

State of the Union, Why Don't They Ask?

✘ The President laid out his agenda in the State of the Union Address, and it was filled with initiatives and statements similar to what he has said before. It gives the media the opportunity to ask questions that they have neglected in the past. Statements that were presented as facts also need clarification. Up until now, the President and the White House press secretary have escaped answering important questions. We should continue to wonder why the following clarifications and challenging questions are not asked.

Mr. President: In your speech you spoke about universal preschool. Almost every study concludes that there can be temporary effects, but by the 3rd grade there is no lasting impact of preschool. In these challenging budgetary times, why are you pushing for increasing a program that has shown such a universally agreed lack of results?

Mr. President: With your interest in raising the minimum wage, can you show any time this policy has led to more employment? Didn't unemployment increase when you and a Democratic Congress raised the minimum wage in 2009?

Mr. President: You said that you have cut two and half trillion dollars of the \$4 trillion that economists say is needed to show a sustainable path. If it is assumed that part of your \$2.5 trillion claim is the \$1.2 trillion sequester, then why are you advocating delaying and reducing these cuts, before they're even implemented, while counting them toward this goal? The figure of \$4 trillion was put out more than three years ago. With your delay in dealing with this problem, many groups have changed it to \$6 trillion to make up for the time squandered. Are you aware of this? Is there going to ever be a year in our government's future where we

will spend less than the year before?

Mr. President: You have said that you are waiting for Congress to act on climate change, and if they don't, you will. If climate change is truly as devastating to our future as you have expressed, and you have this power that you stated in the speech, then why won't you act now?

Mr. President: You said that none of your proposals will add one dime to the deficit. Certainly, most of these proposals cost money. Can you tell us what you are proposing to cut or what taxes are you proposing to increase in order to pay for each of these new initiatives?

Mr. President: You continue to reference the Cayman Islands and people having bank accounts offshore as a loophole in the tax code. Can you tell us the loophole in the tax code that you're referring to, and your proposal to eliminate it? Could you be misstating the fact that other countries have lower taxes, and it is wise for a company to locate their headquarters outside the United States for that reason?

Mr. President: You had a very emotional appeal on gun control in your speech. Gun control has not proven to be effective in reducing gun violence anywhere that it has been tried. What is your reason for supporting the proposed gun-control legislation?

Mr. President: You implied in your speech, and have stated in the past, that the Washington "dysfunction" and arguing over policy are causing the economy to underperform. A time period that you often refer to in terms of economic success is the 1990's. During that time, Newt Gingrich was Speaker of the House, and the Republicans controlled the Senate as well. Their disagreements with President Clinton led to two government shutdowns. This shows how the "dysfunction" in Washington was much worse at that time than it is now. Shouldn't we look at your policies and actions to explain the

lack of economic performance rather than the fact that there are continuing arguments in Washington?

Perhaps some adventurous reporter will now have the opportunity to ask for clarification on these issues...but probably not.

Trust Me this Time

✘ The Obama campaign, and the President himself are making the argument that the economy is headed in the right direction, and we just need to give his policies more time to restore the economy to the growth and strength we want. This is not what he said when he was pushing his agenda in early 2009. In order for us to believe this latest appeal, shouldn't we evaluate what he said before, and how the results matched up with those predictions?

Upon being inaugurated the President set about passing legislation to deal with the bad economic situation. His priorities were a stimulus package and Healthcare reform. He passed the stimulus package, which cost taxpayers over \$800 billion. He also passed "Obamacare", which was supposed to reduce the deficit and help the economy. In June of 2009 he said, "...we can build a health care system that gives Americans the best care at the lowest cost; a system that eases up the pressure on businesses and unleashes the promise of our economy, creating hundreds of thousands of jobs, making take-home wages thousands of dollars higher, and growing our economy by tens of billions more every year." How's that working out?

Republicans at the time disagreed with a majority of the provisions in both packages, so the bills passed with only

Democrats in Congress voting for them. Some say without these laws things would have gotten much worse. That may or may not be true, but what the President predicted was much better than our current circumstances. He said that if the stimulus passed, unemployment would not go above 8%, and that we would be down to 5.6% by now. Unemployment, in fact, went to 8% shortly after the bill passed, and hasn't fallen below it since. He said that healthcare reform would reduce the deficit, bring down healthcare costs, and help the economy. The latest report from CBO is that "Obamacare" will add \$2.3 billion in debt, healthcare costs have continued to rise, and one of the biggest reasons that businesses cite for not hiring is the cost of healthcare.

Why should we think that today's predictions will be accurate? Has he made any changes to the plans due to the lack of results? Has he made adjustments? Has he acknowledged what he has learned from the failure of these initiatives? Actually, he has proposed a "jobs bill" that would spend \$100 billion that looks an awful lot like the stimulus bill only smaller.

