

The Government Job-Training Juggernaut

By Michelle Malkin · Friday, June 10, 2011

President Obama campaigned this week for "new and innovative approaches" to America's economic crisis. So naturally, the futurist-in-chief filched his fresh, bold ideas straight from ... the 1930s. The grand new solution to the jobs deficit, according to the White House, is more FDR-style federal job-training spending.

Sounding every bit like the whiteboard eggheads who keep spinning around the Ivy League-Washington revolving door, Obama announced breathlessly: "If we could match up schools and businesses, we could create pipelines right from the classroom to the office or the factory floor. This would help workers find better jobs, and it would help companies find the highly educated and highly trained people that they need in order to prosper and to remain competitive."

In Obama World, private businesses are just too darned dumb to figure out how to connect the dots and create these pipelines for themselves.

In the real world, private businesses spend up to 12 times more on job-training programs and trainee salaries than state and federal governments combined, according to workforce analysts. The American Society for Training and Development reports that U.S. private entities spent an estimated \$125.9 billion on employee learning and development in 2009 alone. And you can bet in these financial hard times that private-sector employers are making sure every job-training penny is well spent.

As for your tax dollars, rest assured they are being squandered the same way public-sector job trainers have been squandering such funding for the past eight decades. Earlier this year, a General Accounting Office report found that no one in the bowels of the Beltway really knows how effective the feds' \$18 billion a year spent on 47 separate job-training programs run by nine different agencies really is. That's because half of those programs haven't undergone a performance review since 2004, and only five have ever conducted research on whether job seekers in the program do better than those who weren't enrolled.

Among those five, the GAO wrote, the evaluators "generally found the effects of participation were not consistent across programs, with only some demonstrating positive impacts that tended to be small, inconclusive or restricted to short-term impacts."

This much is clear. The Obama stimulus has funded vital workforce training expenses for a \$100,000 nepotistic fraud ring in Charleston, W. V., that splurged on pet care, bar tabs and luxury hotel stays. A con-artist family employed by the state siphoned off job-training money that was supposed to subsidize technology education for 200 elderly West Virginians.

In Tampa Bay, Fla., the local Workforce Alliance squandered tens of thousands of tax dollars on lunches at Hooters, cupcake delivery fees and VIP country music concert tickets.

In Iowa, \$730,000 in federal job-training cash from the stimulus law was redistributed to well-off graduate students to pay off their student loan debt -- over and above the more than \$205 million in federal student financial aid those students received.

In Washington, Job Corps administrators helped themselves to untold gobs of job-training cash by approving bogus invoices and creating ghost employees.

And in Portage County, Ohio, investigators found that government employees had used an estimated \$700,000 in federal job-training money to pay the college tuition of certain county officials and to purchase other items, such as an "XBox 360, laptops, promotion bags, golf shirts, messenger bags, briefcases, Giant Eagle food cards, and golf tees -- among other things purchased as promotional items that are not allowable expenses under federal law."

Tale as old as time.

Cato Institute analyst James Bovard's seminal work on the federal job-training juggernaut says it all: "Many, if not most, of the participants in federal jobs and job-training programs would be better off today if the programs had never existed. Aside from wasting scores of billions of dollars, government manpower programs distorted people's lives and careers by making false promises, leading them to believe that a year or two in this or that program was the key to the future. People spent valuable time in positions that gave them nothing more than a paycheck or a certificate, while they could have been developing real skills in private jobs with a future. The fallacy underlying all job-training programs is that the private sector lacks the incentive to train people for jobs."

Remember: Government job-training programs don't create jobs. They create bigger government payrolls, redistribute unemployment and perpetuate the illusion of economic recovery and prosperity. It's a juggernaut too big to fail and too entrenched to kill.

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