March 15, 2012

An Irish film maker went to the Middle East and learned something he shares with us in the **UK Independent**.

I used to hate Israel. I used to think the Left was always right. Not any more. Now I loathe Palestinian terrorists. Now I see why Israel has to be hard. Now I see the Left can be Right -- as in right-wing. So why did I change my mind so completely?

Strangely, it began with my anger at Israel's incursion into Gaza in December 2008 which left over 1,200 Palestinians dead, compared to only 13 Israelis. I was so angered by this massacre I posed in the striped scarf of the Palestinian Liberation Organisation for an art show catalogue.

Shortly after posing in that PLO scarf, I applied for funding from the Irish Arts Council to make a film in Israel and Palestine. I wanted to talk to these soldiers, to challenge their actions -- and challenge the Israeli citizens who supported them.

I spent seven weeks in the area, dividing my time evenly between Israel and the West Bank. I started in Israel. The locals were suspicious. We were Irish -- from a country which is one of Israel's chief critics -- and we were filmmakers. We were the enemy.

Then I crossed over into the West Bank. Suddenly, being Irish wasn't a problem. Provo graffiti adorned The Wall. Bethlehem was Las Vegas for Jesus-freaks -- neon crucifixes punctuated by posters of martyrs.

These martyrs followed us throughout the West Bank. They watched from lamp-posts and walls wherever we went. Like Jesus in the old Sacred Heart pictures.

But the more I felt the martyrs watching me, the more confused I became. ...

Ann Coulter gives an update on the Obama campaign to keep Romney off the ballot. *Mitt Romney won more than twice as many delegates on Super Tuesday as Newt Gingrich or Rick Santorum. The Non-Fox Media's take-away is that Romney suffered a major setback Tuesday night.*

No matter what happens, Barack Obama's boosters in the NFM portray it as a debilitating blow to Romney. On Nov. 7, The New York Times' headline will be: "Romney ekes out narrow electoral victory, leaving race uncertain."

To explain the widening gulf in delegates won by Romney compared to the others -- he now has more delegates than all other candidates combined -- the media claim that a vote for any candidate other than Romney is an explicit vote against Romney.

Of course, even the NFM can't pretend Ron Paul's supporters would pick Gingrich or Santorum, both big-government, career politicians, as their second choice.

But in what universe would the second choice of Santorum supporters be a two-time adulterer

on his third marriage, who lobbied George W. Bush to support embryonic stem cell research?

And are we to presume that voters who have no problem with Gingrich's \$1.6 million payoff from Freddie Mac would be morally offended by Romney's hard-earned wealth? That voters willing to forgive a man who called Paul Ryan's Social Security reform plan "right-wing social engineering" could never trust Romney?

Why isn't it possible that votes for Santorum are votes against Gingrich, and vice versa?

The NFM doesn't explain. Reporting their hopes and dreams rather than the facts, they simply assert that all votes for Santorum or Gingrich are "anti-Romney" votes.

It's not Republicans who are looking for the anti-Romney. It's Democrats.

Obama is already spending millions of dollars on anti-Romney ads. Obama's campaign adviser David Axelrod, is desperately tweeting anti-Romney messages all day long. In open primaries in Michigan and Ohio, Obama's Democratic supporters came out to vote for Santorum or Gingrich. MSNBC hosts openly encourage Democrats to vote for Rick Santorum. ...

Charlie Gasparino on why the recovery has taken so long.

... The administration's policies helped delay the rebound and make it more tepid than it might have been otherwise.

You can begin with Obama's signature first-term economic "achievement," the \$800 billion stimulus plan that was supposed to create all those shovel-ready jobs and stop unemployment from rising above 8 percent.

We all know how that turned out, with unemployment hovering between 9 percent and 10 percent until recently and GDP floundering such that even some Obama supporters have attacked the stimulus' futility. Much of the money went to states to plug their budget deficits and reduce government layoffs; another bunch went for cockamamie green schemes floated by such politically connected companies as Solyndra.

As for all the shovel-ready jobs, the president himself has joked about how they weren't as shovel-ready as he expected.

But Obama's biggest economic mistake wasn't just the wasted stimulus but a war on US businesses that continues today.

Even as evidence mounted that his stimulus plan wasn't working, the president basically ignored the nation's economic woes and spent most of 2009 and 2010 pushing for the least business-friendly mandate to come out of Washington in years — his universal health-insurance plan.

Timing matters. Obama wasn't pushing a new mandate during an economic boom, when employers might shrug off the costs and ignore the uncertainty, but when, as he puts it, the economy was in the ditch. Instead of giving the private sector reason for hope, he gave it more to fear — so businesses retrenched, and the "recovery summer" the administration predicted for 2010 never came.

