



Big Government vs. Job Creation

Ask a classroom of high-school seniors what they want to be when they grow up, and I'd say it's a safe bet that no one will say that they want to be "a D.C. bureaucrat."

I'd say it is also pretty certain that none of these seniors would say that what they aspire to be is a central planner, someone who could enact regulations that have the effect of doing things like from knocking a preschooler's lemonade stand out of business or controlling how wet we are allowed to get per minute in the shower by way federally mandated flow restrictors.



All new showerhead flow rates in America, according to federal regulations, can't be more than 2.5 gallons per minute at a water pressure of 80 pounds per square inch.

But what the planners forgot to figure is that people can alter the length of their showers. So then what happens if regulated citizens compensate for less water per minute by extending their shower times? Simple — the fix could be federal timers in the showerheads — or webcam videos that monitors can watch in order to see if everyone is rubbing and scrubbing with sufficient speediness.

I also wouldn't expect any high-school senior to say his goal is to occupy an IRS cubicle for decades in order to slog around adding thousands of new words to an already bloated tax code.

Still, there's no shortage of new people arriving in Washington to do just that, even though we already have too many words in the tax code, too much capital being drained to D.C. via taxes from the private sector, and too many rules, mandates, and regulations that are obstructing economic growth and job creation.

The IRS code and associated tax regulations "passed the nine-million-word mark back in 2005," up 19 percent in verbiage over a decade earlier, recently reported Niall Ferguson, Harvard history professor, Oxford University senior research fellow, and senior fellow at the Hoover Institution at Stanford.

Similarly, the *Federal Register*, the official directory of regulations, "today runs to 78,961 pages," explained Ferguson. "Back in 1986 it was 44,812 pages."

Additionally, "4,062 new regulations" are in various stages of implementation, with "224 deemed to be 'economically significant,'" having economic impacts in excess of \$100 million, reported Ferguson.

And coming next are the job-killing mandates in ObamaCare and the EPA's new Ozone Rule, which will hit U.S. manufacturers with an estimated \$90 billion in yearly costs.

In a 2011 CNNMoney interview, Wesley Keegan, the young owner of TailGate Beer, explained how all this impacts Main Street. "The bottom line," Keegan said, "is that it's easier to sell pot in this country than beer."

Keegan, 27, a former bartender and ocean lifeguard, started brewing beer as a hobby and turned it into a business in 2007. In the CNN interview, Keegan pointed to the stumbling blocks the government puts



Written by Ralph R. Reiland on September 9, 2013



in the path of entrepreneurship and job creation. "Every state has different regulations," he said. "And we have to keep track of all of them. And that's not so easy because every day there are changes and announcements."

Continued Keegan: "Then there are taxes. We are taxed when we brew, when we ship, when we import, and when we export to different states. We are also taxed when we sell to distributors or retailers."

And if Keegan doesn't jump in exactly the prescribed manner through all the multiplying and changing government hoops? "And if we have a violation, we really pay for it," he explained. "Some of the fines are up to six figures."

Ralph R. Reiland is an associate professor of economics at Robert Morris University in Pittsburgh.





Subscribe to the New American

Get exclusive digital access to the most informative, non-partisan truthful news source for patriotic Americans!

Discover a refreshing blend of time-honored values, principles and insightful perspectives within the pages of "The New American" magazine. Delve into a world where tradition is the foundation, and exploration knows no bounds.

From politics and finance to foreign affairs, environment, culture, and technology, we bring you an unparalleled array of topics that matter most.



Subscribe

What's Included?

24 Issues Per Year
Optional Print Edition
Digital Edition Access
Exclusive Subscriber Content
Audio provided for all articles
Unlimited access to past issues
Coming Soon! Ad FREE
60-Day money back guarantee!
Cancel anytime.