<u>Jeff Jacoby</u> explains why Cash for Clunkers was a monumentally stupid piece of legislation.

...Why are used-car prices rocketing? <u>Part of the answer is that demand is up</u>: With unemployment high and the economy uncertain, some car buyers who might otherwise be looking for a new truck or SUV are instead shopping for a used vehicle as a way to save money.

But an even bigger part of the answer is that the supply of used cars is artificially low, because your Uncle Sam decided last year to destroy hundreds of thousands of perfectly good automobiles as part of its hare-brained Car Allowance Rebate System — or, as most of us called it, Cash for Clunkers. ...

No great insight was needed to realize that Cash for Clunkers would work a hardship on people unable to afford a new car. "All this program did for them," I wrote last August, "was guarantee that used cars will become more expensive. Poorer drivers will be penalized to subsidize new cars for wealthier drivers." Alec Gutierrez, a senior analyst for Kelley Blue Book, predicted that used-car prices would surge by up to 10 percent. "It's going to drive prices up on some of the most affordable vehicles we have on the road," he told USA Today. In short, Washington spent nearly \$3 billion to raise the price of mobility for drivers on a budget. ...

<u>Michael Barone</u> looks at how Obama's policies have worked to help big business and big labor, at taxpayers' expense.

...The Obama Democrats, faced with a grave economic crisis, responded with policies appropriate to the Big Unit America that was disappearing during the president's childhood.

Their financial policy has been to freeze the big banks into place. Their industrial policy was to preserve as much as they could of General Motors and Chrysler for the benefit of the United Auto Workers. Their health care policy was designed to benefit Big Pharma and other big players. Their housing policy has been to try to maintain existing prices. Their macroeconomic economic policy was to increase the size and scope of existing government agencies to what looks to be the bursting point.

What we see is Big Government colluding with Big Business and trying to breathe life into Big Labor.

Liberals have long railed against big business, and conservatives have focused on the sins of big government and big labor. Each has only a piece of the puzzle, explains Warren Meyer. He looks at European states as a template to how the powerful in government and business are protecting each others' positions, and gives a striking list of examples that show their collusion.

...In this three-way arrangement, unionized workers in key industries get high wages, guaranteed employment, rich pension systems and government protection from competition from younger and foreign workers. In return, they promise labor peace (barring the occasional strike to demonstrate their power) and tremendous election-day muscle.

Favored businesses (and by these we are talking about the top 20 to 30 largest banks and corporations in a particular country) get protection from competition, both upstart domestic entrepreneurs as well as any foreign rivals. In return, they provide monetary and political support for politicians' pet projects--from recycling to windmills--with the understanding that politicians will give them legislative back doors to recover the costs of these programs from customers or taxpayers.

In return for granting this largess to selected corporations and unions, government officials get to remain in power. Typically this arrangement appeals to parties on both the left and the right, such that the nominal ruling party may change but the core group in power remain the same. ...

...Like Europe, the ultimate price for the growing corporate state will be paid by the American consumer (in the form of higher prices, reduced choice, and foregone innovation), and the American taxpayer, who is already facing an enormous bill from the direct subsidy of favored constituents. This corporate-government-labor coalition is ready to come together in the U.S. right now, and only the political energy of the rest of the American citizenry continues to resist it.

Robert Costa interviews Patrick Caddell, a former Carter pollster, on the upcoming elections. Caddell says the anti-government sentiment is startling.

...On Monday, Gallup released a new weekly poll showing Republicans leading Democrats by an unprecedented ten-point margin, 51 to 41 percent, in congressional voting preferences — the largest gap in Gallup's history of tracking the midterm generic ballot. "I have never seen numbers like this," Caddell says, shaking his head. "Unless Republicans can find some way to screw it up, they will win big, even though nobody really likes them, either."

Indeed, rather than a ringing endorsement of either major party, Caddell sees November as a broader referendum on the political class — the class, he says, to which Obama, and his political fate, are irrevocably tied.

