the weekly Standard

DECEMBER 20, 2010

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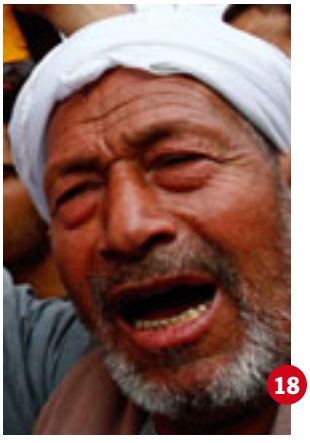
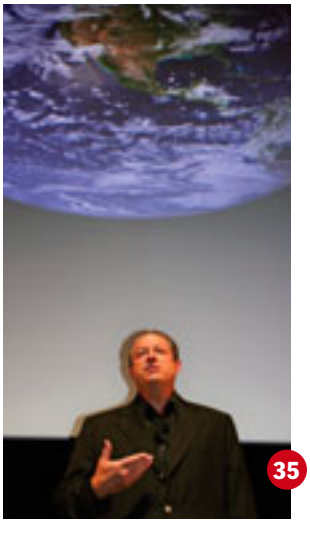




COVER BY HAL MAYFORTH

Public Health Follies

It's no secret that America's public health professionals lean left. As Sally Satel and Theodore R. Marmor reported in these pages in 2001, "The American Public Health Association . . . has taken up far-flung political causes. Campaign finance reform, affirmative action, and the war in Nicaragua have been subjects of its policy statements. In 1996 the theme of the APHA's annual meeting was 'Empowering the Disadvantaged: Social Justice in Public Health.'"

You can now add to that list the issue of military recruiting. In the January 2011 issue of the APHA's *American Journal of Public Health*, two authors compare recruiters to pedophiles. The headline of their commentary asks, "Should We End Military Recruiting in High Schools as a Matter of Child Protection and Public Health?" The Scrapbook won't keep you in suspense: Their answer is yes.

"Recruiters for the various U.S. armed forces have free access to our nation's high schools, as mandated by the No Child Left Behind Act," write Amy Hagopian, Ph.D., and Kathy Barker, Ph.D. "Military recruiter behaviors are disturbingly similar to predatory grooming." The authors continue:

> Adults in the active military service are reported to experience increased mental health risks, including stress, substance abuse, and suicide, and the youngest soldiers consistently show the worst health effects, suggesting military service is associated with disproportionately poor health for this population. We describe the actions of a high school parent teacher student association in Seattle, Washington, which sought to limit the aggressive recruitment of children younger than 18 years into the military.

In response to similar cases of rank politicization, Satel and Marmor commented:

> Fixating on social transformation as the proper role of public health professionals risks taking physicians and epidemiologists away from their traditional mission, or trivializing it. That mission is to develop the scientific and practical bases of disease prevention and to devise effective ways to educate the public about health risks. Misguided political activism is also demoralizing. Columbia University scholar Ronald Bayer, a contributing editor of the *American Journal of Public Health*'s Policy and Ethics Forum, laments that so many of his colleagues believe "public health officials can do little or nothing to change the prevailing patterns of morbidity or mortality in the absence of social change." He dubs that mentality "public health nihilism."

Meanwhile, The Scrapbook notes that over at its website, the American Public Health Association is calling for a "dramatic increase in funding" for public health activities. "A larger investment is required in our public health agencies and programs to equip them with the necessary resources to restore their effectiveness and adequately protect the health of the American public."

Lawmakers on the receiving end of such pleas would do well to bear in mind that the organization making them has a rather capacious, not to say highly politicized, definition of "public health," and a disturbing inability to distinguish between sex predators and the men and women in uniform who provide for the common defense. ♦

Nice Bieber!

By now, it comes as no surprise that 16-year-old Canadian pop sensation Justin Bieber has a large and devoted following, mostly consisting of teen and tween girls who work themselves into a Beatles-like frenzy (known as Bieber Fever). These so-called Beliebers join fan clubs and plaster the singer's face all over their bedroom walls and inside their middle school lockers. In fact, a very large Justin Bieber poster shown here (which more resembles a painting) was recently discovered and even made the news.

Why, you ask, was it at all newsworthy? As it turns out, the poster was not found in some 13-year-old's room. Rather, it was located within the heavily fortified compound of a feared (until now) Brazilian drug lord. Reports the London *Guardian*:

EFE / FERNANDO BIZERRA JR.

> More than two thousand heavily armed police operatives swept into Rio's most notorious shantytown today following a week of explosive confrontations that have left at least 50 people dead.
>
> The operation, unprecedented in the city's history, began at around 8 A.M. and focused on the Complexodo Alemao, a gigantic network of slums that is the HQ of Rio's Red Command drug faction and houses around 70,000 impoverished residents. . . . Gang members reportedly attempted to flee the 2,600 police and army operatives through the favela's sewage system or by disguising themselves as Bible-carrying evangelical preachers.

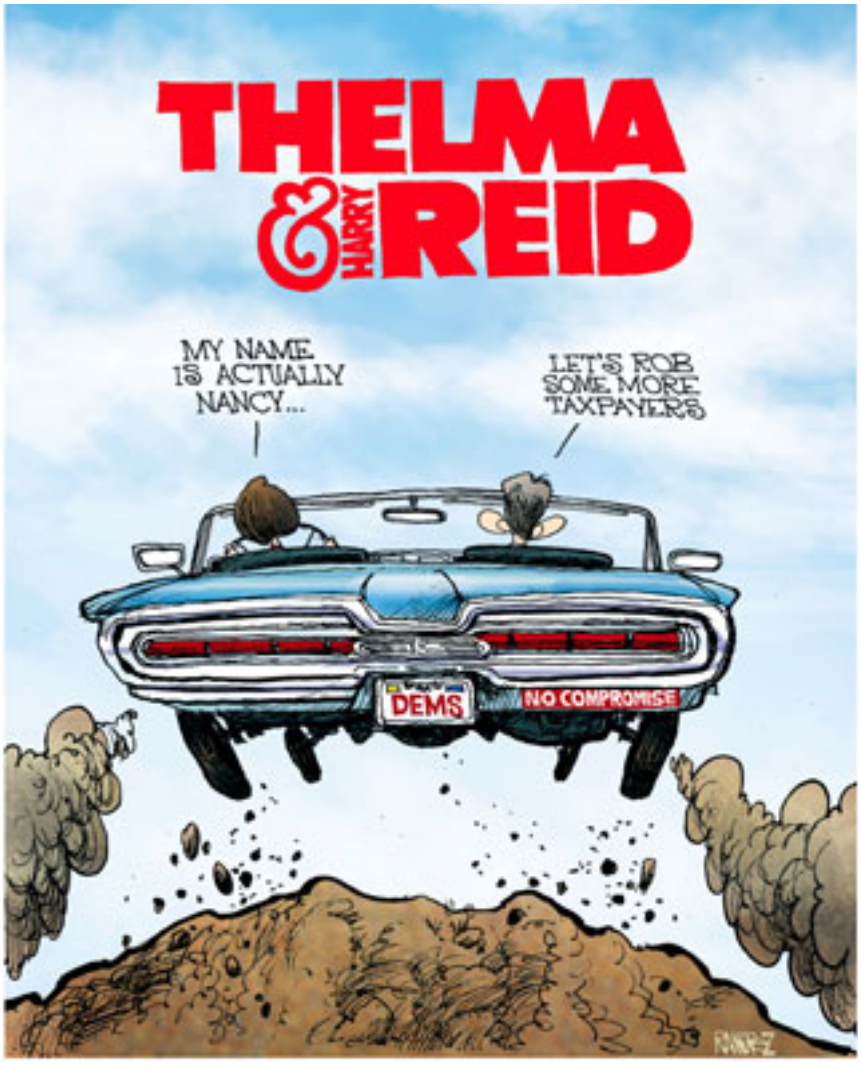
They left behind "mansions" filled with wide-screen televisions, swimming pools and a sauna. In the home of Pezao, one of the area's top traffickers, police found a giant poster of the Canadian singer Justin Bieber.

Authorities also seized 10 tons of marijuana and a "small arsenal of assault rifles and a missile." For all we know, Pezao could have owned an SS-20 Soviet ICBM. It doesn't matter now. His days of intimidation are clearly over. From here on in, this high-level trafficker will probably be known within Brazil's penal system as "Pezao the Belieber." ♦

Berkeley Finds a Soldier to Admire

The civic carnival that is the Berkeley City Council is at it again. The members of the council, who wrote a letter to the U.S. Marine Corps in 2008 saying they were "uninvited and unwelcome intruders" to their shining liberal city on the Bay, have finally found a man in uniform (an American uniform, that is) to admire. According to the *San Francisco Chronicle*, the council will vote this week on a resolution supporting Private First Class Bradley Manning (U.S. Army-under arrest), widely believed to be the source of the purloined State Department cables, as well as other classified intelligence and military information, turned over to WikiLeaks for worldwide dissemination.

The drafter of the resolution, Berkeley's "peace and justice commissioner" Bob Meola, told the *Chronicle* that Manning is "a patriot and should get a medal." While it's certainly a landmark moment when the Berkeley city council positively recognizes any member of the armed services, The Scrapbook looks forward to the day when said member is one who is fighting for his country rather than against it, preferably serving under arms, rather than languishing under armed guard, awaiting trial in the Marine Corps brig at Quantico, Va. ♦



Stuxnet Update

In the continuing saga of Stuxnet, the computer worm that crippled the Iranian centrifuge operation at Natanz, it seems that the Iranians might not be as close to mopping up as people had previously suspected. A few weeks ago, experts predicted that it could take Iran up to a year to disinfect their computer systems and get their centrifuges spinning at peak levels again.

Ed Barnes of FoxNews.com now reports that it might take even longer. Barnes says that a number of Western cybersecurity firms have seen spikes in queries about Stuxnet originating from Iran which, he suggests, may mean that the Iranians still don't have their arms around the problem.

What's even more striking is this quotation, from Ralph Langner, a German cybersecurity consultant who has been on the case with Stuxnet since it first broke into the open:

> "The Iranians don't have the depth of knowledge to handle the worm or understand its complexity," [Langner] said, raising the possibility that they may never succeed in eliminating it.
>
> "Here is their problem. They should throw out every personal computer involved with the nuclear program and start over, but they can't do that. Moreover, they are completely dependent on outside companies for the construction and maintenance of their nuclear facilities. They should throw out their computers as well. But they can't," he explained. "They will just continually reinfect themselves."

"With the best of expertise and equipment it would take another year for the plants to function normally again because it is so hard to get the worm out. It even hides in the back-up systems. But they can't do it," he said. ♦

Obama Out of Touch?

President Barack Obama may need to get out more and reconnect (or connect for the first time) with average Americans. In a December 10 interview with NPR, he commented: "You know, when—when families sit around the kitchen table, they say to themselves, what are the things we have to have? College education for our kids. Paying our mortgage. Getting the roof repaired. A new boiler." *A new boiler*? The Scrapbook notes that only 11 percent of U.S. residences are still heated with boilers. Now pardon us while we go put a penny in the fusebox—we were running our shirts through the wringer and the lights just blew. ♦

Sentences We Didn't Finish

'More than ever, America today reminds me of a working couple where the husband has just lost his job, they have two kids in junior high school, a mortgage and they're maxed out on their credit cards. On top of it all, they recently agreed to take in their troubled cousin, Kabul, who just can't get his act together and keeps bouncing from relative to relative. Meanwhile, their Indian nanny, who traded room and board for baby-sitting, just got accepted to M.I.T. on a full scholarship and . . . " (Thomas L. Friedman, *New York Times*, December 8, 2010). ♦

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Great White Christmas

Some people only dream of a white Christmas. I'm guaranteed one. It's right there in the name of the place where I'm headed—the Great White North.

After nearly a decade of spending almost every Christmas here in Washington—and some pleasant holidays in the even warmer climes of Los Angeles and Mexico—I began going home to Canada again last year. The trip wasn't just a reminder of how much I love my family. It was a reminder of what I'd left behind when I moved to the United States nine years ago.

I'm going up again this month, better prepared for the culture shock that awaits me. For instance, I know it's already looking a lot like Christmas in northern Alberta: My sister, Kristy, sent me a picture of her children's first snowman of the year—on October 22. I know I won't need to step off the tarmac at the Grande Prairie airport to realize I'm in a different country. The realization will set in hours before.

I find that the farther away from the Eastern Seaboard you go, the manlier the men get. At Reagan, you see pundits and politicos, solicitors and scribes waiting for their flights in buttoned-up shirts and ties—some even in pink. They don't look as though they could put together a stereo system, much less build something useful with a few pieces of plywood and a handful of nails. In Denver, where I often change planes, the look is more relaxed. Sweaters and jeans mingle with khakis and polo shirts. The men there might be able to perform minor car repairs. At the gate in Calgary or Edmonton, my hometown, for a flight to Grande Prairie, about an hour south of Kristy's farm, I bet every man in sight could build a house. They're all in jeans and most have hoodies. But they're not always clean. This is oil country. (I was thinking about these fellows recently, when Kristy told me she wanted to set me up with a nice welder or farmer. "What would we talk about?" I asked. My interests run the gamut from literature to classical music, not exactly favorites with your average rig pig. "Do what I did," she advised me. "I learned all about farming and trucks, and we talk about that.")

ROB ULLMAN

Once I get to the farm, there's sure to be something else distinctively Canadian to look forward to—besides my hockey-playing nephew and my nationalistic sister prone to saying "aboot." I'm talking about Old Dutch ketchup potato chips. I can't figure out why this company doesn't export their product down south. A recent Facebook poll asked Canadians what they thought the national dish should be. The choices were: ketchup chips, Nanaimo bars, and poutine (a horrible mess concocted by the Quebecois, probably as a joke). Last time I checked, ketchup chips were winning.

Nanaimo bars are a triple-layer sweet square named after a city in British Columbia and often served during the holidays. But my favorite Canadian dessert is another Christmastime favorite, the butter tart. Think of a pecan pie, but with raisins instead of nuts, making it a much smoother sweet. And I haven't even mentioned Tim Hortons; the donut chain has cornered three-quarters of the Canadian market in baked goods and 62 percent of the market in coffee.

You might notice all these foods fall into the broad category of junk food. Canadian cuisine isn't famous for too many main courses. We need quick energy up in the north—especially our men—as we traipse around the cold in snowshoes, traveling from igloo to igloo.

No, we don't really live in ice huts, though a motel in Grande Prairie calls itself the Igloo Inn. Just about everyone now has a remote car-starter, so it's quite possible even to avoid the cold most days. Still, Canadians, as I say, are a tough breed. And many of us brave the chill to catch some deals on Boxing Day. Which is superior to Black Friday, by the way—Christmas is over, so you're forced to buy things for yourself, perhaps spending those gift cards you received from your uncles and aunts.

After living the year in staid Washington, home to a president who wears mom jeans, I like to spend a wintry week in a place where the men are men. Sure, when I head north I leave behind my Washington tradition of a Christmas Day walk through Rock Creek Park. But perhaps I'll take one when I return, to reacquaint myself with my chosen city. For sustenance, I'll stash in my pocket a couple of smooth butter tarts.

Kelly Jane Torrance

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Good Deal

Imagine the following scenario. It's January 2011. President Obama is on Capitol Hill, delivering his State of the Union address. Behind him is Speaker John Boehner of Ohio. Before him are 87 new Republican congressmen and 6 new Republican senators. In his speech, the president paints a grim picture of America's longterm budget outlook. What is needed, the president says, is an overhaul of both sides of the fiscal equation. The tax code must be made more efficient by closing subsidies and loopholes while lowering marginal rates. Future expenditures must be reined in by raising the retirement age and means-testing benefits. Obama ends his speech by challenging the Republican House and divided Senate to adopt tax and spending reforms by 2012.

State of the Union, Jan. 27, 2010

AP IMAGES / TIM SLOAN

Don't laugh. This vignette isn't as farfetched as it may seem. The rapidity with which the president has been moving to the center-right on fiscal issues is nothing short of amazing. In the aftermath of the midterm election, not only has President Obama frozen nonmilitary federal pay. He's inked a trade deal with South Korea. He's welcomed the budget-cutting recommendations of his fiscal commission. He's negotiated a deal on taxes that would extend current rates for another two years. He's told reporters that he wants to work on a pro-growth tax reform. At this rate, it won't be long before Obama endorses Paul Ryan's Roadmap for America's Future and starts calling for a return to the gold standard.

