

Subsidies Grease Socialism Path

ONE reason the United States is slipping relentlessly toward socialism is that nearly everybody receives some kind of subsidy.

This has come about because those who favor national socialism have taken advantage of our political credulity in handling group problems.

The socialist movement has advanced the idea that the group—any group—cannot solve its own problems and therefore the group is entitled to have a national policy, a national agency, and a national subsidy to help its members out of their difficulties.

When this results in apparent demand for federal aid, Congress and the bureaucrats respond, and the group rapidly becomes dependent upon Washington. Whatever is provided—controls to minimize competition, financial grants or loans, or special favors — rapidly becomes a part of the "normal situation."

It becomes politically unpopular for benefits to be taken away. Even when it is obvious that a federal program is detrimental to free enterprise, individual initiative or the American way of life, subsidies hardly ever are eliminated.

Not counting welfare, Social Security or unemployment compensation, federal subsidies this fiscal year are expected to exceed \$111 billion and next year go beyond \$116 billion.

Current legislation to subsidize interest payments for 400,000 families buying homes is only an example of direct outlays to help individuals. The government is paying nearly a quarter of a billion dollars in interest on money borrowed by college students.

Millions of dollars are handed out to symphony orchestras, theaters, operas and art events to keep down ticket prices. Citizens who might not attend these things may be subsidized through Medicare, Medicaid, Veterans Education Benefits, and the postal system, or by riding boats, buses, trains or planes kept operating by government subsidies.

Many subsidies take the form of tax benefits and by no means are limited to the much-debated oil and gas depletion allowance. Other natural resources have depletion allowances, too.

There also are tax-free pension plan payments, investment tax credits, tax-exempt securities, deductions for charitable contributions and interest on home mortgages, and lower tax rates for small corporations.

Probably the most publicized subsidy program is that distributed through the U.S. Department of Agriculture, but the bigger part of it benefits consumers more than producers. This includes, for the current year, \$2.8 billion for food stamps and \$1.2 billion for school

lunch programs, compared to \$2.9 billion for price supports and payments directly to farmers to help them produce food that can be sold in supermarkets at lower prices.

The subsidy system has become so thoroughly infused into our economy that, no matter how he might try, a person could not avoid being a beneficiary of some kind of federal handout. Subsidies were not a part of the original American plan for freedom, but they may be here to stay. They are changing our relationship to our government and they may be changing our form of government.