
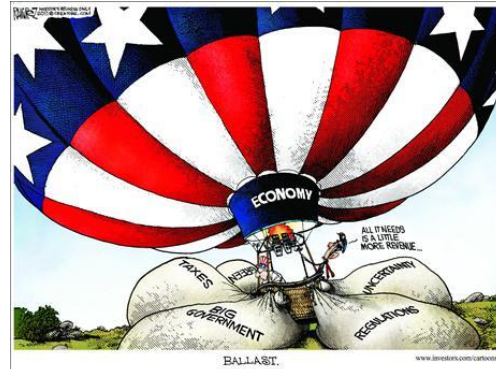


If you don't regularly receive my reports, request a free subscription at steve_bakke@comcast.net!
Follow me on Twitter at <https://twitter.com/BakkeSteve> to receive links to my posts and more!

 **POVERTY & INEQUALITY:
CLEAR CAUSES OF A
COMPLEX PROBLEM
- BUT THE SOLUTIONS
ARE REALLY TOUGH
AND ELUSIVE!
- Part 2 -**

 **Stephen L. Bakke - February 15, 2014**



It's a wonder we make any progress at all!

..... Continued from the last report - [HERE](#) is a link to **Part 1**

I recognized after many difficulties in early childhood that the person who has the most to do with what happens to me in life is me. Other people and the environment could not thwart me unless I permitted it. Only my attitude and acceptance of the victim mentality could get in the way In other words, protect people and get out of the way. - Dr. Ben Carson

Is the power who is jealous of our prosperity, a proper power to govern us? - Thomas Paine, Common Sense, 1776

In the last report I initiated this discussion of the real causes of poverty and inequality. Here I simply pick up where that left off and expand the discussion. **(For related articles go to the end of this report for several links.)** Let's get on with this discussion:

- As a separate point, let's focus on the **changing dynamic between market demand, production, labor, and prices**. The Obama government is trying desperately to insert itself into the formula of production, distribution and pricing of everything. With ObamaCare, and the expansionist efforts with welfare, Obama's policies have gone a long way toward squashing the tradition of ambition for the sake of accomplishment!

Complacency and lowered expectations, caused by this paternalistic government, have removed the drive to achieve and move up the economic ladder. This is a major detriment to the mentality of economic growth and improvement of one's position. **Hence, being stuck in poverty is a common symptom and complaint - albeit mostly fictitious.**

- **Lower and middle class Americans are ultimately discouraged from working more and harder.** Energy and ambition is significantly quieted. That's always been a major factor in a growth economy, and here we are, "letting the air out of the economic tire" with our excess paternalism.

... by providing heavily subsidized health insurance to people with very low income and then withdrawing those subsidies as income rises, the [UnAffordable Care] Act creates a disincentive for people to work. - Doug Elmendorf, Director of the CBO

I'm guessing there are legions of Americans who have little concern about being liberated from the increasingly anachronistic concepts known as decency, dignity,

integrity, morality and hard work. There was a time within my lifetime when the idea that going on the dole was a liberating event would have been treated as the ridiculous – and pernicious – garbage it truly is. – Arnold Ahlert

Certain aspects of multiculturalism, permissive moral relativism, and drifting cultural values are having a negative impact on the potential affluence of many citizens. Some may not like these facts and realities – I can't help that. **These examples of life's challenges strike painfully close to all of us.** But recognizing these to be true and acting to come closer to achieving them in some way would make a huge impact on the potential for an individual's advancement, improve the likelihood of avoiding poverty, and make upward economic mobility more of a possibility! Some of these things that **WOULD** improve the chance for prosperity in the lower economic classes are:

- **Speaking English** enormously improves the odds of improving one's economic status.
- **Education** DOES positively improve one's potential for economic success!
- **Graduate** from high school.
- **Get a job** and strive to work full time!
- **Get married before having children.**
- **Religious individuals and families** (OK, I'm saying it) have a lower potential for poverty.
- Accept the **importance of two parent families** on financial prosperity and mobility.

