

January 15, 2012

Craig Pirrong says the proposed reorganization of commerce and trade duties is like rearranging the deck chairs on the "fiscal Titanic."

Yesterday, Obama formally requested that Congress raise the debt ceiling by \$1.2 trillion. This came only days after Federal debt surpassed 100 percent of GDP—and that doesn't take into account the vast sums in future government spending commitments, on entitlements particularly. With deficits running about 10 percent of GDP, debt will increase to about 110 percent of GDP in a year, 120 percent of GDP the year after that . . . I'll leave the rest as an exercise for the class. In the meantime, growth remains sluggish, thereby making it progressively more difficult to pay for that mounting debt.

Meaning that the country's fiscal situation is fraught, and only likely to become more so, due primarily to the growth in entitlement spending.

So what is Obama's response? Supporting passage of a serious budget? Advancing a credible and enforceable plan for containing entitlement spending growth?

Surely you jest. The actual response is to reorganize the deck chairs on this fiscal Titanic: ...

... Overlooking Obama's typical defiance of Constitutional niceties (he said he'd do this with or without Congress), maybe this makes sense, when evaluated on its own merits. But any efficiency improvements that result are rounding errors on rounding errors. To say this is an irrelevance and a distraction is the understatement of the century. ...

Peter Ferrara examines Obama's economic record.

The record of President Obama's first three years in office is in, and nothing that happens now can go back and change that. What that record shows is that President Obama, with his throwback, old-fashioned, 1970s Keynesian economics, has put America through the worst recovery from a recession since the Great Depression.

The recession started in December, 2007. Go to the website of the National Bureau of Economic Research (www.nber.org) to see the complete history of America's recessions. What that history reveals is that before this last recession, since the Great Depression recessions in America have lasted an average of 10 months, with the longest previously lasting 16 months.

When President Obama entered office in January, 2009, the recession was already in its 13th month. His responsibility was to manage a timely, robust recovery to get America back on track again. Based on the historical record, that recovery was imminent, within a couple of months or so. Despite widespread fear, nothing fundamental had changed to deprive America of the long term, world-leading prosperity it had enjoyed going back 300 years.

Supposedly a forward looking progressive, Obama proved to be America's first backward looking regressive. His first act was to increase federal borrowing, the national debt and the deficit by nearly a trillion dollars to finance a supposed "stimulus" package, based on the discredited Keynesian theory left for dead 30 years ago holding that increased government spending, deficits and debt are what promote economic growth and recovery. That theory arose in the 1930s as the answer to the Great Depression, which, of course, never worked. ...

... Today, over 4 years since the recession started, there are still almost 25 million Americans unemployed or underemployed. That includes 5.6 million who are long-term unemployed for 27 weeks, or more than 6 months. Under President Obama, America has suffered the longest period with so many in such long-term unemployment since the Great Depression.

Notably, blacks have been suffering another depression under Obama, with unemployment today, 49 months after the recession started, still at 15.8%. Black unemployment has been over 15% for 2 ½ years under Obama. Black teenage unemployment today is over 40%, where it has persisted for over 2 years as well.

Hispanics have also been suffering a depression under Obama, with unemployment today still in double digits at 11%. Hispanic unemployment has been in double digits for three years under President Obama. Over one fourth of Hispanic youths remain unemployed today, which also has persisted for years.

The Census Bureau reported in September that more Americans are in poverty today than at any time in the entire history of Census tracking poverty. Americans dependent on food stamps are at an all time high as well. ...

Jennifer Rubin writes about the chances of a better economic future.

Mitt Romney's victory speech in New Hampshire was the most effective of this campaign.

Clearly he aimed to defuse critics who are intent on underplaying his remarkable win.

Reminding the crowd that no one other than an incumbent president has ever won both the Iowa and New Hampshire contests, he declared: "Tonight we made history!"

It was both a general election speech and a rebuke to his Republican challengers.

He began by making his case against President Obama:

The middle class has been crushed. Nearly 24 million of our fellow Americans are still out of work, struggling to find work, or have just stopped looking. The median income has dropped 10 percent in four years. Soldiers returning from the front lines are waiting in unemployment lines. Our debt is too high and our opportunities too few. And this President wakes up every morning, looks out across America and is proud to announce, 'It could be worse.' It could be worse? Is that what it means to be an American? It could be worse?

Invoking a campaign catch phrase, he told the cheering crowd: "The President has run out of ideas. Now, he's running out of excuses." ...

Here is **Romney's speech**.

"Thank you, New Hampshire! Tonight, we made history!"

This state has always been a special place for our family. Ann and I made a home here and we've filled it with great memories of our children and grandchildren. And this Granite State moment is one we will always remember.

Tonight, we celebrate. Tomorrow, we go back to work.

We remember when Barack Obama came to New Hampshire four years ago.

He promised to bring people together.

