



THE OBAMA DEGRADE Undermining our Legacy of Liberty

"No pecuniary consideration is more urgent, than the regular redemption and discharge of the public debt: on none can delay be more injurious, or an economy of time more valuable. ... Cherish public credit. One method of preserving it is to use it as sparingly as possible: avoiding occasions of expence [and] avoiding likewise the accumulation of debt ... not ungenerously throwing upon posterity the burthen which we ourselves ought to bear." --George Washington, December 3, 1793

Despite all the political rhetoric about the [historic downgrade](#) of our nation's credit rating last week, that devaluation was a mere shadow of the colossal degradation Barack Hussein Obama and his [socialist cadres](#) have inflicted upon our country since 20 January 2009. Of much greater significance than our nation's credit, our nation's credibility as a [constitutional republic](#) has suffered relentless and ruthless offense.



Obama is succeeding in his endeavor to [break the back](#) of free enterprise, a keystone of [Essential Liberty](#), by implementing failed "[New Deal](#)" policies and rejecting sound [free market](#) principles. His endeavor to lay the groundwork for the transformation to "[Democratic Socialism](#)" has been so successful that the debate about the future of American Liberty now

includes the once-radical question of whether it will be restored by way of the "[ballot or bullet box](#)."

To understand Obama's degradation of our national credibility in an economic context, consider that the U.S. credit rating is, in effect, a barometer of the world's confidence in our national leadership and the direction of the U.S. economy. Thus, its downgrade is a dire indication of worldview regarding the systemic economic risk of the [debt bomb](#) Obama has dropped on our nation.

It is worth noting that Standard & Poor's was *not* the first rating organization to downgrade U.S. credit standing. Dagong Global Credit Rating, the leading rating agency in China (the largest foreign holder of U.S. debt), cut the U.S. rating last week for the *second* time since November 2010. Dagong's chairman said the U.S. dollar is being "gradually discarded by the world," and the "process will be irreversible." No small wonder, but it is with much irony that the Red Chinese have been [lobbying Obama](#) to cut government growth, taxes and regulation.

Of course, Americans -- via their investment funds, retirement plans, etc. -- are the largest holders of U.S. debt, while future generations have the greatest liability for debt interest and repayment. They are thus the creditors at greatest risk. Ultimately, the U.S. can always print money to cover debt. The resulting inflation may make U.S. bonds worth 10 cents on the dollar, but you'll get your dollars back -- and you will need them, since a loaf of bread will then cost 50 bucks. (Not surprisingly, the price of gold, the world's hard currency hedge against fiat currency inflation, reached record levels this week.)



Packing material or wallpaper

Likewise, the major domestic stock indexes -- the Dow, NASDAQ and S&P 500 -- are more than just measures of the average value of stocks traded on those exchanges. They are also barometers of American confidence in our

national leadership and the direction of the U.S. economy. The index values have gradually increased over the last two years in anticipation of a short-term harvest from Obama's massive redistribution of wealth from future generations to the present. However, the bill is now coming due. That fact was made clear last week when, on the very day Obama was lavishly [celebrating his birthday](#) with Hollywoods and Leftist elites at taxpayer expense, our nation's total outstanding debt surpassed our total annual gross domestic product (economic output), for the first time since 1947.

In 2008, before Obama took office, public debt was 40.3 percent of GDP. After the so-called "debt ceiling deal" last week, the Obama administration [spent more in four days](#) than presidents Truman and Eisenhower spent in 10 years!

Clearly in denial as to the underlying reasons for the credit downgrade, Obama claimed world financial markets "still believe our credit is AAA and the world's investors agree." Earth to Planet Obama...

Predictably, Obama's water boys responded to the credit downgrade by shooting the messenger. U.S. Treasury Secretary Timothy Geithner said the S&P showed "terrible judgment." Lawrence Summers, former director of Obama's National Economic Council, claimed the S&P "handled themselves very poorly. And they've shown a stunning lack of knowledge about the basic U.S. fiscal budget math."

Asked if Obama's policies were undermining the economy, Geithner responded, "Oh, absolutely not. You see, he worked incredibly hard in making real

incredibly [sic] progress trying to heal the damage made by this incredible crisis and you saw him work his heart out to try to bring both parties together to reach an agreement on the long-term fiscal deal."

Obama did, however, manage to conjure up one fact-based observation about the failing U.S. economy: "It's not a lack of plans or policies that is a problem here, it's a lack of political will in Washington. It is the insistence of drawing lines in the sand. A refusal to put what's best for the country ahead of self-interest or party or ideology. And that's what we need to change."

Of course, "lack of political will" and "self-interest or ideology" refers to those who do not support Obama's goal to "fundamentally transform the United States of America" into a [socialist republic](#).

Today, despite our nation's debt-riddled condition, Obama is actually calling for *more* government spending and higher taxes to "cure" the economic crisis. His theory is that we can "spend and tax our way to prosperity." Following Obama's logic, America's obesity epidemic can be solved by raising the benchmark weight ceiling, or simply declaring "Eat More/Weigh Less!" We can solve the DUI problem by raising the blood alcohol ceiling. Obama can solve the question of his re-election by raising the poverty ceiling to increase the number of welfare dependents.