Nor did it come last year. Again, some problems were clearly out of the president's control. The tsunami in Japan and the euro crisis both were drags on the global economy. But so were Obama's policies. ...

A lot more detail on this from <u>Peter Ferrara</u> in the American Spectator. It is worthwhile reading this a few times since this is the meat of the campaign against the worst president since Jimmy Carter.

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 American people are much poorer now because of that, and will remain poorer, falling farther and farther behind, until we change course and restore traditional American prosperity.

The recession started in December, 2007. Go to the <u>website</u> of the National Bureau of Economic Research to see the complete history of America's recessions. What that history shows 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.

Dude, Where's My Recovery?

Yes, the economy was in recession when President Obama entered office, which he never tires of telling us. But that was not unique to Obama. There have been 12 recessions in America since the Great Depression. The American people have forgotten what that was like because President Reagan and his Reaganite Republicans gave us a 25 year economic boom from 1982 to 2007 with no serious downturn.

President Obama's responsibility was to manage a timely, robust recovery to get America back on track again. His record in achieving that is not to be measured from the worst of the recession, but to previous recoveries in U.S. history. And, no, President Obama cannot say that his recovery is so bad because the recession was so bad (worse than he thought he now tells us, after spending all of 2008 telling us it was the worst recession since the Great Depression). The American historical record is that the worse the recession the stronger the recovery, as traditional, long-term, American prosperity has always been restored.

Based on that historical record, we should be in the third year of an economic recovery boom right now. That is what we experienced under Reagan, which was the last time we recovered from a recession of similar magnitude.

In the first 2 ½ years of the Reagan recovery, 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 227,000 jobs created last month, in September, 1983 the Reagan recovery less than a year after it began created 1.1 million jobs in that one month alone. In the second year of the Reagan recovery, real economic growth boomed by 6.8%, the highest in 50 years.

In contrast, under President Obama, unemployment actually rose after June 2009, when NBER counts the recession as officially ending, 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 this high since the Great Depression. Even today, 51 months after the recession started, the U6 unemployment rate counting the unemployed, underemployed, and discouraged workers is still nearly 15%.

And that doesn't include all the workers who have fled the workforce under Obama's economic oppression. Under Obama's supposed recovery, the number of working age Americans not in the labor force rose by 7.14 million. As John Lott and Grover Norquist recently <u>observed</u>, "There is no comparable post-World War II 'recovery' where this type of exodus has occurred." ...

Proof that government can work comes from <u>John Steele Gordon</u> writing about Walker's Wisconsin.

... For the first time in decades, school administrations are now actually able to administer their districts without union interference, and the savings have been huge. The MacIver Institute, a Wisconsin think tank, <u>reports</u> that of the 108 school districts that completed contracts with employees, 74 of them, with 319,000 students, have reported savings of no less than \$162 million. If this is extrapolated out to all districts, it would amount to savings of nearly \$448 million.

The biggest area of savings have been in health insurance. The teachers union insisted that districts use the union's own health insurance company to provide coverage. No longer forced to use a monopoly provider, districts have either switched providers or used the threat of switching to force the union health insurance company to dramatically lower premiums. Savings have averaged \$730,000 in districts that have switched providers or forced competitive bidding.

As a result of these dramatic savings, districts that have been able to benefit immediately from the reforms (some districts are locked into long-term contracts and cannot) have been able to avoid laying off teachers despite a significant drop in state aid and to avoid raising school taxes. Indeed, school tax bills that went out last December had an average increase of only 0.3 percent.

It is hard to imagine that with results like this, Governor Walker has anything to worry about.

NY Times on India's changes over the last 20 years.

ANOTHER brick has come down in the great wall separating India from the rest of the world. Recently, both Starbucks and Amazon announced that they would be entering the Indian market. Amazon has already started a comparison shopping site; Starbucks plans to open its <u>first outlet</u> this summer.

As one Indian newspaper put it, this could be "the final stamp of globalization."

For me, though, the arrival of these two companies, so emblematic of American consumerism, and so emblematic, too, of the West Coast techie culture that has infiltrated India's own booming technology sector, is a sign of something more distinctive. It signals the latest episode in India's remarkable process of Americanization. I grew up in rural India, the son of an Indian father and American mother. I spent many summers (and the occasional biting, shocking winter) in rural Minnesota. I always considered both countries home. In truth, though, the India and America of my youth were very far apart: cold war adversaries, America's capitalist exuberance a sharp contrast to India's austere socialism. For much of my life, my two homes were literally — but also culturally, socially and experientially — on opposite sides of the planet.