He promised to change the broken system in Washington.

He promised to improve our nation.

Those were the days of lofty promises made by a hopeful candidate. Today, we are faced with the disappointing record of a failed President. The last three years have held a lot of change, but they haven't offered much hope. ...

Andrew Malcolm notes Romney's rise in the polls.

Mitt Romney appears to be gaining steam in a new national poll, especially among conservatives.

Former Governor Romney now leads former Representative Newt Gingrich, 34-18, according to a CNN/ORC International survey completed yesterday of Republicans and GOP-leaning independents.

Last month before Todd Palin's endorsement of Gingrich the pair were tied at 28%. In November Romney had only 20% support. ...

According to **Charles Krauthammer**, Ron Paul has been a big winner too.

There are two stories coming out of New Hampshire. The big story is Mitt Romney. The bigger one is Ron Paul.

Romney won a major victory with nearly 40 percent of the vote, 16 points ahead of No. 2. The split among his challengers made the outcome even more decisive. Rick Santorum and Newt Gingrich were diminished by distant, lower-tier finishes. Rick Perry got less than 1 percent. And Jon Huntsman, who staked everything on New Hampshire, came in a weak third with less than half of Romney's vote. He practically moved to the state — and then received exactly one-sixth of the vote in a six-man contest. Where does he go from here?

But the bigger winner was Ron Paul. He got 21 percent in Iowa, 23 in New Hampshire, the only candidate other than Romney to do well with two very different electorates, one more evangelical and socially conservative, the other more moderate and fiscally conservative.

Paul commands a strong, energetic, highly committed following. And he is unlike any of the other candidates. They're out to win. He admits he doesn't see himself in the Oval Office. They're one-time self-contained enterprises aiming for the White House. Paul is out there to build a movement that will long outlive this campaign.

Paul is less a candidate than a “cause,” to cite his election-night New Hampshire speech. Which is why that speech was the only one by a losing candidate that was sincerely, almost giddily joyous. The other candidates had to pretend they were happy with their results. ...

Streetwise Professor

A Little Tidying Up on the Fiscal Titanic

by Craig Pirrong

Yesterday, [Obama formally requested that Congress raise the debt ceiling by \\$1.2 trillion](#). This came only days after Federal debt surpassed 100 percent of GDP—and that doesn't take into account the vast sums in future government spending commitments, on entitlements particularly. With deficits running about 10 percent of GDP, debt will increase to about 110 percent of GDP in a year, 120 percent of GDP the year after that . . . I'll leave the rest as an exercise for the class. In the meantime, growth remains sluggish, thereby making it progressively more difficult to pay for that mounting debt.

Meaning that the country's fiscal situation is fraught, and only likely to become more so, due primarily to the growth in entitlement spending.

So what is Obama's response? Supporting passage of a serious budget? Advancing a credible and enforceable plan for containing entitlement spending growth?

Surely you jest. [The actual response is to reorganize the deck chairs on this fiscal Titanic](#):

President Obama announced Friday that he is elevating the head of the Small Business Administration to a Cabinet-level position, as he urged Congress to also grant him permission to consolidate that and other federal agencies in an attempt to make government more efficient. The decision to bring SBA Administrator Karen Mills into the president's Cabinet does not need congressional approval. However, Obama's much broader proposal to merge overlapping agencies does — the president appealed to Congress Friday to help make that happen.

“This is the same sort of authority that every business owner has to make sure that his or her company keeps pace with the times,” Obama said. “Let me be clear, I will only use this authority for reforms that result in more efficiency, better service and leaner government.”

Under the proposal, six major trade and commerce agencies with overlapping programs would be merged. The Commerce Department would be among those that would cease to exist.

Overlooking Obama's typical defiance of Constitutional niceties (he said he'd do this with or without Congress), maybe this makes sense, when evaluated on its own merits. But any efficiency improvements that result are rounding errors on rounding errors. To say this is an irrelevance and a distraction is the understatement of the century.

The disconnect between this proposal (and the lack of serious proposals on the real problems) and fiscal realities is stunning. Hell, this doesn't even rise to the level of reorganizing the deck chairs: it's more like flicking a speck of dust off of one of them. It is, in a word, madness, given the times and the circumstances.

This is boob bait intended to fool enough of the people at one particular time (November, 2012, to be exact) that Obama is the voice of fiscal sanity. That he is a responsible steward of the nation's finances.

The crucial issue is whether enough people are, in fact, boobs. There is reason for fear. The media will certainly never point out the utter absurdity of such nanomanagement at a time we face looming fiscal problems—and when Europe is giving us a Ghost of Christmas Future demonstration of how scary those can become, and quite quickly. Indeed, the media are like the sycophants in the Emperor's New Clothes, treating this decidedly unserious nanosurgery as a serious response to a potentially fatal affliction.

