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Building Grass-
Roots Support
for Privatization

By Rep. Curt Weldon



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BUILDING GRASS-ROOTS SUPPORT FOR PRIVATIZATION

by Representative Curt Weldon

The topic of my talk was to be privatization, which I will talk about. But a more complete description would be motivating positive grass-roots socioeconomic change the right way. The pun is intended.

For the last fifty years, we have had a pervasive attitude in this country. It says that government can do all and should do all to solve our problems and to cure all of our ills. And in Washington I have seen a mentality, somewhat changed in the last several years, that says we will solve all of our problems by creating new programs or expanding existing programs without having any idea of whether or not we are really effecting grass-roots change back home.

Realizing Full Potential. The social welfare programs of the last fifty years have done more to harm major segments of our society, especially major segments of my generation, than any other initiatives or action. As a matter of fact, they have worked against such positive premises as personal pride, positive self-image, individual initiative, and the strength of the family.

What my parents basically taught me is that our own limitations in life are self-imposed and that any goal is attainable if we properly address that goal. The government's only role is to provide us as Americans the opportunity to realize our full potential in life. I have lived these basic premises for 39 years, and I would like to review for you how I have applied them as a public official for the last ten years.

Born to a Blue Collar Family. First of all, I was born and raised in the second poorest town in my county. The only poorer community in my area of Pennsylvania is Chester City, which is one of the ten most depressed cities in America. I am the youngest of nine children. Neither of my parents graduated from high school--in fact, neither went to high school. My father and mother both had to quit school at an early age to go to work to help support their families because of problems arising primarily from their economic situation. And while I am the youngest of nine and born to a blue collar family, I am very proud of that family because the ideals and the values I obtained from that experience are really what propelled me to the public sector and provided me with some of the deep feelings I have today about the role of government at all levels.

The town where I was born and raised--Marcus Hook--was suffering some very severe problems in the mid-1970s and even before that in the 1960s. We had a tremendous

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Labor Endorsements. We are also looking at such other areas as the courthouse police and radio system, and that will continue on even after I have left the county government. But surely privatization did work and it has been well documented. But the most important thing was that there were people who said you cannot do these things. You cannot reduce the workforce; you cannot privatize; and you cannot look at ways to streamline operations because the unions will object. In our county, we have seven unions with twelve contracts--AFSCME, Teamsters, FOP--and guess what? Not only did none of the unions object, when I ran for Congress this time, I had 19 major labor endorsements from the unions I worked with statewide because I was fair. I was reasonable. They knew that I was a fair person who would be willing to sit down and work with them, and we accomplished all this without union harassment and without the unions thinking that we were trying to knock them out of the ballpark. We convinced them that it was in their best interest to help us accomplish our goals. And so it can work even in a union atmosphere.

How Do We Meet These Needs? One of my last actions at the county was to get a major waste-to-energy cogeneration facility operational and underway. A \$300 million project, entirely financed, entirely committed, and guaranteed corporately by Westinghouse Corporation itself for a full 25-year operation with no public commitment of dollars to make that facility work. So privatization can work.

The most recent thing that I would like to be able to help see into fruition because I think it is the wave of the future is what I started last year in trying to come to grips with the overwhelming human service delivery problem that we have in America today at the local level. How to meet the increased problems associated with senior citizens, with young people, with day-care operations, with the mentally handicapped, the mentally retarded? How do we meet all those needs with fewer federal dollars and fewer state dollars and how yet do we still provide those services?

"These Crazy Federal Programs." What we formed last year, which is now being implemented was the State of Pennsylvania's first human services partnership bringing together all the provider agencies and all of those governmental entities that are involved in delivering services. What we found initially was so much overlap and duplication that, by simply eliminating that, we could save a tremendous amount of money that was already being expended. And the private sector was looking for direction as to where they could best spend their limited dollars to help us fully meet the needs--the human needs--of the people in our district. And I can tell you that same type of approach can be used all over America. We need better coordination. We do not need more programs. We need to have the local people who are in place implementing the programs and solving the problems at the grass-roots level tell us how best to coordinate the dollars being pumped in for a given problem or a given need.

After all this work in the county, when I had been on the receiving end of so many of these crazy federal programs that were totally appalling, and since I had a congressman who had voted against everything I believed in for the past ten years, I decided it was time that I ran against him. Interestingly enough, he used to bring me down here when I was the mayor of my hometown and brag about how much I was doing with limited resources as an example for America. You can imagine his face when I told him I was going to run against him in 1982. Certainly it did not make him happy, and we almost beat him then.

Encouraging Voluntarism. What can the federal government do? Because there is a role for government--local, county, state, as well as federal. We cannot be a cure all for all problems, and we might as well stop kidding ourselves and the American people by thinking we can. We must provide the motivation in finding ways for people to do things for themselves and to improve their own situation in life. Along with that we must encourage and motivate voluntarism. Let me give you a very real example.