Okay, we may be dreaming on that last part. But the larger question is this: Are conservatives and Republicans willing to take yes for an answer? Consider the deal on current tax rates. The left is howling that Obama has abandoned his principles and capitulated to the right. Outraged House Democrats are demanding changes to the agreement before they hold a vote. The left is angry because President Obama has reversed a long-held position and agreed to a truce in the class war. What's more, he's spent the last week fighting with many of his fellow liberals, calling them unrealistic, unserious, and sanctimonious.

Music to our ears. And yet some conservatives seem unable to enjoy the melody. Some have fallen into the austerity trap, arguing that the deal costs too much and that tax hikes are necessary to shrink the deficit. They're misguided. You can't find an economist of any school who says raising taxes would hasten the recovery. And economic growth and spending restraint will do more to balance the books than any tax increase. When the unemployment rate is at 9.8 percent, as it is today, the most important priority is to align incentives to encourage work and investment—which the tax deal does.

Other conservatives dislike the deal because it would raise the estate tax from zero in 2010 to 35 percent in 2011 and 2012. But this is just another instance of letting the perfect be the enemy of the good. If no deal is reached, the estate tax will reset to 55 percent next year. Furthermore, there's nothing to stop Republicans from cutting the estate tax in the future. So why let it get in the way of preserving current tax rates on income, capital gains, and dividends now?

Oppose the deal because it's a "back-door stimulus"? Let's not forget that the problem with the 2008 and 2009 "stimulus" bills wasn't that they tried to promote recovery. It was that they failed to promote recovery. They were poorly timed, contained tax cuts that were badly designed, and borrowed huge gobs of money to spend on frivolous social projects. They didn't stimulate anything except the appetites of Nancy Pelosi, Harry Reid, and profligate state and local governments.

The most important stimulus in the current deal is that no one will see their taxes rise in 2011. This means America won't repeat the mistakes of 1932 and 1937, when taxes were raised and the economy suffered. Plus,

the deal contains what may be the first payroll tax cut in American history. Conservatives have backed such an idea for a long time. Are they really going to abandon it now because it might help Obama's reelection chances?

The bottom line is that tax cuts will be off the table for the next two years, while spending cuts will be on the table. That sounds pretty good to us. The deal also lays the groundwork for a GOP budget that returns non-defense discretionary spending to pre-recession levels. It prepares us for a larger conversation in 2012 over the future of entitlements and the appropriate size and scope of the federal government. If President Obama wants to jump in the pool with conservatives and Republicans, so be it. C'mon in. The water's fine.

—Matthew Continetti

Liu's Nobel

The award of the Nobel Peace Prize to Liu Xiaobo, a Chinese intellectual serving an 11-year jail sentence on subversion charges, has accomplished two great things.

First, the award has undermined the image of a monolithic China whose 1.3 billion people are content to be governed by the Communist party. As an advocate for democracy and human rights, Liu has been jailed twice before. In December 2009, he was arrested again because he was one of the most prominent signatories of Charter 08, a manifesto of democratic values and aspirations that was signed by thousands of Chinese citizens.

Hong Kong vigil for Liu Xiaobo.

AP IMAGES / VINCENT YU

The second thing the Nobel prize accomplished was that it exposed a side of the Chinese regime that, until now, Beijing has been able to shield from view. There is no need to rely on Julian Assange to learn that Chinese officials exert intense pressure on foreign countries and companies to get their way—especially when the legitimacy of the regime is at stake. Last week, for example, a spokeswoman for the Chinese foreign ministry declared the Nobel ceremony an "anti-China farce" and denounced the Nobel committee as "clowns."

Indeed, Beijing's sensitivity over Liu is so extreme that the government cancelled the Chinese tour of a musical production about the disabled, starring the Norwegian winner of the 2009 Eurovision song contest. The consequences for the Chinese people, however, are much more serious. During the days leading up to the Nobel ceremony, China placed hundreds of individuals under tight restrictions. Liu's lawyer and friend Mo Shaoping and the law professor He Weifang—both signatories of Charter 08—were turned away at the airport last month, possibly to ensure that they did not travel to Oslo. On December 9, Chinese security forces detained Zhang Zuhua, a key drafter of Charter 08.

At the Nobel ceremony, a chair was left empty for Liu. His wife, Liu Xia, also could not attend. She has been forcibly sequestered at home and threatened with losing permission to visit her husband. This was the first time in 74 years that no one was able to represent a prize winner at the award ceremony. Lynn Chang, an American violinist, performed at the ceremony despite his admission that he thought twice before accepting the invitation, fearing retaliation against his relatives in China and the American academic institutions with which he is affiliated.

To his credit, Chang did the right thing. But his dilemma is hardly unique. Beijing's reach and influence is vast. Over a dozen countries with diplomatic missions in Oslo, mainly authoritarian nations, declined invitations to the ceremony.

Nor is it surprising that no top U.N. official attended the event. Outrageous, yes. But not surprising. When Liu won the peace prize, a spokesman for U.N. Secretary General Ban Ki-moon expressed the secretary general's hope that "any differences on this decision will not detract from advancement of the human rights agenda globally or the high prestige and inspirational power of the award." Ban pointedly did not call for Liu's release. Nor did Navi Pillay, the U.N. high commissioner for human rights, attend the award ceremony. Pillay claimed that she was otherwise engaged with business in Geneva on December 10, international human rights day. The fact that the most significant gathering

in support of human rights on December 10 was in Oslo, not Geneva, should be taken to heart.

Still, there is some good news. Many countries sent representatives to the ceremony. After the European Union rebuked Serbia, an EU aspirant, for not attending, Serbia changed course. Ukraine also reversed its decision not to attend. And perhaps the diplomats who did go to Oslo used the occasion to consult with each other about how to counter Chinese strong-arm diplomacy in Tibet, against Taiwan, and in Xinjiang Province.

President Obama marked the occasion of the award to Liu, his fellow peace prize laureate, by saying that the values the jailed dissident espouses "are universal, his struggle is peaceful, and he should be released as soon as possible." The president will have another chance to deliver this message of support in January, when Chinese dictator Hu Jintao attends a summit in Washington. Let's hope that when Hu visits, President Obama and his diplomats will be as public about American values as China's officials are about theirs.

—Ellen Bork

The Leahy Courts

Alas, Senator Patrick Leahy, chairman of the Senate Judiciary Committee, is the latest politician to turn his attention to the Supreme Court. Leahy thinks the justices have more conflicts of interest than they acknowledge, and should recuse themselves more frequently than they do. He believes that justices actually would sit out more cases if there were a process by which a credible substitute might be named. So he has proposed legislation under which a majority of the justices could appoint a retired justice to fill the seat in a case in which the chief justice or an associate justice was recused.

Leahy thinks his bill would keep the Court at full strength. He worries that a case in which a justice is recused may result in a 4-to-4 tie. In that situation, the decision from the lower courts is left standing, and everyone's time is wasted, in Leahy's opinion.

The senator advances his idea in a not irrelevant context. Recusals were relatively rare until the appointment to the Court of Elena Kagan, President Obama's solicitor general. Kagan ran the office within the Justice Department that represents the government in the Supreme Court and shapes its positions in the lower courts, arguing a few cases herself. Her involvement in 2009 and 2010 in issues now coming to the Court was so extensive that she already has recused herself in almost half the cases the Court so far has accepted for review this term.

This means that in those cases the Court will lack the participation of what most observers expect will be a reliable judicial liberal, reducing the number of such justices to three on a closely divided Court. Under Leahy's proposal, however, there would be little or no fall off in the Court's judicial liberalism, since the pool of retired justices from which the eight active justices would be able to pick would include Sandra Day O'Connor, David Souter, and John Paul Stevens. There isn't a judicial conservative among them, and two of them—Souter and Stevens—are as liberal in their philosophy as Kagan is likely to prove (perhaps even more so). It's doubtful that Leahy would be proposing his remedy to the Republic-shaking problem of a justice's recusal if the pool of retired justices were made up of judicial conservatives.

The naked political cast of Leahy's proposal is one reason it will fail. The new Republican House and a strong Republican minority in the Senate will make sure that it does fail. But the proposal is dubious on other grounds as well. It might not achieve the more frequent recusals Leahy wishes for, since a justice pondering recusal could very well decide to stay in a case in order to keep out of it a retired justice with a different view of the law. More fundamental is the objection that Leahy's proposal envisions differently composed Supreme Courts, as one retired justice sits in this case and then another retiree in that. The precedential value of decisions rendered by a Court with pinch-hitting justices would likely not be as strong as those handed down by "one supreme Court," as the Constitution describes it. The result, almost certainly, would be litigation probing the authority of decisions carrying the asterisk that signifies a Leahy Court.

In any case, we are fortunate that this parade of horribles is unlikely to occur. The operative word in Leahy's legislation is "may," which means that even if his bill were ever to pass, it would still be up to the Court to do as it wished when a recusal occurs.

So the status quo will persist. But it must be said that a 4-to-4 tie is not the worst thing that can happen. While a tie effectively postpones resolution of the legal question at issue, it also permits more time for learned consideration of the matter. And as for Justice Kagan's many recusals to date, she is likely to have a great many terms in which she'll participate in every case. Here, too, liberals, made anxious by the results of the midterm elections, will have to learn patience.

—Terry Eastland

Railing Against Big Government

Ohio's John Kasich and Wisconsin's Scott Walker said no to Obama. But the taxpayer didn't win.

BY STEPHEN F. HAYES

GARY LOCKE

When Wisconsin voters elected Scott Walker governor in November, they did so in no small measure because of his pledge to kill a stimulus-funded $810 million railroad connecting Milwaukee and Madison. Walker campaigned extensively on ending the project, which he deemed both unnecessary and wasteful. Completion of the "high-speed" rail, he argued, would obligate the state to cover shortfalls and operating costs for years—something foolish for a state with a $3 billion deficit. There was little market for the rail service, imagined as one segment of a longer Chicago-Milwaukee-Madison-Minneapolis route. By the end of the campaign, voters overwhelmingly disapproved of the project—which Walker had used effectively as a local illustration of the kind of wasteful government spending that voters across the country rejected on November 2.

John Kasich made a similar argument in Ohio. A high-speed rail project there, also initially funded with some $400 million in stimulus money, was to connect Ohio's three biggest cities—Cleveland, Columbus, and Cincinnati. But there was little public enthusiasm for the project, which wouldn't even have allowed an Ohio State fan to travel from Cleveland to Columbus and back on game day. And, as in Wisconsin, Ohio would have been on the hook for operating expenses and cost overruns. Kasich, like Walker, promised to kill the boondoggle.

This left the Obama administration with a dilemma. In the rush to put together the $814 billion stimulus package, the administration had packed it with funding for projects—like electric cars and high-speed rail—that had long been favorites of the we-know-better crowd in Washington. Voters of two Midwestern states, judging from the elections and polling on the issue, had looked at the administration's $1.2 billion stimulus gift and said, with characteristic Midwestern politeness, "No, thank you."

The Obama administration wasn't having it, these voters not understanding what's good for them. So they insisted: You'll take the damn trains—or else! Secretary of Transportation Ray LaHood told both Kasich and Walker within days of their election that if their states didn't want the money, other states were eager to get their hands on it. In other words, if you don't want to waste our money, we'll find someone who will.

Walker proposed that the money be repurposed to fund Wisconsin's real transportation needs: improving the state's bridges and highways. Nearly 20 percent of Wisconsin bridges have structural deficiencies and are in need of replacement or rehabilitation. The Hoan Bridge, which connects the city of Milwaukee to its southern suburbs, has a net in place to catch debris falling from the bridge so that it doesn't damage property or injure people below. In a recent study of the state's infrastructure needs by the American Society of Civil Engineers,

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Wisconsin's bridges received a "D+" and the highways got a "C"—grades which had slipped from the previous study in 2003. On highways the report noted that "without additional funding, this grade will decrease in the future." And on bridges, the report found that "additional funding beyond current levels will be needed to continue reducing the backlog of deficient bridges."

Kasich, a noted deficit hawk, proposed that Ohio return the $400 million to the federal government to be used exclusively for deficit reduction. Three Wisconsin congressmen, including Representative Paul Ryan, introduced legislation that would do the same thing with Wisconsin's money. Together, that would mean a savings of $1.2 billion—not a huge amount in the context of the federal budget, but not insignificant for an administration suddenly concerned (at least rhetorically) about deficits.

But the administration, with a vice president who loves Amtrak even more than the sound of his own voice, is determined to spend the money on trains—somewhere, somehow. So last week, LaHood announced that the stimulus money would be going to California and other states.

What about the jobs in the Midwest? When Wisconsin was awarded the money, back in 2009, Governor Jim Doyle, a Democrat and early Obama supporter, boasted that it would bring 13,000 jobs to the state. Can Wisconsin afford the potential loss?

Probably. Doyle came up with the number 13,000 by counting as a "job created" every year worked by every person remotely associated with the project. So when John Smith, an engineer, worked on the train for five years, Doyle counted that as five jobs created. A Doyle spokesman told the *Milwaukee Journal-Sentinel* that they "were just following the recommended federal formula."

So how many permanent full-time positions would the $810 billion rail project have created? According to the state's own revised projections—55.

How will people get from Milwaukee to Madison? Most of them will probably continue to make the hour-long drive on Interstate 94, just as they would have if the train had been built. Others will take the Badger Bus—an upscale coach service (with WiFi) that does the round-trip for $35.

And what did Wisconsin avoid? It's hard to know exactly. But recent developments in Minneapolis might provide a clue. Last year saw the completion of the "Northstar," a 41-mile commuter rail from Big Lake, Minnesota, to Minneapolis. It was touted, with *Field of Dreams* expectations, as the answer to the area's commuter woes. Train proponents dismissed skeptics as unimaginative grumps who couldn't understand how popular the train would become.

So Minnesota built it. But they didn't come—at least not in the numbers the state had projected. Ridership is 20 percent lower than estimates—and fewer riders mean fewer operating dollars. (Those numbers might actually be atypically high, as the Minnesota Twins' successful season accounted for some of the ridership.)

"That's not how we built our expectations," Metro Transit spokesman Bob Gibbons told the *Minneapolis Star-Tribune*.

Oh well. Might be a warning.

Rick Scott, the Republican governor-elect in Florida, also ran opposing high-speed rail for his state. He has not yet rejected the federal funds altogether, but has said he is committed to preventing Floridians from paying later for a train built with stimulus funds now. Good luck with that.

Florida's share is another $1.2 billion. In all, that's $2.4 billion in potential savings that the administration is determined to spend despite the fact that those closest to the projects don't want them.

The political implications of the disputes are huge: Ohio decided the 2004 election, Florida decided 2000. And though Wisconsin had been trending Democratic, it voted overwhelmingly Republican in November.

If the next election is, like the last one, a referendum on Washington, high-speed trains could be the third rail for the Obama administration. ♦

Pence's Presidential Pensées

An Indiana congressman's critique of Obamaism.

BY TERRY EASTLAND

It may be startling to imagine the American presidency as a train that "has run off the rails." But that's the metaphor Indiana Republican Mike Pence chose in a speech he gave at Hillsdale College on September 20 titled "The Presidency and the Constitution." Elected last month to his sixth term in the House of Representatives, Pence also delivered a version of the speech in mid November to the Federalist Society in Washington. His sober thoughts on the presidency have been gaining notice in conservative circles, and it's easy to see why.

Pence assigns responsibility to both Democratic and Republican presidents for the wreckage piling up alongside the tracks. But he is most concerned about the contributions to this disaster being made by the current occupant of the Oval Office, Barack Obama. Pence's sometimes oblique criticism of Obama is unusual in that it has far less to do with the president's poli-

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cies—though Pence's differences here are deep—than with what the congressman sees as a lack of public virtue or character. Pence says flatly that we need a new president.

Pence's view of the presidency—and his argument against Obama—begins this way: A republic is about the "limitation" of power; the separation of powers provides such limitation; and the presidency has a special responsibility to limit bad and unconstitutional exercises of legislative power. In recent years, however, presidents of both parties, he said at Hillsdale, "have often forgotten that they are intended to restrain the Congress at times" by using the veto power that comes with the office.

Pence thinks President George W. Bush was too forgetful, declining to use the power until his second term. "I view the veto as a very ordinary tool of restraint by the executive," Pence told me in an interview. He believes that Bush's neglect of his responsibility to veto helped bring about "the runaway spending and earmarking culture" of the past decade that has continued and even worsened under Obama, gaining expression in larger deficits and the growing national debt.

As for Obama, so far from seeing his office as a possible restraint upon Congress, he has regarded it, said Pence in his speech, as "an instrument with which to transform the nation . . . according to his highest aspirations." Thus, Obama has not restrained himself much less the Democratic Congress (two vetoes to date), but instead has enlisted it—a willing participant—in his transformational labor. This is how you get a Congress unbound, Pence said, passing bills such as the health care legislation "of such insulting complexity that they are heavier than chains."