An enabling press is to be expected. In a healthy political system, one would rely on the opposition to point out the insanity of making a big deal out of ensuring that several departments have one phone number and one web site when the time to avert fiscal disaster is dwindling rapidly. But the Republicans seem hell-bent on cementing their reputation as The Stupid Party, engaging in a very 80s debate over the economics and ethics of leveraged buyouts (LBOs), with self-styled conservatives making arguments and using rhetoric that are indistinguishable from the editorial position of *The Nation*. That's when they aren't (as R tirelessly points out) indulging a codger who favors a smaller government, but has no remotely realistic way to achieve his goals, and who routinely spews anti-American venom that would also fit quite well in *The Nation*—all in fear of upsetting his touchy—and often 'tetched—supporters. The Republican campaign is just one, long, nightmarish friendly-fire episode, allowing the real opponent to pose unscathed, and the real vital issues—the ones that galvanized the Tea Parties, no less—are all but ignored.

This is both politically stupid and grotesquely irresponsible.

And this is the way that nations careen into catastrophe.

Forbes

[The Worst Economic Recovery Since The Great Depression](#)

The record of President Obama's first three years in office is in, and nothing that happens now can go back and change that. What that record shows is that President Obama, with his throwback, old-fashioned, 1970s Keynesian economics, has put America through the worst recovery from a recession since the Great Depression.

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When President Obama entered office in January, 2009, the recession was already in its 13th month. His responsibility was to manage a timely, robust recovery to get America back on track again. Based on the historical record, that recovery was imminent, within a couple of months or so. Despite widespread fear, nothing fundamental had changed to deprive America of the long term, world-leading prosperity it had enjoyed going back 300 years.

Supposedly a forward looking progressive, Obama proved to be America's first backward looking regressive. His first act was to increase federal borrowing, the national debt and the deficit by nearly a trillion dollars to finance a supposed "stimulus" package, based on the discredited Keynesian theory left for dead 30 years ago holding that increased government spending, deficits and debt are what promote economic growth and recovery. That theory arose in the 1930s as the answer to the Great Depression, which, of course, never worked.

That was the beginning of President Obama's Rip Van Winkle act, pretending not to know anything that happened over the previous 30 years proving the dramatic, historic success of the new, more modern, supply side economics, which holds that incentives for increased production are what promote economic growth and recovery. Indeed, that Rip Van Winklism pretended not to remember the 1970s either, when double digit inflation and double digit unemployment proved Keynesian economics grievously wrong.

As should have been long expected, Obama's trillion dollar Keynesian stimulus did nothing to promote recovery and growth, and almost surely delayed it. That is because borrowing a trillion dollars out of the economy to spend a trillion back into it does nothing to promote the economy on net. Indeed, it is probably a net drag on the economy, because the private sector spends the money more productively and efficiently than the public sector.

The National Bureau of Economic Research scored the recession as ending in June, 2009. Yet, today, in the 49th month since the recession started, there has still been no real recovery, like recoveries from previous recessions in America.

Unemployment actually rose after June, 2009, and did not fall back down below that level until 18 months later in December, 2010. Instead of a recovery, America has suffered the longest period of unemployment near 9% or above since the Great Depression, under President Obama's public policy malpractice. Even today, 49 months after the recession started, the U6 unemployment rate counting the unemployed, underemployed and discouraged workers is still 15.2%. And that doesn't include all the workers who have fled the workforce under Obama's economic oppression. The unemployment rate with the full measure of discouraged workers is reported at www.shadowstats.com as about 23%, which is depression level unemployment.

Today, *over 4 years* since the recession started, there are still almost 25 million Americans unemployed or underemployed. That includes 5.6 million who are long-term unemployed for 27 weeks, or more than 6 months. Under President Obama, America has suffered the longest period with so many in such long-term unemployment since the Great Depression.

Notably, blacks have been suffering another depression under Obama, with unemployment today, 49 months after the recession started, still at 15.8%. Black unemployment has been over 15% for 2 ½ years under Obama. Black teenage unemployment today is over 40%, where it has persisted for over 2 years as well.

Hispanics have also been suffering a depression under Obama, with unemployment today still in double digits at 11%. Hispanic unemployment has been in double digits for *three years* under President Obama. Over one fourth of Hispanic youths remain unemployed today, which also has persisted for years.

The Census Bureau reported in September that more Americans are in poverty today than at any time in the entire history of Census tracking poverty. Americans dependent on food stamps are at an all time high as well.

Real wages and incomes have been falling so steadily under Obama and his confused, throwback, Keynesian/neo-Marxist Obamanomics, that the Census Bureau also reported that real median family income in America has fallen all the way back to 1996 levels.

Obama apologists cannot argue that this is because the recession was so bad, because the historical record in America is the worse the recession the stronger the recovery. Based on historical precedent, we should at worst be finishing the second year of a booming recovery by now.

