FROM THE EDITOR

The new outsiders

The change in this state's attitude toward tobacco has been an interesting transition to witness. Twenty-five years ago, you were some kind of puritan if you didn't light up after a swell meal.

I smoked my last cigarette sometime in the first week of January 2003, when we shifted to an outside-only rule at the house. One cool morning, the air just tasted so much better, and I was done.

My consumption had dwindled a good bit and I'd quit a few times for a lot of reasons – even once out of anger when the telephone rang and I caught myself reaching for a cigarette before I reached for the phone.

You start to notice things when you quit. Not just the usual things, like flavors and less windedness, but also the herd-like instincts among people with a shared addiction.

This is not meant to be derisive to smokers (you know, some of my best friends . . .), and there is nothing wrong with the social ritual of stepping out for a chat and a smoke, except for what it does – sooner or later – to the human body.

I started up as a social smoker, realizing that the short breaks at the restaurant I worked at were more meaningful and congenial among those taking a smoke break.

That was back when you could light up just about anywhere and anytime. Now that pool of places is drying up, and this state, naturally, is one of the last to sign on to the end of the era. Drive almost anywhere else and you'll see billboards, funded by tobacco trust money, noting some powerful statistic of death and disease. We don't seem to have as many here. I don't wonder why.

Tobacco, the grand commodity, is still revered here, even as its end products are reviled. Here, the two tides clash mightily. And last year with the passage of the Go Smoke Outdoors Act of 2009, the anti side prevailed. (Unless, of course, you happen to be a member of a country club; but what else is new.)

Perhaps you've noticed that it is cold outside, and, maybe, in the mad dash from auto to the door you've caught glimpses of the new outsiders, the huddled groups of humanity driven from bistros, bars and even the swankiest joints onto the sidewalks and patios.

The times have indeed changed. Stay warm everybody.

Lemonade

Kudos to the Town of Carrboro and the owners of the property at the corners of Roberson and Greensboro streets for taking one of the fruits of a sour economy (the stalled condo/office complex approved for the site) and squeezing something beneficial from it in the form of scores of new downtown parking spots.

Is it too much to hope that this will deter those who tie up the intersection of Main and Greensboro by trying to make a left into the parking lot in front of Open Eye?

Would that it were so.

Errata

An ill-placed break in the timeline for 2009 that we ran in last week's paper could have led some to believe that very little happened last May. Plenty did. You can read the much-more-accurate version online at carrborocitizen.com/main/2010/01/01/timeline-2009/

Also in last week's edition, we noted that state Sen. Ellie Kinnaird is likely to retire. If you noticed the front page of this week's paper, you know that was, um, inaccurate.

The dynamics of the Senate changed dramatically recently with the retirement of Tony Rand and the announcement by several other senators that they won't be running again either. Regardless, I should have picked up the phone and checked first. Sorry about that.

THE CARRBORO CITIZEN

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Robert Dickson, Publisher
Kirk Ross, Editor
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Margot Lester, Lucy Butcher, Rich Fowler, Mike Li, Contributors
Charlie Tyson, Intern
Ava Barlow, Photographer

ADVERTISING
Marty Cassady, Ad Director
marty@carrborocitizen.com

OPERATIONS
Anne Billings, Office Coordinator
anne@carrborocitizen.com

DISTRIBUTION
Chuck Morton, Julian Davis

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LETTERS

Thanks for photo

Thanks so much to Jock Lauterer and Tim Peck for providing the Almanac photo of the 1972 Chapel Hill High School Mens' Soccer Team.

Growing up in town and playing Rainbow Soccer these guys were my mentors, coaches and heroes. This group of athletes were true pioneers in bringing "the beautiful game" to the area.

> "... and oh, to have all that long beautiful hair again!"

Thanks for the blast from the past, and oh, to have all that long, beautiful hair again!

BUDDY KELLY
Chapel Hill

It's time to fix the state health plan

ADAM LINKER

North Carolina now has an unprecedented opportunity to fix its broken State Health Plan.

The State Health Plan Blue Ribbon Task Force that recently convened in Raleigh brings together lawmakers, state officials and other stakeholders to discuss ways to improve the insurance plan that covers more than 660,000 current and retired state employees. And the group faces formidable problems.

Former State Health Plan executive director George Stokes signed a no-bid contract with Blue Cross Blue Shield several years ago without first consulting a lawyer. The onerous terms of that contract nearly bankrupted the State Health Plan last year.

In the last session of the General Assembly, a State Health Plan bailout bill was passed amid mounting panic. The legislation was subject to intense lobbying. Arms were twisted. The untouchable Blue Cross escaped untouched. Pharmacists and drug companies emerged unscathed. State employees got smacked with higher out-of-pocket expenses and benefit cuts. That's where we are now.

The State Health Plan desperately needs structural changes.

Lawmakers want to retain control over the plan because it constitutes a significant chunk of the state budget. But lawmakers have shown a willingness to cave when special interests apply pressure. Legislators are now meeting regularly to get updates on State Health Plan finances. But the interest of lawmakers is fleeting; when the plan is back on autopilot, legislative oversight likely will be sporadic. Then another crisis will hit.

To maintain strong and consistent oversight, the State Health Plan should be moved to an independent commission or to the executive branch. That is how it's done in most states.

Along with the impressive cost sharing imposed on state employees in the State Health Plan bailout bill, lawmakers also added downright bizarre wellness provisions that will require all employees to undergo random testing for nicotine use. The General Assembly adopted these measures in a desperate bid to save money. Now it's clear that the proposals are not likely to save money. They are also intrusive and unfair.

