
the corner

Friday, January 22, 2010

Arlen Specter Tells Bachmann to 'Act Like a Lady' [[Kathryn Jean Lopez](#)]

Something tells me the sisterhood won't be jumping to Michele Bachmann's defense [here](#).

Posted at [8:42 AM](#)

NRO Development Internship [NRO Staff]

The NATIONAL REVIEW ONLINE web-development department (www.nationalreview.com) is seeking a college student or recent college graduate to fill its open internship slot. Ideal candidates are good communicators, are technically savvy, and are motivated to execute and build upon their web-development skills in a professional environment. Responsibilities include assisting the NRO team with various daily production chores, performing technical and routine project-based tasks, and supporting backend development and social media pursuits. Intermediate to advanced knowledge of HTML is expected, and experience with Flash, CSS, RSS syndication, and mobile-device development are all pluses. The ability to work out of NRO's New York City office is a must, and the ideal candidate will be able to commit to 15 in-office hours a week. (Hours worked are customizable to school and work schedules.) Term of the internship and stipend will be determined on a case-by-case basis.

Serious applicants are invited to e-mail a cover letter and resume to intern.resumes@nationalreview.com.

Posted at [8:39 AM](#)

Mr. Brown Goes to Washington [[Mark Krikorian](#)]

Today's [Post story](#) on Sen.-elect Brown's visit to the Capitol had a curious reference in the lede:

Scott Brown left the truck back in Massachusetts.

At 9:30 on Thursday morning, the Republican state senator arrived by US Airways shuttle at Reagan National Airport, though he rode a GMC-driving everyman image and a wave of **Tea Party-stoked, establishment-financed frustration** into the U.S. Senate seat of Jack and Teddy Kennedy. Looking fresh and fit, he stepped out of Gate 43 for his crash-course introduction to official Washington.

What is "establishment-financed" supposed to mean? Maybe I'm missing something, but the implication is that the witless tea-bagger boobs who voted for Brown were duped by the filthy lucre of plutocrats to vote against their interests. Apparently, the million dollars a day Brown took in last week was from the "establishment"? This is the kind of thing I'd expect in a bitchy Style section story, not a news story on the front page.

Posted at [8:38 AM](#)

NRO-Inspired Dinner Plans [[Kathryn Jean Lopez](#)]

An e-mail: "Today's postings by Goldberg & Krauthammer skewer Obama and the Dems so perfectly, we're considering on shish-ka-bob tonight!"

Jonah's [here](#). Charles is [here](#).

Posted at [8:35 AM](#)

'I Love This Week' [[Kathryn Jean Lopez](#)]

In his third year in congress, Ohio's Jim Jordan celebrated human life on the House floor yesterday:



Jordan was part of a parade of congressmen marking the *Roe v. Wade* anniversary week on the House floor yesterday. Also watch: [Reps. Chris Smith](#) (in three parts, thus three links!), [Jeff Fortenberry](#), [Joe Pitts](#), [Jean Schmidt](#), [Parker Griffith](#), [Todd Akin](#), and [Joseph Cao](#),

Posted at [8:33 AM](#)

Speaking of Cowbell [[Jonah Goldberg](#)]

As some here may remember I wrote a column a while back about how the Obama administration's solution to every problem is more Obama. From that old [column](#):

Why the Obama administration is determined to do the time warp again is easier to decipher. Obama's advisers think the answer to every problem is more cowbell, if by "cowbell" you mean "Obama." It's like Obama guru David Axelrod is the Christopher Walken character from the Saturday Night Live skit about Blue Oyster Cult (if you don't know the reference, Google "cowbell").

Every time someone comes up with an alternative to throwing Obama on TV, Axelrod

says, “No, no, no. Guess what? I got a fever, and the only prescription . . . is more Obama!”

But is that really what the doctor ordered?

I'm proud to say that the column, and the running [cowbell jokes on the Corner](#) have spawned a small cottage industry of cowbell [paraphernalia](#). Anyway, there are no new cowbell jokes in my column today, but the point is clearer than ever. Obama's explanation for everything that has gone wrong over the last year is that he didn't clang the cowbell more. From my [column](#):

In an interview with ABC's George Stephanopoulos, the president offered his nuanced analysis of the Bay State Götterdämmerung and his first year in office.

In short: “I did nothing wrong.”

Well, with one caveat: “One thing I regret this year is that we were so busy just getting stuff done . . . that I think we lost some of that sense of speaking directly to the American people. . . . I think the assumption was, if I just focus on policy, if I just focus on the, you know, this provision, or that law, or are we making a good, rational decision here, that people will get it.”

Cue the record-scratch sound effect!

Look, Fidel Castro can get away with saying something like that. He's been cloistered away on life support, unable to give his epic speeches to rent-a-crowds. But Obama? Barack Obama?

In his first year as president, Obama has broken all records for talking directly to the American people. According to CBS News, he has delivered 411 public “speeches, comments, and remarks” and 158 interviews — more than one public statement per day and roughly an interview every other day.

The supposedly aloof Obama already personalizes things more than a host on The View. Every address is so laden with “me,” “myself,” and “I,” you'd think he was trying to fix the economy with a massive stimulus of personal pronouns.

Obama is a near-permanent fixture not just of news-magazine covers but all magazine covers, including Men's Fitness and American Dog — which, admittedly, he shared with a three-legged pooch named Baby. He's schmoozed with Oprah and given plenty of in-depth interviews on 60 Minutes.

Next week, the president will give his first State of the Union address. If that seems strange, it's because it will be his third nationally televised address to a joint session of Congress.

The only way the White House communications shop could cram more Obama down our throats would be if it required, as part of the health-care bill, that we have Obama-message receivers installed in our fillings.

The arrogance runs deeper....

Posted at [8:27 AM](#)

Paul Volcker: Not Infallible [[Andrew Stuttaford](#)]

[Like Jim](#), I think that (however questionable Obama's motivation) there's quite a lot to be said for the Volcker plan for the banks (despite the logical flaws ably pointed out by [Nicole](#)), and as someone who remembers watching (albeit from afar) Volcker's stint at the Fed it is impossible not to be impressed by his record there. At the same time, we should not forget that the great man is far from infallible. Most notably, he was [active](#) in efforts to persuade the Brits to sign up for the Euro in the late 1990s. Britain's current economic condition is, thanks to more than a decade of Blair/Brown misrule, dire. A Sterling crisis remains a distinct possibility for this year. That said, if the UK had followed Volcker's advice, the position would have been far, far worse, amazing though that may seem.

It was always quite clear that for Britain to join the euro would have been an obvious disaster, yet the pressure of establishment opinion made Volcker insist otherwise. That is something well worth remembering when we consider his current proposals.

Posted at [8:24 AM](#)

Sean Duffy [[Kathryn Jean Lopez](#)]

About the who may Coakley David Obey, this reader is quite right:

You neglected to mention that he is also a champion speed climber. A sport you may not be familiar with, but people that live in logging towns know well and enjoy the sport. He may still do it for exhibition. Gives him a unique narrative, especially in NW Wisconsin.

As Duffy's [campaign website](#) explains:

Four generations later, Sean is carrying on the family tradition as a nationally recognized professional lumberjack athlete. He is a three-time world champion in the 90-foot speed climb and an accomplished log-roller. Sean has been a color commentator for ESPN's Great Outdoor Games, as well as a Badger State Games Honorary Athlete and takes pride in bringing national attention to a sport with vital roots in Wisconsin's proud history.

Posted at [8:22 AM](#)

Another Day, Another Slander [[Kathryn Jean Lopez](#)]

Rush Limbaugh is getting smeared with the accusation of anti-Semitism by people who should know better. A generous gentleman who knows of what he speaks, Norman Podhoretz defends our radio friend, who Norman calls a "loyal" "friend of Israel" in a statement passed along to me:

In my new book, "Why Are Jews Liberals?", I argue that it no longer makes any sense for so many of my fellow Jews to go on aligning themselves with the forces of the Left. I also try to show that our interests and our ideals, both as Americans and as Jews, have come in recent decades to be better served by the forces of the Right. In the course of describing and agreeing with the book the other day, Rush Limbaugh cited a few of the numerous reasons for the widespread puzzlement over the persistence of liberalism within the American

Jewish community. And while discussing those reasons, he pointed to the undeniable fact that for “a lot of people”—prejudiced people, as he called them twice—the words “banker” and “Wall Street” are code words for “Jewish.” Was it possible, he wondered, that Obama’s attacks on bankers and Wall Street were triggering a certain amount of buyer’s remorse within the American Jewish community, which gave him 78% of its vote? Finally, taking off from my observation that many Jewish liberals like to call themselves independents, he wondered whether a fair number of the self-described independents who deserted Obama and voted for Scott Brown might actually have been Jewish liberals. If so, he concluded, Brown’s “victory could be even more indicative of an even bigger change in the political temper of the country than has so far been recognized.”

