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The governing elite vs. the rest of us

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The truly revolutionary American idea of government as the servant of the people may be fading away. Many of today's so-called "civil servants" are a protected, privileged class. While Middle America struggles through a difficult recession, a lot of government employees have lived on the gravy train.

Here are some facts to buttress that assertion:

Since the recession began in 2008, a period during which approximately eight million private-sector workers lost their jobs and millions more saw their income decline, the number of federal employees is increasing at a 7 percent per-year rate and their income is holding up quite nicely. According to the Cato Institute, the average federal worker's pay and benefits now approximates \$120,000 per year, or roughly double the compensation of the average private-sector employee. Factor out the lavish government fringe benefits and look at salary only, and the civil servant is still far ahead: \$71,197 vs. \$49,935.

During this recession, the percentage of federal employees earning annual base salaries above \$100,000 increased from 14 to 19 percent. The number of Defense Department employees being paid more than \$150,000 per year increased from 1,868 to 10,100. Before, the Department of Transportation had one employee with a salary above \$170,000, but now has 1,690.

As a gesture toward fiscal responsibility, President Obama reduced what was supposed to be a 2.4 percent raise in federal salaries this year to 2.0 percent. That still compares quite favorably to the zero-percent cost-of-living increase that Social Security recipients' have received.

Also on tap are handsome pay raises for the employees of the Federal Housing Administration. The FHA has distinguished itself recently by incurring a loss of \$54 billion in a mismanaged home-loan business. And of course we can't neglect to mention the CEOs of Freddie Mac and Fannie Mae, who have been cleared to receive as much as \$6 million in salary this year while being subsidized to the tune of over \$100 billion in monetary transfusions from the Treasury and the Fed.

Other federal agencies may not be losing money by the tens and hundreds of billions of dollars in such an obvious way, but money appropriated for them by Congress still seems to vanish into a black hole. For example, statistics from 2006 showed that if all the federal dollars spent by antipoverty programs had been given directly to Americans below the poverty line, a poor family of four would have received \$67,000. The actual aid received by poor Americans is less than half that amount. What explains such glaring inefficiency? Most of those funds are consumed by the cushy pay packages of the army of bureaucrats who administer those programs. And let's not even get into the Department of Agriculture, which has one bureaucrat for every nine or ten full-time farmers.

The preferential treatment received by government employees was also reflected in how last year's stimulus money has been spent. According to ProPublica, the District of Columbia received more than four times as much money per capita as the average of the 15 states that received the most money. (Oh, did I mention that members of the Pelosi/Reid Congress voted themselves a 6 percent increase in funds for their staffs and other support?)

It isn't just the federal government workers who have an unusually lucrative setup. Gov. Christie of New Jersey recently announced his intention to reform the pension plan for the Garden State's public employees. Consider an incredible fact: According to Christie, a 49-year-old state employee who had contributed \$124,000 toward his retirement is eligible to receive \$3.3 million in pension payments and another half-million dollars in health care benefits over the rest of his life; and a retired teacher who had put \$62,000 toward her pension and not a penny for health care is scheduled to receive \$1.4 million in pensions and \$215,000 in health care benefits. Taxpayers pay for this.

This story is repeated over and over in a number of states that now teeter on the brink of bankruptcy due to billions of dollars of obligations to state employees. It's hard to refer to these people—many of whom, of course, are wonderful, decent human beings—as civil "servants" when their salaries and/or benefits are so much higher than those of the taxpayers who pay for the generous compensation packages of their government "servants."

Abraham Lincoln's ideal of government "of the people, by the people, for the people" seems to have become government of the governing elite, by the governing elite, and for the governing elite. The current imbalance can't continue. Something's got to give.

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