

Obama Myths, Lies and Talking Points. Part IV: “A Tea Party downgrade”

Obama demanded a “clean” increase in the debt ceiling, meaning “no strings attached” and “no questions asked”.

How convenient!

But when Conservatives in congress asked for spending cuts proportional to the requested debt raise, Liberals had a fit. Of course they were counting on the thesis that the American People would buy into yet another one of Obama’s myths: that the ceiling that was about to be raised would not be for any “new spending”.

As the saying goes, you can fool some of the people some of the time, but you can’t fool all the people all the time. This was a classic example.

Lets break down the argument into parts:

First: The “*no new spending, raising the ceiling for things that have already been spent*” mantra was designed to either mislead the People, or was an outright lie.

The facts are that:

- i. The United States has debt outstanding for nearly \$14 trillion dollars. Yes, that is TRILLIONS, as in *millions of millions*.
- ii. The Obama administration is running budget deficits in the neighborhood of \$1.5 trillion (yes, TRILLION) dollars *every year*. (Yes, EVERY YEAR).
- iii. Therefore, the shortfall (the deficit) ADDS to the existing debt in the same proportion. That is, for every dollar in deficit spending, the government has to borrow (yes, BORROW, usually from the Chinese, another dollar).

So although the argument that the ceiling would be raised to pay for expenses already made was “technically” correct, the fact of the matter is that such expenditures were the result of excess spending and more importantly, *excess spending that continues!*

As a result it would be only a matter of time before a new request for yet another raise on the debt ceiling was required. Again to pay for the expenditures being made NOW as a result of the ongoing deficits that are the product once more, of excess and out of control spending.

Lets look at an example:

Suppose that you owe \$1,000 on your credit card. That balance of course, corresponds to things you already charged. But suppose also that you only have \$900 to allocate to your credit card payments.

You now have a deficit.

To address this issue you have two options:

- a) you can borrow \$100 to make the payment, or
- b) You can try to increase your revenues by \$100 in order to not incur into that additional \$100 in debt.

But lest assume that your employer is going through a tight economic situation, so you getting a raise is out of the question.

Now you only have two alternatives:

- a) you can reduce the amounts you charge on your card in order to be able to pay it with what you make, or
- b) You can keep adding to your debt by borrowing, and borrowing, and borrowing some more.

It is clear that eventually the second scenario will drive you to an unsustainable situation when you won't be able to borrow any more and the debt you have will become impossible to pay.

THAT is what Obama would be achieving with “clean” increases in the debt ceiling.

However, if you decided to cut your spending and start living within your means and say, begin charging \$800 a month rather than the \$1,000, then you would start paying off the balance and the loans eventually becoming debt free.

THAT is what Conservatives want to achieve by demanding spending cuts proportional to debt increases as well as by mandating balanced budgets.

Clearly, Obama (and Liberals in Congress) didn't want anything to do with that idea, because most of their spending (in other words, what they charge on their credit card, which happens to be OUR credit card) goes to items that benefit them politically:

Obamacare, food stamps, unemployment benefits, and yes, NPR, Planned Parenthood, and who knows? Maybe even whatever ACORN happens to be called nowadays.

So what do Obama and Liberals do?

They throw a tantrum and fire up their blame machine only because Conservatives asked them to hold their horses and stop the excessive and out-of-control, reckless spending already!

In sum, their argument that the increased debt level would go to pay for expenditures already made is misleading at best but in reality just a way of diffusing attention from the fact that raising the debt ceiling would be only a temporary measure, insufficient for as long as the government keeps piling up deficits.

And THAT was one of the main reasons for the downgrade.

There were others,

Secondly: Obama does NOT need what he calls “a balanced approach”. All that does is give him room to continue spending beyond our means and is code for RAISING TAXES. HE JUST NEEDS TO STOP OVER-SPENDING!

Like the example above, suppose that you go to your employer and demand a raise because you are not being able to make ends meet. On top of that, the timing is awful because you well know that your employer is going through one of her worst financial crises.

Once more, there are two possible outcomes:

- a) You pressure your employer to the point of squeezing a raise out of her and further jeopardizing her already precarious economic situation (notwithstanding that your shortsightedness may eventually lead to her bankruptcy and as a result to you losing your job), or
- b) You listen to your employer’s wise advice and realize that in fact, the rational thing to do is to start spending within your means reducing superfluous purchases, making rational spending decisions, prioritizing, and eliminating waste.

