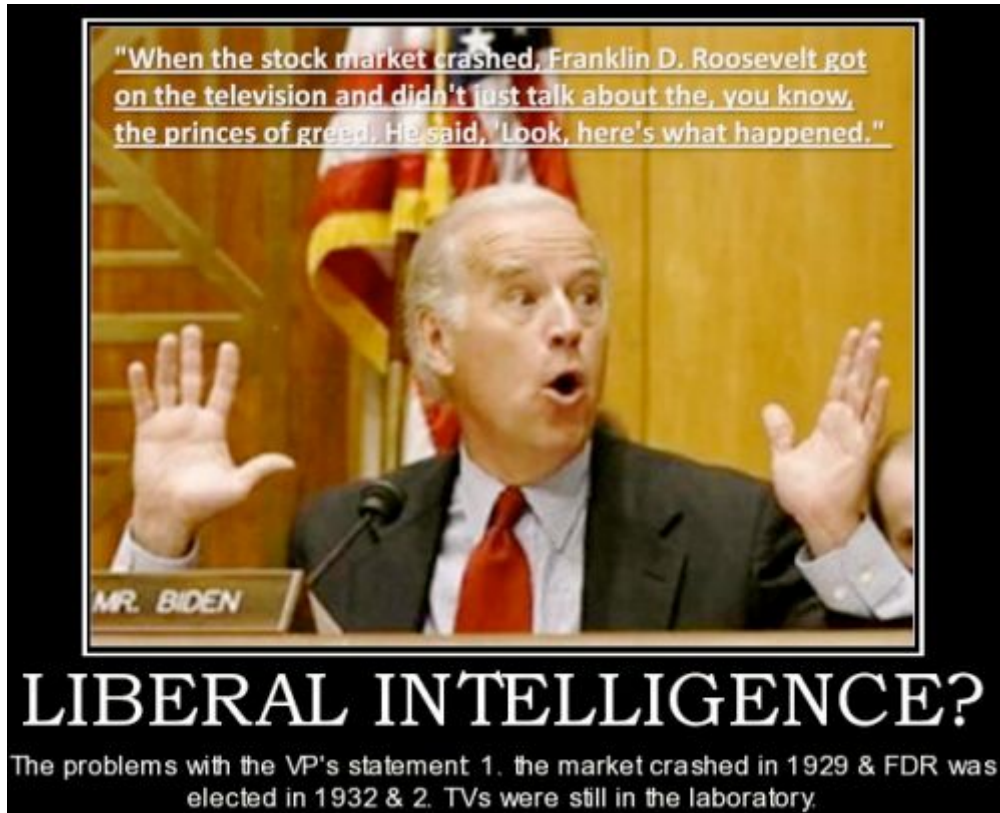


Liberal Ignorance – Economics

By MacPundit



Economics? Whats that?

For years, I have been fascinated by the high level of economic, political, and historical ignorance I have observed among American Liberals. It is a puzzling and mysterious phenomenon. I continue to encounter it in print, broadcast media, and in personal conversations and debates. While Liberals often self-describe as being more intelligent than people of other political persuasions, their lack of knowledge, which seriously undermines and distorts their arguments, belies this notion. To the contrary, based on the following universally accepted definition of intelligence, one can only conclude that they are, in fact, less intelligent.

intelligence [in-tel-i-juhns] noun

1. capacity for learning, reasoning, understanding, and similar forms of mental activity; aptitude in grasping truths, relationships, facts, meanings, etc.

2008 Zogby International Survey

Below, is a summary of results of a December 2008 Zogby International nationwide survey, which gauged economic enlightenment of 4,835 American adults. The survey was designed by Daniel Klein, an economics professor at George Mason University, and Zeljka Buturorvic, a research associate at Zogby International. Ideologically centered questions were screened out, which left eight basic, core economic questions. In other words, none of the eight questions challenged typical conservative or libertarian policy positions.

Liberals and Progressives had the worst scores

Adults self-identifying as “very conservative” and “libertarian” performed the best, followed closely by “conservative.” Trailing far behind were “moderate,” then with another step down to “liberal,” and a final step down to “progressive,” who, on average, got 5.26 questions out of eight wrong. Progressive/very liberal respondents got four times more wrong answers than libertarians.

The results of the survey did not surprise me. They aligned with my personal observations spanning at least 30 years.

Nor were these results surprising:

Who the participants voted for in the 2008 Presidential Election and the number of economic questions they got **wrong** out of 8.

