



THE FOUNDATION

“No government, any more than an individual, will long be respected without being truly respectable; nor be truly respectable, without possessing a certain portion of order and stability.” --James Madison, Federalist No. 62

GOVERNMENT & POLITICS

Slow Economic Recovery Ahead

The economy is obviously the biggest issue in this election, just as it was in 2008. That speaks volumes about Barack Obama’s record -- nearly four years and trillions in “stimulus” deficit spending later, and the economy is still stuck in neutral. That’s why he held a press conference this morning to once again make sure it was clear he doesn’t think any of the fault is his. Europe, Congress, headwinds -- anybody and anything but him.

Why isn’t the economy growing? “Folks out there are still anxious, they’re still scared about the future,” said Obama on the campaign trail this week. “And so what the other side is counting on is fear and frustration -- that that in and of itself is going to be enough because they sure aren’t offering any new ideas. All they’re offering is the same old ideas that didn’t work then, and won’t work now.” No, Mr. President, the same old ideas have resulted in massive government debt with nothing to show for it.

Since Obama took office in January 2009, the Bureau of Labor Statistics household survey indicates that the U.S. economy has added just 100,000 net jobs. Headline unemployment was 7.8 percent on Jan. 20, 2009, and is 8.2 percent today, down from a high of 10.2 percent but up again in May. Job numbers for previous months continue to be revised downward. Yet Obama claims to have added four million jobs. How? By ignoring the first 13 months of his presidency -- blaming all those job losses on George W. Bush -- and counting only nonfarm private payrolls. Even better, they all seem to be “green jobs.”

Supposedly to boost job growth, Democrats in Congress are pushing for another increase in the minimum wage -- this time to \$10 an hour, up from the current \$7.25, and then tied to the Consumer Price Index. Soon after taking over Congress in 2007, Democrats passed a minimum wage increase. A few months later, the country was in

recession. Now, with already stagnant economic growth, they want to raise it again by 37 percent, claiming it will *help* the economy. Left unexplained, however, is how higher costs for employers will lead to more employment.

Obama also claims that government spending has grown more slowly on his watch than any of his predecessors since World War II. As with employment numbers, he does this by blaming his predecessor for his own spending. And he’s doing it because he knows his same old ideas have put the nation on an unsustainable fiscal path, and it could cost him re-election.

The Congressional Budget Office (CBO) released its annual long-term budget outlook Tuesday, and the future looks grim. Federal debt held by the public will reach 70 percent of GDP this year. It was just 40 percent in 2008 with the 40-year average at 38 percent. CBO normally forecasts national debt as a percentage of GDP for decades but in this report it stops at 2043. From then through 2087, there is a repeating footnote that reads, “CBO does not report debt of more than *250 percent of GDP* or projections based on debt above that level, such as interest outlays” [emphasis added]. Granted, predicting even a decade into the future is probably not going to be accurate, but one thing CBO does convey is that the current course will cause the economy to virtually shut down.

As CBO concludes, “The explosive path of federal debt ... underscores the need for large and timely policy changes to put the federal government on a sustainable fiscal course.” That course should not include the biggest tax increase in history, which awaits us in 2013, despite CBO’s implication that the Bush tax cuts are part of the problem. “Folks out there are still anxious” because, without action, *everyone’s* taxes will go up, and in a big way.

Federal Reserve Board Chairman Ben Bernanke warned that the tax increase could not only “pose a significant threat to the recovery” but “it would be very likely that the economy would begin to contract or possibly go even into recession.” Even Bill Clinton called for an extension of the Bush tax rates, though with some later caveats, excuses and apologies.

The only true way forward is to cut both spending and

taxes. Our citizens need it and our economy needs it -- but it's the one thing Obama will never do.

