



## YOUNG VOTERS — WAKE UP!

**Why you should vote — Lies you should not believe**

**The mid-term elections for Congress on November 2, 2010, brought a radical change in the Congressional line-up. Two years earlier young people turned out in great numbers to vote for change. This time they stayed away from the polls, disturbed that not all the changes, that they had hoped for, had occurred. By their absence they provided a victory for the candidates that oppose those changes and want to go back to the old ways: low taxes (even for the very rich), little government control over the excesses of Wall Street, no control over health insurance providers (hence continually rising profits and costs), cutting costs for all government programs.**

In fact the leaders of the Republican party have already announced that:

- They will roll back the Health Care Reform Bill,
- Emasculate the Wall Street Reform Bill.
- Prevent any more stimulus money from being used to help restore the national infrastructure,
- Stop providing Federal money to develop new clean energy industries that will provide new jobs.

Don't believe all the lies that you hear from Republican politicians, Fox News and all those that wish to continue making huge profits for themselves. - **Lies repeated daily in the media, by candidates, have ended up making some of you believe them!**

### Lie #1: Reducing taxes for the rich and for large corporations will provide jobs, increase prosperity, reduce the deficit

Popularized by Ronald Reagan as "trickle down economics", this concept has been denounced by none other than the engineer of Reagan's tax cuts, David Stockman.

**Fact:** The large tax cuts introduced by the Reagan administration, continued through G.H.W. Bush's reign, coupled with huge military spending, **added** nearly 2 trillion 1980 dollars to the deficit, increasing it from 32.5% to 66.1% of GDP\*. Notably Reagan's administration ended 36 years of continuous debt reduction through both Democratic and Republican administrations.

It needed another Democratic administration of Bill Clinton to again reduce the deficit to 56.4% of GDP, while cutting unemployment to 3.9%. 49% of the voters didn't like that, so they elected (with the Supreme Court's help) George Bush, who once again reduced taxes and increased spending to bring the deficit up to 83.4% GDP, allowed Wall Street to run wild and plunge the country into a deep depression, from which we are all now suffering. **Note that the total addition to the National Debt resulting from both the Reagan and Bush tax cuts is currently 9.2 trillion 2010 dollars!**



Incidentally, reducing taxes during the Republican administrations did not decrease unemployment, actually unemployment tended to increase under these administrations. The highest unemployment rate since the great Depression, 10.8% occurred in the third year of Ronald Reagan's administration! Even

	Debt/GDP		Unemployment %			
	Begin	end	Begin	end	highest	Yr-m
1945-1953 Harry Truman	117.5%	71.4%	1.2%	2.7%	7.9%	49-10
1953-1961 Eisenhower	71.4%	55.2%	2.7%	6.6%	7.4%	58-4/8
1961-1969 Kennedy/Johnson	55.2%	38.6%	6.6%	3.4%	7.1%	61-5
1969-1977 Nixon/Ford	38.6%	35.8%	3.4%	7.8%	9.0%	75-5
1977-1981 Jimmy Carter	35.8%	32.5%	7.8%	7.2%	7.8%	80-7
1981-1989 Ronald Reagan	32.5%	53.1%	7.2%	5.3%	10.8%	83-1/2
1989-1993 G.H.W. Bush	53.1%	66.1%	5.3%	7.4%	7.8%	92-6
1993-2001 Bill Clinton	66.1%	56.4%	7.4%	3.9%	5.8%	95-4
2001-2009 George Bush	56.4%	83.4%	3.9%	7.4%	6.3%	03-6

Unemployment end% is for last month (December) of president's term  
 Unemployment highest% is peak value during president's term, with date

though under Clinton some taxes were increased, unemployment actually dropped.

## **Lie #2. The U.S.A. has the best health care system in the world, and the Obama Health Care Bill will destroy it, adding higher costs and cutting Medicare.**

**Fact:** Technically the quality of healthcare in the U.S. is excellent. Research (much of it government funded) has developed the best techniques and equipment in the world. However, on many other counts it scores lower than most other industrial nations. In 2006, the United States spent twice as much per capita, and 50% more of its GDP, as the next highest spending countries in the world - Canada, Switzerland and France. But it ranked among the lowest of the main industrial countries of the world in a number of factors.

