

May 27, 2012

[Andrew Ferguson](#) explains the great danger if the GOP wins it all in November.

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As most of the news stories noted, the Ex-Im Bank is a totem of that fabled bipartisanship that certain kinds of partisans cherish. That's one of the attractions of crony capitalism: It's wonderfully bipartisan, so long as "we can spread the wealth around," to coin a phrase, so that the most powerful interests stay happy enough to write campaign checks. It was especially disconcerting to see House majority leader Eric Cantor unite with his Democratic opposite number, Steny Hoyer, to forge a "compromise" that will keep the bank going another three years—and expand the portfolio of guaranteed loans from \$100 billion to \$140 billion. ...

[Peggy Noonan](#) interviews Mitt.

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Not everything worked—his big education speech Wednesday was wan and pallid—but he's having a moment. In a telephone interview, he reflected on the campaign, tracing his candidacy's upward momentum to an increased sense among voters that the country is on the wrong path and, perhaps, a growing sense that he's proved himself: "I can tell you that we went through those 37 or 38 contests and won the must-win states, and in some cases we started off 10 points behind. And we hustled, worked hard, and convinced the voters." This produced "the kind of track record that people say, 'You know, I think if Mitt can keep that up, in November we're going to see a new president.'"

Candidates on a campaign van look out the window and see America go by. They meet with people, talk. I asked Mr. Romney the difference between the America he saw in 2008 and the one he sees now. "A much higher degree of anxiety today. People much less confident in the security of their job, less confident in the prospects for their children." Four years ago, the economic downturn hadn't occurred. "In my primary, the central issue was Iraq." Now it is the economy.

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Matthew Continetti pans the performance of the Obama campaign.

We are rapidly approaching the moment at which Washington reevaluates the Obama campaign's reputation for competence and expertise. Every week, one or several of Obama's surrogates trip over their own words; every day, Jim Messina and David Plouffe and David Axelrod must scratch their heads in wonder at the mess they are creating. One gaffe is an isolated event. Two is an embarrassment. But three or more form a pattern, one that is damaging not only Obama's precarious chances for reelection but also the fortunes of the Democratic Party.

The most recent trouble arrived last Sunday in the person of Newark Mayor Cory Booker, who went fantastically off message when he said his fellow Democrats' attacks on Mitt Romney's background in private equity are "nauseating." The Obama for America hazardous waste disposal team leapt into action, forcing Booker to record a hostage-video-like recantation of his comments by the end of the day. It was too late, though. Booker had tested the waters of intra-Democrat dissent and had found they were warm. Dianne Feinstein, Chris Coons, Steve Rattner, Ed Rendell, Artur Davis, Harold Ford Jr., Mark Warner, and Joe Manchin all followed him in.

What Obama intended as an attack on the business practices of Bain Capital transmogrified into a debate over the fairness of that attack. The press hates hypocrites, and it did not take much digging to report that Obama raised more from private equity in the 2008 cycle than any other candidate, and that the president's negative ad buy went up on the very day he held a \$35,800 per plate fundraised in New York City with the president of private equity firm Blackstone.

Not even MSNBC's Andrea Mitchell could reconcile the war on Bain with the fact that Obama has taken more than \$200,000 from the likes of Bain Capital managing Director Jonathan Lavine, not to mention tens of thousands from Landmark Partners Chairman Francisco Borges. The man would not even be president without the longstanding support of Chicago's Pritzker family, which knows something about, in the words of Rep. James Clyburn (D., S.C.), "raping companies and leaving them in debt."

The hypocrisy runs to the staffing decisions Obama makes. His White House is stuffed with Wall Street types. Two corporate buyout specialists sit on the president's job council. All three of his chiefs of staff have worked for financial houses. His small business administrator worked in private equity. ...

Jim Treacher in The Daily Caller spots the next Axelrod headache.

A new book on Barack Obama reveals fresh details about the president's youthful days as an avid smoker of marijuana — a time when he and his fellow weed smokers called themselves the “Choom Gang.”

