



## **Government stole the American dream**

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Feb. 6 — To the Editor:

I followed with interest Hedrick Smith's passage through the Seacoast on his promotional book tour, as he was promoting his book, "Who Stole the American Dream?" I have not read his book nor did I attend any of his speaking or signing engagements. What I know of his theory is gleaned from the pages of this newspaper and interviews on National Public Radio.

If I understand him correctly, he believes that the "1 percenters" have tilted the economy in their favor, thus stealing "the dream" for those of us in the middle class. The current mantra of the left is "income inequality."

Clearly, the purchasing power of the middle class has deteriorated over the past several decades. But unlike Mr. Smith, I believe that it is due to the overreach of government — federal, state and local.

The "1 percenters" have been with us for generations, in the good times as well as the bad. The middle class, however, the backbone of America, has diminished as government spending has spiraled out of control.

The inequality exists between a shrinking stable middle class and a growing class of government-funded dependents.

Mr. Smith speaks of \$6 trillion in middle-class wealth transferred from homeowners to banks. What he and the "mantra people" are conveniently forgetting is the \$16 trillion of wealth transfer known as the Great Society — celebrating its 50th year.

When you take this much money, at the point of a gun, from those who have earned it and give it to those who have not, why do Mr. Smith and the "mantra people" blame the rich and ignore the governmental squeeze?

There are people in this country who truly need help, some of whom will always need help. But 20,000 federally related housing inspections that I have done over the past 16 years tell me that the truly needy comprise approximately 10 percent of those receiving entitlements. They require our full attention.

When looking at data about the income gap, some interesting numbers appear. I want to warn that when you research these numbers, your brain will hurt. This comes from someone who likes looking at numbers.

It would appear that income data is taken virtually exclusively from IRS data. It is interesting that some income is not taxable and thus does not appear in their data.

A recent Cato Institute study (2013) compares the "typical welfare package for a mother with two children participating in seven common welfare programs — Temporary Assistance for Needy Families (TANF), food stamps (SNAP), Medicaid, housing assistance, WIC, energy assistance (LIHEAP), and free commodities." All of these are non-taxable. They represent an enormous amount of dollars not factored in to the statistics that motivate the income inequality movement. Our income has already been redistributed.

Hawaii provides the most at \$49,175, Mississippi the least \$16,984. The median benefit among the 50 states and the District of Columbia is \$28,700. Where is flinty, frugal, New Hampshire in this mix? We have the dubious honor of coming in at No. 9 with \$37,160 in benefits.

This certainly doesn't fit the traditional image of the Granite State as community of hard workers who look out for each other.

For New Hampshire, the tax-free benefit translates into \$39,750 in pre-tax dollars. This would be the amount of money that those working for a living would have to earn in order to match our state's welfare benefit.

A benefit of \$40,000 for being single and having produced two children discourages marriage and parental responsibility of fathers. Many fathers remain in the picture and live on the family's benefits rather than work. This is a choice. Our system also traps single-parent families by giving mothers fish rather than teaching them to fish. And children learn about adult life largely from their parents.

This phenomenon cuts through all racial and ethnic lines. I have done federal inspections from the tip of northern Maine to the southern tip of Plaquemines Parish, La., from Oregon to Puerto Rico. It is disturbingly the same everywhere. The Great Society has created multiple generations of federal and state dependents. Their numbers are increasing as the middle class tightens belts further to pick up the tab.

Polling of welfare recipients shows that the vast majority do want to work. Despite the fact that study after study shows that the way out of poverty is a job and not a handout, what is the incentive to work? Michael Tanner, a fellow at the Cato Institute, states: "Fewer than 3 percent of full-time workers are poor, compared to nearly 25 percent for those without a job. Even an entry level, minimum-wage job can be the first step on the road out of poverty." Why are benefits not providing for a move to full or near independence?

I do agree with Mr. Smith that someone has stolen the "American Dream" from middle-class wage earners and homeowners. That someone is a dependence-creating government body. The 1 percent are, as they always have been, outside this equation.

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