For this, Rush Limbaugh has been subjected to a vile attack by Abraham Foxman, the national director of the Anti-Defamation League. Of course, Mr. Foxman has a long history of seeing an anti-Semite under every conservative bed while blinding himself to the blatant fact that anti-Semitism has largely been banished from the Right in the past forty years, and that it has found a hospitable new home on the Left, especially where Israel is concerned. This makes Foxman a perfect embodiment of the phenomenon I analyze in “Why Are Jews Liberals?” Now Foxman has the chutzpah to denounce Rush Limbaugh as an anti-Semite and to demand an apology from him to boot. Well, if an apology is owed here, it is the national director of the Anti-Defamation League who should apologize for the defamatory accusation of anti-Semitism that he himself has hurled against so loyal a friend of Israel as Rush Limbaugh.

If you haven't already, buy Norman's latest book [here](#).

Posted at [8:20 AM](#)

The March [[Kathryn Jean Lopez](#)]

The weather isn't the best today, but the March for Life goes on. This year, [with a virtual component](#).

Posted at [8:19 AM](#)

Indefinite Detention to Continue Indefinitely [[Daniel Foster](#)]

The administration's education in the reality of the War on Terror continues, with the [decision](#) by President Obama's to detain indefinitely 50 inmates currently held at Guantanamo Bay military prison, on the grounds that they are “too difficult to prosecute but too dangerous to release.”

The decision came on the recommendation of the president's Gitmo task force, established soon after he took office. The body had its last meeting yesterday and concluded, among other things, that the prison cannot and should not be closed by Obama's deadline.

The *Times* reports that of the prison's roughly 200 detainees, about 40 will eventually be prosecuted and about 110 will be repatriated or transferred to other countries. But two important questions remain: Of those in the former category, which will be granted civilian trials and which trials by military commission? And of those in the latter category, about 30 are from Yemen, where the administration has halted Gitmo prisoner transfers in the wake of the Christmas Day bombing

attemp. Where will they go?

Posted at [8:17 AM](#)

This Week in Liberalism [[John J. Miller](#)]

1. The Democrats lost Ted Kennedy's seat, sending their health-care takeover efforts into a tailspin.
2. The Supreme Court wiped out the central feature of McCain-Feingold, in a victory for free speech.
3. Air America declared bankruptcy.

UPDATE: A reader notes the arrival of this [anniversary](#):

Sec. 3. Closure of Detention Facilities at Guantánamo. The detention facilities at Guantánamo for individuals covered by this order shall be closed as soon as practicable, and no later than 1 year from the date of this order. ...

BARACK OBAMA

THE WHITE HOUSE,
January 22, 2009.

Posted at [6:06 AM](#)

There's an App for That [[John J. Miller](#)]

Can't get enough of the president? The only thing missing from [this](#) is a cowbell.

Posted at [5:38 AM](#)

Thursday, January 21, 2010

Geithner Nails It [[Rich Lowry](#)]

He's [reportedly](#) worried that politics is driving Obama's attack on Wall Street. *Of course it is.* The danger of the "pivot" for Obama is that he's not naturally an angry populist and the political motive behind this move will seem obvious to people. I'm guessing he's much better suited to posing as the cool, calculating moderate, as he did during the campaign to great effect (witness all the testaments to his temperament), than an impassioned 21st century Huey Long. He's clearly gotten pushed into by the Left and by the need to respond to the popular backlash against his governance. A politician always needs to adjust to circumstances, but he can't seem to be adopting a different persona (see Al Gore's performances in the 2000 debates). We'll see: People certainly don't like Wall Street, but they might well pick up the whiff of poll-driven desperation and realize Wall-Street bashing won't do anything to improve their lives.

Posted at [11:35 PM](#)

Re: Fickle Libertarians [[Veronique de Rugy](#)]

Cato Institute's David Boaz e-mailed me with this:

Jonah says consistent libertarians are rare. Sure. So are consistent conservatives who

would affirm every tenet of the Sharon Statement, or an updated Ten Principles of Conservatism for today, complete with policy specifics. What we are saying, and what I think no one has actually countered, is that there are some millions of voters -- maybe our 14 percent, maybe Gallup's 23 percent, maybe even Zogby's 44/59 percent -- who don't line up either red or blue. They don't buy the whole package from Rush or Keith, McCain or Obama, NR or TNR. They have real libertarian tendencies on both economic and personal issues.

Does that mean they want to abolish public education and legalize drugs? Of course not. But they do oppose both health care "reform" and restrictions on abortion, or they like both lower taxes and gay marriage or civil unions. According to the 2004 exit polls, 28 million Bush voters supported either marriage or civil unions. And neither party typically offers that program. Which means that some of those people -- like eight Seattle entrepreneurs who visited Cato today -- are uncomfortable with both parties and don't vote consistently for either.

Jonah says, "most of the talk about 'libertarians' switching sides has been exactly that, talk." Maybe he should *read the study*, or at least read Table 2 on page 8. A group of people who are identifiably outside the red/blue boxes did swing toward the Democrats in 2004 and 2006, and then swung back against Obama.

#more#Finally, if interested, check this post by George Mason University's Ilya Somin over at the [Volokh Conspiracy](#):

Obviously, most libertarian voters in the general population are not as radical in rejecting government intervention as many libertarian intellectuals are. But they do seem to favor substantial reductions in the size and scope of government relative to current levels. We intellectuals should not be too troubled by this. Conservative and liberal voters aren't as ideologically consistent as their intellectual counterparts either. . . It is true, of course, that most of them voters may not think of themselves as "libertarian" and many of them probably don't even know the word. They are like the proverbial man who has been speaking prose all his life without knowing it. Several decades of studies going back to [Converse's classic work](#) also show that most voters don't have a good understanding of the meaning of "liberal" and "conservative" either.

(H/T to David Kirby).

Jonah, know that with this post, I do feel like a little girl who needs her big brothers to protect her.

Posted at [8:00 PM](#)

Indelicate Questions . . . [\[Nicole Gelinas\]](#)

President Obama [promised today](#) that "never again will the American taxpayer be held hostage by a bank that is 'too big to fail.'"

To that end, he [pledged](#) to work with Congress to prohibit commercial banks, whose smaller depositors benefit from FDIC insurance, from owning, investing, or sponsoring a hedge fund, private equity fund, or proprietary trading operations.

"It is not appropriate" for banks that indirectly benefit from FDIC insurance of their depositors to

"turn around and use that cheap money to trade for profit," the president said.

Obama needs to explain how, exactly, such a prohibition would have prevented or alleviated the financial crisis in *any* significant way. Consider:

- * Bear Stearns did not rely on FDIC-insured deposits. Yet the government had to bail it out in March 2008 (indirectly).

- * AIG did not rely on FDIC-insured deposits. Yet the government had to bail it out in September 2008 (directly, and often).

- * Lehman Brothers did not rely on FDIC-insured deposits. Yet the government's failure to bail it out in September 2008 set off a mass-scale panic.

- * Non-bank money-market funds (by definition!) do not rely on FDIC-insured deposits. Yet the government had to guarantee them against losses in September 2008 to avert a run.

Obama's proposal would be brilliant -- save for the needling inconvenience that it has nothing to do with reality.

— *Nicole Gelinas, contributing editor to the Manhattan Institute's City Journal, is author of [After the Fall: Saving Capitalism from Wall Street — and Washington](#).*

Posted at [7:54 PM](#)

Sen. McCaskill Agrees with Ramesh [[Rich Lowry](#)]

As she explained [here](#), doing the piece-meal, pass-the-popular-stuff approach wouldn't be so easy: "I heard somebody say this morning, we'll just do preexisting conditions. Well, you can't do preexisting conditions unless you do a mandate and you can't do a mandate if you can't make insurance affordable [ME: that's where the subsidies, and therefore the Medicare cuts and tax increases come in]. . . . It's just all inter-related."