All that began changing in the early 1990s, when India liberalized its economy. Since then, I've watched India's transformation with exhilaration, but occasionally, and increasingly, with some anxiety.

I left for boarding school in America in 1991. By the time I graduated from high school, two years later, Indian cities had filled with shopping malls and glass-paneled office buildings. In the countryside, thatch huts had given way to concrete homes, ...

The Independent Israel is a refuge, but a refuge under siege Through making a film about the Israeli-Arab conflict, artist Nicky Larkin found his allegiances swaying by Nicky Larkin

I used to hate Israel. I used to think the Left was always right. Not any more. Now I loathe Palestinian terrorists. Now I see why Israel has to be hard. Now I see the Left can be Right -- as in right-wing. So why did I change my mind so completely?

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These martyrs followed us throughout the West Bank. They watched from lamp-posts and walls wherever we went. Like Jesus in the old Sacred Heart pictures.

But the more I felt the martyrs watching me, the more confused I became. After all, the Palestinian mantra was one of "non-violent resistance". It was their motto, repeated over and over like responses at a Catholic mass.

Yet when I interviewed Hind Khoury, a former Palestinian government member, she sat forward angrily in her chair as she refused to condemn the actions of the suicide bombers. She was all aggression.

This aggression continued in Hebron, where I witnessed swastikas on a wall. As I set up my camera, an Israeli soldier shouted down from his rooftop position. A few months previously I might have ignored him as my political enemy. But now I stopped to talk. He only talked about Taybeh, the local Palestinian beer.

Back in Tel Aviv in the summer of 2011, I began to listen more closely to the Israeli side. I remember one conversation in Shenkin Street -- Tel Aviv's most fashionable quarter, a street where everybody looks as if they went to art college. I was outside a cafe interviewing a former soldier.

He talked slowly about his time in Gaza. He spoke about 20 Arab teenagers filled with ecstasy tablets and sent running towards the base he'd patrolled. Each strapped with a bomb and carrying a hand-held detonator.

The pills in their bloodstream meant they felt no pain. Only a headshot would take them down.

Conversations like this are normal in Tel Aviv. I began to experience the sense of isolation Israelis feel. An isolation that began in the ghettos of Europe and ended in Auschwitz.

Israel is a refuge -- but a refuge under siege, a refuge where rockets rain death from the skies. And as I made the effort to empathise, to look at the world through their eyes. I began a new intellectual journey. One that would not be welcome back home.

The problem began when I resolved to come back with a film that showed both sides of the coin. Actually there are many more than two. Which is why my film is called Forty Shades of Grey. But only one side was wanted back in Dublin. My peers expected me to come back with an attack on Israel. No grey areas were acceptable.

An Irish artist is supposed to sign boycotts, wear a PLO scarf, and remonstrate loudly about The Occupation. But it's not just artists who are supposed to hate Israel. Being anti-Israel is supposed to be part of our Irish identity, the same way we are supposed to resent the English.

But hating Israel is not part of my personal national identity. Neither is hating the English. I hold an Irish passport, but nowhere upon this document does it say I am a republican, or a Palestinian.

My Irish passport says I was born in 1983 in Offaly. The Northern Troubles were something Anne Doyle talked to my parents about on the nine o'clock News. I just wanted to watch Father Ted.

So I was frustrated to see Provo graffiti on the wall in the West Bank. I felt the same frustration emerge when I noticed the missing 'E' in a "Free Palestin" graffiti on a wall in Cork. I am also frustrated by the anti-Israel activists' attitude to freedom of speech.

Free speech must work both ways. But back in Dublin, whenever I speak up for Israel, the Fiachras and Fionas look at me aghast, as if I'd pissed on their paninis.

This one-way freedom of speech spurs false information. The Boycott Israel brigade is a prime example. They pressurised Irish supermarkets to remove all Israeli produce from their shelves -- a move that directly affected the Palestinian farmers who produce most of their fruit and vegetables under the Israeli brand.

But worst of all, this boycott mentality is affecting artists. In August 2010, the Ireland-Palestine Solidarity Campaign got 216 Irish artists to sign a pledge undertaking to boycott the Israeli state. As an artist I have friends on this list -- or at least I had.

I would like to challenge my friends about their support for this boycott. What do these armchair sermonisers know about Israel? Could they name three Israeli cities, or the main Israeli industries?

