



Written by [Wallis W. Wood](#) on February 21, 2014

Barack Obama, Jobs Killer

What's the single most important issue facing the country today? According to a recent Gallup poll, a majority of Americans says it's jobs. We need more of them. Millions more.

But thanks to the policies of Barack Obama, we're not getting them. In fact, just the opposite is true. Recent reports from the Congressional Budget Office reveal how two of the President's pet programs will cost this country millions of jobs. They make very grim reading for anyone concerned about the employment picture in America.



The first report dealt with the impact of Obamacare. The CBO estimates that as the Affordable Care Act becomes fully implemented, some two million Americans will either leave the workforce or substantially reduce the number of hours they work.

The reason is simple: They won't want to lose the subsidies for their health insurance. But that's what will happen as their earnings increase, either because they work more hours or get a higher-paying job. The Obamacare insurance subsidies are gradually reduced as a person's income rises. In other words, as the CBO report puts it, Obamacare is really "an implicit tax on additional earnings."

The White House immediately put its own enthusiastic spin on the CBO's projected job loss. Believe it or not, it said this was really good news, because it meant that many people would finally have the freedom to stay home with their children or maybe start their own businesses.

Yep, the Obama Administration said we should all be happy about the loss of two million jobs, because it meant that "Individuals will be empowered to make choices about their own lives and livelihoods and have the opportunity to pursue their dreams."

Sure thing. That "dream" no doubt helps explain why nearly 50 million Americans have signed up to collect food stamps. Welcome to the Obama version of the American dream, which is rapidly becoming the American nightmare for those of us who have to pay the taxes to keep the shell game going.

The employment picture is already pretty grim, with the lowest labor-participation rate since the 1970s. The way the Feds like to count, the unemployment rate in the U.S. is now less than 7 percent, a finding that led to all sorts of back-patting and self-congratulations from the White House.

But of course, "the way the Feds like to count" is as crooked as a corkscrew. As soon as someone stops looking for work, he is no longer counted among the unemployed. So while the Bureau of Labor Statistics sees only 10 million unemployed Americans, the reality is that there are another 91 million Americans — more than nine times that number — who don't have jobs.

Some of them don't need or want to work, of course. They may be retirees or stay-at-home moms. The number also includes full-time students, the disabled and anyone else who doesn't need a job. But even after making every possible allowance, it's clear that the real unemployment number in this country is



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considerably higher than the government's official figure.

The second bit of bad news for the Democrats concerned their campaign to increase the minimum wage by almost 50 percent. They want it raised from \$7.25 an hour, where it is now, to \$10.10.

I'll leave aside for now the whole question of whether the federal government has any business setting wages in this country or whether it has the constitutional authority to do so. Of course it doesn't. But the three branches of government haven't agreed with me on this one since 1938, when the first law was passed by Congress establishing a federal minimum wage.

Now comes a report from the CBO estimating that raising the minimum wage to more than \$10 could cost anywhere from half-a-million to a million jobs.

According to the Labor Department, about 3.6 million Americans earned \$7.25 an hour or less in 2012, the latest year for which numbers are available. Almost half of them were between the ages of 16 and 24. The vast majority were working in entry-level jobs, mostly in restaurants and other service industries.

But here's the good news: Most people who start in minimum-wage jobs in this country won't stay there. After they've increased their skills and experience, they become worth more to an employer. That just makes sense.

There are 146 million people employed in this country, according to the Labor Department. Some 118 million hold full-time jobs, while another 28 million are working part-time. And you know what? Most of them got their first jobs working for minimum wage at McDonald's or some other fast-food joint. Many, if not most, of the people reading this column could probably say the same thing.

How many of those first-time jobs will be lost if the minimum wage goes up by almost 50 percent? We have no way of knowing for sure, of course. But you can bet it will be plenty. That's why the National Restaurant Association warned that increasing the minimum wage will "significantly limit the entry-level opportunities businesses can provide, hurting employees with limited skills or experience and looking to enter the workforce."

So is there any good news on the job front? As it happens, the answer is a resounding yes. It comes from Chattanooga, Tenn., where employees at the Volkswagen plant there voted *against* joining the United Auto Workers.

That isn't what was expected to happen. The UAW had been working for more than two years to clinch the deal. The union had the not-so-secret support of Volkswagen management, which allowed it to campaign on the plant floor while denying opponents the same opportunity.

So it came as a shock when workers voted, 712-626, to reject the union. A victory here was supposed to be just the first step in a long-term campaign to unionize the South. Now, that won't happen — at least not as quickly or easily as the UAW hoped.

In its lead editorial on the subject, [The Wall Street Journal wrote](#), "The decision by workers at the Volkswagen plant in Chattanooga, Tennessee to reject the United Auto workers is the best news so far this year for the American economy."

The same editorial pointed out how the Obama administration had stacked things in the union's favor: "Don't believe those who say this means the end of the UAW," the paper wrote. "It has too many friends in high political places, as the 2009 auto bailouts proved."



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The UAW is threatening to file an unfair labor practice complaint over the election, so this may not be the end of the story. In fact, I can guarantee it's not. But it's nice to have any victory to celebrate. Thanks to those workers in Chattanooga for giving us this one.

Until next time, keeps some powder dry.

Chip Wood was the first news editor of The Review of the News and also wrote for American Opinion, our two predecessor publications. He is now the geopolitical editor of Personal Liberty Digest, where his Straight Talk column appears weekly. This article first appeared in [PersonalLiberty.com](#) and has been reprinted with permission.



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