



Today in Liberty: House authorizes lawsuit against Barack Obama, Rand Paul slams MSNBC host's distortion of his record

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"The most important single central fact about a free market is that no exchange takes place unless both parties benefit." — Milton Friedman

— **Happy birthday, Milton Friedman:** You may have noticed that we've featured quotes from Milton Friedman, the famous free market economist and Nobel Prize laureate. He was born on this day in 1912. Words cannot express how much of an impact Friedman had on public policy. He advanced free market capitalism in various areas, especially in school choice. He played a key role in ending the military draft and made some of the compelling arguments against the war on drugs. Celebrate Milton Friedman's legacy by checking out *Capitalism and Freedom* and *Freedom to Choose: A Personal Statement*.

— **House passes resolution authorizing a lawsuit against Obama:** H.Res. 676, the resolution authorizing Speaker John Boehner (R-OH) to file a lawsuit against President Barack Obama, passed the House on Tuesday evening in a 225 to 201. The vote was mostly along party lines. Five Republicans, however, did vote against it, including Reps. Walter Jones (R-NC) and Thomas Massie (R-KY). Before the vote, Boehner spoke from the floor to urge his colleagues to support the resolution. "[T]his isn't about Republicans and Democrats. It is about defending the Constitution that we swore an oath to uphold, and acting decisively when it may be compromised," said Boehner. "No member of this body needs to be reminded of what the Constitution states about the president's obligation to faithfully execute the laws of our nation. No member needs to be reminded of the bonds of trust that have been frayed, of the damage that's already been done to our economy and to our people. Are you willing to let any president choose what laws to execute and what laws to change? Are you willing to let anyone tear apart what our Founders have built?" Democratic campaign organizations and pro-Obama groups sent, by our count, 13 emails yesterday about the lawsuit. Most of them referenced impeachment, which just isn't going to happen.

— **Yeah, about that GDP report:** The good news is that the economy grew at a 4 percent annual rate in the second-quarter, exceeding expectations. That's obviously better than the revised 2.1 percent contraction the economy experienced in the first-quarter of the year. But there are still some concerns in the details. "Of the 4 percent reported growth, 1.66 percentage

points was attributable to businesses increasing their inventories. But when companies make more goods that end up on store shelves or in warehouses (and not because they're selling more stuff), that doesn't tell us much about the future of the economy. So economists often look at 'final sales,' excluding inventory effects, to get a sense of the true underlying pace of growth," Neil Irwin explains at The Upshot. "It shows a much less volatile pattern over the last few quarters. By that measure, the first quarter was not quite so gloomy (with the economy shrinking at only a -0.9 percent rate) and the second quarter not nearly so sunny (that big 4 percent growth headline gets cut down to size, to 2.3 percent)." So, basically, we've made up for the first-quarter and a little bit more, considering that anything around 2 percent is considered anemic. Oh, and remember when Obamacare was going to be a big boost for the economy? Yeah, not so much.

— **Rand Paul, House Liberty Caucus kickoff 6th Annual Young Americans for Liberty National Convention:** Sen. Rand Paul (R-KY) and seven members of the House Liberty Caucus welcomed more than 300 members of Young Americans for Liberty to their 6th annual national convention Wednesday evening just outside Washington, D.C. Liberty Caucus members included Reps. Justin Amash (MI-03), Thomas Massie (KY-04), Walter Jones (NC-03), Mark Sanford (SC-01), Raul Labrador (ID-01), Tim Huelskamp (KS-01), and Tom McClintock (CA-04). Sen. Paul spoke about growing the Republican Party and tailoring a message to younger voters, while the Congressmen spoke about their experiences advancing liberty in Washington. #YALCon14 (on Twitter) runs through Saturday, August 3, and will host high-profile speakers like journalist Glenn Greenwald (via recorded message), former Congressman Ron Paul, Cato Institute's David Boaz, and FreedomWorks' Matt Kibbe, among others. You can view the entire schedule here and watch the livestream here.

