

Hardship presents chance to innovate in government (The News Journal)

November 23, 2008

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As Delawareans are well aware and the Delaware Economic and Financial Advisory Council has shown, our state is facing a \$120 million budget gap. Delaware is one of many states facing a slumping real estate market and decline in revenues. The governor and Legislature will have to make tough decisions in early 2009.

Some believe the necessary step is a tax hike -- such as increases in property taxes -- to cover state needs. Other suggestions include a hiring freeze or budget cuts. The solution may be some variation of all of the above.

In my experience, however, increasing taxes in times of economic hardship is not the simple answer to a budget crunch. Some departments might find it very difficult to "trim the fat" because many programs were cut back recently. Other agencies may have much more opportunity to creatively adjust spending or reorganize.

In times of hardship, we can often find innovative ways to spend taxes more efficiently.

In the summer of my first year as governor, the Bond Bill for long-term spending was sent for my signature after my administration had sent clear signals that I would be very protective of taxpayer dollars. Even though this bill had strong support in the Legislature, I did not think the best effort was made to spend revenues carefully. By rejecting this spending bill and demanding further review, I gave legislators the opportunity to reform programs instead of simply growing in cost and size. That veto signaled I was serious about containing spending.

Regardless

of the selected remedy, officials must remain open and honest about the challenges and choices they face. Delawareans are fair-minded and willing to confront the economic realities that the state and nation are experiencing because they are making similar decisions with their own budgets. Delawareans will be supportive if they feel the needs of the public -- not a political party or an individual entity -- were first in line to be protected.

In

addition to addressing fiscal challenges, I urge the new administration to focus on job growth. While unemployment here is much lower than many struggling economies across the nation, I feel strongly that long-term economic growth and security should be a priority for our state in 2009.

Leaders

should continue to reach out to industry executives to promote the benefit of taking root here. Delaware is appealing to all demographics and can flourish with increased job opportunities. Job training and education are key to matching our work force with the needs of businesses in the region. Industry and community leaders, educators and elected officials should work together to promote economic development and make sure Delawareans have affordable access to education and training to meet the changing needs of industry.

Delawareans

expect pragmatic, realistic governing from elected officials. They demand and deserve an open process and honest answers. The Delaware Way, of which we are proud, sets a precedent that after political campaigns are over, those elected unite to advance the needs of the state.

The

congressional delegation looks forward to working with the new state administration. We have much to do to protect the economic needs of our nation and Delawareans.