Posted at [7:28 PM](#)

The New Face of Organized Labor [Michael G. Franc]

The Bureau of Labor Statistics (BLS) will release its annual report on union membership for 2009 on Friday. The Heritage Foundation's labor-policy expert, James Sherk, has already looked at last year's month-by-month employment reports and can reliably predict what the report will say.

He finds:

- * Labor movement membership continued to fall in 2009. While a full 23.0 percent of Americans belonged to labor unions in 1980, last year only 12.3 percent carried the union card. Last year there were 15.3 million union members in the United States, down 770,000 from the previous year.

- * The real takeaway in the BLS report is the transformation of the labor movement. A majority of union members in America (52 percent) now work for the government. This is up sharply from 49 percent in 2008. Put another way, Sherk finds, three times more union members now work in the Post Office than in the auto industry.

#more#

* Union membership in the productive sector of our economy continued its long-term downward spiral, falling from 20.1 percent in 1980 to a mere 7.2 percent in 2009.

* A full 37.4 percent of government employees now belong to unions in 2009, up 0.6 percentage points from 2008.

* Private-sector unions lost 834,000 members in 2009. Public-sector unions, in contrast, actually gained 64,000 members.

* The average worker for a state or local government earns \$39.83 an hour in wages and benefits. His counterpart in the private sector earns considerably less -- \$27.49 an hour. Over 80 percent of state and local workers have pensions; just 50 percent of private sector workers do. These differences remain, Sherk notes, even after controlling for education, skills, and demographics. The bottom line: Taxpayers now underwrite unionized government jobs that pay considerably more -- over \$430 per week more -- than comparable jobs in the private sector.

Collective bargaining gives government employees a strong incentive to support the highest possible level of taxation at every level of government. Here are a few recent examples of unions putting their muscle behind tax hikes at the state level:

* *Arizona.* The Arizona Education Association (AEA) not only successfully lobbied against repeal of a \$250 million a year statewide property tax. It also helpfully identified another \$2.1 billion in tax increases to forestall spending reductions.

* *California.* The Service Employees International Union (SEIU) spent \$1 million on a television ad campaign pressing for higher oil, gas, and liquor taxes instead of spending reductions.

* *Illinois.* AFSCME Council 31 ran television and radio ads pushing for tax increases instead of spending reductions to close the state's budget deficit.

* *Maine.* Maine voters approved a ballot initiative in November 2009 that would prevent government spending from growing faster than the combined rate of inflation and population growth and require the government to return excess revenues as tax rebates. The Maine Municipal Association, the Service Employees International Union (SEIU), the Teamsters, and the Maine Education Association collectively spent hundreds of thousands of dollars to campaign against the initiative.

* *Minnesota.* AFSCME Council 5 unsuccessfully lobbied state legislators to override Gov. Tim Pawlenty's veto of a \$1 billion tax increase in the Spring of 2009. AFSCME is now lobbying state legislators raise taxes by a cool \$3.8 billion.

* *Oregon.* Public employee unions in Oregon provided 90 percent of the \$4 million spent on behalf of two ballot initiatives to raise personal income and business taxes by \$733 million. The unions want the tax increases to protect the "Cadillac" health coverage that state workers enjoy.

As the balance between private- and public-sector union membership continues to shift toward the government, this dynamic will only intensify.

Posted at [7:18 PM](#)

Fathers and Sons: The Khalajis [Ali Alfoneh]

The photos depict an elderly gentleman dressed in clerical robes enjoying the calm of his private study surrounded by well-ordered bookshelves: a calm refuge in a cacophonous world, an orderly heaven in the midst of the chaotic environment, a learned man's attempt at achieving peace. The gentleman in the photos is Ayatollah Mohammad-Taghi Khalaji, a religious scholar in the holy city of Qom, and father of Mehdi Khalaji, a senior fellow at the Washington Institute for Near East Policy.

But Ayatollah Khalaji's peaceful realm would not endure. On January 19, his home in Qom was attacked by agents of the Iranian Intelligence Ministry, who, without presenting any formal charges, arrested him and seized his only possessions (books and personal papers). Intelligence Ministry agents also confiscated the passports and travel documents of the entire Khalaji family -- including those of his 15-year-old granddaughter -- who were planning to visit Mehdi Khalaji in Washington, D.C., on the occasion of Iranian New Year in March.

There will be little for Mehdi Khalaji to celebrate this new year. Ayatollah Khalaji will most likely be handed over to the Special Clerical Court, Iran's Inquisition Tribunal, for criticizing the regime's inhumane treatment of political prisoners, and perhaps also for his son's scholarly work in the United States. Poisoned pens indeed suggest that not only Mehdi Khalaji's work at the Washington Institute, but also the work of his colleagues at the institute, may be the reason for his father's imprisonment, and they take aim at the unity of the Khalaji family, even going so far as to [indirectly demand that Khalaji père denounce his own son](#). This is how the so-called Islamic Republic treats the family, the very foundation of any society.

The Khalajis represent the fathers and sons and mothers and daughters of Iran. They may be persecuted, but they can't be conquered. They may be prosecuted by the Iranian Inquisition, but they will prevail in the eyes of the public because of their moral courage. They may be imprisoned, but they will remain inwardly free. They may be accused of treason by mercenary pens abroad, but treacherous is the one who betrays the cause of freedom of thought and dignity, not those who endure persecution, prosecution, and imprisonment for insisting upon the rights of man.

-- Ali Alfoneh is a visiting research fellow at American Enterprise Institute.

Posted at [7:05 PM](#)

Air America! [Mark Krikorian]

[Air America](#) and Camelot snuffed out in the same week! So maybe the work does not go on, the cause does not endure, the hope does not live, and the dream really can die.

Posted at [6:42 PM](#)

Raising the Debt Limit. Again. [Veronique de Rugy]

Since 1940, the debt limit was raised 98 times -- more than once a year on average. Last December, it was raised by \$290 billion, and yet, today Democrats would like to raise it again. If they do, it would allow the federal debt to reach \$14.3 trillion (roughly the size of our GDP) to support the federal government's borrowing through 2010.

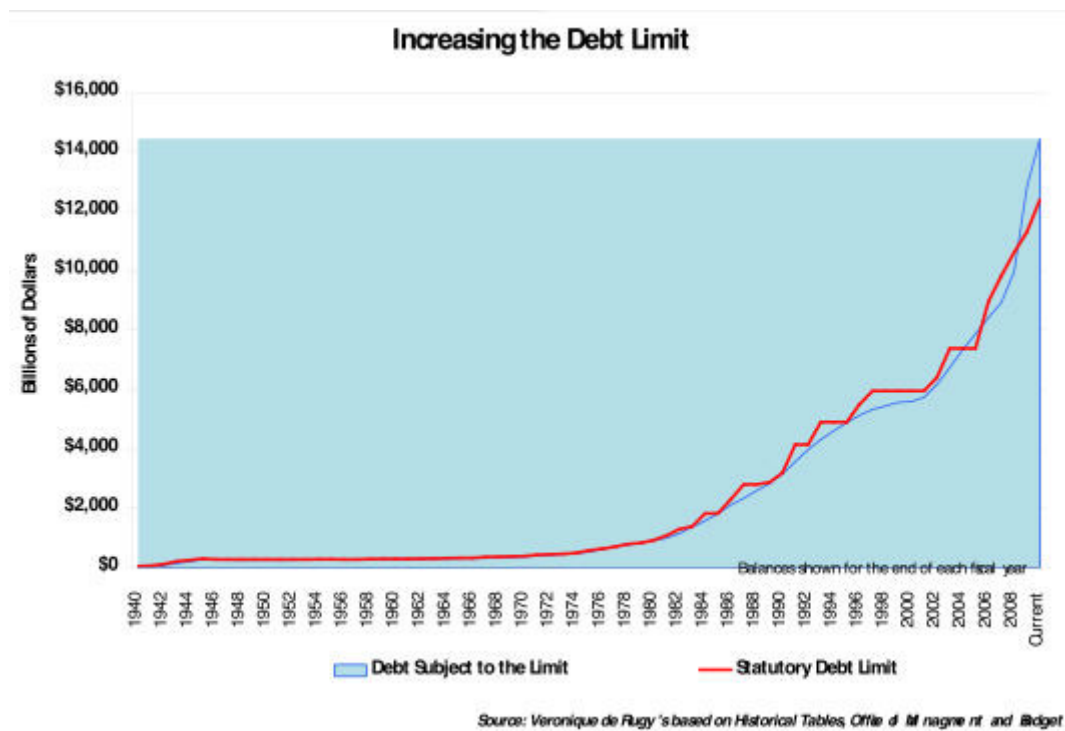
The chart below, just [published](#) at Reason.com, shows increases in the federal debt and the statutory

debt limit since 1940. Obviously, the debt limit is a very poor budget constraint because it does not alter either the spending or revenue policies that determine debt and deficits.