Pence sees Obama as antirepublican, a man who regards himself as "above us" instead of as "merely one of us." This "above us" mentality has led to a lack of respect for the people and an unwillingness to defer to their judgment. "My sense," Pence told me, "is that from the very outset this administration . . . acted as though the president was elected to move his agenda irrespective of the broad desires or sentiments of the American people." It was undeterred when items on the Obama agenda, most notably health care reform, saw "rising public opposition throughout their consideration" in Congress.

Pence finds Obama a man of "unprecedented presumption," meaning that he has so little regard for the people and their forms of government that he presumes to use the powers of government to *rule*. Use of that word might seem over the top but for the fact, noted in Pence's speech, that two years ago the leader of Obama's transition team actually said, "It's important that President-elect Obama is prepared to really take power and begin to rule day one."

We have reached the point with the Obama presidency where it may have worn out its welcome with the American people.

Pence's criticism of Obama's character extends to the president's representation of the country abroad. As long as he is "at home," a president should be "cautious, dutiful, and deferential," Pence said at Hillsdale, but "abroad his character must change." The president "bows to no man," nor does he "criticize [his] own country," nor does he "argue the case against the United States but [makes] the case for it," nor does he "apologize to [our] enemies." Obama was not mentioned by name in these passages, but it's clear that in describing how a president should conduct himself abroad, Pence had in mind what he regards as the negative example of Obama.

Pence gave his speech before the midterm elections, and it can be read as his sense of how they would turn out and why. Arguing that the presidency "is neither fit nor intended to be" an instrument of transformation as envisioned by its occupant, Pence said that when a president attempts such a transformation, "the country sustains a wound, and cries out justly and indignantly" and says that "we as a people are not to be ruled and not to be commanded." And so the midterm electorate voted as it did on November 2.

Against this interpretation, Obama has taken the view that he and his party failed adequately to communicate with the American people about the bills they were passing and the good they were doing. Pence told me that was a "peculiar conclusion," especially since the president himself had appeared on so many media programs, including even *America's Most Wanted*, as to become a "ubiquitous figure in the popular culture."

For Pence, such ubiquity is not good for the presidency. Nor does it become the office to have a president who can't help intruding himself, it seems, into matters not of presidential concern. In our interview, Pence cited as an example how Obama took the brief detention of Henry Louis Gates, the black Harvard professor of African-American Studies, by a white Cambridge police officer as an occasion to talk about race in America—even though the matter, of passing significance, had no federal angle. Pence also pointed to Obama's comments on whether an Islamic cultural center should be built near Ground Zero in Manhattan, another local matter. These are the actions of a man who, Pence implied at Hillsdale, does not "know when to withdraw, to hold back, and to forgo attention, publicity, or advantage."

We have reached the point with the Obama presidency, Pence told me, where it may have worn out its welcome with the American people. Pence's point is that the presidency is best served by someone who refuses to see it—or himself—as the center of American life, someone who has the discipline, which Obama "has lacked more than any other president in my lifetime," to "take a half step back and let America be the lead story." As Pence put it in his speech, "the presidency begs . . . [for] a new president."

What about a President Pence? It seems improbable if you con-

sider that James Garfield was the last man to ascend to the Oval Office from a seat in the House. But Pence may have the qualities the country is starting to look for in its next president. He is a traditional conservative in a country whose electorate has become more conservative. Of special relevance—and a reason he is a Tea Party favorite—is his record as a fiscal conservative. Pence voted against expensive expansions of government supported by Bush and many of his House Republican colleagues, among them the No Child Left Behind Act (2002), the Medicare prescription drug law (2003), and the Troubled Asset Relief Program (2008). In a speech to the Conservative Political Action Conference in 2004, Pence, who is evidently fond of transportation metaphors, imagined the conservative movement as a tall ship at sea that "has veered off course" into "the dangerous and uncharted waters of big government Republicanism."

Not surprisingly, Pence is thinking about running. "We're determined to come to some decision on that after the turn of the year," he told me. If he does run, he may find that what he has said so far about the presidency poses a problem to the extent that he is seen—or caricatured—as aspiring to sit in the Oval Office and do little except tell an overreaching Congress "no."

In fact, the Framers wanted a president who not only could check Congress but also would undertake as necessary what Alexander Hamilton called "extensive and arduous enterprises for the public benefit." Pence does have proposals that would be of clear public benefit—most notably, on tax and regulatory reform. They would be "extensive" in their public reach and "arduous" in the work necessary to enact and implement them. Perhaps the real challenge for Pence would be to run a campaign promising to use the powers of office not to transform the country by instituting yet more government, but to bring about good government limited to its proper sphere.

As for presidential character, Pence has raised a subject that could well receive consideration in 2012 since Obama, whose public demeanor he has called out, will run for a second term. And while it is true that the Constitution doesn't address the president's character as such, we have some idea of how presidents should conduct themselves both from the way the presidency was arranged in 1787—the veto being a critical part of the structure—and from, as Harvey Mansfield has written, "the formation of the office by the best presidents." One was George Washington, who seems never far from Pence's mind. "Washington's character and person is as much of the expectation of the presidency," Pence told me, "as what's included in the written Constitution."

Pence posed this question at Hillsdale: "Isn't it amazing, given the great and momentous nature of the office, that those who seek it seldom pause to consider what they are seeking?" Amazing indeed. But if Pence runs, he'll be a welcome exception. ♦

Congress Must Invest in Infrastructure

By Thomas J. Donohue
President and CEO
U.S. Chamber of Commerce

With the 111th Congress winding down, lawmakers are focusing only on must-pass legislation required to fund the government and to extend the 2001 and 2003 tax cuts. Unfortunately, some important work was left undone in the past two years. Topping the list is investment in transportation infrastructure—our economic foundation.

It wasn't too long ago when we had the best transportation network in the world. Americans could travel quickly and safely, businesses benefitted from efficient supply chains, and the construction industry employed thousands. In 2010, however, America's basic infrastructure was ranked 11th globally by the World Economic Forum.

The consequences of our deteriorating infrastructure can be seen everywhere. Poor road conditions cost Americans $67 billion each year in repairs and operating costs according to TRIP, an organization that conducts transportation research. Increasing congestion on our roadways is making it harder to keep supply chains functional. Crumbling infrastructure is even a matter of life and death—highway conditions play a role in about one-third of traffic deaths.

To keep us from falling even further behind, the 112th Congress must make completion of a highway and transit bill a top priority. In the process, lawmakers should consider the report issued by President Obama's fiscal commission. It demonstrates how we can cut wasteful spending, grow the economy, and create jobs through smart transportation investments. Recommendations include reforming the Highway Trust Fund to prioritize funding for projects based on need, limiting investments based on available funds, and increasing user fees to reflect changes in how we travel.

If done right, investments in transportation infrastructure can spur economic growth. A study conducted for the U.S. Chamber found that there is a direct relationship between infrastructure performance and GDP. A 1-point increase in transportation effectiveness leads to a 0.3% increase in GDP, or $42 billion. If we pursue business as usual, we will suffer nearly $336 billion in lost economic growth by 2015.

With the country projected to run a $1.3 trillion deficit in 2010 and Americans strapped for cash, we can't count on tax dollars alone to pay for improvements. That's why we need to sweep away the regulatory roadblocks that are keeping $180 billion in private infrastructure investment on the sidelines and incentivize governments to turn to the private sector.

Economic growth, jobs, and enhanced safety and mobility—what's not to like? I strongly urge members of the 112th Congress to make rebuilding American infrastructure a top priority. Or we'll just slip further behind.

U.S. Chamber of Commerce Comment at www.chamberpost.com.

The Obama Team's Other Lost Election

Despite the administration's thumb on the scale, Delta doesn't unionize. BY FRED BARNES

President Obama has done more favors, more often, for organized labor than any other president, outpacing even FDR and Harry Truman in the lightning speed with which he has rushed to fulfill the union agenda. Calling Obama pro-union is putting it mildly.

His paybacks to unions have come in every conceivable form: appointments, executive orders, legislation, bailouts, regulations, policy changes (notably at the Department of Labor), protectionism. Most recently, the Obama administration renegotiated the trade pact with South Korea, in part to gain the approval of the United Auto Workers (UAW).

But Obama has failed to cajole Congress into enacting organized labor's fondest dream, the elimination of the secret ballot in union organizing elections. He hasn't, however, given up trying to make it easier for unions to organize workplaces and industries and more difficult for employers to resist. That's a fundamental Obama policy.

Which brings us to the case of Delta Airlines. The Obama administration stacked the deck in favor of two unions, the Association of Flight Attendants (AFA) and the International Association of Machinists and Aerospace Workers (IAM), in a series of elections this fall after Delta acquired Northwest Airlines. There was a lot at stake.

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For labor, it was the biggest drive to unionize a company since it signed up 70,000 workers at Ford Motor Company in 1941. Success in organizing 56,000 Delta employees would represent a dramatic reversal of the decades-long decline of unionization in the private sector.

With the Obama administration on their side, the unions expected to win the elections and end Delta's status as the only major airline with a largely nonunion workforce. (Delta pilots have been union members for years.) But the AFA and IAM lost in what was not only a shattering defeat for labor, but also a reflection of the sharply diminished appeal of unions for most workers today.

Marching unto defeat: labor activists outside Delta headquarters

AP / ERIK S. LESSER

The final election, conducted last week, delivered the most stunning verdict. Delta workers at airports and reservation centers rejected the IAM, 70-30 percent. In November, flight attendants voted against unionization, 52-48 percent. Ramp (or "under the wing") employees voted not to join the IAM, 53-47 percent. And maintenance workers turned down the IAM more decisively, 72-28 percent. Sensing defeat, labor unions had earlier decided not to attempt to unionize four other groups of employees: mechanics, technical writers, meteorologists, and "simulated technicians."

It was a clean sweep for Delta and shocking to labor organizers. As a result, 17,000 former Northwest employees who had been union members will become nonunion once the election results have been certified. That may take a while because the unions have filed formal complaints that Delta interfered with the election. They are seeking a new election. Unions do this routinely when they lose an election. They are poor losers.

How did Delta thwart the unions? The company pointed out its pay and benefits are 10 percent to 15 percent above those of unionized employees who had worked for Northwest and have been for years. Higher pay, better benefits, no union dues—that was the argument. And it proved to be compelling.

To defeat the union campaign, Delta had to overcome a serious obstacle put in its path by the Obama administration. Airlines, like railroads, are subject to the Railway Labor Act, under which labor relations are governed by the National Mediation Board (NMB). The administration created a pro-union board, which then changed election rules to favor unions, especially the two seeking to organize Delta.

The first steps were two appointments to the three-member NMB that produced the pro-union majority. Both are former union executives, Harry Hoglander of the Air Line Pilots and Linda Puchala of the Flight Attendants. That was followed by a request by the AFL-CIO to change the rule for airline and railroad union elections. For nearly 80 years, it took a majority of the entire group of workers to win an organizing election. The NMB decided only a majority of

those voting was necessary to prevail.

The AFA had lost two elections under the old rule. They had officially filed for elections at Delta before the AFL-CIO intervened, but withdrew their requests in anticipation of the NMB decision. While elections at other airlines proceeded under the old rule, the new rule was applied to the elections at Delta.

"The rule change seemed to be aimed specifically at Delta," says Glenn Spencer of the U.S. Chamber of Commerce. Indeed it was. But it didn't work. By the way, the Carter and Clinton administrations looked at changing the election rules, but chose not to. The change engineered by Obama also makes it all but impossible to have an election to "decertify"—or throw out—an airline or railroad union.

The elections at Delta are not the end of the story. The NMB gets to determine whether the airline interfered with the election by doing such things as allowing employees to vote on Delta computers. Given the board's bias, it's possible a new round of elections will be ordered.

Obama's partiality toward unions, meanwhile, is likely to affect the effort to get Transportation Security Administration (TSA) airport screeners into a union. The issue is now before the Federal Labor Relations Authority (FLRA), which is to reach a decision early next year. Two of the three FLRA members are pro-union Democrats appointed by Obama.

The press has scarcely covered any of this—Obama's unfailing favoritism toward unions over employers, the crushing union defeat at Delta, the never-say-die crusade to unionize TSA. The president is fortunate his labor record has gotten so little attention.

This allows him to insist he's not antibusiness. In fact, he is. You can't be as aggressively pro-union as Obama is, giving organized labor the upper hand whenever you can, and still be considered pro-business. A study by Larry Summers, the president's chief economic adviser, found that where unions dominate, economic growth suffers. So you have to choose. And Obama has. ♦

Al Jazeera's World Cup

Qatar politics.

BY LEE SMITH

Now that the 2022 World Cup has been given to Qatar, details of improprieties in the decision-making process of international soccer's governing board, FIFA, are starting to trickle out. There are rumors that the small emirate in the Persian Gulf with the world's third largest reserves of natural gas paid more than $6 billion just to win the bid, some of it over the table and much of it not. In any case, the Qataris will spend billions more in preparation for the event, building hotels and restaurants as well as soccer facilities, like nine new air-conditioned stadiums to accommodate the players and fans who will overwhelm a tiny peninsula of around 1.5 million people where the temperature regularly reaches 130 degrees in the summer months.

Winning the right to host the world's greatest sporting event should be seen as the culmination of Sheikh Hamad bin Khalifa Al Thani's grand plans for Qatar—a project that began when he deposed his father in a 1995 coup. Since then, the 58-year-old emir has been on a steady shopping spree, with a particular interest in Western goods and baubles and institutions, like the I.M. Pei-designed Museum of Islamic Art and a campus of the Georgetown School of Foreign Service, lured to Doha with large sums of cash to offset endowments shrunken by the financial crisis. All along, the emir has been accompanied by his famously appealing and stylish wife, Sheikha Mozah, who's regularly profiled in society and fashion magazines—most of which neglect to mention that this standard-bearer of Arab female modernity is the second of the emir's three wives. That is to say, there's something a little off about Qatar.

The country is "problematic," Mossad chief Meir Dagan told U.S. diplomats. The emir himself, said Dagan, in State Department cables stolen by WikiLeaks, "is annoying everyone." Dagan advised the Americans to remove their bases from Qatar, the most important of which is an air field in Doha that can serve as a forward headquarters for the U.S. Central Command, or CENTCOM. Interestingly, CENTCOM's main adversaries—the Islamic Republic of Iran and its regional assets, Syria, Hezbollah, Hamas, and insurgent outfits in Iraq and Afghanistan—are stars on the Qatari emir's most famous asset, the TV network Al Jazeera, which has made the emir one of the Arab world's top political powerbrokers. Without the fame and influence of Al Jazeera paving the way, Qatar never would have won the World Cup bid.

It is instructive to consider the role Al Jazeera plays in the region. The network, said an American diplomat in one of the WikiLeaks cables, "will continue to be an instrument of Qatari influence." But it is more useful to think of it the other way around—Qatar is an extension of Al Jazeera. The Doha-based satellite network is the most successful and dynamic Arab cultural and political institution of the last half-century.

If major Arab powers like Egypt and Saudi Arabia resent Qatar, they have only themselves to blame for stagnant regimes ruled by monarchs and hereditary republics. Qatar is typically belittled even in comparison with another

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tiny Persian Gulf emirate, Dubai—the flashiest of the seven United Arab Emirates, with giant skyscrapers, the world's only "six-star" hotel, celebrity chefs, and bordellos that cater to every whim. And yet the financial crisis crippled Dubai, exposing it as little more than a real estate Ponzi scheme, while Qatar has gone from strength to strength. Dubai prided itself on staying out of politics, which in retrospect was precisely the problem, for Qatar's chief export is one valued in the Middle East even more highly than oil—political ideology. The Al Jazeera revolution was a variation on an old theme: By playing the heartstrings of the Arab middle classes with anti-Israel and anti-American sentiment, Qatar wended its way into the mainstream of Arab politics.

It was Egyptian president Gamal Abdel Nasser who first showed how the media could be used as a strategic asset in the Middle East. Thanks to its recording and movie industry, Cairo was the media and entertainment capital of the Arab world through most of the twentieth century. In mid-century, the region's two best-known voices belonged to Umm Kulthum, the renowned Egyptian diva, and Nasser himself, whose broadcasts electrified the Arab masses across the Middle East while they set his Arab opponents on edge.

His main targets were the so-called "conservative" Arab regimes, U.S. allies like Jordan and Saudi Arabia, whom Nasser accused of all sorts of treacheries. Most famously, the Egyptian president continuously incited the Iraqi people to rise against their government, which they finally did in 1958. The mobs tore Prime Minister Nuri al-Said to pieces, while Nasser punched holes in the Eisenhower administration's regional policy, which had invested heavily in Nuri and the Baghdad Pact. According to Michael Doran, a former Bush White House aide writing a book about Eisenhower's Arab strategy, "The irony was that the Americans had effectively handed Nasser the means to dispose of Nuri. The CIA itself had set up the Egyptian ruler's radio station, Voice of the Arabs."