- McCain 1.60
- Obama 4.61
- Nader 4.92

Political party affiliations of the participants and the

number of economic questions they got **wrong** out of 8

- Libertarian 1.26
- Republican 1.61
- Constitution 1.94
- Independent 3.03
- Democratic 4.59
- Green 5.88

Economist, Ron Ross:

“The survey results demonstrate the strong connection between economic ignorance and interventionist enthusiasm. Those who are most determined to interfere with the economy know the least about it.”

“Liberals don’t seem to care that things are the way they are for some very powerful reason or reasons, which explains why unintended consequences are so common and why results are so often the opposite of intentions.”

“What’s always amazed me is that liberals don’t seem to be even the least bit curious about how the economy works. They love taking and using the wealth created by a market economy, but don’t care a whit about the necessary ingredients for creating that wealth – incentives, the price system, or the critical role of private property rights, for example.”

What’s going on?

It has been said for many years that the political left often fail to incorporate basic economic insight into their morals, and politics. Hayek’s compelling and wholly rational theory, which seems to be supported by substantial empirical evidence, provides an explanation.

“The social-democratic ethos is an atavistic reassertion of the ethos and mentality of the primordial paleolithic band, a

mentality resistant to ideas of spontaneous order and disjointed knowledge.”

In other words, their thought processes are a throwback to a primitive time in human development. They resist the inclusion of certain disjointed knowledge (apparently unrelated facts) and, therefore, cannot connect it with other knowledge in order to construct an orderly and reasonable hypothesis. Simply put: They don't connect the dots very well because they are not aware of or simply do not acknowledge some of the dots.

And there's this:

To answer the question, “If they are more intelligent, why are liberals – especially those in Hollywood and academia – so much more likely than conservatives to say and do stupid things and hold incredulous beliefs and ideas that stretch credibility?” – Bruce G. Charlton, Professor of Theoretical Medicine at the University of Buckingham, offers an explanation. He suggests that liberals and other intelligent people may be ‘clever sillies,’ who incorrectly apply abstract logical reasoning to social and interpersonal domains. (Notice he said, “... liberals and other intelligent people.” Is it more than likely that Charlton is, himself, a liberal? I'd bet on it. In simple terms, he goes on to say that while humans have, over millennia, developed what we call “common sense,” liberals and other intelligent people lack common sense, because their general intelligence overrides it.

So their intelligence is a handicap? Oh my! Shouldn't there be a special government program for them? Or, wait, should they be allowed to vote, or for that matter, hold responsible positions in our government? After all, they have no common sense and look at all the damage they have done already! I mean they are too smart to function well. That can't be a good thing.

Oh well, at least one thing is clear; they don't question the

proposition that liberals are ignorant. They only attempt to explain why.

I suffer not an ounce of doubt that our current president will go down in history as one of our worst. It is painfully clear to knowledgeable Americans that Barack Obama either has no understanding of how our economy works or he does and is intent on transforming it into something quite different. Of course there is a third possibility: He does not know how it works but still wants to change it. Imagine that. The U.S.A. has been the most successful economy in human history, yet he would endeavor to destroy it. Yes, destroy it, for any meaningful alteration would, necessarily, destroy it.

That may appeal to the ignorant and naïve because they assume that what we have would be replaced with a better economic model, which takes us back to the theme of this post – liberal ignorance.

I'll leave you with this:

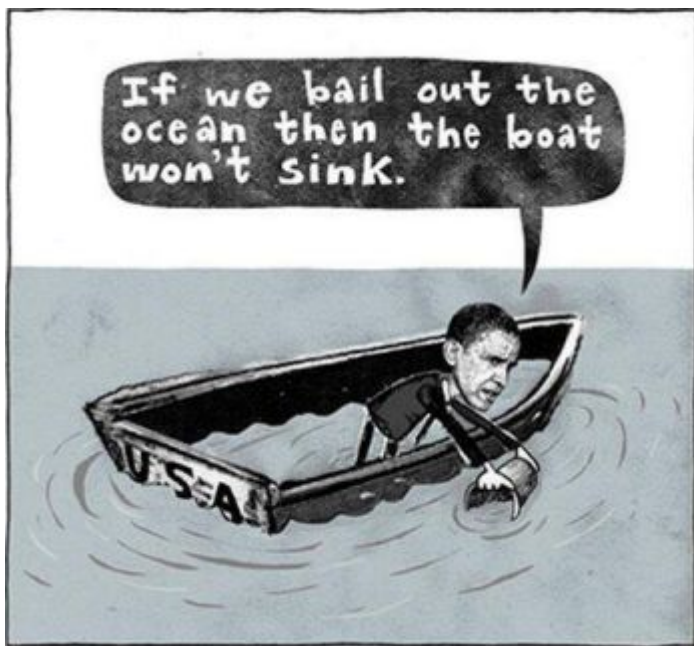
Those who are most determined to interfere with the economy know the least about it.

