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RAHN: How soon they forget

Bigger government always means less growth

By Richard Rahn
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If you are a nonimmigrant American reading this, do you know why your ancestors came to America? The fact is, a large percentage of immigrants were trying to escape various forms of government persecution, including religious and tax persecution. The American Revolution was set off, in part, by a tax on tea that ranged from about 10 percent to 33 percent of its value. That and other grievances were enough to cause people to take up arms against the British.

Rather than taking up arms, most people who believe the tax burden now has become too great pick up and leave, such as all of those Californians and New Yorkers who are moving to Texas and Florida, where there is no state income tax. Many are all atwitter about Facebookco-founder Eduardo Saverin deciding to move to Singapore to partially escape what he believes is excessive taxation. Leaving the U.S. is a much more extreme action than moving from a high-tax state to a low-tax state, but a record number of Americans gave up their citizenship last year.

At what point would you consider leaving the U.S.? If you were taxed 98 percent of your income, or 75 percent as the new French president wants to do, or merely 50 percent-plus which is what many Californians will be paying if <u>Gov. Jerry Brown</u> gets his proposed tax increase and President Obama succeeds in getting his proposed tax increase?

Sen. CharlesE. Schumer, New York Democrat, and Sen. Robert P. Casey Jr., Pennsylvania Democrat - whose thought processes seem to be similar to those of King George III in 1776 - have denounced Mr.Saverinand introduced legislation to punish him and others who may wish to leave because of high taxes. It appears to me that this is nothing more than a modern version of the Fugitive Slave Act of 1850, which demanded slaves be returned to their "owners," who were in effect imposing close to a 100 percent tax upon their slaves. If not for that pesky Constitution, you can bet Mr. Schumer would be proposing legislation to force all of those New York tax exiles in Florida and Texasto return to their high-tax New York plantations. The U.S., to its great shame, already imposes tax penalties on those who give up their citizenship - just like the old USSR did. Mr. Schumer, Mr. Casey, and others seem to have forgotten that the U.S. was founded on the idea of individual liberty, which includes the fundamental right of being able to flee what one views as an oppressive government.

Almost all of the Democrats and many of the Republicans in the <u>House of Representatives</u> also seem to have forgotten that the <u>U.S. government</u> now spending about 36 percent more than it takes in each year, which is leading us toward the same fate as <u>Greece</u>. On May 8 and 9, a group of

responsible Republicans in the House proposed 11 amendments to the Commerce-Justice-Science Appropriations bill to reduce federal spending. Only one amendment passed and that one only saved a tiny \$542,000.

One proposed amendment was to reduce the appropriation for Economic Development Administration grants by \$220 million. EDA long has been used as a political slush fund, enabling politicos to spend taxpayer money on many projects that make little or no economic sense. Only 147 Republicans and no Democrats had the courage to vote against this boondoggle.

The <u>Legal Services Corporation</u>, a federal agencyestablished by Congress to ensure equal access to justice, long has been used by left-wing lawyers to lobby for more federal spending on their favorite big-government projects. The <u>House of Representatives</u> held two votes on reducing <u>LSC</u> funding. One would have saved \$328 million by eliminating the funding; it failed 122-289, with no Democrats voting for it. The other was merely to reduce funding for <u>LSC</u> by \$128 million; it also failed, 165-246, with all but two Democrats and 69 Republicans voting against the savings.

Finally, the House voted 330-93 not only to reauthorize the Export-Import Bank, but to increase its funding to \$140 billion. The Ex-Im Bank is used to subsidize U.S. exports, and most of the benefit goes to a couple of large companies such as Boeing Co. and General Electric Co. Yes, it is good that Boeing exports its planes to other countries, but you, the taxpayer, should not be on the hook to finance these exports. There is plenty of private money available. Only 93 Republicans and no Democrats voted against the bill to protect the taxpayers' pockets.

What is particularly disappointing is that some of the people elected with help from the Tea Party voted against many of the amendments, which indicates they already are being co-opted by Washington. Perhaps the Tea Party needs to run a couple of primaries against people they helped elect in order to improve their memories.

More government spending means higher taxes in the long run and less prosperity and liberty. Those politicians who keep voting for bigger government and more restrictions on individual liberty have forgotten why many of their own ancestors risked everything, including their lives, to come to America. Perhaps, the voters should retire them so they have time to learn more about their own families' history.

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