The idea is to test state employees for tobacco use. Workers who are upfront about smoking will have the chance to join a smoking-cessation program or move to a less generous insurance plan. All state employees will be randomly tested to ensure that everyone is telling the truth about tobacco use. Originally, the State Health Plan said it would do cheek swabs at work. Now state employees will be required to get a cheek swab at an offsite location before or after work.

In two years, the state will start charging more to obese employees who do not meet body mass index standards, although there are no plans for random weight checks.

The Blue Ribbon Task Force should kill the random-testing idea. It is remarkably invasive. It is also not cost-effective. No other state does random testing of the sort proposed in North Carolina because it doesn't make sense.

The idea of shifting overweight employees into a new insurance plan also should be nixed. The State Health Plan is not going to successfully bully people into slimming down.

That leaves us with the smoking provisions. The State Health Plan could design a fair system that encourages employees to stop smoking. We could ask state workers whether they use tobacco products. Users of tobacco products then could be encouraged to join a smoking-cessation program. If they decline the smoking-cessation program, then the State Health Plan could charge an annual fee.

Any fees state employees are charged for declining to join a smoking-cessation program should be adjusted according to income. The State Health Plan could charge an annual $150 fee to employees earning $30,000 per year and $500 to employees earning $100,000. If at some point during the year, the employee joined cessation counseling, then the fee should be refunded. Employees should not be fined for smoking. They should only be fined for not attempting to quit.

And under no circumstances should a state employee move to a new insurance plan as punishment for violating wellness requirements.

These are only a few small steps to fix the damage that already has been done by the State Health Plan bailout bill. There are better ways to save money in the future. But state employees are already suffering from higher out-of-pocket expenses. It is unconscionable to shift them back and forth between insurance plans and subject them to random testing.

Administrators at the State Health Plan do not make fairness to state employees a top priority. But state legislators represent the people, not the State Health Plan. They should rewrite the wellness provisions, surrender control of the State Health Plan and make recommendations to strengthen benefits for the public employees who make our state great.

Adam Linker is a policy analyst at the North Carolina Health Access Coalition.

2009: Wall Street bounced back, Main Street got shafted

ROBERT REICH

In September 2008, as the worst of the financial crisis engulfed Wall Street, George W. Bush issued a warning: "This sucker could go down." Around the same time, as Congress hashed out a bailout bill, New Hampshire Sen. Judd Gregg, the leading Republican negotiator of the bill, warned that "if we do not do this, the trauma, the chaos and the disruption to everyday Americans' lives will be overwhelming, and that's a price we can't afford to risk paying."

In less than a year, Wall Street was back. The five largest remaining banks are today larger, their executives and traders richer, their strategies of placing large bets with other people's money no less bold than before the meltdown. The possibility of new regulations emanating from Congress has barely inhibited the Street's exuberance.

But if Wall Street is back on top, the everyday lives of large numbers of Americans continue to be subject to overwhelming trauma, chaos and disruption.

It is commonplace among policymakers to fervently and sincerely believe that Wall Street's financial health is not only a precondition for a prosperous real economy but that when the former thrives, the latter will necessarily follow. Few fictions of modern economic life are more assiduously defended than the central importance of the Street to the well-being of the rest of us, as has been proved in 2009.

Inhabitants of the real economy are dependent on the financial economy to borrow money. But their overwhelming reliance on

Wall Street is a relatively recent phenomenon. Back when middle-class Americans earned enough to be able to save more of their incomes, they borrowed from one another, largely through local and regional banks. Small businesses also did.

It's easy to understand economic policymakers being seduced by the great flows of wealth created among Wall Streeters, from whom they invariably seek advice. One of the basic assumptions of capitalism is that anyone paid huge sums of money must be very smart.

But if 2009 has proved anything, it's that the bailout of Wall Street didn't trickle down to Main Street. Mortgage delinquencies continue to rise. Small businesses can't get credit. And people everywhere, it seems, are worried about losing their jobs. Wall Street is the only place where money is flowing and pay is escalating. Top executives and traders on the Street will soon be splitting about $25 billion in bonuses (despite Goldman Sachs' decision, made with an eye toward public relations, to defer bonuses for its 30 top players).

The real locus of the problem was never the financial economy to begin with, and the bailout of Wall Street was a sideshow. The real problem was on Main Street, in the real economy. Before the crash, much of America had fallen deeply into unsustainable debt because it had no other way to maintain its standard of living. That's because for so many years almost all the gains of economic growth had been going to a relatively small number of people at the top.

President Obama and his economic team have been telling Americans we'll have to save more in future years, spend less and borrow less from the rest of the world, especially from China. This is necessary and inevitable, they say, in order to "rebalance" global financial flows. China has saved too much and consumed too little, while we have done the reverse.

In truth, most Americans did not spend too much in recent years relative to the increasing size of the overall American economy. They spent too much only in relation to their declining portion of its gains. Had their portion kept up – had the people at the top of corporate America, Wall Street banks and hedge funds not taken a disproportionate share – most Americans would not have felt the necessity to borrow so much.

The year 2009 will be remembered as the year when Main Street got hit hard. Don't expect 2010 to be much better – that is, if you live in the real economy. The administration is telling Americans that jobs will return next year, and we'll be in a recovery. I hope they're right. But I doubt it. Too many Americans have lost their jobs, incomes, homes and savings. That means most of us won't have the purchasing power to buy nearly all the goods and services the economy is capable of producing. And without enough demand, the economy can't get out of the doldrums.

As long as income and wealth keep concentrating at the top, and the great divide between America's have-mores and have-lesses continues to widen, the Great Recession won't end – at least not in the real economy.

Robert Reich was the nation's 22nd secretary of labor and is a professor at the University of California at Berkeley. His latest book is Supercapitalism.