This time around, it wasn't Washington that paved the way for an Arab information operation, but Atlanta. When CNN's coverage of Operation Desert Storm won a wide audience in the Middle East, the BBC set up an Arabic satellite network. When the BBC effort ran into difficulty, the emir of Qatar hired much of its staff and in 1996 started Al Jazeera.

Many American analysts have misunderstood the nature of Al Jazeera. The standard academic interpretation is that the network has opened up public debate and thereby changed the culture of Arab media and Arab politics. The fact that bloggers and journalists are still regularly jailed throughout the region suggests that Al Jazeera has not led to more freedom of speech in the Arab world. But that was never its point. Like Voice of the Arabs, it was a political instrument from the start, aimed at regional rivals, especially at the Middle East's major Sunni power, the Kingdom of Saudi Arabia.

Saudi policy is to use money to make things happen. For instance, it is a fairly well-known tactic for Arab press entrepreneurs to insult members of the Saudi royal family until they decide to pay for silence, thereby effectively bankrolling a media startup. This is what the Qataris did with Al Jazeera, except they were less interested in money than in the kind of power that would ensue from attacking the religious and financial center of the Sunni Arab Middle East.

The Saudis did their best to quiet Al Jazeera, even banning advertisers from taking out spots on the Doha network. Since the wealthy Saudi market accounts for more than 90 percent of advertising on the pan-Arab networks, that meant Al Jazeera was almost bereft of advertising. But that didn't matter to the emir, who merely increased the budget. It was when the Qataris told the Saudis that they were going to push the conflict beyond politics and dig up dirt on the royal family that Riyadh got serious. If the Qataris were going to air Saudi laundry, then Riyadh would do the same to Doha. The Saudis' deterrent was Al Arabiya, the Dubai-based pan-Arab news network. Al Arabiya is known for its relatively pro-American views but that's largely just a function of its acting to counter Al Jazeera, the world's most famous anti-American network.

Just because CENTCOM has a Doha base hardly means that Qatar is much of an ally. Some observers suggest that the emir is playing both sides by hosting the U.S. military at the same time that his network broadcasts *fatwas* justifying killing American soldiers. The reason, it is said, is that Qatar wants to stay out of the way of any confrontation between the United States and Iran, its neighbor. But just because the Qataris play both sides doesn't mean they're neutral.

"If it was neutral, or pro-American, or moderate, it wouldn't be able to project power in the region," says Elie Nakouzi, formerly a senior anchor with Al Arabiya. "The station needs to show it is behind what are perceived to be Muslim and Arab causes. Maybe the emir stands alongside President Obama, but Al Jazeera is next to bin Laden."

Nakouzi remembers how when Hezbollah and Israel went to war in 2006 he was trying to get an interview with Hassan Nasrallah. "I know lots of people in Hezbollah," Nakouzi says. "But there was no way to get to Nasrallah. 'Nasrallah doesn't know where Nasrallah is,' they told me. All of a sudden, he's doing an interview with Al Jazeera, and I knew it was more than a scoop. It meant that Qatar was playing a political role," i.e., being helpful to Hezbollah's sponsors in Tehran.

Qatar was there again two years later, after Hezbollah overran Beirut in May 2008. The negotiations between Hezbollah and Lebanon's pro-Western government took place in Doha. There the emir brokered a deal that many believe wrongly rewarded an organization that had resorted to bloodshed when it couldn't win through regular political channels. Presumably, all that mattered to the emir was that he, rather than the traditional Arab powers and U.S. allies like Egypt and Saudi Arabia, was in the center of things, tiny Qatar—thanks to the giant Al Jazeera. ♦

A Hair of the Dog Appointment

Just what Fannie and Freddie need in a regulator—a fan of 'banking the unbanked.' BY MICHAEL WARREN

For a White House that often appoints left-wing ideologues (think Van Jones) or activist bureaucrats (think Elizabeth Warren) to important posts, the Obama administration may have gotten the full package in Joseph A. Smith Jr., its nominee to direct the Federal Housing Finance Agency. But is Smith, the commissioner of banks in North Carolina since 2002 and a liberal bureaucrat, the right man for this job?

That President Obama finally nominated someone for the position is news in itself. The FHFA is a relatively new agency, formed in 2008 by the merger of the Federal Housing Finance Board, the Office of Federal Housing Enterprise Oversight, and an office at the Department of Housing and Urban Development. Edward DeMarco has been acting director since August 2009, taking over from the first director, Bush appointee James Lockhart. Smith's nomination in November comes well over a year and a half after Obama took office.

Smith, 61, would be directing an agency that ostensibly regulates all of the federal home loan institutions. Since September 2008, however, the FHFA has acted primarily as the conservator of Fannie Mae and Freddie Mac. Managing these two insolvent government-sponsored enterprises will be the director's foremost responsibility.

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A graduate of North Carolina's Davidson College, Smith worked in Washington in the financial services regulatory practice of law firm Thacher Proffitt & Wood. Before Democratic governor Mike Easley named him banking commissioner, Smith was counsel for Centura Banks, a bank based in Rocky Mount that grew into the regional giant RBC Bank. This career in regulatory law culminated in eight years as the chief regulator of North Carolina's financial sector.

Joseph A. Smith Jr.

It's for his experience and knowledge of regulations that Smith receives the most praise. "Mr. Smith brings to this position both tremendous expertise and a deep commitment to strengthening our housing finance system for the American people," said President Obama after he announced the nomination on November 12. Thad Woodard, the president and CEO of the North Carolina Bankers Association, speaks highly of his industry's regulator. "He'll be a bridge to the business community," Woodard says. "He's a real pragmatist."

Bill Graham, a former banking commissioner in North Carolina, confirms that Smith is popular with bankers and also calls him a "nice guy" and an "awfully good regulator." Graham says his own tenure as commissioner was more relaxed and describes Smith as a much more activist regulator. "He's an aggressive regulator in the consumer sense," Graham says. "He's probably more hands-on."

Still, Graham says, Smith's new job would be a "different ballgame" from regulating state-chartered community banks in North Carolina. And some Republicans are concerned that Smith brings to the FHFA a regulator's agenda when Fannie and Freddie need an executive's approach. "Obama has appointed a lawyer instead of an MBA," says one staff member on Capitol Hill.

While Smith may have the reputation of a pragmatist, moreover, his record shows he's more of a conventional liberal. As banking commissioner, he has aligned himself with the left-wing Center for Responsible Lending (CRL), even naming its president his deputy commissioner. A vocal champion and enforcer of North Carolina's landmark predatory lending legislation, Smith testified in March 2007 to the Senate Banking Committee that he supported a bill sponsored by House Democrats Barney Frank, Brad Miller, and Melvin Watt that would establish a "predatory lending regime" on a national level. This is a major legislative goal of the CRL.

Small government federalists, meanwhile, have reason to be concerned by Smith's rhetoric on mortgage lending. In November 2007, Smith told a conference that he supports federal legislation to create a "centralized and coordinated system" for licensing individual loan originators. He also believes that Congress

AP / ALEX BRANDON

should "increase consumer representation when obtaining a mortgage through education, counseling, and/or improved disclosures."

This is a theme for Smith's policy views: Consumers need government intervention to make the right decisions. "My experiences in North Carolina have indicated that the complexity of the mortgage market can make it difficult for borrowers with demonstrated credit problems to make good choices," Smith testified in March 2007. "Policymakers and regulators should simplify the process to purchase a sound loan which will promote sustainable homeownership."

"Sustainable homeownership" is part of Smith's mission of expanding the demand for mortgages. He told the *Raleigh News & Observer* in 2002 that poor access to capital keeps people from "moving up the income ladder," and the state has an interest in reaching out to these nonconsumers. And according to the *Charlotte Observer*, one of Smith's top priorities as commissioner has been to "bank the unbanked," particularly the poor and immigrants.

The extension of easy credit—that is, banking the unbanked—is what economist Raghuram Rajan argues contributed to the financial crisis in the first place. Subprime mortgage lending, encouraged by government policy and regulations, introduced too much risk and distorted the wider mortgage market, creating the bubble that burst in 2008. Smith is an express proponent of this sort of governmental engineering of financial markets for desired social outcomes. It isn't a stretch to believe he will continue to push such policies at the FHFA.

Ultimately, these ideological goals will conflict with the more pressing matter of risky-lending-gone-bad at Fannie Mae and Freddie Mac. Republicans will push for a managed shutdown of the pair in the next Congress, but with a permanent director like Smith at the FHFA, Fannie and Freddie may just keep muddling through. Grab your wallets. ♦

They don't hear you in Washington: Opposition activists protest in Cairo, December 4.

Egypt's Rigged Elections

Mubarak shows contempt for the 'Cairo Effect.'

BY JENNIFER RUBIN

The Obama administration consulted last month with outside policy experts and former officials about promoting democracy in Egypt. Given that Egypt rigged its November 28 legislative elections, it seems the president could use all the help he can get. The fraudulent elections are a rebuke to the Obama administration, which quietly pressed for fair elections, and another setback for U.S. influence in the region. Moreover, they foreshadow the potential for even more dramatic problems when the Egyptian electorate goes to the polls next year to vote for president. It seems that will be either 82-year-old Hosni Mubarak or his son Gamal, who most observers expect will eventually take over the post. In any case, the presidential succession issue coupled with this round of parliamentary elections shows that Egyptian democracy is moving backwards, and the Obama administration is merely voting present.

It is illuminating to compare the current White House's Cairo policy with the Bush administration's handling of Egypt's 2005 parliamentary elections, when Washington together with the EU employed carrots and sticks to push for freer and more open elections. For example, under private and public U.S. pressure, the Egyptian government licensed the country's top liberal party, el-Ghad ("Tomorrow"). In January 2005, when the party's leader and prominent democracy advocate Ayman Nour was jailed for advocating reform of the Egyptian constitution (an initiative that President Mubarak denounced as treacherous), Washington and its allies

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NEWSCOM

swiftly dispatched representatives to Egypt to express their disapproval. To encourage democratization, the Bush White House threatened to yank a supplemental aid bill and dangled new investment opportunities; when Nour was sentenced in late 2005 after running for president, the administration suspended talks on a free trade agreement.

Consequently, the 2005 elections were by most accounts the fairest in Egyptian history. Not only did voters elect numerous opposition party and independent candidates, but for the first time, the government allowed civil society representatives and Egypt's independent judiciary to monitor the election.

The November parliamentary elections were a different story. Unlike its predecessor, the Obama administration has refrained from publicly criticizing the Egyptian government for its democracy deficit. The White House had privately urged Mubarak not to extend the emergency laws that curtail political and press freedom, but was ignored—an early indication that the administration lacked an effective game plan for influencing the Mubarak government.

Stephen McInerney, director of advocacy for the Project on Middle East Democracy, told me that the Mubarak regime wasn't "even making an effort to look good." Instead, the Egyptians did everything in their power to keep opposition candidates off the ballot. First, the government delayed announcing the actual date of elections and the rules, sowing confusion among potential candidates. Then, it demanded personal information from prospective candidates about their family members, some of them distant relatives, allowing candidates only a few days (including one when government offices were closed) to produce it. Some candidates who made it through the thicket of paperwork were even then denied a spot on the ballot. When judges ruled that candidates should be reinstated and ordered the election halted in 25 districts, the government ignored the rulings. The Egyptians would not allow international monitors, even as a number of other Arab countries of late, most recently Jordan, have permitted them.

The White House privately urged Mubarak not to extend the emergency laws that curtail political freedom, but it was ignored. The Egyptians did everything in their power to keep opposition candidates off the ballot.

Some democracy advocates expected that for all the preelection maneuvering, the Mubarak regime would at least ensure an orderly process at the polls, if only to give the elections an aura of credibility. But, as

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McInerney relates, "even with all that rigging," election day was riddled with violence and widespread fraud. Pro-government thugs intimidated supporters of opposition candidates from getting to the polls. Many of the local Egyptian monitors lacked permits to gain access to the polling places, and those who did get in witnessed blatant ballot stuffing. The ruling National Democratic party also turned on some of its own when candidates failed to qualify under the NDP banner and attempted to run as independents. Government security forces roughed up these would-be independent candidates and their supporters.

All of this was accompanied by a heavy-handed campaign to suppress the local media that had begun months in advance of the elections. Ibrahim Eissa, an influential critic of the government, was fired before the elections from his position as editor of an ostensibly independent opposition newspaper after he refused to censor an article. Media outlets were closed and forced to move into government-owned buildings. As a result, media coverage, especially on TV, was more muted than in the past.

The Mubarak government succeeded in virtually eliminating opposition groups from the parliament. Out of 508 elected seats, non-NDP candidates won only a handful in the first round of voting. Muslim Brotherhood members (who can run as independents, although the party is banned) went from 88 seats to 1. Both the Muslim Brotherhood and the Wafd party tried to boycott the runoff elections (which had light turnout), but their names remained on the ballots. The Muslim Brotherhood and four other, smaller, parties wound up with a single elected candidate apiece, leaving the NDP with a stranglehold on parliament. Minimizing opposition parties has the additional benefit of helping clear the way for next year's presidential election, since candidates are required to hold membership in a party represented in parliament.

Elliott Abrams, the former deputy national security adviser in the Bush administration for global democracy strategy, told me that there are two reasons for the election abuses. First, he said, there's the regime and its own concerns over the succession. "The end of the Mubarak era is near and the regime wanted to display iron control," said Abrams. "But it's also due in part to a reduction in U.S. pressure and U.S. influence. The administration's downplaying of human rights policy generally, and its belief that the moribund Israeli-Palestinian 'peace process' requires that we buy Egyptian cooperation, led the White House to hold off serious criticism until after the voting—when it was too late to have an impact."

It's only now dawned on the administration that its "quiet" approach has failed. After the elections, the State Department and the White House issued several statements emphasizing that the elections were "disappointing" and failed to live up to international standards, while stressing America's relationship with the Egyptian government, as well as the people of Egypt. NSC spokesman Mike Hammer detailed "the numerous reported irregularities at the polls, the lack of international monitors and the many problems encountered by domestic monitors, and the restrictions on the basic freedoms of association, speech and press." Nevertheless, the administration's tepid response to election fraud—the language employed and the secretary of state and president's failure to comment personally—is in stark contrast to the Obama White House's strong words used to "condemn" Israel earlier this year when its government issued building permits in Jerusalem.

The president came to office convinced that America's standing in the Middle East would get a boost from his soaring rhetoric, or what in the wake of his 2009 speech his aides called the 'Cairo Effect.'

"Egypt," says McInerney, "is looking more like a police state, like Iraq under Saddam Hussein." The Mubarak regime now faces increasingly frustrated opponents while the Obama administration has been dealt yet another setback in the Middle East.

"Talk to anyone in the region," says Abrams. "Sunni or Shia, Israeli or Palestinian, Arabs or visiting Europeans—and you get the same reaction. America is viewed as a declining power in the region, apparently afraid to confront the ayatollahs and stop the Iranian nuclear program. The radicals have the wind at their back and people who rely on us are fearful or at best confused."

The immediate challenge for the administration's regional policy is to develop a strategy for influencing generally pro-U.S. countries like Egypt. Washington provides ample aid and military and diplomatic support that it can threaten to reduce. The administration alternatively can reward political freedom with additional aid, resumption of free trade negotiations and increased investment. But that would require a dramatic rethinking of the administration's Egypt policy, which has to date largely relied on the American president's speechifying. As Abrams puts it: "This administration is half over and I am still being asked 'Who's really making policy?' 'What really is their policy?' and 'How come they can't make any course corrections when things are going this badly?'"

The president came to office convinced that America's standing in the Middle East would get a boost from his supposed affinity with Muslims and his soaring rhetoric, or what in the wake of his 2009 speech to the Muslim world his aides called the "Cairo Effect." And so, he attempted to ingratiate himself in the region, literally bowing before aging Arab despots. But by neglecting human rights and democracy promotion, Obama left the region more volatile and the United States less influential. ♦

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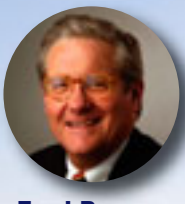

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Euro Trashed

Europe's rendezvous with monetary destiny

By Christopher Caldwell

It has been easy to snicker in recent weeks at the politicians who designed the euro, which appears on the verge of collapse after a decade as the common currency of a dozen countries in the European Union. Last May, the continent's finance ministers put together a $145 billion package to bail out the corrupt Greek state. When that failed to calm markets, a new trillion-dollar European Financial Stability Facility was set up with money from the EU and the International Monetary Fund. It was meant to awe any speculators away from betting against the euro. It didn't work.