Think about it this way: If you want to lose weight, the only solution is to reduce your current weight. Just telling yourself that you can't gain an additional 30 pounds in the next year won't help. In fact, it will only make things worse. Congress needs to stop spending money rather than ruling that it should simply increase the debt by more than \$2 trillion this time around. #more#

The next week should be interesting. According to the [Washington Post](#) this morning, "Republicans have vowed to oppose the increase, and to turn what is usually a routine procedural vote into a public indictment of Democratic fiscal policy."

My *Reason* piece is [here](#).



Posted at [6:42 PM](#)

Ukrainian Holodomor on TV [Rick Brookhiser]

A friend writes: "WFB broadcast 'Harvest of Despair' on a special two-hour *Firing Line* on Sept. 24, 1986 (guests: Robert Conquest, Harrison Salisbury, Christopher Hitchens)."

Posted at [6:23 PM](#)

Questionable Policy on Interrogations [Bill Burck]

Unnamed sources from the Obama administration are taking director of national intelligence Dennis Blair to the woodshed for admitting during his congressional testimony yesterday that the underwear bomber should not have been treated as a criminal suspect after he was arrested. They even forced a pseudo-clarification out of him, which was most notable for the fact that he did not change the core of his testimony, namely that he wasn't consulted about the decision and that Abdulmutallab should

have been interrogated, not read his *Miranda* rights.

Various media outlets report that Obama officials are saying that Blair got his facts wrong when he testified that the High-Value Detainee Interrogation Group, known as HIG, should have been brought in to interrogate Abdulmutallab because the administration has not yet created the HIG. Mind you, President Obama created a task force two days after taking office in January 2009 to examine options on conducting interrogations of terrorists, and that task force announced the creation of the HIG in August 2009. The HIG was supposed to be the new administration's answer to President Bush's CIA interrogation program, which President Obama shut down immediately upon taking office.

Don't worry, the administration appears to be saying in its most reassuring tones, we couldn't have interrogated Abdulmutallab because we didn't have anyone to do it. This is preposterous on many counts, but I will focus on two obvious ones. First, there are many trained interrogators in the federal government, including military interrogators and intelligence professionals who know exactly how to conduct these types of interrogations. The Army Field Manual sets out the contours of permissible interrogations of enemy combatants, whether they are captured here or overseas. So the administration's claim that they didn't have anyone to interrogate Abdulmutallab is hogwash. Second, they would have us believe that they just haven't gotten around to setting up the HIG yet, even though the HIG was established some five months ago and the task force started looking at this issue a year ago. I don't really want to believe that, but let's take their claim at face value for a moment. Is the Obama administration really suggesting -- a year after shutting down the CIA program -- that they just couldn't get around to putting in place a group of highly trained professionals to question captured terrorists who are planning mass killings on U.S. soil? If this is true, I say bravo for their honesty. It's not everyday the Obama administration admits what some have suspected all along: Stopping terrorist attacks on the homeland just hasn't been at the top of their list of priorities.

— *Bill Burck is a former federal prosecutor and deputy counsel to Pres. George W. Bush.*

Posted at [6:10 PM](#)

Paul Ryan on Reconciliation [Robert Costa]

Rep. Paul Ryan (R., Wis.), the ranking member of the House Budget Committee, tells NATIONAL REVIEW ONLINE that House Democrats *are* planning to use the budget-reconciliation process in order to pass Obamacare. “They’re meeting with each other this weekend to pursue it,” says Ryan. “I’ve spoken with many Democrats and the message is this: They’re not ready to give up. They’ve waited their entire adult lives for this moment, and they aren’t ready to let 100,000 pesky votes in Massachusetts get in the way of fulfilling their destiny. They’ll look at every option and spend the next four or five days figuring it out.”

If the Democrats pass a health-care bill through reconciliation, it means they would need only 51 votes in the Senate for final passage. To start the process, House Speaker Nancy Pelosi (D., Calif.) would need to bring a new health-care bill to the House Budget Committee with reconciliation instructions, with the Senate doing the same. “They’d have to go back to the beginning of the process,” says Ryan. “They’d need to affix reconciliation instructions to a new bill.” Doing so, he says, wouldn’t be too hard. “There’s nothing we can do to stop this from a technical standpoint, since all they need is a simple majority vote and our ratio on the committee is terrible. What [Republicans] can do on the Budget Committee is pass resolutions for the Rules Committee to insist

on certain changes in the bill and create a ‘vote-a-rama’ atmosphere.”

If reconciliation happens, Ryan predicts that the Democrats will still have a hard time pulling it off. “There are Blue Dog Democrats out there who are more survivalist than ideologues. One or two switches could be a game changer. The question is whether Democrats will continue to follow Pelosi off the cliff. After Massachusetts, the Democrats are quickly realizing that even if the president comes in to stump, and you get all the union support you need, it’s still not enough to get you elected.”

Posted at [6:07 PM](#)

Pence 2010? 2012? [Robert Costa]

Rep. Mike Pence (R., Ind.), chairman of the House Republican Conference, tells NATIONAL REVIEW ONLINE that he will sit down with the National Republican Senatorial Committee today to discuss a possible challenge to Sen. Evan Bayh (D., Ind.). “Frankly, I didn’t learn anything from Scott Brown’s win in Massachusetts that I didn’t already know,” says Pence. “It has been clear for months that the American people are fed up with business as usual in Washington.” For now, Pence says he has an “open mind” about a potential run and “will continue to not rule anything out.”

Chris Chocola, the president of the Club for Growth (and former Indiana congressman), is doing what he can to encourage a Pence candidacy. In a statement today, he says that “Tuesday’s stunning upset in Massachusetts confirms that Indiana is a winnable race for a principled advocate of economic freedom and limited government.” Bayh, Chocola adds, “falsely portrays himself as a moderate, but on the defining economic issues of the last several years, he has voted with Nancy Pelosi, Harry Reid, and Barack Obama to grow government, explode the deficit, and pass on debt to our children. Mike Pence can beat Evan Bayh in November, and I join pro-growth conservatives in Indiana and around the country in hoping that he does.”#more#

Not everyone is convinced that Pence is serious about running against Bayh. CNN [reports](#):

Tony Perkins, the president of the Family Research Council who speaks with Pence frequently, said the Republican “has many options before him,” but doubted that a Senate bid is one of them. “I think he is doing well where he is, and I think he is positioned to move, but I just don’t know if the Senate is where will be,” Perkins said in a phone interview with CNN. Pointing to his extensive political travels and efforts to elect conservatives, Perkins said Pence “is not just a congressman from Indiana.”

Swing State Project weighs in on [why the NRSC might want Pence](#):

One other point: ex-Rep. John Hostettler is already in the race for the GOP, along with a few other odds and ends (maybe most notably state Sen. Marlin Stutzman). I’m sure, though, the NRSC would like an upgrade from the often-embarrassing Hostettler, but given Hostettler’s previous track record of uncooperativeness with the national party, he seems unlikely to step aside in a primary. Pence could find himself stepping into an unenviable situation that replicates a lot of other Republican Senate primaries: he’d be running as the “establishment” candidate against a movement conservative outsider even further to his right.

[Others see Pence](#) as a potential dark-horse candidate for president in 2012. Before he thinks about

stumping in Manchester, Pence will need to make a decision about whether to mount a Senate campaign by February 19, Indiana's filing deadline. And if Pence does run, for Senate, he'll have to [get moving](#) on fundraising. Bayh has over \$12 million in the bank while Pence has less than \$500,000 in his coffers.

Posted at [5:48 PM](#)

More Like a Bogus Journey [[Stephen Spruiell](#)]

Jim, I have to disagree with some of what you say in [your post](#). While I agree that it might be a good idea to put new restrictions on the investment banks now that they've converted themselves into bank holding companies for the purposes of accessing cheap money from the Fed, I disagree when you list as a major cause of the current crisis commercial banks gambling with insured deposits. Bear Stearns, Fannie, Freddie, Lehman, AIG -- none of these firms got in trouble making large bets with insured deposits. They got in trouble making large bets with too much borrowed money and too little capital to back them up.