59 Facts Obama Does Not Want You To Know

Obama's Ship Of State Is

Sinking

There are many more facts Obama does not want you to know than the 59 listed in this article. But perhaps the biggest fact is that while President Obama's "Ship Of State" is sinking, he is furiously bailing water from the ocean into the ship. All things considered, this is an appropriate metaphor.



**It's not my
fault**

It would be a formidable task to document the number of times President Obama has blamed President George W. Bush for our poor economy. (See: [Obama Blames Bush For Our Financial Crisis](#)) To be clear, President Bush inherited a recession from President Clinton—not to mention at least a \$1 trillion hit on our economy from the 9/11 attacks, Katrina, and more. Yet, unlike Obama, Bush took full responsibility and refused to blame Clinton for the "Bush Economy."

President Reagan inherited an economy from President Carter that was, arguably, as bad as the economy Obama inherited, yet Reagan turned it into the longest peace-time continuous period of economic growth in U.S. history.

We, ultimately, hold each president responsible for the state

of our economy and we should make no exception for President Obama. Our current economy is the Obama Economy—no excuses, no more blame-game. So man-up, Mr. President! Stop trying to weasel out of your responsibilities. While you tell us things like, “The private sector is doing fine.” – the truth is that it is not doing anything close to “fine.” To the contrary, our economy is on the verge of collapse! So either you are the most economically ignorant president ever or you are lying to us.

The following facts are limited to the economy, which is the major issue in this presidential campaign. Keep this in mind: Under President Obama, more Americans are now living in poverty and are receiving food stamps than at any time in our entire history. Also, the income of the average American household is now \$4,000 less than when Obama took office.

59 well-documented facts Obama does not want you to know.

1. **\$3.81** – When Barack Obama entered the White House, the average price of a gallon of gasoline was \$1.84. Today (8/27/2012), it is \$3.81. (It has more than doubled.)
2. **22%** – It is hard to believe, but today the poverty rate for children living in the United States is a whopping 22 percent.
3. **23 Shutdowns/day** – According to U.S. Representative Betty Sutton, an average of 23 manufacturing facilities permanently shut down in the United States **every single day** during 2010.
4. **30% plus** – Back in 2007, about 10 percent of all unemployed Americans had been out of work for 52 weeks or longer. Today, that number is above 30 percent.
5. **32%** – The amount of money that the federal government gives directly to Americans has increased by 32 percent since Barack Obama entered the White House.

6. **35%** – U.S. housing prices are now down a total of 35 percent from the peak of the housing bubble.
7. **40 Months** – The official U.S. unemployment rate has been above 8 percent for 40 months in a row.
8. **42%** – According to one survey, 42 percent of all American workers are currently living paycheck to paycheck.
9. **48%** – Shockingly, at this point 48 percent of all Americans are either considered to be “low income” or are living in poverty.
10. **49.1%** – Today, an astounding 49.1 percent of all Americans live in a home where at least one person receives benefits from the government.
11. **53%** – Last year, an astounding 53 percent of all U.S. college graduates under the age of 25 were either unemployed or underemployed.
12. **60%** – According to a recent Gallup poll, only 60 percent of all Americans say that they have enough money to live comfortably.
13. **61%** – At this point the Federal Reserve is essentially monetizing much of the U.S. national debt. For example, the Federal Reserve bought up approximately 61 percent of all government debt issued by the U.S. Treasury Department during 2011.
14. **63%** – One recent survey found that 63 percent of all Americans believe that the U.S. economic model is broken.
15. **71%** – Today, 71 percent of all small business owners believe that the U.S. economy is still in a recession.
16. **80%** – Americans buy 80 percent of the pain pills sold on the entire globe each year.
17. **81%** – Credit card debt among Americans in the 25 to 34 year old age bracket has risen by 81 percent since 1989.
18. **85%** – 85 percent of all artificial Christmas trees are made in China.
19. **86%** – According to one survey, 86 percent of Americans workers in their sixties say that they will continue

working past their 65th birthday.

