

## Opinion

# Next governor needs a reform agenda

The recent severe recession and economic downturn that our nation has faced has led to problematic budget and employment issues at the state level. While we are 15 months into the current recovery, it is a tenuous expansion that continues to disappoint from a variety of economic data points.

While we are somewhat held hostage by what transpires from a policy standpoint in Washington, D.C., history demonstrates that a bold and aggressive platform at the state level can have significant results in terms of both economic growth and job creation.

Thus, it is imperative that our next governor embark on a radical reform agenda to prominently distinguish Georgia from other states around the country. This should include:

**Education reform:** The current government-run system has been an abject failure for decades with an unrelenting pattern of escalating costs, stagnant performance, and well over \$10,000 per student being spent annually in major metropolitan areas around the country.

That our civic, business and political leaders have allowed the current scheme to remain in place is both pathetic and outrageous. While waves of reform have been implemented over the past 40 years, meaningful achievement gains are nonexistent in reading or math, according to the most reliable tests given by the National Assessment of Educational Progress.

No Child Left Behind, The Race to the Top, the Gates Foundation, and even charter schools all dance around the

edges and miss addressing the fundamental problem, which is the government monopoly and lack of competition in our public school system.

The next governor should work with members of the state legislature to champion a statewide school choice bill that would effectively privatize the current system and empower parents, as opposed to unions and bureaucrats.



**VIEWPOINT**  
**Jay Bowen**

**Tax reform:** A prescription for Georgia to gain a comparative advantage over other states and to spur job creation and capital formation should involve replacing the current income tax with a consumption-based levy.

The evidence is overwhelming by a variety of statistical measures that

non-income tax states are the most prosperous.

In this connection, by cutting both taxes and spending last year, Indiana, led by innovative and growth-oriented Gov. Mitch Daniels, created 56,000 jobs. This was 9 percent of all new private-sector employment in America in 2009, while the state represents only 2 percent of the nation's population.

Conversely, states that have relatively onerous tax burdens, such as Michigan, California and Connecticut, continue to experience negative employment growth, rising budget deficits and dwindling populations, as individuals and businesses flee to more hospitable economic environments.

**Budget/pension reform:** When addressing budgetary issues, the

rallying cry of the new governor must be downsizing, streamlining, outsourcing, privatizing, and, most importantly, competition. This will promote cost-savings and produce an array of other benefits, including better quality services, improved risk management and more innovation.

Additionally, a taxpayer bill of rights should be implemented, which would limit the amount of spending increases to a set formula based on inflation and population growth and require voter approval for any tax change that results in a net real revenue gain.

While it can be legitimately argued from a philosophical and legal standpoint against the curtailment of pension benefits for current retirees, a radical restructuring is in order for future beneficiaries as states face a combined unfunded liability of over \$1 trillion in payouts.

Georgia should be in the vanguard of promoting reforms that revolve around converting the current defined-benefit system to a more actuarially responsible 401(k)-style defined contribution model, while establishing pay and benefits that are more in line with the private sector. This reform model should also apply to other post-employment benefits, such as retiree health care and dental benefits.

By embracing, promoting and implementing these ideas, our elected officials would lay the groundwork for a more prosperous and vibrant economy and a higher standard of living for Georgia's citizens.

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