Among the highlights:

— Obama was known for his interceptions. This is the act of joining a circle of people passing around a joint, taking a hit and yelling, “Intercepted!”

— Obama and his friends at the Punahou School in Hawaii called themselves the “Choom Gang” — choom means smoking weed — and drove around in a Volkswagen bus called the “Choomwagon.”

— Obama and his crew enjoyed what they called “roof hits,” smoking pot inside a car with all the windows rolled up to maximize the amount of smoke they inhaled.

Salena Zito reporting for the Tribune-Review on Biden's trip to Ohio last week.

Dave Betras is known in "The Valley" for his colorful language and his political antics and drama. Last Wednesday, however, when Vice President Joe Biden visited a local industrial park, Betras was all about numbers.

"Oh, 'The Valley' is going to turn out big for Barack Obama this year, big!" he said, spreading his arms wide for emphasis. The chairman of Mahoning County's Democrats pointed to local manufacturer M7 Technologies' shipping warehouse filled with people waiting to hear Biden speak. "Turnout like today, a full room," said Betras, 52.

If his job is to turn out Obama supporters on Election Day, he may want to check on their allegiances before he buses them to the polls. Many Youngstown attendees at Biden's event do not support him or the president.

Bob McClain and his wife, Myra, came to M7 Technologies to support their friends' family business. Neither supports the Obama-Biden ticket.

"We are friends of the owners -- that is why we came, to show support for the Garvey family," said Bob. At 71, he's retired but volunteers full-time as a counselor for Mahoning Valley small-business owners.

"Our vote is going for who is best to lead on the economy. That is Romney, for us," said Myra as her husband nodded.

Richard Furillo stood with his son Matthew at his son's workplace; a lifelong Democrat, he voted for Obama in 2008 but won't again. "I don't know why I did it but I cannot stand any more 'change,'" he said, referring to the president's old campaign slogan.

Father and son both said they attended the event to support the company.

"This is a once-in-a-lifetime chance to see a sitting vice president," added Matthew, also a Democrat. He, too, said he will vote for Romney. ...

Streetwise Professor explains some of the Facebook shenanigans.

In the aftermath of its botched IPO, Facebook may need to change its name to Fiasco Book. The recriminations are flying fast and furious, and are likely to only intensify.

The basic facts are that right in the middle of the roadshow, Facebook realized that its earnings prospects were weaker than anticipated. It released a revised S-1 disclosure that made a Delphic reference about the fact that its “daily active users” were growing faster than “ad impressions.” It also told the underwriters that earnings would be at the low end of the range as a result of this poor performance. Underwriters communicated this information to big institutional clients. They issued no written report to the broader market, and Facebook did not make any disclosures beyond that Delphic statement. Moreover, Facebook insiders decided to issue 25 percent more shares, and price the issue very successfully.

And the rest is history; the fingerprinting is the future.

The primary target of criticism has been Morgan Stanley, the lead underwriter. Leading the brigade of critics is Henry Blodget, of Business Insider.

Blodget initially suggested that Morgan Stanley might have broken the law by telling only some of its clients. He has since walked that back completely, and now focuses on the unfairness of it all. Moreover, Blodget gives Facebook executives, notably its CFO David Ebersman, a pass, and places the blame entirely on Morgan Stanley and the other underwriters. ...

Visiting Boston, **George Will** weighs in on Fauxcahontas Warren.

... This controversy has discombobulated liberalism’s crusade to restore Democratic possession of the Senate seat the party won in 1952 with John Kennedy and held until 2010, when Brown captured it after Ted Kennedy’s death. Lofty thinkers and exasperated liberals consider the focus on Warren’s fanciful ancestry a distraction from serious stuff. (Such as The Post’s nearly 5,500-word [wallow in teenage Mitt Romney’s prep school](#) comportment?) But Warren’s adult dabbling in identity politics is pertinent because it is, in all its silliness, applied liberalism.