Since October, the yields on Irish, Portuguese, Spanish, and even Italian and Belgian bonds have risen dangerously. While Americans were celebrating Thanksgiving, European finance ministers tapped the EFSF to buy Irish bonds and set up a fresh $113 billion rescue plan. The numbers surrounding the plan sound like a joke. It comes to about $25,000 for every man, woman, and child in Ireland. Ireland's budget deficit is 32 percent of GDP.

When you look at the debts that other countries have to roll over very soon—Italy, for instance, reportedly needs to raise well over $150 billion in the first quarter of next year alone—the sufficiency of the EFSF looks dubious, and the political landscape across Europe looks apocalyptic. The Irish government will fall when the Green party leaves it in a month. Silvio Berlusconi faces a confidence vote in Italy on December 14. Demonstrations against austerity programs have degenerated into riots not just in Greece but also in France.

The euro deserves a lot of the blame. By tethering dynamic Ireland to interest rates more suitable to the sluggish economies of Central Europe, it sparked a housing boom more excessive than even that of the United States. Today, Ireland's marriage to the euro deprives it of the main instrument—devaluation—that countries have traditionally used to export their way out of such financial messes. The economists who said that you cannot unite countries in a single currency unless you unite them under a single central government have been proved right.

As we contemplate the macroeconomic storm that is now passing through Europe, we must bear in mind that this is a storm that the EU's promoters knew would come. The euro's designers understood Rahm Emanuel's philosophy about not letting a crisis go to waste. "Europe will be forged in crises," the European Community's founding father Jean Monnet wrote in his memoirs, "and it will be the sum of the solutions brought to these crises." When the French statesman Jacques Delors laid out his plan for the euro in the late 1980s, he drew a clear trajectory: A common market had made possible a common currency. A common currency would make possible a common government.

But how would that happen? After all, if a currency worked well within the existing political arrangements, there would be no reason for those arrangements ever to change. New institutions could result only from the currency's blowing up. Economic crisis would be the accidentally-on-purpose pretext for replacing a system based on parliamentary accountability with a system based on the whims of a handful of experts in Brussels. Europe's countries now face the choice of giving up either their newfangled money or their ancient national sovereignties. It is unclear which they will choose.

HOW THE EURO STARTED

The ideals behind the euro have a lot in common with the ideals behind the European Union. The single currency is the monetary expression of Europeans' hurt pride, desire to cut a figure on the world stage, and impatience with that unique combination of sunny overconfidence and mismanagement that has often been the trademark of the American hegemon. Since World War II, the United States has supplied the world's reserve currency. To borrow and to trade, European countries had no choice but to buy and hold dollars. This gave the United States what French president Valéry Giscard d'Estaing described as the "exorbitant privilege" of "issuing depreciating dollars as a means of funding massive foreign investment from which it derived a large surplus." When the United States was profligate, Europe had

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to tighten money to avoid importing American inflation. According to the British journalist David Marsh's authoritative history of the euro, John Connally, as Treasury secretary, once described the dollar to a European counterpart as "our currency, but your problem."

(Lest anyone think the American privilege has disappeared, consider that the world's speculators are now circling vulturelike over the weakening Eurozone economy because its deficits average 6 percent, and its total debts just over 80 percent, of GDP. Meanwhile, U.S. deficits are 11 percent of GDP and its total debt approaches 95 percent.)

Americans' cynical deployment of the dollar ticked Europeans off. For the short term, Charles de Gaulle sought to undermine U.S. predominance by converting France's dollar reserves into bullion, which helped accelerate the eventual American abandonment of the gold standard under Nixon. For the long term, the Western European countries began designing a currency that could vie with the dollar.

HAL MAYFORTH

The euro, a product of the 1970s, '80s, and '90s, probably could not have been implemented today. It was developed on the watch of two politicians gifted with a deep understanding of macroeconomics, Giscard and German chancellor Helmut Schmidt. It was, however, brought into being by two politicians, François Mitterrand and Helmut Kohl, who, although wise on other matters, were economic bumpkins. The strongest instrument for countering U.S. monetary hegemony—the Deutsche mark—lay in the hands of a country that had been deprived of most of its sovereignty by its historical misdeeds and could not, therefore, assert its interests. Most observers consider the abandonment of the Deutsche mark for the euro as the price Germany paid for European acceptance of German reunification and, more generally, for German readmission, on equal terms, to the civilized world. But the Germany that dominates the euro today is not the Germany the euro was designed for.

THEORETICAL PROBLEMS OF A CURRENCY UNION

The first draft for a euro-style currency, the so-called Werner report of 1970, called for a transfer of economic policy to a centralized European authority. Naturally. A common currency implies a common fiscal and budgetary policy. Otherwise, all sorts of moral hazards result. If, say, a dozen countries participate in a currency, all will be tempted to run deficits, since each will draw 100 percent of the benefit from it and suffer only 8 percent of the monetary costs. If such behavior weakens the debtor country, others will have to bail it out.

European national governments wanted a common currency, but they were not ready to give up their sovereignty. So they came up with a compromise. They figured that if European governments could converge sufficiently in their style of budgeting, they could do without a central budgetary authority. Their plan for common-currency membership rested on an independent central bank and three regulatory pillars: First, no bailouts (as stipulated in article 125 of the Maastricht Treaty). Second, no "monetization of debts"—that is, printing money to pay off creditors (article 123). Third, no crazy budget deficits (as laid out in the so-called Stability and Growth Pact, which limited them to 3 percent). There was a logical problem with this structure. As the French economist Charles Wyplosz pointed out recently, if the no-bailout clause were really credible, then there would be no need for the Stability Pact, since countries that ran excessive deficits would be disciplined by markets. But Europeans lacked the discipline even for the Stability Pact. Greece cooked its books to conform with it. Italy was given a waiver on its total-debt provisions, and Prime Minister Romano Prodi called it a "Stupidity Pact." France and Germany flouted it. And last spring, European authorities both bailed out Greece and (despite some accounting trickery to disguise the fact) monetized its debt.

The architecture of the euro had other elements. Most monetary unions—consider our dollar—have automatic transfers that smooth imbalances when one region of a currency area is booming and another is slumping. If California is stagnant, its residents collect more in unemployment benefits and pay less in taxes. If Texas is getting rich, tax revenues go up and welfare expenditures go down. But as the Harvard economists Alberto Alesina and Edward Glaeser have shown, people are reluctant to pay taxes to help out those with whom they don't feel they have much in common. Just as a lot of suburban Americans saw the black, inner-city poor as "welfare queens" in the 1970s and 1980s, frugal Germans fear that their savings will be shipped to Greece to fund retirement-at-50 for a bunch of mafiosi.

That is why virtually every mainstream German politician, from Chancellor Angela Merkel on down, has promised German voters that the European Union must never be understood as a "transfer union"—a promise that is growing more and more detached from reality. Merkel has lately insisted that, in the future, bondholders, not taxpayers, must take the hit when governments go bankrupt. Guidelines to that effect have just been agreed on by Europe's finance ministers and will go into effect in 2013. This naturally angers many Irish and Spanish politicians, who would rather tap the public than alienate the bond markets.

The euro, whatever else it may have done for good or ill, should have spelled the end of a lot of European welfare protections. Without the instrument of devaluation and revaluation, a country can fiddle with its exchange rate only by making internal adjustments. In practice, this means cutting public spending, trimming labor costs, and making it easier to fire people. The so-called Lisbon agenda of deregulation, meant to make Europe more competitive by 2010, was not just a sideshow, or the hobbyhorse of free-marketers, as such agendas tend to be in the United States. As long as Europeans were not willing to have a strong, Europe-wide government, the Lisbon agenda was a sine qua non of monetary union. Trotskyists and other leftists tried to rally the French electorate to vote against the European constitutional referendum in 2005 by arguing that somewhere in this European project there lurked an iron capitalist logic. They were essentially right. The French voted against the EU in a landslide. The Dutch vote was nearly 2-to-1 against. At that point, other countries cancelled their referenda.

Next to nothing was ever done to enact the Lisbon agenda. In fact, the countries with the most sclerotic labor markets—Spain, most glaringly—were the slowest in reforming them, and macroeconomic instability was a result.

We've now listed about a half-dozen conditions that are indispensable to maintaining the euro as it stands, and Europe has fulfilled none of them. There is only a series of ad hoc improvisations—the responses to crises that Monnet said would create the rules of Europe. This is not "bold, persistent experimentation" of the sort that Franklin Roosevelt claimed an overwhelming electoral mandate for. It is a displacement of the democracies that people think they're living under. So we should ask whether it is intentional or incidental.

DEMOCRACY AGAINST ECONOMICS

The euro is an end-of-history currency. The late Dutch central banker Wim Duisenberg called it "the first currency that has not only severed its link to gold, but also its link to the nation state," and other economists have been just as forthright. The very capable economist Tommaso Padoa-Schioppa, probably the leading Italian champion of the euro, wrote a column last spring entitled, ominously, "The euro remains on the right side of history." Padoa-Schioppa complained about the way both defenders and detractors of the euro believe that the traditional nation state "is and will continue to be the absolute sovereign within its borders." He himself believes no such thing. "The advent of the euro is just an episode—a most significant one—in the building of a post-Westphalian order," he writes. "At stake in this struggle, ultimately, is the ideology of the omnipotent nation-state."

Fans of the euro used to sell this post-national vision as a matter of hope. But today they are just as happy to sell it with fear. France's finance minister, Christine Lagarde, told a German newspaper recently that any wavering from European unity would be a "disaster." She said, "We need to go further towards a convergence of our economic policies." One need not be particularly ideological to feel this way. One need only assume that, when economics speaks, politics must fall into line.

Last summer, at the height of the Greek debt crisis, economists looked ahead to other problem countries and came to the uncomfortable conclusion that most of them had not been badly, incompetently, or corruptly run. There were exceptions, of course. Greece was corrupt by any historical or geographical standard. It would today be a basket case whether it had been using the euro, the drachma, or wampum. Ireland's ruling Fianna Fáil party certainly retained elements of the traditional cronyism that is Irish political culture's besetting sin, and which no one who has observed Boston politics for even a week will fail to recognize.

But these are not the main problems the euro has

wrought. The big damage has been in the private, not the public, sector. Politicians in Ireland may have got the occasional backhander from an unscrupulous property developer, but in the quantitative terms of balancing the budget, the Irish were model fiscal stewards until the property market collapsed. Greece itself proved contagious partly because of the private-sector trade imbalances the euro created, which left French and German banks searching for debt to invest in. It was the Western private sector, as much as the Greek public sector, that rendered Greece too big to fail and put an end to the EU's no-bailouts rule. And then there is Spain, the other country whose rescue appears to be coming as inevitably as Christmas. Spain not only balanced its budget—it took precautions to keep its home lending sector from overheating. Unfortunately, even that was not enough to keep the artificially low real interest rates that the euro gave it from doing their damage. According to the Spanish macroeconomist Angel Ubide, Spain "probably should have been running fiscal surpluses of the order of 5-6 percent of GDP to offset the negative real interest rate its borrowers enjoyed."

Well, as an economic matter, yes. Just as, as an economic matter, the United States should probably have been running surpluses to prepare for the wave of Baby Boom retirements that are fast approaching. But how would you have explained that to the Spanish people? Money burns a hole in the pocket of a democratic electorate. Voters hate reserves, surpluses, or any kind of money lying around. What do they call a 5-6 percent surplus? They call it "my money." This, incidentally, is why Keynesianism, while logical in theory, is impractical in an open democracy. Demand cannot be "managed"—it can be stimulated, but voters will not tolerate seeing it dampened. "In a democracy at least," as the wise economist Wyplosz writes, "fiscal profligacy is not a story of 'politicians gone crazy.' It is the rational outcome of the interplay between elections and pressure groups." (Last week's mad bipartisan tax giveaway in Washington provides further evidence that Wyplosz is right.)

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The euro created a situation under which the democratically logical thing to do is economically destructive, and the economically logical thing is opaque to even the most well-meaning and well-informed elected representatives. When Ireland promised to stand behind its domestic banks in the immediate aftermath of the Lehman Brothers collapse, what was a member of the Dáil supposed to think? Was this a "bold" and "generous" way of protecting "the little guy" against the ravages of the global economy? Or was it a way of assuring that the two-dozen sybaritic Fianna Fáil cronies who drove the country into the ground would get bailed out by the taxpayer? The answer is the same as the one that any independent-minded U.S. congressman voting on the bailout package in 2008 could have honestly given: It would take weeks of study to come to a decision, and even that might be falsified if the markets turned fickle.

It may be that the better an economist one is—certainly, the more focused an economist one is—the more one underestimates the complexity of this political problem. Last spring, one suggestion frequently advanced for reforming the euro was the establishment of "independent fiscal councils" at the European level, with veto power over budgetary decisions made in national parliaments. Representatives could still decide what they would spend money on, but only within parameters set by expert macroeconomists. Not surprisingly, economists thought this was a terrific idea. The Trinity College (Dublin) economist Philip Lane opined, "The establishment of a fiscal framework does not constrain the fundamentally political nature of decisions over public spending and taxation." The Berkeley economist Barry Eichengreen agreed with Lane. "Europe will need fiscal rules with teeth," he wrote. "The [European] Commission will have to be strengthened to where it has veto power over those pre-legislative submissions."

It is hard to quarrel with Eichengreen on the economics of the European finance crisis. He has written classic books on currencies and on crashes and on European economic history. Lane is as good an economist as any in Ireland. But the issues they are addressing are not primarily economic. In a democracy, the size of the budget is a political decision. Empowering a body of economists to overturn that decision would be an antidemocratic constraint. So a question of proportion arises: You're going to rob a dozen ancient democracies of a large part of their sovereignty in order to salvage a ten-year-old accounting convention? That is what is at stake with the euro. Europe must now choose between its traditions of self-rule and promises of a radiant economic future that may not include self-rule. ♦

Oil Spill Hysteria

The Gulf of Mexico suffered remarkably little damage. Why were so many so willing to believe otherwise?

By Robert H. Nelson

The day after the midterm elections in November, panelists at the University of Maryland School of Public Policy discussed the various factors that had contributed to the Democrats' losses—most surprisingly, the oil spill in the Gulf of Mexico. One speaker with excellent Democratic connections in Washington noted that top White House staff were consumed by the spill and its political fallout for much of the spring of 2010. As staffers now lamented privately, this had diverted attention from other pressing issues—above all, the sputtering economy.

The political fortunes of the Democratic party were not the only collateral damage from the spill. Gulf coast tourism plummeted, even in areas untouched by oil. Seafood restaurants in New York and Chicago proudly advertised that they did not serve Gulf fish. And many oyster beds were devastated when they were flushed with fresh water from the Mississippi River as a "preventive" measure. Most recently, on December 1, Interior Secretary Ken Salazar cancelled previous plans for much expanded offshore oil and gas drilling, killing thousands of jobs and forgoing an opportunity to reduce the nation's enormous foreign energy bill.

Oddly enough, however, the ecosystem of the Gulf itself turns out to have suffered remarkably little damage from the continuous gushing of oil into the water from April 20 till July 15, when the leaking well was capped. One group of scientists rated the health of the Gulf's ecology at 71 on a scale of 100 before the spill and 65 in October. By mid-August, the National Oceanic and Atmospheric Administration (NOAA) was having trouble finding spilled oil. This squared with the finding of researchers from the Lawrence Berkeley National Laboratory in California that the half-life of much of the leaking oil was about three days. At that rate, more than 90 percent would have disappeared in 12 days.

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NOAA explained one reason for this in a report in August: "It is well known that bacteria that break down the dispersed and weathered surface oil are abundant in the Gulf of Mexico in large part because of the warm water, the favorable nutrient and oxygen levels, and the fact that oil regularly enters the Gulf of Mexico through natural seeps." In other words, the organisms that normally live off the Gulf's large natural seepage of oil into the water multiplied extremely rapidly and went on a feeding frenzy. Another 25 percent of the spilled oil—the lightest and most toxic part—simply evaporated at the surface or dissolved quickly.

Damage to wildlife, too, was relatively sparse. As of November 2, the U.S. Fish and Wildlife Service reported that 2,263 oil-soiled bird remains had been collected in the Gulf, far fewer than the 225,000 birds killed by the *Exxon Valdez* spill in Alaska in 1989. Despite fears for turtles, only 18 dead oil-soiled turtles had been found. No other reptile deaths were recorded. While more than 1,000 sea otters alone had died in the Alaska spill, only 4 oil-soiled mammals (including dolphins) had been found dead in the Gulf region. These are very small numbers relative to the base populations. Similarly, government agencies were unable to find any evidence of dead fish. Fish can simply swim away from trouble. Nor was evidence found of contamination of live fish. In one government test, 2,768 chemical analyses uncovered no signs of contamination.

