



The

Phyllis Schlafly Report



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What We've Learned from the Budget Debate

Barack Obama's runaway spending is the top issue with grassroots Americans. The problem is a long way from solved, but we've learned a lot from the budget debate.

1. We've turned a corner. The debate is no longer about what new phony "stimulus" spending Obama will try to rush through Congress but about how much and what appropriations to cut.
2. The Democrats are better negotiators than Republicans. After the midnight Obama-Boehner deal on the remainder of the 2011 budget, which was announced as a \$38 billion reduction, we discovered that it was really only \$20 billion, just a one percent reduction, because Obama had hidden in the agreement "phantom cuts," "orphan earmarks," credit for eliminating Czars who were already toast, and generous funding for his favorite programs such as Head Start, "Race to the Top," and Pell grants.
3. U.S. voters are still vehement in demanding repeal of ObamaCare and the extra spending it includes. Support for Obama's signature legislation has dropped to only 35%.
4. The Democrats are obsequious servants of the feminists and intend to keep social issues on the front burner. President Obama and Senate Majority Leader Harry Reid were ready and willing to shut down the government in order to retain the appropriation for Planned Parenthood, the country's top abortion provider.
5. The feminist globalists dictate Obama's war policy, too. Secretary of State Hillary Clinton, National Security Council Adviser Samantha Power, and UN Ambassador Susan Rice nagged Obama until he started a war with Qaddafi without knowing who the insurgents are and without any game plan to win anything helpful to the United States or even to Libya.
6. The Republicans have presented two sensible and specific budgets (Paul Ryan's and Jim Jordan's, speaking for the Republican Study Committee) while Obama's budget is a repeat of yesterday's spending orgy. That provides new proof that his real goal in being elected President was and is to "spread the wealth around" (as he told Joe the Plumber) to non-taxpayers, stealing from current taxpayers and inflicting colossal debt on their children and grandchildren.
7. It is really possible to balance the budget by 2020 and we must do it, as the Republican Study Committee's plan proves. If we delay that date, we will be spending every dollar of federal revenue on interest by 2025 which, like unpaid personal credit card debt, will progressively increase in rate in addition to amount.
8. The best rule of thumb in dealing with the 2012 federal budget deficit is to freeze total spending at the pre-Obama level. That's a reasonable goal.
9. Blind-sided by their longtime patriotic support of our military, the Republicans failed to call for cutting off funds for the unconstitutional, undeclared, useless, Obama war in Libya. Savings from waste in the defense budget should be spent on building the weapons we need to restore our military superiority.
10. The Republicans are hamstrung by their (usually correct) determination not to raise taxes. However, we should raise taxes on imports from countries that are massively cheating us every day by imposing a VAT tax equivalent to the tariff they pretended to reduce.
11. We can reform extravagant welfare spending and the more than 70 means-tested wealth-distribution handouts by the same formula the Republican Congress adopted in 1996. That welfare reform was signed by Bill Clinton but repealed by Obama.
12. We can stop the unsustainable growth of Medicaid by block-granting the funds to the states. The states can then fix eligibility and benefits.
13. The Republicans are far too timid in dealing with the fiscal and unemployment problems created by illegal immigration. That is costing us a mountain of taxpayer spending for means-tested financial handouts, hospital and medical care, and U.S. citizenship given to anchor babies.

14. "Yes we can" (using a useful slogan from Obama's campaign) put Medicare and Social Security on sound financial footing that will enable those two programs to survive. Paul Ryan's budget shows us how.
15. Obama's profligate deficit spending confirms the researchers who discovered that Obama absorbed the Frances Fox Piven strategy, which he learned from her own lips as a principal speaker at a Socialist Party Scholars Conference in New York in 1983 when Obama was a student at Columbia University. The strategy is to flood the welfare system with more recipients than taxpayers can afford, thereby creating a financial and political crisis that will doom the capitalist system and move the U.S. into Socialism.

That Socialist Party Conference commemorated the 100-year anniversary of Karl Marx's death, and Piven urged her listeners to "stand within the intellectual and political tradition Marx bequeathed." Scholar Stanley Kurtz has documented that event and identified the stealthy Socialists who maintained a presence throughout the world of community organizing, many of whom were colleagues or mentors of Obama.