20. **107 days** – Each year, the average American must work 107 days just to make enough money to pay local, state and federal taxes.
21. **\$500** – In some areas of Detroit, Michigan you can buy a three bedroom home for just \$500.
22. **627** – In 2010, China produced 627 million metric tons of steel. The United States only produced 80 million metric tons of steel.
23. **877** – 20,000 workers recently applied for just 877 jobs at a Hyundai plant in Montgomery, Alabama.
24. **900%** – Auto parts exports from China to the United States have increased by more than 900 percent since the year 2000.
25. **\$1580** – When Barack Obama first took office, an ounce of gold was going for about \$850. Today an ounce of gold costs more than \$1580 an ounce.
26. **1700%** – Consumer debt in America has risen by a whopping 1700% since 1971.
27. **2016** – It is being projected that the Chinese economy will be larger than the U.S. economy by the year 2016.
28. **\$4155** – The average American household spent a staggering \$4,155 on gasoline during 2011 and will spend dramatically more in 2012.
29. **\$4300** – The amount by which real median household income has declined since Barack Obama entered the White House.
30. **\$6000** – If you can believe it, the median price of a home in Detroit is now just \$6000.
31. **\$10,000** – According to the Employee Benefit Research Institute, 46 percent of all American workers have less than \$10,000 saved for retirement, and 29 percent of all American workers have less than \$1,000 saved for retirement.
32. **49,000** – In 2011, our trade deficit with China was more than 49,000 times larger than it was back in 1985.
33. **\$85,000** – According to the New York Times, a Jeep Grand Cherokee that costs \$27,490 in the United States costs

about \$85,000 in China thanks to all the tariffs.

34. **\$175,587** – The Obama administration spent \$175,587 to find out if cocaine causes Japanese quail to engage in sexually risky behavior.
35. **\$328,404** – Over the next 75 years, Medicare is facing unfunded liabilities of more than 38 trillion dollars. That comes to \$328,404 for each and every household in the United States.
36. **440,000** – If the federal government began right at this moment to repay the U.S. national debt at a rate of one dollar per second, it would take over 440,000 years to totally pay it off.
37. **500,000** – According to the Economic Policy Institute, America is losing half a million jobs to China every single year.
38. **2,000,000** – Family farms are being systematically wiped out of existence in the United States. According to the U.S. Department of Agriculture, the number of farms in the United States has fallen from about 6.8 million in 1935 to only about 2 million today.
39. **\$2,000,000** – At this point, the U.S. national debt is rising by more than 2 million dollars every single minute.
40. **2,600,000** – In 2010, 2.6 million more Americans fell into poverty. That was the largest increase that we have seen since the U.S. government began keeping statistics on this back in 1959.
41. **5,400,000** – When Barack Obama first took office there were 2.7 million long-term unemployed Americans. Today there are twice as many.
42. **16,000,000** – It is being projected that Obamacare will add 16 million more Americans to the Medicaid rolls.
43. **\$20,000,000** – The amount of money the U.S. government was spending to create a version of Sesame Street for children in Pakistan.
44. **25,000,000** – Today, approximately 25 million American adults are living with their parents.

45. **40,000,000** – According to Professor Alan Blinder of Princeton University, 40 million more U.S. jobs could be sent offshore over the next two decades if current trends continue.
46. **46,405,204** – The number of Americans currently on food stamps. When Barack Obama first entered the White House there were only 32 million Americans on food stamps.
47. **88,000,000** – Today there are more than 88 million working age Americans that are not employed and that are not looking for employment. That is an all-time record high.
48. **100,000,000** – Overall, there are more than 100 million working age Americans that do not currently have jobs.
49. **\$150,000,000** – This is approximately the amount of money that the Obama administration and the U.S. Congress are stealing from future generations of Americans every single hour.
50. **295,500,000,000** – Our trade deficit with China in 2011 was \$295.5 billion. That was the largest trade deficit that one country has had with another country in the history of the planet.
51. **\$359,100,000,000** – During the first quarter of 2012, U.S. public debt rose by 359.1 billion dollars. U.S. GDP only rose by 142.4 billion dollars.
52. **\$454,000,000,000** – During fiscal 2011, the U.S. government spent over 454 billion dollars just on interest on the national debt.
53. **\$1,000,000,000,000** – The total amount of student loan debt in the United States recently surpassed the one trillion dollar mark.
54. **\$1,170,000,000,000** – China now holds approximately 1.17 trillion dollars of U.S. government debt. Yet the U.S. government continues to send them millions of dollars in foreign aid every year.
55. **\$5,000,000,000,000** – The U.S. national debt has risen by more than 5 trillion dollars since the day that Barack Obama first took office. In a little more than 3 years

Obama has added more to the national debt than the first 41 presidents combined.

56. **\$5,000,000,000,000** – What the real U.S. budget deficit in 2011 would have been if the federal government had used generally accepted accounting principles.
57. **\$11,440,000,000,000** – The total amount of consumer debt in the United States.
58. **\$15,734,596,578,458.59** – The U.S. national debt as of June 7, 2012.
59. **\$200,000,000,000,000** – Today, the 9 largest banks in the United States have a total of more than 200 trillion dollars of exposure to derivatives. When the derivatives market completely collapses there won't be enough money in the entire world to fix it.

