

Federal government funds too much of Indiana's budget

By: Frank B. Stahl - July 2, 2013

To the editor:

In a recent article in the state edition of the Indianapolis Star, Tad Dehaven of the Cato Institute questions the nature of Indiana fiscal policy and Gov. Mike Pence, and how conservative both really are.

This should not be an issue in a state where Republicans totally dominate both the legislative and executive branches. DeHaven, though, writes that 35 percent of Indiana's budget is federally funded.

That's too high. It is not merely too high in the sense that 35 percent is an arbitrarily large portion of the budget, but 35 percent is too high in the sense of leverage.

Nothing is ever free, and in the case of federal funding this is especially true.

Funding is a source of leverage for the federal government. When states do not comply with certain whims, the feds will threaten a stop the gravy train that is relied on heavily by the state

It is similar to the power that many parents hold over teens: "You will comply with my rules, or you will not get your allowance."

As typical teens grow in to adulthood and become less and less reliant on the money and whims of their parents, they become increasingly independent even though they never lose their familial ties and obligations. Those who are not given the opportunity to grow as people find themselves unable to take care of themselves or deal with the harsher aspects of reality.

It is not a far reach to apply this to states with a paternalistic federal government that uses monetary leverage to control so much of the activities and possibilities for the state of Indiana.

How can Indiana determine its best decisions for its citizens when it allows another party to have so much input and so much power? Being free from federal funding would mean a greater sense of independence and state identity.

Frank B. Stahl

Indiana Policy Review Foundation intern

Indiana University-Purdue University Fort Wayne student