

# Ron Paul's FREEDOM REPORT

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## Ron Paul's TEXAS STRAIGHT TALK

September 9, 2007

### Regulation, Free Trade and Mexican Trucks

Another NAFTA nail is about to be hammered into the coffin Washington is building for the US economy. Within the next few days our borders will be opened to the Mexican trucking industry in an unprecedented way.

A “pilot” program is starting which will allow trucks from Mexico to haul goods beyond the 25 mile buffer zone to any point in the United States. Officials claim this is being done with utmost oversight, but Americans still have their legitimate concerns. Rather than securing our borders, we seem to be providing more pores for illegal aliens, drug dealers, and terrorists to permeate.

Not only that, but the anti-competitive and burdensome yoke of over-regulation of our industry at home is about to send a lot more Americans to the unemployment lines. The American Trucking industry has been heavily regulated since 1935. The express purpose of The Motor Carrier Act was to eliminate competition through permitting, regulating tariff rates, even approving routes. American trucking companies have been fighting ever since for some relief from the substantial regulatory burdens placed on them. Regulatory compliance is the single most daunting barrier to entry, and eats up huge amounts of profit. Now,

to add insult to injury, Mexican trucking companies, not subject to the same onerous standards, will be allowed to roll right in and squeeze American industry further. This will severely undermine the ability of American trucking companies to remain solvent.

The fact that this is being done in the name of free trade is disturbing. Free trade is not complicated, yet NAFTA and CAFTA are comprised of thousands of pages of complicated legal jargon. All free trade really needs is two words: low tariffs. Free trade does not require coordination with another government to benefit citizens here. Just like domestic businesses don't pay taxes, foreign businesses do not pay tariffs—consumers do, in the form of higher prices. If foreign governments want to hurt their own citizens with protectionist tariffs, let them. But let us set a good example here, and show the world an honest example of true free trade. And let us stop hurting American workers with mountains of red tape in the name of safety. Safety standards should be set privately, by the industry and by the insurance companies who have the correct motivating factors to do so.

Free trade is not the problem, and pseudo free trade is what is being offered in the wrongly named North American Free Trade Agreement and all its offshoots. The problem is a government-managed economy and the burdensome regulation that results. For our economy to remain competitive in the world, we must remember what it is to be truly free. We must lift the regulatory shackles threatening to sink our industries into oblivion. Free trade begins with freedom domestically, and we can't afford to lose that.

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**Ron Paul's  
TEXAS STRAIGHT TALK**

September 2, 2007

**Surrender Should Not Be an Option**

Faced with dwindling support of the Iraq War, the warhawks are redoubling their efforts. They imply we are in Iraq attacking those who attacked us, and yet this is not the case. As we know, Saddam Hussein, though not a particularly savory character, had nothing to do with 9/11. The neo-cons claim surrender should not be an option. In the same breath they claim we were attacked because of our freedoms. Why then, are they so anxious to surrender our freedoms with legislation like the Patriot Act, a repeal of our 4th Amendment rights, executive orders, and presidential signing statements? With politicians like these, who needs terrorists? Do they think if we destroy our freedoms for the terrorists they will no longer have a reason to attack us? This seems the epitome of cowardice coming from those who claim a monopoly on patriotic courage.

In any case, we have achieved the goals specified in the initial authorization. Saddam Hussein has been removed. An elected government is now in place in Iraq that meets with US approval. The only weapon of mass destruction in Iraq is our military presence. Why are we still over there? Conventional wisdom would dictate that when the "mission is accomplished," the victor goes home, and that is not considered a retreat.

They claim progress is being made and we are fighting a winnable war, but this is not a view connected with reality. We can't be sure when we kill someone over there if they were truly an insurgent or an innocent Iraqi civilian. There are as many as 650,000 deaths since the war began. The anger we incite by killing innocents creates more new insurgents than our bullets can keep up with. There are no measurable goals to be achieved at this point.

The best congressional leadership can come up with is the concept of strategic redeployment, or moving our troops around, possibly into Saudi Arabia or even, alarmingly enough, into Iran. Rather than ending this war, we could be starting another one.