The New York Times Magazine’s headline on its profile of her — “Heaven Is a Place Called Elizabeth Warren” — suggests the chord she strikes with liberals. They resonate to identity politics of the sort Warren’s campaign tried when, on the defensive, it resorted, of course, to claiming victimhood. Playing the gender card, it insinuated that criticism of her adventures as a minority amounts to a sexist attack on an accomplished woman. But an accomplished woman, Susan Collins of Maine, the only Republican senator rated more liberal than Brown (who last year voted with his party only 54 percent of the time on partisan issues), called this insinuation “patently absurd.” ...

Weekly Standard

Cronies 'R' Us

by Andrew Ferguson

We were struck last week by a pair of instances of Republicans doing what Republicans do—one encouraging, one not so much. On the encouraging side, we had Sen. Tom Coburn, who never fails to lift a faltering conservative heart. He gave an interview to a blogger for the *Washington Post*, though we won't hold that against him. In it he said many wise things, particularly about a scenario that like visions of sugarplums dances in many be-pillowed Republican heads.

“What happens if Romney wins and Republicans control both chambers [of Congress]?” he asked rhetorically. “Do they have the courage to do what it takes to fix the country? It's kind of their last chance. If they're given the favor of control and they don't act on it, why should you ever trust them again?”

His answer: “You shouldn't. It'll be the death knell of the Republican party. They controlled it all for four years under Bush and grew the government . . . [and] went against the very tenets of what they said they believe.”

Sen. Coburn is a man of rare candor, but it's not just the candor that's refreshing—it's his willingness to isolate the great promise and the great danger that Republicans confront this fall. If the voters hand them control of Congress as well as the White House, what will they do with it? It may not be their last chance, as Coburn says, but the answer will decide whether this generation of Republicans ever grows to maturity as a national party of economic freedom and opportunity.

Which brings us to the second, not-so-encouraging instance. Last week a majority of congressional Republicans joined with Democrats to renew for three years the charter of the Export-Import Bank, a New Deal relic that in theory helps American exporters by, among other things, offering loans to foreign traders to buy American products. Although the Ex-Im Bank is a quasi-private institution, its loans are guaranteed by the taxpayers, making it a prime instrument of industrial policy, or corporate statism, or state capitalism (choose your epithet). By favoring one company over another and choosing to subsidize one industry and not another—the faddish renewable energy field is a particular favorite at the moment—the bank lets the government, specifically the Congress, pick winners and losers in the marketplace. It mixes politics and capital in ways that Republicans customarily claim to abhor.

But not this time. The bank is a favorite not only of Democrats, who after all have no principled claim against industrial policy, but also of the big business lobby. The National Association of Manufacturers and the Chamber of Commerce strongly backed the renewal, proving again that they are less interested in free markets than in profit-making—and whether their members make money through government subsidy or market competition is of secondary importance to them. (Recall the chamber's energetic support of the Obama stimulus.) On the other side were a few right-wing pea shooters like Heritage Action and the Club for Growth. Guess which side of the debate the press portrayed as the power-crazed bad guys.

As most of the news stories noted, the Ex-Im Bank is a totem of that fabled bipartisanship that certain kinds of partisans cherish. That's one of the attractions of crony capitalism: It's

wonderfully bipartisan, so long as “we can spread the wealth around,” to coin a phrase, so that the most powerful interests stay happy enough to write campaign checks. It was especially disconcerting to see House majority leader Eric Cantor unite with his Democratic opposite number, Steny Hoyer, to forge a “compromise” that will keep the bank going another three years—and expand the portfolio of guaranteed loans from \$100 billion to \$140 billion. Like every advocate of the Ex-Im Bank over the last half century, Cantor invoked the specter of Eurosoci-alism to defend the bank. Letting its charter lapse, Cantor said, would signal “unilateral disarmament” in our trade competition with foreign companies that are themselves heavily subsidized by their governments. The argument might have had greater force before Europe waddled to the edge of bankruptcy, thanks in part to precisely the kind of subsidies that the Ex-Im is supposed to match. Republicans keep telling us the United States is different from Europe.

