




Heritage Foundation Blames Obama Admin. for America's Economic Decline

The Heritage Foundation [minced no words](#)  in commenting on its latest Index of Economic Freedom: America's continuing decline is all Obama's fault:

America's standing in the index [now in 17th place, the lowest in history] has dwindled steadily during the Obama years. This is largely owed to increased government spending, [increased] regulations, and a failed stimulus program that enriched the well-connected while leaving average Americans behind.

For the ninth time in 10 years, America's index has lost ground. Coming in above 80 in 2008, the United States' current index is barely above 75, tying it with Denmark, and just above Sweden and Latvia. But the latest rating places it way behind the United Kingdom (76.4), Canada (78.5), Australia (81), Switzerland (81.5), New Zealand (82.7), Singapore (88.6), and Hong Kong (89.8).

Heritage names "large budget deficits and a high level of public debt" as contributing to the continuing decline in America's economic freedom, keeping it in the middle category of "mostly free" into which it first fell in 2010. Added Heritage:

Registering its lowest economic freedom score ever, America continued its string of discouraging trends in the 2017 index. Obama's Washington-first, government-centric approach to policymaking has inflicted long-term damage to U.S. economic growth.

About the only bright spot that Heritage could find was that America's manufacturing sector measured both by output and productivity is "at historic highs."

Under "Rule of Law," Heritage notes that "rising civil asset forfeitures by law enforcement agencies ... have directly encroached on U.S. citizens' property rights. Steve Byas, writing in *The New American*, made the same point:

It is not a small problem. In 2014, federal law-enforcement officers seized over \$5 billion in assets [compared to] burglary losses [which] were less than \$4 billion. This does not include private property seized by local law-enforcement agencies.

This disregard for the law has, according to the Pew Research Center, reduced Americans' trust in government significantly, with just 19 percent trusting the government "always or most of the time."

The size of government has grown enormously under the Obama administration along with the attendant tax burden. Taxes take 26 percent of the country's economic output while government spending at all levels (federal, state, and local) approaches 40 percent.

Regulations have grown to the point where annual compliance costs now exceed \$100 billion. And government welfare programs "combined with federal subsidies for agriculture, health care, green energy projects, corporate welfare and other special interests" have all contributed to the increase in deficits and the national debt.

Also to blame, according to Heritage, are the enormous costs of administering ObamaCare and the negative impact on Wall Street of the 2,100-page Dodd-Frank legislation imposed following the Great



Written by [Bob Adelman](#) on February 15, 2017

Recession.

These problems can be solved, says Heritage in a separate study it just released: “A Mandate for Leadership in 2017.” It states that tax reform resulting in “the lowest level possible for constitutionally appropriate activities ... should apply the least economically destructive forms of taxation ... and minimize the cost of compliance for taxpayers.”

The budget should be balanced “by driving down federal spending, including through entitlement reforms, while maintaining a strong national defense, and not raising taxes.”

The regulatory burden should be greatly reduced, states Heritage, by forcing proposed legislation to “undergo an impact analysis before a floor vote by Congress.” In addition, every major piece of proposed legislation by federal agencies must obtain congressional approval before taking effect, and have a “sunset” date included.

Heritage called for the death of both ObamaCare and Dodd-Frank, stating,

Congress should repeal ObamaCare in its entirety and replace it with patient-centered, market-based reforms. Dodd-Frank should also be repealed.

Additional reforms should include removing the federal government from housing finance, ending the Federal Reserve’s emergency lending power, and ending federal loan and security guarantees.

The entire federal welfare system is unsustainable, said Heritage, and fails to meet its objectives: encouraging people to get off welfare and go back to work. And most of those federal programs that survive the cuts should be put back onto the states where the incentives to operate them more efficiently are greater.

Heritage retains its optimism that these changes and reductions are possible:

The 2016 election was a game-changer. America has been given an incredible and unique opportunity to move away from Obama’s failed liberal policy agenda and toward an agenda that strives to restore America’s economic freedom and spur dynamic growth.

Heritage has once again performed a vital service, following the First Law of Holes: If you are in one, stop digging.

An Ivy League graduate and former investment advisor, Bob is a regular contributor to The New American magazine and blogs frequently at [LightFromTheRight.com](#), primarily on economics and politics. He can be reached at badelman@thenewamerican.com.

Related article:

[Trump Supports Civil Asset Forfeiture Even Without Conviction](#)



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.