Walker Trounces Big Labor, Sets Tone for November

Wisconsin Governor Scott Walker (R) made history this week by becoming the first governor to survive a recall. He beat Milwaukee's Democrat Mayor Tom Barrett by roughly seven points, 53-46, in the high-turnout election -- a margin slightly larger than Walker's winning spread against the same opponent in the Republican wave election year of 2010. Walker faced the recall after taking away collective bargaining rights for public employee unions, along with making other reforms. Union benefits are sacrosanct, after all, and the unions tried to stop Walker every step of the way -- protesters laid siege to the capitol, Democrat state senators fled to nearby Illinois to prevent a legislative quorum, and, of course, opponents tried and (mostly) failed to recall Republican state senators and a sitting judge, finally gathering enough signatures to challenge Walker himself to a recall. In his victory, however, Walker won 38 percent of voters who live in union households.

The unions failed in three of four state senate recalls, too. Their one victory was a successful recall of Republican state senator Van Wanggard, which gives Democrats a 17-16 majority in the state senate. Of course, that's little more than a symbolic victory, because the senate won't meet again before the November election, and Republicans are likely to regain control then.

Walker's courage in the face of the national public sector union machine is inspiring to Americans looking to bring government back under control. These unions, which years ago gained collective bargaining power despite the warnings of none other than leftist godfather Franklin Roosevelt, are a major factor behind the bloated wasteful government we have today. Walker took them on and won a significant victory. Along the way he and Lt. Gov. Rebecca Kleefisch, who also survived her recall, received death threats, and there were reports of Walker supporters being physically attacked and intimidated by rogue union thugs who now claim that "democracy is dead" because they didn't get their way.

Democratic National Committee Chair Debbie Wasserman Schultz, who had crowed for weeks about how a victory in Wisconsin would be a roadmap for the November elections, was unrepentant afterward, tweeting, "Despite the disappointing outcome, #WIrecall effort sent Scott

Walker a message that his brand of divisive politics is offensive & wrong." Wisconsin's voters, of course, would beg to disagree.

Wasserman Schultz began playing down expectations last week when Barrett's impending defeat became more apparent, claiming that the race had no implications outside the state. This typical spin was also trotted out by the Obama campaign, with director Jim Messina pointing out that in exit polls, Obama beat Romney statewide by 51 to 45 percent -- but those were the same flawed exit polls that told us Tuesday's recall election was a "dead heat." In any case, this isn't worth bragging about: In 2008, Obama won the state by 13 points, and since Walker's arrival Wisconsin has drifted from the solid Democrat column to a true battleground state. Furthermore, Walker's victory against the unions demonstrates to other states that it's possible to tame government and make it more accountable.

From the 'Non Compos Mentis' File

"I think the sad story of the night was the money because this is the beginning of the undermining of American democracy, and this is what you see tonight when you see a guy outspend somebody seven to one with money that nobody knows where it came from." --former DNC chairman Howard "I Have a Scream" Dean on the Wisconsin recall, conveniently ignoring the massive spending by unions and outside Democrat organizations, and utterly misrepresenting the money gap

New & Notable Legislation

The House passed a repeal of a medical device tax Thursday by a vote of 270-146, including 37 Democrats voting for repeal. The 2.3 percent tax (on sales, not profits) is part of the so-called "Affordable Care Act," a.k.a. ObamaCare, and it takes effect on Jan. 1, 2013, and will hit everything from heart stents to ultrasounds, making health care considerably less affordable. Senate Majority Leader Harry Reid (D-NV) says the Senate won't take up the legislation, and the White House issued a veto threat.

One thing the Senate *is* doing is debating the latest farm bill, as is the House. As it now stands, the 10-year, \$969 billion bill makes some changes to current policy, including replacing direct farm subsidies with crop insurance, and placing new restrictions on food stamps, though food stamps are up more than 100 percent -- \$39 billion to \$82 billion -- during Obama's first three years. Congress is promising overall "savings" of \$23.6 billion over 10 years, but, somehow, spending a trillion dollars to save \$23 billion leaves a bad taste.

