Rather than public vs. private sector, what if we all played on the same team?

They say that confession is good for the soul, so I am going to publicly confess my sins.

Thirty years ago, when I was a park and rec commissioner, a company offered to donate land for a park to our community. Instead of taking the land, we decided to buy the property and used a state program to pay for half of the purchase price. The company then donated the full purchase price back to the city, and we used the state half to landscape the new park and buy playground equipment.

Twenty years ago, when I was a School Board member, the state decided to pay for two-thirds of local education costs. My board immediately realized that we could remodel and add on to every building in the district and the state would pay for the lion's share of the cost. We carefully informed the community of this windfall and passed a referendum to upgrade every school in the district and substantially add on to the high school.

Ten years ago, when I was a mayor, the community aggressively used the tax incremental finance laws to make road and infrastructure improvements using TIF funds rather than general funds. These improvements effectively took money from the schools, county and tech schools. Interesting, because these government units were willing participants in the tax incremental district in the first place.

When I was in state government, we often sought federal money to fund a program we had already budgeted for and then shifted the new dollars to other programs that were underfunded, or we used the federal money to reduce the deficit (OK, not so much the deficit thing). Today, Wisconsin is using hundreds of millions of federal stimulus dollars to pay for programs already budgeted through state and local dollars; the fed dollars are considered a windfall. As a former Madison Area Metropolitan Planning Commissioner and alderman, I was guilty there as well.

I am now out of politics, and your wallet should feel better already — but alas, I learned from zen masters who for hundreds of years have read the fine print and creatively used every local, state and federal program to their advantage.

In fact, I was a fiscally conservative public official and often saved far more than I spent, and reduced spending. A more liberal warier can not only find and spend your tax dollars, they can craft entire new funding sources to obtain them. I should point out, before you start looking for tar and feathers, that neither I (or the most liberal) did anything wrong or illegal. In fact, I most often erred on the side of restraint and was often chastised for leaving money on the table.

These issues of using government regulation, monies, and incentives are multiplied tenfold when the private sector is involved.

Large banks took a program designed to secure mortgages for those who needed a little help and sold even the wealthiest families homes they eventually could not afford. Then, they foreclosed on the failed mortgages and drove down the underlying market value of all homes. They also packaged this bad debt and sold it to unsuspecting buyers.

Credit card companies have found way to charge 30 percent interest on the monies they borrow at less than 1 percent. They also have removed much of the available credit from the economy. This affects spending and creates unemployment, which in turn leads to missed payments by consumers and higher interest rates.

Large firms have used federal loans and other stimulus funds to shore up their accounts, and then returned to business as usual. In the process they laid off millions workers and aggressively renegotiated pay and incentives. They now are poised to do battle with smaller companies that did not get federal help.

When we examine all the current problems in government and the private sector, we can attribute every single problem to one thing: We do not play for the same team. In fact, we are often on such opposite sides of an issue that we fail even to recognize the players. We fail as government and businesses to realize that when one wins by hurting another, we all lose.

I can hear it now — the CEO of Goldman Sachs says, “We did nothing wrong!” And what he was thinking was, “Look, you puff bag excuse of a senator, your team wrote the rules, I pay my ace legal guy more than you’ll ever see, unless I donate it to your fat butt, to interpret the rules so I can legally package this junk, sell it and make money, lots of money. Oh, and if you are able to rewrite the rules, my guys will figure them out so we can find other ways to make money, lots of money, because that, senator, is what we (expletive) do. Can I go now?”

Off the record, don’t you secretly wish I were a color commentator for the live action on CSPAN?

What we need to remember is that we all, government and private sector, liberals and conservatives, play for one team. Let’s call it “Team USA Economy,” and when one individual wins or loses, the whole team is affected.

What amazes me even more is that we don’t get this. We think that if we can make money or advance our policy by taking from the other guy we win the game. The problem is, the other guy is on our team.

We do this every day at every level of business and government. Conservatives and liberals, CEOs and union leaders, seek policy and opportunity to further their cause.

When units of government get money from other units of government, why not lower taxes to the constituents instead of increasing spending? Team USA Economy includes both the government and the taxpayers, get it?

When conservatives fight for less banking control, we get higher interest rates.
Why not create a federal program to actually lend money fairly? Borrow at 3 percent, lend at 6 percent, allow all working Americans a small line of credit, and reduce bankruptcy and foreclosure. Banks playing for Team USA Economy could administer the program for 1 percent in exchange for low interest capital.

When liberals demand comprehensive health care, we get less employment. Why not create “core care,” a very basic health care plan for everyone, and allow the private sector to supplement or add to the plan. We could call the Team USA Economy plan Medicare and Medicaid (oh wait!).

When corporate America asks for help, why not ask that the company we are assisting not lay off employees? They could ask every employee to take a pay cut until the company recovers. A 20 percent reduction in income is tough, but not as tough as a 20 percent reduction in jobs.

Some are suggesting that this recession is nearing the end, but I would point out that many games are won or lost in the final minutes. Some who actually were the exception to the rules and played well for the entire team are only now running out of resources. It is how we play the final seconds that will make a difference. We also have an opportunity to change the rules for the good of the whole team. Lets put on our rally caps. USA, USA, USA...

I liked the feature on BIO 2010 in the April issue of the CRBJ, and am pleased to see our region’s amazing high-tech assets showcased!

I would also like to add that Thrive, the regional economic development enterprise, has been involved in bringing a regional coalition to BIO for the past three years, promoting the eight-county Madison Region with partners Madison, Fitchburg, Middleton, Alliant Energy and MG&E, housed in the Wisconsin Pavilion.

Extra credit this year goes to the Wisconsin Technology Council, the organizing force behind this year’s Wisconsin Pavilion. Also new this year, Thrive is contributing a guest blog promoting the Madison Region to the official BIO blogsite; this is also the first-ever ongoing guest blog to specifically promote a region on that site: http://patentlybiotech.wordpress.com/.

We’re thrilled they chose us for this — based in large part because of the tremendous assets highlighted in your CRBJ article.

Jennifer Smith
Director of Marketing and Communications, Thrive