Socialism's Success

According to the *CIA World Factbook*, nine European countries place ahead of the United States in terms of per capita Gross Domestic Product — Luxembourg, Norway, Iceland, Ireland, Switzerland, Denmark, Sweden, Finland, and Netherlands — all socialist countries. The United Kingdom, Austria, Canada, Australia, France, and Germany come up close on the heels of the United States.[1] Considering the fact that these countries generally have less natural resources than the United States, and they offer extensive government services — free medical care, public transportation for the poor, generous unemployment income, and retirement benefits — are socialist systems better than free-market systems, such as in the United States? And do high doses of socialism boost economic growth?

It would seem so, especially if one factors in the "Gini coefficient," which is a statistical measurement of income distribution by country. It is expressed as a percentage. A Gini coefficient of zero percent would mean that everyone in a country has exactly the same income, and a score of 100 percent means that one person has all of the income, while everyone else has zero income. The United States ranks 73rd at 40.8 percent — of course coming after the European socialist countries. European countries generally range in the low to mid 30s, percentage-wise.

Should we give up on capitalism, run up the EU flag, and embrace socialism because of this finding? No, as we shall show.

Though it is somewhat meaningful that other countries have a higher per capita GDP than the United States, having a slightly higher or lower Gini coefficient is relatively meaningless and is most likely a reflection of situational conditions in each country, rather than some inherent "unfairness."[2] Vietnam, which has a Gini coefficient of 34.4 percent, has a lot of similarly poor people.[3] The United States, with its somewhat high Gini coefficient, contains a large population of mainly uneducated illegal immigrants — estimated at 11 million recently — and a fairly large percentage of uneducated legal immigrants. The U.S. population of illegal immigrants alone is almost 23 times greater than Luxembourg's total population, and these illegal immigrants often work for peanuts, relying on local, state, and federal aid to make ends meet.[4] (Without abundant welfare to rely on, the number of uneducated foreigners in the country would drop significantly, causing our Gini coefficient to drop and per capita income to climb.) Likewise the figures for per-capita GDP are skewed because of country-by-country variants. For example, many mainly educated foreigners work in Luxembourg, adding to their GDP, but these people are not counted as part of the per-capita GDP figure. Similarly, in many of the socialist countries, foreigners are not able to take advantage of generous social services, even though they are paying the high taxes in these countries.

Any kudos for socialism also ignore the fact that the United States barely even resembles a free-market economy anymore and that, in fact, the United States is, economically speaking, arguably more socialistic than the European countries with which it is compared. Sounds crazy doesn't it, but it is true.

World Socialism

To begin with, the United States provides much of the defense for the non-totalitarian world, and we get to pay for the pleasure of doing it. Call this "world socialism." In 2007, the United States reportedly spent about $623 billion on defense. The rest of the world combined spent about $500 billion. Even before 9/11, in 1998, the United States spent about $280 billion yearly on defense spending. Whereas all of the EU countries, with a population of 500 million (versus the U.S. population of 300 million), spends about $207 billion a year on the military.[5] Making this an even worse deal, the United States has about 117,000 troops stationed in Germany, Japan, and South Korea, allowing these countries to spend less on their own defense — and to spend money elsewhere — because we are providing their defense for them. Not only are our troops spending their salaries in those countries (boosting those countries' economies), those countries face little likelihood of attack by ground troops because they have the technological wherewithal to offset any numerical superiority that any likely opponent — such as Russia or North Korea — may have. U.S. troops make up over half of the world's overseas troops, and that figure doesn't include our 92,000 Navy personnel who patrol the seas.[6]

Then there is U.S. government foreign aid — more world socialism. Amazingly, the United States as a country gets lambasted yearly for not being charitable enough in terms of government foreign aid or "development assistance," though we give more foreign aid than any other country in the world. (Even former president Jimmy Carter called America "stingy.") The United States' $21 billion a year to foreign aid dwarfs the aid amount given by the next closest country, Germany at $11 billion,[7] but U.S. foreign giving equates to much less as a measure of its gross national income than aid given by most socialized countries — especially European ones — hence our "stingy" reputation. A major problem with a comparison between U.S. giving and giving by other countries (besides the fact that U.S. *private* overseas donations and *personal remittances* were $71 billion in 2004,[8] leaving all other countries in the dust) is that such a critique doesn't count the cost of immigrants — especially poor and uneducated immigrants — to countries, notably to the United States (that world socialism thing again).

