

# Every American is on the dole to some degree

By Michael Grunwald, *Time*

The sun is shining on Miami Beach, and I wake up in subsidized housing. I throw on a T-shirt made of subsidized cotton, brush my teeth with subsidized water and eat cereal made of subsidized grain. Soon the chaos begins, two hours of pillow forts, dance parties and other craziness with two hyper kids and two hyper Boston terriers, until our subsidized nanny arrives to watch our 2-year-old.

My wife Cristina then drives to her subsidized job while listening to the subsidized news on public radio. I bike our 4-year-old to school on public roads, play tennis on a public court and head home for a subsidized shower. Then I turn on my computer with subsidized electricity and start work in my subsidized home office.

It's just another manic Monday, brought to us by the deep pockets of Big Government. The sunshine is a natural perk, and while our kids are tax-deductible, the fun we have with them is not. The dogs are on our dime too. Otherwise, taxpayers help support just about every aspect of our lives.

Of course, we're taxpayers too, and we don't exactly fit the stereotype of entitled welfare queens.

Cristina is an attorney and until recently was a small-business owner. I'm a journalist, an economic red flag these days, but I work for the company behind the Harry Potter and Batman movies, so at press time I was still getting paid.

My family's subsidies are not the handouts to the poor that help fuel America's political culture wars but the kind of government goodies that make the comfortable even more

comfortable. Our federally subsidized housing, for example, is a two-story Art Deco home in the overpriced heart of South Beach. But our mortgage interest is a personal deduction, my home office is a business deduction, and federal subsidies keep our flood insurance cheap. Even our property taxes are deductible.

So thanks for your help.

The 2012 election is shaping up as a debate over Big Government, but it is only loosely tethered to the reality of Big Government. The vast majority of federal spending goes to defense, health care and Social Security plus interest payments on the debt we've run up paying for defense, health care and Social Security. Nondefense discretionary spending—Washingtonese for “everything else,” from the FBI to the TSA to the center for grape genetics—amounts to only 12 percent of the budget.

Still, it's a big government. The U.S. did not spend even \$1 billion in 1912; it will spend \$3.8 trillion in 2012 on everything from Missing Alzheimer's Disease Patient Assistance (\$593,842) to Snow Survey and Water Supply Forecasting (\$9,409,400), from mortgage insurance for manufactured homes (\$64,724,187) to ironworker training on Indian reservations.

There will be an additional \$1.3 trillion in tax expenditures, federal benefits (like the deductions for my 401(k) and my nanny's salary) that are basically identical to those normal spending programs except that they happen to be provided through the tax code.

The rise of the Tea Party and the weakness of the Obama economy have fueled a Republican narrative about Big Government as a threat to liberty, redistributing wealth from honorable Americans to undeserving moochers, from taxpaying “makers” to freeloading “takers.”

In fact, most Americans are makers and takers – proud of our

making, blind to our taking.

Republicans often point out that only half the country pays income taxes, but just about all Americans pay taxes: payroll taxes, state and local taxes, gas taxes and much more. The problem is that we pay in \$2.5 trillion and pay out \$3.8 trillion. And those trillions of dollars don't all go to undeserving moochers, except insofar as we're all undeserving moochers.

7am: Subsidized food, water, electricity and clothing

The right routinely portrays government as a giant mess of Solyndra failures, lavish agency conferences in Vegas and pork for society's leeches. But my taxpayer-supported morning didn't feel like mooching at the time.

For example, my family pays for that water I use to brush my teeth, about \$100 a month. But that's a small fraction of the true cost of delivering clean water to our home and treating the sewage that leaves our home. And it certainly doesn't reflect the \$15 billion federal project to protect and restore the ravaged Everglades, which sit on top of the aquifers that provide our drinking water.

Most Americans think of the water that comes out of our faucets as an entitlement, not a handout, but it's a government service, and it's often subsidized.

Similarly, my family pays more than \$200 a month for the electricity that powers our toaster at breakfast. But that number would be much higher if the feds didn't subsidize the construction, liability insurance and just about every other cost associated with my utility's nuclear power plants while also providing generous tax advantages ("depletion allowances," "intangible drilling costs" and so forth) for natural gas and other fossil fuels.

The \$487 we're paying this year for federal flood insurance is

also outrageously low, considering that our low-lying street floods all the time, that a major hurricane could wipe out Miami Beach and that the Property Casualty Insurers Association of America estimates that premiums in high-risk areas would be three times as high without government aid.

Some federal largesse – tax breaks for NASCAR racetracks (\$40 million) and subsidies for rum distilleries (\$172 million) and rural airports (\$200 million)–is just silly. There's no reason my poker buddies should be able to deduct the gambling losses I inflict on them once a month. (Just kidding, guys!)

The silliest handouts that brighten my morning are the boondoggles that funnel billions to America's cotton and grain farmers and maybe knock a few cents off the price of my T-shirts and my kids' breakfast waffles. Uncle Sam sends at least \$15 billion every year to farmers and agribusinesses in the form of grants, loans, crop insurance and other goodies. The farm lobby is so omnipotent in Washington that when the World Trade Organization ruled that U.S. handouts give our cotton farmers an unfair advantage over Brazil, the U.S. cut a deal to shovel \$147 million a year to Brazilian cotton farmers rather than kick our own farmers off the dole. Our food and clothing may seem cheap, but, oh, we pay for them.

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