...Caddell believes that 2010 will be a louder, more raucous moment than 1978 in American politics. "The discontent is much larger than the turnout at Glenn Beck rallies," he says. "A sea of anger is churning — the tea parties are but the tip of the iceberg. People say they want to take their country back, and, to the Democrats' chagrin, they're very serious about it." ...

Jennifer Rubin comments on Robert Costa's article.

In a fascinating interview with Robert Costa, Democratic pollster and analyst <u>Pat Caddell</u> zeroes in on the Democrats' impending doom ("the general outcome is baked") and on Obama's failure to live up to expectations ("The killer in American politics is disappointment. When you are elected on expectations, and you fail to meet them, your decline steepens"). But his most cogent analysis focuses on Obama's base. He writes:

"The people who own the party — George Soros, the Center for American Progress, the publicemployee union bosses, rich folks flying private jets to "ideas festivals" in Aspen — they're Obama's base."

Yowser. He omitted only the liberal media, but I suppose they too — along with young people, old people, Hispanics, working- and middle-class whites, and even 42 percent of Jews — have grown disillusioned as well. ...

<u>Jennifer Rubin</u> and David Brooks liked Glenn Beck's rally. (There's a sentence you probably never thought you'd see.)

<u>David Brooks</u> couldn't find a bad word to say about the Glenn Beck rally. Really. In his conversation with Gail Collins, she certainly tried to drag something negative out of him. But he liked what he saw:

I have to confess I really enjoyed it. I'm no Beck fan obviously, but the spirit was really warm, generous and uplifting. The only bit of unpleasantness I found emanated from some liberal gatecrashers behaving offensively, carrying anti-Beck banners and hoping to get in some televised fights. ... There, at Saturday's rally, were the most conservative people in the country, lauding Martin Luther King Jr. There they were, in the midst of their dismay, lavishly celebrating the basic institutions of American government. I have no problem with that.

...What seems to have flummoxed the left is that the Beck rally demonstrated that the populist anti-Obama faction in the country (some might use the mundane phrase "majority") isn't composed of wackos. They actually understand better than elites that the economic problems are in large part a function of a collapse in values. Obama likes to rail against Wall Street. Well, that's a location. The ralliers want to talk about what went wrong with the people who populate business and government. They would say we have lost touch with essential values — thrift, persistence, responsibility, modesty, and, yes, faith in something beyond self and self-indulgence. As Brooks put it, "Every society has to engird capitalism in a restraining value system, or else it turns nihilistic and out of control."

is it quite reasonable; it is profound.			

The chattering class should stop chattering long enough to listen to what citizens are saying. Not only

Boston Globe

'Clunkers,' a classic government folly

by Jeff Jacoby

IN THE market for a used car? Good luck finding a bargain: The price of "pre-owned" vehicles has climbed considerably over the past year. According to Edmunds.com, a website for car buyers, a three-year-old automobile today will set you back, on average, close to \$20,000 — a spike of more than 10 percent since last summer. For some popular models, the increase has been much steeper. In July, a used Cadillac Escalade was going for around \$35,000, or nearly 36 percent over last July's price.

Why are used-car prices rocketing? <u>Part of the answer is that demand is up</u>: With unemployment high and the economy uncertain, some car buyers who might otherwise be looking for a new truck or SUV are instead shopping for a used vehicle as a way to save money.

But an even bigger part of the answer is that the supply of used cars is artificially low, because your Uncle Sam decided last year to destroy hundreds of thousands of perfectly good automobiles as part of its hare-brained Car Allowance Rebate System — or, as most of us called it, Cash for Clunkers. That was the program under which the government paid consumers up to \$4,500 when they traded in an old car and bought a new one with better gas mileage. The traded-in cars — which had to be in drivable condition to qualify for the rebate — were then demolished: Dealers were required to chemically wreck each car's engine, and send the car to be crushed or shredded.

Congress and the Obama administration trumpeted Cash for Clunkers as a triumph — the president pronounced it <u>"successful beyond anybody's imagination."</u> Which it was, if you define success as getting people to take "free" money to make a purchase most of them are going to make anyway, while simultaneously wiping out productive assets that could provide value to many other consumers for years to come. By any rational standard, however, this program was sheer folly.

