

EDITORIAL
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The Spoils System

In the 2006 Oregon gubernatorial election, Ted Kulongoski received the lowest percentage vote of any incumbent Democrat governor in the nation. That noted, you would think the governor would have wanted to create a team for his second term to build his legacy and benefit the state, rather than use the “spoils system” to reward the financiers of his reelection.

Historian Arthur Schlesinger, in his book “The Age of Jackson,” credits Jackson for both inventing the “spoils system” and using it to help build a modern democracy. Writes Schlesinger about the pre-Jackson days, “in the eyes of the people the bureaucracy had been corrupted by its vested interests in its own powers ... the spoils system, whatever its faults, at least destroyed peaceably the monopoly of offices by a class which could not govern, and brought to power a fresh and alert group which had the energy to meet the needs of the day.”

Kulongoski’s approach is not Andrew Jackson’s. Rather than using the spoils of victory to clean up corruption and re-energize his office, he has done the opposite. The message sent by the governor’s new appointments is depressing, not just to Oregon’s business community, but to the entire state. Those top appointments are his chief of staff, Chip Terhune, former lobbyist for the Oregon Education Association, and his deputy chief of staff, Tim Nesbitt, former head of the Oregon chapter of the AFL-CIO. Later, the governor would add technology executive, Allen Alley, as a token business appointment to round out the governing troika.

One Oregon business leader put it this way: the governor has done a “magnificent job” of putting the public employee unions in complete control of his second term.

Days before the governor’s reelection, as events were breaking the Democrat incumbent’s way, an official high up in the governor’s administration was asked if it was true that the very people (the public employee unions) who were winning the election for the governor were also the very people who *would not* help him succeed in a second term. “That’s exactly right,” replied the official.

But does the governor know that? “Yes,” replied the official, “I’m sure he does.”

North of the Oregon capital, in Olympia, Wash., lies another blue state, and another Democrat governor, with a very different governing style. Christine Gregoire governs Washington from the center, not from the far-left, where the public employee unions reside. Last month, Gregoire addressed the Washington legislature. Yes, her speech contained the usual bromides... “my number one priority this session is education,” or “join me again this session and invest in kids’ health care so we can continue our steady progress toward our goal of all children having access to health care by 2010... and “we need to create a permanent Rainy Day Fund as part of our Constitution.”

But beyond the issues of the day, Gregoire took time to set the tone and address the core of Washington state — its economic engine. “Economically, we really are more like a small nation than a state. We export more than twice as much per worker as any other state in the country and the sky is limit. With the container ports initiative, we will continue to be the gateway to America for goods from Asia, and a leading exporter of high quality products whether it’s airplanes, software, wine, potatoes or cherries.

“While we need a new economic vision, some things don’t change. We have to take care of our traditional business base. *Forbes* recently ranked us 12th best state for business. But there is intense competition and we need to stay competitive.”

One Northwest Democrat governor brags about her state’s ranking in *Forbes*. The other northwest Democrat governor puts the top two union officials in charge.

The *Forbes* Rankings: The Best States For Business

	Washington	Oregon
Overall:	12 th	31 st
Business Costs:	37 th	34 th
Regulatory Environment:	5 th	33 rd
Economic Climate:	26 th	40 th
Growth Prospects:	5 th	7 th
Quality of Life:	41 st	35 th

Oregon ranks well behind Washington in some important categories. How can Oregon rank 35th in Quality of Life? What does *Forbes* use to measure this statistic? According to the publication, Quality of Life is an index of “schools, health care, cost of living and poverty rates.” Oregon’s 35th ranking in this category must be shocking to our native officials.

Last month, Cynthia Geyer (aka J.C. Penney’s granddaughter) was feted at a Portland Schools Foundation dinner, sponsored by Wells Fargo, Regence, Nike, Columbia Sportswear, etc., for having helped create in Multnomah County, albeit for only three years, the only county income tax west of the Mississippi. Meanwhile, the Chalkboard Project released data shows total spending in Oregon on public school teacher benefits per student at 23 percent of all total dollars. The national average is 18 percent.

What is so maddening about the governor’s performance, and the signals he has sent Oregonians since his reelection, is how damaging his initial steps since his inauguration are to Oregon’s competitive position in the global economy. Gregoire gets it; Kulongoski does not. Remember that last year Oregon Intel hired 400 Ph.D.s in engineering, only seven of whom were from Oregon schools. Does anybody believe that Oregon can have a top engineering school, a world-class transportation infrastructure or Fortune 500 companies if state funds are controlled solely for the benefit of the public employee

unions?

To the victor go the spoils, but if Ted Kulongoski isn't careful, he could spoil his own legacy, and the state's future right along with it.

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