



GAMING THE NUMBERS Unemployment and the Fiscal Bluff

"For my part, whatever anguish of spirit it might cost, I am willing to know the whole truth; to know the worst, and to provide for it." --Patrick Henry

November's jobs numbers are out and, though they're "better than expected," they're far short of a real recovery. The U.S. economy added 146,000 jobs in November, and headline unemployment dropped to 7.7 percent, the lowest rate since December 2008. But that number is deceptive.



Gaming the numbers

The rate dropped because some 542,000 people left the workforce. If labor participation remained the same as it was in January 2009, headline unemployment would be 10.7 percent. The U-6 rate, which includes the underemployed and those who have given up looking for work, is 14.4 percent. Notably, the unemployment for blacks, who gave Barack Obama 96 percent of the vote, is 13.2 percent. Additionally, September and October numbers were revised down by a total of 49,000 jobs -- awfully convenient now that the election is over!

At least one person thinks that unemployment is a huge *boon* for the economy. House Minority Leader Nancy Pelosi (D-CA) says that unemployment insurance benefits -- which by the way cost \$520 billion over the last five years -- "probably are one of the most important stimuli for the economy." So if more people become unemployed, the economy will grow even faster. Problem solved.

The Bureau of Labor Statistics did note one bright spot: "[O]ur analysis suggests that Hurricane Sandy did not substantively impact the national employment and unemployment estimates for November." That's good news, but Hurricane Barack and the [fiscal bluff](#) certainly are depressing the recovery, such as it is. Some 23 million Americans remain unemployed or underemployed, and millions more who are working haven't received pay increases in years to keep up with inflation. The economy is in a holding pattern while politicians in Washington preen and pontificate about the cliff.

The Congressional Budget Office (CBO) estimates that under "current law," i.e., if (when) we go over the cliff, the federal budget will still increase by 55 percent over the next 10 years, while tax collection will soar to an all-time high of 21.4 percent of GDP. CBO estimates, however, assume no economic change from higher taxes, which is unrealistic. In other words, higher rates won't necessarily bring in the projected revenue because businesses and consumers will change their behavior to avoid taxes. Government spending is also a tax in the sense that every dollar spent by the government must first be taken out of the economy.

A final fiscal cliff note: Barack Obama is demanding a return of the top tax rates to those in effect during the supposed nirvana of the Clinton years, and he's likely to get *all* the rates of Clinton's era. In fact, that's what former DNC chief Howard Dean said is necessary. "[T]he truth is everybody needs to pay more taxes, not just the rich," Dean admitted. "[W]e're not going to get out of this deficit problem unless we raise taxes across the board, to go back to what Bill Clinton had and his taxes." They're coming for the middle class, too, and some of them aren't afraid to say so.

To get *spending* to Clinton levels, however, the federal budget would have to be cut by an astounding 37 percent. [According to Breitbart](#), "Adjusted for inflation, Clinton spent \$2.24 trillion in 1993; that level stayed relatively stagnant, rising to \$2.41 trillion in 2001." Obama is now spending nearly twice that. So instead of the \$1.2 trillion in baseline "cuts" over 10 years outlined in the sequester, Congress would need to make real cuts of that much this year alone.

As we all know, there's a greater chance that pigs will fly.



Obama's Pledge

"So just to be clear, I'm not going to sign any package that somehow prevents the top rate from going up for folks at the top 2 percent." --Barack Obama

This Week's 'Braying Jackass' Award

"[D]ebt is not caused by spending, it is caused by buying things that you don't pay for. Or, it's caused by cutting revenues that you don't offset ... by cuts in spending." --Rep. [Steny Hoyer](#) (D-MD)

In other words, debt is caused by spending.

The BIG Lie

"Entitlements is not [sic] the issue. And if so, cool heads can sit down and engage the American people and tell us how many seniors in nursing homes do we want to throw out in the street? ... And then who wants to make a fuss about Medicare when it's solvent until 2024? ... Who wants to make a fuss about Social

Security when it's solvent -- and it's about, 'You earned it?'" --Rep. Sheila Jackson-Lee (D-TX)

Social Security is *not* solvent. The mythical "trust fund" is long exhausted, borrowed and spent on other things. Social Security ran a deficit in 2010 and 2011, a trend that will continue in perpetuity without reform.