Of all the approaches to financial regulatory reform that are floating around -- bans on exotic derivatives, limits on firm size, stricter capital requirements, smarter compensation structures, the creation of a "resolution authority" for systemically large firms -- the "return to Glass-Steagall" approach makes the least sense to me, because the repeal of Glass-Steagall didn't blow up the financial system, and may have helped contain the fallout. As other commentators have noted, Bank of America would not have been able to acquire Merrill Lynch under the old rules.

Even more irksome is the administration's continued refusal to acknowledge the role policymakers played in inflating the housing bubble. In [the president's speech today](#), he placed the blame squarely on the "banks and financial institutions" which "took huge, reckless risks in pursuit of quick profits and massive bonuses." He even had the gall to praise the leadership of Barney "[Roll the Dice](#)" Frank and Chris "[Friend of Angelo](#)" Dodd in crafting the new reforms.

By the way, I'd like to take a moment, in the midst of all this bonus talk, to note that the current CEOs of Fannie Mae and Freddie Mac are expected [to take home around \\$6 million](#) apiece for 2009 in all-cash, no-stock compensation packages. These firms will not pay the "Financial Crisis Responsibility Fee," despite the large role they played in the crisis. And the administration, while calling for new limits on bank debt, is simultaneously [dismantling limits](#) on GSE debt, lifting the caps on their government credit lines and slowing the mandatory unwinding of their portfolios.

Like you, I would feel more comfortable taking a position on the administration's bank-reform plan after seeing more details. But what I've seen so far is not very excellent at all.

Posted at [5:47 PM](#)

Obama's Financial-Reform Speech [Rick Brookhiser]

Andrew Redleaf and old NR-nik Richard Vigilante blog about this, and other politico-financial matters, at www.capitalismbetrayed.com.

Posted at [5:40 PM](#)

And What About the Handling of KSM? [John P. Hannah]

As details leak out surrounding the administration's scandalously inept handling of the

Abdulmuttalab case, I'm still waiting for a definitive answer to the following question: What role did President Obama play in the decision to hand over Khalid Sheikh Mohammed to a federal court in Manhattan?

It's a major issue, of course, one with far-reaching implications for the way this country wages the war on terror and protects our national security. Shouldn't the public know what, if any, input the nation's chief law-enforcement officer and commander in chief had in it? How exactly did the decision-making process work? Was the president the driving force behind this move, or did he act more as a hands-off administrator, delegating to lower levels such seemingly fateful questions bearing on the country's safety?

Either way, the answer would tell us a lot about the president and the administration he leads. Has this question already been put to Obama and satisfactorily answered? Where are all the enterprising investigative reporters with their sources in the administration, the intelligence community, and the Justice Department?

-- John P. Hannah, a senior fellow at the [Washington Institute for Near East Policy](#), served as national security adviser to Vice President Dick Cheney from 2005 to 2009.

Posted at [5:34 PM](#)

'Obama hopes to avoid Clinton health care missteps' [[Rich Lowry](#)]

A friend e-mails:

I went looking for an [article](#) like this; can't believe how perfect this one is.

I have put my favorite parts in bold.

Updated 12/8/2008 12:12 PM

WASHINGTON (AP) — President-elect Barack Obama and his aides are determined not to repeat the mistakes the Clinton administration made 15 years ago in trying to revamp the U.S. health care system. That means applying some of the lessons learned — moving fast, seizing momentum and not letting it go.

Tom Daschle, Obama's point man on the issue, discussed the early strategy, although details of Obama's proposals won't be finalized for a while. Already, however, the political and public relations parts are coming into place.

The strategy begins with **giving people the chance to highlight their concerns and experiences**. Daschle invited people around the U.S. to hold what amounts to house parties from Dec. 15-31. Obama's transition team will gather the information from those meetings and post the material on its website, <http://change.gov>.

By asking anybody and everybody to share their health care experiences, Daschle is confronting one of the major criticisms of 15 years ago: that **the effort to craft former President Bill Clinton's plan for universal coverage was too secretive**.

"We have to make this as inclusive a process as possible," Daschle, the former

Senate majority leader from South Dakota, said in a speech in Denver. It was his first since Democratic officials confirmed last month he was offered the job as health and human services secretary and that he had accepted. . . .

Daschle maintains the efforts to bring about universal health coverage in the first two years of the Clinton presidency **took too long**. In a book published this year, he urged the next president to act immediately to capitalize on the good will that greets any incoming administration. His speech and recent behind-the-scenes meetings with lawmakers and consumer groups address that point. . . .

"Details kill," Daschle said. "If we get too far into the weeds, **if we produce a 1,500- or 1,600-page bill**, we're going to get hung up on all the details and we're never going to get to the principles." . . .

Health insurers put out their own plan this past week and it mirrored some of Obama's proposals, including expanding government-funded programs such as Medicaid to help out the poor. But the insurers want to require that people buy insurance, while **Obama only supports a coverage mandate for children**. They also oppose requiring companies to provide insurance or pay into a pool, referred to as the "play or pay" mandate.

Posted at [5:17 PM](#)

The Libertarian Bloc [[John J. Miller](#)]

Writing in the *NYT* a number of years ago, I [made the case](#) that Libertarian candidates were hurting the GOP, especially in the Senate. For instance, I argued that but for a Libertarian third-party option on the ballot, Nevada voters would have ousted Harry Reid from the Senate way back in 1998.

Posted at [5:11 PM](#)

Off-Air America [[Daniel Foster](#)]

[*C'est fini*](#):

It is with the greatest regret, on behalf of our Board, that we must announce that Air America Media is ceasing its live programming operations as of this afternoon, and that the Company will file soon under Chapter 7 of the Bankruptcy Code to carry out an orderly winding-down of the business.

And then there is this sentence:

In this climate, our painstaking search for new investors has come close several times right up into this week, but ultimately fell short of success.

What happened this week that was so bad for liberals?

Posted at [4:49 PM](#)

Libertarian Fickleness [[Jonah Goldberg](#)]

[Veronique](#) -- I'm not sure I can agree with that. Committed libertarians of the Cato variety may not be fickle (*Reason* magazine has been admirably brutal against both Bush and Obama). But such very

serious, committed, consistent libertarians are very rare in America (and really, really rare everywhere else). They don't come close to constituting a major voting block. I respect folks who seriously believe in liberty-maximization in all spheres of life, but that is not a power-brokering constituency in American politics and never will be. Many left-leaning self-described "libertarians" are libertarian (libertine?) on social-issues but Naderites on economic issues. Many conservatives are libertarian on economic and federalism issues, but un-libertarian on all sorts of issues like gay marriage or drugs. Here's how I put it in the [magazine](#) the last time this argument surfaced:

Perhaps sensing an opportunity here, professional libertarians are flexing their muscle. The Cato Institute put out a paper holding that some 15 percent of voters are libertarian and that, more important, they are the much-coveted "swing voters" who decide elections. And in a number of very close elections in November, many libertarians seemed almost giddy that they might have been responsible for the defeat of Republicans.

In its most basic form, the libertarian complaint should be familiar by now: From Terri Schiavo to diarrheic spending, the GOP has betrayed its commitment to limited government. So, the libertarians reason, why not "experiment" with the Democrats a bit? They expand government too, but at least they're more liberty-loving when it comes to drugs, sex, abortion, etc.

The problem here is that "libertarian" is a shmoo-like word but libertarians are not shmoo-like people (shmoos being the magical creatures from Lil' Abner who could take any form and be anything). Everyone likes to think he's in favor of maximizing freedom. But in reality most folks want to maximize only the freedoms they like. I often ask self-described libertarians if they support government censorship of hardcore pornography on Saturday-morning broadcast television. If they say yes, then they aren't really pure libertarians. If they say no, I congratulate them on their consistency and tell them why their political ambitions are doomed.

"Libertarian-leaning" people are often quite severe about which "freedoms" they want liberalized and which they don't. Indeed, they're often single-issue voters. Just ask the folks at Libertarians for Life. Meanwhile, some doctrinaire libertarians are fixated on legalizing drugs, others on gay marriage, and some, amazingly enough, on defending the moral legitimacy of the Confederacy. A bloc of centrist swing voters this ain't. The point is that most of the talk about "libertarians" switching sides has been exactly that, talk.

You also say:

As long as politicians fail to defend our freedom consistently, it is likely that libertarian-leaning voters will likely fail to commit to either group — not because they are capricious, but because they believe that more freedom is the way to a happier world for all of us.