But I have more important questions for Irish artists. What happened to the notion of the artist as a free thinking individual? Why have Irish artists surrendered to group-think on Israel? Could it be due to something as crude as career-advancement?

Artistic leadership comes from the top. Aosdana, Ireland's State-sponsored affiliation of creative artists, has also signed the boycott. Aosdana is a big player. Its members populate Arts Council funding panels.

Some artists could assume that if their name is on the same boycott sheet as the people assessing their applications, it can hardly hurt their chances. No doubt Aosdana would dispute this assumption. But the perception of a preconceived position on Israel is hard to avoid.

Looking back now over all I have learnt, I wonder if the problem is a lot simpler.

Perhaps our problem is not with Israel, but with our own over-stretched sense of importance -- a sense of moral superiority disproportional to the importance of our little country?

Any artist worth his or her salt should be ready to change their mind on receipt of fresh information. So I would urge every one of those 216 Irish artists who pledged to boycott the Israeli state to spend some time in Israel and Palestine. Maybe when you come home you will bin your scarf. I did.

Nicky Larkin's 'Forty Shades of Grey' will premiere in Dublin in May;

Ann Coulter.com ROMNEY CAMPAIGN DRAGGED DOWN BY HUGE HAUL OF DELEGATES

by Ann Coulter

Mitt Romney won more than twice as many delegates on Super Tuesday as Newt Gingrich or Rick Santorum. The Non-Fox Media's take-away is that Romney suffered a major setback Tuesday night.

No matter what happens, Barack Obama's boosters in the NFM portray it as a debilitating blow to Romney. On Nov. 7, The New York Times' headline will be: "Romney ekes out narrow electoral victory, leaving race uncertain."

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Obama is already spending millions of dollars on anti-Romney ads. Obama's campaign adviser David Axelrod, is desperately tweeting anti-Romney messages all day long. In open primaries in Michigan and Ohio, Obama's Democratic supporters came out to vote for Santorum or Gingrich. MSNBC hosts openly encourage Democrats to vote for Rick Santorum.

There's a reason liberals are frantically searching for an anti-Romney candidate. While it's true that any of the Republican candidates for president would be an improvement over Obama, it is not true that any of them can beat him.

It's not easy to take out an incumbent president, even one far to the left of the voters, whose policies have directly resulted in millions of unemployed workers, as well as putting billions of taxpayer dollars in the pockets of his friends on Wall Street, at Solyndra, in public sector unions, etc., etc.

In the last century, only a handful of incumbent presidents have lost an election. Until Ronald

Reagan beat Jimmy Carter in 1980, the last time a Republican took out a sitting president was in 1888, when Benjamin Harrison beat Grover Cleveland.

Inasmuch as Cleveland was a pro-business, conservative Democrat -- known today as "a Republican" -- and also because he was defeated more than a century ago, the Reagan playbook is the only one worth studying.

Reagan didn't beat Carter by calling him a "radical," a "socialist," a "Kenyan colonialist" or a "fake Christian." Part of being smart enough to be president is being smart enough to know how to win. Presidential candidates: Leave the name-calling to professionals.

He didn't do it by running as a Christian warrior, though he was certainly a Christian. He didn't prattle about contraception and stay-at-home mothers. And to the best of my recollection, Reagan never proposed colonizing the moon.

Reagan beat the odds and took out an incumbent by waging a charm campaign to win over independents, moderates and undecideds.

Reagan strategist and pollster Richard B. Wirthlin told The Washington Post that Reagan's objective in his debate with Carter was to come across as a reasonable candidate who could appeal to moderates. Deputy campaign manager William E. Timmons told The New York Times: "Reagan will be calm, cool and collected." Other Reagan advisers told the Times their strategy was to make Reagan look "knowledgeable and reasonable," not rash or risky, in order to reassure undecided voters.

The sainted Ed Meese, Reagan's chief of staff, said Reagan would simply "point out the failures of the Carter record." Not call him a socialist or fake Christian. Just a failure.

(Reagan's debate crib sheet: 1. Appear reasonable and calm; 2. Don't propose colonizing the moon.)

Portrayed by Democrats as a shoot-from-the-hip cowboy itching to get us in a hot war with the Soviets, a few weeks before the election, Reagan bought a half-hour of TV time to present himself as the very opposite of a firebrand.

The ad showcased testimonials from the likes of Henry Kissinger and a smiling Reagan reassuring voters that "the cause of peace knows no party."

Reagan stayed out of the weeds on highly charged debates on social issues, although he was unequivocally pro-life and pro-religion.

One month before the election, The Christian Science Monitor reported that Reagan "ended a campaign week by dipping into the Bible belt ... gingerly."