Cheers for Repeal of ObamaCare

The U.S. House did what its candidates had promised and the voters expected: the House passed 245 to 189 a repeal of ObamaCare, the centerpiece of Socialism. Three Democrats joined every single Republican, with Michele Bachmann (R-MN) and Steve King (R-IA) spearheading the charge.

According to public opinion polls, support for repeal remains strong among the American people despite Obama's prediction that once his favorite bill was enacted into law we would like it. In addition, 200 distinguished economics experts, mostly professors of economics, signed a letter predicting that an implementation of ObamaCare will be a barrier to job growth, inflict us with a crushing debt burden, and is not real health care reform.

The House should keep up its momentum by specifically repealing the most obnoxious section, which 26 states are now trying to get the courts to rule unconstitutional: the mandate on individuals to buy insurance. How can President Obama veto that repeal? When he campaigned against Hillary Clinton, he accused her of supporting such a mandate and promised to oppose it.

The Congressmen who voted for repeal should keep reminding the public why it is a bad, dictatorial, and offensively expensive law. They should taunt the Senate into having a vote so we will know who is on which side of this issue.

When repeal is finally achieved, either through a change of U.S. President in 2012 or a Supreme Court ruling that

ObamaCare's crucial provision is unconstitutional, Americans will enjoy some rights that ObamaCare will otherwise take away.

For example, you won't be hit with a big fine by the government for not buying the insurance the government orders you to buy. You will retain your right to buy health insurance that includes the benefits you need instead of a more costly policy mandated by the bureaucrats.

When the repeal of ObamaCare is final, you won't lose your job because your employer struggles to comply with his expensive mandate. Your children and grandchildren won't be hit with \$1 trillion of new debt to burden their future.

If you are young, you won't be forced to pay higher premiums for mandatory health insurance to subsidize people who are older and sicker. If you are a senior, you won't suffer a half a trillion dollars taken out of Medicare to pay for new health entitlements.

You won't be standing in long lines as you try to see a doctor. You won't be put on a two-year waiting list for surgery you need.

The Center for Health Transformation just issued 1,968 reasons to repeal ObamaCare. A chart reveals the ways in which the 2,700-page law grants 1,968 powers to the Secretary of Health and Human Services, along with control over 18% of our entire economy.

For example, the regulators will decide what clinical drugs seniors will be allowed to get. The regulators will instruct doctors whether or not to give a drug to patients in long-term care. The regulators are empowered to use "comparative effectiveness research" to determine whether seniors get care. That's code for the authority of bureaucrats to decide whether (based on your age and condition) you are worth spending any money on, a.k.a. death panels that will decide whether you live or die.

House Members should remember that some promised repeal AND replace. Their task is to detach health care from bureaucrats and appropriators because that's the only way to get health care costs under control.

We should also detach health care from the unfortunate link between jobs and health insurance that created the present system of third-party payers. That process began as a tax loophole during World War II wage and price control, and now traps millions of Americans in a tough compromise between an unproductive job and unsuitable high-cost health insurance.

This can be done by allowing us to make our own decisions by paying for smaller, routine expenses from our own tax-deductible health savings account, instead of relying on third-party payers whose rates constantly escalate. Employee group health insurance plans, with higher deductibles, should pay the major costs.

The House should hold weekly hearings in order to dispel

the misinformation we are fed by the liberals, such as the foolish notion that government health care in other countries is more efficient and less costly. Tens of thousands of foreigners come to the U.S. every year for medical treatment because they know they have a better survival rate here.

Compare these statistics between the U.S. and U.K. released by the United Nations International Health Organization. The percentage of people who survived cancer five years after diagnosis: U.S. 65%, U.K. 46%; diagnosed with diabetes who received treatment within 6 months: U.S. 93%, U.K. 15%; seniors needing hip replacement who received it within 6 months: U.S. 90%, U.K. 15%; getting to see a medical specialist within one month: U.S. 77%, U.K. 40%.

Bachmann Exposes \$105 Billion Secret

Rep. Michele Bachmann (R-MN) has again demonstrated her extraordinary leadership. A tax attorney before being elected to Congress, she discovered \$105 billion of taxpayers' money that Barack Obama and Nancy Pelosi had hidden in ObamaCare.

