

## Obama Proposes Federal Worker Pay Freeze

Written by [Jeff Harding Alerts](#), [US Markets](#) Dec 1, 2010

Politics has a charming way of bringing reality to lame-duck politicians. The Republican gains in the House and Senate have apparently prompted President Obama to do the unthinkable: freeze the pay of civilian federal workers for two years. His constituency is very upset by this [apparent betrayal](#) by Obama:

“I am really ticked,” said John Gage, national president of the American Federation of Government Employees, AFL-CIO, which represents roughly 600,000 federal employees. “I never expected that *this* administration would look at this problem and think the solution was cutting wages.” He called the move a “panic” by the White House after the midterms, and said it was a “symbolic, political, public-relations stunt.”

Note Mr. Gage’s use of the words “this administration” referring to a very pro-labor Administration. You can only imagine what the leaders of the SEIU are saying in private.

John Irons, research and policy director for the “progressive” [Economic Policy Institute](#), a think tank socialist propaganda boiler room supported by labor unions and George Soros said: “It’s an economic recession, and this is the time you want to be raising wages, not cutting wages.” Wow, John, what a great idea to bankrupt the government and cause unemployment. Why not raise everyone’s wages to get us out of the recession? Why not raise the minimum wage to \$50 per hour? Wait! Herbert Hoover tried that and it resulted in massive unemployment one of the major causes of the Great Depression. What a [bunch of hacks](#).

I really dislike union types. They stand for the worst principles, i.e., get the government to force the rest of us to pay more than they are worth or protect their monopolies on labor in closed shops. They use violence and intimidation when they try to unionize or force unionization in open shops. But this is part of Obama’s base.

So I’ve got to give Obama some [credit](#) for reaching out to his newly empowered Republican adversaries to open the doors to “frank” negotiations on the budget and taxation.

What is great about what he is doing is that it is one of the proposals from The [Cato Institute](#) on how to balance the budget. Chris Edwards, Director of their Tax Policy Studies, has written an [excellent piece on how to balance the budget in ten years without increasing taxes](#). I urge my readers to [download](#) it and read this thought provoking piece. I support it completely.