Bailing out the European Union

by Phyllis Schlafly

January 11, 2012



Phyllis Schlafly

It was bad enough when President Obama bamboozled Congress into passing a Stimulus bill that didn't produce any jobs, then increased the federal deficit in the 2012 omnibus spending bill, then raised the debt ceiling, then bailed out the big U.S. banks, then tried to bail out his pal Solyndra to try to save it from bankruptcy, and then appointed a Jobs Czar who creates jobs only in China. But it's over the top when Obama told the European Council President and the European Commission President that "the United States stands ready to do our part" to bail out Europe.

Bailing out Europe is absolutely not any "part" of "our" duty; we've already bailed out Europe more times than it deserves. Obama didn't give specifics, but he was probably referring to recent proposals to pour more U.S. cash into the International Monetary Fund (IMF) to be used to bail out Europe.

On December 16, the IMF board of governors adopted a proposal to double its resources from its current $375 billion to $750 billion. Of course, other IMF member states thought that was a nifty idea since it would mean that the United States would donate another $100 billion in addition to our present $108 billion stake in the IMF.

Google Ads are provided by Google and are not selected or endorsed by Eagle Forum

The U.S. is the biggest contributor to the IMF; we pay about 17 percent of its budget. A European default could make U.S. taxpayers liable for 17 percent of the IMF's liabilities.

Senator Jim DeMint (R-SC) says we should just say "no" to Europe, and has filed a bill with 26 cosponsors to defund our $100 billion IMF contribution. Rep. Cathy McMorris Rodgers (R-WA) has introduced a bill in the House with 83 cosponsors to reclaim whatever remains of our commitment to the IMF.

There is also the danger that our Federal Reserve System will come to the rescue of the Europeans by making major bond purchases of European debt. That expensive decision may be imminent; apparently, there is no law to prevent the Fed from such extravagant folly.

We the people who end up paying for IMF donations only found out after the fact, because of our federal courts enforcing Freedom of Information Act requests and a congressionally authorized audit of the Fed, that trillions of dollars of emergency loans have already been given to foreign banks. In addition, the Fed simply printed $442.7 billion out of thin air to buy back flaky mortgage-backed securities from overseas institutions that were heavily invested in U.S. housing.

Obama has no business using U.S. taxpayers' dollars, through the IMF or the Federal Reserve or any other secretive agency, to bail out foreign banks.

Obama's narcissism has reached the point where he thinks he can act like a king and do whatever he wants. In addition to giving away our money so recklessly, he has announced his intention to refuse to enforce laws he doesn't like, even though the U.S. Constitution makes it the prime duty of the President to "take care that the laws be faithfully executed."

For example, Obama announced that he won't obey 20 provisions in the $1 trillion spending bill. He specifically repudiated the provision that "none of the funds made available in this title may be used, in whole or in part, to advocate or promote gun control."

Obama also said he will ignore a provision in the appropriation law that bars taxpayer funds from being spent for the "salaries and expenses" of his so-called White House czars. We are particularly annoyed by his attempt to run our government with czars instead of with Americans confirmed in the proper way by the U.S. Senate.

Obama is even trying to make "recess appointments" when the Senate is not in recess.

In a sneaky Christmas Eve release, Obama overturned the U.S. law that prohibits internet gambling. He used a Justice

Department legal opinion (after it had been kept secret for four months) to open the door for all U.S. states to sell lottery tickets over the internet, and to encourage varieties of online web-based gambling such as poker.

This Obama Administration action undermines the U.S. Wire Act of 1961, which up to now has prohibited all wagers via telecommunications across state lines or international borders. Attorney General Eric Holder's lawyers invented the argument that the Wire Act applies only to bets on a "sporting event or contest," but not to a state's use of the internet to sell lottery tickets.

Obama is even refusing to enforce the Defense of Marriage Act (DOMA) and is having his Justice Department try to get supremacist judges to declare it unconstitutional. The Government Accountability Office (GAO) has identified 1,138 federal laws that depend on DOMA's traditional definition of marriage.