A MESSAGE FROM RICHARD R. KELLEY TO OUR OUTRIGGER ‘OHANA

Independence Day 2016 - Let Freedom Ring

By Dr. Richard Kelley

On Monday, the Fourth of July, many Americans will have a day off from work. The holiday, Independence Day, celebrates our nation’s birthday, and families and friends traditionally gather for beer, hot dogs, ice cream, watermelon and fireworks.

It’s an occasion well worth celebrating, but I think we should also pause to think about the relative handful of brave men and women who, 240 years ago, risked their lives, families, businesses, farms and homes to throw off the shackles of high taxes, tyranny and oppression that had been imposed on them by King George III and the British parliament, in which the people of the 13 American colonies had no representation. These men and women gave us our much-cherished freedom, but I fear that these days we are neglecting their gift and losing more of it than we realize.

The Declaration of Independence is an eloquent statement, and in today’s world of computers, it is hard to believe that it was hand-written on parchment with a quill pen dipped repeatedly into an inkwell. Thomas Jefferson, its principal author, drafted it on a folding writing box he set up on a table.

More than two centuries after it was written, the Declaration still stirs emotions.

“We hold these truths to be self evident, that all Men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the Pursuit of Happiness.”

The Declaration goes on to list 18 examples of tyranny imposed by King George on the colonies and their people, including the charge that “He has erected a multitude of New Offices, and sent hither swarms of Officers to harass our people and eat out their substance.”

That description sounds regrettably much like what is happening in America today.

Are we not seeing “a multitude of New Offices” and “swarms of Officers” imposing high taxes and new, often oppressive regulations that complicate our lives and stifle our economy?

Consider the following. The number of federal regulations has grown immensely in recent years. As Americans rushed to file their income taxes on April 18, 2016, the Washington Examiner’s Jason Russell wrote that people are totally frustrated with the complexity of a federal tax code that has mushroomed to 74,608 pages! This is seven times the length of Leo Tolstoy’s novel, War and Peace, or twice the length of the King James Bible plus the complete works of Shakespeare combined!

These rules and regulations create uncertainty that is extremely costly even for large national corporations that employ legions of accounting personnel. For small “mom and pop” businesses, they are nearly impossible to read, understand and faithfully implement. Would Outrigger Hotels and Resorts exist today if founders Roy and Estelle Kelley had had to cope with such a labyrinth when they opened the Islander Hotel in 1947?

The cost of regulations is a significant part of the price of every product and service that Americans buy. The U.S. Chamber of Commerce estimates that each American family spends about $15,000 a year for regulations, in what amounts to a hidden tax. It’s money you spend without...
Let Freedom Ring ... << From 1

knowing how much of the price you’re paying for each purchase can be chalked up to the cost of regulations. Think about this the next time you buy hot dogs or fill up your gas tank.

In 1913, the 16th Amendment to the U.S. Constitution came into force, allowing Congress to enact an income tax. At first, less than 1 percent of the population paid only 1 percent of net income. Since then – and particularly since the 1930s – as the federal government has dramatically expanded its programs, tax rates for individuals and corporations have grown dramatically.

Currently, the U.S. government collects more in taxes than any nation in recorded history, yet it still manages to spend a trillion dollars a year more than it collects. That’s $7 million a minute in borrowed money! (See www.usdebtclock.org.) It’s hard to believe that the response by many prominent political figures to this phenomenal siphoning off of people’s earnings in taxes and the even greater expenditures of our government is the claim that there’s not enough money to provide basic services like health care for our wounded veterans or maintaining our bridges and highways.

And then we have nearly overwhelming evidence of incompetence and even fraud and corruption in government agencies such as the Department of Veterans Affairs (VA) and the Internal Revenue Service (IRS).

To sum it all up, have we not allowed, perhaps even encouraged, another oppressive government – our own! – to take the place of the one we overthrew nearly 250 years ago?

As a result, we are losing the freedom and prosperity our ancestors fought and died for. Reports from The Heritage Foundation (See https://goo.gl/8zL7Pa.) document and quantify how much our nation and “We, the People” are losing compared to other nations by annually measuring the Index of Economic Freedom.

As The Heritage Foundation points out, “Economic freedom is a crucial component of liberty. It empowers people to work, produce, consume, own, trade, and invest according to their personal choices. The Index covers 10 freedoms – from property rights to entrepreneurship – in 186 countries.

“Economic freedom brings greater prosperity. The Index of Economic Freedom documents the positive relationship between economic freedom and a variety of positive social and economic goals. The ideals of economic freedom are strongly associated with healthier societies, cleaner environments, greater per capita wealth, human development, democracy, and poverty elimination.”

From the day the Index was first published 20 years ago, the U.S. has ranked among the world’s top 10 economically free nations. This year, 2016, the U.S. has fallen to number 11 (overall at 75.4%, -0.8 change), matching its lowest score ever.

That places the U.S. among those countries considered only “mostly free.” In the 2016 Index, the U.S. recorded notable declines in fiscal freedom, business freedom and property rights. The report can be found at www.heritage.org/index/ranking.

Our Founding Fathers would be shocked if they could visit America today. Every time our government drains people’s financial resources through taxation and fees and uses the money to operate or overregulate a sector of our economy we lose freedom. There are many, many specific examples, some of which might be examined in future editions of Saturday Briefing.

So as you sip a beer or bite into a hot dog this holiday weekend, take a moment to reflect on where we are today. Think about those who fought to give us freedom. Ask yourself if we’ve lived up to their hopes and expectations. If not, decide what you might do to help get us back on the right track and “Let Freedom Ring.”