

# GOLDEN: Murphy making promises he likely can't keep

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(Photo: AP)

It took a while, but Democratic gubernatorial candidate Phil Murphy has conceded what campaign observers concluded long ago — his campaign promises have outrun his ability and his willingness to pay for them.

He has proposed a \$1.3 billion tax increase and has said he'll not seek more even though the total additional revenue he wants falls well short of fulfilling his wish list.

Faced with mounting questions about how he intended to finance his ambitious agenda, Murphy went into retreat. His administration, he said, will instead establish spending priorities, concentrating on fully funding the state's formula of aid to local school districts and contributing to the beleaguered public pension system.

If he follows through on those pledges, there will be little left of the \$1.3 billion in additional tax revenue to support the lengthy list of proposals he's already offered.

Even a cursory examination of the promises he's made — restoration of homestead rebates, invest in transportation and infrastructure, free tuition at county colleges, paid family leave for all, to name but a few — raises serious doubts about their affordability, particularly at a time when the state's budget condition is dicey at best.

It's become common, for instance, for fund transfers and spending cuts to be implemented as the end of the fiscal year approaches to assure the books balance.

Promises are to political campaigns what gasoline is to the internal combustion engine. Neither works without it.

Murphy isn't unique in laying out a legislative agenda, but he's raised the bar on promises to an unprecedented level and, in doing so, has invited criticism that his campaign is driven in considerable measure by the demands of private and special interests in return for their support. What Murphy describes as a vision for the state is portrayed less charitably by his critics as pandering.

His refusal thus far to support renewing the 2 percent cap on salary arbitration awards for police and firefighters, for example, has been offered by his critics as evidence of placing special interests ahead of taxpayer interests. His position, they say, reflects his desire to avoid offending public employee unions whose endorsement he enjoys. The cap expires at the end of this year and its supporters contend it has saved more than \$2 billion in property taxes.

While he's acknowledged that the possibility of meeting all his promises quickly is increasingly remote, he remains committed to doing so over a longer period of time. He'll reach his stated goals, he says, by implementing policies to "grow the economy," a noble endeavor embraced by virtually every candidate but one impossible to quantify with any accuracy.

Moreover, recent history suggests strongly that such growth has been sluggish and for Murphy to attain the spending and revenue levels to which he's committed would require the kind of robust upsurge in economic activity that state has not experienced in years. His insistence that his "grow the economy" platform will produce a flow of benefits stands in contrast to his refusal to endorse a bipartisan plan in the Legislature to sweeten the state's tax incentive program in an effort to convince Amazon to select New Jersey as the site of its second headquarters — a \$5 billion investment expected to provide 50,000 jobs.

His reservations about the long-term value of tax breaks and whether the state reaps significant returns on the investment may very well be sincere, but it overlooks the harsh reality that such incentive programs are now the world in which state governments live. Offering tax-based inducements has become a major competitive tool as states jockey for position to lure corporate investment and expansion. And, at the moment, there is no greater prize at stake than Amazon.

Should Murphy remain cool to the state's participation in the Amazon sweepstakes, he'll be widely criticized for failing to even enter the bidding, passing on the possibility of securing the largest single investment in state history and the 50,000 jobs that go with it. Critics will mock his "grow the economy" rhetoric as little more than a campaign slogan designed to cover a lack of commitment.

Admitting that he'll not be able to deliver on all his promises, however, hasn't seemed to cost him. He maintains a healthy lead in polls and campaign money isn't an issue. He believes the widespread disillusionment with the Gov. Chris Christie administration is more than sufficient to overcome any damage from over-promising and under-delivering.

Carl Golden is a senior contributing analyst with the William J. Hughes Center for Public Policy at Stockton University.

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