PS1 for 4/27/1989 # Will Children Get Real Money or Funny Money

“I’m from the government and I’m here to help you” is a standard straight-man line in comedy routines. It’s always good for a laugh. As applied to child care, it would be funny if it weren’t so tragic.

With a track record like the government has demonstrated in public housing, public welfare, and public schools, it certainly isn’t safe to trust the government with our babies. The liberal line about “here to help you” with your baby-sitting might have swayed people 10 or 20 years ago, but it won’t play in Peoria today because Americans have wised up.

The Democrats are sniping at George Bush’s plan to give each child a $1,000 tax credit, saying $1,000 isn’t enough to pay for daycare because the average cost per child is $3,000 per year. However, any implication that the liberal Democratic bills would give families more money than $1,000 is false.

When children get a Bush child tax credit, families will have REAL MONEY in their own hands to spend. If the liberals set up a baby-sitting bureaucracy, families would get only FUNNY MONEY because most of it will go to bureaucrats, regulators and administrators, and even the little bit supposed to benefit children will have strings attached so Big Brother can tell us how to spend it.

The liberals propose a system that discriminates against mother care and grandmother care in favor of hired care. We absolutely cannot, as a matter of public policy, have any legislation that discriminates against mothers who take care of their own children.

Only one policy is fair to all, sensible, practical to administer, and cost-effective: give each preschool child in America a tax credit on his parens’ income tax so that parents can decide how to spend the money. A parent who has $1,00 tax credit to spend will get $1,000 in value, or maybe several times the $1,000 value if it is used within the family unit to secure loving child care from the child’s own relatives.

How much value do you think any child would ever get from $1,000 spent by a Federal Administrator of Baby-Sitting in the Department of Health and Human Services? I’d be surprised if $50 out of $1,000 ever reached any child.

First, the $1,000 would have to pay the salaries and the office expenses of a new department, of course allowing for enough staff to spend part of their time lobbying Congress for pay raises and bigger budgets. Then, a big chunk of money would have to go to the regulators: to create new federal regulations, to monitor state regulations, and to browbeat and threaten states and local facilities to comply with the new federal regulations.

Another chink of money would be spent to develop training requirements for daycare staff, making sure that all grandmothers have at least 15 hours a year of federally approved training. Incidentally, the training would usually be given by young women who never took care of any children of their own.

Then the feds would have to hire experts to devise the procedure for giving out grants of federal money. Specialists would be used to make sure that only approved so-called non-profit centers run by their pals would ever get federal money, while allowing only a token grant here and there to some facility in a ghetto church where the caretakers would be intimidated into covering up every cross and religious picture.

Another slice of money would be spent to force the states to go on a search-and-destroy mission to force out of business the 1.65 million legal-but-unlicensed neighborhood daycare mothers, as well as the presently licensed daycare facilities in some 25 states which don't meet the new federal regulations. Of course, this federally caused scarcity would increase the pressure for more federal spending on federally approved centers.

If ten percent of the liberal baby-sitting bills ever benefitted children, we would be surprised. But even that ten percent would be an illusion for two reasons.

First, the money available to parents, if any, would have to be spent in federally designated centers. Second, since the new federal regulations would dramatically inflate the price of daycare, the new price of daycare-less-subsidy would be higher than daycare-without-subsidy was before the feds got into the act.

Some bills introduced into the 101st Congress are a hybrid breed – part child tax credits and part discriminatory/bureaucracy building. Those bills should be recognized as trying to bribe American mothers with pittance of a tax credit while starting their discriminatory baby-sitting bureaucracy anyway.

Every American family will get more value, dollar for dollar, in a child tax credit than the feds can give us by spending our money for us. It's the difference between real money and funny money.