The American people voted for a humble foreign policy in 2000. They voted for an end to the war in 2006. Instead of recognizing the wisdom and desire of the voters, they are chided as cowards, unwilling to defend

themselves. Americans are fiercely willing to defend themselves. However, we have no stomach for indiscriminate bombing in foreign lands when our actual attackers either killed themselves on 9/11 or are still at large somewhere in a country that is neither Iraq nor Iran. Defense of our homeland is one thing. Offensive tactics overseas are quite another. Worse yet, when our newly minted enemies find their way over here, where will our troops be to defend us?

The American people have NOT gotten the government they deserve. They asked for a stronger America and peace through nonintervention, yet we have a government of deceit, inaction and one that puts us in grave danger on the international front. The American People deserve much better than this. They deserve foreign and domestic policy that doesn't require they surrender their liberties.

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**Ron Paul's  
TEXAS STRAIGHT TALK**

August 27, 2007

**Aging Infrastructure**

The recent and tragic bridge collapse in Minnesota raises many questions in Americans' minds about our aging infrastructure, and what is being done to maintain it. Questions such as: "Was I-35 an isolated accident or are we approaching days when crumbling bridges and bursting pipes will be regular features on the evening news?"

The poor ratings on the inspection report of that bridge, and similar deficiency findings on as many as 25% of our bridges suggests the latter. Estimates on what it will cost to bring deficiencies in our infrastructure back up to par range from massive to astronomical.

Billions of tax dollars at all levels of government are devoted to infrastructure, but one problem is that politicians love to cut ribbons. Political capital is gained not from maintaining or repairing our systems, but from building new bridges, new stadiums, and new roads, often of questionable real utility. Seldom is there a ceremony or photo opportunity for repairing or maintaining something already in place.

As the so-called Highway Trust Fund is set to go bankrupt as early as 2009, private investment firms are gearing up for partnerships, which could be a positive

step, if handled sensibly. What we need to avoid are items such as the Trans Texas Corridor (TTC), which is phase 1 of the NAFTA Super Highway . The Spanish firm Cintra is set to take over toll collections after the TTC's completion, however it is unclear that they'll have any obligations for maintenance. The cost is being socialized, while the profit is privatized, effectively making the American people pay for it twice.

Infrastructure, in a capitalist model, is an asset worthy of maintaining to ensure continuity of revenue. In a government-controlled model, infrastructure is nothing but a cumbersome liability. This should be taken into consideration when developing plans to keep our current infrastructure safe. Privatization should be used to encourage maintenance and safety, and where private companies truly invest and bear the upfront costs in return for ability to collect tolls or usage fees in some form. But public/private partnerships that look more like corporate welfare must be avoided.

We should re-examine how we handle the taxes we collect for infrastructure and how we allocate that money. At the very least, reins need to be put on the Highway Trust Fund. Funds collected from the gas tax should go into the Trust Fund—period.

Even the most ardent liberal and passionate conservative can agree that when they pay gasoline taxes, the least they expect is a road and bridge system that won't crumble beneath their feet. Before any subsidies or welfare payments are paid out, before Social Security is handed out to illegal immigrants, or health care is given to everyone, before bridges to nowhere are built at home, or entire countries bombed and rebuilt abroad, before any other myriad of exotic government projects are even considered, infrastructure should be attended to and taken seriously.

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**Ron Paul's  
TEXAS STRAIGHT TALK**

August 20, 2007

**High Risk Credit**

As markets went on a rollercoaster ride last week, our economy is coming close to a day of reckoning for loose credit policies being followed by the Federal Reserve Bank. Simply, foreign banks we have been relying on to buy our debt are waking up to the reality

of much higher default rates than predicted, and many mortgage backed securities have been reduced to "junk" ratings. Wall Street fears the possibility of tightening credit and the tightening of America's belts. Why, they say, "if Americans spend only what they can afford, think of the ripple effects throughout the economy!" This is the cry, as the call comes for the fed to cut rates and bail out companies in trouble.