The Free Enterprise Model

The Patriot Post's goal is to defeat the socialist agenda of the statist in Washington and fight for Essential Liberty and Rule of Law. And we're proud to say we didn't qualify for government handouts -- not that we applied. We rely on the free market -- in other words, readers like *you*. What can we say? It's in our DNA.

Please, if you're able, make a secure online donation today to our [2012 Year-End Campaign](#). If you prefer to support us by mail, please send your donation with our [printable donor form](#).

We still must raise approximately **\$166,319** by year's end.

Government and Politics

PUBLISHER'S NOTE: Changing of the Guard at Heritage

What would you give right now for a strong, nationally revered conservative voice in Washington?

You may not know the name of my friend Edwin Feulner, but as the president of the worlds preeminent think tank, the [Heritage Foundation](#),

Ed has kept the light of Liberty burning bright at this institutional center of the conservative movement. Under Ed's leadership since 1978, Heritage has remained steadfast in its academic and policy advocacy for Liberty and free enterprise.



In 1996, Ed, William Buckley and a handful of others, helped our grassroots Patriot Post team launch, and he provided our first endorsement for which I will always be grateful. From the mountains of East Tennessee, we have carried the grassroots banner of our great heritage of Liberty to every corner of our nation, while the Heritage Foundation has maintained that banner inside Beltway.

Three years ago, Ed announced his intent to retire in April of 2013, and the search has been on for new leadership. Thursday, Heritage's board announced that it has tapped South Carolina Republican [Senator Jim DeMint](#), one of the most articulate conservatives in America. Jim has been an unwavering voice since his election to the House in 1998, and a larger voice in the Senate since 2004. But Jim is now going to have an exponentially larger soapbox.

This is *very* good news for American Liberty at a time when there is a vacuum of conservative political leadership in Washington!

Jim is a standard bearer for the [Tea Party](#) movement, the first substantial conservative grassroots confederation since the [Ronald Reagan](#) years.

While my friend Ed will be missed, the prospect of DeMint's leadership at Heritage heralds in a new era of Liberty advocacy. Not only will Jim maintain the integrity of Heritage's outstanding academic standing, but he will supercharge much-needed conservative grassroots advocacy at Heritage, under the banners of their [First Principles](#) and [Heritage Action](#) initiatives, which *The Patriot Post* helped inspire with Heritage leaders 15 years ago.

Though we operate on a budget 1/100th the size of Heritage, our heartland grassroots voice for Liberty has been and will remain an essential compliment to Heritage's conservative academic and policy mission "to formulate and promote conservative public policies based on the principles of free enterprise, limited government, individual freedom, traditional American values, and a strong national defense."

As for DeMint's Senate seat, Republican Gov. Nikki Haley will soon appoint his replacement, who will hold the seat until November 2014. There are a few possibilities: She could appoint a placeholder, such as former state house speaker David Watkins, but we hope she will appoint Charleston Representative Tim Scott, who would become the only black senator -- and a Tea Party-backed conservative, to boot.

News From the Swamp: House Committee Assignments

House Speaker John Boehner (R-OH) targeted a few conservatives in making some post-election personnel changes in key committees. Reps. Walter Jones (NC) and David Schweikert (AZ) were removed from the Financial Services Committee, while Justin Amash (MI) and Tim Huelskamp (KS) were removed from Paul Ryan's Budget Committee. With these changes taking place in the midst of the all-encompassing fiscal bluff, political soothsayers weren't at a loss for reasons why Boehner shifted these seats.

Boehner desires to keep his team in lock step during negotiations. Vocal fiscal conservatives like Schweikert and Huelskamp may have been booted in order to avoid a revolt among Republicans similar to 2011 when the so-called Grand Bargain began to unravel. Huelskamp subscribes to this view, saying, "It is little wonder why Congress has a 16 percent approval rating: Americans send principled representatives to change Washington and get punished in return."