I'm okay with that. But "consistently" defending our freedoms is a pretty loaded concept because people disagree on what "our freedoms" are. That's true of libertarians themselves. For instance, some are pro-life, some aren't. So any freedom-defending politicians will turn off some libertarians.

You end your post saying:

In the end, I think that the libertarians' biggest mistake might to keep believing that either party can give them what they want.

You may be right. And while I'm not a big fan of third parties, a serious Libertarian party would be the least objectionable -- to me at least -- because I think it would help pull both parties in a mostly healthy direction. But I am dubious it will ever happen.

Posted at [4:41 PM](#)

Hands Off Our Slush Fund! Thune Amendment Fails [[Stephen Spruiell](#)]

Apparently, Massachusetts voters didn't speak loudly enough. The Senate just rejected an amendment to the debt-limit bill, [offered by Sen. John Thune](#), that would have sewn up the TARP fund and committed all TARP repayments to deficit reduction. Democrats such as Sen. Chris Dodd argued against the Thune amendment on the grounds that they want to use the money [to fund new stimulus programs](#), such as the "[Son of Stimulus](#)" bill the House passed late last year. The administration has also voiced desires to funnel TARP money to small businesses through the Small Business Administration, an agency with [a Fannie-and-Freddie-like blindness](#) to risk and fraud.

Fifty-three senators voted for the Thune amendment, including Democrats Russ Feingold and Jim Webb. But that wasn't enough. Under [a deal cut](#) with Senate majority leader Harry Reid late last year, amendments to the debt-limit bill must secure 60 votes to pass. TARP's metamorphosis into all-purpose political slush fund, which started when the previous administration used it to bail out the automakers, continues unabated. Even in the face of political disaster, the Democrats just can't help themselves.

Posted at [4:13 PM](#)

Krauthammer's Take [NRO Staff]

On the election of Scott Brown:

The Democrats, starting with the president, want to explain it all away. . . . [as] the result of some kind of anger. . . .

Every time the Republicans succeed, it's all about anger and irrationality. When you had the Gingrich revolution 16 years ago, it was called "the year of the angry white male" and Peter Jennings declared on the evening news that the country had thrown a tantrum -- as if when conservatives win it can only be an expression of irrationality and emotionalism.

Of course, when Obama wins in '08, it's hope and change and peace and light and all the goodness in the American soul.

This was an election about substance and the Democrats lost on substance.

On the homeland-security hearings on Capitol Hill on the treatment of the Christmas bomber as a civilian and the lack of interrogation by the HIG:

On Day One, literally a year ago today . . . the president signed an executive order ostentatiously against torture. And involved in that was establishing a way to interrogate important detainees.

And that was established in midyear -- this HIG [High-Value Interrogation Group], which is in the FBI, but the oversight is provided in the White House.

Now, we learned -- now a half a year later -- that the HIG isn't even in place. And secondly, what we just heard [that the HIG was intended to be used abroad only], that nobody had even thought of what happens if you capture a terrorist in the United States. . . . This is absolutely unbelievable.

The real scandal here is not that a guy with a bomb got on a plane. It can happen in any bureaucracy, [any] administration. But the scandal is what happened after -- treating him as an ordinary criminal.

Posted at [4:11 PM](#)

G'Bye Gitmo? [Cliff May]

Over at the [Council on Foreign Relations blog](#), I'm one of four participants in a debate over whether to close Gitmo. To my surprise, I'm the only one arguing that Gitmo should not be closed.

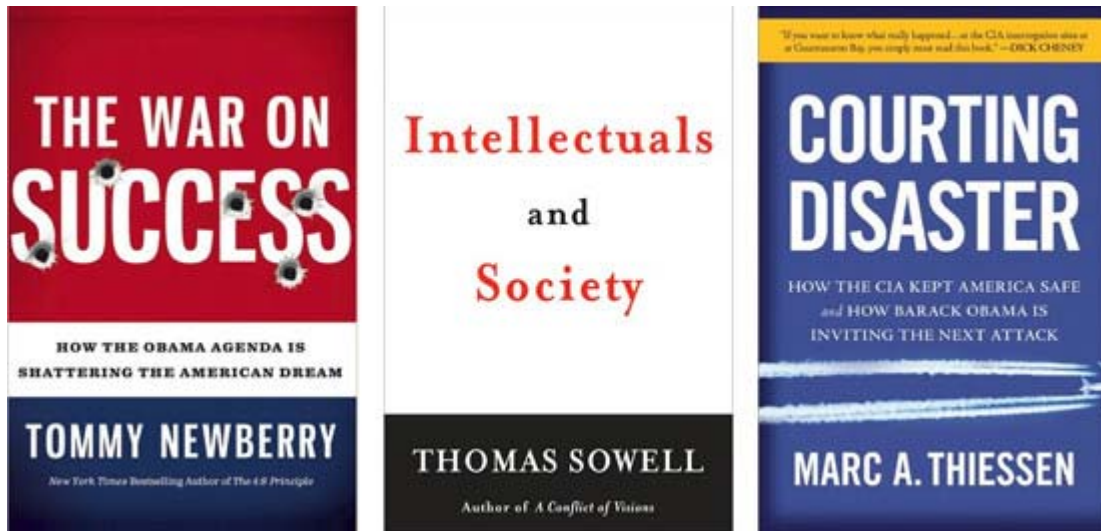
I make the point that it's not just a question of "should" Obama close Gitmo. The reality is that he can't close Gitmo.

Obama has already said he won't send them to Yemen, a hotbed of al-Qaeda activity. By law, he can't send them to a country that might mistreat them. And in an election year, how many members of Congress -- from either party -- are likely to vote to spend money to bring detainees to the U.S. and to build (or retrofit) a facility for them?

But I seem to be the only one who thinks reality matters. Yet another sign that I'm unfit for government work?

Posted at [4:00 PM](#)

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[NRO Staff]



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Posted at [3:57 PM](#)

President Obama's Excellent New Banking Proposal [[Jim Manzi](#)]

President Obama has outlined a new banking [proposal](#):

The White House wants commercial banks that take deposits from customers to be barred from investing on behalf of the bank itself -- what's known as proprietary trading -- and said the administration will seek new limits on the size and concentration of financial institutions.

The limits on size and concentration are extensions of existing caps, and the meaning of this part of the proposal can only become clear with a lot more detail.

The first, and core, concept of the proposal is the re-segregation of commercial banking from proprietary trading (or roughly what used to be called commercial banking from investment banking). This is an excellent proposal. More precisely -- since, as [Megan McArdle's](#) shoe-leather work has highlighted, many important details of even this part of the proposal remain to be determined or revealed -- the concept the president has proposed is excellent. #more#

I have been arguing for more than a year that this was the direction financial regulation needed to go, and that the [logic](#) of the situation would drive us here. The reason why is straightforward.

Finance professionals, like members of all occupational categories, attempt to build barriers that maintain their own income. One of the techniques used is to shroud what are often pretty basic ideas in pseudo-technical jargon. The reason that it is dysfunctional to have an insured banking system that is free to engage in speculative investing is simple and fundamental. We (i.e., the government, which is to say, ultimately, the taxpayers) provide a guarantee to depositors that when they put their savings in a regulated bank, then the money will be there even if the bank fails, because we believe that the chaos and uncertainty of a banking system operating without this guarantee is too unstable to maintain political viability. But if you let the operators of these banks take the deposits and, in effect, put them on a long-shot bet at the horse track, and then pay themselves a billion dollars in bonuses if the horse comes in, but turn to taxpayers to pay off depositors if the horse doesn't, guess

what is going to happen? Exactly what we saw in 2008 happens.

If you want to have a safe, secure banking system for small depositors, but don't want to make risky investing illegal (which would be very damaging to the economy), the obvious solution is to not allow any one company to both take guaranteed deposits and also make speculative investments. This was the solution developed and implemented in the New Deal. We need a modernized version of this basic construct, and as far as I can see, this is what President Obama has proposed.