Sociologists have long recognized that high levels of education correlate strongly to high levels of personal income and wealth, a fact again confirmed in 2008 in a study entitled "The Joint Distribution of Household Income and Wealth: Evidence From the Luxembourg Wealth Study"[9]: "Characteristics associated with having high income — having a high education, for instance — are also associated with having high wealth." But for some reason, probably owing to political correctness or an agenda-driven bias, sociologists many times ignore or try to deny the wealth-drain caused by masses of virtually uneducated immigrants flooding a technologically advanced society like the United States that has little need for their labors.

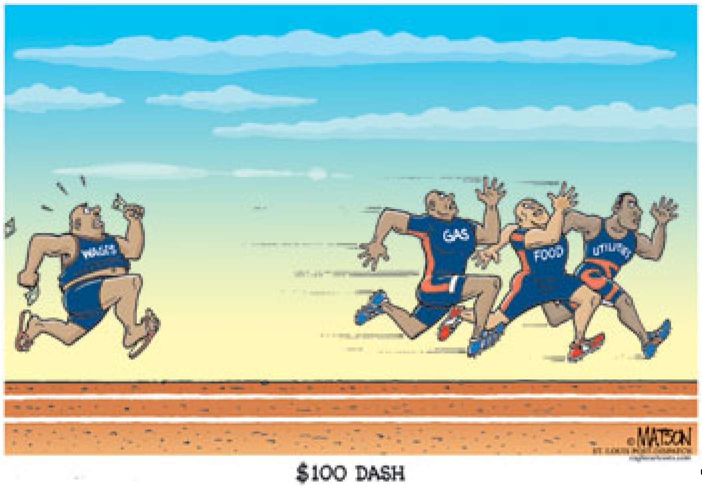
But the wealth drain (a type of "foreign aid") exists nonetheless.

In 1990, North America held 37.9 percent of the world's migrants who had less than a college degree. In 2000, North America held 43 percent of all adult migrants with less than a college degree. (And this percentage will have increased substantially since 2000. Of the 7.3 million immigrants who entered the United States between 2000 and 2007, 2.6 million had less than a high-school education and 53.8 percent had less than a college degree).[10] The vast majority of North America’s poorly educated migrants settled in the United States.

Europe and North America (again, mainly the United States) combined contain about 90 percent of the world’s immigrants with less than a college degree, meaning that the United States is approaching having nearly as many immigrants with less than a college degree as Europe holds, though Europe has more than double the population of the United States. And because the United States shares a border with Mexico, which is for the most part a Third World country, many of our immigrants have even less than a high-school degree.[10] According to the 2001 report “Immigration Policy and the Skills of Immigrants to Australia, Canada and the United States,” “U.S. immigrants from Central and South America average less than ten years of schooling.” The report adds, “Among immigrants arriving after 1980/81 the share with ten or fewer years of schooling is 15.8 percent in Australia, 15.7 percent in Canada, and 29.9 percent in the United States.”[11]

Not only are U.S. immigrants less educated, they do not become fluent in the native language like they do in other countries: “Even among immigrants who have spent 15-20 years in the destination country (1971-75 arrivals), the fluency rate of U.S. immigrants (80 percent) is well below that of Australian immigrants (93 percent) and Canadian immigrants (97 percent).”11

And less fluency and less education mean less income: “Without controls for education and fluency, immigrants who have been in a destination country for 11 to 15 years (i.e., 1976-80 arrivals) possess income deficits relative to natives of 7.6 percent in Australia, 15.9 percent in Canada, and 32.3 percent in the United States.” When the immigrant population in the United States is compared to natives, and education and fluency are controlled to make them equal with natives, immigrants earn 2.7 percent less than natives.[11]