In the latest irony, marine biologists this fall have actually been seeing surprising increases in some fish populations. It seems that the closure of large areas of the Gulf to fishing amounted to an unplanned experiment in fisheries management. According to Sean Powers, a University of South Alabama marine biologist, "It's just been amazing how many more sharks we are seeing this year. I didn't believe it at first." He attributed the change to the "incredible reduction in fishing pressure," and added, "What's interesting to me [is that] we are seeing it across the whole range, from the shrimp and small croaker all the way up to the large sharks."

Some oil from the spill did reach beaches, and it did so in a seemingly random pattern. The Texas coast was little affected, and as of late July, only 6 of 25 Alabama beaches being monitored had had oil spill-related advisories. Even where oil did reach beaches, human cleanup and natural

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processes typically removed most of it quickly. By early November, a federal spokesman found a continuing presence of "heavy oil" on 30 miles of the total 580 miles of Gulf beaches where oil had come ashore.

After all the predictions of ecological disaster in the spring, government officials have been searching hard for more evidence of harm. In early November, a Penn State marine biologist announced that he had finally found a "smoking gun": dead and dying coral reefs in 4,500 feet of water not far from the spill site. Coral in shallower waters and farther from the site was unaffected.

The search for damage to the Gulf, it seems, is a bit like the search for weapons of mass destruction in Iraq. An armada of ships was assembled to respond to the leak caused by an explosion at the Deepwater Horizon well, and a virtual war was declared on it (and on the well's owner, BP). It is—or should be—embarrassing that the predicted disaster failed to materialize.

In the end, 4.9 million barrels of oil flowed into the Gulf, almost 20 times the *Exxon Valdez* spill and the largest by far in U.S. history. But there are reasons the ecological consequences were so small in comparison with those of the *Exxon Valdez*. Start with the fact that the Gulf spill occurred in 5,000 feet of water, while most spills come from tankers at the surface. It took time for the oil to get to the surface, giving the oil-eating "bugs" of the Gulf opportunity to do their work.

A second important factor was that the spill occurred 50 miles from the coast. This left more time for responders to apply chemical dispersants and for wave action and other natural forces to decompose large amounts of oil. What oil did reach the beaches often took the form of tar balls that were less environmentally harmful than actual slicks. Cleanup workers could simply pick them up.

By contrast, the *Exxon Valdez* spill immediately spread over the surface of the ocean, where many birds and other creatures came into contact with it. Prince William Sound, where the spill began, is an enclosed body of water, and the spilled oil—some of it in the most toxic forms—quickly reached the shore. In addition, the sound has no significant natural oil seepage and so lacks the associated oil-eating organisms. The water is much colder and less conducive to such natural activity. The mammal populations in Prince William Sound and the other affected areas were larger, too.

All of this, to be sure, was well known to students of oil spills. Indeed, the greatest significance of the Gulf spill lies not in its ecological effects, but rather in the outbreak of social hysteria that it occasioned. The episode should be studied as such. As terrorists know all too well, mass hysteria can do more damage than the precipitating event.

Eruptions of social hysteria have occurred throughout history. Among the better known instances are events in Christian Europe associated with fear of the devil. Over several centuries, many thousands of people deemed to be witches were killed. We now have secular equivalents to the devil that evoke

Migratory white pelicans in Louisiana: Only a couple of thousand birds were killed in the Gulf; 225,000 died in the 'Exxon Valdez' spill.

their own mass anxieties and destructive overreactions.

In the case of the Gulf spill, the widely distributed pictures of oil gushing into the sea had this effect for many people. Environmentalists are not alone in thinking that human beings may have overstepped our bounds in seeking to transform the natural world for our own selfish purposes. Many fear that we are "playing God" in the world, wantonly destroying plant and animal life, and that God will punish us.

Oil and other fossil sources of energy, moreover, have greatly enhanced humans' power to transform Creation. It might thus seem appropriate that God's punishment would take the form of a devastating oil spill. As Ted Turner told CNN in May, the Gulf spill "could be" God's work. "He's sending us a message" to curb our destruction of the earth.

Fortunately, episodes of social hysteria eventually run their course, and cooler heads prevail. But a great deal of damage can be done in the meantime. It is important to review why it took so long in the Gulf for reason to prevail.

The largest blame lies with the media. Hysterical overreaction, frankly, sells newspapers and magazines, which is one reason the media have a long history of hyping Communist spying, cancer epidemics, terrorist attacks, and now oil spills. In the case of the Gulf, it was the national media, despite their greater investigative resources, that led the charge. On May 6, using language it employed throughout the spring and early summer, the *Washington Post* updated its readers on the "catastrophic oil spill unfolding in the Gulf."

Nine days later the *Post* reported, "The oil spill in the Gulf of Mexico has not yet caused coastal damage on the scale of the *Exxon Valdez* disaster. But scientists say it is becoming something different and potentially much more troubling: the first massive U.S. oil spill whose effects so far are largely hidden under water." The headline "The 'invisible monster'" evoked a virtual horror movie of terrors lurking in the deep. Throughout the spring and early summer, the *Post*'s reporters routinely attributed doomsday predictions for the Gulf to unnamed "scientists." The effect was to suggest that a scientific consensus existed so strong that it was not necessary even to identify any particular scientific authority.

Time magazine on May 17 featured its own cover story on the "catastrophe" in the Gulf. *Time* offered readers horrifying images of "an uncontrolled gusher with economic, political and social consequences as far as the eye can see. The slick—a morphing mass of at least 2,000 sq. mi. (5,200 sq km) as of May 3, and changing every day," the story continued, "threatens to kill wildlife and wreck the fishing industry along nearly 1,300 miles (2,100 km) of coastline." Once again, unnamed "scientists worry that ocean currents could carry the oil around the tip of Florida to the beaches of the East Coast," potentially devastating the Keys and the Everglades.

The media actually relied less on marine biologists and oil spill experts for their information and more on environmental groups. The Gulf "disaster" offered multiple potential benefits to these groups, including the possibility of desired policy changes. The executive director of the Sierra Club declared, "This will kill any plan to expand offshore drilling for the next decade." Lisa Margonelli of the New America Foundation saw the spill as a powerful message that "we need to address the underlying issue, and that's our dependence on oil" and other fossil fuels, with their greenhouse emissions and other environmental harms.

America's political leadership also contributed to the mass anxiety. President Obama came to office with close personal knowledge of matters such as inner city schools but less of the environment. Ill-served by his advisers, the president on June 15 declared the spill "the worst environmental disaster America has ever faced." He compared it to "an earthquake or a hurricane" such as San Francisco or Katrina but said it could be even worse because "it's not a single event that does its damage in a matter of minutes or days. The millions of gallons of oil that have spilled into the Gulf of Mexico are more like an epidemic, one that we will be fighting for months and even years."

Could the Gulf region simply have been extraordinarily lucky? No doubt there was an element of luck. The marine organisms consumed the oil faster than was generally expected. Even so, a scientifically accurate and honest assessment on May 1 would have read something like this:

> *The oil spill sparked by the explosion at the Deepwater Horizon rig on April 20 is occurring in circumstances never experienced before, particularly the great depth of the water. It is impossible to predict what ecological damage there will be. While unlikely to be catastrophic, the damage could range from significant to minimal. The experience of most oil spills has been that the long-term damage proves less than initially feared. Public impressions to the contrary notwithstanding, oil is a natural substance, including in the ocean, and nature has its ways of dealing with it. The natural conditions in the Gulf of Mexico are considerably more favorable than in Alaska, but even there the effects of the* Exxon Valdez *spill were rapidly disappearing within five years and today are largely gone.*

Instead, America treated the Gulf spill almost as a religious catharsis. The message was that we have sinned against nature, and God is justly punishing us. Whatever the facts, such messages can resonate powerfully. America is unusually religious for a modern nation, and some of its religions, such as environmentalism, are secular. As always, there are many people—the Elmer Gantrys of our time—who are happy to feed the public's fears. ♦

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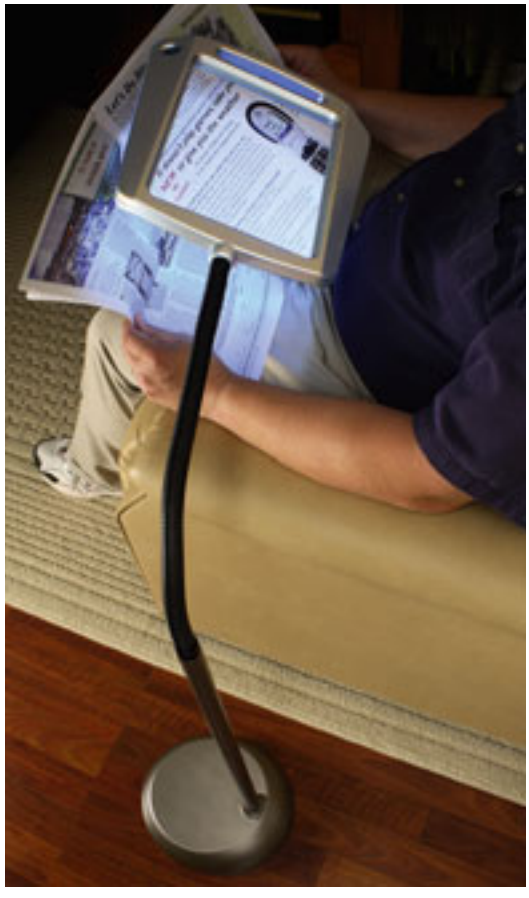

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Cleanth Brooks, Eudora Welty, Oxford, Mississippi, 1987

Go South, Young Man

A critical vision of American life and letters

BY JAMES SEATON

For decades the most damning argument against the New Criticism was that its focus on close reading of "the work itself" was politically reactionary and probably racist. If a New Critic like Cleanth Brooks in *The Well Wrought Urn* found irony, ambiguity, and complexity not only in T.S. Eliot but in Robert Herrick, John Keats, and even Tennyson, it must be (so the indictment charged) because he and the other New Critics wanted to denigrate the possibility of clear moral and political judgments in general and the condemnation of the South for segregation and slavery in particular.

The Southern Critics
An Anthology
edited by Glenn C. Arbery
ISI, 353 pp., $22

One answer to this charge has been that the New Criticism deserved to be judged on its merits for its ability to illuminate literary works, without regard to the political and social views of its practitioners. Yes, some of the leading New Critics like John Crowe Ransom, Robert Penn Warren, and Allen Tate were among the self-professed "Southern Agrarians" who had defended segregation and, at least by implication, slavery, in their manifesto *I'll Take My Stand* (1930), but their ideas about literature were one thing and their views about politics and society another. Glenn Arbery, editor of this anthology, takes another path. He argues that there is, indeed, a connection between the social views of the New Critics and their ideas about literature, but *The Southern Critics* is designed to demonstrate that the relationship should not discredit their literary criticism but rather encourage a favorable reassessment of their thinking about culture and society.

Arbery points out that received opinion in the 21st century is much more friendly to some key theses of the Southern Agrarians than it was in the 1930s. Both technology and capitalism have recently undergone severe criticism, especially from the political left that was once the main opponent of the Agrarians. Today, Arbery notes, *I'll Take My Stand*'s denunciation of the effects of industrialism and technology has been taken up and amplified by the very scientific experts and Eastern media whose authority the Agrarians once defied so vehemently: "Now virtually the whole scientific community, if the *New Yorker* and the *New York Times* are to be believed, has become Cassandra, warning the world of impending disasters that the abuse of technology has made inevitable."

Similarly, the financial crisis that

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WILLIAM ALBERT ALLARD / NATIONAL GEOGRAPHIC / GETTY IMAGES

played a crucial role in the last presidential election has brought the left-liberal consensus closer to the anticapitalist sentiments voiced by the Agrarians 80 years ago. Arbery comments that "after the financial collapse of 2008, it would be hard to argue the point" Allen Tate made in 1936 when he asserted that "finance capitalism" was "necessarily hostile to the development of a moral nature."

The political and social ideas presented in the first section of *The Southern Critics*, "In Dixieland," now seem more "left" than "right" but remain problematic, while "The Case for Poetry" in the second section is as convincing as ever. Though the final section, "The Sacramental South," was clearly intended to convey what Arbery calls "the sacramental vision implicit in the South," only one of the essays does much to illuminate Southern religion and culture. Allen Tate's two studies of Poe and Dante are perceptive as literary criticism, but say nothing about Southern religion. Caroline Gordon's "Some Readings and Misreadings," which focuses on Graham Greene, Henry James, James Joyce, George Bernanos, François Mauriac, and Evelyn Waugh, does not discuss Southern religion or culture, even in the one paragraph she devotes to William Faulkner. Only Flannery O'Connor, in "The Catholic Novelist in the Protestant South," illuminates the world of "the Bible Belt, where belief can be made believable."

"In Dixieland" includes Allen Tate's "What Is a Traditional Society?" John Crowe Ransom's "A Statement of Principles," and Andrew Lytle's "The Hind Tit" (the latter two originally published in *I'll Take My Stand*). All three essays repeatedly condemn industrialism, technology, and capitalism as fervently as any radical environmentalist might wish, denouncing not only their excesses but what might be considered their virtues. Ransom, for example, warns against the dangers of "labor-saving devices" while conceding that "of course no single labor-saving process is fatal." He fears, however, a future in which there will be "a stream of further labor-saving devices in all industries." Of course, "the philosophy of applied science is generally quite sure that the saving of labor is a pure gain," but then that narrow philosophy has no room for the important things in life, like art and religion. According to Ransom himself, however, art and religion can only flourish when one has the free time that "labor-saving devices" could provide. In the same essay he declares, "Art depends, in general, like religion, on a right attitude to nature; and in particular on a free and disinterested observation of nature that occurs only in leisure."

Ransom and the other Agrarians, like the Marxists of the Frankfurt School, were unimpressed by the free time and material improvements made possible by industry and technology under capitalism because they distrusted the ability of most people to make the right choices with their new opportunities. It is hard to believe that Andrew Lytle himself supposed that the farmers for whom he claimed to speak would take the advice he offers in "The Hind Tit." Lytle declares that "the precedence of the money economy means the end of farming as a way of life," but he observes that decades before his 1930 essay, "[The farmer] himself began to think more and more of money." The farmer's wife, too, is eventually corrupted: "The time comes when the old woman succumbs to high-pressure sales talk and forces him to buy a car on the installment plan."

To avoid what Lytle calls "industrial imperialism," there is "only one thing left for the farmer to do . . . he must deny himself the articles the industrialists offer for sale." The farmer and his family must "throw out the radio . . . forsake the movies" and entertain themselves with fiddling and square dances. Of course, their free time will be extremely limited in any case, since if they follow Lytle's advice they will make rather than buy almost everything they need. Lytle knows that the farmer "will be told that this is not economical, that he can buy clothes for much less than he can weave them, and shoes for half the labor he will put into their creation." Andrew Lytle and the other Agrarians, however, were certain that the farmers of the South were better off without "motor-cars, picture shows, chain-store dresses for the women-folks, and all the articles in Sears-Roebuck catalogues." The farmers themselves clearly thought otherwise.

In "Why the Modern South Has a Great Literature," Donald Davidson, an Agrarian but not a New Critic, comes close to suggesting that widespread poverty and illiteracy in the South were, if not absolutely good things in themselves, good in their cultural effect, since without them the South would not have a great literature. He himself is no sociologist, but if he were, he would be tempted to argue that

> a prevalence of rural society, devoted to cotton-growing, afflicted by sharecropping, rather poverty-stricken, conservative in religion and politics, prone to love the past rather than the future, chockful of all the prejudices and customs of the South—that is what it takes to produce a William Faulkner.

If Davidson does not quite glory in the South's lack of "educational facilities, factories, libraries, hospitals, laboratories, art museums, theaters, labor unions, publishing houses," etc., his rhetoric sounds very much in the spirit of what Robert Penn Warren called "the Great Alibi" in his brief, cogent *The Legacy of the Civil War* (not excerpted in *The Southern Critics*). Defeat in the Civil War, Warren observed, "gave the South the Great Alibi" that could be used to avoid taking responsibility for anything whatever; everything bad could be blamed on the Yankees: "By the Great Alibi pellagra, hookworm, and illiteracy are all explained, or explained away. . . . By the Great Alibi the Southerner . . . turns defeat into victory, defects into virtues."