But these changes might not have been entirely punishment. The weeks following an election always feature the shuffling of committee positions to make room for new faces, accommodate senior members or even address relational issues. Schweikert believes he was bounced from his Financial Services seat because of his consistently conservative voting record, but some believe that it had more to do with the fact that in the GOP primary he wasn't the first choice of the party leadership. The fact that Schweikert's replacement was Mick Mulvaney, a fiscal conservative from South Carolina, lends credence to this view. Committee assignments aren't always doled

out based on the potential outcome of one issue like the fiscal cliff, but, for better or worse, the leadership calls the shots.

Hope 'n' Change: ObamaCare Tax Rules Finalized

The IRS released new rules last Friday afternoon for taxes imposed by ObamaCare. A 3.8 percent surtax will be added in 2013 to investment income for individuals earning over \$200,000 and married couples earning more than \$250,000. This surtax, the first of its kind applied to capital gains and dividend income, will cover stocks, bonds, securities and derivatives. The Joint Committee on Taxation claims that this new tax, coupled with an additional 0.9 percent tax on high-income wages, will raise \$317 billion over 10 years. Then again, not a single fiscal estimate about ObamaCare has been correct so far, and we don't expect that to start now.

Another Friday afternoon announcement by the Obama administration revealed that insurance companies must pay to participate in the government exchanges in which they are being forced to join. The new fees for insurance companies will assuredly be passed on to the consumer, adding an estimated 3.5 percent to private plan premiums. And these fees are above and beyond separate, arbitrary annual fees to cover the cost of expanding health care coverage. Total fees will start at approximately \$6 billion in 2014 and reach \$100 billion over the next 10 years. HHS Secretary Kathleen Sebelius noted that all these fees would cover a majority of the costs associated with running the exchanges. We'll have to wait for a future Friday afternoon document dump to see what the White House's plans are for covering the balance, especially given that 19 states have to date refused to participate in the exchanges, leaving HHS with a tall task and big costs.

On Wednesday, the IRS finalized rules for the 2.3 percent tax on medical devices, a tax Democrats estimate will suck \$29 billion out of the economy over 10 years. The tax will hit the makers of such things as surgical sutures, pacemakers and joint replacement implants. And Democrats told us that ObamaCare would *save* money. Please.

New and Notable Legislation

The Senate passed a \$631 billion defense authorization bill this week by a vote of 98-0. The bill features a wide range of provisions, including two items related to the handling of Guantanamo Bay detainees. The first measure, which passed 54-41, prevents the transfer of detainees to U.S. prisons and reiterates a long held stance that enemy combatants have no place in the criminal justice system. This delivers yet another blow to Obama's incessant 2008 campaign promise -- and his preening "moral high ground" Executive Order -- to close Gitmo, and it also may squelch a back-room deal that Obama made with Illinois political pals to house detainees at a correctional facility in the state. The second provision, also related to detainees, supports current law by restricting the president's ability to transfer terror suspects to foreign countries. Apparently, Obama's public veto threat over this matter didn't scare the Senate.

Other provisions include a 1.7 percent pay raise for military personnel and funds for more hardware and aircraft. The bill provides \$88 billion for operations in Afghanistan and \$17 billion for defense programs at the Department of Energy. A provision passed 92-6 requiring the Pentagon to report to Congress on the capability to impose a no-fly zone in Syria. Additional sanctions on Iran were also approved, theoretically to impede the rogue nation's quest for a nuclear weapon.

One provision in the defense bill that had no business being there is a sales tax on the lucrative world of e-commerce. The federal government is in such a hurry for more spending cash that the Senate couldn't even let the so-called [Marketplace Fairness Act](#) work its way properly through the legislative process. Senators claim that small retailers would benefit because taxes on goods purchased online would make more consumers buy locally. They also claim that a majority of Americans actually support an online tax. If any of this were true and consumers and business owners are so eager to see a new tax, then why does this bill have to be slipped in on the back of a mammoth defense appropriation to get a vote?

Economy **Regulatory Commissars: Playing Chicken With Our Energy Needs**

Have you heard of the lesser prairie chicken? Neither had we, but the EPA is considering placing the bird on the threatened species list. If so, the next on the list to be threatened may be the oil and gas industry within the range of the lesser prairie chicken, a territory extending from southeast Colorado through the panhandle of Texas.