The large number of poorly educated immigrants are not needed in the United States because it is a modern country, one that has been bleeding manufacturing jobs for years, meaning there are plenty of native-born Americans available to fill the unskilled jobs (or jobs like construction, where skills are acquired on the job) — if employers pay a living wage. Former Assistant Secretary of the Treasury Paul Craig Roberts noted in 2006:

> Job growth over the last five years is the weakest on record. The US economy came up more than 7 million jobs short of keeping up with population growth. That’s one good reason for controlling

> immigration. An economy that cannot keep up with population growth should not be boosting population with heavy rates of legal and illegal immigration. Over the past five years the US economy experienced a net job loss in goods producing activities. The entire job growth was in service-providing activities – primarily credit intermediation, health care and social assistance, waiters, waitresses and bartenders, and state and local government. US manufacturing lost 2.9 million jobs, almost 17% of the manufacturing work force. The wipeout is across the board. Not a single manufacturing payroll classification created a single new job.[12]

And "as of April 2008, 12 of the 19 major manufacturing industries, accounting for half of manufacturing output, were in recessionary mode (declining output over [the] past year as well as during [the] past three months)," according to the National Association of Manufacturers.[13]

The poorly educated immigrants in the United States are, by and large, literally charity cases (the recipients of "American foreign aid"). When they are employed in personal-service-type jobs, which do not increase a country's wealth but rather merely spread a country's wealth around, they are taking jobs that often leave them in poverty, meaning they are, through relying on taxes paid by others, taking money from wealth-producing industries and natives who would otherwise spend or invest the money. When the immigrants go into blue-collar work, they drive down blue-collar wages, leading to a situation where both they and the natives in those jobs must rely on welfare to get by, and causing many Americans to eschew working altogether in favor of collecting welfare.

And the costs of the immigrants in terms of healthcare, welfare, schooling, and social services, such as criminal investigation and incarceration, are massive.

In 2004, just the cost to the taxpayer of immigrants in the United States who live in a household headed by an immigrant *without a high-school degree*, both legal and illegal immigrants, was $89.1 billion. These households, on average paid $10,573 in taxes and "received $30,160 per household in immediate benefits and services (direct benefits, means-tested benefits, education, and population-based services)," according to a study done by the Heritage Foundation called *The Fiscal Cost of Low-Skill Immigrants to the U.S. Taxpayer*.[14] And this figure doesn't include the welfare benefits going to the increased number of native-born Americans who are no longer in the labor force because of the competition with immigrants. Between 2000 and 2005, 1.5 million Americans with a high-school degree or less left the labor force.[15]

Advocates of massive immigration, legal and illegal, throw up a weak defense against such truths, claiming that these immigrants help U.S. businesses by boosting spending in the economy, but if these immigrants weren't in the United States, the money they spend would be put to some other use, whether as investments in corporations or used as someone else's (an American worker's) spending. The wealth-gain argument is only logical until one thinks about it.

Government Spends Big

The United States also has socialistic tax rates to boot — even though we are perpetually told that the United States has amongst the lowest tax rates in the developed world. The disparity between our country's real tax rate and the taxes we are always told we pay comes about because of the way tax rates are determined.

One of the common ways a country's tax burden is calculated is in a manner similar to that used by the Tax Foundation to figure out "Tax Freedom Day" in the United States. (Tax Freedom Day is the day you stop earning money to pay taxes and begin earning money that you will be allowed to spend.) Tax Freedom Day is determined by "dividing the official government tally of all taxes collected in each year by the official government tally of all income earned in each year." For the years 2000 through 2008, these taxes as a percentage of income ranged from 29 percent to 33.6 percent.[16] Not too bad, relative to other countries. It would seem Americans usually get to keep better than two dollars of every three dollars they earn.

The other main way that tax burdens are calculated is by dividing the total taxes collected in a country by the country's Gross Domestic Product. In 2005, out of the 30 countries making up the Organization for Economic Cooperation (OECD), only two countries, Korea and Mexico, had lower taxes than the United States. The United States had taxes of 25.8 percent. European countries had taxes that were far higher. Sweden had taxes exceeding 50 percent. Nine countries' taxes exceeded 40 percent, while the UK was at about 37 percent.[17] Again, not too bad, relatively speaking. Under this method of figuring the tax burden, Americans seem to get to keep almost three dollars of every four they earn.