No great insight was needed to realize that Cash for Clunkers would work a hardship on people unable to afford a new car. "All this program did for them," I wrote last August, "was guarantee that used cars will become more expensive. Poorer drivers will be penalized to subsidize new cars for wealthier drivers." Alec Gutierrez, a senior analyst for Kelley Blue Book, predicted that used-car prices would surge by up to 10 percent. "It's going to drive prices up on some of the most affordable vehicles we have on the road," he told USA Today. In short, Washington spent nearly \$3 billion to raise the price of mobility for drivers on a budget.

To be sure, Cash for Clunkers gave a <u>powerful jolt to car sales</u> in July and August of 2009. But it did so mostly by delaying sales that would otherwise have occurred in April, May, and June, or by accelerating those that would have taken place in September, October, or later. "Influencing the *timing* of consumers' durable purchases is easy," Edmunds CEO Jeremy Anwyl <u>wrote a few days ago</u> in a blog post looking back at the program. "Creating new purchases is not." Of the 700,000 cars purchased during the clunkers frenzy, the estimated net increase in sales was only 125,000. Each incremental sale thus ended up costing the taxpayers a profligate \$24,000.

Even on environmental grounds, Cash for Clunkers was an exorbitant dud. Researchers at the University of California-Davis calculated that the reduction of carbon dioxide attributable to the program cost no less than \$237 per ton. In contrast, carbon emissions credits cost about \$20 per ton in international markets.

Using Department of Transportation figures, the <u>Associated Press calculated</u> that replacing inefficient clunkers with new cars getting higher mileage would reduce CO2 emissions by around 700,000 tons a year — less than Americans emit in a single hour. Likewise, the projected reduction in gasoline use amounted to about as much as Americans go through in 4 hours. (And that's only if you assume — contrary to historical experience — that fuel consumption decreases when fuel efficiency rises.)

When all is said and done, Cash for Clunkers was a deplorable exercise in budgetary wastefulness, asset destruction, environmental irrelevance, and economic idiocy. Other than that, it was a screaming success.

Washington Examiner

Down with Big Government, Big Business, Big Labor

by Michael Barone



(AP File)

Some of the most important things in history are things that didn't happen -- even though just about everyone thought they would.

Recent example: Scads of liberals gleefully predicted that the financial crisis and deep recession would destroy Americans' faith in markets and increase their confidence in Big Government. Many conservatives gloomily feared they were right.

Hasn't happened. If anything, public opinion has moved in the other direction, with most Americans rejecting the stimulus package and the health care bill, denying that government action is needed to address global warming, and expressing negative feelings about labor unions.

How to explain this? One way is to see the public's reaction as opposition to governance by an alliance of Big Units -- Big Government, Big Business and Big Labor.

In the 1930s Americans supposedly lost faith in markets and rallied to government. But if you go back and look at public opinion polling then, you find something rather different. You find majorities grumbling about Big Government, scorning Big Business and opposing Big Labor.

The 1940s were different. Facing the threat of total war, Franklin Roosevelt transformed himself from "Dr. New Deal" to "Dr. Win the War." He fostered cooperation between Big Government, Big Business and Big Labor. Roosevelt was brilliant at selecting, from all these sources, the best men (and women) for jobs he considered important.

The result was a war effort that was brilliantly successful. America was the arsenal of democracy, vanquishing its enemies and inventing the atomic bomb. Big Unit governance gained enormous prestige and held onto it for a generation after the war.

The result was prosperity but also stasis. The Big Government of 1970 looked a lot like the Big Government of the 1940s. The same Big Businesses that dominated the Fortune 500 list in 1940 did so in 1970. The list of Big Labor unions remained pretty much the same.

About 1970, these Big Units lost their edge. Big Government got mired in wars on poverty and in Vietnam. Big Business got hidebound and bureaucratic. Big Labor started to shrink.