Placement of the modest-sized bird on the list could throw a monkey wrench into development plans for oil and gas exploration in a promising area. Of course, the EPA listens more closely to those fretting about the dwindling amount of natural habitat for the lesser prairie chicken, which now allegedly exists on about one-sixth of its original grassland range.

Something else threatened by the EPA are the engines of millions of cars not built to use the E15 ethanol blend gasoline pushed by the federal government as a politically correct way of addressing our dependence on foreign oil. In a release this week asking the EPA to rescind the mandate, the 53-million member motorist advocacy group AAA warned that only about one in 20 cars on the road is equipped to run on E15 ethanol; moreover, using this fuel voids the warranty of most automakers. "Bringing E15 to the market without adequate safeguards does not responsibly meet the needs of consumers," said AAA president and CEO Robert Darbelnet.

Alas, in the EPA's protective pecking order, the free-range wild chicken comes well before the American motorist or job creation through energy development.

Around the Nation: Michigan and Right-to-Work
Michigan is home to the headquarters of the Big Three American automakers, making it one of the more heavily unionized states in the nation. That may soon change, however. Republicans now control the state legislature and the governor's mansion, and the GOP-controlled House voted Thursday to pass right-to-work legislation, with the Senate soon to follow suit. Upon the signature of Republican Gov. Rick Snyder, the Wolverine State will become the 24th in

the nation to enact a right-to-work law. Such laws don't outlaw unions, but rather give individual employees the freedom to decide whether to join or financially support them.

Snyder has long said that right-to-work wasn't on his agenda, but unions' attempt to amend the state constitution to ban such legislation brought the issue to the forefront. The union measure was resoundingly defeated on the November ballot, and now the pendulum has swung the other way. The GOP effort is about creating jobs -- states with right-to-work laws employ roughly 20 percent more manufacturing workers than do states without such laws, and incomes in those states rose faster than non right-to-work states. Big Labor opposes it vigorously because it will likely cost them a huge chunk of their membership.

Speaking of Michigan, Detroit is ready for another Obama bailout. The city of Detroit, that is. At a city council meeting this week, council member [JoAnn Watson said](#), "After the election of Jimmy Carter, the honorable Coleman Alexander Young, he went to Washington, DC, and he came back home with some bacon. ... Our people in an overwhelming way supported the re-election of this president, and there ought to be a quid pro quo and you ought to exercise leadership on that."

Translation: The stockings were hung by the chimney with care, in hopes that Saint Barack soon would be there. With bacon.

Security **Department of Military Correctness: Hasan Trial Delayed Yet Again**

Those who don't dare call terrorism anything other than a tragic instance of "workplace violence" will be happy to hear that accused Fort Hood mass murderer Maj. Nidal Hasan had his criminal trial pushed back once again. (Readers will recall that [Hasan committed](#) the worst terrorist attack on U.S. soil since 9/11 when he massacred 14 Americans, including an unborn child, and wounded 30 others on Nov. 5, 2009, at Fort Hood's soldier processing center.) The latest delay in

the proceeding that was supposed to begin last March stems from the removal of presiding judge Col. Gregory Gross based on a perceived lack of impartiality. Gross had repeatedly ordered Hasan to shave his beard to comply with Army regulations. Hasan grew his beard only *after* his imprisonment, and he claims it's required as part of his Islamic faith. A military appeals court ruled that Col. Gross had insufficient evidence to prove this was a distraction to the proceedings.

Defense lawyers further claimed Gross was biased based on an incident last summer when he ordered them to clean a court restroom after an adult diaper and human waste were found on the floor. Hasan, who is now paralyzed from the waist down, requires adult diapers.

Obviously the need to find a new judge will delay the trial even further; however, these rulings don't affect a parallel [civil case](#) against Hasan brought by his victims and their families. Bearded or not, the evidence is undeniable that Hasan committed this monstrous crime and justice delayed for the victims is justice denied.



THE 3AM CALL FROM EGYPT..