But if Americans get to keep so much of what they earn, and Americans have a median household income of about $50,000 per year,[18] why do Americans have so much debt? A large part of the answer is because the given tax figures ignore many key taxes: inflation (the printing or creation of new money, which thereby destroys the buying power of the dollar); local, state, and federal fees (such as licensing costs); and regulatory burdens (such as environmental regulations).

To better take into account the full tax burden placed on citizens in each country, we should divide total government spending by total personal income as derived from census information, not as figured out from government calculations. Why should we do this? Several reasons come to mind: a population's median income is only very weakly correlated to its country's GDP[19] so government calculations of personal income that are based off GDP (as are the Tax Foundation's figures), as well as tax rates that are figured as a percentage of GDP, make little sense; and governments often spend more than they collect in taxes through either creating money (inflation) or borrowing money (slightly delayed inflation). Inflation causes the price of goods to rise in an economy. In the United States, past government printing of money and increased energy costs (greatly caused by government regulations — a hidden tax) caused food prices to increase from $706.80 to $967.90 *per month* between August 2000 and August 2008 for a moderate spending family of four.[20]

The ability to print money at will (inflation) insidiously allows for massive taxation and spending that doesn't come directly off people's checks, but it is a tax nonetheless. If the federal government so desired, it could completely eliminate all taxes and tariffs, yet still purchase everything it so desires merely through inflating the money supply. Federal Reserve Chairman Ben Bernanke stated as much when Congressman Ron Paul (R-Texas) accused him of being "probably the biggest taxer in the country." Bernanke replied: "Congressman, I couldn't agree with you more that inflation is a tax, and that inflation is too high."

Figuring taxes in the new way, we divide U.S. government spending in 2007 ($4.9041 trillion)[21] by the total personal income as derived from the U.S. Census' 2007 Current Population Survey ($7.8955 trillion)[18] and get a tax rate of 62.1 percent. (For various reasons the CPS overstates the number of rich in this country versus other countries, so our tax rate is even higher than this.) The UK's tax rate when figured the same way is 63.8 percent.[22, 23] And we call them socialists!

Worse, the U.S. tax burden when figured in this manner remains *vastly underestimated* because of the federal government's involvement in medical care. One out of every seven dollars spent in this country is related to medical care,[24] and government-paid medical care — Medicare and Medicaid — pay to medical providers only a fraction of the actual cost of the care provided. Because the government accounts for over 45 percent of all U.S. healthcare expenditures, this dramatically drives up the costs in the private market because doctors and hospitals often make back their losses by increasing the charges to patients who have health insurance.[25]

Interference in the healthcare market by state governments is also a main factor driving costs. State governments create lists of services that insurance companies must cover, including non-illness-related things such as in vitro fertilization. *The Washington Times* wrote: "A health policy for a single Pennsylvanian costs roughly $1,500 annually. Cross the Delaware into New Jersey … and a similar health plan cost about $4,000, thanks to state regulations."[26] And let's not forget government's effect on drug costs. The U.S. government under the False Claims Act mandates that U.S. pharmaceutical companies give the government the best price that it gives to any of its customers — usually undercutting the best private-market price by 15 percent. This causes the companies to demand higher prices from private buyers. States play the game too. My home state of Wisconsin typically demands upwards of another 15 percent off the price of drugs.[27, 28]

But are we more socialistic than the Europeans? Compare the U.S. healthcare system to Switzerland's. Though the Swiss do have universal health coverage, their system requires that each individual purchase private health insurance. The poor are primarily given money to purchase private insurance. With less government intrusion in the health system, Switzerland doesn't have rationing like single-payer systems do worldwide, yet its costs are a third lower than in the United States.[24]

Compare also our system with Canada's and Great Britain's — we cover more people faster and with better health outcomes. Under their "universal" single-payer healthcare systems, access and care suffer. In 2003, the Canadian government estimated that 4.3 million Canadians had trouble accessing "first contact" services. This means that 13 percent of the total population had trouble seeing a family doctor. [29]