In judging the likelihood that the President knows what he is talking about in terms of the economy, we must look at his record. The President assessed the problem, enacted his solutions, predicted the effect, and we have seen the results. He was incorrect then, and has not changed course, so how can we trust his prescriptions going forward? If your mechanic worked on your car, took twice as long, cost ten times more than estimated, and your car didn't run, would he still be your mechanic?

Capitalism Is Not Charity

✘ Does anyone remember those old television commercials that actress Sally Struthers did for the Christian Children's Fund back in the 1980s? Man, they were effective. They'd show heart-breaking images of impoverished children in Africa while Struthers explained that for the price of a cup of coffee each day, you could feed, cloth, and educate those children. If those commercials didn't pull on your heart-strings, nothing would.

I haven't seen those commercials in some time, but I'm certainly reminded of them whenever I hear our president speak on the economy. President Obama seems to believe that the only reason we still have chronically high unemployment and anemic economic growth is because American businesses are too stingy – whether it be in hiring or taxation. After all, the president has done everything *he* can do to get people back to work... It's only right that the private sector now fulfills its moral obligation – at least that's the way he sees it.

Instead of starving children as his backdrop, he uses bridges that need repair or firemen, policemen, and teachers whose jobs need saving. And if the business world doesn't fall in line with his vision for economic success, they've failed on their moral responsibilities to the country... and they must be called out and held responsible for the poor state of the economy.

Now part of this Obama strategy is clearly political. He doesn't really believe that fixing some bridges and propping up government jobs is going to turn the economy around. However, he absolutely believes in social economic justice that relies on income redistribution as the answer for a healthy and fair economy. It's the number one reason why he has such a hard time grasping basic capitalistic concepts for substantive economic growth.

The problem, of course, with viewing the economy as a charity is that contributions are seen as mere acts of generosity which are largely inconsequential to the donor... certainly not a risk with consequences. And that's the very rationale the administration uses when publicly shaming the private sector to *step up*. They justify tax hikes by claiming they're "patriotic" and have no negative ramifications beyond the rich just having to pay "a little bit more". They call on CEOs to ignore economic realities, and to "stop complaining about government and get some action underway", as Obama economic adviser, Jeffrey Immelt put it a few months ago.

There's no consideration coming from this administration when it comes to cost-benefit analysis, risk versus reward, and what motivates business investment. It's all about inflicting guilt and blame upon *rich guys* who are too "unambitious", "soft", and "lazy" to get up off the side-lines and give back to society. I don't see Obama's mindset changing.

So, if the president is determined on viewing capitalism as a charity, perhaps he can learn a few things from Sally Struthers...

Sally represented specific beneficiaries: Needy children. In Obama's charity of *the greater good*, no one has any clue who the beneficiaries are. When it comes to taxation, the beneficiaries could be anything from bloated, wasteful government bureaucracies and politicians' pet projects to foreign assistance for countries who support our enemies. Yet, the administration speaks of increased taxes as if their purpose is every bit as noble a cause as starving children. Tax payers understandably don't believe they are respected by our leaders. They don't see any fiscal discipline or transparency coming from Washington, yet they're called on to support whatever government venture their money will fund.

Sally didn't mock donors. She didn't garnish support by calling people "fat cats", "greedy", or singling them out as

the “one percent” who aren’t doing their “fair share”. It’s amazing to me that while the wealthiest 1% of our nation pays 40% of the total taxes in this country, they are the ones the administration chooses to vilify. Our country largely relies on the *evil rich* to fund the government services and entitlements the rest of us benefit from, yet we are told repeatedly by the president that they are neglecting their patriotic duty.

Sally walked the walk. She traveled to African countries and assisted in bringing aid to the children she advocated for. President Obama wants businesses to be charitable and hire new employees at their expense, even if it doesn’t make sense from a profitability standpoint. Yet, he has trouble contributing to private sector job creation at his own *political* expense. He supports shutting down a billion dollar Boeing plant in South Carolina to pacify labor unions which are a large part of his political base. That move would cost thousands of new jobs. Obama places moratoriums on oil drilling, and stalls plans for construction of the Keystone oil pipeline to appease environmentalists within his political base. Those moves cost tens of thousands of jobs.

Sally didn’t actively work against the humanitarian efforts she promoted. The United States has the second highest corporate tax rate in the world. The Obama administration expects businesses to hire employees and invest in the economy, but won’t leave them with adequate capital and certainty to do so. He’s like the older brother who grabs you by the wrists, and forces you to slap your own face while tauntingly asking you, “Why are you hitting yourself? Why are you hitting yourself?” If the administration won’t sacrifice federal revenue in order to simulate private sector hiring, why would Obama expect businesses to sacrifice corporate revenue in order to hire?