Starting around 1980, the country began to revive. Big Government lowered taxes and deregulated transportation and communications. Entrepreneurs and investors replaced stodgy corporate management with new companies and new products.

The conformist "organization man" Americans of the 1950s were replaced by nonconformist innovators, risk-takers and creators who created a new economy that central planners could never have envisioned. Bill Gates and Steve Jobs didn't wait for those at the top of Big Units to tell them what to do.

Big Business changed: The Fortune 500 list of 2010 doesn't look anything like that of 1970. Big Labor almost vanished: Most union members today are public employees.

The Obama Democrats, faced with a grave economic crisis, responded with policies appropriate to the Big Unit America that was disappearing during the president's childhood.

Their financial policy has been to freeze the big banks into place. Their industrial policy was to preserve as much as they could of General Motors and Chrysler for the benefit of the United Auto Workers. Their health care policy was designed to benefit Big Pharma and other big players. Their housing policy has been to try to maintain existing prices. Their macroeconomic economic policy was to increase the size and scope of existing government agencies to what looks to be the bursting point.

What we see is Big Government colluding with Big Business and trying to breathe life into Big Labor.

Some of this can be defended. The Obama Democrats are right in pointing out that the TARP financial bailout was the product of the Bush administration, and they may well be right that it would have been disastrous to allow Citibank to fail.

But Big Unit policies are not a good fit for a country that has grown out of the wreckage the Big Units made of things in the 1970s. They freeze poorly performing incumbents in place and they don't provide the breathing room for small units to start up and grow.

In the meantime, the Big Units are not performing as well as they did for Dr. Win the War. The visibly flagging economy and the slapdash stimulus and health care bills have left most voters ready to take a chance on the still reviled Republicans. The still unanswered question is, will the Republicans have an effective alternative to Big Unit governance?

Forbes

The New American Corporate State

by Warren Meyer

Opponents of President Barack Obama and the Nancy Pelosi Congress will often accuse them of being "socialist." I find that this term is unhelpful, as many folks use direct government takeover of industrial enterprises as the litmus test for socialism, and thus will reject this hypothesis about the president. It is more useful to think of this administration as pursuing a European-style corporate state, a form of political economy that allows the state to exert strong control in the economy while maintaining a nominal façade of private ownership.

While the intellectual origins of the corporate state go back much further, the first serious attempt to implement such a system was in 1920s Italy by Benito Mussolini. Under that system, state-sponsored industry cartels programmed every aspect of economic life, from wages and working conditions to prices, production levels and product specifications. Nearly every commercial action required a government license, which would be denied to those who showed insufficient loyalty to the state and its goals.

In the United States President Franklin Delano Roosevelt was almost certainly an admirer of Mussolini's economic system, as he copied many of its salient features into the code authorities and commercial licensing requirements of the National Industrial Recovery Act (which eventually was struck down by the Supreme Court). Prices, wages, production quotas and, in effect, nearly every detail of business practices in an industry were to be set by small groups of government, labor and industry leaders. The president was given the power to unilaterally revoke the right to do business, without any further due process, of any enterprise in America if it refused to conform to this reincarnation of the Medieval guild system.

In their current form, European corporate states tend to be more informal than their predecessors, drawing on mutually supporting networks of labor, industry and government leaders without the explicit structure of Mussolini's cartels or Roosevelt's code authorities. These networks are driven by an implicit deal by each of the three groups to protect their mutual interests and to recognize specific obligations.

In this three-way arrangement, unionized workers in key industries get high wages, guaranteed employment, rich pension systems and government protection from competition from younger and foreign workers. In return, they promise labor peace (barring the occasional strike to demonstrate their power) and tremendous election-day muscle.

Favored businesses (and by these we are talking about the top 20 to 30 largest banks and corporations in a particular country) get protection from competition, both upstart domestic entrepreneurs as well as any foreign rivals. In return, they provide monetary and political support for politicians' pet projects--from recycling to windmills--with the understanding that politicians will give them legislative back doors to recover the costs of these programs from customers or taxpayers.