Campaign Trail: Romney Still Has Some Work to Do

Mitt Romney appointed former Utah Governor Michael Leavitt to his campaign team this week to lead his potential presidential transition, but Leavitt's addition isn't a good sign for anyone looking for Romney to repeal ObamaCare if elected. Leavitt is one of the few Republicans who support the insurance exchange element of ObamaCare, believing the exchanges to be capable of providing affordable insurance. Romney says he intends to repeal ObamaCare, but, of course, as governor of Massachusetts he implemented a state-level version of the same law, so Americans looking to see ObamaCare go away are already wary of Romney's intentions. Pending the Supreme Court's ruling on the law, having Leavitt on board signals that Romney just may keep some elements of ObamaCare in place. Perhaps the Republican candidate is hedging his political bets here, but that's not going to earn him any support among people looking for a new president in November.

Romney remains more popular than congressional Republicans, however, which partly explains why Barack Obama shifted his focus from attacking his election opponent to campaigning against Republicans in general, particularly after May's dismal jobs report. He's losing the debate on the economy, so he's blaming Congress for not pushing his agenda. And by Congress he means the Republican House, which in reality has restrained this spendthrift administration while passing numerous small business tax cuts and jobs bills. The real fault for lack of action on Capitol Hill lies in the Democrat-controlled Senate, which under Harry Reid has had the most ineffective and unproductive legislative record in recent memory. Yet congressional Republicans are allegedly less popular than Democrats among voters. Obama may be hoping that he can taint the GOP brand in the eyes of voters, and Romney by association. Such are the actions of a desperate president without a record to run on.

From the Left: Fair Pay for Women

Barack Obama announced his firm support for further regulations on businesses with regard to women's wages, compelling salary parity and giving women more litigation opportunities against their employers. Women reportedly receive 77 cents for every dollar men make in the workplace. These numbers, however, don't reflect a number of mitigating factors that make women's pay different from that of men. Fields of study and professions vary widely between the sexes, and the work/home balance also plays a factor in the difference in pay scales. The new Paycheck Fairness Act would add even tighter

business restrictions than those placed under the Lilly Ledbetter Act of 2009. This bill follows the Democrats' so-called "War on Women" motif.

Ironically, neither the White House nor House Minority Leader Nancy Pelosi (D-CA) are leading by example in their pursuit of equal pay. Female employees on the White House staff are paid about 18 percent less than their male counterparts. The gap on Pelosi's staff is even worse -- women working for her earn about 27 percent less than men. It looks like the Democrats may win their war on women after all.

DOJ Goes After Florida's Voter Laws

The Obama administration is well known for its willingness to turn the attack dogs loose on states it perceives as a threat -- just ask Arizona Governor Jan Brewer. Now it's trying to deny Florida's attempt to purge its voter rolls of illegible individuals: felons, deceased and -- Heaven forbid -- illegal immigrants.

The Department of Justice demands that Florida desist, claiming the Sunshine State is in violation of both the 1965 Voting Rights Act and the 1993 National Voter Registration Act. The state, however, has refused the directive. Florida also points out that discrimination is not possible, for it's simply sending names to the respective counties for verification. The names are collected by cross-referencing lists of registered voters with driver's licenses that have information on citizenship. Those deemed "suspicious" are given a chance to prove their citizenship status, and are removed from the rolls only if they fail to do so. Those who are alive, American, and felony-free will have no problem voting.

Of course, Attorney General Eric Holder and Company dismissed the facts, claiming instead that the Republicans are trying to disenfranchise minorities and the poor. Clearly, the administration's main concern is the 2012 election, in which Florida will be a key battleground. Given Wisconsin's ringing endorsement of Republican Governor Scott Walker this week (and, arguably, a referendum on Obama's pro-union policies), it comes as no surprise that the administration is trying to protect its base, even if that includes the deceased or illegal.

