

Obama's Way Off Base About the Private Sector





Written by [Ralph R. Reiland](#) on July 3, 2012

overall unemployment rate in the private sector remains approximately double the rate of unemployment in the government sector, not counting those who've dropped out of the labor force and those who've involuntarily dropped from full-time to part-time employment.

The solution? It's not to borrow more and expand the federal government while simultaneously hitting the private sector with higher taxes, more regulations and ever-greater levels of uncertainty.

That seems obvious, unless you're stuck on the idea that business is the problem and government is the answer, and that just might be the overriding bias in this White House.

Regarding his one short shift of working in the business sector before turning to the so-called nonprofit sector for a lifetime of employment, Mr. Obama stated in his autobiography that he felt "like a spy behind enemy lines" while working in the private sector.

With slow economic growth and high levels of joblessness being the nation's top problems, things get mighty tricky if President Obama continues to view the economy's primary job creators as the "enemy," as a destructive and selfish sector that needs reigned in via escalating levels of government regulation and taxation.

Similarly in terms of how the private sector is prejudicially and negatively viewed, Mrs. Obama told a crowd in Zanesville, Ohio, during the 2008 presidential campaign to stay clear of working in the private sector. "We left corporate America, which is a lot of what we're asking young people to do," she said, not explaining how we'd get food, cars, energy, clothes and houses if everyone followed her advice.

"Don't go into corporate America," she continued. "You know, become teachers. Work for the community. Be social workers. Be a nurse. Those are the careers that we need and we're encouraging our young people to do that. But if you make that choice, as we did, to move out of the money-making industry into the helping industry, then your salaries respond."

She meant that salaries in the "helping" sectors are lower than in the "money-making" private sector. Well, not exactly. "Federal pay ahead of private industry" stated a *USA Today* headline on March 8, 2010.

"Federal employees earn higher average salaries than private-sector workers in more than eight of 10 occupations," explained the *USA Today* analysis. "Accountants, nurses, chemists, surveyors, cooks, clerks and janitors are among the wide range of jobs that get paid more on average in the federal government than in the private sector. Overall, federal workers earned an average of \$67,691 in 2008, the most recent data available. These salaries do not include the value of health, pension and other benefits, which averaged \$40,785 per federal employees in 2008 vs. \$9,882 per private worker, according to the Bureau of Economic Analysis."

In simplistically defining the public sector as "helping" and the private sector as "money-making," is Mrs. Obama saying that the capitalist boutiques and money-making designers in "private industry" who supply her outfits aren't "helping"?

Does she think those snazzy dresses, shoes, necklaces and sweaters she wears were designed, produced and delivered by selfless public servants who were more interested in "helping" than "money-making"?

The naivete expressed in the aforementioned prejudices about the private sector and how the world works is really astonishing and truly an obstacle when it comes to developing rational public policies related to taxation, investment, job growth, and "fairness."



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