Compare Obama's lack of a recovery 2 ½ years after the recession ended with the first 2 ½ years of the Reagan recovery. In those years under Reagan, the American economy created 8 million new jobs, the unemployment rate fell by 3.6 percentage points, real wages and incomes were jumping, and poverty had reversed an upsurge started under Carter, beginning a long term decline.

While Obama crows about 200,000 jobs created last month, the most for a month during his entire Administration, in September, 1983 the Reagan recovery less than a year after it began created 1.1 million jobs in that one month alone. Under Obama, we are still almost 6 million jobs below the peak before the recession started *over 4 years ago!* In the second year of the Reagan recovery, real economic growth boomed by 6.8%, the highest in 50 years.

The chief excuse of the Obama apologists is that what we have suffered was not just a recession, but a financial crisis, and, they argue, recovery from a financial crisis takes a lot longer than recovery from a recession. But that is not the experience of the American, free market, capitalist economy.

The experience of the American economy is reported in full at the National Bureau of Economic Research, as cited above – recessions since the Great Depression previously have lasted an average of 10 months, with the longest previously 16 months, and the deeper the recession the stronger the recovery. That is the standard by which the performance of Obamanomics is to be judged. Which of those American recessions was a “financial crisis” that breaks the pattern?

The apologists cite in their support the book, *This Time Is Different: Eight Centuries of Financial Folly*, by Carmen Reinhart and Kenneth S. Rogoff. That book “covers sixty-six countries over nearly eight centuries.” It “goes back as far as twelfth century China and medieval Europe.” The data “come from Africa, Asia, Europe, Latin America, North America, and Oceania.” The experience from 12th century China, medieval Europe, spendthrift demagogues and socialist economies from Latin America, Europe, Africa and Asia, do not set the standard of expectations for post depression, free market, capitalist America over the last 70 years, the most powerful economic engine in the history of the world.

The data in the book is marshaled to explain why, in fact, “this time is different” is actually always wrong. Seizing upon the data in the book to try to give some sort of pass to Obamanomics for failing the economic performance standards of American history is just political propaganda.

Indeed, exactly none of President Obama’s policies have been well designed to restore economic recovery and traditional American prosperity. They have consistently been the opposite of everything that Reagan did to end the American decline of the 1970s, and restore booming growth for 25 years. That is why [Rush Limbaugh](#) is saying Obama deliberately wants to trash the economy, thinking the resulting dependency will lead a majority to continue to vote for the liberal political machine. President Obama certainly thinks that traditional American, world leading prosperity is morally embarrassing because of the global inequality it represents.

The American economy will likely show continued, long overdue, signs of life in 2012, which will amount to way too little, way too late, based on historical standards. But even worse than his first term is what Obama is brewing up for 2013 on his current course.

Most people do not know that already enacted in current law for 2013 are increases in the top tax rates of virtually every major federal tax. That is because the tax increases of Obamacare become effective that year, and the Bush tax cuts expire, which Obama has refused to renew for singles reporting income over \$200,000 per year, or couples reporting over \$250,000 per year (in other words, the nation’s small businesses, job creators and investors, in plain English).

As a result, if the Bush tax cuts just expire for these upper income taxpayers, along with the Obamacare taxes, in 2013 the top two income tax rates will jump nearly 20%, the capital gains tax rate will soar by nearly 60%, the tax on corporate dividends will nearly triple, and the Medicare payroll tax will leap by 62% for those disfavored taxpayers.

This is on top of the U.S. corporate income tax rate, which is virtually the highest in the industrialized world. The federal rate is 35%, with state corporate rates taking it close to 40% on average. But even Communist China has a 25% rate. The average rate in the social welfare states of the European Union is less than that. Formerly socialist Canada has a 16.5% rate going down to 15% next year.

These U.S. corporate tax rates leave American companies uncompetitive in the global economy. Yet under President Obama there is no relief in sight. Instead, he has spent the past year barnstorming the country calling for still further tax increases on American business, large and small, investors, and job creators.

Higher tax rates mean producers can only keep a smaller percentage of what they produce. So tax rate increases reduce the incentive for productive activities, such as saving, investment, starting businesses, expanding businesses, job creation, entrepreneurship and work, resulting in less of each. And that is what the tax tsunami of 2013 would do, which would once again swamp the weak economy.

Most small business profits are reported from households earning more than \$200,000/\$250,000 per year, and those small businesses produce more than half the new jobs. So the 2013 tax tsunami effectively targets small business, and the nation’s job

creators. That will hurt working people the most, because they will lose the jobs and the wage income they need to maintain their basic standard of living.

