

SANTA CLAUS IS COMING TO TOWN

JANUARY 2008

I thought Christmas was over. The storage container I have to rent due to our enormous Christmas decoration stock pile that would make Clark Griswold proud, was packed and sent away weeks ago (We don't have basements in Florida and my lovely wife loves to add to the stock pile every year.) I guess they forgot to inform all of our fearless and bold leaders in Washington, because whether it is the President, the Democrats or Republicans; they are all falling all over themselves to play the part of Santa Claus.

The 1928 presidential campaign slogan for Herbert Hoover was "**A chicken in every pot and a car in every garage.**" I think the motto for both Democrats and Republicans for 2008 should be "**A flat screen T.V. on every wall,**" courtesy of your incumbent congressman.

Everyone get ready for the government checks. The **want-to-be** Santas in Washington have come up with a compromise and are readying the sled to distribute all Americans \$300. Families with children will receive an additional \$300 for every child up to a maximum of \$1200, unless of course you are on the **naughty list**.

The naughty list is for all the bad boys and girls that make over \$75,000 a year. **Sinner!** How dare you work hard and be successful? The political hacks are falling all over themselves, in full self-congratulatory mode, pointing to this wondrous example of bipartisanship, which of course, is nonsense. This is not an example bipartisanship; this is an example of desperation.

I am going to call this exactly what this is...

The Vote Buying Media Fearing Incumbency Protection Bill of 2008.

What an absolute joke! These politicians must really think Americans are stupid. Congressional approval ratings are at all-time lows, and in order to get themselves re-elected, have decided to buy everyone a new flat screen. The castrated and ever growing pathetic Republican Party fearing the talking heads at CNN and the New York Times will berate them for "*doing nothing in the face of catastrophe*" and the inevitable yet ridiculous comparisons between our current economic situation and the failed New Orleans levees; caved. Aside from a couple of expedited deductions for businesses, the bill does nothing but redistribute tax dollars. The very day the President stepped to the podium to announce the stimulus plan the stock market tanked. The speech was weak in both delivery and content and led to a fantastic article by Michelle Malkin. She writes...

I need a man. A man who can say "No." A man who rejects Big Nanny government. A man who thinks being president doesn't mean playing Santa Claus. A man who won't panic in the face of economic pain. A man who won't succumb to media-driven sob stories. A man who can look voters, the media and the Chicken Littles in Congress in the eye and say the three words no one wants to hear in Washington: Suck. It. Up.

If I were President, this is what I would say and do...

My fellow Americans...

This past month the Heritage Foundation and Wall Street Journal released their Index of Economic Freedom which grades countries on a combination of factors including property rights, protection, tax rates, government intervention in the economy, monetary, fiscal and trade policy,

and business freedom. I am sorry and dismayed to inform you that our country did not receive a Gold, Silver or Bronze medal, we came in fifth place. Fifth place is unacceptable. I am here to inform all Americans that we are going to make some significant changes to assure we are number one by next year.

First: We are going to make the Bush tax cuts permanent. Markets, businesses and families need certainty and living in the great unknown, when it comes to taxes, is unacceptable.

Second: We are going to eliminate all corporate taxes. The words "corporate taxes" is a fraudulent misnomer. Corporations are nothing more than a tax identification number. Corporations derive all of their income from their customers, their consumers, you! The truth is that corporations don't pay taxes, people pay taxes. The corporate tax is nothing more than a hidden consumer tax on all purchases. It is estimated that over 13 trillion dollars is being held in offshore accounts by corporations waiting to be repatriated when prudent. You want a stimulus; I give you a \$13 trillion stimulus.

Third: We are going to eliminate all taxes on capital gains and dividends. It is shameful that the long-arm of Uncle Sam needs to reach in to the pockets of people who put their money at risk to build this country and make it what it has become. As well, Social Security is a category 5 hurricane/ponzi scheme that is bearing down on this nation and we need to encourage people to invest and save and liberate themselves from the bosom of the federal government.

Fourth: The tax code needs to be scrapped, burned, encased in lead and then shot into the sun, just to be sure that we will never hear from it again. We as a nation need to move in the direction of the John Linder Fair Tax plan or toward a flat tax which is being utilized with incredible success in many countries around the globe. Our current tax code is an instrument of evil that politicians use to divide the country. The sad reality is that if you are wealthy enough you can afford to pay the right Wall Street firms to get you out of paying anything. Wall Street, Hedge Funds, and Insurance companies make a fortune aiding the wealthy in finding the loopholes. They have a vested interest in having a tax code as complex and unstable as possible. Those firms just so happen to be supporting the candidates for this presidential election that agree with the Byzantine and oppressive nature of the code.

Fifth: Repeal the grave-robbing death tax. Work hard, build a business, follow the ridiculous tax code your entire life, die, and then pay taxes again. It is pretty sick if you really think about it, Uncle Sam as a modern day grave-robber. Going after small businesses and crushing family farms is not my idea of equitable tax policy.

Sixth: I will cut taxes for working seniors and eliminate all taxes on Social Security benefits. That money belongs in the hands of senior citizens not the government. Americans are forced to pay in to a ridiculous underperforming ponzi scheme throughout their lives. The least the government could do is to eliminate the taxes.

Seventh: I would repeal Sarbanes/Oxley and other stifling federal regulations. We are in a global marketplace and unfortunately; we are not competing. More and more companies are bypassing our financial markets due to overbearing regulations and opting for London or elsewhere. London is fast becoming the financial center of the world because of the constraints and red tape we have here. Ridiculous and often redundant federal regulations stifle community banks, insurance companies, credit unions and limit fair competition and therefore better options for the consumer.

Politicians always feel the need to run to the rescue whenever there is a perceived problem or crisis. Fortunately, most of the time, it usually amounts to nothing more than global warming

causing hot air from the likes of New York Senator Charles Schumer. (The most dangerous place in the world is to stand between Senator Schumer and a podium with a microphone.) It is in my opinion that we should rename our nations Capital building the **Cathedral of Unintended Consequences**. Our so-called fearless leaders with their many cures for all of society's ills often end up being worse than the disease.

Two examples: In 1930 Congress passed the **Hawley-Smoot Tariff Act**. It brought the U.S. tariff to the highest protective level yet in the history of the United States. Despite wide protest, the tariff act made imports in to the country extraordinarily expensive thus stifling global trade. Foreign countries then responded in kind with retaliatory tariff acts; global trade grounded to halt, the economic malaise intensified, leading to...the Great Depression.

Evil importers! We must protect American business!!!....whoops, sorry about that depression.

In a more recent example the 1993 Congress passed a law that barred companies from deducting from their taxes more than \$1 million of salary paid to their CEO and other top executives. Disregard the fact that employee salaries have always been a deductible business expense. That 1993 law has itself become a classic example of unintended consequences that have led to the excesses of the dot com boom and mismanagement of many corporations to this day. (CEO's managing their companies stock price rather than managing the company for the long run) Businesses, in response to the law, began to shift compensation from salary toward stock options and bonuses to circumnavigate the silly cap.

It would be wise for Congressional Santa Claus want-to-be's to talk and pontificate over this issue for good theater and do nothing. Let the Church of Al Gore worry about the repercussions. It is better to get **no bill than a bad bill**, and the sad reality is that my ideas are way too empowering of the individual. Empowering individual Americans is bad business for Washington and they most certainly can't let that happen.

Merry Christmas!