Bush's migration from "Read my Lips" to "Eat my Words" has become a touchstone for all political slogans.

ADVERTISEMENT

Eliot Spitzer has to live up to "Day One, Everything Changes."

ADVERTISEMENT

It's show time, governor — the next time the voters see your name on a ballot, your speeches won't be the focus of attention. Your actions will be.

In today's State of the State, Mr. Spitzer sounded the same themes we heard on the campaign trail. He's going to open up state government, revive New York's upstate economy, invest in new infrastructure, etc., etc., and he's not going to raise taxes — in fact, he says he's going to lower them.

Is it possible for Mr. Spitzer to pursue his goals and still lower taxes? Are the specific proposals he has put on the table likely to accomplish what he has promised?

Mr. Spitzer can't fix everything that is broken in this state. Nor can he keep every promise he has made. The arithmetic doesn't work.

But Mr. Spitzer can accomplish a great deal by keeping a few key pledges. He told us this week that his top two objectives will be restoring ethical and responsive government to Albany and revitalizing the economy upstate. He speaks the language of businessmen and women when he says we need to "reduce our cost structure so we can attract jobs and capital back to New York" and "catalyze our innovation economy."

His emphasis on innovation is welcome — upstate New York is a smokestack powerhouse that has the potential to be an innovation powerhouse instead. Mr. Spitzer announced in his speech that the lieutenant governor, David Paterson, would lead a new stem-cell and innovation fund to provide long-term investment for stem-cell work and other types of research leading to commercial application. This will be welcomed by the state's business community and research institutions, which have been pushing for a source of funding. Giving the effort a good-government wrinkle, Mr. Spitzer said creating the fund would have to be approved by voters.

We're still at the "read my lips" stage, however, when it comes to cutting costs. Mr. Spitzer promised not to raise taxes and to reduce spending growth. Fiscal conservatives can be encouraged by this quote: "Until we feel the pain of the word 'no,' we will continue making the same choices that have prevented us from bringing back New York." Words are cheap, however — let's see if the executive budget, due at the end of the month,

puts some moxie behind them.

Mr. Spitzer's only tax plan is to reduce school property taxes through the same flawed program, School Tax Relief, STAR, begun by his predecessor, George Pataki. STAR doesn't cut taxes — it just shifts some of the burden of funding schools from the property tax to other state revenue sources like the income tax. STAR does nothing to lower the cost of schools. In fact, many observers believe it leads to faster growth in school spending by easing the pain of property tax hikes. It will likely take more than what Mr. Spitzer has proposed to date to bring New York down from being number one in the country for state and local tax burdens.

Mr. Spitzer did not mention the state's number three ranking in debt per capita. Debt is a tempting way for governors to continue current spending and add in their favored programs without raising taxes. New York has developed a troubling addiction to debt, whether times are good or bad. The state even borrows to keep the pork-barrel fat, having authorized billions in borrowing for legislative pet projects since 1997. The governor will face tremendous pressure to spend more and tax less — and without cost reduction, his short-run safety valve could be more debt.

But Mr. Spitzer did say a lot of things that New Yorkers who are fed up with state government have been waiting to hear. He promised to push for independent, nonpartisan redistricting that should lead to more competitive elections and more responsive government. He pledged that pork-barrel spending will be detailed in the state budget — while that doesn't eliminate pork, at least we'll be able to find the pig. And he promised to reform the workers compensation system, the Medicaid health insurance program, and more. He won't be able to do it all in 2007 or maybe ever. But if he keeps faith with New Yorkers by working steadily toward these objectives, they are likely to give him the benefit of the doubt. Let's hope he has the tenacity it will take to keep pushing, pushing, and pushing for meaningful change.

Mr. Gardner is president and chief economist at the Center for Governmental Research, and Ms. Rosenberg is a senior research associate there.

January 4, 2007 Edition > Section: [Opinion](#) > Printer-Friendly Version