We are just learning about the impact of these characteristics, but it's easy to broadly represent that various studies of these, individually and in unison, predict that they **can reduce the likelihood of experiencing persistent poverty by 50 to 80%! And according to the NCPA, those who do these things have less than a 2% probability of remaining in poverty and a 75% probability of joining the middle class.**

These facts often are not accepted by progressive multiculturalists. Get used to it, I say! It's true and won't change! **Accomplishing these things won't always be possible, and we shouldn't denigrate those for whom these may not be possible – but what's wrong with acknowledging their real value?** It sounds corny, but why not call these the **"foundations of success"** which could be some of our country's greatest potential equalizers. **Quit fighting against E Pluribus Unum! And, quit distorting the real meaning of religious freedom.**

I hoped to take a peek at someone's idea of what would work in an "ideal" way to create and maintain jobs in the economy. I found one which I will summarize here. This isn't ideal, nor would it be easy to translate into policy and programs, but at least it's directionally consistent with my thoughts and ideas. Here I will paraphrase and give the essence of John Ransom's simple ideas:

- Economies run on the creation and maintenance of **JOBS.**
- If you want more people to have health insurance, provide more **JOBS.**
- Deficit reduction could be a reality if we were in a mode of **JOB** creation.
- If revenues are your concern, and you want more taxes, create more **JOBS.**
- Stabilizing the Social Security "Trust Fund" can be accomplished with creating more **JOBS.**

Economic growth and jobs growth are inseparable. Part of the solution to poverty is policies for growth and freedom of markets to react "rationally." **As Thomas Jefferson believed, (paraphrased) "government, protect the vulnerable, and then get out of the way!"** Obama's policies are so far off mark to accomplish these things it's truly laughable.

According to a CBO report, ObamaCare will reduce employment by approximately 2.3 million jobs in the short term (a few years). This is Obama's signature achievement, and it's "getting' in the way!" **It is one of the major "millstones around our neck."**

There's very little guts in the political arena to address the basic causes of poverty. To do so risks being labeled as racist, sexist, uncaring and insensitive. That means today's dependency is likely to become permanent. – Walter Williams

Equality Under the Law. That is the proposition in which I firmly believe and Progressives do not. This form of equality is specified in our Constitution: Article 14, Section 1. Such equality means that the Law doesn't play favorites level playing field and true equal opportunity a system that is not rigged against them they want to be able to open up opportunities through their own efforts means that government must not engage in social engineering Progressives want the Law to handicap the talented so that the mediocre have an equal opportunity to win. To them this is only fair. Make everyone the same and there will be "social justice." – Chet Richards in American Thinker

SOON! The Congressional Budget Office has released a report disclosing that ObamaCare will cause people to work less – for several reasons! And would you believe the Administration and the democrats in Washington are saying that's a good thing?! One more unbelievable lie! You just can't make this stuff up, ladies and gents! Looking down your intellectual "sights" at true fraud and stupidity SOMETIMES GETS TO BE KINDA' FUN!

Links to related reports on my website:

*Poverty in the U.S. – Understand, THEN Fix – Click [HERE](#)
Minimum Wage Laws – Do they work? – Click [HERE](#)
Economic Mobility & Class Warfare – Click [HERE](#)
Economic Mobility – Does it Exist? – Click [HERE](#)
The Audacity of Obama's Girlfriend Julia – Click [HERE](#)*

*The Size of the Pie vs. the Size of the Slice – Click [HERE](#)
Who Declared this War? – Click [HERE](#)
Class Warfare – Click [HERE](#)
The Millstones Around our Neck – Click [HERE](#)
Quantitative Easing – Click [HERE](#)*

If you don't regularly receive my reports, request a free subscription at steve_bakke@comcast.net!
Follow me on Twitter at <https://twitter.com/BakkeSteve> to receive links to my posts and more!