In addition, the Obama administration is in the process of imposing a blizzard of new regulatory costs and barriers that will be building to a crescendo by 2013 as well. Academic studies estimate the total costs of regulation in the economy to be rapidly rising towards \$2 trillion per year, or \$8,000 per employee. That is close to 10 times the corporate income tax burden, and double the individual income tax. When the resulting effects on the economy are considered, the total losses due to regulatory burdens may total \$3 trillion, or one fifth of our entire economy.

But by 2013 these regulatory costs will have exploded in unprecedented fashion. That reflects the Obama Administration's global warming crusade, assault on private energy production, the still oncoming Dodd-Frank regulatory burdens on the financial community, Obamacare regulations, particularly the job killing employer mandate, and many others.

By 2013, the Fed may be in contractionary mode as well. If history is any guide, the Fed might decide that right after the election would be the perfect time to cut back on its historically loose monetary policy with record low interest rates that have persisted for years. Adding rising interest rates to the above brew of soaring marginal tax rates across the board and exploding regulatory costs would accumulate to a powerful contractionary force.

Art Laffer predicted the Coming Crash of 2011 on the basis of the expiration of the Bush tax cuts on the upper income earners alone. Those tax rate increases were extended to 2013 in December, 2010 out of fear that prediction was right. But now in 2013 in addition to those tax rate increases we have all of the tax increases of Obamacare, the further exploding costs of Obama's building regulatory blizzard, and the possible contractionary effect of the Fed's monetary policies, all at the same time. Unless we reverse course, the result may well be one big, bad crash in 2013.

Adding that on top of Obama's first term, the entire period will look like an historical reenactment of the 1930s. Unless the American people choose to change leadership this year, we will have achieved that result the old fashioned way – we will have *earned* it.

Right Turn

[Mitt Romney's best speech](#)

by Jennifer Rubin

[Mitt Romney's victory speech](#) in New Hampshire was the most effective of this campaign. Clearly he aimed to defuse critics who are intent on underplaying his remarkable win. Reminding the crowd that no one other than an incumbent president has ever won both the Iowa and New Hampshire contests, he declared: "Tonight we made history!"

It was both a general election speech and a rebuke to his Republican challengers.

He began by making his case against President Obama:

The middle class has been crushed. Nearly 24 million of our fellow Americans are still out of work, struggling to find work, or have just stopped looking. The median income has dropped 10 percent in four years. Soldiers returning from the front lines are waiting in unemployment lines. Our debt is too high and our opportunities too few. And this President wakes up every morning, looks out across America and is proud to announce, 'It could be worse.' It could be worse? Is that what it means to be an American? It could be worse?

Invoking a campaign catch phrase, he told the cheering crowd: "The President has run out of ideas. Now, he's running out of excuses."

Then he went on to delineate the differences he has with the president, with a spirited defense of a robust approach to national security: "He doesn't see the need for overwhelming American military superiority. I will insist on a military so powerful no one would think of challenging it. He chastises friends like Israel; I'll stand with our friends."

In the last few days, under attack by rivals who bizarrely embraced an Occupy Wall Street-like attack on his Bain experience, Romney may have found his voice and some passion. Looking fired up, he shouted to the crowd in Manchester:

President Obama wants to put free enterprise on trial. In the last few days, we have seen some desperate Republicans join forces with him. This is such a mistake for our party and for our nation. This country already has a leader who divides us with the bitter politics of envy. We must offer an alternative vision. I stand ready to lead us down a different path, where we are lifted up by our desire to succeed, not dragged down by a resentment of success. In these difficult times, we cannot abandon the core values that define us as unique -- We are One Nation, Under God. Make no mistake, in this campaign, I will offer the American ideals of economic freedom a clear and unapologetic defense.

Even those on the right who are not enamored of Romney as the nominee will be compelled, I strongly suspect, to say, "Darn right."

Thanks in part to Gingrich's, Rick Perry's and Jon Huntsman's foolish attacks, Romney managed to lay claim to be the standard-bearer of not just his party but of the conservative movement. He's with the Republicans who don't want to apologize for their faith in the free market. That's the right place to be in a GOP primary.