In return for granting this largess to selected corporations and unions, government officials get to remain in power. Typically this arrangement appeals to parties on both the left and the right, such that the nominal ruling party may change but the core group in power remain the same.

The losers in all of this are ... everyone else. In effect this corporate system is just another age-old, historically time-worn effort to cement the power of a small group of elites. Entrepreneurship and innovation are often impossible, as incumbent businesses can call on tremendous state powers to stifle competitive threats. The unemployment rates of the young and unskilled can be astronomical, even in rich nations like Germany and France, as older unionized workers have worked to calcify labor markets to their own advantage. In the end, consumers and taxpayers pay for the whole system in the form of reduced growth and economic output, higher prices, higher taxes and less mobility for those not already in power.

Does any of this sound familiar? Consider a few random observations from the past year:

- --Powerful banks with executives who have served in multiple senior government jobs get bailed out. Others do not.
- --Obama and Congress pass the health care bill by demagoguing against insurance and pharmaceutical companies, while simultaneously cutting sweetheart deals with these same companies. The pharmaceutical industry ends up as a major contributor to Harry Reid's re-election, and the insurance industry ends up with a law forcing every American to buy their product or go to jail.

- --In return for publicly supporting the administration's green agenda, General Electric is rewarded with a series of proposed rules tilting regulations to favor key technologies it controls or has a strong position in.
- --The administration throws out hundreds of years of contract law and takes a large portion of General Motors from secured creditors and hands it to the United Auto Workers union. Nearly simultaneously, Congress and the administration bring their full power to bear trying to damage the reputation of Toyota, GM's largest foreign competitor.
- --While their only hope of financial recovery lies with their strong position in trucks and SUVs, GM proves its loyalty to the administration by backing misguided (and unreachable) fuel economy standards and going all-in on the money-losing Volt electric vehicle program.
- --In nearly every city and state in the country, licensing boards proliferate. Though the justification is typically consumer protection, these boards tend to be dominated by current industry incumbents who use the boards to stifle competition. In Louisiana, for example, a group of monks is fighting back against state requirements that they must obtain a funeral home director's license to sell caskets, a license that must be obtained from a board where nine of the 10 sitting members are from the state's largest funeral homes.

Like Europe, the ultimate price for the growing corporate state will be paid by the American consumer (in the form of higher prices, reduced choice, and foregone innovation), and the American taxpayer, who is already facing an enormous bill from the direct subsidy of favored constituents. This corporate-government-labor coalition is ready to come together in the U.S. right now, and only the political energy of the rest of the American citizenry continues to resist it.

Warren Meyer is a small-business owner in Phoenix and the author behind the popular <u>Coyote Blog:</u> <u>Dispatches from Small Business.</u>

National Review

Caddell on the Midterm Elections

The polling figures paint an astounding picture -- and not just for Democrats, but for the political class as a whole.

by Robert Costa

In Jimmy Carter's White House, Patrick Caddell was, in the words of Teddy White, the "house Cassandra" — an all-too-candid pollster whose prophecies spooked the president's other advisors. Three decades later, Caddell again is warning his fellow Democrats about electoral doom. As he sips an iced tea over lunch in midtown Manhattan, Caddell sighs and tells me that the lessons of the Carter years appear to be all but forgotten by the current crop of Democrats in Washington.

"President Obama's undoing may be his disingenuousness," Caddell says. After campaigning for post-partisanship, Obama, he observes, has lurched without pause to the left. "You can't get this far from what you promised," Caddell says, "especially when people invest in hope — you must understand that obligation. The killer in American politics is disappointment. When you are elected on expectations, and you fail to meet them, your decline steepens."

In 1979, as Carter's poll numbers slid south amidst a sagging economy, Caddell drafted a memo to the president urging him to recognize that the nation was "deep in crisis." Gazing upon today's

electoral landscape, Caddell paints an even bleaker picture. "We may be at a pre-revolutionary moment," he says, unsmiling. "Everything is in motion." This November, he predicts, "will be more of a national referendum than any [midterm election] since Watergate."