- The number of *uninsured* persons in USA ages 18 to 65 in 2008 is over 36 million or 19.3% of the population, in all other industrial countries virtually everyone has health insurance, either from private companies with controlled premiums, or financed by taxes.
- A 2010 RAND report measures the "Mortality from conditions considered amenable to healthcare" in 19 OECD nations. USA in 2002/2003 was at the bottom of the list with 109 deaths per 100,000 population, just below Portugal (104). The best were France (64), Japan (71), and Australia (71). It is notable that more recent studies show that all countries have recently improved substantially except the U.S., in which the number of *uninsured* population has also increased.
- U.S.A. also ranks lower than countries that spend considerably less in many other factors. For example life expectancy is lower and infant mortality higher than in most other industrial countries. Number of available hospital beds is also lower on a per capita basis.
- Insurance premiums increase much faster than actual costs, raising the profits of the insurance companies. Based on annual reports filed with the Security and Exchange Commission - the five largest insurance companies - WellPoint Inc., UnitedHealth Group, Cigna Corp., Aetna Inc. and Humana Inc. posted combined profits of \$12.2 billion for calendar year 2009, a **56% increase** over calendar year 2008.

In those companies more than 22 cents of every dollar of the premiums goes for administration costs (including advertising) and profit. By comparison for Medicare that figure is less than 2.5 cents, at Kaiser Permanente (in California) less than 4 cents, in European health care systems it ranges from 3 to 6 cents.

During the same two years, the big five insurers covered 2.7 million fewer Americans, who could no longer afford the increased premiums, or had lost coverage when they lost their jobs.

**Another big lie** being propagated about the Health Care Reform Bill is that Medicare benefits will be reduced.

**Fact:** over the next 10 years Medicare **costs** will be reduced by \$500 billion. Primarily the excessive payments now made by Medicare to the private companies offering supplementary insurance to seniors (so-called Medicare Advantage plans) will be reduced, likewise every effort will be made to eliminate huge fraudulent payments now made by Medicare to some suppliers. There will be no change in Medicare benefits except for an **increase** in drug benefits (elimination of the so-called donut hole). It is unfortunate that several provisions in the original House bill, that would reduce costs for both individuals and for companies, were eliminated in the Senate version under pressure to obtain bi-partisan support. It is the elimination of these cost reducing provisions that cause many Democrats to be critical of the final Bill. However recent polls suggest that 50 to 55% of possible voters are opposed to health care reform. This happens to be the percentage of the population that enjoys good health insurance, for which the high premiums have been paid by large corporations or, in the case of Congressmen and government or state employees, by the taxpayer.

## **Lie #3. The Obama Bank bailout added a trillion dollars to the deficit.**

**Fact:** The Bank bailout bill, or TARP, was enacted in 2008 by the **Bush** administration, with bi-partisan support. Originally set at \$900 billion, it was reduced to \$480 by the Democratic majority in Congress in July 2010. Of the \$250 actually loaned to banks, \$180 has already been repaid and the remaining \$70 will be repaid within the next year. It is expected that out of the \$230 used to rescue the auto industry, prop up AIG, help home owners and to increase lending to small businesses, it is expected that at least half will be recovered within the next five years. The final addition to the long term deficit will be less than \$100 billion.

## **Lie #4. Requiring U.S. Industry to reduce pollution and the usage of fossil fuels will cause higher costs, loss of jobs.**

**Fact:** Many industries are voluntarily reducing emissions and installing renewable energy sources and are reporting reduced overall costs.

### **Examples:**

The manufacturer of industrial carpeting Interface Inc reports that from 1996 to 2008 it cut its total greenhouse emissions by

71% (in absolute tons) while sales increased by 60% and earnings doubled. At the same time reduced water usage per sq.yd of produced modular carpet from nearly 2 gallons to 0.5 gallons, with resultant reduction in waste water emissions.