— **Paul takes on MSNBC's attempt to distort his record during MSNBC's *The Cycle*:** **Rand Paul** is fighting back against MSNBC's partisan distortion on his position on civil rights, dating back to a 2010 interview on *The Rachel Maddow Show* where he waded into a philosophical debate on the merits of the Civil Rights Act. Appearing alongside Senator Cory Booker (D-NJ) on *The Cycle* yesterday to talk about their joint efforts on criminal justice reform, Paul pushed back against host Ari Melber. In a somewhat tense exchange, Paul interrupted Melber, saying, "The honest discussion of it would be that I never was opposed to Civil Rights Act and when your network does 24-hour news telling the truth, then maybe we can get somewhere with the discussion." Booker seemed to stand up for Paul by ignoring Melber's comments and pivoting to the issues on which both he and Paul agree.

— **Criminal justice reform could get as many as 70 votes in the Senate:** We missed this one before sending out *Today in Liberty* on Wednesday. But Rand Paul and Cory Booker appeared on *Newshour* (video here) to promote the REDEEM Act and other criminal justice reform measures that have been introduced in the upper chamber. "We see the Smarter Sentencing Act, which reduces mandatory minimums, gives judges more discretion in these cases, as a base bill that maybe Sen. Booker and I, our bill could be attached to as an amendment," said Paul, according to *The Hill*. "I want people to work, I want people to get back to work, I want them to get back to voting." The Smarter Sentencing Act (S.1410) would eliminate mandatory minimums for nonviolent drug offenders. The REDEEM Act (S.2567) would allow nonviolent offenders to petition a court to have their criminal record sealed, enabling them to seek employment without any past wrongdoing showing up in a background check. The Civil Rights Voting Restoration Act (S.2550) would restore the voting rights of nonviolent felons.

— **Republicans ready to embrace libertarian policies; Amash’s coming victory is proof:** A poll in early July had Justin Amash up 22 points over his Chamber of Commerce-backed Establishment opponent. With less than a week to go before the primary on Tuesday, August 5, it appears Amash is going to cruise to victory. Robby Soave at *Reason* writes, “Amash told *Reason* that his party has to pay attention to his successes and adapt. He said that Republicans elected in recent years understand that better than their older colleagues and ‘are increasingly likely to fight to protect civil liberties, to oppose corporate welfare, and to allow things to be handled at the state level,’ all policy positions that are popular with conservatives, independents, and younger voters.” United Liberty’s Matthew Hurtt will be on the ground in the final days of the primary to cover any last-minute developments.

— **Nanny state goes national:** Rep. ~~Perry Ferrell (D-Jane’s Addiction)~~ Rosa DeLauro (D-CT) has introduced a 1-cent sales tax on your favorite soft drinks. “We have a serious health problem. It is in part related to the consumption of sugar and added sugars and sugary beverages,” said DeLauro, according to Reuters. “Therefore we need to move to do something to avert this crisis.” BECAUSE OMG. DON’T JUST STAND THERE! DO SOMETHING!1!! Whatever. Even if the House took up this silly bill and it became law, a soda tax isn’t going to do a damn thing to reduce obesity.

— **Ex-Im subsidies benefit very few states:** Taxpayers from every state assume the risks of the Export-Import Bank’s subsidies to its friends in big business, but only a handful of states really benefit, according to new research from the Mercatus Center’s Veronique de Rugy. “Washington state is again the big winner in terms of state export value supported, with an incredible 22.67 percent of state exports backed by the Ex-Im Bank since 2007. The state percentages drop off quickly from there,” de Rugy explains. While almost four percent of Wisconsin’s exports and about 3.5 percent of Massachusetts’s exports were backed by the Ex-Im Bank, the Ex-Im Bank supported less than two percent of the exports of 41 states for the same time period.”

— **NSA surveillance hurts the economy and has a severe impact on foreign policy:** The New American Foundation released a report this week that measures the impact of the National Security Agency’s surveillance programs on the United States’ economy, foreign policy, and cybersecurity. The report also offers eight recommendations that would address these concerns. Check out the summary of the report here (PDF) and the full report here (PDF).

— **Here are a couple awesome people who share a birthday with Milton Friedman:** Happy birthday to Georgia-based blogger Jessica Szilagyi and Alabama-based political consultant Stephen Gordon!