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September 30, 2011

Southern Tier Regional Economic Development Council
Supplemental Letter
Via E-Mail to Fortner@empire.state.ny.us

Dear Council Members:

Having attended tonight's presentation in Ithaca, this is a supplemental comment.

The Council's decision to remain neutral on hydraulic fracturing takes off the table the single most important chip in developing jobs and the economy in the Southern Tier.

Your own materials are rife with references to natural gas development. The remaining energy items, solar, wind etc. may be less controversial but these are not economically feasible now and will not be at best for years to come. As you stated, the natural gas industry does not need New York's help, what it needs is for New York to establish appropriate safety regulations and then get out of the way. At one swoop, the Council has turned its back on the best hope for economic revival in New York. This may be politically wise but it is economically a stagnation sentence for the Southern Tier.

Second, the plan we heard described is heavy on government programs and government resources. As the Council is over weighted with academics and government office holders this is not surprising, but offers little hope of meeting the key points in our earlier letter, reducing taxes and regulations, neither of which is done by creating new government programs. The Council should be spending more time on limiting government involvement, not planning to increase the number of government funded initiatives. **Basic market research says the best way to do this would be to ask private industry job placement decision makers what they want of New York.**

Third, all jobs are not equal. Spending time on low paying tourism jobs is less productive than seeking high tech manufacturing. Some industries (such as

education) are "sticky" in the sense they can't leave. The jobs we need would come from "non-sticky" industry and beefing up government programs will not attract them.

Fourth, one of the most significant barriers to jobs is not discussed, home rule and the resulting patchwork quilt of changing regulations. **New York needs to have uniform state wide and predictable standards. Your organization is trying to harmonize the efforts of multiple organizations and political divisions; home rule is diametrically opposed to this.**

Fifth, until the State and the Councils recognize that government is the problem, not the solution, New York will not attract jobs, no matter how many government programs are established. Private industry by and large has no desire to have government as its partner, it wishes government to step out of the way.

Sixth, your theme is "New York is Open for Business." But, a plan that is created by and centered on academia and government is not consistent with that theme. The result will be unlikely to convince private sector business decision makers in "non-sticky" industries that there has been real change warranting expansion into New York. While the current draft plan says New York is open for business, the plan suggests New York is still closed and has little or no intention of changing its fundamental approach.

Finally, the present program as constituted while sounding good is unlikely to do very much for New York's economy. Unfortunately, time will not permit the Council to go back to the drawing boards and ask the fundamental question, what should we do to determine how to open the door to the private sector to bring substantial numbers of new, high paying, jobs to the Southern Tier? The current plan will make hardly a dent in our economic problems. It is a receipt for failure.

Sincerely yours,

Henry S. Kramer