

**Yankee Steve's Column**  
**for the Week of November 18, 2010**

(written 11/13/2010 before the Washington pundits' analyses)

**Another Shellacking!**

President Ronald Reagan said that if you wanted to negotiate with the Soviets you would have to do it from a position of strength. When it comes to negotiating with the G-20, or the really big boys in the G-8, you will have to do it from a position of common sense, which is the one thing that Barack Obama cannot bring to the table when he has to deal with the godfathers of the "free" market.

Obama's recent trip to Asia, which was supposed to bring us jobs and a larger market for export products, turned out to be a costly waste of time. If Obama were on a commission basis he would have had no paycheck this week. Where is Zig Ziglar when we need him?

Obama defenders are saying, "Not to worry, export is only 11 % of America's Gross Domestic Product." May I remind you that that amounts to \$1.4 trillion and countless jobs.

Our President is trying to pull the wool over our eyes. Just like the British economist John Maynard Keynes [1883-1946] he has done his level best to convince many Americans that he wants to use Socialism in order to save Capitalism. However, you can't preach what you don't believe. His recent trip to Asia proves my point. Among the leaders of the money markets of the world he comes off as a nut job with an identity problem. What is he: Socialist or Capitalist? They will acknowledge that Obama knows how to make speeches, but from what they can see he has lost credibility with his own people, who in a recent election went so far as to change Congress just to restrain him.

**Gasp! Gasp!**

Obama has only himself to blame for the fact that the free world is now looking for another leader other than America. His fiscal policies are insane. As soon as the G-20 heard that the Federal Reserve was going to print **600 Billion Dollars**, its members realized that America under Obama's leadership is fast becoming another pre-war Germany. Before World War II in Germany the Deutsch Mark was so worthless it could have been used for toilet paper. When Obama was elected in 2008 the Germans asked, "Will he begin printing money?" They now have their answer.

Pumping \$600 billion into the economy is a recipe for disaster, and the G-20 knows it. The Federal Reserve under Ben Bernanke has cost us the respect of the world. In particular China is wondering if all those Treasury Bills it now owns were manufactured by Mr. George Whipple and the Charmin company.

A devalued currency creates more problems than it solves. In the future when America has to borrow money by selling T-bills it will have to pay out more interest than it does now because lenders will know that our money isn't what it should be. That is scary!

The United States already has to devote 43 cents of every tax dollar collected in order to pay the interest on the money it now owes.

Obama responded to criticism by saying that the move to put \$600 billion into the economy was only intended to put more money into the hand of American consumers in order to stimulate the economy, and that he was not intending to do what the Chinese have done previously, which is devalue their currency so they can flood the market with Chinese products.

If you think that printing \$600 billion dollars sounds very much like a harebrained scheme that Williams Jennings Bryan [1860-1925] might have suggested, you are right. Bryan, who on three separate occasions was the Democrat Party's nominee for president, said that we should back the dollar with silver instead of gold.

Do that, he said, and you will be forced to print more money. Bryan's money was appropriately called "cheap" or "easy money." The cheaper money, Bryan argued, would put more money into the hands of the poor who would then be able to pay off their farms and debts. And by the way, nothing now backs the dollar but the promise of future taxation!

Believe me, I have a great respect for Williams Jennings Bryan, after all he stood up to the miscreants and the Communists that to this day fill the ranks of the ACLU, but printing more money can only mean that money is not what it is supposed to be, but only what it is said to be.

### **Lesson Learned?**

On one occasion events were going so poorly for Obama in Asia that the media, normally the cut man for Obama now turned counter puncher, showed him looking like a beaten fighter. I actually pitied him, an emotion I have never felt for a man whom I believe would shred the U.S. Constitution if given the chance.

And what country, if one in particular, was able to send the leader of the entire free world into his corner all cut and bruised? More than any other it was South Korea which would not sign off on a Free Trade agreement with America which the Obama administration had been pumped to expect.

Like most Asian countries, or most Asians I should say, the South Koreans cannot appreciate what an American is likely to call a "win-win" situation, a deal in which both sides negotiating receive something in exchange. If you have done business with Asians you will understand what I mean. The Asian business-type has an inherent cultural barrier to the kind of deal-making that leaves both parties smiling. Obama is no match for the Asian business man.

That means that next time we send someone to Asia it should be someone who cannot be leveraged. It should be a president who has his books in order who can negotiate from a position of common sense whose government has not cut its own wrist by intentionally devaluing the dollar.

Maybe Obama learned something from his Asian trip.

But can the man that put health care above jobs, who is determined to push through Obamacare even if it wrecks the economy, learn? I certainly hope so because the U.S. economy remains in the dumpster.

Instead of all this presidential on-the-job training, I suggest that we replace Obama in 2012, which as far as I am concerned won't and can't come soon enough.

Ever yours,

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