The BIG Lie: Holder Tells a Whopper

House Republicans grilled Attorney General Eric Holder for four hours Thursday regarding the Justice Department's "Fast and Furious" gun-running operation. Rep. Jason Chaffetz (R-UT) read excerpts of internal emails

that use the phrase “Fast and Furious,” but in one of the more bizarre turns in the saga Holder denied that the phrase “Fast and Furious” referred to the gun-running operation of the same name. “The email that you just read, now this is important, that email referred to ‘Wide Receiver,’” he claimed. “It did not refer to ‘Fast and Furious.’ That has to be noted for the record.” When Chaffetz replied incredulously, “I’ve got it in black and white,” Holder retorted, “I’ve got superior knowledge.”

Holder’s claim is ironic considering that his main defense so far has been his *lack* of knowledge about the program, and that when he found out, he put a stop to it. The Justice Department has been stonewalling the House’s investigation all along, and may face a contempt citation. We guess Holder’s “superior knowledge” is that he’s toast if the truth is exposed.

ECONOMY

Income Redistribution:

Biden Buddy Snags Energy Loan

BrightSource Energy secured the largest federal loan of any solar energy company at \$1.6 billion, and it’s largely due to -- surprise -- its connections with the White House. As the Energy Department considered BrightSource’s application for a loan for its Ivanpah solar farm in the Mojave Desert, the company hired Bernie Toon to lobby for it. Toon is the former chief of staff for then-Senator Joe Biden. His \$40,000 payday (for one *month* of work) was just part of the half-million dollars BrightSource spent on lobbying for its loan.

According to The Wall Street Journal, “White House spokesman Eric Schultz said the Department of Energy made the loan-approval decision, not Mr. Biden nor other White House officials. A Department of Energy spokeswoman said it chose BrightSource, whose solar power plant in California continues to move ahead, based on the project’s merits.” Nothing to see here; move along.

The Obama administration promised to be transparent in its operations. They also said that lobbyists would not determine policy, yet here they are succumbing to lobbying by cronies and doling out billions of dollars for alternative energy as a way Forward™.

Regulatory Commissars:

EPA Ready for ‘Painful’ Coal Regulations

To put it charitably, renewable energy sources such as wind and solar power aren’t ready for prime time yet, and whether Barack Obama likes it or not, America depends

on coal for a significant portion of its electricity. Whether it’s running a laptop or a Chevy Volt, coal is still king, and thousands rely upon it directly for their livelihoods.

This reality doesn’t stop the EPA from trying to regulate coal companies out of existence. As part of a push to repeal overzealous EPA regulations on mercury and other toxins -- rules that mandate a 90 percent emissions cut, thus making older power plants all but obsolete -- Sen. Jim Inhofe (R-OK) released a video of an unnamed EPA spokesperson saying the new regulations “will be painful every step of the way.” Publicizing the EPA’s indifference to the suffering it will cause is part of Inhofe’s effort to rescind the regulations via Congress.

Without a relaxation of the new rules, the pain will be felt most in states that depend on coal mining to support the local economy. Moreover, electric ratepayers will see their costs skyrocket as coal-burning plants are upgraded or -- more likely -- shuttered. And while research into “clean coal” continues, the EPA disregards it because it has one goal: that of jumpstarting a market in renewable energy via government intervention, regardless of the cost to taxpayers or coal-dependent citizens. It seems the EPA’s goal is to keep its regulators’ jobs safe, unlike the jobs of those who work in the coal industry.

Around the Nation:

Regulations for Thee, but Not for Me

California Democrat Gov. Jerry Brown has discovered one way to cut into the projected \$100 billion price tag of his cherished high-speed railroad through the Central Valley: forgoing the very same environmental regulations he enforced as the state’s attorney general. In order to get the project underway early next year, Brown is calling on California’s legislature to limit the legal challenges environmentalists can throw at the project, which would simply replace carbon-belching automobiles and aircraft traveling up and down the state with trains powered by electricity created in fossil fuel-burning power plants. Key among these revisions to normal environmental review is allowing the state to make changes without going through the entire review process again.

Predictably, environmental groups gave Brown’s proposal a chilly reception. “Environmental review is not going to slow this project,” claimed Sierra Club California director Kathryn Phillips. She also chided the “ineptitude” of the California High-Speed Rail Authority over the last four years.

