



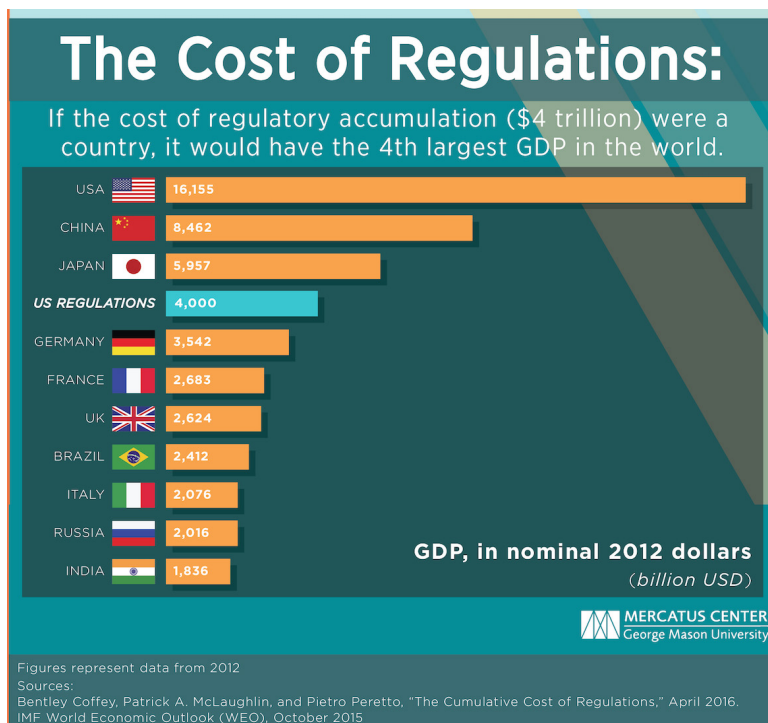
## U.S. Regulations Exceed Germany's Economy

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Government regulations pose a big problem. A recent Job Creators Network poll found that more than 60 percent of small business owners believe red tape threatens the viability of their business.

And it might be a bigger problem than originally thought. According to the Mercatus Center, the total cost of U.S. regulations is \$4 trillion without even taking into account state and local red tape. If America's regulatory burden was a country, it would boast the fourth-largest gross domestic product (GDP) in the world—surpassing the economies of Germany, France, Brazil, Russia, and India. See below:



The Mercatus study also concluded that government regulations have gotten in the way of investment and innovation, resulting in an average economic contraction of 0.8 percent every year. "If regulations had been held constant at levels observed in 1980, the American economy would have been 25 percent larger than it was in 2012," the report stated. In other words, the U.S. economy was \$4 trillion smaller in 2012 than it would have been without such regulatory growth since 1980.

What does this mean for you?

That \$4 trillion loss for the American economy comes out a \$13,000 loss per person, meaning that the American people now have less money on hand due to regulations than they would have had otherwise.

The reason is that employers are forced to spend time, effort, and money complying with new rules and mandates. Small businesses are projected to pay an average of \$10,585 per employee in regulatory costs, which

makes it more difficult for them to expand their business and create more jobs. Every dollar spent on red tape is a dollar that could have been spent on a new product or more employees. And when compliance gets in the way of job creation, it hurts the American people—whether they're job creators or those depending on them.