

Success?

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According to Ron Pyle, ASA president, government and free enterprise do not and should not mix. Ron comments on the reported "success" of the federal government's CARS program, better known as "Cash for Clunkers."

The federally funded CARS program, better known as "Cash for Clunkers" is scheduled to end Aug. 24 at midnight. It is being widely publicized as a huge "success" and reports indicated some 700,000 vehicles were sold through the program.

There is a great deal of discussion about whether or not the dealers who sold those vehicles will see their reimbursement. The program was woefully implemented logistically, and the last number I heard was that only 16,000 of the applications had been processed. However, there is no question that people responded to "free" money from the federal government.

If you were qualified by virtue of owning a vehicle deemed a "clunker" as determined by the administration, you were eligible for \$4,500 toward the purchase of a new vehicle deemed more "acceptable" under the guidelines of the program.

In my opinion, this was another grand experiment that once again proves that government and free enterprise do not and should not mix. It is simply a transfer of wealth directed by the government to achieve an outcome that is politically expedient without any regard for the long-term implications.

My first thought when I heard about this plan, was, "Didn't we just do something similar with housing?" How well did that turn out?

Encouraging people to purchase something on credit that they otherwise might not be able to afford is not smart. Relaxing the lending rules or providing incentives to make it easier is even dumber. But expecting responsible taxpayers to take up the slack when the natural consequences "hit the fan" as it were, pretty much takes the cake. Well, maybe not. We still have more fun to come in the guise of "health care reform."

So, apparently "success" is measured in how much of your money the government can redirect to programs that it feels are in your best interest, or maybe it's simply measured by the number of people who will line up for this "free" money. Either way, you can rest assured that anything this "successful" is likely to be repeated over and over.

As a small business owner, you are particularly vulnerable because you are one of the "rich" who needs to step up and pay a larger share to "do the right thing" by all those not so "fortunate" as you. I remember my Dad sharing a personal story about the perception someone had of his success. After many long years of personal sacrifice and very hard work, my father built a good business that we were all truly proud of. One day, someone who was admiring the business told him how "lucky" he was to be so successful. He didn't particularly appreciate the comment, and I'll bet you know why.

If you have built a successful business and you know the true meaning of success, don't be misled by the measurement being applied to "Cash for Clunkers." That kind of "success" should be scrapped along with the clunkers we all paid the price for.