More inflation is, however, never the answer to inflation. The truth is that business involves risk, and businesses that miscalculate risk should be liquidated, so their assets can be reallocated to businesses that correctly judge risk and make profits. Instead, the Fed has injected \$64 billion into the jittery markets, effectively amounting to a bailout that keeps these malinvestments afloat, but eventually they will become the undoing of our economy.

In addition to the negative reactions in financial markets, many Americans have taken on too much personal debt owing to exotic mortgage products and artificially low interest rates. Unfortunately, these families are now in the position of losing their homes in unprecedented numbers as the teaser rates expire and the real bills are coming due.

The real answers are, and always have been, found in the principles of the free market. Let the market set the interest rates. If we had been functioning under a true and transparent free market system, we would not be in the mess we are in today. Government, like the American household, needs to live within its means to get back on stable fiscal ground.

We've been headed in the wrong direction since 1971. This week marks the 36th anniversary of Nixon's decision to close the gold window, which convinced me to seek public office to call attention to the runaway money train that would come in the aftermath of that decision. The temptation to print and spend money with impunity, like the temptation to max out lines of credit, is too strong for government to resist. While Nixon brokered exclusivity deals with OPEC to prop up demand for the tidal wave of green pieces of paper the Fed pumped into the markets, the world is tiring of marching to the beat of our drum in order to secure their energy needs. The house of cards Nixon built is now on the verge of collapsing on our heads, and on our children's heads.

As the dollar weakens, it becomes ever clearer that we need a return to sound, commodity-based money for a secure future. Money based on real value, not empty promises and secretive backroom machinations, is the

way to get out of the current calamity without causing even bigger problems.

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**Ron Paul's  
TEXAS STRAIGHT TALK**

August 13, 2007

**High Risk Spending**

To score political points, politicians will make loud noises about fairly small matters such as earmarks, even while refusing to address the real problem. Namely, that our federal government is too big and does too much. Politicians prefer to pass a bill or create a program every time somebody points to a new social problem, this way they can tell their constituents how much they are doing to help. Instead of rationally explaining the proper role of government, politicians have attempted to play the role of friend, preacher, parent, social worker, etcetera—in essence, whatever any organized special interest can demand.

Waste, fraud and abuse are often easy targets. Everybody knows a story of the government doing something absolutely ridiculous and wasteful. Plus, recent headlines have been packed with stories of corruption in Washington.

One thing that has not drawn enough attention is the link between the size of government and the mismanagement that leads to wasted money. If the government was restrained within its proper constitutional functions, it would be far better managed and much more readily would proper oversight occur. You see, while waste, fraud and abuse are very easy to attack, it seems they are much more difficult to actually address within the current federal behemoth. For example, the General Accounting Office puts out a “high risk list” and describes this list as programs with “vulnerabilities to fraud, waste and abuse and mismanagement.”

There are currently 27 programs and operations on this list, up from 26 last year. But here are the more surprising facts: the list was originated with 14 programs in 1990. Of those original 14 programs, from 17 years ago, only 8 have been removed. How can it be that 6 programs remain on such a list nearly two decades later? While government is supposed to move slowly, this is ridiculous.

What GAO is saying is that a problem exists, we

have been aware of it for 17 years, and it is still not corrected. Of course, with the size and scope of federal activity, including attempting to rebuild societies in the Middle East, and massively expanding federal involvement in education (along with thousands of other “programs”), it is small wonder that this list doesn’t really get addressed. Yet it does seem reasonable to ask “If you can’t stop waste in 6 federal programs after 17 years, how exactly will you improve local schools or foreign nations?”

In the time that the GAO list has existed, there have been 33 additions and a mere 18 removals, including two this year. Only when the people demand the federal government stop trying to meet any and all demands, and instead return to a constitutionally limited republic, will the list of programs subject to waste, fraud and abuse be dramatically reduced. While government will never be perfect, a limited government is far more able not to only identify problems, but to actually correct them.

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