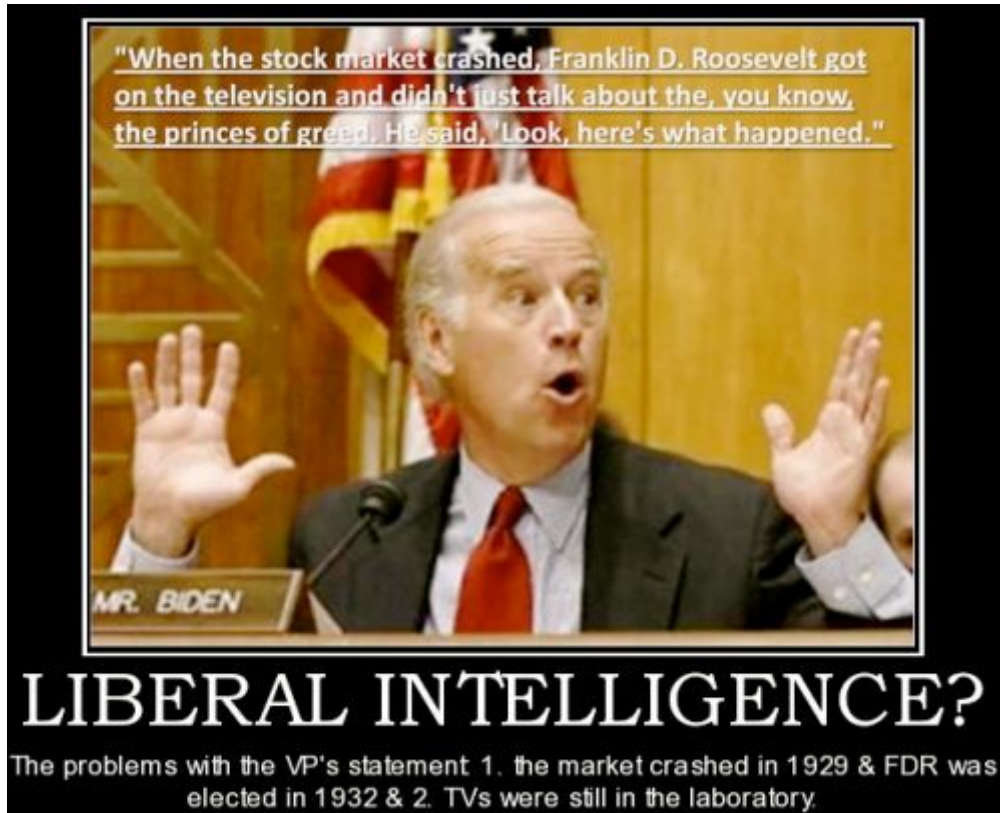


# Liberal Ignorance – Economics

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.*

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# **Obama Lied About Romney And Bain Capital**

## **The serial lying continues**

## **Obama Lie: Romney destroyed companies**

**The Truth: Romney's record at Bain is one of remarkable success. (Ask Bill Clinton, he'll vouch for it.)**

Despite investments in many companies that were failing, eighty percent of the companies Bain Capital invested in grew revenues. This meant they were able to hire more workers and that our economy grew as a result. It was common for Bain to hold companies for many years while investing a



large amount of human and financial capital in order to improve operations and revive struggling companies.

## **Obama attacks what has made us great**

Obama attacks on Romney and Bain are attacks on the private sector of our economy—the only sector able to create jobs and wealth for our citizens. Government does not create wealth. In fact, it is solely dependent on the private sector for its income. Without a healthy, wealth-producing private sector, the government would have no income at all. Our private sector—our free enterprise system—is what has made our nation the most successful in human history. So when President Obama attacks a company like Bain Capital, he attacks the very thing that has fed, clothed, housed, and cared for generations of Americans, plus millions of people in other countries for decades.

**Obama Lie: Bain Capital only profited rich businessmen.**

## **The Truth: Bain investors include pension funds, charities, and universities.**

Over half the money invested in private equity firms like Bain Capital comes from pension funds, charitable foundations, and universities. Successful investments made by these entities provides secure retirements for seniors, money for charities so they can better serve their communities, and money for resources universities need to educate our youth.

## **Obama attacks on Bain can actually hurt taxpayers!**

State and local governments actually depend on returns from private equity investments to fund employee retirements without having to cut into their operating budgets. For example, if an investment in a Bain project doesn't perform well, state and local governments must offset that by using tax dollars that could have been spent on local programs. So once again, when Obama attacks Bain, he is attacking an investment strategy that actually helps to reduce the burden on American taxpayers.

So when Bain and other private equity firms succeed, retirees, charities, local communities, and universities benefit the most. (That's a good thing, Mr. President.)

## **Obama Lie: Bain intentionally bankrupted a successful steel mill**

## **The Truth: Obama intentionally mischaracterized the real story**

Even though it was already scheduled to close, Mitt Romney and Bain Capital bought the GS Technologies steel plant and tried to help turn it around. Bain's investment plus \$170 million in

upgrades managed to keep the plant competitive in a bad international market and saved the steel workers' jobs for eight years.