Speaking to a group of religious broadcasters, Reagan said: "Because you are professionals, I know how much you respect and strongly support -- as I do -- the separation of church and state." (Though at other times during the campaign, he also said that that principle should not mean separation of country from religion, adding, "We are a nation under God.")

It was Reagan's opponent, Jimmy Carter, who played up the fact that he was a born-again

Christian -- albeit a born-again Christian who took 25 years to say that he was not "convinced" that "Jesus Christ would approve abortion."

Bravely spoken, sir!

For Evangelicals concerned about a Mormon president -- or any Christians still trying to make sense of the Carter presidency -- recall that Martin Luther said he'd rather be governed by a smart Turk than a dumb Christian.

Reagan's charm campaign worked so well that even the liberal U.S. News & World Report remarked that Reagan "presented a more reasonable, pragmatic image than in 1976."

Reagan was able to sell challenging ideas to moderates because he wasn't being constantly upstaged by loud-mouthed idiots attacking him for being insufficiently pure (as governor of California, he raised taxes more than any other governor in U.S. history and signed the most liberal abortion law in the country) or muddying the water with utterly irrelevant battles about contraception.

Liberals never dreamed that they would get so much assistance from alleged conservatives in undermining Obama's most formidable opponent!

NY Post What took so long? by Charles Gasparino

The US economy finally seems on course toward a sustained recovery — but why did it take so long?

Consider this analysis: Job creation is strong, while economic growth as measured by the gross domestic product will finally creep back to pre-2008 levels, something close to 3.5 percent.

That was *not* the takeaway from last week's strong jobs report, but a prediction more than a year ago from Goldman Sachs analysts, possibly the best economics team on Wall Street.

The Goldman geniuses weren't making it up, nor were they the only Wall Street types to predict incorrectly that 2011 would be a great year in which a rising stock market, higher corporate profits and increased consumer spending, would all translate into decent job growth and the final nail into the coffin of the Great Recession.

I bring this up not to show how some smart people got it wrong in 2011 (GDP growth was actually lower in 2011 than in 2010) and dampen last week's good news about job creation. This recovery looks real; it was the third month in a row in which the economy produced more than 200,000 jobs. Overall unemployment held at 8.3 percent. That's a great sign because the jobless rate doesn't count people who've given up looking for work — but does count them when they start looking again. Apparently, people are finding jobs as fast as they're jumping back into the work force.

No, the bigger issue is what took the economy so long to recover.

President Obama and his supporters blame the mess left by the 2008 financial collapse, as businesses shed jobs at rates not seen since the Great Depression — and they have a point; it takes time to dig out of a hole that deep.

But Obama's critics have a point, too. The administration's policies helped delay the rebound and make it more tepid than it might have been otherwise.

You can begin with Obama's signature first-term economic "achievement," the \$800 billion stimulus plan that was supposed to create all those shovel-ready jobs and stop unemployment from rising above 8 percent.

We all know how that turned out, with unemployment hovering between 9 percent and 10 percent until recently and GDP floundering such that even some Obama supporters have attacked the stimulus' futility. Much of the money went to states to plug their budget deficits and reduce government layoffs; another bunch went for cockamamie green schemes floated by such politically connected companies as Solyndra.

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But Obama's biggest economic mistake wasn't just the wasted stimulus but a war on US businesses that continues today.

Even as evidence mounted that his stimulus plan wasn't working, the president basically ignored the nation's economic woes and spent most of 2009 and 2010 pushing for the least business-friendly mandate to come out of Washington in years — his universal health-insurance plan.

Timing matters. Obama wasn't pushing a new mandate during an economic boom, when employers might shrug off the costs and ignore the uncertainty, but when, as he puts it, the economy was in the ditch. Instead of giving the private sector reason for hope, he gave it more to fear — so businesses retrenched, and the "recovery summer" the administration predicted for 2010 never came.

Nor did it come last year. Again, some problems were clearly out of the president's control. The tsunami in Japan and the euro crisis both were drags on the global economy. But so were Obama's policies.

Businesses react rationally when it comes to hiring more workers, and here's what they've had to consider since 2009:

* A president who doesn't miss a chance to bash "millionaires and billionaires" and who always talks up the "justice" of raising their taxes.

* A financial-reform law that raises costs so much that banks can't afford to take normal business risks and lend to entrepreneurs.

* An administration that's so hellbent on serving its union allies that it sues Boeing for opening up a nonunion plant in South Carolina, where unemployment is almost 10 percent.