The polling data show how restless the country is. "A Rasmussen poll from earlier this year showed just 21 percent of voters believing that the federal government enjoys the consent of the governed — an astounding figure," Caddell says. "Then a CNN poll showed that 56 percent of Americans worried that the federal government poses a direct threat to their freedom."

"Democrats are aware of this," Caddell continues. "They know that the general outcome is baked." As the fall campaign kicks into gear, "the question now becomes whether Obama can mitigate their losses. You see them trying to localize their campaigns and pretending that they don't know Nancy Pelosi. It's all rather amusing."

Unlike President Reagan at his first-term midpoint, in 1982, "Obama is not able to go out there and say, 'Stay the course.' That's just not possible. The Democrats' hope with health care was that 'people will like it after we pass it.' Well, they hate it, and you don't see any effort to promote it. The Democrats had a chance to do this right — most people supported aspects of reform — but because of the *way* it was passed, as a crime against democracy, the country has simply not accepted it. The lies, the browbeating, the 'deem and pass' — all of it was a suicide mission."

On Monday, Gallup released a new weekly poll showing Republicans leading Democrats by an unprecedented ten-point margin, 51 to 41 percent, in congressional voting preferences — the largest gap in Gallup's history of tracking the midterm generic ballot. "I have never seen numbers like this," Caddell says, shaking his head. "Unless Republicans can find some way to screw it up, they will win big, even though nobody really likes them, either."

Indeed, rather than a ringing endorsement of either major party, Caddell sees November as a broader referendum on the political class — the class, he says, to which Obama, and his political fate, are irrevocably tied.

"Democrats used to be the voice of the common man in America, not his dictator," Caddell laments. "Now, with Wall Street, their mantra is, 'We'll take your money, but we won't kiss.' The people who own the party — George Soros, the Center for American Progress, the public-employee union bosses, rich folks flying private jets to 'ideas festivals' in Aspen — they're Obama's base."

Though Obama is bruised, Caddell is quick to note that he is far from finished — a point, he says, that Republicans prefer to whisper in the backroom. He points to Obama's summer strategy — a serious-minded speech on Iraq, a trip to New Orleans to address the rebuilding efforts — as evidence that the president is "attempting to be presidential, which is the best thing he can do politically." Carter, he observes, took a similar approach in 1978 — focusing on the Camp David Accords and beefing up his foreign-policy portfolio. As Caddell recalls, he advised the president that it was important not simply to govern, but to *lead*. By October 1978, the Georgian's approval numbers had begun to tick up, and the Democrats lost only a handful of seats in the House and Senate.

"With Carter, I would argue that his failures were not of the heart or of intent, but, perhaps, of execution," Caddell says. "He was never inconsistent with what he originally envisioned. I can't say the same for Obama." Successful presidents, Caddell argues, "realize that it is not about them — that the country is bigger than their presidency. With Obama, it is *always* about him. It's a terrible thing to have to say, but I think that it has become obvious."

Can Obama soften the blow at the eleventh hour? Caddell says it will be tough. Any efforts by Obama to right his ship, he says, will still face an electorate largely uninterested in new West Wing talking points or presidential maneuvers. Caddell believes that 2010 will be a louder, more raucous moment than 1978 in American politics. "The discontent is much larger than the turnout at Glenn Beck rallies," he says. "A sea of anger is churning — the tea parties are but the tip of the iceberg. People say they want to take their country back, and, to the Democrats' chagrin, they're very serious about it."

As we part, Caddell, once the dashing young star of Democratic presidential politics as an advisor to George McGovern, Carter, and Gary Hart, acknowledges that his criticisms may ruffle some feathers or simply be shrugged off by Democratic leaders. Still, he says, it is important to sound the alarm.

After all these years, Caddell laughs, "I know my role. I'm like Toto in the *Wizard of Oz*. My job is to pull back the curtain to reveal the little man with the microphone."