Moreover, Dr. David Gratzer, who went to medical school in Canada and writes books about universal healthcare, points out that when Canadians do get care, it's usually after agonizingly long waits — "such as the man with the persistent pain from a hernia operation whom we referred to a pain clinic — with a three-year wait list; or the woman needing a sleep study to diagnose what seemed to be sleep apnea, who faced a two-year delay; or the woman with breast cancer who needed to wait four months for radiation therapy, when the standard of care was four weeks." [30]

Dr. Jane Orient, the executive director of the Association of American Physicians and Surgeons, points to evidence disseminated by the Fraser Institute, which does a yearly analysis of the wait times in Canadian healthcare: "In 2005 over 782,936 Canadians were on waiting lists. If Canada had the same population as the United States that would mean almost seven and a half million people would be on waiting lists." [31]

The same is true in other countries that have universal care, says Dr. Gratzer: “Consider the recent British controversy over a cancer patient who tried to get an appointment with a specialist, only to have it cancelled — 48 times. More than 1 million Britons must wait for some type of care, with 200,000 in line for longer than six months.”[30] And because of better treatment outcomes in the United States, if Brits were treated in the United States, 20,000 of them would not have died from cancer. Single-payer or government-run universal healthcare *always* means long sits on waiting lists because that’s how government systems keep costs down.

Universal-care proponents are also wrong in asserting (or implying) that uninsured people don’t get healthcare in the United States. “Hospitals are legally obligated to provide care regardless of ability to pay,” reports *Health Freedom Watch*. Its report added: “The *New England Journal of Medicine* last year found that, although far too many Americans were not receiving the appropriate standard of care, ‘health insurance status was largely unrelated to the quality of care.'” [32] And despite claims to the contrary and the fact that Americans tend to be sedentary, obese people with poor eating habits, “life expectancy statistics … find that Americans who don’t die from car crashes or homicides *outlive* people in any other Western country,” reports Dr. Gratzer.

Americans have the almost-total coverage of a universal system with the high quality of care of a free-market system. But since there’s no rationing of care to control costs like in single-payer systems, we suffer from the high costs of trying to mesh the two systems, instead of relying on a free-market system alone (or at least relying mainly on the free market).

Also, showing the United States’ socialist bent are the types of programs that the government spends money on. Even ignoring the price increases in the United States caused by government-created inflation, the United States spends as a percentage nearly as much on pensions, healthcare, education, and welfare as does the United Kingdom — 58.7 percent of government spending in the United States versus 62.9 percent in the United Kingdom.[21, 23] (If U.S. medical costs could accurately be adjusted for government interference in the medical market, one would assume we would find that Americans are paying vastly more as a percentage for these expenditures than the UK — enlightening, isn’t it?)

Controls and Costs

Because socialism equates not only to high tax burdens and government spending, but to government control/interference in the markets, it is very important to compare countries based on the burdens that government regulations place on businesses. Every government rule, law, ordinance, or mandate increases the cost of doing business and makes businesses less competitive, driving jobs away from a country. In addition to the U.S. government’s deep intervention into the medical-care field, the government has laid a blanket of regulations on most every industry. In 2003, it was estimated that the total *compliance burden* on manufacturers alone of environmental, workplace, and tax compliance (not the tax itself) and excess litigation was $160 billion — $850 billion for the country as a whole. The U.S. burden for pollution abatement, as a percentage of GDP, was higher than our country’s nine largest trading competitors, including France and Germany.[33] Of course, many of our European competitors were poised to pass us in the area of environmental-remediation compliance costs because they have just begun to charge companies for emitting carbon dioxide under a cap-and-trade program, but under an Obama White House and a Democratic Congress, we’ll follow suit there as well.