Davidson clearly enjoyed discomfiting "all those who argue that material improvements, liberalism, industrialism, science, and so on are what Mississippi and the South need to attain a high culture" and even suggesting, with mock horror, that it might be "that these factors have a negative, blighting effect," foreclosing the possibility of great literature. Nevertheless, Davidson's real thesis is that literature flourished in the South only after it began to "absorb modern improvements." Davidson believes what happened in the South in the first half

of the 20th century is a process that has occurred repeatedly in many traditional societies where social change temporarily triggers a literary flowering. The change "seems always to force certain individuals into an examination of their total inheritance. . . . They begin to compose literary works in which the whole metaphysic of the society suddenly takes dramatic or poetic or fictional form."

Such great literature, however, has in the past failed to arrest the social change that, to a lover of the old way of life like Davidson, appears as "cultural destruction," and Davidson in 1950 offered no hope that the South would not follow the same course.

The essays chosen for "In Dixieland" do little to answer the most serious charge made against the Agrarians' defense of the South: It amounted to, or at least implied, a defense of segregation and white supremacy. In "The Hind Tit," Andrew Lytle refers without irony to "the menace of the free negro." Allen Tate in "What Is a Traditional Society?" argues for the moral superiority of the antebellum South to a society based on free labor. According to Tate, a social order based on what he calls "finance-capitalist economics" is intrinsically "hostile to the perpetuation of a moral code," while a society based on slave labor is not. Indeed, Tate asserts that in a traditional society like the old South, "it is possible to behave morally all the time," adding, "It is this principle that is the center of the philosophy of Jefferson."

This conception of the third president is very different from the Jefferson Robert Penn Warren had in mind when he lamented that, in the South after 1831, "there could be no new Jefferson, the type of critic . . . [who could carry out] . . . informed and morally based self-criticism." It also differs from the Jefferson who observed in his *Notes on the State of Virginia* (1785), "The whole commerce between master and slave is a perpetual exercise of the most boisterous passions, the most unremitting despotism on the one part, and degrading submission on the other. . . . I tremble for my country when I reflect that God is just." Glenn Arbery asserts that Donald Davidson was isolated from the other Agrarians "in part because he retained a loyalty to the South that the others had long before modified or abandoned." Davidson was indeed a diehard segregationist, while Robert Penn Warren by the fifties had come to see desegregation as "just one small episode in the long effort for justice," as he wrote in *Segregation: The Inner Conflict in the South* (1956).

John Crowe Ransom

But is it disloyalty to the South to ask, as Warren did in 1961, "Does the man who, in the relative safety of mob anonymity, stands howling vituperation at a little Negro girl being conducted into a school building, feel himself at one with those gaunt, barefoot, whiskery scarecrows who fought it out, breast to breast, to the death, at the Bloody Angle in Spotsylvania, in May, 1864? Can the man howling in the mob imagine General R.E. Lee, CSA, shaking hands with Orval Faubus, Governor of Arkansas?"

The inclusion in *The Southern Critics* of an excerpt from one of Warren's books on racial issues and the South would have gone a long way to demonstrate that there was no necessary connection between racism and either loyalty to the South or the New Criticism. Robert Penn Warren was not only a renowned poet and novelist but also one of the original Agrarians and one of the most prominent New Critics. Already in his contribution to *I'll Take My Stand* Warren had gone too far for Davidson, who tried to have Warren's "The Briar Patch" removed from the collection. In that essay, Warren took a position similar to that of the fictional Atticus Finch, who did not condemn segregation but did declare to the jury that at least "in our courts all men are created equal." In "The Briar Patch" Warren accepted segregation ("Let the negro sit beneath his own vine and fig tree") but insisted that "justice from the law is the least that he can demand for himself or others can demand for him." Warren in 1930 warned that "the white workman must learn . . . that he may respect himself as a white man, but, if he fails to concede the negro equal protection, he does not properly respect himself as a man."

In *Segregation: The Inner Conflict of the South* (1956) and *Who Speaks for the Negro?* (1965), Warren confronted the full implications of his own beliefs. *Segregation* ends with a self-interview, in which Warren identifies himself as "a Southerner" who is "afraid of the power state" and thinks that "the Northern press sometimes distorts Southern news" but who is nevertheless "for desegregation," in large part because "I don't think you can live with yourself when you are humiliating the man next to you." The continuity between the lesson Warren in 1930 thought the "white workman" needed to learn and what by 1956 he had learned for himself illustrates the larger truth that Warren's political stance in the 1950s and '60s did not require him to abandon the New Criticism, the South, or even the values that once had led him to the Agrarians. The New Criticism rejected doctrinaire thinking and emphasized the difficulty of drawing unambiguous morals from human relationships when understood in their full complexity. In

BETTMANN / CORBIS

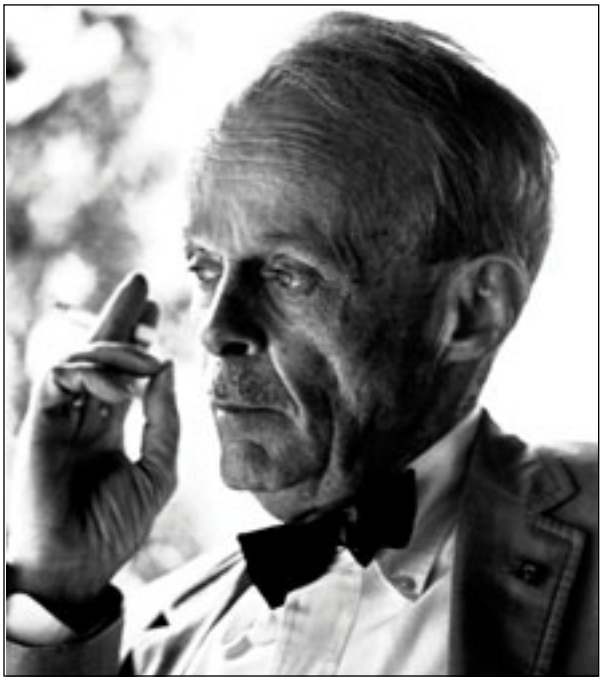
both *Segregation* and *Who Speaks for the Negro?* Warren makes his own belief in racial equality clear while presenting a gallery of portraits of specific individuals, black and white, from all sides of the political and ideological spectrum, with a wealth of concrete details and without self-righteousness.

Allen Tate and John Crowe Ransom were much more persuasive when they wrote about literature than when they tackled politics. The organic unity held up as a standard by most of the New Critics is a meaningful ideal for painting, music, and literature; but applying aesthetic standards to politics, whether right or left, is a mistake. If the old South seemed to speak with one voice, that was because discordant voices were silenced by legal and extralegal coercion, including lynchings. The narrator of Milan Kundera's *The Book of Laughter and Forgetting* observes that the 1948 Communist coup in Czechoslovakia was welcomed at the time by "the more dynamic, the more intelligent, the better" half of the population because of the appeal of their "great dream," "an idyll of justice for all," "a realm of harmony … where every man is a note in a magnificent Bach fugue and anyone who refuses his note is a mere black dot, useless and meaningless, easily caught and squashed between the fingers like an insect."

Likewise, ideas that are attractive in politics do not necessarily work in literary criticism. In "Criticism as Pure Speculation," Ransom, arguing against organic unity as a standard, claimed that his emphasis on "local texture" not directly related to a poem's "logical structure" meant that a poem could be considered "so to speak, a democratic state … whereas a prose discourse … is a totalitarian state." It is quite possible, however, to prefer democracy to totalitarianism in politics while taking organic unity as an ideal in art and literature, the kind of unity that, as Cleanth Brooks puts it, "triumphs over the apparently contradictory and conflicting elements of experience by unifying them into a new pattern."

It is hard to deny that there is a good deal that is attractive about the notion of a traditional society that includes, as Arbery puts it in his introduction,

> such things as attachment to place from generation to generation, the traditions and communities that sprang up around such attachments, attunement to the rhythms of nature and its contingencies, strong bonds of kinship, a sense of the sacred, and indifference to an abstract idea of wealth understood in terms of monetary values.



Allen Tate

It is also undeniable that the technological change and personal mobility encouraged by the free market weaken the attachments and bonds Arbery and the Agrarians rightly prize. One of the greatest proponents of free markets, Friedrich Hayek, freely acknowledged in *The Fatal Conceit* (1988) that the rules that make possible the "extended order" of the free market require the painful suppression of instincts formed during the long epoch when human beings or their ancestors lived in "small roving bands or troops." In modern society, the ethics appropriate to family life do not work for society as a whole. Life in a clan or tribe called for solidarity within the group and "instinctual aggressiveness toward outsiders." The marketplace, however, does not divide people into friends or enemies but instead requires equality before the law for all. While noting and even emphasizing the deep-seated emotional appeal of using the ethics of the family, clan, or tribe to condemn contemporary capitalist society (an appeal which politicians of both extreme left and right have exploited), Hayek observed that the attempt to regulate a modern economy according to family or tribal ethics would inevitably "doom a large part of mankind to poverty and death."

Philosophers or intellectuals, Hayek pointed out, are most in thrall to instinctive longings when they concoct ideal socialist or Communist societies. For Hayek "atavistic longing after the life of the noble savage is the main source of the collectivist tradition." The Agrarians saw themselves as opponents of rationalistic left-wing intellectuals: A number preferred the title *Tracts Against Communism* to *I'll Take My Stand*. Yet just as left-wing intellectuals condemned capitalism for its moral flaws while ignoring or even justifying the atrocities of Communist regimes, the Agrarians vehemently condemned "finance-capitalism," "industrialism," and the "money economy" while accepting or even justifying slavery and segregation. Both groups yearned for a society whose unity would eliminate the frustrations and alienation that accompany the unprecedented wealth and opportunities made possible by developed capitalist societies.

Art and literature have powerfully dramatized the conflicts, frustrations, and alienation of modern life, but it would be a mistake to take the guidance of literary intellectuals urging either a leap into an (imagined) utopia of the future or a return to a (largely mythical) past. The "Southern Critics" are often wise when they write about literature and about family and personal relationships, but not so wise when they address large political and social questions. ♦

CORBIS

B&A

Fritz the Cat

He purrs and plays his hour upon the national stage.

BY CRAIG SHIRLEY

If the reader is looking for earth-shattering—or gossipy (as in puerile)—news previously not known, Walter Mondale's autobiography is not for thee. On the other hand, if you're looking for a recollection of recent history written by an utterly decent man, about whom there has never been a whiff of scandal, who was always a good American, husband, father, and patriot, it is a good read.

The Good Fight
A Life in Liberal Politics
by Walter Mondale
with David Hage
Scribner, 384 pp., $28

It also contains a lot of good perspective (from his vantage point, I hasten to add) on some of the more interesting and important events of the 1960s-80s. Mondale is Old School in the best sense, rarely letting us know what he *really* thought of his political adversaries. Even Ronald Reagan—who twice pounded Mondale into the ground, in 1980 and again in 1984—is, for the most part, treated respectfully, even as Mondale does not fathom Reagan's appeal or ideology.

Don't be put off by the similarity to the title of Benjamin Bradlee's memoir (*A Good Life*): Mondale, unlike Bradlee, does not dwell on his rate of masturbation while at boarding school. Indeed, Mondale grew up poor, attended public schools, and came to his Midwestern liberalism/populism naturally, intellectually, organically. In the interest of full disclosure, I should mention that I like Walter Mondale and always have, especially since he granted me several hours of interview time for a book on the 1980 Reagan campaign. The former vice president was garrulous, chatty, warm, and informative. He told many great and small stories which became important contributions to my book, including his amusement that, while he had an office in the West Wing complex (like Zbigniew Brzezinski), unlike Jimmy Carter's national security adviser, he did not have a private bathroom.

Mondale was America's first consequential vice president, unlike Richard Johnson, Martin Van Buren's deputy, who was so bored he went home to Kentucky to manage a tavern. Or any in another long line of second bananas ignored, or worse, insulted, by the man at the top, such as poor Thomas Marshall, who waited a year and a half for a meeting with Woodrow Wilson. Mondale was the first vice president with an office in the White House, the first to fully occupy the official residence of the vice president (much to the consternation of the chief of naval operations, since the pleasant Victorian mansion on Massachusetts Avenue had been the CNO's home for decades). Carter, the outsider to Washington, and even his own party relied heavily on Mondale for advice.

If there is any drawback here, it is that Mondale is frequently too kind: His nemesis Nixon is a "brilliant politician." Also, while he celebrates the contributions of the Enlightenment to the thinking of the Founders, and declined to support Henry Wallace in 1948 because Wallace was too soft on the Soviets after their coup in Czechoslovakia, you might reasonably assume that Mondale would become more conservative in his politics. You would be mistaken. But then again, he came up in a time when American liberalism was vastly different from what it is today. You could champion the individual, denounce communism—and embrace "social justice." There are interesting, even funny, anecdotes about his Minnesota mentor, Hubert Humphrey, another of a vanishing breed of gentleman-politicians, as well as Barry Goldwater, whom Mondale describes as a "personal friend."

The Good Fight is so called because it details Mondale's battles against racial segregation and the old boy network in the Democratic party—especially the Dixiecrats of the civil rights era. He does make mistakes, however, such as claiming that Reagan kicked off his 1980 campaign in "Philadelphia, Mississippi, just a few miles from the place where three civil rights workers had been murdered during the Freedom Summer of 1964." This is a myth that had been passed from one liberal to another over the years. (Actually, Reagan began his fall campaign at Liberty State Park in New Jersey.) It was no less than Jimmy Carter who kicked off his fall campaign in Alabama, near an office of the Ku Klux Klan, making an open appeal to regional pride as a means of holding on to a South that was leaning toward Reagan.

When I interviewed Mondale he told me in no uncertain terms (as he has told others) that he had seriously considered resigning in the summer of 1979 because he was deeply opposed to, and offended by, Carter's famous "malaise" speech. He told me that he had implored Carter not to deliver it as the speech seemed to blame the American people for their troubles, not the government that was the architect of high inflation and long gas lines. Yet here he says that he did *not* consider resigning.

But as I say, *The Good Fight* is a good read, well written, enjoyable, and reflective of the contributions of an eminently creditable man to the national debate—a vice president who might well have been more influential on policy and government, over the long term, than his own president. ♦

Craig Shirley, president and CEO of Shirley & Banister Public Affairs, is the author, most recently, of Rendezvous with Destiny: Ronald Reagan and the Campaign That Changed America.

B&A

Warm and Fuzzy

Penetrating the fog of the climate campaigners.

BY STEVEN F. HAYWARD

Lionel Trilling wrote of "the bloody crossroads where literature and politics meet." If Trilling were with us still, he'd likely find the crossroads of science and politics even bloodier. Consider the case of Roger Pielke, professor of environmental studies at the University of Colorado. Like Bjorn Lomborg, Pielke fully accepts the core claim of the climate campaign that the planet faces potentially catastrophic warming several decades from now. But like Lomborg, the Al Gore-style climate campaigners hate Pielke and routinely include him in their ritual denunciations of climate "denialists."

What did Pielke do to end up on the list of climate criminals? Simple: He did the math. And the mathematics of the chief pillar of climate orthodoxy—suppression of fossil fuels—reveals one inconvenient truth after another. The target of climate orthodoxy—an 80 percent reduction in carbon dioxide emissions by the year 2050—would require reducing U.S. fossil fuel use to a level last seen a hundred years ago. As Pielke quantifies with example after example, this rate and time scale of decarbonization is simply fantastic, and requires magical thinking to maintain with a straight face.

Pielke is brutal in confronting the implications of the adverse math: "Some aspects of such conventional wisdom are, to be absolutely direct, just plain wrong." But he attributes our dysfunctional climate politics to more than just innumeracy: The entire problem of climate change has been too narrowly conceived from the beginning. The U.N.'s traveling climate circus has, from the first, defined the problem exclusively around human greenhouse gas emissions rather than considering how to make human civilizations more resilient in the face of climate-related changes from any cause. Pielke supports the decarbonization of energy, but he also thinks climate policy should focus on adaptation in the broadest sense (which means chiefly accelerating economic growth in the developing world) as well as research into "air capture" of CO_2.

The Climate Fix
What Scientists and Politicians Won't Tell You About Global Warming
by Roger Pielke Jr.
Basic Books, 288 pp., $26

Al Gore in Cannes, 2007

VALERY HACHE / AFP / GETTY IMAGES / NEWSCOM

While his *Climate Fix* sounds like yet another exercise in magical thinking, Pielke unloads one heresy after another. By conceiving the issue as a morality play, the climate campaign has done great damage to science and policymaking alike. The climate science community has crossed the line from discovery to advocacy and, as the Climategate email scandal showed, corrupted the scientific process. The ideological differences at work in the climate debate cannot be reconciled, but unless the climate campaign gives up on seeing the issue as a means of achieving larger social change, there will be little serious progress.