According to Beltway heavyweights, the S&P is not the real culprit behind the credit downgrade and our national degradation. It's -- you guessed it -- those [Tea Party "terrorists"](#) who sent 87 new Republican House members to the Swamp in January to help restore the authority of our Constitution.



"I believe this is, without question, the Tea Party downgrade," claimed [Jean François Kerry](#) last Sunday on Meet the Press. Kerry went on to suggest the media should black out Tea Party conservatives' advocacy for the restoration of constitutional integrity and fiscal sanity. "I have to tell you," he pontificated, "I say this to you politely. The media in America has a bigger responsibility than it's exercising today. The media has got to begin to not give equal time or equal balance to an absolutely absurd notion just because somebody asserts it or simply because somebody says something which everybody knows is not factual."

When it comes to the question of Rule of Law as [enshrined in our Constitution](#), Kerry clearly takes his cue from his Demo colleague Patrick Leahy, chairman of the Senate Judiciary Committee (where Rule of Law should reign supreme): "[Nobody questions that.](#)"

"This is essentially a Tea Party downgrade," said Obama senior flack David Axelrod, mimicking the Democrats' talking point du jour.

"This is a Tea Party problem," ranted former Demo National Committee chairman [Howard Dean](#), no doubt reading from the same script. "I think they've been smoking some of that tea and not just drinking it. They are totally unreasonable and doctrinaire and not founded in reality."

Martin Frost, former chair of the Democratic Congressional Campaign Committee, claims, "We now have a group of U.S. politicians seeking political purity, who seem to have much in common with the Taliban. They are Tea Party members, and because of blind adherence to smaller government, they seem intent on destroying what American political leaders have constructed in more than two centuries of hard, often painful, work. Like the Taliban, they see compromise as an unacceptable alternative."

Senator Chuck Schumer (D-NY) decried the Tea Party's efforts as "hostage-taking," saying, "It's as if someone puts a gun to your head and says give me your money." He even gestured with his fingers as if

pointing a gun at his head. (Somebody get [Babs Boxer](#) on the phone...)

Williams Yeomans, former chief aide to Ted Kennedy, asserts, "It has become commonplace to call the Tea Party faction in the House 'hostage takers.' But they have now become full-blown terrorists. They have joined the villains of American history who have been sufficiently craven to inflict massive harm on innocent victims to achieve their political goals."

New York Times scribe Maureen Dowd, the darling of liberal punditry, wrote, "The maniacal Tea Party freshmen are trying to burn down the House they were elected to serve in. It turns out they wanted to come inside to get a blueprint of the historic building to sabotage it."

Not to be left out, Times columnist Thomas Friedman joined the smear fest: "If sane Republicans do not stand up to this Hezbollah faction in their midst, the Tea Party will take the GOP on a suicide mission." Likewise, Times columnist Joe Nocera opined the nation "watched in horror as the Tea Party Republicans waged jihad on the American people."

For the record, I'm certain beyond any reasonable doubt that when you're on the opposite side of any issue with the likes of Kerry, Axelrod, Dean, Schumer, Dowd, et al., you're on the right side, the "correct" side, of Essential Liberty.

National Review aptly summed up the Left's assault on the Tea Party: "The Obama administration and congressional Democrats are betting their political futures on the hope that the American electorate is ignorant and forgetful, and hence the memo has gone out to functionaries hither and yon, from David Axelrod to John Kerry: This is to be called the 'tea-party downgrade.' That this is said with straight faces bespeaks either an unshakable contempt for the mind of the American voter or an as-yet unplumbed capacity for Democratic self-delusion."

In the final analysis, the devaluation of the U.S. credit rating can only be accurately characterized as the

"[Obama Downgrade](#)," but as noted above the fold in this essay, the underlying issue isn't credit. It's credibility.

Obama has proven what many of us warned when this [narcissistic neophyte](#) first jumped out of John Kerry's lap onto the political stage in 2004: He is an ideological socialist and he has *no* credibility. He is a failure [from A to Z](#), and consequently this crisis is about the [Presidential Downgrade](#).

It is now up to [American Patriots](#) across the nation to ensure a presidential upgrade in 2012.

And in keeping with the spirit of American Patriotism, if the ballot option does not work, one might recall the words of old Tom Jefferson: "God forbid we should ever be twenty years without such a rebellion. ... What country can preserve its liberties, if

its rulers are not warned from time to time, that the people preserve the spirit of resistance? Let them take arms. The remedy is to set them right as to the facts, pardon and pacify them. What signify a few lives lost in a century or two? The tree of liberty must be refreshed from time to time, with the blood of patriots and tyrants. It is its natural manure."

(Publisher's Note: Our staff works long hours and they have earned some R&R with their families prior to the resumption of the school year. Thus, they will be out on a recess -- or, as Congress now calls it, a "District Work Period," next week. The daily Founder's Quote, Patriot News Review and The Right Opinion will still be available per our normal posting schedule. Please visit the website for those resources. We'll be back with the Brief on 22 August.)