A 2006 study by the Manufacturing Institute and the National Association of Manufacturers updated the figures for the U.S. compliance burden versus our nine largest trading partners. It shows that the U.S. compliance burden, which was 22.4 percent higher than our competitors in 2003, was 31.7 percent higher than our competitors in 2006. The report notes that "absent these costs, U.S. manufacturers would be competitive with their counterparts in industrialized countries (and nearly so in Taiwan and South Korea)…. The total dollar burden of these excess costs — over $6 per hour worked — is larger than the total manufacturing costs in China."[34] Because these costs cannot be shifted to consumers (manufacturing is competitive worldwide), the only way the U.S. manufacturers can compete with the other countries is through innovation and increased productivity. It's hardly a level playing field.

This is far from the total extent that socialism grips America: we have more "progressive" taxes than many European countries (a larger percentage of people here — 40 percent — are not required to pay taxes versus in other countries); our "free trade agreements" encourage the outsourcing of many types of labor to other countries; we have a public Social Security system while many of our competitors have privatized theirs; we give tremendous amounts in farm subsidies; we give large amounts of money to run the United Nations; we forbid companies from accessing our oil and natural-gas deposits; and we have let government intrude massively into the banking sector. The result has been job losses, a tremendous national debt, a weak dollar, dependency on foreign suppliers of energy, and a lower quality of life — with no end in sight.

The questions raised at the beginning of the article should be changed from "Are socialist systems better than free-market systems?" to "Why isn't the United States worse off than we are?" The brief answer to the new question is that a false sense of wealth has permeated the country as we have lived off credit and the fact that the U.S. dollar was the reserve currency of the world (it has been hoarded by countries and individuals around the world, instead of being spent — this has kept U.S. inflation at manageable levels). Now that Americans are maxed out on credit and the dollar is dropping, we must cut government socialism if we expect to retain jobs, a robust middle class, and national wealth.

1. "Are socialist countries wealthier?" RichardDawkins.net. September 11, 2008. Online @ http://richarddawkins.net/forum/viewtopic.php?f=17&t=57202

2. "Gini Coefficient." Wikipedia, the free encyclopedia. Accessed October 28, 2008. Online @ http://en.wikipedia.org/wiki/Gini_coefficient

3. "List of countries by income equality." Wikipedia, the free encyclopedia. Online @ http://en.wikipedia.org/wiki/List_of_countries_by_income_equality

4. "'More Inequality' in rich nations." BBC News. October 21, 2008. Online @ http://news.bbc.co.uk/2/hi/business/7681435.stm

5. "World Wide Military Expenditures." GlobalSecurity.org. Accessed October 22, 2008. Online @ http://www.globalsecurity.org/military/world/spending.htm

6. "Number of American Servicemen and Women Stationed Overseas: 289,000." PPI "Trade Fact of the Week." May 28, 2008. Online @ http://www.ppionline.org/ndol/print.cfm?contentid=254647

7. Shah, Anup. "Social, Political, Economic, and Environmental Issues That Affect Us All." Global Issues. April 27, 2008. Online @ http://www.globalissues.org/article/35/us-and-foreign-aid-assistance

8. "Index of Global Philanthropy." Hudson Institute. Accessed October 31, 2008. Online @ http://gpr.hudson.org/files/publications/GlobalPhilanthropy.pdf

9. Jantti, Markus et al. "The Joint Distribution of Household Income and Wealth: Evidence from the

Luxembourg Wealth Study." OECD. May 28, 2008. Online @ http://fiordiliji.sourceoecd.org/rpsv/cw/www/cgi-bin/wppdf?file=5kzk76std6nx.pdf

10. Lowell, Lindsay B. "Trends in International Migration Flows and Stocks, 1975-2005." OECD Social, Employment and Migration Working Papers. September 27, 2007. Online @ http://www.oecd.org/dataoecd/58/60/39415229.pdf

11. Antecol, Heather et al. "Immigration policy and the Skills of Immigrants to Australia, Canada and the United States" September 2001. Online @ http://ideas.repec.org/p/iza/izadps/dp363.html

12. Roberts, Paul Craig. "Nuking the Economy." Counterpunch. February 11, 2006. Online @ http://www.counterpunch.org/roberts02112006.html

13. "The Outlook for the U.S. Economy and Manufacturing." National Association of Manufacturers. June 2008.