All of these anecdotes are pointless, of course, because capitalism is not charity, nor should it be treated as such.

Ironically, it's the actual charities in this country that are among some of the most hurt by Obama's rejection of free market capitalism. Most are completely reliant on private sector wealth, so they're suffering. Sally Struthers certainly can't be happy about that.

No Worries, Mr. President; Do It When You Get Back

✘ Well, I guess campaigning around in a big black bus in the Midwest for three days isn't Mr. Obama's idea of a vacation because he's just arrived at Martha's Vineyard for a "real" vacation.

The fact that probably millions of Americans don't have the means to go on vacation doesn't seem to bother the President.

Heck, he probably didn't even check his stock portfolio lately because, if he had, he would've seen that the Dow dropped another 419 points (August 18th) because unemployment numbers were higher than they were the week before.

But, he's probably able to sleep well knowing that he'll be revealing his new economic plan to create jobs next month. Obviously, he doesn't believe the situation is at all critical, because he's choosing to wait another few weeks for the grand unveiling. The man is unbelievable.

I'm sure no one else was amused earlier this year when the President was questioned about his "Recovery Act" and jokingly said, "shovel ready wasn't as...uh...shovel ready as we expected." Despite his beliefs, government doesn't "create jobs." The private sector does. If he was really concerned

about jobs, why didn't he reveal his so-called plan about two years ago when everyone knew that his stimulus debacle wasn't working?

I had to shake my head earlier in the week when Rep. Maxine Waters (D-CA) was screeching about the dismal unemployment rates among blacks but was still willing to give the President every opportunity to show what he can do. Well, Ms. Waters, you've been in Congress for a while now (unfortunately). Aren't you aware that both houses of Congress were controlled by your buddies and that the President could have done anything he damn well pleased to create jobs since January of 2009?

Instead, he spent a good eighteen months jamming a worthless healthcare plan down the American people's throats instead of working on the economy and now the Supreme Court is going to have to spend its time determining the constitutionality of this program. (Pardon me, but I can't ignore the latest un-Presidential-like jab the President gave to the Supremes regarding their ultimate decision. I guess his un-gentlemanly remark at the 2010 SOTU address wasn't enough.) But I digress.

It shouldn't surprise me that the thin-skinned President blames everyone and everything for the current state of the economy. He blames the Republicans, the Japanese earthquake and tsunami, Europe, the Tea Party, and the list goes on and on. When does the economy become his?

He's now blaming automation and technology for joblessness. "There are some structural issues with our economy where a lot of businesses have learned to become much more efficient with a lot fewer workers. You see it when you go to a bank and you use an ATM, you don't go to a bank teller, or you go to the airport and you're using a kiosk instead of checking in at the gate."

Has anyone heard anything as stupid as that comment today? According to Mr. Obama's view of the world, perhaps the Wright brothers should not have been instrumental in inventing the airplane. Or how about the invention of the automobile? Should we all just throw our computers out the window and opt for typewriters or maybe we should throw out typewriters and use stone tablets? Is this President so out of touch that he doesn't realize that ATMs have to be maintained by real people? Just as airplanes, cars and computers? Maybe we should all go back to traveling in horse-drawn buggies. At least the horses won't be out of work.

Everyone should be questioning the President's grasp of the problem particularly when his Agriculture Secretary comes out and says that more people on food stamps, yes, food stamps, means more jobs. I'm dumbfounded.

With the stock market tumbling, our credit rating lowered and joblessness as shaky as ever, why is this President going on vacation? Why is Congress taking a vacation while all this happening? They should all forego their taxpayer paid vacations and get back to work.

Waiting until September for Mr. Obama to reveal his long overdue economic plan is probably code for, "I-don't-have-a-plan-yet; I'm-waiting-for-the-idiots-around-me-to-come-up-with-something-because-I-haven't-a-clue; then-they'll-put-the-plan-on-a-teleprompter-and-let-me-read-it-to-the-American-people-and-hopefully-no-one-will-be-listening-and-no-one-will-ask-me-any-questions-because-I-won't-be-able-to-coherently-answer-them."

I still remember the President's interview with Matt Lauer a few days into his term when they discussed the economy and Obama said, "If I don't have this done in three years, then this is going to be a one-term proposition." Whoever the Republican nominee is should use this sound bite in every political ad up until Election Day. I sure hope everyone

remembers Obama's own words a year from now because I, as many others, doubt that things will get substantially better. But, hey, that's just me.

I don't get it, but if you do, God bless you.

