Opinion

TRENTONIAN EDITORIAL: Fat cat exodus

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Fat cats are leaving Jersey as fast as their chubby little legs will carry them. Some will chortle at the comical image and say — in accordance with the “populism” that the White House is attempting to make fashionable — “Good riddance! Don’t let the door hit your pudgy ass on the way out! Heh, heh.”

But consider this: The bags of money the fat cats are lugging away as they huff and puff across the state border to less hostile destinations (mostly points south) are filled with jobs and tax revenues and charity donations. Heh, heh indeed.

The Center on Wealth and Philanthropy at Boston College documented the exodus by sifting through Federal Reserve, Census and IRS data. From 2004 to 2008, $70 billion of wealth fled the Garden State, the center found in a study commissioned by the New Jersey Chamber of Commerce.

The study reported that 302,780 households said adios to the state and took with them an average net worth of $618,330 — 70 percent greater than the average net worth of those moving into the state.

As if to flip the bird at their former home state — which has been ever more eager in recent years to hammer them with higher and higher taxes while touting them with demagogic rhetoric — the departed fat cats leave behind these two statistics worthy of reflection:

- The exodus, according to the study, creates a $1.13 billion gap in New Jersey’s charity donations.
- The richest 1 percent in New Jersey pay over 40 percent of the state’s income tax collections. It’s no coincidence that while the tax-whacked fat cats have been fleeing, New Jersey’s perennial budget crises have grown increasingly severe by the year.
- Private-sector jobs also have been on a steadily dwindling course, even before the current recession set in. And guess who finances new jobs? That’s right, those reviled fat cats whose income funds small partnership payrolls or goes into other entrepreneurial investments.

The study by the Center of Wealth and Philanthropy reprises a familiar story. In the old version, the goose that lays the golden eggs gets killed by shortsighted, numbskull politics.

In the updated version, the goose that lays the golden eggs gets chased out of state by shortsighted, numbskull politics and lives happily ever after in South Carolina, Florida, Texas or some other more accommodating and appreciative state.