This is not the full extent of what's needed, however. Though it's impolitic to say this now, other parts of the financial system have become enormously over-regulated over the past couple of decades. Section 404 of Sarbanes-Oxley, as an example, could be easily renamed the "more accountants, fewer IPOs" act. Here is how I put this in a recent *National Affairs* [article](#):

The financial crisis has demonstrated obvious systemic problems of poor regulation and under-regulation of some aspects of the financial sector that must be addressed -- though for at least a decade prior to the crisis, over-regulation, lawsuits, and aggressive government prosecution seriously damaged the competitiveness of other parts of America's financial system. Since 1995, the U.S. share of total equity capital raised in the world's top ten economies has declined from 41% to 28%. We do not want the systemic risks of under-regulation, but we should also be careful not to overcompensate for them.

Regulation to avoid systemic risk must therefore proceed from a clear understanding of its causes. In the recent crisis, the reason the government has been forced to prop up financial institutions isn't that they are too big to fail, but rather that they are too *interconnected* to fail. For example, a series of complex and unregulated financial obligations meant that the failure of Lehman Brothers -- a mid-size investment bank -- threatened to crash the entire U.S. banking system.

As we work to adapt our regulatory structure to fit the 21st century, we should therefore adopt a modernized version of a New Deal-era innovation: focus on creating walls that contain busts, rather than on applying brakes that hold back the entire system. Our reforms should establish "tiers" of financial activities of increasing risk, volatility, and complexity that are open to any investor -- and somewhere within this framework, almost any non-coercive transaction should be legally permitted. The tiers should then be compartmentalized, however, so that a bust in a higher-risk tier doesn't propagate to lower-risk tiers. And while the government should provide guarantees such as deposit insurance in the low-risk tiers, it should unsparingly permit failure in the higher-risk tiers. Such reform would provide the benefits of better capital allocation, continued market innovation, and stability. It would address some of the problems of cohesion by allowing more Americans to participate in our market system without being as exposed -- or unwittingly exposed -- to the brutal effects of market collapses. It would also help get the government out of the banking business and preserve America's position as the global leader in financial services without turning our financial sector into a time bomb.

As I argued in the post [a year ago](#), limits on executive compensation in the regulated institutions are closely related to this structure:

Limits on executive pay, if they have any teeth as they are really implemented, are likely to have several knock-on effects. People who are able to make millions per year

in a competitive market will tend to drift away from these firms (even though these restrictions only apply to senior executives, they would change the compensation culture for the firm as a whole), and form new asset management firms, M&A advisory boutiques and so on. Along with limits on comp, the government-sponsored entities will have restrictions on investment behavior imposed by the government -- they will not be issuing a lot of credit default swaps. This will mean these large institutions will be unable to offer very high rates of return as compared to the firms that don't take government money, but will offer safety.

Think of what we would then have: a tier of government-supported, low-risk / low-return big commercial banks that are run by competent, but not exceptional, bankers who are paid like senior civil servants; and another tier of high-risk / high-return financials that look like the "old Wall Street" that everybody says is dead. This is a world of walls, not brakes. When this tiering is in place, the government should be able to get out of the business of doing things like directly setting executive compensation.

The political aspects of such reform are compelling. People are disgusted at recent bank bonuses. I'm a right-of-center libertarian businessman, and *I'm* disgusted by them. Make no mistake, many banking executives right now are benefiting from taxpayer subsidies. Even if they pay back the TARP money, the government has demonstrated that it will intervene to protect large banks. This can't be paid back. And this implicit, but very real, guarantee represents an enormous transfer of economic value from taxpayers to any bank executives and investors who are willing to take advantage of it. Unsurprisingly, pretty much all of them are.

The "populist" observation that the fact of a bunch of well-connected guys each pulling down \$10 million per year while suckling on the government teat constitutes almost certain evidence of self-dealing is accurate, and all the fancy finance talk in the world can't get around it. President Obama has a clear political incentive to pursue this proposal. I assume Republicans will see that they have a clear political incentive to go along, rather than standing up for such a situation. Hopefully, this will create the political dynamic that will allow real, positive reform.

Posted at [3:50 PM](#)

Truth and Reconciliation [[Daniel Foster](#)]

I think a reader sums it up pretty well for Nancy Pelosi's caucus:

Obama Care is like a hot potato. First Pelosi crafts a highly complex, and almost impossible bill to understand. She passes the monstrosity to Reid, who in turn makes it even worse. Both leaders had to resort to bribes and strong arm tactics to get it passed. Pelosi was so desperate that she allowed restrictive abortion language to be inserted to get the necessary votes. Now with the election of Scott Brown the hot potato is back in her court. And now the pressure to get it passed just got notched up a bit. And I'm sure she doesn't want to be the one who gets the blame for its non-passage. The bill cannot be allowed to go back to the Senate, and the Obama White House has moved on.

What is so amazing about this entire farce was the insistence by President Obama to get it passed immediately. Remember the deadlines? August of 2009 was moved to September. Then people were talking about Christmas and New Years. Finally, the deadline was moved to the State of the Union. But each step of the way lurked the President -He had to have his health care bill NOW!. But now the President

conveniently has held Senator Reid and Pelosi out to dry. The House Speaker is on her own. Suddenly, the folks at the Daily Kos and Huffington have the delusion that she can simply snap her fingers and reconcile this thing. All the while they ignore the fact that last autumn she was only just able to come up with the needed votes for passage. Madame Speaker has no room for error (3 votes). Somehow the Speaker is to do what couldn't be done last year. Of course the GOP has no incentive to assist her, this being an election year. And yesterday's election of Scott Brown must send shivers up the spines of dozens of Blue Dogs. I'm sure there are many of them who are wondering why they should be the ones to risk their professional careers.

I'm sure the Speaker would just love to declare defeat, move on and hope that the job situation improves enough to allow her party to retain its majority and her her job. The longer this bill remains on the table, the worse off her party will be. The idea of beginning again from scratch is anathema to her base.. But to be asked to walk the plank and pull reconciliation would be a political disaster I don't think even the most motivated Leftist wants to think about. The best thing for the Dems is to call it quits and find a bogeyman to attack (Fat Cat bankers), hope that the jobs situation improves before election day.

Posted at [3:47 PM](#)

Fickle Libertarians [\[Veronique de Rugy\]](#)

Libertarians aren't fickle. In fact, we are consistent. What we want is more freedom in our personal and economic lives. Sadly, over the years, no matter who has been in power, the government has grown. In fact, the story is even sadder. In theory, the Democrats want more government in our economic lives and less in our private lives while the Republicans want less government in our economic lives but aren't opposed to a certain level of government intervention in our personal lives. That's the theory. In reality, when Republicans or Democrats have been in power, they have done a poor job at defending our freedoms, even the ones they supposedly believe in.

As long as politicians fail to defend our freedom consistently, it is likely that libertarian-leaning voters will likely fail to commit to either group -- not because they are capricious, but because they believe that more freedom is the way to a happier world for all of us.#more#

A reader sends me this:

It seems during my lifetime (born in '73) the government has grown larger and more invasive no matter who is in power. The minority party always runs decrying the policies of the party in power and promises to do things differently when they are in power. Each side promising less government in their specific "limited government" area when they are running for elections while the party in power promises more of the same. Democrats promise to decrease the military, censorship, church and state, etc and Republicans promise to decrease taxes, judicial activism, and so on.

The Libertarian tent is a big one with the promise of limited government in any form unifying its diverse beliefs. So any party promising to limit government is going to naturally get the vote. So from what I can see, the past 30 years or so and most strikingly this past Tuesday, is that it isn't conservative or liberal ideals that is appealing to the masses but the promise of less government, common sense government, and less corruption. You know, the opposite of what we have had for my entire life. I think that is what people hoped and believed they were getting from BHO. That is the underlying

appeal of newcomers Sarah Palin and Scott Brown and old schoolers Liberman and McCain. If more brave and talented, honest, good, everyday citizens run in 2010, then we will probably see a great many upsets no matter what letter follows their name. I think Libertarians are ahead of the curve in the "Throw the bums out" mentality that seems to be the growing consensus. That pretty much means voting for the minority every time, until we finally really get our government back! Maybe with such an impressive result in MA, we can start to get the non political machine people running and winning elections. It is the only way to "get our government back" and have it operate the way the founders intended. Tuesday is the first time I have had hope in decades.

In the end, I think that the libertarians' biggest mistake might to keep believing that either party can give them what they want.

Posted at [3:19 PM](#)

Democrat CYA [[Mark Krikorian](#)]

A bipartisan group of House members introduced an [immigration resolution](#) today that calls for mandatory E-Verify and finishing the fence, and rejects legalization for illegal aliens. The lead sponsors are Republicans Jason Chaffetz, an occasional guest here at the Corner, and Duncan Hunter (the younger), plus Blue Dog Democrats Frank Kratovil and Glenn Nye. In fact, of the 22 original sponsors, 10 are Democrats. This is fine as far as it goes, but if they'd also support getting rid of the egregious visa lottery and the brothers-and-sisters category, thereby cutting legal immigration by more than 100,000, we'd be taking a bigger first step in the right direction.

