

A New Year: It has been over a month since you last heard from me. I have not disappeared nor have I lost interest. This gap in communication was caused by a combination of holidays, work volume, some writer's block, and a nasty cold that had me flat for nearly a week. Some have speculated that the latter was caused by the Obama Administration trying to dim my effectiveness by slipping something into my Jack Daniels. I think that is a low probability explanation. I think it's more likely that I succumbed to the Petri dish that is winter time in the Longworth Building in Washington.

CBO Truth Serum: OK, enough insignificant jabber. Last week, I had the opportunity in the Budget Committee to question the Director of the Congressional Budget Office (CBO), Doug Elmendorf, about several things. He confirmed for me that repealing the Bush tax cuts only on the "rich", defined by the Obama Administration as people making \$250,000 or more, only represents about 15% of revenue "lost" from all the tax cuts enacted since 2001. And, it would only raise enough money to cover about 10% of the deficit over the next 10 years. You would think from listening to the President and other Democrats, that this alone will solve our problems. Not even close. "Tax the Rich" is no more than a campaign theme intended to stoke hatred and resentment and create distraction from the real problems and, likewise, their solutions.



[Click to Watch Me Question the CBO Director on President's Tax Plan](#)

ObamaCare Miscalculations: When ObamaCare was being considered by Congress, CBO released an estimate that the law would not create any deficit over the next 10 years because of the tax and fee increases included in the bill. This was always a fiction, in part, because many of the costs of ObamaCare were intentionally loaded 11 years out specifically to distort this analysis. But, CBO's projections at the time were that unemployment in 2014 would be 4.9%.

2014 is a significant year because it is the year when much of the free medical coverage in ObamaCare begins. The fewer people unemployed, the less it costs.

Now, CBO projects that unemployment in 2014 will be 8.7%. That's a big difference. And, one of the major revenue components of ObamaCare, the CLASS Act, has been shown to be completely unworkable and even the Administration now agrees that it has to be scrapped. CBO Director Elmendorf says they will do new computations on ObamaCare in March. As more and more is revealed about this law, the fallacy of it will become more and more apparent.



[Click to Watch Me Question CBO Director on Health Care Costs](#)

And, for those of you who think I never say anything good about the President, did you hear him sing a couple bars of Al Green's "I'm so in love with you"? (I am an Al Green fan) If not, click [here](#)

for the link. President Obama clearly has a very good voice. Mitt Romney, however, was somewhat less on key singing "America the Beautiful". His rendition is linked [here](#)

. OK, so Obama's a good singer. But, he's not a good president. Although, he did rank himself recently the 4th best president behind only Lincoln, FDR and LBJ. LBJ? Really? One of our best presidents? And, I guess that means the current one is better than Washington, Reagan and Jefferson - just to name a few. One of the revealing things about this statement is how highly he regards the 20th century presidents who created major entitlement programs that are now the major drivers of our huge debt and deficit.

Telling, huh?

Real Unemployment: If you are like me, the recent announcement of a drop in the unemployment rate didn't comport with what I am feeling "on the ground". Maybe that's because I am in California where we have the second highest unemployment rate in the country. But, a closer analysis of the statistics explains why: When people stop looking for work, they are moved out of the ranks of the unemployed by the government. They either are classed as "discouraged workers", who are only tabulated in their own category, or they are dropped out of the calculation completely. When they are dropped out, the reported unemployment rate is lowered even though fewer people are working. So, it is important to know a few things here. The total number of people working in the U.S. is still lower than it was 3 years ago, although the population has increased. The percentage of the population that is listed as eligible for and wanting to work is the lowest in over 30 years. The number of people working is 5.5 million less than it was at the beginning of the recession in December 2007. And, the broadest measure of unemployment (which includes "discouraged workers" and those who are working part-time, but still seeking full-time work) did not go down in January and remains at 15.1%. All this put together means that there are a lot more than 8.3% of the population looking for work and, although things are better now than at the depth of the recession, we are a long, long ways from normal.

2012's Agenda: I have referenced above the well-known plan of the Obama Administration to encourage class warfare and to pit part of the country against the other. On top of that, the "occupiers" talk about "the 1%" with great disdain and liberals everywhere decry income disparity. This is likely to be the defining issue in Washington for at least the next year. I think there are much more pressing issues that need attention, but I am not president. And to be fair, this is a legitimate issue. So, I will do a multi-part series in upcoming missives to give you my analysis and perspective on everything that makes up this issue. Some of it may surprise you.