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Abolish the SBA

By [Veronique de Rugy](#)

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The Cato Institute's Tad DeHaven and I have [a piece](#) over at [Downsizing the Federal Government](#) about why we should terminate the Small Business Administration. I have said it many times and I will never get tired of repeating it: SBA loans are just another form of corporate welfare to prop up companies — at taxpayer expense — that can't get loans on their own merits. In addition, SBA loans are irrelevant in the small-business-loan market. In other words, get rid of the SBA and the business world doesn't produce less, innovate less, or create fewer jobs.

DeHaven and I aren't the only ones. A few days ago, a poll of likely voters released by [Rasmussen Reports](#) indicated that the federal government's corporate-welfare programs should be prime targets for spending cuts. The [poll](#) shows that a majority (58 percent) of likely voters said that the federal government shouldn't guarantee loans issued by private lenders to small businesses. Twenty-three percent said the government should back small business loans and 19 percent were unsure.

DeHaven has an [interesting post](#) on several polls demonstrating this anti-corporate welfare trend in America.

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