West Point Cadet Tries to Make a Point

Blake Page was a senior cadet at West Point and just a few months from graduating. But Page, a devout atheist, is quitting the military academy to protest what he claims is criminal behavior toward non-religious cadets. Page [wrote in the Huffington Post](#),

"Countless officers here and throughout the military are guilty of blatantly violating the oaths they swore to defend the Constitution." How so? "These men and women are criminals, complicit in light of day defiance of the Uniform Code of Military Justice through unconstitutional proselytism, discrimination against the non-religious and establishing formal policies to reward, encourage and even at times require sectarian religious participation."

Page's complaint is the opposite of what we typically hear -- stories of Christian Liberty sacrificed on the altar of Leftism of military correctness. (As an aside, the first same-sex ceremony was performed at West Point's chapel just last week.)

Rather, Page alleges that his superiors simply ignored his request for accommodations and that his only way to make a public statement against discrimination is by resigning. He risked owing between \$200,000-\$300,000 in "recoupment" costs after nearly four years at the academy, but he received an honorable discharge and has been told that he won't have to reimburse the American taxpayer for his education. Needless to say, his career in the military is over.

Page concludes his whining, "It is pathetic that so many leaders in the military are comfortable with both subtly and brutally discriminating against non-religious members. Perhaps with enough external pressure brought to bear by continued civil rights activism, America's military leadership will one day soon be forced to realize that non-religious soldiers are not enemies of the state to be shunned, ridiculed and marginalized, but rather patriotic, honorable Americans to be respected as equals." Whatever alternate universe Page inhabits, his resignation is little more than an exercise in self-aggrandizement.

Middle East Roundup

The Obama administration issued new warnings to Syrian dictator Bashar al-Assad and his remaining thugs this week after U.S. intelligence agencies detected the movement of chemical weapons components at several facilities controlled by Assad

loyalists. Barack Obama and other officials warned that the use of chemical weapons would be totally unacceptable, as would be passing chemical weapons to non-state actors like Hezbollah. Unfortunately, the administration either has no plans to *prevent* the use of chemical weapons, or thinks it wouldn't be useful to specify those plans. Assad and his ever-shrinking group are becoming ever more desperate, and it would be foolish to think any warnings of "being held accountable" will sway them. Assad knows he either retains power or faces the same end as Moammar Gadhafi, Saddam Hussein and Hosni Mubarak -- a bullet or a noose.

In related news, NATO announced on Tuesday it would deploy Patriot missile defense systems along the Syrian-Turkish border. This deployment also speaks to the increasing desperation of the Assad regime and the risk of Syrian ballistic missile attacks against Turkish military targets or cities. Incirlik Air Force Base, a critical one for U.S. airpower in the eastern Mediterranean, is only 100 miles from regime-controlled territory in Syria. The Patriot deployment, along with the presence of U.S. Navy missile defense ships off the Syrian coast, will mitigate the threat of a missile attack against any targets in Turkey. Funny that Obama is willing to deploy missile defense in the Middle East when he killed it in Europe.

Meanwhile in Egypt, the ongoing clash continues between the Islamists backing President Mohamed Morsi and ordinary Egyptians who don't want to live under Muslim Brotherhood oppression. Weeklong protests and riots outside the main presidential palace in Cairo left at least six dead and hundreds wounded this week. On Thursday, the Egyptian Army stepped in and ordered all protesters to disperse, enforcing this order with tanks and barbed wire. To the Army's credit, it has enforced the order evenly against both sides.

Morsi delivered a speech Thursday blaming the week's violence on "infiltrators" inside the opposition, which will no doubt reassure his Muslim Brotherhood allies and inflamed his opponents, who began a new round of protests. Morsi also refused to call of a

referendum on the disputed new constitution, or to relinquish broad new powers he has seized.

Pearl Harbor

As Franklin D. Roosevelt said famously, "December 7, 1941 -- a date which will live in infamy -- the United States of America was suddenly and deliberately attacked by naval and air forces of the Empire of Japan." As he promised, we gained the inevitable triumph -- "so help us God."

A good reminder to Patriots to never, never, never give up.

Read more and comment [here](#).