Be alarmed or be stupid

I can hear it already: "Those Right Wing nuts are spreading fear again." Listen fellow Americans, this is not about Left or Right. Please clear your brains of all rigid, ideological Mind Stink. We booted Hoover, a Republican, when we thought his policies weren't working to give Roosevelt a chance. We booted Carter, a Democrat, for the same reason to give Reagan a chance. By all fair and rational standards, Obama's policies are not working and our economy is headed for a catastrophic collapse. It is irrational to not be alarmed. And yes, it could, rationally, be called stupid.

A foolish consistency is the hobgoblin of little minds. Ralph Waldo Emerson

Big Government Is Our Enemy

Big Government Destroys Nations

By MacPundit



The Five Truths

1. Human beings are corruptible.
2. "Power corrupts and absolute power corrupts absolutely."
3. The more power a government has, the more corrupt it becomes.
4. The more corrupt government is, the more the people in government (the ones with the power) will make laws and regulations to maintain and extend their power over we the people. To do so, they will favor those who support them over those who do not. Think of "favoritism" and "special interest groups." This is corrupt.
5. The more power government has over us, the less freedom we have—less freedom to make our own life decisions to decide for ourselves what we think is best for us. Less freedom to speak out against the government. Less religious freedom. Less freedom in every part of our lives.

Without an active, watchful citizenry, government grows exponentially and takes on a life of its own. The people in power create government jobs for their friends and supporters as payback and to help them manage and direct our lives, including our economy. Soon, the free market system is at the mercy of politicians and it can no longer function as the engine of economic creativity and job creation. Unnatural limitations are imposed on economic growth, and we the people suffer financial hardship and loss of freedom. At this point, political power has been successfully taken from the people and it is now in the hands of the ruling class of politicians.

**Watch these videos from
governmentgonewild.org**

And this one ...

Ask not what your country can do for you, ask what you can do for your country.

President John F. Kennedy delivered those wise words in his Inaugural Speech. At the very least, President Kennedy would be a right-of-center Democrat today as compared to President Obama who is the most radical left-wing president in U.S. history. Kennedy understood why our political and economic systems work so much better than all others. Kennedy also described himself as, "An idealist with no illusions."

I don't know if Obama is an idealist but I am convinced that he wants to strip the United States of its super power status. I believe this conforms with his worldview in which no nation dominates any other. While this idea sounds noble on its face, given the realities of human nature and the history of mankind, it is simply one more fatuous notion that can only appeal to the uninformed or naive. Yet when proposed and aggressively sold to disillusioned masses by a masterful rhetorician, it can become a potentially dangerous idea. If in the late nineteen thirties all nations were essentially equal economically and militarily, who would have been able to stop

Adolph Hitler from realizing his demonic vision of a world ruled by his “super race?” The *Treaty of Versailles* imposed clearly defined restrictions on Germany’s ability to rebuild militarily, yet they did it anyway. Of course history is replete with similar examples.

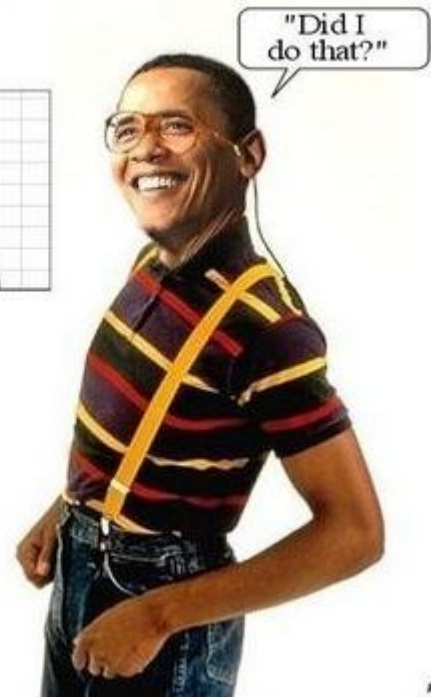
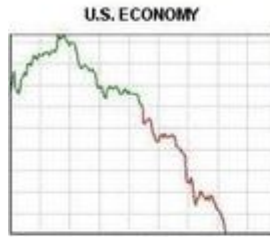
To realistically imagine a world without a powerful United States, is to imagine a world dominated by Fascist regimes of one sort or another. Remember the Five Truths. Big Government is our enemy. Government of any size is a necessary evil. Know your history, be informed and involved, and stay free.

Obama Economic Record

**The Obama Economic Record =
FAILED**

Obama: It is anyone’s fault but mine. Not so.

