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The Addictions of Our Politicians

By

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It has become painfully obvious that the lure of easy money has addicted our Governors and Legislators. Easy money is seen as a way to avoid, as long as possible, having to make tough decisions on state spending and taxes. However, like all addictions the results are far more damaging than the momentary highs.

In the early 80's the addiction was to oil and gas revenues reaped from our bountiful natural resources. Ignoring warnings from PAR that high oil prices were only temporary, that a spending spree would be foolish and that it would be wise to invest the windfalls rather than embark on a spending binge, the Governor and Legislators set records for government expansion. No vision. After the oil price crash, special sessions were called and taxpayers forced to annually pay \$850 million more in taxes to continue these inflated spending levels.

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Realizing that even in Louisiana there were limits to the amount that could be raised in new taxes and fees and yet unable to quench their thirst for spending, Governors and Legislators became addicted to debt. They sold as many general obligation bonds as the market would bear, ignored the reality that lucrative retirement benefits required a financial investment of cash, and after spending a half billion more than we had, our politicians borrowed a billion dollars through an entity called the Louisiana Recovery District. Louisiana was number one in something; unfortunately it was our debt burden. No vision. Again, more taxes were needed to pay the ever growing interest payments.

Not wanting to miss an opportunity to further expand government, in the latter part of the 80's our politicians leaped at the chance to get some more easy money-this time from the federal government. It was viewed as lagniappe. All we had to do was continue providing health care to the poor and the feds would pay us \$3 for every \$1 we spent. They could play Santa Claus again -- it was as good as the days of oil and honey. Again though, no vision. Rather than investing these temporary funds, another growth spurt was fueled by using them as state match for more federal funds. Did they really think that other states would continue to support Louisiana? Now, we learn that over \$600 million will be lost in 1995. The decision to expand government will cost the Louisiana taxpayers dearly.

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Our politicians are now running full force into a new area. The addiction of the 90's will be the excessive use of gambling revenues to fuel yet another growth in government spending. Again, no vision. The rapid growth in gaming dollars will also be temporary. Do they really believe that the lagniappe will continue after other cities and states open their own riverboats and casinos? If they were smart, they would realistically determine how much recurring gambling money can be expected five and ten years down the road when only Utah and a few other states don't have gambling. If they were smart, they would take the temporary windfalls and use them to make a real difference in Louisiana. They could use the revenues to eliminate the backlog of maintenance demands of our college facilities, of our roads and bridges and even buy equipment and library books for our childrens schools. They would take a step towards recovery. Unfortunately, addicts don't have such visions.