14. Kim, Christine and Robert Rector. "The Fiscal Cost of Low-Skill Immigrants to the U.S. Taxpayer." The Heritage Foundation. May 21, 2007. Online @ http://www.heritage.org/research/immigration/sr14.cfm

15. Camarota, Steven A. "Dropping Out Immigrant Entry and Native Exit From the Labor Market, 2000-2005

16. America Celebrates Tax Freedom Day(r)" Tax Foundation. Accessed November 21, 2008. Online @ http://www.taxfoundation.org/taxfreedomday/

17. "United States Remains One of the Least Taxed Industrial Countries." Citizens for Tax Justice. April 2007. Online @ http://www.ctj.org/pdf/oecd07.pdf

18. "Income, Poverty, and Health Coverage in the United States: 2007." US Census Bureau. August 2008. Online @ http://www.census.gov/prod/2008pubs/p60-235.pdf

19. "Median Household Income." Wikipedia, the free encyclopedia. Accessed December 3, 2008. Online @ http://wikipedia.org/wiki/Median_household_income

20. "Cost of Food at Home." United States Department of Agriculture: Center for Nutrition Policy and Promotion. Accessed September 23, 2008. Online @ http://www.cnpp.usda.gov/USDAFoodCost-Home.htm

21. "United States Federal State and Local Government Spending." USGOVERNMENTSPENDING.COM. Accessed November 21, 2008. Online @ http://www.usgovernmentspending.com/

22. Jones, Francis. "The Effects of Taxes and Benefits on Household Income, 2006/07. *Economic & Labour Market Review*. July 2007. Online @ http://www.palgrave-journals.com/elmr/journal/v2/n7/full/elmr2008104a.html

23. "United Kingdom Central Government and Local Authority Spending Fiscal Year 2007." Ukpublicspeding.co.uk. Accessed November 24, 2008. Online @ http://www.ukpublicspending.co.uk/

24. Coburn, Tom and Regina Herzlinger. "Individual Freedom vs. Government Control: What's at the Heart of the SCHIP Debate." National Review. August 1, 2007. Online @ http://www.nationalreview.com/articles/221734/individual-freedom-vs-government-control/tom-coburn

25. Orient, Jane. "Fractured Healthcare." *The New American*. January 8, 2007.

26. Murdoch, Deroy. “Health Coverage Chaos.” *The Washington Times*. January 23, 2006.

27. “GSA Best Price Qui Tam Lawsuits: Failure to Give the Government the Best Price Violates the False Claims Act.” Ashcraft and Gerel, LLP. Accessed December 16, 2008. Online @ http://web.archive.org/web/20100104232731/http://ashcraftandgerel.com/qui_tam_best_price.html

28. Anonymous interview of pharmaceutical sales manager in Wisconsin. Conducted December 19, 2008.

29. Janigan, Mary. “What’s a wait worth?: Politicians are dodging one of health care’s biggest issues: waiting times.” *MacLean’s*. January 13, 2003.

30. Gratzer, David. “The Ugly Truth About Canadian Health Care.” *City Journal*. Summer 2007.

31. Orient, Jane. “Fractured Healthcare.” *The New American*. January 8, 2007.

32. Cannon, Michael F. and Michael D. Tanner. “Will the Political Obsession with Universal Coverage Lead to Neglect of Needed Reforms?” *Health Freedom Watch*. Volume 10, Issue 2, Second Quarter 2007.

33. Pearce, Chris. Personal letter from the director of congressional and regulatory affairs of the American Manufacturers Association to the Office of Information and Regulatory Affairs, Washington, D.C. May 20, 2004. Online @ http://www.whitehouse.gov/sites/default/files/omb/inforeg/2004_cb/35.pdf

34. “The Escalating Cost Crisis: An Update on Structural Cost Pressures Facing U.S. Manufacturers.” Manufacturers Alliance and the National Association of Manufacturers.” Accessed December 16, 2008. Online @ http://web.archive.org/web/20061116052821/http://www.nam.org/s_nam/bin.asp?CID=216&DID=237456&DOC=FILE.PDF

Photo: AP Images