

Cato: Federal employment is ‘parasitism’ on private sector – Fedline - The Federal Times Blog

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Do you see dedicated public servants contributing to society? Or parasites leeching off of the private sector?

I've had the nagging feeling lately that this never-ending debate over federal salaries is, deep down, really



just a [Rorschach test](#) for how someone feels about the government. And the Cato Institute's latest blog on the subject has some interesting comments that lend credence to my theory.

Cato budget analyst Tad DeHaven on Tuesday [fired back](#) at OPM Director John Berry's [recent assertions](#) that Cato and other federal critics are playing [fast and loose with the facts](#) to support their political viewpoints. DeHaven goes over some familiar points — federal perks and benefits are much more generous than in the private sector, their job security is nearly absolute, feds are much less likely to quit their jobs than private sector employees.

But then DeHaven takes an unusual angle on Berry's comment that federal-private comparisons have been “apples to oranges:”

However, although they have a point [that Cato is comparing apples to oranges], it's not for the reasons they suggest.

In the private sector, an employee's compensation is a reflection of his or her value in the market. [...]

What's a federal employee worth? How does one measure a government employee's production? Government isn't subject to market disciplines. It can't go out of business. It has no competitor. It doesn't need to earn a profit or even break even. It doesn't receive its revenue from voluntary transactions – its revenues are obtained via taxation, which is paid by individuals under compulsion and force.

[...]Federal and private employees are apples and oranges because the former is dependent on the latter for its existence. **In the natural world, this relationship is call parasitism.** [emphasis added] This is not a pejorative statement. Every dollar earned by a federal employee is one less dollar that a private sector employee earns. One can argue over a federal employee's value to society, but one cannot argue that the perceived value doesn't come at the expense of the private sector.

Even though DeHaven says that he doesn't mean “parasitism” to be a pejorative, it's certainly reads that way. (His qualification kind of reminds me of the way my Southern relatives will follow a brutal dig at someone with “[Bless his heart](#).” As in, “Federal employees are parasites on the private sector, bless their hearts.”)

I spoke to DeHaven earlier today about OPM's plans to [reconsider how it determines](#) the pay gap, and he told me:

At the end of the day, we need to look more towards the overall size and scope of the federal government. From my libertarian perspective, it's way too big and too much of a drain on the private sector, and does things it doesn't need to do or does them poorly, or does things that should be done in the private sector. Downsizing the federal government should mean we need less employees, and that's the direction I would like to see things go.

It's a reminder that the dustup over federal employees' salaries doesn't entirely come from genuine concern about fairness and wage equality. For some, it's a proxy war, an extension of the [centuries-old argument](#) over what role the federal government should play in our nation. These are philosophical debates that can't be resolved by looking at pure numbers. And even if feds were paid dollar-for-dollar the same amount as their counterparts in the private sector — or even less — this debate wouldn't end.

Tags: [Cato Institute](#), [John Berry](#), [pay gap](#)

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