

The Four Lies About the Economy That Obama Needs Voters to Believe

Larry Elder's column is released once a week.

By Larry Elder

President Barack Obama's re-election turns on his ability to convince voters that

1) Obama inherited a "Great Recession," 2) every "independent" economist supported the "stimulus," 3) "bipartisan" economists agree that Obama's stimulus worked, and 4) as actor Morgan Freeman puts it, racist Republicans say, "Screw the country ... we're going to do whatever we can to get this black man outta here" — nothing to do with deeply held policy differences.

That's a lot of merchandise to push.

1) Take this "Great Recession" business.

Remember the "misery index"? The term, popularized by former President Jimmy Carter, used to mean inflation plus unemployment. Unfortunately for John Kerry, by the time he ran for president in 2004, the misery index stood at 7.4 midway into the election year, the same as when George W. Bush won the presidency in 2000. What to do? Change the definition. Kerry invented a new misery index, one that included only high-rising costs like college tuition, health care and gas prices.

Similarly, "bad economic times" used to mean, above all, high unemployment. Within a year of Obama's presidency, unemployment climbed to 10.2 percent. Within three years of Reagan's presidency, unemployment reached 10.8 percent. Under Obama, inflation has been — at least so far — rather modest. Early in Reagan's presidency, inflation reached 13.5 percent. Rather than describe this era as the "Great-Recession-turned-around-by-Reagan's-pro-growth-policies," many pundits and scribes dismiss this period of extraordinary growth as the "me decade" or the "decade of greed."

2) "There is no disagreement," said then-President-elect Barack Obama, "that we need action by our government, a recovery plan that will help to jump-start the economy."

What?! More than 200 economists, including several Nobel laureates, signed on to a full-page ad placed in major newspapers by the libertarian Cato Institute. Eventually, over 130 more economists became signatories to the ad.

It read: "With all due respect, Mr. President, that is not true. Notwithstanding reports that all economists are now Keynesians and that we all support a big increase in the burden of government, we the undersigned do not believe that more government spending is a way to improve economic performance.

"More government spending by Hoover and Roosevelt did not pull the United States economy out of the Great Depression in the 1930s. More government spending did not solve Japan's 'lost decade' in the 1990s. As such, it is a triumph of hope over experience to believe that more government spending will help the U.S. today.

"To improve the economy, policymakers should focus on reforms that remove impediments to work, saving, investment and production. Lower tax rates and a reduction in the burden of government are the best ways of using fiscal policy to boost growth."

These 350 or so notable economists notwithstanding, Obama later doubled down: "This is what independent economists have said — not politicians, not just people in my administration. Independent experts who do this for a living have said this jobs bill will have a significant effect for our economy and for middle-class families all across America. And what these independent experts have also said is that if we don't act, the opposite will be true. There will be fewer jobs; there will be weaker growth."

3) Obama surrogate Steve Rattner recently said that Obama's stimulus worked — as confirmed by "bipartisan" economists. As proof, Rattner offered the findings of "bipartisan economists Mark Zandi and Alan Blinder," who "agree that ... we would have had unemployment substantially higher than what we've had over the last two years."

"Bipartisan"?

Blinder, a Democrat, served as a member of the Clinton administration and later advised presidential candidates Al Gore and John Kerry. As for Zandi, he did serve as a presidential campaign advisor to John McCain. Like Blinder, Zandi is a self-described Democrat.

Zandi likes "maverick" McCain, a Republican who voted against the first [George W. Bush](#) tax cuts using the same left-wing argument about the cuts benefiting the rich. Zandi's man, summoning his inner Dennis Kucinich, once said, "I cannot support a tax cut in which so many of the benefits go to the most fortunate among us at the expense of middle-class Americans who most need tax relief."

As to the alleged unanimous expert opinion on the effectiveness of Obama's stimulus, Stanford economist John Taylor debated this on NPR with Zandi. Taylor's analysis, shared by many other economists: "I just don't think there's any evidence. When you look at the numbers, when you see what happened, when people reacted to the stimulus, it did very little good."

4) Democrats never tire of trotting out Senate Minority Leader Mitch McConnell, who said his "single most important political goal" was to make Obama "a one-term president." Horrors! Why, doesn't this just make McConnell the very personification of sinister! Republican opposition for the sole purpose of bringing down Obama, the first black president, yada, blah, etc.

Apparently, it is outside the brain capacity of people like [Morgan Freeman](#) to understand something: One way to defeat bad, leftist Democrats' policies is to defeat bad, leftist Democrats, who seek to implement those bad, leftist policies. It's not complicated.

Nothing personal.

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