Now Rep. Bachmann wants her colleagues to refuse to pass any bills, such as a Continuing Resolution or raising the debt limit, unless they include recapturing that secret money. What a great idea!

After all, the new Congress was elected last November to cut spending and put the federal government back within the bounds of the Constitution. The new Members of Congress promised not only to cut overall spending but specifically to repeal and defund ObamaCare, so thank you, Michele, for showing the new Congress where to start.

When ObamaCare was passed by the Senate on Christmas Eve of 2009, Senators had less than 72 hours to compare a 383-page package of amendments to the 2,074-page bill. Public outrage over backroom deals (such as the Cornhusker Kickback and the Louisiana Purchase) led to the election of Scott Brown in Massachusetts.

Democrats then cooked up a plan to link the now-2409-page Senate-passed ObamaCare bill to dozens of amendments contained in a separate 150-page Budget Reconciliation bill which could pass both houses by a simple majority. That's when then-Speaker Nancy Pelosi famously told the then-Democratic majority, "We have to pass the bill so that you can find out what is in it."

When President Obama signed ObamaCare into law, that set in motion a series of funding triggers and money transfers that add up to \$105,464,000,000 in pre-authorized appropriations that are scheduled to be paid up through FY2019. In laymen's language, that means writing post-dated checks that are guaranteed to be paid out over the next eight years.

This money was divided into dozens of smaller amounts so the big total would not be apparent. For example, Section 2953 of ObamaCare included a pre-funded appropriation of

\$75 million a year for five years to "educate adolescents" in "adult preparation subjects" such as "stress management" and "the development of healthy attitudes and values about adolescent growth and development, body image, racial and ethnic diversity, and other related subjects."

Section 4101(a) of ObamaCare prefunded \$200 million a year over four years for the construction of school-based health centers. In Section 4002, a total of \$17,750,000,000 will be deposited over 10 years to a discretionary account controlled by the HHS Secretary (currently Kathleen Sebelius), who may spend that money "to provide for expanded and sustained national investment in prevention" and to "help restrain the rate of growth in private and public sector health care costs."

At a hearing before the House Health Subcommittee, former Congressman Ernest Istook (R-OK) likened ObamaCare to a 2700-page haystack in which a lot of needles are still being discovered. He urged Congress to place a stop payment order on the massive post-dated checks hidden in ObamaCare.

The Pelosi bunch's strategy was devious and highhanded. They bypassed the customary appropriations process and prefunded ObamaCare on passage, knowing that House Rules would restrict a future Congress from defunding an already-enacted law.

This makes it more difficult for Congress to deal with, but not impossible. Congress will both have to include the defunding language in the FY2011 Continuing Resolution and also pass a rule that makes this defunding language OK under House Rules. There is not only adequate precedent for this procedure but it also is common sense. Congress, in its constitutional role, can completely stop this secret funding of discretionary funds.

What Pelosi did was like setting up online a way to pay your monthly utility bills out of your bank checking account. Each new date triggers the bank to pay the bill out of your bank account. ObamaCare is very similar. The law Congress passed without reading lists the dates up to 2019 on which payments totaling \$105 billion are to be paid out of the U.S. Treasury.

Rep. Bachmann and Rep. Steve King (R-IA) are asking their colleagues to stop payment on the \$105 billion in post-dated checks scheduled to be drawn on the U.S. Treasury. It is an insult to the U.S. Constitution, which gives the House the power to originate all revenue bills, and to current and future Congresses, for ObamaCare to try to handcuff Congress in regard to future appropriations up through 2019.

Slashing Worthless Programs

What would Ronald Reagan say? I think he would say, when it comes to cutting spending, we should start with the programs that are doing harm and continue with the projects proven to be worthless.

How about starting with spending for public schools?

It's only about 10% of what they spend, so don't be scared by the threat that schools will close if all federal appropriations are terminated.

Since federal aid to education started during the Eisenhower Administration back in the 1950s, Congress has increased education handouts every year to a grand total of \$2 trillion (in today's dollars). The announced purpose of this spending has been to raise student achievement while closing the gap between high- and low-income students and between white and minority students. It's time to admit that this massive spending is a total failure. Overall student achievement has not risen and the gap is nearly as wide as ever.