Perry Criticism Sheds Light On What Really Creates Jobs

✘ One of Rick Perry's big selling points as a presidential candidate is his governorship of the state that has created approximately 37% of our country's jobs since the Great Recession. That's a very impressive number. Thus, it's no real shocker that his opposition in the Democratic party and in the news media have been quick to try and discredit it. I wouldn't expect anything less. That's how politics works, and the Republicans would do the same thing if the situation was reversed.

What I do find surprising, however, is the glaring irony dripping from the talking points that critics have used to discount the jobs success in Texas. Without even realizing it, they've identified key components for successful job creation that the Obama administration has thus far overlooked.

Last week, Obama campaign strategist David Axlerod told ABC News' George Stephanopoulos that Texas' oil and natural gas industries, among other factors, are what contributed to the state's economic success. Axlerod was trying to make the point that Perry's candidacy was merely benefiting from geography, but a more meaningful point was missed here. Fossil fuel industries are incredibly successful. They create many jobs and generate a lot of tax revenue. I live in Colorado where

the tapping of recently discovered oil formations is creating a large number of new jobs in this area as well.

Someone should point out to Mr. Axlerod what he and his boss rarely bother to address: Our government is actively discouraging domestic oil drilling. With drilling moratoriums in the Gulf, a refusal to open up ANWR in Alaska, and additional layers of drilling regulations, aren't we stifling an industry that can help pull us out of this economic mess? I'm seeing this now in my own backyard. Environmentalists recently persuaded the federal government to place three Colorado wildflowers on the federal endangered and threatened species lists. Two of those species just happen to be sitting on top of massive reserves of natural gas and oil shale in the northwestern region of our state. Thus, energy companies that plan to drill for these fuels face yet another hindrance in a growing list of federal regulations that slows energy production and hampers growth. Make it easier to drill and you'll create more jobs.

Paul Krugman from the New York Times attributes Texas's job growth to its rapidly rising population. He explains that with more people in the state, and a larger demand for products and services, there's a greater need for jobs. Now, that's a pretty unconvincing statement considering that California has maintained a high population rate while suffering from an unemployment rate higher than the national average, but let's go with his logic for a minute... Why is Texas' population growth rate so high? Along with illegal immigration, Krugman cites other factors, one of which is inward migration from other states. Why did all of these people move from other states to Texas? Krugman offers two reasons: 1. The low cost of living (a good point). 2. People like warm weather (a silly point). What Krugman conveniently ignored is the fact that Texas is a very business-friendly state. The Lone Star State offers low tax rates, light business regulations, and have discouraged frivolous lawsuits

through tort reform. Scores of companies have relocated or expanded to Texas. In fact, Texas is home to more Fortune 500 companies than any other state. This has resulted in these companies' employees relocating to Texas and building their families there. People have gone where the jobs are.

So if corporations are an important factor in the trickle-down demand within communities that Krugman seems to be describing, isn't there a lesson to be learned at the federal level? Couldn't our government attract more foreign companies to move or expand to the United States by offering a more business-friendly environment? Or at the very least, keep American companies from outsourcing? And wouldn't that create more jobs for Americans? Make it cheaper for companies to do business and you'll create more jobs.

Many in the news media have pointed out that hundreds of thousands of minimum-wage jobs have been created during Perry's tenure in Texas. According to Democratic state representative Garnet Coleman, that's not such a good thing. Coleman stated, "If you want a bad job, go to Texas".

In times of economic peril and high unemployment, isn't it comforting to listen to politicians and pundits dismiss successful job growth because some of those jobs are low-paying? That would be like someone lost and dehydrated in the desert criticizing a good samaritan for offering him water instead of lemonade. Does anyone think that if the biggest economic criticism of President Obama was low-wage jobs and not the unemployment rate, his approval rating would be plummeting the way it is? Texas' minimum wage is the lowest the federal government will allow it to be – \$7.25 an hour. Compare this to Nevada who has the highest minimum wage in the nation and also the highest unemployment rate. Through some sort of state exception, Wyoming's minimum wage is even lower than Texas' – \$5.15 an hour. Wyoming's unemployment rate is currently under 6%. Wouldn't lowering the federal minimum wage, perhaps for a few years, entice companies to create

jobs? Though not ideal, low-paying jobs are certainly better than no jobs. With the current unemployment rate for teenagers at 25% and growing, this could be a significant. Allow for a modest decrease in the minimum wage and you'll create more jobs.

My favorite publicized downplay of job creation in Texas is the notion that federal stimulus money is responsible. David Axlerod was big on this. Yes folks, the failed stimulus that has left our national unemployment rate at more than 2% above what was estimated at this point worked nowhere else... except Texas. Please. I wish some insightful idea for job creation could come out of this assertion, but no such luck.

If the Obama administration wants to continue directing credit for Texas's economic success away from Rick Perry, I say have at it. But they would certainly serve themselves and this country by listening to their own criticisms and creating the very environments they concede create jobs.