Despite a valiant effort by Bain to save the company, two years after Romney left Bain, the plant was closed due to foreign steel dumping into the U.S. market. Of course Obama conveniently failed to mention that thirty-one other steel companies declared bankruptcy during the same period. Yet without Bain's intervention, the steel workers at GS Technologies would have lost their jobs eight years earlier.

## **President Obama perpetuates the problem**

After three and a half years in office, President Obama has still not taken the steps necessary to protect American manufacturing from unfairly-subsidized Chinese imports. If elected, President Romney will on day one designate China a currency manipulator and do what is necessary to make American manufacturing competitive again.

**Obama Lie: Romney is a "corporate raider."**

**The Truth: Even Obama's supporters say this is not true!**

- Steve Rattner, President Obama's former car czar: Governor Romney was the "furthest thing" from a corporate raider.
- Governor Deval Patrick: Bain was a "perfectly fine company" with "a role in the private economy."
- Former President Bill Clinton: "... [Romney] had a sterling business career..." and "I don't think that we ought to get into the position where we say this is bad work. This is good work."



Far from tearing down companies, Romney has a successful history of building up companies like Staples, Sports Authority, Steel Dynamics, and Bright Horizons, among others. Yet Obama continues to revert to dirty Chicago-style slash-and-burn politics in order to dishonestly destroy the character of Mitt Romney in an effort to persuade his uninformed followers to vote for him. In the process, he disgraces and diminishes the Office of the Presidency.

**Obama Lie: Romney is responsible for sending millions of jobs overseas.**

**The Truth: Obama's accusations involved events that happened well after Romney left Bain Capital.**

Bain Capital invested in over 100 companies. Of those, President Obama's campaign has accused three of shipping jobs overseas. In two of these cases, the accusations are related to events that occurred in 2000 and 2001, well after Governor Romney left Bain Capital in February 1999 to lead the Winter Olympics. In the third case, the share of domestic production actually increased, not decreased, during the time the Obama campaign points to. This attack is merely an attempt to distract voters from President Obama's failed economic record and his refusal to stand up to China's unfair trade practices.

**Obama Lie: Romney closed stores and laid off employees at Stage Stores.**

**The Truth: Under Bain Capital's ownership, Stage Stores doubled the number of employees and doubled the**

## **number of stores.**

During this time, Stage Stores added locations in Ohio, Michigan, Wisconsin, and Iowa. Bain Capital sold its controlling interest in the company in 1997. Years later, Stage Stores filed for bankruptcy, but today it is a healthy business with 14,000 employees and hundreds of new stores nationwide.

## **Dirty Chicago politics and Saul Alinsky**

So it is clear that Obama lied about Romney and Bain Capital. But don't simply chalk this off and expect President Obama to have a conversion and stop lying. It is what he does—who he is. He has been doing it for many years. Ask his opponents in Illinois. Ask Bill and Hillary Clinton. Well, you might have to look for videos from the 2008 Democrat primary race to hear them renounce Obama. They are loyal Democrats after all and would probably avoid the truth if you asked them now. But they were both quite upset with Obama back then. Barack Obama practices Chicago-style and Saul Alinsky politics. He used to teach Alinsky's *Rules For Radicals* and he follows those rules every day.

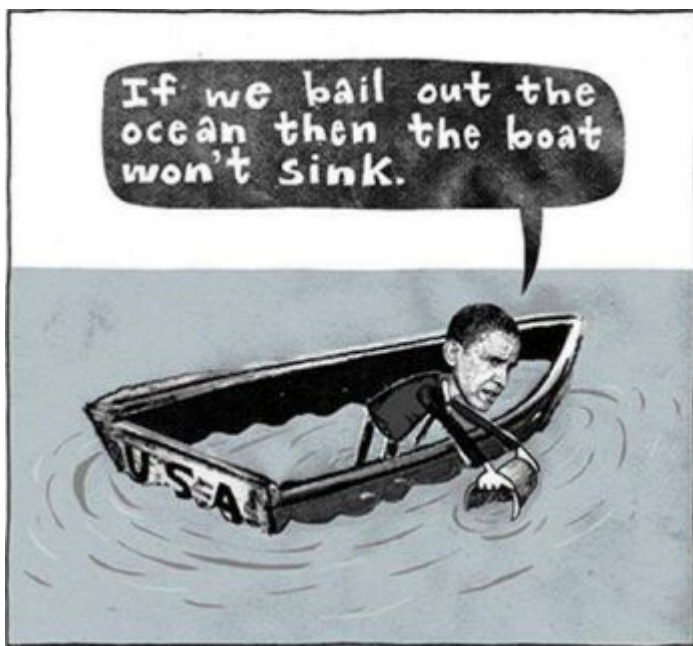
It is not an exaggeration to say that Barack Obama is the most radical and the most dishonest president in U.S. History.

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# **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. **440,00** – 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*

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# 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.