One is led to wonder, though, why more projects and development can't qualify for expedited treatment and waivers in a state crying for jobs. Brown used a similar environmental approach on a proposed football stadium in Los Angeles, saying the shortcuts were necessary to "get people working." Taxpayer-funded boondoggles aren't the only needed infrastructure in the Golden State, and those Central Valley farmers who can't get water because of the sanctity of a nondescript two-inch fish probably wonder how they ended up on the wrong side of the tracks.

SECURITY

Warfront With Jihadistan: Al-Qa'ida's No. 2 Killed

"Abu Yahya Al-Libi, a top Al Qaeda operative, was killed in a U.S. drone strike Monday," Fox News reports. "Al-Libi, known as a rock star in the jihadist world with his videos and lectures going viral on the Web, was the intended target of the strike, U.S. officials said." It's the biggest takedown for the U.S. military since Osama bin Laden in May 2011. Al-Libi took over the Number Two spot in al-Qa'ida shortly after bin Laden's death moved Ayman al-Zawahri into the top spot. Al-Libi was thought dead from a drone strike in 2009, though U.S. officials discovered they had the wrong man.

Al-Libi was also, like bin Laden, hiding out in Pakistan, further underscoring how little our supposed ally is helping our effort to take out jihadis. U.S. officials said that eight other jihadis were killed along with Al-Libi, but as we noted last week, the president simply counts all military-age males killed in a drone strike as enemy combatants, so who knows.

The Newest Oil Exporter? Iraq

We heard the "no blood for oil" refrain from the Left the entire time we were in Iraq, but the fact is that oil is a national security issue. Iraq has rebuilt its oil infrastructure to a degree that they are now exporting 2.5 million barrels per day, which is driving the price down world wide. This rebound comes in handy as neighboring Iran deals with Western sanctions beginning in July.

The Iraqi government has ambitious plans to export 10 million barrels a day within the next five years. While outside experts think that's a bit of a stretch, six million barrels a day is realistic -- and that's more than double Iraq's current output. It would give the war-torn nation an opportunity for prosperity after decades of unrest under Saddam Hussein's regime, as oil is practically the only source of revenue for Iraq. Even though there's potential

for the United States to increase its oil output to a point that Middle Eastern oil would be nearly unnecessary for importation, Western companies, including Exxon Mobil, aren't hesitating to invest in Iraq, and its output, as mentioned before, plays a significant role in prices.

CULTURE

Judicial Benchmarks:

Two Wins for the Homosexual Movement

Nearly four years after California voters passed Proposition 8 -- the state constitutional amendment recognizing marriage as only the union of one man and one woman -- it's now headed to the U.S. Supreme Court. On Tuesday, the ultra-leftist Ninth Circuit Court of Appeals refused to reconsider its previous ruling by a three-judge panel that the amendment is unconstitutional. California is one of dozens of states in which voters upheld traditional marriage, though as Justice Diarmuid O'Scannlain noted in his dissent, the appeals court "overruled the will of seven million California Proposition 8 voters." Talk about unconstitutional.

Meanwhile, in New Mexico, a Christian photographer who declined to photograph a same-sex commitment ceremony (New Mexico recognizes neither same-sex marriage nor civil unions) was found guilty by the NM Human Rights Commission of "sexual orientation" discrimination. Now, the state Court of Appeals has sided with the Commission, ruling that the photographer must pay almost \$7,000 in fines and it's ludicrously claiming that forcing the photographing of the wedding in violation of the photographer's conscience counts among "reasonable regulations and restrictions."

Given the pervasive homosexual agenda, one would think the homosexual population must be quite large. Indeed, a 2011 Gallup poll showed that more than one-third of respondents thought that more than 25 percent of Americans are homosexual. The truth, however, is that fewer than 5 percent of Americans identify themselves as such. This, however, is a reality that neither the homosexual lobby nor the Leftmedia want America to acknowledge.