New Jersey utility PSE&G is currently investing \$515 million in 80 megawatts of solar projects, doubling the state's solar capacity and creating green jobs. The first segment consists of installing 200,000 solar units on utility poles throughout its distribution area. The second segment will focus on centralized solar gardens and roof-top installations on its own facilities and also at third-party sites. PSE&G is also a partner in development of a 350MW wind farm off the Atlantic coast. PSE&G is committed to an annual carbon reduction of more than 800,000 metric tons by year 2025.

***So it is imperative that all of you vote in 2012. Remember that many dictators came to power in democratic elections in which many eligible did not vote, Hitler in Germany, Peron in Argentina, Hoffa in the Transport Workers Union among them. Obviously after they were elected they did not allow any more free elections!***

**If you don't believe me, spend a few hours reviewing the following documentary sources, from which my data is obtained:**

- [Simple Explanation of the deficit with graph](http://zfacts.com/p/318.html), <http://zfacts.com/p/318.html>
- [Actual national debt, month by month](http://www.treasurydirect.gov/govt/reports/pd/mspd/mspd.htm), <http://www.treasurydirect.gov/govt/reports/pd/mspd/mspd.htm>
- [Unemployment rate by month 1948 to 2009](http://data.bls.gov/PDQ/servlet/SurveyOutputServlet?data_tool=latest_numbers&series_id=LNS14000000), [http://data.bls.gov/PDQ/servlet/SurveyOutputServlet?data\\_tool=latest\\_numbers&series\\_id=LNS14000000](http://data.bls.gov/PDQ/servlet/SurveyOutputServlet?data_tool=latest_numbers&series_id=LNS14000000)
- [RAND report](http://www.sciencedaily.com/releases/2008/01/080108082944.htm) summarized in [Mortality rates](http://www.sciencedaily.com/releases/2008/01/080108082944.htm), <http://www.sciencedaily.com/releases/2008/01/080108082944.htm>
- [2009 review of health care systems in 13 countries](http://www.commonwealthfund.org/~media/Files/Publications/Fund%20Report/2010/Jun/1417_Squires_Intl_Profiles_622.pdf), [http://www.commonwealthfund.org/~media/Files/Publications/Fund%20Report/2010/Jun/1417\\_Squires\\_Intl\\_Profiles\\_622.pdf](http://www.commonwealthfund.org/~media/Files/Publications/Fund%20Report/2010/Jun/1417_Squires_Intl_Profiles_622.pdf)
- [Index to all World Health Organization reports and statistics](http://www.who.int/whosis/whostat/2009/en/index.html), <http://www.who.int/whosis/whostat/2009/en/index.html>
- [2008-2009 profits of five major Health Insurance companies](http://hcfan.3cdn.net/a9ce29d3038ef8a1e1_dhm6b9q0l.pdf) - summaries of their annual reports. [http://hcfan.3cdn.net/a9ce29d3038ef8a1e1\\_dhm6b9q0l.pdf](http://hcfan.3cdn.net/a9ce29d3038ef8a1e1_dhm6b9q0l.pdf)
- [PSE&G Green program](http://www.pseg.com/info/media/thought_leader/carbon_strategy.jsp), [http://www.pseg.com/info/media/thought\\_leader/carbon\\_strategy.jsp](http://www.pseg.com/info/media/thought_leader/carbon_strategy.jsp)
- [Interface, Inc story](http://www.fastcompany.com/magazine/14/sustaing.html), <http://www.fastcompany.com/magazine/14/sustaing.html>
- [small business taxes](http://www.taxpolicycenter.org/numbers/displayatab.cfm?DocID=2242&topic2ID=60&topic3ID=68&DocTypeID=7), <http://www.taxpolicycenter.org/numbers/displayatab.cfm?DocID=2242&topic2ID=60&topic3ID=68&DocTypeID=7>

\* GDP is Gross Domestic Product. It is a measure of a country's overall economic strength. It is the market value of all final goods and services made within the borders of a country in a year. Debt, and many other factors, should be evaluated as a ratio to the GDP, this allows evaluations over years to be comparable, in spite of inflation.