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inside-track

Mormon Church to Part Ways With Boy Scouts

The Church of Jesus Christ of Latter-day Saints — the Mormons — announced May 8 that it will sever its ties with the Boy Scouts of America (BSA) following a 105-year relationship with the organization.

In a joint statement with the Boy Scouts, the Mormons said the two groups had “jointly determined” that, as of the end of 2019, “the Church will conclude its relationship as a chartered organization with all Scouting programs around the world.”

The statement noted that over the past several years the Mormon Church “has grown from a U.S.-centered institution to a worldwide organization, with a majority of its membership living outside the United States. That trend is accelerating. The Church has increasingly felt the need to create and implement a uniform youth leadership and development program that serves its members globally. In so doing, it will be necessary for the Church to discontinue its role as a chartered partner with BSA.”

The joint statement explained, “While the Church will no longer be a chartered partner of BSA or sponsor Scouting units after December 31, 2019, it continues to support the goals and values reflected in the Scout Oath and Scout Law and expresses its profound desire for Scouting’s continuing and growing success in the years ahead.”

While there was no indication from the statement of ideological or moral differences between the two organizations, one suspects this might have been a factor. In 2014, BSA officials announced that the organization would allow boys who self-identify as homosexual to join its ranks, and in 2015, the organization announced that it would allow openly homosexual adults to serve as Scout Leaders. Following that move, the Mormon Church issued a statement saying it was “deeply troubled” with the direction the Boy Scouts were heading, and that the church would be evaluating its future relationship with the BSA. Also keep in mind that the May 8 statement comes on the heels of the BSA’s announcement that it will change its name to simply Scouts BSA and transition into allowing girls to participate in all scouting activities.

Iowa Latest State to Reject Convention of States

With the adjournment of the Iowa Legislature May 5, the failure of the Iowa Senate to vote on the Convention of States (COS) proposal (HJR 12) made it the 15th state this year to kill the effort to call for a national convention to consider changes to the U.S. Constitution. No states have passed the proposal so far this year.

Those Americans who believe that the document produced by men such as George Washington, James Madison, and Alexander Hamilton in 1787, and ratified by the states over the next few years, is far superior to anything that our present generation of politicians, such as Nancy Pelosi and Mitch McConnell, could produce can now breathe a sigh of relief. After all, as the late Justice Antonin Scalia once opined, “This century is a bad century in which to write a Constitution.”

Patriotic members of The John Birch Society (JBS, the parent organization of The New American magazine) were successful, along with their like-thinking allies, in keeping the COS from even coming to a vote in the Iowa Senate. As part of the effort to kill the Con-Con proposal, the Society sent Robert Brown into the state in January to speak, as part of the JBS’s “The Constitution Is the Solution” series.

In Urbandale, Iowa, a Des Moines suburb, Brown explained why the solution to our present problem is *not* in invoking an Article V Convention, but rather by implementing an “Article VI solution.”

Brown also engaged in a public debate with the Iowa chairman of the Convention of States effort. But members of the JBS did not sit idly by and let Brown do all the work against the Con-Con. They made the critical difference by writing informed letters and e-mails to Iowa senators, providing them with many reasons that a “no” vote was best for Iowa, and best for America.

More Than 62 Million Americans Now Receive Social Security Benefits

According to the Social Security Administration, more than 62 million Americans are now receiving benefits from the program as of the end of the first quarter of 2018. That’s an increase of 330,318 in just three months. Doing the math, that means at the current rate of increase, every month 110,000 more people on average are receiving benefits than the previous month, increasing the demand for those benefits by $150 million every month. That’s based on the average check being received, according to the trustees, of $1,360 every month.

And this from a program that is using up its assets faster than they are being replenished through payroll taxes. Just how long can this last?

When Social Security became law, Section 709 was written in anticipation for times such as these. When assets dwindled to less than 20 percent of the program’s total annual payouts, the trustees were to inform Congress: “If the Board of Trustees … determines at any time that the balance ratio [assets versus annual payouts] … for any calendar year may become less that 20 percent, the Board shall promptly submit to each House of the Congress a report setting forth its recommendations for statutory adjustments … to maintain the balance ratio … at not less than 20 percent.”

This is recognition that Social Security was unsustainable from the very beginning, and that “statutory adjustments” would have to be made from time to time to keep the program from going bankrupt.

As Boston University Professor Laurence Kotlikoff noted in 2016: “The system is in horrible financial shape. Its fiscal gap — the present value of its projected future benefit commitments net of both its projected future taxes and the value of its trust fund — is $26 trillion…. Social Security is 31 percent underfunded. [That’s] another way of saying that Social Security’s 12.4 percent FICA payroll tax rate needs to rise, immediately and permanently, by almost one third to permit the system to pay all of its promised benefits over time.”

United States Will Be World’s Largest Oil Exporter by Next Year

Citigroup announced April 25 that exports of crude and finished oil products from the United States would overtake Saudi Arabia’s by next year. The last week of April, the United States exported 8.3 million barrels per day (bpd) of crude and finished petroleum products. While Saudi Arabia exported 9.3 million bpd of crude and refined products in January, the kingdom plans to cut crude exports to under seven million bpd in May.

With the coming sanctions against Iran thanks to the president’s termination of the Iranian “nuclear deal,” up to another million bpd of crude could be removed from global supply, tilting further the advantage to U.S. producers.

Those sanctions set up the U.S. oil industry to continue to fill the vacuum just as quickly as it can find skilled roughnecks to put up idled rigs and complete wells that were drilled, just waiting for an opportunity such as this. Those DUCs — drilled but uncompleted wells — number above 4,000 and are being brought online as quickly as possible. Labor and material bottlenecks are being resolved, and with oil in the high 60s and lifting costs in the low 30s, the boom in U.S. production will continue to set records — all at OPEC's expense.

OPEC's problems are largely self-inflicted. As a result of its oil-production cuts, it has removed nearly two million barrels per day from world supplies. With help from Marxist Nicolás Maduro, Venezuela's supply to the world market is scheduled to decline by another 600,000 bpd. And now, the arbitrage trade — the difference between the London price of crude (Brent) and the Oklahoma price (West Texas Intermediate) — is over $5 a barrel in the United States' favor, adding additional push behind U.S. producers.

OPEC meets in June to determine whether it will continue its production-cut agreement, scheduled to terminate at the end of the year, or allow the cartel's members out from under its limitations. As more and more of its market share is being taken away by American producers, there is little talk of extending the agreement into 2019.

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