The real argument against the bank isn’t fiscal. It’s true that we shouldn’t be putting more taxpayer money at risk when every part of government needs to be cut back. More important, unwinding the bank would have been an act of philosophical hygiene—cutting government not because “we can’t afford it” but because it works against the economic freedom that brings prosperity. Meddling of the sort the bank represents distorts the market over the long term, and thus reduces the space for competition and the wealth such competition creates. Regardless of any near-term benefits, which are likely oversold, the eventual consequence of the bank’s intervention is to turn businesses into rent-seekers instead of enterprises dedicated to innovation. They end up trying to please the government instead of the customer.

The bipartisan deal between Cantor and Hoyer reminds us that few concepts in Washington are more overrated than “bipartisanship.” Large ideological advances are often made when Congress votes on party lines—Democrats will think here of Obamacare, Republicans of the Bush tax cuts—but the muddy trail of mischief left by bipartisanship is a long one: the prescription drug benefit, Fannie Mae, campaign finance reform, the No Child Left Behind education reform, and an almost limitless number of pernicious expenses that Republicans and Democrats together renew automatically (federal subsidies for nearly everything).

“I say the problem is not that we don’t get along,” Coburn said last week. “We get along too well. Government is twice the size it was 10 years ago. The president can’t spend the money if we don’t appropriate it. So it’s not a presidential problem. It’s a congressional problem.”

Coburn’s right. And when we look to the promise of 2013, that’s what has us worried.

WSJ

Mitt Romney's Moment

The GOP nominee explains why he thinks America is at an 'inflection point.'

by Peggy Noonan

It's been a good week for Mitt Romney. The polls are up, he's just off a two-day swing through Connecticut and New York, where he hauled in big donors and hard money, and he swept the GOP primaries in Kentucky and Arkansas. On Tuesday Texas will put him over the top and make him, formally and officially, the Republican nominee for president.

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wrong path and, perhaps, a growing sense that he's proved himself: "I can tell you that we went through those 37 or 38 contests and won the must-win states, and in some cases we started off 10 points behind. And we hustled, worked hard, and convinced the voters." This produced "the kind of track record that people say, 'You know, I think if Mitt can keep that up, in November we're going to see a new president.'"

Candidates on a campaign van look out the window and see America go by. They meet with people, talk. I asked Mr. Romney the difference between the America he saw in 2008 and the one he sees now. "A much higher degree of anxiety today. People much less confident in the security of their job, less confident in the prospects for their children." Four years ago, the economic downturn hadn't occurred. "In my primary, the central issue was Iraq." Now it is the economy.

Before rallies and town meetings, he always tries to have private, off-the-record meetings with voters. "I sit down with five or six couples or individuals and just go around the table, and I ask them to tell me about their life. And the stories I hear suggest a degree of anxiety which is not reflected in the statistics." He is struck, he said, by the number of people who are employed but in legitimate fear of being let go. He is struck by the number of people who've made investments for their retirement—real estate, 401(k)s—and seen them go down.

He keeps a campaign journal on his iPad: "Now this is going to make my iPad a subject of potential theft!" He used to speak his entries, but now he types them on an attached keyboard. "I've kept up pretty well, actually." He writes every two or three days, so that 10 years from now he can "remember what it was like," but also to capture "the feelings—the ups the downs, the people I meet and the sense I have about what's going to happen. It's kind of fun to go back and read, as Ann and I do from time to time."

Does he love politics—the joy of it, the fight of it? "What I love are the political rallies and town meetings. I love the interchange with individuals that are probing and pushing."

But the *game* of politics? "I like competition, and I think the game is like a sport for old guys. I mean, you know, I can't compete in competitive sports very well, but I can compete in politics, and there's the—what was the old ABC 'Wide World of Sports' slogan? 'The thrill of victory and the agony of defeat.' The only difference is victory is still a thrill, but I don't feel agony in loss."