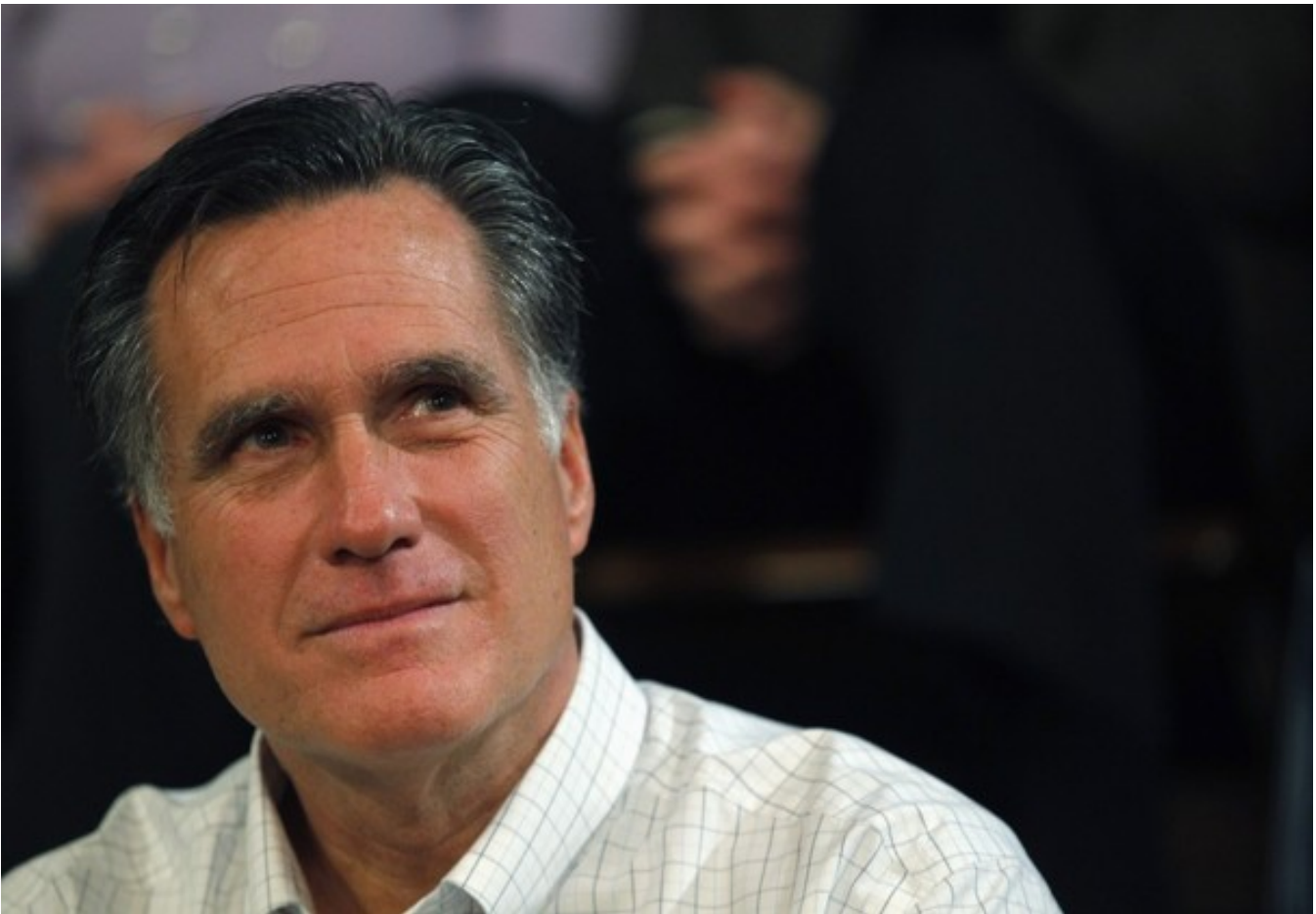
Tonight Romney was more relaxed and emotional than he was in his Iowa speech. He managed to use the primetime spot productively. Now he has the momentum. And he finally may have found a way to connect with conservatives. That is far more important than the few delegates he picked up tonight.

Washington Post

[Mitt Romney's New Hampshire primary speech \(TEXT\)](#)

by Felicia Sonmez

Former Massachusetts governor Mitt Romney (R) delivered remarks to supporters at Southern New Hampshire University in Manchester Tuesday night after winning the Granite State's GOP presidential primary.



Former Massachusetts governor Mitt Romney. (Reuters) Below is the text of his remarks as prepared for delivery.

“Thank you, New Hampshire! Tonight, we made history!

This state has always been a special place for our family. Ann and I made a home here and we’ve filled it with great memories of our children and grandchildren. And this Granite State moment is one we will always remember.

Tonight, we celebrate. Tomorrow, we go back to work.

We remember when Barack Obama came to New Hampshire four years ago.

He promised to bring people together.

He promised to change the broken system in Washington.

He promised to improve our nation.

Those were the days of lofty promises made by a hopeful candidate. Today, we are faced with the disappointing record of a failed President. The last three years have held a lot of change, but they haven’t offered much hope.

The middle class has been crushed. Nearly 24 million of our fellow Americans are still out of work, struggling to find work, or have just stopped looking. The median income has dropped 10% in four years. Soldiers returning from the front lines are waiting in unemployment lines. Our debt is too high and our opportunities too few.

And this President wakes up every morning, looks out across America and is proud to announce, "It could be worse."

It could be worse? Is that what it means to be an American? It could be worse?

Of course not.

What defines us as Americans is our unwavering conviction that we know it must be better.

That conviction guides our campaign. It has rallied millions of Americans in every corner of this country to our cause.