Now that Obama's in full re-election mode, he's dropped the Boeing suit. But he's still stalled the Keystone Pipeline, which would have produced some real shovel-ready jobs — and also more oil as gasoline prices rise above \$4 a gallon. And while he's put some anti-energy regulations on hold, nobody thinks he's that likely to delay them any longer if he wins in November.

Bottom line: Anyone looking to give the president credit for the recovery needs to explain why it took so long — and to tell us what, exactly, Obama did to make it better.

American Spectator <u>The Worst Economic Recovery Since the Great Depression</u> *And all of it a preview of the Great Reelection Crash of 2013.* by Peter Ferrara

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 American people are much poorer now because of that, and will remain poorer, falling farther and farther behind, until we change course and restore traditional American prosperity.

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President Obama's responsibility was to manage a timely, robust recovery to get America back on track again. His record in achieving that is not to be measured from the worst of the recession, but to previous recoveries in U.S. history. And, no, President Obama cannot say that his recovery is so bad because the recession was so bad (worse than he thought he now tells us, after spending all of 2008 telling us it was the worst recession since the Great Depression). The American historical record is that the worse the recession the stronger the recovery, as traditional, long-term, American prosperity has always been restored.

Based on that historical record, we should be in the third year of an economic recovery boom right now. That is what we experienced under Reagan, which was the last time we recovered from a recession of similar magnitude.

In the first 2 ½ years of the Reagan recovery, 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 227,000 jobs created last month, in September, 1983 the Reagan recovery less than a year after it began created 1.1 million jobs in that one month alone. In the second year of the Reagan recovery, real economic growth boomed by 6.8%, the highest in 50 years.

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And that doesn't include all the workers who have fled the workforce under Obama's economic oppression. Under Obama's supposed recovery, the number of working age Americans not in the labor force rose by 7.14 million. As John Lott and Grover Norquist recently <u>observed</u>, "There is no comparable post-World War II 'recovery' where this type of exodus has occurred."

While in the second year of Reagan's recovery the economy boomed with real economic growth of 6.8%, the highest in 50 years, last year the American economy limped along with real economic growth a paltry 1.7%. The first quarter of this year will be similar.

Today, *over 4 years* since the recession started, there are still almost 24 million Americans unemployed or underemployed. That includes 5.6 million who are long-term unemployed for 27 weeks, or more than 6 months, the highest since the Great Depression. The number of Americans employed part-time for economic reasons was still 8.1 million. The Bureau of Labor Statistics (BLS) <u>says</u>, "These individuals were working part time because their hours had been cut back or because they were unable to find a full-time job."

Another 2.6 million persons were marginally attached to the labor force, essentially unchanged from a year earlier. The BLS says, "These individuals were not in the labor force, wanted and were available for work, and had looked for a job sometime in the prior 12 months. They were not counted as unemployed because they had not searched for work in the 4 weeks preceding the survey."

African Americans have been suffering an outright depression under Obama, with unemployment today, 51 months after the recession started, still over 14%. Black unemployment has been over 14% for Obama's entire term in office. Black teenage unemployment today is still nearly 35%, where it has persisted for Obama's entire term as well.

Hispanics have also been suffering a depression under Obama, with unemployment today still in double digits at nearly 11%, where it has also persisted for Obama's entire term. Over one fourth of Hispanic youths remain unemployed today, which also has persisted for years.

The Census Bureau reported last September that more Americans are in poverty today than at any time in the entire 51 year history of Census tracking poverty. Americans dependent on food stamps are at an all time high as well. White House spokesman Jay Carney recently tried to blame the Republicans for that, saying that it was their policies of deregulation that caused the recession. But actually it was liberal policies of overregulation forcing the looting of the banks for subprime loans under threat of discrimination suits that caused the recession. See, e.g. Paul Sperry, <u>The Great American Bank Robbery</u>.

Moreover, it was Obama's responsibility to foster a timely, robust recovery restoring traditional American prosperity. Where is that? The absence of that is because Obama doesn't believe in traditional American anything.

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

Obama's Rip Van Winkle Act

Supposedly a forward-looking progressive, Obama proved to be America's first backwardlooking regressive. His first official act in office 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 proven failed Keynesian theory left for dead 30 years ago by President Reagan. Keynesian economics holds 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, and, of course, it never worked.

Obama's dogged, unlearned, continued pursuit of such failed Keynesian policies is why his own budget shows that by Election Day 2012, he will have doubled the national debt, in just one term of office, added as much to the national debt in that one term as all prior Presidents, from George Washington to George Bush, *combined*!