There are many other failed or worthless spending programs. The House made a start by approving 66 amendments, most on roll-call votes, to H.R. 1, the Full-Year Continuing Appropriations Act for FY 2011. Here is a sampling of those 66 amendments:

- Amendment #8, sponsored by Rep. Cliff Stearns (R-FL) and passed 231-191, prohibits the use of any funds in the Act to design, renovate, construct, or rent any United Nations headquarters. The UN was projected to spend \$1.9 billion to make its headquarters even more luxurious than it already is.
- Amendment #11, sponsored by Rep. Mike Pence (R-IN) and passed 240 to 185, prohibits any of the Act's funds from being used by the Planned Parenthood Federation of America or its affiliates. This big vote reflects the 2010 election of many more pro-lifers and public opinion moving against taxpayer funding of abortions.
- Amendment #79, sponsored by Rep. Cory Gardner (R-CO) and passed 241 to 184, prohibits the use of any of the Act's funds to pay the salary of any Department of Health and Human Services employee who develops or promulgates regulations or guidance about ObamaCare's health insurance exchanges. The public is still opposed to the mandates and the costs of ObamaCare.
- Amendment #83, sponsored by Rep. Jo Ann Emerson (R-MO) and passed 246 to 182, prohibits the IRS from using appropriated funds to enforce ObamaCare's individual mandate to buy insurance. This vote probably reflects the news that IRS is hiring 1,054 new agents to enforce the individual mandates and to fine Americans who don't obey.
- Amendment #84, sponsored by Rep. Mike Pompeo (R-KS) and passed 239 to 185, cuts out of the Environmental Protection Agency's appropriation the \$8.5 million budgeted for the EPA's Greenhouse Gas Registry, which was preparing to operate Cap and Trade. Pompeo said, "This data is the very foundation of the EPA's effort to pursue its radical anti-jobs agenda."
- Amendment #100, sponsored by Rep. Anthony Weiner (D-NY) and passed 268-163, wipes out an appropriation of \$42,600,000 for the U.S. Institute of Peace and transfers it to the Spending Reduction Account. U.S. taxpay-

ers have already sunk \$720 million into this boondoggle, and even gave its bureaucrats an office building near the State Department.

- Amendment #149, sponsored by Rep. Blaine Luetkemeyer (R-MO) and passed 244 to 149, prohibits giving any of the Act's funds to the UN's Intergovernmental Panel on Climate Change. That's a welcome strike against global warming propaganda.
- Amendment #196, sponsored by Rep. Tim Walberg (R-MI) and passed 217 to 209, reduces the appropriation for the National Endowment for the Arts (NEA) by \$20 million and transfers the money to the Spending Reduction Account. Too bad the House didn't totally defund the NEA since it has carried on years of offensive attacks on our culture.
- Amendment #204, sponsored by Rep. Steve Scalise (R-LA) and passed 249 to 175, prohibits any of the Act's funds from being used for salaries and expenses for President Obama's "czars" who have not been confirmed by the Senate. It's probably a tossup whether this or defunding the redecoration of UN buildings, gets the popularity prize with Americans.
- Amendment #208, sponsored by Rep. Tom Cole (R-OK) and passed 247 to 175, prohibits any of the Act's funds from being used for the Presidential Election Campaign Fund or the Presidential Primary Matching Payment Account. U.S. taxpayers have been increasingly registering their disapproval of this expenditure on their annual income tax returns.
- Amendment #267, sponsored by Rep. Steve King (R-IA) and passed 241 to 187, prohibits the Act's funds from being used to implement ObamaCare this year, saving about \$2.8 billion.
- Amendment #404, sponsored by Rep. Greg Walden (R-OR) and passed 244 to 181, prohibits any of the Act's funds from being used by the Federal Communications Commission to implement so-called "network neutrality." Americans don't want the government taking over supervision of the internet.

These cuts (which the Senate has not approved) are only a drop in the \$100 billion bucket for dealing with the federal deficit, but they reveal some of the nonsense now embedded in the federal budget that must be cut if Congress is to fulfill the promise Members made in 2010.

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