

Editorial: Obama's \$1.5 Trillion Election Ploy

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Tax Hikes: President Obama's \$1.5 trillion tax increase on job creators is a dead-on-arrival campaign ploy. He himself said two years ago that such taxes during a recession would only "put businesses in a further hole."

"This is not class warfare," President Obama declared on Monday, unveiling \$1.5 trillion in tax increases on investors. You know a president's in trouble when he starts rhetorically backpedaling, just as Bill Clinton infamously did when he said, "I did not have sexual relations with that woman."

Liberal Democrats continually accused Ronald Reagan of tax giveaways for the rich, but the Great Communicator never responded, "This is not trickle down."

Nor did the 40th president react to accusations of warmongering by saying, "This is not warmongering."

American Enterprise Institute fellow Steven Hayward, author of the double-volume "Age of Reagan," tells Investor's Business Daily, "Reagan pushed back a lot on both those charges, but he would use positive terms like 'wealth,' 'growth' and 'opportunity.' Or on foreign policy, 'peace through strength.'"

Comparing Obama's defensive rhetoric with Reagan's refusal to use his opponent's phrasing, Hayward observes, "it's amazing how incompetent" the current administration is in letting its enemies choose its words.

Obama's "I'm no class warrior" claim also reveals his real purpose. Even Democratic lawmakers won't vote for big tax increases during a recession (a good reason for congressional Republicans to call his bluff and put it up for a vote, perhaps).

Moreover, in August 2009, Obama told NBC News: "(T)he last thing you want to do is raise taxes in the middle of a recession because that would just ... take more demand out of the economy and put businesses in a further hole."

So his purpose isn't to help the economy but to push a false image of the GOP as obstructionists in a "do-nothing Congress" into voters' minds for the 2012 election.

The unseriousness of Obama's \$447 billion "stimulus 2.0" was best described by House Budget Committee Chairman Paul Ryan, R-Wis., on Fox News Sunday. Obama's Medicare "reform" actually just "puts 15 bureaucrats in charge of rationing" with "more price controls and reimbursement cuts" to doctors, he said.

On Obama's "Buffett Rule" millionaire's tax, Ryan makes stellar points: "capital gains and dividends are taxes on money that has already been taxed once before," the record shows more investment taxes will "stifle investment," and "it looks like the president wants to move down the class warfare path." This, Ryan argues, "will attack job creators, divide people and it doesn't grow the economy."

Meanwhile, "the size, cost, and intrusiveness of the federal government will continue to grow, financed by ever-higher taxes and more debt" under Obama's "jobs plan," Cato Institute economist Michael Tanner warns.

With 14 million unemployed Americans suffering, this president has proposed not an economic solution, but a duplicitous re-election strategy that won't produce a single new job.