



Written by [Bob Adelman](#) on July 25, 2013

Obama Speaks on Economy to Distract from Scandals, Falling Poll Numbers

From the [New York Times](#) to [Politico.com](#), the president's speech to students at Knox College in Galesburg, Illinois, on Wednesday was headline news. More than an hour long, it contained enough platitudes, sound bites, and falsehoods to keep pundits busy and prevent them from talking more about Benghazi, IRS and NSA scandals, and ObamaCare fallouts, which have caused the president's [poll numbers to plummet](#). It was time to get out of Dodge and take the media with him.



In the first of three scheduled talks on the economy, [he reviewed a little history](#):

In the period after World War II, a growing middle class was the engine of our prosperity. Whether you owned a company, or swept its floors, or worked anywhere in between, this country offered you a basic bargain — a sense that your hard work would be rewarded with fair wages and decent benefits, the chance to buy a home, to save for retirement, and most of all, a chance to hand down a better life for your kids.

But then, according to the president, something happened:

Over time, that engine began to stall — and a lot of folks here [in Galesburg] saw it — that bargain began to fray. Technology made some jobs obsolete. Global competition sent a lot of jobs overseas. It became harder for unions to fight for the middle class. Washington doled out bigger tax cuts to the very wealthy and smaller minimum wage increases for the working poor.

And then he was elected president and the light began to shine once again:

We fought our way back. Together, we saved the auto industry; took on a broken health care system. (Applause.) We invested in new American technologies to reverse our addiction to foreign oil. We doubled wind and solar power. (Applause.)

Together, we put in place tough new rules on the big banks, and protections to crack down on the worst practices of mortgage lenders and credit card companies. (Applause.) We changed a tax code too skewed in favor of the wealthiest at the expense of working families — so we changed that, and we locked in tax cuts for 98 percent of Americans, and we asked those at the top to pay a little bit more. (Applause.)

He took credit for the seven million jobs allegedly created during his administration, but failed to mention that employment is still down four million from the start of the Great Recession. He took credit for the explosion in natural gas and oil shale production that is igniting the economy in some parts of the country (but not in Illinois). He took credit for slowing the cost of healthcare with the imposition of the most expensive takeover of the healthcare industry in the country's history.

He took umbrage that the middle class has been hammered while the upper class has gotten wealthy:



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This growing inequality — not just of result [but] inequality of opportunity - this growing inequality is not just morally wrong, it's bad economics.

It's also factually wrong. The middle class in America isn't being forced into the lower class, it is moving into the upper class. As noted by the Census Bureau, while the middle class has dropped from 48.4 percent of American families to 43.2 percent since 1990, the lower class has remained constant at about 18 percent, while the upper class grew from 34 percent to 39 percent. As economist Mark Perry noted:

In other words, America's "middle class" did start largely disappearing in the 1970s but it was because they were moving up to the higher income category, not down into a lower-income category.

That wasn't part of the president's narrative and so no mention was made of the Census Bureau's revelations. But he's the man to right those wrongs, to repair the damage, to set America back on the path to prosperity — by doing more of what hasn't worked:

Reversing these trends has to be Washington's highest priority. (Applause.) It has to be Washington's highest priority. (Applause.) It's certainly my highest priority. (Applause.)

Washington has been distracted from its real job, said the president, "with this endless parade of distractions [IRS, Benghazi, etc.] and political posturing and phony scandals. Washington has taken its eye off the ball."

He has lots of ideas, some of which will require congressional approval while others won't. That doesn't matter — he'll do whatever is necessary:

I will not allow gridlock, or inaction, or willful indifference to get in our way. (Applause.) That means whatever executive authority I have to help the middle class, I'll use it. (Applause.)

He wants to start indoctrinating the kids starting at age four. This will take them out of the house and give their parents more time to work:

If we don't make this investment [more federal aid to education, student loans, etc.], we're going to put our kids, our workers, and our country at a competitive disadvantage for decades. So we have to begin in the earliest years. And that's why I'm going to keep pushing to make high-quality preschool available for every 4-year-old in America. (Applause.) Not just because we know it works for our kids, but because it provides a vital support system for working parents.

He has a new idea: another federal program to help students make the leap from community college to a career in a single bound:

I've asked Congress to start a Community College to Career initiative, so that workers can earn the skills that high-tech jobs demand without leaving their hometown. (Applause.)

He wants to reinflate the housing bubble:

I've asked Congress to pass a really good, bipartisan idea — one that was championed, by the way, by Mitt Romney's economic advisor — and this is the idea to give every homeowner the chance to refinance their mortgage while rates are still low so they can save thousands of dollars a year. (Applause.) It will be like a tax cut for families who can refinance.

I'm also acting on my own to cut red tape for responsible families who want to get a mortgage but the bank is saying no. We'll work with both parties to turn the page on Fannie Mae and Freddie



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Mac, and build a housing finance system that's rock-solid for future generations.

He attacked the free market system that the federal government has so successfully restricted, regulated, and hamstrung that it has taken more than five years just to begin to revive after the start of the Great Recession:

Now, there are others who will dismiss every idea I put forward either because they're playing to their most strident supporters, or in some cases because, sincerely, they have a fundamentally different vision for America — one that says inequality is both inevitable and just; one that says an unfettered free market without any restraints inevitably produces the best outcomes, regardless of the pain and uncertainty imposed on ordinary families; and government is the problem and we should just shrink it as small as we can....

Repealing Obamacare and cutting spending is not an economic plan. It's not.

The country isn't listening to the president. The headline from [Business Insider](#) said it all: "Obama's Approval Rating is Falling All Over the Place." It reports that in the McClatchy-Marist poll, "Obama's approval rating sunk to its lowest point since September, 2011." Scott Rasmussen's poll [showed similar numbers](#). Said Rasmussen: "Twenty-six percent (26%) of likely U.S. voters now say the country is heading in the right direction.... That's the lowest level of confidence in the country's direction since mid-January 2012."

According to [internal White House polls](#), it was time to take the show on the road. As Paul Equale, a Democrat Party consultant, put it:

Obama's willingness to go after the GOP on "phony scandals" indicates that, despite poor "right-track/wrong-track" numbers, White House internal polling shows a huge opening against Republicans on their tactics and rhetoric.

With the help of an obedient media, Obama's summer political rally will likely draw attention away from the scandals plaguing his administration and give him time to prepare for the battle when Congress opens for business again in the fall.

Photo of President Barack Obama speaking at Knox College: AP Images

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