President Obama has told us repeatedly that the financial crisis he inherited was George W. Bush's fault. But a closer look reveals that while Bush spent more than Republican presidents generally spend, it fell far short of what "tax-and-spend" Democrat presidents typically spend. An even closer look reveals it was Democrat policies that created the dangerous economic conditions and the Fannie Mae-Freddie Mac trigger that set off our financial crisis.



So the financial crisis inherited by Obama was in great part caused by himself and his own party. Obama's blame game is not only based on a politically motivated fabrication, even if it were true it serves only to distract us from Obama's responsibility as president to deal effectively with the crisis. It has been his economy for years and his record cannot be hidden or spun away. The Obama economic record gets a failing mark. He has managed to give us the worst economic recovery in 70 years. That is not hype, it is fact.

He not only blames former president Bush, he also blames Republicans for blocking his recovery plans. Yet for the first two years of his presidency, his party was in complete control of Washington and he passed almost every item on his agenda. So once again, he attempted to place responsibility for his failure on anyone but himself.

It should also be noted that while Obama dishonestly accuses Republicans of doing nothing, the Republican controlled House of Representatives passed a budget every year in addition to passing over thirty pro-growth bills, including many jobs

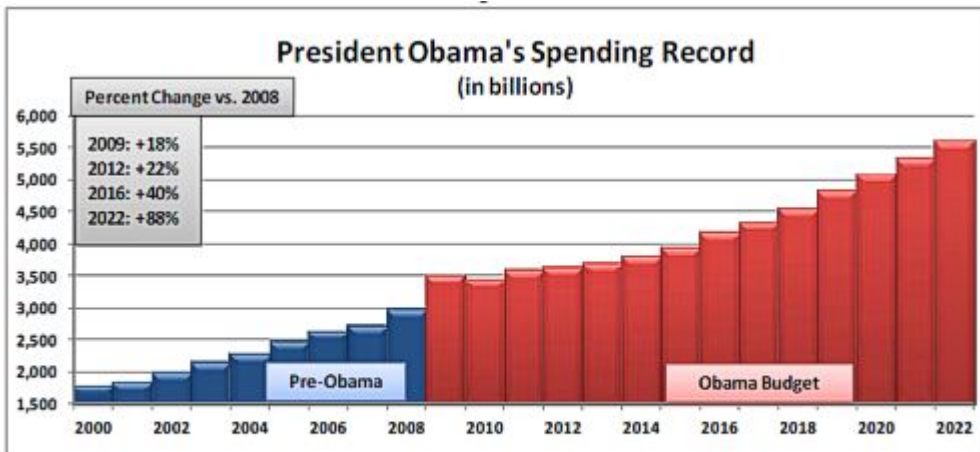
bills. In contrast, the Democrat controlled Senate is constitutionally required to submit an annual budget, yet they have not done so in almost four years. They have also refused to vote on the many bills submitted to them by the Republican House. It is Obama's own party in the Senate that has done virtually nothing to deal with our economic problems, not the Republican House. So President Obama is not only an ineffective leader, he is also blatantly dishonest.

Let's take a look at Obama's more obvious failures:

- Our nation's unemployment rate has exceeded 8 percent for more than three years—the longest period over 8 percent since the Great Depression.
- He promised to cut the deficit in half. Instead, he increased it, dramatically.
- He told us that his budget achieves \$4 trillion in deficit reduction and recently claimed, “Since I've been President, Federal spending has risen at the lowest pace in 60 years.” – yet he gave us unprecedented trillion-dollar deficits for four consecutive years and added over \$5 trillion in new debt in just three years—more than all other presidents from George Washington through George H. W. Bush, combined!
- Since he took office, he has piled on a slew of new government initiatives, including an almost trillion dollar stimulus and a massive new healthcare entitlement.

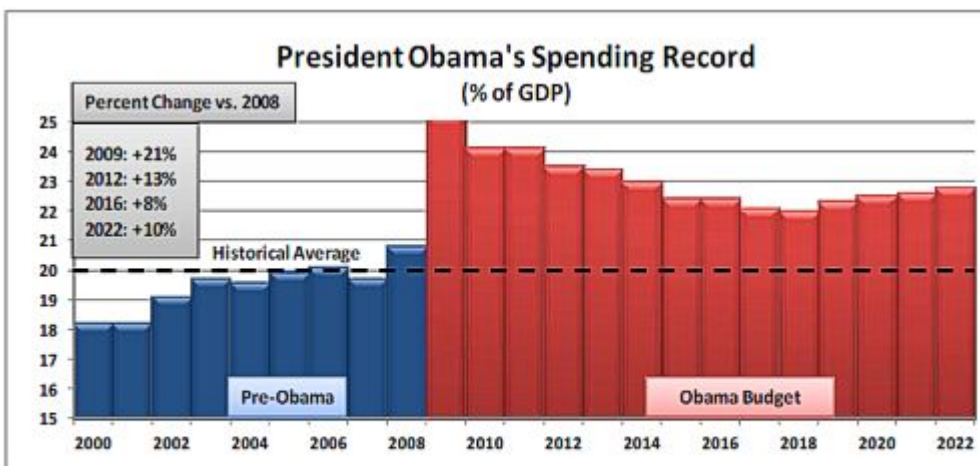
Obama's fiscal record has been a failure by any honest, credible measurements and his assertions to the contrary are more than misleading. His budget proposals for the future would perpetuate his failed policies and make an already dangerous fiscal situation worse.