Contentions

Pat Caddell's Devastating Critique

by Jennifer Rubin

In a fascinating interview with Robert Costa, Democratic pollster and analyst Pat Caddell zeroes in on the Democrats' impending doom ("the general outcome is baked") and on Obama's failure to live up to expectations ("The killer in American politics is disappointment. When you are elected on expectations, and you fail to meet them, your decline steepens"). But his most cogent analysis focuses on Obama's base. He writes:

"The people who own the party — George Soros, the Center for American Progress, the publicemployee union bosses, rich folks flying private jets to "ideas festivals" in Aspen — they're Obama's base."

Yowser. He omitted only the liberal media, but I suppose they too — along with young people, old people, Hispanics, working- and middle-class whites, and even 42 percent of Jews — have grown disillusioned as well.

It is debatable whether the puny base is the result of Obama's extreme agenda or the reason it is so extreme. If you believe the former, Obama has traveled so far left that he's lost virtually everyone else in the Democratic coalition and turned off independents as well. But if you follow Caddell's implication (that this is the group that "owns" the party), Obama takes these steps because that's what his core constituency wants. Why persist in supporting the repeal of the Bush tax cuts? These groups wouldn't accept anything less. Why install controversial figures by recess appointment (e.g. Craig Becker, Donald Berwick)? Well, these are the sorts of appointees that give his "base" reassurance. Why continue to push climate change regulation and anti-business legislation in the midst of a recession? You got it — give the base what it wants.

Both phenomena are likely at work. Obama is inclined to go left. He thereby withers his base, increasing the clout of these slivers of the electorate. And he feels compelled to keep them happy, given that his political standing is so fragile.

Obama now is truly in a tough spot, one of his own making, I will grant you. Does he reposition to try to recapture his lost supporters, or stick with the grab bag of interest groups that encourage his most destructive inclinations? Hard to say. At this point, I would wager that not even Obama or his closest advisers have figured out what to do.

Contentions

Brooks Cheers Beck — Honest!

by Jennifer Rubin

<u>David Brooks</u> couldn't find a bad word to say about the Glenn Beck rally. Really. In his conversation with Gail Collins, she certainly tried to drag something negative out of him. But he liked what he saw:

I have to confess I really enjoyed it. I'm no Beck fan obviously, but the spirit was really warm, generous and uplifting. The only bit of unpleasantness I found emanated from some liberal gatecrashers behaving offensively, carrying anti-Beck banners and hoping to get in some televised fights. ... There, at Saturday's rally, were the most conservative people in the country, lauding Martin Luther King Jr. There they were, in the midst of their dismay, lavishly celebrating the basic institutions of American government. I have no problem with that.

In fact, that is why the liberal punditocracy's criticism was both muted and half-hearted. What was there to grip about? Well, there was all that, you know, religion stuff. Brooks is fine with it:

If there was a political message to the meeting, it was that many people think America's peril is fundamentally spiritual, not economic. There has been some straying from the basic values and thrifty, industrious habits that built the country. I don't agree with much of what this crowd wants, but I do agree with that.

Hmm, perhaps a spiritual revival that pushes back against the get-something-for-nothing me-ism of the 1960s and preaches delayed, not instant, gratification is socially beneficial. Next we'll find out that stable two-parent households are the key to staying out of poverty.

But they are *so angry*. Not really. Brooks said "elite" was never mentioned at the rally. He explains: "There was a sense that the moral failings are in every home and town, and that what is needed is a moral awakening everywhere. ... This was an affirmation of bourgeois values, but against a rot from within, not an assault from on high."

What seems to have flummoxed the left is that the Beck rally demonstrated that the populist anti-Obama faction in the country (some might use the mundane phrase "majority") isn't composed of wackos. They actually understand better than elites that the economic problems are in large part a function of a collapse in values. Obama likes to rail against Wall Street. Well, that's a location. The ralliers want to talk about what went wrong with the *people* who populate business and government. They would say we have lost touch with essential values — thrift, persistence, responsibility, modesty, and, yes, faith in something beyond self and self-indulgence. As Brooks put it, "Every society has to engird capitalism in a restraining value system, or else it turns nihilistic and out of control."

The chattering class should stop chattering long enough to listen to what citizens are saying. Not only is it quite reasonable; it is profound.