I grew up next to the city of Chester, a very poor distressed town. Financially it is going bankrupt as most of our major cities are going bankrupt, and one of the reasons is that not enough is done to encourage the people to do for themselves. Let me give you a very real concrete example that I can relate to because I have been a volunteer fireman all of my life. The city of Chester when I was growing up was protected with five totally volunteer fire companies, which is a real tradition in Pennsylvania. These volunteer fire companies provided full-service fire protection for the entire city at a very minimal cost to the taxpayers. They asked for nothing in return for the service they provided. Because of government interference, all those volunteer fire companies gradually were replaced with what is now a paid fire department. There are only two stations right now in the city of Chester. At any given point in time there are no more than fifteen people on duty, whereas the volunteers used to have at least 200 available to fight the fires.

But let's talk about the impact on the taxpayer. Today the city of Chester has 35,000 people. Right next to Chester City is Ridley Township with 35,000 people entirely protected with six volunteer fire companies. In last year's budget, Ridley Township spent \$100,000 on fire protection. The city of Chester, protecting the same number of people with the same types of problems, spent \$2.1 million for fire protection. And guess who the paid department calls in when they have a major alarm? All the volunteers from the surrounding companies, who have to come in and help them fight the fire because Chester does not have enough manpower to deal with the situation.

Pulse of the Community. But more important in all of that, what is lost when we lose a volunteer fire company? It is not just a loss in terms of taxpayer support, it is the group that organized the Memorial Day parades, the July 4th parades, the picnics, the activities, the social programs, the recreational programs in the summer--the heartbeat and the pulse of the community. That is what happens when the government takes over functions that the people want to do for themselves. And most of those paid firefighters were volunteers before they became paid firefighters. Now all of sudden they do not want to polish the fire truck anymore. They do not want to paint the floor of the fire station. They do not want to go out and have the chicken dinners and do the work to raise the money. And if we cannot learn a lesson from that throughout America, nothing else will teach us what the problem is in this country. We have to do all that we can at every level of government to motivate people to want to continue to do for themselves. And I can tell you that, while I am here, one of my key goals is to become a national spokesman for the volunteer fire service because we need to continue to motivate those people to provide that service that we could never afford as taxpayers.

Incentives to Spend Everything. Another point is that federal programs must not have built-in disincentives and I can speak from experience on that. While I was teaching public school, I ran a Title I program, now called Chapter 1, a program that was designed under Lyndon Johnson to help educate economically deprived children. I feel very strongly about helping those children, and I think that the Chapter 1 program does serve a purpose.

But let me tell you about the disincentives when I was running the program. We were given an allocation based on our population, and we knew that, if we did not spend that

allocation each year right to the bottom dollar that we given, the following year we would be cut. And so it was a disincentive. The disincentive was "spend everything you can get your hands on." So we stockpiled machinery. We stockpiled equipment. We had storerooms of paper and art supplies and we spent every dollar we could get our hands on. What we have to do is make sure that every federal program that comes out of here is a federal program that warrants our support and that we do not have built-in disincentives, which allow people and encourage people to abuse our federal tax dollars. That is what has occurred, and once again I can speak from personal experience.

Pooling Resources. Another point would be to foster communities working together. We have tremendous resources out there in America. These are small towns who maybe cannot do for themselves, but if they combine with three or four other towns in a voluntary situation, not in forced mergers but just in working together, they can achieve a very desirable result. In our four towns, we formed our council of governments, which still allowed us to retain our own independence--our own autonomy--but we did things like joint purchasing, joint use of equipment, and joint use of detectives where we could not afford them individually. We pooled our resources for insurance purchasing and for the loss control efforts to reduce our insurance costs. There are many ways that community governments can save by pooling resources without losing the autonomy that all of our towns want to have. We have to encourage that more at all levels of government.

Another effort is what I call "the encouragement of partnerships." I have seen that, in my hometown and in my county, partnerships work. When I went into office, our unemployment rate was almost 9 percent, and our whole riverfront corridor was basically a depressed industrial area that people had given up on. We formed an economic development partnership five years ago, that I still chair today, bringing together business, labor, education, and government. We work on solving the real problems of helping businesses grow and expand in that corridor, and today as I stand here, our unemployment rate is 2.9 percent--the lowest in Pennsylvania. We have \$1 billion worth of new economic development activity going on in my county right now. We have 6,000 new jobs that are being developed through new projects that we worked to attract.

Phony Federal Solutions. What I am saying is that it does not matter where you are. It does not matter what your handicaps are. What matters is understanding the importance of the mental outlook you have in terms of trying to solve the problem. And we have certainly missed the mark, especially in terms of our poor areas, over the last 60 years. We have had this assumption by some of the phony members of Congress, who are happy to cast a vote on a bill or an issue and then walk away and say that they have done their part to solve the problem. What they do not understand is that the problem is not solved until the people back home--back home in America in our small towns and our big cities--come to grips and realize that they have to be a part of the process. They have to buy in to making changes occur. And our job is to make sure that, in every program and in every aspect of our operation, local people are buying into the process and becoming a part of making it work. Whether it is education, whether it is job training, whether it is motivating socioeconomic change on a broader scale, whatever it is, people locally have to be the key to making that change occur.

Limited Only by Yourself. What America offers each and every citizen is very simple. It does not offer us everything--it does not guarantee a house or an education. As my parents told me, "You are not guaranteed anything in this country." The only thing you are guaranteed is the right to go out and achieve your own full potential in life, and in that, you are limited only by your own self-imposed limitations, just as we as a nation and as a people are limited only by our collective self-imposed limitations.