Some more things to consider:



Source: *Budget of the U.S. Government FY2013, Historical Tables, Table 1.1.*
Analysis of the President's 2013 Budget. Congressional Budget Office.

Measuring Obama's record relative to the economy also shows that he has boosted spending sharply above historic norms. Federal spending has averaged about 20 percent of the economy during the past 50 years. Not only did Obama significantly increase spending by 21 percent from 2008 to 2009, but he kept it far above the historic norm well after the end of the recession in mid-2009.

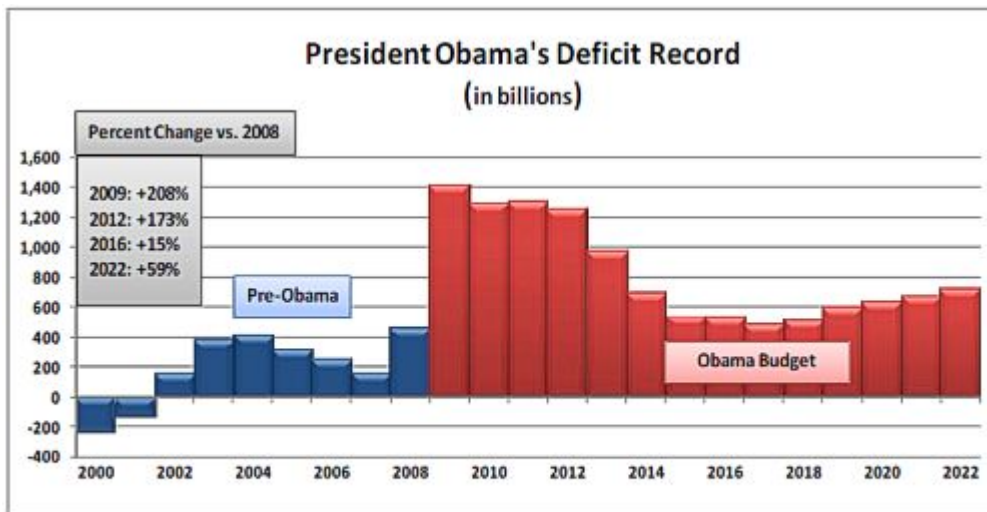


Source: *Budget of the U.S. Government FY2013, Historical Tables, Table 1.2.*
Analysis of the President's 2013 Budget. Congressional Budget Office.

- Spending surged 18% in 2009 reaching 25% of GDP – the highest since World War II
- Deficits have exceeded \$1 trillion in each year of Obama's term

- Gross debt has increased over \$5 trillion since Obama was inaugurated
- Even adjusting for a weak economy and Bush-era policies, President Obama has signed legislation increasing annual deficits by \$1.6 trillion over his term
- Republicans in the 112th Congress have stopped the spending spree and have forced Obama to accept over \$2.3 trillion in future deficit reduction
- Spending surged a remarkable 18 percent from 2008 to 2009 – a rate of growth in year-over-year spending that has occurred only once since 1960.
- Spending will be 22 percent higher at the end of the Obama's term compared to when he took office and is projected to continue higher under his proposed 2013 budget.
- The deficit soared to \$1.4 trillion in 2009 – a 208 percent and \$958 billion increase above the previous deficit record.
- Obama added nearly a \$1 trillion stimulus package within a month of taking office .
- Non-defense discretionary spending increased by 10 percent from 2008 levels in that year alone.
- He pursued the creation of a new open-ended healthcare entitlement funded by huge tax increases, a raid on Medicare, and gimmicks to hide its true cost.
- He added even more to subsequent year deficits compared to those projected at the time he took office and has made no progress in reducing them.
- His 2012 deficit is projected to be 173 percent larger than the 2008 deficit before he took office, and each of his four years in office produce record deficits in excess of \$1 trillion.
- Over the longer term, his budget request would keep deficits higher than any level experienced during the Bush administration, never dropping below \$488 billion.

Bottom line: Obama spent much more than the government took in.