Over the last six months, I've listened to anxious voices in town meetings and visited with students and soldiers. In break rooms and living rooms, I've heard stories of families getting by on less, of carefully planned retirements now replaced by jobs at minimum wage. But even now, amidst the worst economy since the Great Depression, I've rarely heard a refrain of hopelessness.

Americans know that our future is brighter and better than these troubled times. We still believe in the hope, the promise, and the dream of America. We still believe in that shining city on a hill.

We know that the future of this country is better than 8 or 9% unemployment.

It is better than \$15 trillion in debt.

It is better than the misguided policies and broken promises of the last three years – and the failed leadership of one man.

The President has run out of ideas. Now, he's running out of excuses. And tonight, we are asking the good people of South Carolina to join the citizens of New Hampshire and make 2012 the year he runs out of time.

President Obama wants to put free enterprise on trial. In the last few days, we have seen some desperate Republicans join forces with him. This is such a mistake for our Party and for our nation. This country already has a leader who divides us with the bitter politics of envy. We must offer an alternative vision. I stand ready to lead us down a different path, where we are lifted up by our desire to succeed, not dragged down by a resentment of success. In these difficult times, we cannot abandon the core values that define us as unique -- We are One Nation, Under God.

Make no mistake, in this campaign, I will offer the American ideals of economic freedom a clear and unapologetic defense.

Our campaign is about more than replacing a President; it is about saving the soul of America. This election is a choice between two very different destinies.

President Obama wants to “fundamentally transform” America. We want to restore America to the founding principles that made this country great.

He wants to turn America into a European-style entitlement society. We want to ensure that we remain a free and prosperous land of opportunity.

This President takes his inspiration from the capitals of Europe; we look to the cities and small towns of America.

This President puts his faith in government. We put our faith in the American people.

He is making the federal government bigger, burdensome, and bloated. I will make it simpler, smaller, and smarter.

He raised the national debt. I will cut, cap, and balance the budget.

He enacted job-killing regulations; I'll eliminate them.

He lost our AAA credit rating; I'll restore it.

He passed Obamacare; I'll repeal it.

When it comes to the economy, my highest priority as President will be worrying about your job, not saving my own.

Internationally, President Obama has adopted an appeasement strategy. He believes America's role as leader in the world is a thing of the past. I believe a strong America must – and will – lead the future.

He doesn't see the need for overwhelming American military superiority. I will insist on a military so powerful no one would think of challenging it.

He chastises friends like Israel; I'll stand with our friends.

He apologizes for America; I will never apologize for the greatest nation in the history of the Earth.

Our plans protect freedom and opportunity, and our blueprint is the Constitution of the United States.

The path I lay out is not one paved with ever increasing government checks and cradle-to-grave assurances that government will always be the solution. If this election is a bidding war for who can promise more benefits, then I'm not your President. You have that President today.

But if you want to make this election about restoring American greatness, then I hope you will join us.

If you believe the disappointments of the last few years are a detour, not our destiny, then I am asking for your vote.

I'm asking each of you to remember how special it is to be an American.

I want you to remember what it was like to be hopeful and excited about the future, not to dread each new headline.

I want you to remember when you spent more time dreaming about where to send your kids to college than wondering how to make it to the next paycheck.

I want you to remember when you weren't afraid to look at your retirement savings or the price at the pump.

I want you to remember when our White House reflected the best of who we are, not the worst of what Europe has become.

That America is still out there. We still believe in that America.

We still believe in the America that is a land of opportunity and a beacon of freedom. We believe in the America that challenges each of us to be better and bigger than ourselves.

This election, let's fight for the America we love. We believe in America.

Thank you. God bless you. And God bless the United States of America."

Investors.com

[Mitt Romney surges nationally, especially among conservatives](#)

by Andrew Malcolm

Mitt Romney appears to be gaining steam in a new national poll, especially among conservatives.

Former Governor Romney now leads former Representative Newt Gingrich, 34-18, according to a CNN/ORC International survey completed yesterday of Republicans and GOP-leaning independents.

Last month before Todd Palin's endorsement of Gingrich the pair were tied at 28%. In November Romney had only 20% support.

Ron Paul (up one point) and Rick Santorum (up 11 points despite a fifth place finish in New Hampshire) are now tied at 15%, reports [the new survey](#) of 1,021 adults, with Rick Perry at 9% and Jon Huntsman at 4%.

According to CNN Polling Director Keating Holland, "Romney's increased support has come entirely from conservative Republicans, and mostly at Gingrich's expense."

That could augur well for Romney if that trend holds true in South Carolina, which votes next and is considered more conservative than the first two balloting spots.

Romney's ongoing strong suit appears to be electability, reinforced by his unprecedented two straight wins in Iowa and New Hampshire. The poll found 70% of Republicans prefer a candidate who can beat Democrat Obama over a GOP candidate who agrees with them on everything.