Culture

Second Amendment: Media Blame Guns for Murder-Suicide

As sure as night follows day, a senseless, high-profile murder-suicide causes the Left to once again blame inanimate objects for the evil in men's hearts. Last Saturday, Kansas City Chiefs linebacker Jovan Belcher murdered his girlfriend, Kasandra Perkins, after an argument. He then went to the Chiefs' stadium and committed suicide in front of his coach and the team's general manager, leaving his and Kasandra's three-month-old child an orphan. Belcher was reportedly suffering from chronic pain due to repeated head trauma -- a problem becoming more common among NFL players -- but ignoring that inconvenient fact, Leftists immediately decreed that guns, America's "gun culture," and, by implication, all American firearm owners, had caused this crime. If they had blamed fatherlessness and gang culture, we might have agreed.

Kansas City sportswriter Jason Whitlock kicked off the Left's deranged response, penning an article that said, "Our current gun culture simply ensures that more and more domestic disputes will end in the ultimate tragedy, and that more convenience-store confrontations over loud music coming from a car will leave more teenage boys bloodied and dead." He concluded, "If Jovan Belcher didn't possess a gun, he and Kasandra Perkins would both be alive today."

Whitlock later continued his illegal chop block in an interview, saying, "I believe the NRA is the new KKK. And that the arming of so many black youths, and loading up our community with drugs, and then just having an open shooting gallery, is the work of people who obviously don't have our best interests [at heart]." Besides showing an incredibly distorted view of guns, Whitlock's statements give a keen insight into his actual, warped views of blacks, youths and how life works in general. Bob Costas, host of NBC's "Sunday Night Football," likewise committed unsportsmanlike conduct by going on an anti-gun rant during halftime of Sunday night's game, quoting much of Whitlock's original anti-gun diatribe.

Meanwhile, Americans continue to properly use guns to defend themselves and others thousands of times a year. In Virginia, AutoZone employee Devin McClean thwarted a serial armed robber by using his own firearm. After recognizing the "Fake-Beard Bandit," who has robbed more than 30 businesses in the York, Virginia, area, as he came in with a gun to rob the store, McClean ran out to his truck, retrieved his gun, and chased the crook from the store, potentially saving himself and all the customers.

His reward? AutoZone fired him, of course, for violating the company's zero-tolerance "no firearms in the store" policy. Here's hoping McClean finds new, better employment soon, and that as many people as possible avoid AutoZone for its truly pathetic reaction to a valorous citizen exercising his Second Amendment rights.



Village Academic Curriculum: Indoctrination 101

Vladimir Lenin once said, "Give me four years to teach the children and the seed I have sown will never be uprooted." Embracing this communist dictator's philosophy, government educators in the U.S. are after more and more of your children's time. [CBS News reports](#) that schools in Colorado, Connecticut, Massachusetts, New York and Tennessee will be adding 300-plus hours to the school year, all in an effort "to boost student achievement and make U.S. schools more competitive on a global level."

While the stated intent might sound noble, more hours in school don't automatically translate into higher academic performance, as evidenced by high-performing countries whose students spend *less* time in the classroom than American students do. More time in government schools does, however, translate into more indoctrination of our children into the statist worldview government education promotes.

As an example of just how intent many are to safeguard this indoctrination against encroachment by opposing views, the Louisiana Federation of Teachers (LFT), the state's largest teachers union, [recently convinced](#) a district judge to declare unconstitutional the state's extraordinarily successful school-choice voucher program, arguing that Louisiana shouldn't allow education funding to go toward non-government schools. Never mind that the program enabled nearly 5,000 students from low- and middle-

income families to escape underperforming or failing schools; the union cares more about guaranteeing its own members' jobs -- and continuing to indoctrinate impressionable children -- than about providing those children with the opportunity to learn and excel. Comrade Lenin would be proud.

And Last...

In May of this year, the Senate, the more austere and serious (ahem) chamber of Congress, approved important legislation. No, it wasn't the first budget in four years -- don't be ridiculous. It was a bill that

required the removal of the word "lunatic" from all U.S. Code, because it stigmatizes the mentally handicapped. On Wednesday of this week, the House finally agreed that "lunatic" has no place in the U.S. Code. No word, however, on an accompanying bill to ban lunatics from offering solutions to the coming [fiscal bluff](#). Because only a certifiable lunatic could call careening off a cliff the "balanced approach."

Semper Vigilo, Fortis, Paratus et Fidelis!
Nate Jackson for *The Patriot Post* Editorial Team