This was the beginning of President Obama's Rip Van Winkle act, pretending not to notice anything that happened over the prior 30 years proving the dramatic, historic success of the new, more modern, supply-side economics. That more modern view holds that incentives for increased production are what promote economic growth and recovery. Indeed, Obama's 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.

Now on the horizon is the revival of inflation, thanks to the Keynesian cheap dollar, negligible interest rate, monetary policies pursued at the Fed. The beginning of that is seen at the pump now with soaring gas prices. It was the combination of inflation and recession in the 1970s that led thinking people to give up Keynesian economics by the 1980s. If Obama's relapse into Keynesian foolishness proven so wrong in the real world does revive inflation, setting the stage for renewed recession when the Fed inevitably tightens to stop it (as happened repeatedly in the 1970s), there should be serious hell to pay by Obama and the Democrat Party that supported him and these policies.

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 does think that traditional American, world leading prosperity is morally embarrassing because of the global inequality it represents.

No Excuses for Obamanomics

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 to meet the economic performance standards of American history is just political propaganda.

The Worst Is Yet to Come

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 expire just 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, the death tax rate will increase by over 20%, 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, which has been booming since President Obama was elected, now has a 15% corporate rate.

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 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 will 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.

Contentions Wisconsin's Reforms Are Working by John Steele Gordon

by John Steele Gordon

The bruising battle in Wisconsin a year ago to curb the powers of public service unions was finally won by Governor Scott Walker and the Republicans in the state legislature. But, as a result, a judge of the Wisconsin Supreme Court faced a determined attempt to oust him from his seat (he survived), six state senators faced recall elections (four survived and the two losers had issues that would probably have cost them their seats regardless) and, this year, the governor himself faces a recall election.

I wouldn't bet against him. The reforms have kicked in and the results are dramatic.

The reforms did a number of things. They ended the automatic collection of union dues by the state, causing an immediate drop in union income and the laying off of numerous union employees. They required that state employees kick in 5.8 percent of their salaries towards their own pensions and to pick up 12.6 percent of their health insurance premiums, bringing public employees more in line with private employee realities. Most important, it limited collective bargaining to salaries (and even that bargaining is limited by the rate of inflation).

For the first time in decades, school administrations are now actually able to administer their districts without union interference, and the savings have been huge. The MacIver Institute, a Wisconsin think tank, <u>reports</u> that of the 108 school districts that completed contracts with employees, 74 of them, with 319,000 students, have reported savings of no less than \$162 million. If this is extrapolated out to all districts, it would amount to savings of nearly \$448 million.

The biggest area of savings have been in health insurance. The teachers union insisted that districts use the union's own health insurance company to provide coverage. No longer forced to use a monopoly provider, districts have either switched providers or used the threat of switching to force the union health insurance company to dramatically lower premiums. Savings have averaged \$730,000 in districts that have switched providers or forced competitive bidding.

As a result of these dramatic savings, districts that have been able to benefit immediately from the reforms (some districts are locked into long-term contracts and cannot) have been able to avoid laying off teachers despite a significant drop in state aid and to avoid raising school taxes. Indeed, school tax bills that went out last December had an average increase of only 0.3 percent.

It is hard to imagine that with results like this, Governor Walker has anything to worry about.

NY Times How India Became America

by Akash Kapur

Pondicherry, India

ANOTHER brick has come down in the great wall separating India from the rest of the world. Recently, both Starbucks and Amazon announced that they would be entering the Indian market. Amazon has already started a comparison shopping site; Starbucks plans to open its <u>first outlet</u> this summer.

As one Indian newspaper put it, this could be "the final stamp of globalization."

For me, though, the arrival of these two companies, so emblematic of American consumerism, and so emblematic, too, of the West Coast techie culture that has infiltrated India's own booming technology sector, is a sign of something more distinctive. It signals the latest episode in India's remarkable process of Americanization.

I grew up in rural India, the son of an Indian father and American mother. I spent many summers (and the occasional biting, shocking winter) in rural Minnesota. I always considered both countries home. In truth, though, the India and America of my youth were very far apart: cold war adversaries, America's capitalist exuberance a sharp contrast to India's austere socialism. For much of my life, my two homes were literally — but also culturally, socially and experientially — on opposite sides of the planet.

All that began changing in the early 1990s, when India liberalized its economy. Since then, I've watched India's transformation with exhilaration, but occasionally, and increasingly, with some anxiety.