And 55% of those have settled on Romney as the one, up from 36% in December and 26% in September. Gingrich's electability numbers have gone the other way, from 35% last month to 13% this week.

So, the lesson in all this is that Romney maybe should chip in some of his own money to help broadcast Gingrich's TV commercials accusing the front-runner of being a successful capitalist.

Next debate Monday night on Fox News. The South Carolina primary is a week from yesterday and Florida's on Jan. 31.

Washington Post

[Ron Paul's achievement](#)

By Charles Krauthammer

There are two stories coming out of New Hampshire. The big story is Mitt Romney. The bigger one is Ron Paul.

[Romney won a major victory](#) with nearly 40 percent of the vote, 16 points ahead of No. 2. The split among his challengers made the outcome even more decisive. Rick Santorum and Newt Gingrich were diminished by distant, lower-tier finishes. Rick Perry got less than 1 percent. And Jon Huntsman, who staked everything on New Hampshire, came in a weak third with less than half of Romney's vote. He practically moved to the state — and then received exactly one-sixth of the vote in a six-man contest. [Where does he go from here?](#)

But [the bigger winner was Ron Paul](#). He got 21 percent in Iowa, 23 in New Hampshire, the only candidate other than Romney to do well with two very different electorates, one more evangelical and socially conservative, the other more moderate and fiscally conservative.

Paul commands a strong, energetic, highly committed following. And he is unlike any of the other candidates. They're out to win. He admits he doesn't see himself in the Oval Office. They're one-time self-contained enterprises aiming for the White House. Paul is out there to build a movement that will long outlive this campaign.

Paul is less a candidate than a "cause," to cite [his election-night New Hampshire speech](#). Which is why that speech was the only one by a losing candidate that was sincerely, almost giddily joyous. The other candidates had to pretend they were happy with their results.

Paul was genuinely delighted with his, because, after a quarter-century in the wilderness, he's within reach of putting his cherished cause on the map. Libertarianism will have gone from the fringes — those hopeless, pathetic third-party runs — to a position of prominence in a major party.

Look at him now. He's getting prime-time air, interviews everywhere and, most important, respect for defeating every Republican candidate but one. His goal is to make himself leader of the opposition — within the Republican Party.

He is Jesse Jackson of the 1980s, who represented a solid, African American, liberal-activist constituency to which, he insisted, attention had to be paid by the Democratic Party. Or Pat Buchanan (briefly) in 1992, who demanded — and gained — on behalf of social conservatives a significant role at a convention that was supposed to be a simple coronation of the moderate George H.W. Bush.

No one remembers Bush's 1992 acceptance speech. Everyone remembers Buchanan's fiery and disastrous culture-war address.

At the Democratic conventions, Jackson's platform demands and [speeches](#) drew massive attention, often overshadowing his party's blander nominees.

Paul won't quit before the Republican convention in Tampa. He probably will not do well in South Carolina or Florida, but with volunteers even in the more neglected [caucus states](#), he will be relentlessly collecting delegates until Tampa. His goal is to have the second-most delegates, a position of leverage from which to influence the platform and demand a prime-time speaking slot — before deigning to support the nominee at the end. The early days of the convention, otherwise devoid of drama, could very well be all about Paul.

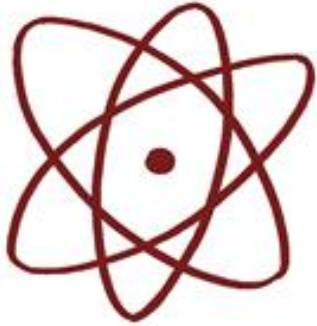
The Democratic convention will be a tightly scripted TV extravaganza extolling the Prince and his wise and kindly rule. The Republican convention could conceivably feature a major address by Paul calling for the abolition of the Fed, FEMA and the CIA; American withdrawal from everywhere; acquiescence to the Iranian bomb — and perhaps even Paul's opposition to a border fence lest it be used to keep Americans *in*. Not exactly the steady, measured, reassuring message a Republican convention might wish to convey. For libertarianism, however, it would be a historic moment: mainstream recognition at last.

Put aside your own view of libertarianism or of Paul himself. I see libertarianism as an important critique of the Leviathan state, not a governing philosophy. As for Paul himself, I find him a principled, somewhat wacky, highly engaging eccentric. But regardless of my feelings or yours, the plain fact is that Paul is nurturing his movement toward visibility and legitimacy.

Paul is 76. He knows he'll never enter the promised land. But he's clearing the path for son Rand, his better placed (Senate vs. House), more moderate, more articulate successor.

And it matters not whether you find amusement in libertarians practicing dynastic succession. What Paul has already wrought is a signal achievement, the biggest story yet of this presidential campaign.

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Blitzer San Diego Union-Tribune
Cartoons/Jan 11-12-12

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