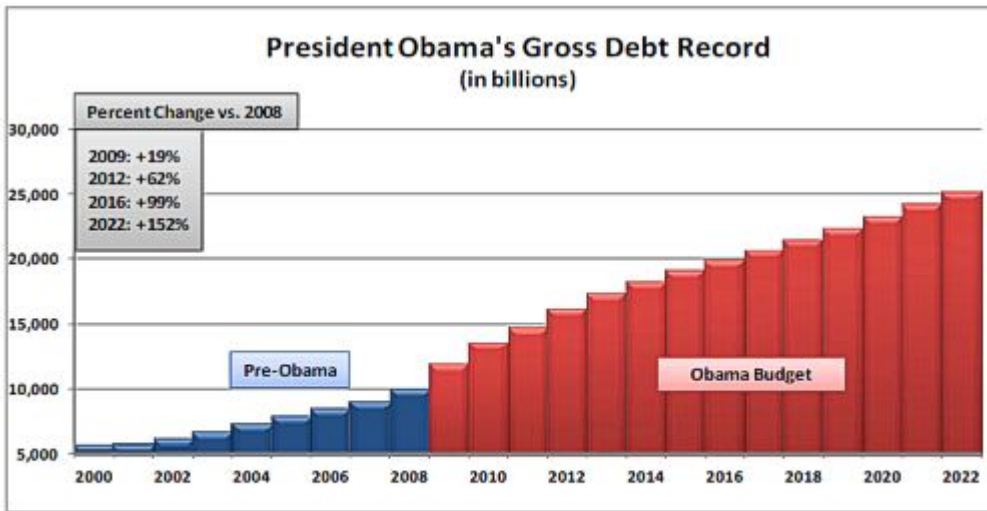


Source: *Budget of the U.S. Government FY2013, Historical Tables, Table 1.1.*
Analysis of the President's 2013 Budget. Congressional Budget Office.

Our national debt could destroy us

The result of record deficits has been an explosion in government debt since Obama took office. Gross federal debt increased by 19 percent from 2008 to 2009, and is on pace to increase by 62 percent by the time Obama finishes his term. The debt would double in just eight years versus when Obama took office assuming his budget is implemented.

Our debt is projected to be higher than the total of everything we produce as a nation.



Source: *Budget of the U.S. Government FY2013, Historical Tables, Table 7.1*
Analysis of the President's 2013 Budget. Congressional Budget Office.

Perhaps the most shocking aspect of Obama's fiscal record is the amount of debt he has accumulated versus the nation's ability to pay for it. Gross debt jumped from about 70 percent of GDP in 2008, to 85 percent in 2009 – a 22 percent increase in just one year and by 2014, it is projected to reach 110 percent of GDP. Particularly troubling about this is that a larger share of the future economy will be absorbed by higher interest payments resulting in more tax dollars being diverted away from government services and paid to creditors, many of whom are foreign nations. With the Federal Reserve keeping interest rates artificially low, debt service costs (interest payments on loans) have not risen significantly, but once rates normalize the additional cost could run in the trillions.

President Obama's own budget makes this clear by stating:

“Beyond 2022, the fiscal position gradually deteriorates mainly because of the aging of the population and the high continuing cost of the Government's health programs. By 2030, the deficit is projected to be 4.5 percent of GDP, and by 2040 it is nearly 6 percent. The deficit continues to rise for the next 75 years, and the publicly-held debt is also projected to

rise persistently relative to GDP.”

Despite sharply higher taxes, Obama’s budget would remain woefully unsustainable. Out-of-control spending is clearly the root of the problem and Obama has no plan to address it.

Note: Obama’s budget was so bad that not even the Democrats would vote for it.

Obama is a blamer not a solver

Presidents usually enter office to solve problems and not to blame their record on their predecessors. President Reagan could have said he “inherited” a weak economy, high taxes, soaring inflation and interest rates, a weak defense in the face of the Soviet threat and done nothing about it. Instead, he took action to address all of these problems that he could have claimed he “inherited.” Even so, if one removes the effects of enacted laws and economic conditions prior to President Obama taking office, his fiscal record is still dismal.

Republicans managed to slow the rate of spending but much more needs to be done.

With the election of a Republican House of Representatives in 2010, the spending explosion ended. The Republican House immediately stopped the huge increases occurring in discretionary appropriations and fulfilled the Speaker’s goal that any increase in the debt limit should be accompanied by a greater amount of deficit reduction through spending cuts and reforms. While a Republican House has slowed the growth in spending, much more needs to be done in order to avoid a fast approaching fiscal crisis, and it will take both strong Presidential and Congressional leadership to achieve it.

Another Obama term could literally destroy us!

Sources: U.S. House of Representatives–House Budget Committee

and other government sources.