

Ronald Reagan on Government and Solving National Problems

"The alarming rate of inflation and the rising toll of unemployment all stem from a single source: the belief that government, particularly the Federal Government, has the answer to our ills, and that the proper method of dealing with social problems is to transfer power from the private to the public sector, and within the public sector from state and local governments to the ultimate power center in Washington. This collectivist, centralizing approach, whatever name or party label it wears, has created our economic problems." (Ronald Reagan)

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Inaugural Address

January 20, 1981

...The business of our nation goes forward. These United States are confronted with an economic affliction of great proportions. We suffer from the longest and one of the worst sustained inflations in our national history. It distorts our economic decisions, penalizes thrift and crushes the struggling young and the fixed-income elderly alike. It threatens to shatter the lives of millions of our people.

Idle industries have cast workers into unemployment, human misery and personal indignity. Those who do work are denied a fair return for their labor by a tax system which penalizes successful achievement and keeps us from maintaining full productivity.

But great as our tax burden is, it has not kept pace with public spending. For decades we have piled deficit upon deficit, mortgaging our future and our children's future for the temporary convenience of the present. To continue this long trend is to guarantee tremendous social, cultural, political and economic upheavals...

...In this present crisis, government is not the solution to our problem; government is the problem. From time to time we've been tempted to believe that society has become too complex to be managed by self-rule, that government by an elite group is superior to government for, by, and of the people. Well, if no one among us is capable of governing himself, then who among us has the capacity to govern someone else? All of us together, in and out of government, must bear the burden. The solutions we seek must be equitable, with no one group singled out to pay a higher price.

We hear much of special interest groups. Well, our concern must be for a special interest group that has been too long neglected. It knows no sectional boundaries or ethnic and



racial divisions, and it crosses political party lines. It is made up of men and women who raise our food, patrol our streets, man our mines and factories, teach our children, keep our homes, and heal us when we're sick -- professionals, industrialists, shopkeepers, clerks, cabbies and truck drivers. They are, in short, "We the people," this breed called Americans...

...So, as we begin, let us take inventory. We are a nation that has a government -- not the other way around. And this makes us special among the nations of the Earth. Our government has no power except that granted it by the people. It is time to check and reverse the growth of government, which shows signs of having grown beyond the consent of the governed.

It is my intention to curb the size and influence of the Federal establishment and to demand recognition of the distinction between the powers granted to the Federal Government and those reserved to the States or to the people. All of us need to be reminded that the Federal Government did not create the States; the States created the Federal Government.

Now, so there will be no misunderstanding, it's not my intention to do away with government. It is rather to make it work -- work with us, not over us; to stand by our side, not ride on our back. Government can and must provide opportunity, not smother it; foster productivity, not stifle it...

...It is no coincidence that our present troubles parallel and are proportionate to the intervention and intrusion in our lives that result from unnecessary and excessive growth of government...

...We have every right to dream heroic dreams. Those who say that we're in a time when there are not heroes, they just don't know where to look. You can see heroes every day going in and out of factory gates. Others, a handful in number, produce enough food to feed all of us and then the world beyond. You meet heroes across a counter, and they're on both sides of that counter. There are entrepreneurs with faith in themselves and faith in an idea, who create new jobs, new wealth and opportunity. They're individuals and families whose taxes support the government and whose voluntary gifts support church, charity, culture, art and education. Their patriotism is quiet, but deep. Their values sustain our national life...

...In the days ahead I will propose removing the roadblocks that have slowed our economy and reduced productivity. Steps will be taken aimed at restoring the balance between the various levels of government. Progress may be slow, measured in inches and feet, not miles, but we will progress. It is time to reawaken this industrial giant, to get government back within its means, and to lighten our punitive tax burden. And these will be our first priorities, and on these principles there will be no compromise...

<http://www.reagan.utexas.edu/archives/speeches/publicpapers.html>

