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Slaves to Government

By <u>Doug Bandow</u> on 3.9.11 @ 10:19AM

How much longer can we claim to be a republic when we are beholden to government for our livelihoods? Reports CNBC:

Even as the economy has recovered, social welfare benefits make up 35 percent of wages and salaries this year, up from 21 percent in 2000 and 10 percent in 1960, according to TrimTabs Investment Research using Bureau of Economic Analysis data.

"The U.S. economy has become alarmingly dependent on government stimulus," said Madeline Schnapp, director of Macroeconomic Research at TrimTabs, in a note to clients. "Consumption supported by wages and salaries is a much stronger foundation for economic growth than consumption based on social welfare benefits."

The economist gives the country two stark choices. In order to get welfare back to its pre-recession ratio of 26 percent of pay, "either wages and salaries would have to increase \$2.3 trillion, or 35 percent, to \$8.8 trillion, or social welfare benefits would have to decline \$500 billion, or 23 percent, to \$1.7 trillion," she said.

Adding to this dependence is one of the great dangers--or opportunities, in the eyes of the Left--of ObamaCare. It is a vast new entitlement to hook middle-class Americans. Once they are receiving federal subsidies and "benefiting" from federal rules, they will have trouble imagining a world in which government does not manage their health care.

The American republic is at risk. There isn't much time.

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