Michelle Obama Approves Sugar Bans

Last week, we noted that New York City Mayor Michael Bloomberg proposed a ban of all sugary drinks larger than 16 ounces. Bloomberg rejects criticism of the ban, and patronizes critics by telling them that if they don't like it, they can just buy *two* drinks instead of one. "Is purchasing two 16 oz sodas too much of an inconvenience to help reverse a national health catastrophe?" he asked. To prove

that buying two is a healthier choice, he put out a bogus chart showing that, somehow, there's more than twice as much sugar in a 32-ounce drink as in a 16-ounce one. Math is hard, we suppose.

Bloomberg also got a boost from the White House this week as Michelle Obama said she "applauds anyone who's stepping up to think about what changes work in their communities." She stopped short of endorsing Bloomberg's ban, though, and swears that her own "Let's Move!" initiative "is not about having government tell people what to do." Former Sen. Fred Thompson quipped, "Asked about Bloomberg's soda-ban proposal during an Associated Press interview, Mrs. Obama said there's no 'one-size-fits-all' solution for the country's health challenges. Her husband, of course, would beg to differ."

The first lady also hailed the latest move by the Walt Disney Company to ban advertisements for sugary foods on its various Disney network channels. Disney says any food advertised on its channels will have to meet federally approved nutrition standards. Technically, the government isn't telling people what to do, but this sure does look like a slippery slope.

Village Academic Curriculum: Race-Based Admissions Cause Problems

Affirmative action in higher education is a zero-sum game -- for every seat awarded to a candidate through affirmative action, a seat is denied to a more qualified candidate. The case in point is *Fisher v. University of Texas at Austin*, now pending before the Supreme Court, where UT rejected a highly qualified white woman. The issue is whether prior SCOTUS decisions interpreting the Equal Protection Clause of the Fourteenth Amendment permit UT to use race in undergraduate admissions decisions.

An amicus brief filed by several Asian-American groups opposes the UT affirmative action program as well, arguing that race-neutral policies are the only way for Asian-American applicants to get a fair shake: "Admission to the nation's top universities and colleges is a zero-sum proposition. As aspiring applicants capable of graduating from these institutions outnumber available seats, the utilization of race as a 'plus factor' for some inexorably applies race as a 'minus factor' against those on the other side of the equation. Particularly hard-hit are Asian-

American students, who demonstrate academic excellence at disproportionately high rates but often find the value of their work discounted on account of either their race, or nebulous criteria alluding to it."

Commenting on the amicus brief, Ilya Somin, associate professor of law at George Mason University, said, "The glaring inconsistencies in Texas' affirmative action policy and others like it suggest that many universities are either operating an ethnic spoils system, trying to run a compensatory justice program under the guise of promoting diversity (while ignoring Chinese and Japanese-Americans' powerful claims for compensation) in order to avoid running afoul of Supreme Court precedent, or some of both."

And Last...

The Obama campaign had yet another rough week. The president and his peeps watched attack after attack against Mitt Romney backfire, and they saw Wisconsin suddenly come into play for his Republican challenger. The only good news for them was that Obama and the Democratic National Committee jointly raised \$60 million in May, besting his April totals by over \$14 million. Well, scratch that good news. Romney and the Republican National Committee raised nearly \$77 million in May, the first full month of operation for Romney as the GOP nominee. Romney and Republicans now have \$107 million in the bank.

We can't fault Obama for lack of effort, though. He's been burning the midnight oil hitting fundraisers at every opportunity. In fact, he's setting records in that regard, with 153 fundraisers since announcing his re-election bid last year. But look on the bright side: If the choice is between enacting his radical agenda or fundraising, we'll take fundraising any and every day.

Semper Vigilo, Fortis, Paratus et Fidelis! Nate Jackson for *The Patriot Post* Editorial Team. Read online at <http://patriotpost.us>

(Please pray for our Armed Forces standing in harm's way around the world, and for their families -- especially families of those fallen Soldiers, Sailors, Airmen, Marines and Coast Guardsmen, who granted their lives in defense of American liberty.)