"Cap and trade sounds great," Pielke writes. "The problem is that it cannot work. . . . Markets cannot make the impossible possible." We don't use too much energy, he argues; indeed, we need much more cheap energy—and he doesn't think fossil fuels are too cheap. He debunks the Kyoto Protocol in two sentences, pointing out how it made no significant difference in the long-term trend of energy efficiency, even in the nations that embraced it:

> [Kyoto] did almost nothing to accelerate historical rates of decarbonization of the EU. . . . Decarbonization in the EU occurred at an annual average rate of 1.35 percent per year in the nine years before the Kyoto Protocol and 1.36 percent in the nine years following.

These are just a few of Pielke's refreshing departures from the climate orthodoxy that has stifled original thinking for the better part of the last 20 years, and his central point is what he calls the iron law of

Steven F. Hayward is a resident scholar at the American Enterprise Institute and author of the forthcoming Almanac of Environmental Trends.

climate policy: "When the trade-off is emissions reductions versus economic growth, the economy wins every time."

Pielke's "fixes" may disappoint climate skeptics as well as Al Gore acolytes. He is unenthusiastic about "geoengineering"—that is, schemes to reflect solar radiation such as spraying high-altitude particles to mimic the effect of volcanoes—for the same reason that limits our ability to predict future warming very well: The climate system is too complex and chaotic to judge cause and effect of various geoengineering ideas, even as we try them out. He thinks faster decarbonization of the planet's energy supply is a very long-term project requiring greater investment in research and innovation by governments. And while this has difficulties, it is a better starting point than hair-shirt suppression of fossil fuels, the exclusive focus of the climate campaign.

Will the climate campaign, chastened by the collapse of cap and trade, be willing to entertain Pielke's heterodoxy? The answer depends on whether the climate campaigners are as faithful to reason as they claim to be. ♦

B&A

A Little Learning . . .

. . . is not a dangerous thing for aspiring statesmen.

BY NATHAN HARDEN

"Statecraft cannot be practiced in the absence of literary insight," writes Charles Hill. "Literature lives in the realm grand strategy requires, beyond rational calculation, in acts of the imagination." Imagination is what Winston Churchill had in 1938, when he warned of Hitler's mounting menace. Imagination is what Neville Chamberlain lacked when he chose the course of appeasement. Chamberlain failed to comprehend the nature and extent of Hitler's ambitions; and if we are to believe Hill, it may have been Churchill's famous passion for great books that made the difference between the two men.

Literature, Hill contends, makes sense of fragments our reason cannot reconcile on its own. Of all the arts and sciences, only literature is methodologically unbounded.

> Literature's freedom to explore endless or exquisite details, portray the thoughts of imaginary characters, and dramatize large themes through intricate plots brings it closest to the reality of "how the world really works."

Grand Strategies
Literature, Statecraft, and World Order
by Charles Hill
Yale, 384 pp., $27.50

Ever since the Treaty of Westphalia (1648), sovereign states have formed the basis for international affairs. But today, nonstate actors are on the rise, world order is on the decline, transnational corporations reign over economic life. Our enemies huddle in a cave in Afghanistan one day and are seated next to us on an airplane the following day. Technology is making them ever more lethal. Culture is increasingly borderless. Ideologies such as communism and Islamofascism threaten to destroy civilized states from within. World affairs are suitably unpredictable. Statecraft requires us to deal with uncertainty—with "known unknowns," as Donald Rumsfeld famously put it—and the intentions of foreign leaders, the course of world events, are unpredictable. A diplomat must be prepared to make decisions even when facts are unclear.

In *Grand Strategies*, Hill argues for "the restoration of literature as a tutor for statecraft," describing the evolution of world order across history, from ancient empires to the modern state. Along the way he surveys the political insights of more than 70 poets and novelists, from Homer to Salman Rushdie. But *Grand Strategies* is also part memoir. Prior to his current incarnation as teacher and scholar, Hill enjoyed a long, distinguished tenure in the Foreign Service, and his diplomatic career included service as an aide to Henry Kissinger and George Shultz, and later as an adviser to Boutros Boutros-Ghali, the Egyptian secretary-general of the United Nations.

From Saigon to Camp David, the drama of Hill's diplomatic career energizes this study. A lengthy meditation on Thucydides sets the stage for a midnight flight to Moscow, where the American envoy will engage Mikhail Gorbachev in a round of negotiations. For brief moments, it reads like a political thriller. "The Foreign Service of the United States," writes Hill, "trained me to be a close reader of communist texts, as one of the best ways available to fathom what was going on in the minds of those at the top of the Soviet Union and the People's Republic of China." Without literary knowledge, statesmen, no matter how well-intentioned, are doomed to fail: "The works considered in this book address the conundrums of statecraft in ways which may be used for good or ill by people in power," and Hill warns of the dangers we face if we discount literary knowledge. The Founders "joined the literary-historical conversation of great texts about strategy, statecraft, and power across centuries." In *The Federalist*, "Publius

Nathan Harden blogs about higher education for National Review Online.

reveals the Constitution as meant to avoid the flaws of democracy revealed in classic texts." But Rousseau rejected all prior regimes and governments as illegitimate. Rather than seeking to understand human nature, he sought to remake it. The bloodbath of the French Revolution ensued, followed closely by Napoleon's tyranny.

Literature is, above all, "a supreme way of knowing," and blindness to literary insight is the Achilles' heel of pure political science. Fiction is the key to comprehending the real. Religion, and Christianity in particular, looms large here, and reason can never fully comprehend religious faith. Yet, as we were reminded on 9/11, religion remains at the forefront of international affairs. Whitman predicted that "there will soon be no more priests" and Nietzsche wrote God's epitaph. Yet here we are, more than a century later, and God is proving himself to be a die-hard.

One shortcoming is that Hill fails to engage the text of the Bible in a serious way. It seems odd, for example, to say so little about how biblical narratives relate to the history of, say, the Holy Roman Empire. Likewise, in a lengthy chapter on the United States, the Bible's influence on colonial and early republican history is only hinted at.

Nevertheless, religion is at the core of Hill's prescription for a more stable world order. Religion entails ceremony, and protocol—the proper conduct of ceremony—"is the first literary genre." Religion also authenticates the state. Legitimacy is the key to stability, and the key to legitimacy, claims Hill, is acknowledgment that world affairs are subject to a divine order: "A sacral nature must infuse world order if it is to be legitimate."

Indeed, diplomats, whether they realize it or not, are engaged in a religious system. And the literary realm, Hill argues, is essential for understanding the nature of man, as well as the religious/ceremonial nature of high diplomacy, for in literature, "the greatest issues of the human condition are played out." ♦

RICHARD TERMINE

B&A

Tides in Motion

Sasha Waltz and her bodies of/at work.

BY NATALIE AXTON

Virgis Puodziunas, Juan Kruz Diaz de Garario Esnaola, Friederike Plafki

The last section of Sasha Waltz and Guests' triptych, *Gezeiten*, is an absurdist *tour de force*. For a half-hour, 16 dancers and the world they inhabit slowly, then quickly, fall apart. A man hammers his shoes onto a wall. A woman in a ball gown shimmies across the stage, drawing a smiley face in lipstick on a brown bag she holds in front of her own face. A man covers himself in baby powder, for no reason at all. A woman made two-dimensional by the stiff boards she wears inside her athletic suit kicks a wooden block. A man wearing pantyhose on his head smears lipstick on a wall.

Natalie Axton writes about dance in New York and blogs at livingwithcriticism.com.

These and other random bits of madness come together when the set is destroyed from underneath. The cacophony is followed by virtual silence as three giant slumping cocoons enter the wreckage.

For what it's worth, *Gezeiten*, which means "tides" in German, is all about preparing the audience for this surreal vision. It isn't easy. The first section is a pure dance made of human architecture and predicated on trust. The idea is vaguely utopian: Relationships are created when dancers form physical bonds in yoga-like postures.

It's a simple idea, and it goes on too long and with little regard to the accompanying music, Bach suites for violoncello. Occasionally the dancers, expressionless, pile atop one another and spin,

Davide Sportelli, Juan Kruz Diaz de Garario Esnaola

whirling-dervish style. There's the occasional visual gag, such as dancers forming an elaborate lineup, thrown in to suggest Waltz might be playing coy; it's hard to know. This section is redolent of the laziness of the Berlin modern dance scene, where no one breaks a sweat if she can avoid it.

At 47, Waltz is one of Europe's leading theater artists. She created *Gezeiten* in 2005 to explore human responses to trauma, a topic she approaches with the experience of having been herself trapped in a Corsican village surrounded by fire. Performances at the BAM Next Wave Festival early last month marked its U.S. premiere.

The trauma behind *Gezeiten* might be supplied by the catastrophe of the second section; then again, maybe a catastrophe closing the first section is why the dancers appear so traumatized during its second section. When the lights come up we see the doors in the set that were open in the first section are now closed. The Bach and the cellist are gone. The dancers stand in a clump downstage, facing the same direction with their mouths open. They wear more specific variations of their previous costumes, indicating that the second section leans towards realism. The dancers speak and, though they each speak a different language, understand one another perfectly.

We're left to ponder whether the group of mixed linguists represents modern Europe, or just Europe Chic.

This confusion of serious style and not-so-serious content, realism and bizarreness, plagues the second section. The dancers, once they close their mouths, develop an unexplained fear of the floor: One goes catatonic, and against the advice of the group leader, several women bathe the victim and then remove him from the room. The others relax and make a home in this same room, setting out food and installing plumbing.

Twenty minutes in, smoke fills the room. The dancers try the doors again, and this time none will open. The back wall of the set lights up in flames, and the dancers panic, but a fire extinguisher solves that problem and the dancers open the doors and flee the stage, dramatics miraculously ended.

At 110 minutes without intermission, *Gezeiten* is an interesting night at the theater only if you have an interest in institutional history. Sasha Waltz made this piece at the end of her residency at the Berlin Schaubuhne am Lehniner Platz, a once-minor Berlin theater that has enjoyed a new vogue since the beginning of the decade. (She now works from Berlin's Radialsystem V, an interdisciplinary artists' think tank she cofounded in 2006.) It was her last project created with the full resources of a German theater—resources American choreographers can only dream about.

Amateurish yet overproduced, *Gezeiten* owes its few successes to Jonathan Bepler's score. For without Bepler's sounds driving its shifting moods, *Gezeiten* would be little more than an exercise in costume and set design. ♦

RICHARD TERMINE

Gabriel Galindez Cruz, Xuan Shi

B&A

Motionless Pictures

Smart, driven artists and their slow, aimless art.

BY JOHN PODHORETZ

Tiny Furniture is the 24-year-old Lena Dunham's acclaimed satiric portrait of someone very much like her—a graduate of Oberlin who is dumped by her college boyfriend and returns home to Tribeca to figure out what to do with her life. She stars in it, wrote it, and directed it, and since it began to be shown at film festivals last spring, Dunham has hit the jackpot. *Tiny Furniture* has earned her the kind of reviews she might have written herself under a pseudonym on Amazon, a five-page profile in the *New Yorker*, and a pilot for an HBO series produced by Judd Apatow (Hollywood's hottest maker of comedies).

Dunham's film is a movie tinier than the furniture in the title (which refers to artsy photographs taken by the lead character's mother, who is played by Dunham's mother, who is an artsy photographer). Aura wanders around her mother's Tribeca loft, argues with her sister, smokes pot with her affected lifelong friend, flirts with a guy, takes a job as a hostess at a restaurant. *Tiny Furniture* is extraordinarily good-looking for a movie made for $50,000. Dunham has an eye for catchy camera angles, and it's easy to see the virtues that stirred Apatow's enthusiasm: The movie is essentially a series of comic sketches, and Dunham has the *New Yorker* cartoonist's ability to limn and parody a specific type of urban neurotic with a single well-wrought line and image.

Tiny Furniture could have been made for me; I'm a Manhattanite, I went to private school, I moved back after college in the Midwest, and I know and am fascinated by the kinds of people Dunham portrays here. But I found *Tiny Furniture* wearying and could only make my way through half of it—you can watch it on demand on your cable box in the "IFC in Theaters" section—before turning it off with a sigh of relief. I suspect many people drawn by the movie's ecstatic notices will have much the same experience.

Tiny Furniture
Directed by Lena Dunham

Lena Dunham, Alex Karpovsky

What is it that so annoyed me about *Tiny Furniture*? It's not that, as I approach the age of 50, I have forgotten what it was to be young. Quite the opposite; I rather enjoy any reminder of it I can get. No, what drove me crazy about *Tiny Furniture* is what also drives me crazy about a recent series of similarly cheap movies about aimless, inarticulate, anomic post-collegiates known as "mumblecore."

This semi-movement, led by filmmakers Andrew Bujalski and Joe Swanberg and acted by their friends and relatives, has failed to make much of a cultural dent because, in the end, it's not that much fun to watch people speak haltingly, wander aimlessly, pair off and break up, and do so with no evident pleasure or purpose. *Tiny Furniture* is better than the mumblecore movies (like *Funny Ha Ha*, *Hannah Takes the Stairs*, and other titles of which you have thankfully never heard), but it shares with them a maddening falsity. The works they most resemble are the brilliant 1970s short stories by Ann Beattie, which portrayed a wounded and shell-shocked generation of educated solipsists mired in a permanent emotional hangover from the sybaritic excesses of the 1960s and its various social revolutions.

But here's the thing: Dunham and the mumblecore crew have been through no comparable wrenching social changes, so their anomie seems both unearned and affected. Indeed, these autobiographical studies of young people with no purpose have been made by young people who are anything but purposeless. They're not Holden Caulfield; they're Mark Zuckerberg. They are wildly ambitious, extraordinarily self-confident, and very determined. *Tiny Furniture* is Dunham's *second* full-length feature film. The mumblecore guys have each made five films in seven years.

To make their pictures, they go out and raise money—tens if not hundreds of thousands of dollars. They make these movies, which is not an easy thing to do. And then they shop them in order to get distribution, a grueling and nerve-wracking process involving lawyers and rights clearances and bidding negotiations with often unscrupulous entertainment-world types. These are shark-infested waters, and Dunham—who is, by the way, nobody's idea of a glamorous leading lady or winsome comedienne—entered them fearlessly, navigated them brilliantly, and has come out triumphant. Only a few years after reaching the legal drinking age.

Imagine, then, a very different kind of satirical movie—a movie that offers a portrait of a driven, determined, and confident young person and her circle of friends, most of whom are very much like her. Perhaps Dunham and the mumblecore folks don't want to make such movies because they would cut too close. By acting as though they are losers, when they are the opposite, they are actually drawing a veil of secrecy across the very qualities that make them genuinely interesting. ♦

JOE ANDERSON / IFC FILMS

John Podhoretz, editor of Commentary, *is* The Weekly Standard*'s movie critic.*

"President Obama on Tuesday faced an uprising among angry Democrats who strongly opposed his deal with Republicans on tax cuts ..."
—Washington Post, *December 8, 2010*

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B-berg Bans *More* Fat

Mayor Michael Bloomberg is now pushing for a ban on obese individuals. *"Seeing fat people on the street sends the message that it's okay to be fat,"* said Hizzoner, who plans to have the overweight carried away on forklifts and deposited into the East...

SEE PAGE 8

Rangel Reels 'em In

Fresh from his censure, Rep. Charles Rangel invited his closest supporters to lunch at the Plaza, where he then pitched them on a time-share deal. "I'm here to talk to you about an exciting business opportunity," Rangel began.

SEE PAGE 9

BA-RACK HUMBUG!

DEMS IRATE AS OBAMA, GOP HOST HOLIDAY PARTY

WASHINGTON — Democrats went ballistic after learning last week's White House holiday party was organized by both Pres. Obama and Republicans. "I'm just staggered by how quickly the president caved in to Republican demands," said an irate Sen. Dianne Feinstein (D-Calif.). "Not just on the decorations or centerpieces, but even the music," which was provided by Lee Greenwood, who performed his latest hit, "Proud to be an American on Christmas." Complained Sen. Bernie Sanders (D-Vt.), "Conservatives got what they wanted from Santa—a tax cut for trillionaires making over $250,000—but to the rest of us, our president is Ebenezer Scrooge."

Obama countered, "I think it's tempting not to negotiate with hostage-takers, unless the hostage gets harmed. Then people will question the wisdom of that strategy. In this case, the hostage was the eggnog and I was not willing to see it get harmed—or spiked."

"Too late for that!" blurted outgoing Connecticut senator Chris

SEE PAGES 3-5