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Commentary

Government just seized another month of your life

Doug Bandow

If you listen to President Barack Obama, you'd believe taxpayers are having an easy time. He even cut some levies earlier this year.

Alas, the federal government borrowed a little money during the past year. And big government financed by debt differs little from big government financed by taxes. Aug. 12 was Cost of Government Day, when we finally stopped paying for government -- spending and regulation.

Monika Ciesielska has produced the latest Cost of Government Day report for the Center for Fiscal Accountability, a special project of Americans for Tax Reform. She found that the Cost-of Government Day advanced nearly a month over last year.

The reason: wild government spending and expansive federal regulation. Explains Ciesielska: "The driving factor for this development is that all components of the cost of government -- federal spending, state and local spending, and regulations -- are now increasing faster than national income, which shrunk as a result of the financial crisis in 2008." From bailouts to alleged stimulus, government has been tossing money at just about anything that moves, and quite a few things that don't. Government outlays now account for 28.5 percent of gross domestic product or total economic output, a peacetime record.

The largest share of the cost of government is attributable to Washington. Writes Ciesielska, "The average American worker will have to labor 111 days just to pay for federal spending, which is now consuming 30.36 percent of national income."

Next are state and local governments. Because most state governments are legally required to balance their budgets, there is a limit to the financial shenanigans that even the most irresponsible politicians, like those in California, can employ. As a result, Americans are working "only" a couple days more this year compared with last year for states and localities, 49 days. Still, that number is far too high.

Regulation comes to 65 days, up four days over 2008, "reflecting rapid growth in regulatory costs," Ciesielska writes. No doubt, some rules do some good. But even the "good" rules often are

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overbroad or inefficient. And far too much regulation is merely disguised looting, or what economists call "rent-seeking."

Unfortunately, Aug. 12 is merely the national average. People living in particularly big spending, intrusive regulating states have weeks more of government-created pain to endure.

The worst state, as always, is Connecticut: The day won't arrive until Sept. 7. Citizens of New Jersey have to wait until Sept. 6 to finish their servile obligations. The burden on residents of the Golden State is mild in comparison, with a COGD of Aug. 23.

Although federal outlays are likely to dip from today's post-bailout peak, they are unlikely to contract much. Certainly the 2010 Obama budget, despite being called "A New Era of Responsibility," offers little hope. Explains Ciesielska: "According to a report by the Congressional Budget Office (CBO), it would have increased total spending by \$2.7 trillion over 10 years over the current baseline, including interest. This would amount to an increase of \$9,000 for every American."

Indeed, the presidential budget is merely a starting point. Historically outlays always end up well above projections. Moreover, a number of financial storm clouds -- such as Medicare and Social Security -- continue to billow around us, likely to lead to new proposals for additional bailouts, stimuli and other forms of spending.

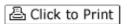
Unless we change course, Cost of Government Day will continue skyward. "The era of big government is over," intoned Bill Clinton more than 13 years ago. In truth, the era of big government was only beginning.

The future looks equally bleak. The time for change -- real change -- is now.

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