You know that at the end of the day you will be better off if you go for the second scenario and deep inside you also know that with the first option, all you are doing is buying time before you will need to face the inevitable catastrophe that will follow straining your employer beyond sustainability.

Precisely what Conservatives try to achieve is to demand that the government starts spending within its means (a balanced budget) and reject straining the only engine for economic growth in this country impeding the Liberal plan to further tax those who actually are part of the productive chain.

Now, the fact that *Obama tried to use the Conservative solution of cutting spending and balancing the budget as a bargaining chip to try to fulfill his lifelong dream of “taxing the rich”* does not mean that the first and foremost priority (outside of creating jobs) under the current economic circumstances remains starting to spend NO MORE than what we take in.

Running fiscal and budget deficits with no end in sight without any intention to curb spending was yet ANOTHER FACTOR considered by the ratings agency to DOWNGRADE.

Third: “Political bickering”, “Tea Partiers hold the process hostage”, and other propagandas are just one more way for Obama to shift responsibility away from him and blame others for his failures.

We see this movie again and again... every time Obama fails. There is always someone else to blame and a failure always presents him with an opportunity to play victim and demonize the “other side”. Never mind that most of the time his arguments are based on misrepresentation of the truth or on outright lies.

The debt ceiling negotiation was classic Obama political trickery.

During the whole process (and even before the negotiations began) ***Conservatives had been working on real, feasible, responsible, long-lasting solutions to the country’s economic problems.*** Whether it was the **Paul Ryan Budget, Cut Cap and Balance**, or even the **Penny Plan**, Conservatives never ceased working on viable solutions.

And Liberals never failed to block them.

How many times did you hear Obama, Pelosi, Schumer, or Reid state that any given Republican proposal was “dead on arrival”?

What this meant was that the Senate Democrats and the Obama administration were not even willing to LOOK at the proposals, rejecting anything and everything that came their way from the Republican side.

The Liberal M.O. became to reject them de-facto with no analysis and no consideration to the merits of such proposals; *No debate, no discussion, just plain and simple political bullying, all the while simultaneously playing with public opinion by inundating the media with distortions and manipulation of the facts.*

At the same time, there was never a Liberal proposal on the table. In their classic “do as I say and not as I do” fashion, they demonstrated once again which is in fact and for all practical purposes, without a shadow of a doubt, the real party of “no”.

The party of “my way or the highway”. The party of messianic discourse that in truth is just the apex of demagoguery.

So in truth, it was actually Liberals that initiated and fueled political bickering by demanding a “clean” raise to the debt ceiling expecting no questions to be asked and no strings to be attached; it was Liberals that promoted political bickering by refusing time and again to offer a plan, a solution, a viable exit to the deficit problem.

And **it was actually Liberals who held the process hostage** every time they declared DOA any proposal from the Republicans, every time they countered with unviable (and sometimes outright ridiculous or impossible) items such as “cuts” that would account for expenditures that ARE NOY GOING TO BE MADE ANYWAY!

It was Liberals who held the process hostage by constantly changing the terms of preliminary agreements and by stubbornly insisting on raising taxes in times of economic duress.

One more time, it was Liberals who lied to the American People blaming Conservatives for the things that THEY themselves were actually doing!

In sum:

No, it was never a “Tea Party downgrade”. The downgrade came as a result of deteriorating economic conditions and credit metrics and of evidence that Obama is unwilling or unable to resolve such challenges both politically and technically. Period.

Obama singlehandedly politicized the whole process the very moment that his “clean” request was challenged and Congress Republicans demanded some degree of accountability and transparency.

It was Obama’s resistance to cut excessive spending and balance the budget coupled with his stubborn demands to raise taxes that elevated the tone and the intensity of the negotiations.

It was Obama’s refusal to accept responsibility coupled with his usual detachment from the negotiation what created rising uncertainty in the markets. It was Obama’s blame game, threats, and political posturing that brought the negotiations to the brink of failure not once, but several times.

And not surprisingly, it is Obama who continues to fictionalize reality and to use the media to disseminate untruths about Republicans, Conservatives, and the Tea Party.

It is, after all, Obama who continues to do damage to our nation, to mislead her people, and to act ideologically, all in order to advance his very own personal liberal agenda.

But he is running out of time, because no... you cannot fool all the people all the time.

Next: Obama Lies and Myths Part V (Last of this series): “The Failed Policies of the Past”