Posted at [3:12 PM](#)

Gramsci in Action [[Iain Murray](#)]

The Sierra Club is usually regarded as one of the more genteel of the environmental groups. That is probably about to change, as they have just hired a hardened anti-capitalist activist as their new executive director. Michael Brune, 38, is currently head of the Rainforest Action Network, a hardcore group that has taken bullying corporations to a new level. [Carter Wood](#) has the full story.

By the way, Brune's predecessor at the helm of the Sierra Club, Carl Pope, had a compensation package that totalled just over \$241,000 in 2007. Never forget, Earth Day is pay day.

Posted at [3:10 PM](#)

The Revolutionary Holocaust [[Jonah Goldberg](#)]

So I got to watch the first fifteen minutes of the documentary (it airs tomorrow on Fox). It is very, very hard hitting. It's the sort of thing that would never, ever, have been allowed on TV 20 years ago. I don't know what happens after the first block that I'm in, so there might be something I disagree with. But I thought what I saw was great.

Posted at [3:05 PM](#)

Good News for Conservatives [[Ramesh Ponnuru](#)]

Rasmussen has Toomey up 9 over Specter and 8 over Sestak.

Posted at [2:58 PM](#)

Pelosi Pitching Reconciliation? [Daniel Foster]

If Obamacare were a centipede, it'd still be on its last leg. But will that [stop](#) Nancy Pelosi?

A well-informed source tells The Mouth Nancy Pelosi is set to announce the House will got the reconciliation route on health care reform.

Of course, that means using a budgetary procedure that requires a simple majority to pass.

It's still unclear to us precisely what that means would be passed, but possibilities would be creating a national health care exchange and expanding Medicare or Medicaid coverage.

Democrats are caucusing now, so stay tuned.

Update: A second source confirms that Pelosi is presenting a reconciliation plan to the caucus, and making sure they go with something that can actually pass.

Separately, she is meeting with Harry Reid today.

As *AmSpec's* Philip Klein [Tweets](#), this item came out before Pelosi's post-caucus press conference, at which she [made clear](#) she doesn't currently have the votes to pass the Senate bill as is.

Posted at [2:47 PM](#)

Cantor vs. Hoyer [NRO Staff]

From today's colloquy:



Posted at [2:44 PM](#)

Thune: Getting Back to Normal 'Starts With Ending TARP' [Stephen Spruiell]

I spoke with Sen. Thune just before [he headed to the floor to speak](#). The measure Thune is pushing - an amendment to terminate the Treasury Department's TARP authority -- has been introduced before, without success. But Thune is hoping the election of Scott Brown in Massachusetts will

bring more senators on board with ending TARP.

"I'm hoping that's the case," Thune said. "I think this is going to be a real test of whether people here in Washington are listening to the voters. Clearly, what the people in Massachusetts were saying is: We're uncomfortable with all the spending, all the borrowing, all the bailouts. This amendment would be a way of saying: We hear you."

Thune points to the Democrats' "["TARP funds for stimulus" gimmick](#)" as an example of the dangers of not terminating the program. "What we're really afraid will happen is that this thing becomes a political slush fund," he says, "and already you've seen Democrats announce all kinds of designs on different uses for the money. We want to keep it from expanding and morphing and being put to uses Congress clearly never intended. We think we have to end it."

The Thune amendment would take away Treasury's authority to make any new investments or loans with TARP money, and it would commit all repayments from TARP to deficit reduction.

#more#"Treasury has taken a very liberal, permissive view of what these funds can be used for," Thune says. "They're saying: We're going to use it to create more small business lending. That's their new justification to keep this program going. Even though that may be a meritorious use of the money, that is not what TARP was intended to do."

Last year, I wrote about the administration's plans to [use TARP to increase small-business lending](#). The proposal would have funneled the money through the Small Business Administration, an agency with a long and checkered history of failed oversight and susceptibility to fraud.

The "TARP for small business" gimmick would be just as bad as the "TARP for stimulus" gimmick.

Thune admits that the slow transformation of TARP into a political slush fund started under the Bush administration. "This harkens back to the previous administration," he says -- and not just its decision to use TARP money to bail out the automakers. "[Former Treasury Secretary Hank] Paulson took this thing and used it to acquire ownership stakes in banks. They started taking equity positions. We now own banks, insurance companies, car companies, and now we're losing money on the Democrats' loan-modification programs. It's gotten very far afield from what it was intended to do."

Thune adds that "In what they're trying to do, the Obama administration is making the previous administration look like pikers."

I asked Thune what he would say to those who argue that the financial system might not be out of the woods -- that the banks might require further bailouts. "Congress could always reauthorize the program if the need was great enough," he says, "but I don't think we should go down that path. We have created so much intervention in the market that I don't think the market is behaving the way it otherwise might. Money is sitting on the sidelines because of all the uncertainty that the government interventions have created, and that's without getting into health care, cap and trade and all the rest. Any expectation of a bailout takes away the natural corrections that the market makes and distorts natural risk-return considerations."

I asked Thune what government can do to get the country back to normal. "It starts with ending TARP and getting these funds paid back," he says, "and then doing no harm. The key right now to our economic recovery is: not grow the size of government, not raise taxes, not increase borrowing,

and not get on this path of continuing to bail out individual industries. We've got to let market work. I understand the rationale of our actions last fall. There was a real concern that we were on the brink of a complete financial meltdown. But that should be the exception, not the rule. It is not conducive to a free-market economy."

Posted at [2:42 PM](#)

Specter Tells Bachmann to 'Act Like a Lady' [[Daniel Foster](#)]

Sen. Arlen Specter (D, Penn.) and Rep. Michele Bachmann (R, Minn.) [appeared](#) on Philadelphia's 1210 AM radio station yesterday, and it [wasn't](#) pretty.

When Bachmann at one point seems to talk over Specter, he gets testy.

"I'm going to treat you like a lady," he said. "Now act like one."

Ms. Bachmann replied, "I am a lady."

Things went on along this line for a while -- with Specter later asking Bachmann to "act like a lady," according to the PPG's Daniel Malloy.

Posted at [2:40 PM](#)

In Health-Care Musical Chairs, Who'll Be Left Without a Seat? [[Daniel Foster](#)]

Some warp-speed buck-passing on the Democrats health-care reform bill [today](#). White House Press Secretary Robert Gibbs told reporters that the bill is moving to the 'back-burner'.

"The president believes it is the exact right thing to do," Gibbs said. "By giving this some time, by letting the dust settle, if you will, and looking for the best path forward."

He said the president has "a very full plate" with financial reform and the wars in Iraq and Afghanistan (all of which poll better than health-care) and would leave it up to Harry Reid and Nancy Pelosi to "continue to look to the best way forward."

Meanwhile one Senate Democrat is [signaling](#) that whatever the majority does, they had best do it quickly:

Speaking to reporters this afternoon, Sen. Chuck Schumer (D-NY) said Senate leadership is still considering what to do about health care legislation in the wake of the Massachusetts Senate election. But he said that whatever plan is agreed on, Democrats want health care off the table by March.

"I don't think we want this to go on for three more months," he said. "You have to make a decision." Schumer said that Democrats are making sure to rush a plan on reform and said that "it will take a few days" for the caucus to come up with plan to pass health care reform without their supermajority.

Reconciliation is one of a few options under discussion, Schumer said. But he said that "concerns about the political climate" make that plan less than appealing to some Democrats. "It's one of the considerations," he said when asked if Democrats worry voters will react badly to a health care bill passed with through reconciliation.

Posted at [2:25 PM](#)

De-TARPing, Ctd. [[Stephen Spruiell](#)]

Thune is talking about his "End TARP" amendment on [the Senate floor now](#).

Posted at [2:24 PM](#)

From the 'Mass. Democrats Can't Catch a Break' File [Michael Graham]

Tonight, Gov. Deval "One-Term" Patrick has to give [the State of the State address](#).

By the way, Governor Patrick -- like his good friend Barack Obama -- said yesterday he has quite a bit in common with Scott Brown.

Is Scott Brown "Spartacus"?

Posted at [2:14 PM](#)