

Our View: Fewer know independence from government

July 04, 2012

This Independence Day, we note an unfortunately accelerating trend toward government dependence. This is tragically ironic in the land of the free, where the founders were brave enough to assert independence from the government of their day.

The genesis of the problem was when government's string pullers discovered how to offer something of value at little or no apparent cost to those receiving it. Uncommon personal character is required to turn down such an offer on principle. We long for a revival of the principle that set the United States apart two centuries ago — the principle of independence, rather than of dependence.

What might we conclude from this dreary statistic? "A record of 8,733,461 workers took federal disability insurance payments in June 2012, according to the Social Security Administration. That was up from 8,707,185 in May," reported CNSNews.com.

It's unlikely that employment is becoming alarmingly more incapacitating. Is something else going on? Perhaps more people are choosing to depend on government benefits.

The federal government during the long economic downturn and feeble recovery extended unemployment benefits for up to 99 weeks. What happened after unemployment beneficiaries were permitted to continue collecting checks for so long? Apart from bruised personal self-respect, people grew in dependence on government, in this case, for paychecks given in return for not working.

That's not all. There also was "great pressure on the federal-state unemployment insurance tax and benefit system," says the National Center for Policy Analysis.

The chain reaction of bad consequences led to state governments borrowing from the essentially insolvent federal government to <u>pay</u> for these benefits. Now cash-strapped California plans to borrow \$312 million from the state's disability insurance trust fund just to pay this year's interest on its federal loan for unemployment benefits.

Such unhealthy dependence isn't confined to individuals. "(C)orporate welfare is rampant in the spending of the federal government," says a study by the libertarian Cato Institute, which pegged the cost at \$100 billion a year.

"Sugar subsidies offer artificially created profits to sugar producers, protecting them from international competition, while increasing input costs for other, less-influential businesses," says Cato.

What happens when corporations depend on taxpayer money to be profitable? Cato says subsidized firms become spendthrift, fail to check costs and make uncompetitive financial decisions. Meanwhile, enterprises "presumably passed over for a reason" by private equity are artificially propped up.

In short, dependence on government subsidies cheats those who don't get subsidies, creates unfair competition and enriches people who should fail because of their faulty business models. The consequences of personal dependence on government are uncomfortably similar.

This election year, unfortunately, we already hear more promises of what government can do for you. In the spirit of '76 we'd like to say, "Enough already."

Read more: <u>http://www.appeal-democrat.com/articles/government-117571-independence-day.html#ixzz1zkojKHFM</u>