I left for boarding school in America in 1991. By the time I graduated from high school, two years later, Indian cities had filled with shopping malls and glass-paneled office buildings. In the countryside, thatch huts had given way to concrete homes, and cashew and mango plantations were being replaced by gated communities. In both city and country, a newly liberated population was indulging in a frenzy (some called it an orgy) of consumerism and self-expression.

More than half a century ago, R. K. Narayan, that great chronicler of India in simpler times, wrote about his travels in America. "America and India are profoundly different in attitude and philosophy," he wrote. "Indian philosophy stresses austerity and unencumbered, uncomplicated day-to-day living. America's emphasis, on the other hand, is on material acquisition and the limitless pursuit of prosperity." By the time I decided to return to India for good, in 2003, Narayan's observations felt outdated. A great reconciliation had taken place; my two homes were no longer so far apart.

This reconciliation — this Americanization of India — had both tangible and intangible manifestations. The tangible signs included an increase in the availability of American brands; a noticeable surge in the population of American businessmen (and their booming voices) in the corridors of five-star hotels; and, also, a striking use of American idiom and American accents. In outsourcing companies across the country, Indians were being taught to speak more slowly

and stretch their O's. I found myself turning my head (and wincing a little) when I heard young Indians call their colleagues "dude."

But the intangible evidence of Americanization was even more remarkable. Something had changed in the very spirit of the country. The India in which I grew up was, in many respects, an isolated and dour place of limited opportunity. The country was straitjacketed by its moralistic rejection of capitalism, by a lethargic and often depressive fatalism.

Now it is infused with an energy, a can-do ambition and an entrepreneurial spirit that I can only describe as distinctly American. In surveys of global opinion, Indians consistently rank as among the most optimistic people in the world. Bookstores are stacked with titles like "India Arriving," "India Booms" and "The Indian Renaissance." The Pew Global Attitudes Project, which measures opinions across major countries, regularly finds that Indians admire values and attributes typically thought of as American: free-market capitalism, globalization, even multinational companies. Substantial majorities associate Americans with values like hard work and inventiveness, and even during the Iraq war, India's views of America remained decidedly positive.

I HAVE learned, though, that the nation's new American-style prosperity is a more complex, and certainly more ambivalent, phenomenon than it first appears. The villages around my home have undeniably grown more prosperous, but they are also more troubled. Abandoned fields and fallow plantations are indications of a looming agricultural and environmental crisis. Ancient social structures are collapsing under the weight of new money. Bonds of caste and religion and family have frayed; the panchayats, village assemblies made up of elders, have lost their traditional authority. Often, lawlessness and violence step into the vacuum left behind.

I recently spoke with a woman in her mid-50s who lives in a nearby village. She leads a simple life (impoverished even, by American standards), but she is immeasurably better off than she was a couple of decades ago. She grew up in a thatch hut. Now she lives in a house with a concrete roof, running water and electricity. Her son owns a cellphone and drives a motorcycle. Her niece is going to college.

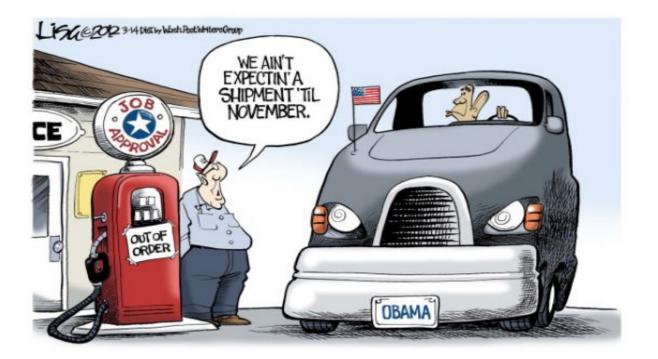
But not long before we talked, there had been a murder in the area, the latest in a series of violent attacks and killings. Shops that hadn't existed a decade ago were boarded up in anticipation of further violence; the police patrolled newly tarred roads. The woman was scared to leave her home.

"This is what all the money has brought to us," she said to me. "We were poor, but at least we didn't need to worry about our lives. I think it was better that way."

Hers is a lament — against rapid development, against the brutality of modernity — that I have heard with increasing frequency. India's Americanization has in so many ways been a wonderful thing. It has lifted millions from poverty, and, by seeding ideas of meritocracy and individual attainment into the national imagination, it has begun the process of dismantling an old and often repressive order. More and more, though, I find myself lying awake at night, worrying about what will take the place of that order. The American promise of renewal and reinvention is deeply seductive — but, as I have learned since coming back home, it is also profoundly menacing.

Akash Kapur is the <u>author</u> of the forthcoming "India Becoming: A Portrait of Life in Modern India."











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