



TO: Interested Parties

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RE: New Crossroads Ad Confronts President Obama's Crony Keynesianism

This week Crossroads GPS launches a new nationwide television ad challenging President Obama's latest attempt to reboot his three-year old program of hyperactive government intervention and job-killing tax increases. The new ad, called "Typical," exposes the grubby reality behind Obama's high-flown rhetoric, and begins to clarify the crucial policy choices Americans face: between President Obama's expensive, ineffective agenda and a realistic path toward economic and fiscal recovery.

Last week, President Obama delivered a speech in Kansas which ignored the economic and fiscal wreckage caused by three years of skyrocketing, debt-financed spending and massive government growth. In fact, Obama made no mention of the Depression-level chronic unemployment that is wiping out the future aspirations of millions of college graduates, minorities and working families. Instead, Obama used the occasion to present a fresh rationale for doubling down on the *very same agenda* that has helped prolong and deepen the economic suffering of millions of Americans.

Obama's speech presented America with his vision of a class-based America in which a muscular federal government uses its powers of regulation and taxation to allocate capital, control economic behavior, level outcomes, and battle economic oligarchs who prey on the lower classes. On the surface, this vision is tuned to resonate with Americans who are in economic distress, who feel powerless in the grip of global financial and economic forces that seem to impact their lives. Recent polling and focus group research by Crossroads GPS has found that many Americans have become deeply pessimistic about the country's direction, and are losing faith in the possibility of personal economic advancement that is the essence of the "American Dream."

However, Barack Obama's vision of a powerful, interventionist government has an ugly side: when government allocates economic power through "productive investments" (to use Obama's words), cronies rush to the trough to access the newfound power and funding through favoritism. Money is siphoned off to benefit popular and well-connected industries, and regulatory schemes are bent to advantage favored groups or causes. Instead of a free enterprise system whereby economic growth and reward are allocated on the basis of efficiency, productivity and appeal to consumers, Obama's government-centered model invariably assigns resources and advantages on the basis of favors and connections that are only available through Washington, DC.

Today's new nationwide ad by Crossroads GPS is aimed at exposing this ugly underbelly of Obama's vision, illustrated by the archetypal case of Solyndra – a solar energy company whose financier bundled political contributions for President Obama, which invested heavily in lobbying, which generated meetings with high-level White House officials, which secured a \$535 million loan for the company (backed by taxpayers despite widely aired concerns about the company's financial viability), whose executives received fat bonuses, and whose predictable failure cost both taxpayer resources and jobs.

Last week, President Obama correctly observed that America is engaged in a “raging debate over the best way to restore growth and prosperity; balance and fairness.” For the past three years, Obama has stubbornly insisted that *more government* – more spending, taxation and regulation – is the “best way” to heal America's economic malaise. For most conservatives, the “best way” is to keep more productive capital in the hands of small businesses and entrepreneurs, and pare back the Obama Administration's regulatory chokehold on innovation, energy development and consumer choice.

As Obama tries to whip up optimism about the government's ability to manage the economy and guarantee fairness, the Solyndra scandal provides a powerful cautionary tale about big-government hubris and the cronyism it invariably invites. Effective messaging on Solyndra should focus on the White House's direct engagement in consummating a sweetheart financial deal involving a political contributor; on Solyndra's utterly predictable collapse and cost to taxpayers; on how the company wasted money on things like [extravagant conference rooms](#); and on how President Obama has consistently dodged responsibility and failed to demand accountability for such wasteful cronyism.

The focus on President Obama's Crony Keynesianism doesn't stop with Solyndra, however. While conservatives have found great grist for the mill in African ant studies and experiments on monkeys funded by the \$830 billion stimulus, huge tranches of stimulus funds were shipped to states to prop up unionized government jobs – benefiting the well-heeled public sector unions that back Obama's agenda. The President's politically-driven decision to put 20,000 Keystone XL jobs on ice until after 2012 is another example of how lobbying and special interest access have become the coins of the realm in Obama's government-centered economy.

Solyndra and other examples of cronyism reveal the inherent folly of President Obama's vision of a vastly larger, financially voracious government as a guarantor of economic prosperity and fairness. They help explain why conservatives (and most Americans, in fact) are suspicious of a government that amasses too much power and money for itself, even when motivated by good intentions. The Solyndra scandal also paints a far more complex portrait of President Obama's *modus operandi* than the one he claims for himself: instead of being a neutral agent of change, it turns out that Obama is governing much like a typical Washington politician: doling out government largesse to political benefactors and exercising regulatory power to advantage favored constituencies.

The months ahead may well yield the most intense debate in our nation's history on the “best way to restore growth and prosperity” after the last several years of debt, downgrades and decline. If Americans are to make the right policy choices that will heal the economic and fiscal damage and return us to a path of robust, broad-based economic growth, conservatives need to spotlight issues like Solyndra that remind us why *free people* – small businesses, entrepreneurs, risk-takers and smart consumers – have always been America's engine of economic growth and shared prosperity, not self-aggrandizing politicians and bureaucrats in Washington, DC.