Do you wake up in a good mood, or do you have to work your way into it? "Depends on the day." He laughs. "Depends on the issue. The only time I'm unhappy is if I've done something that hurt the prospects for the success of our effort."

When was the last time you woke up unhappy? He says he doesn't recall. Then: "Sometimes you're disappointed, but it's mostly disappointment with myself that causes me to be most concerned. This for me is not my life, meaning I don't have to win an election to feel good about myself." He's achieved success in business "beyond my wildest dreams." He's "hoping to make a contribution and go to Washington and go home when it's over. . . . Who I am has long ago been determined by my relationship with the people I love, and with my success in my professional career."

All great political families have myths, stories they tell themselves about how history happened. The great story about Mr. Romney's father, George, is that one word—"brainwashed"—did in his

presidential candidacy in 1968. People have hypothesized that Mitt is careful with words and statements, that he edits his thoughts too severely, because of the power of that myth.

"I don't think my father's comment figures into my thinking at all," he says. It's his own mistakes "that make me want to kick myself in the seat of my pants," that "cause me to try and be a little more careful in what I say. . . . I've had a couple of those during the campaign, which have haunted me a little bit, but I'm sure before this is over will haunt me a lot."

Asked for an example, he mentions "I like to be able to fire people." He meant, he says, those, such as health-insurance companies, that provide inadequate services. "I have to think not only about what I say in a full sentence but what I say in a phrase." In the current media environment, "you will be taken out of context, you'll be clipped, and you'll be battered with things you said." He says it is interesting that "the media always says, 'Gosh, we just want you to be spontaneous,' but at the same time if you say anything in the wrong order, you're gonna be sorry!"

What about historic parallelism—the people who say, "This election is 1980 all over again," or, "No, it's 1996"? What year is it?

"It's 2012." He laughs. History sometimes repeats "its lessons," but "history does not repeat itself identically. This is a different time than any other time before it."

"I think there have been inflection points in American history where the course of the nation has changed, where culture, industry, even military strategy have changed." The Civil War was one such time, the turn of the last century another.

He believes we are in one now: "I think America is going to decide whether we will put ourself on a path toward Europe—whether we will become another nation dominated by government, where citizens are dependent on government for the things they want in life, where opportunity is sacrificed, where military strength is depleted to pay for government promises, where unemployment is chronically high and wage growth chronically low. That, in my view, is the course the president has put us upon." If Barack Obama is re-elected, "it will be very difficult to get off that path. If I'm elected, I will usher in a period of economic vitality," that will leave the world "surprised."

Not only the world: "America is going to see a vitality we had not expected."

Washington Free Beacon

Ready, Fire, Aim

Team Obama's reputation is vastly overrated

by Matthew Continetti

We are rapidly approaching the moment at which Washington reevaluates the Obama campaign's reputation for competence and expertise. Every week, one or several of Obama's surrogates trip over their own words; every day, Jim Messina and David Plouffe and David Axelrod must scratch their heads in wonder at the mess they are creating. One gaffe is an isolated event. Two is an embarrassment. But three or more form a pattern, one that is damaging not only Obama's precarious chances for reelection but also the fortunes of the Democratic Party.



The most recent trouble arrived last Sunday in the person of Newark Mayor Cory Booker, who went fantastically off message when he said his fellow Democrats' attacks on Mitt Romney's background in private equity are "nauseating." The Obama for America hazardous waste disposal team leapt into action, forcing Booker to record a hostage-video-like recantation of his comments by the end of the day. It was too late, though. Booker had tested the waters of intra-Democrat dissent and had found they were warm. Dianne Feinstein, Chris Coons, Steve Rattner, Ed Rendell, Artur Davis, Harold Ford Jr., Mark Warner, and Joe Manchin all followed him in.

What Obama intended as an attack on the business practices of Bain Capital transmogrified into a debate over the fairness of that attack. The press hates hypocrites, and it did not take much digging to report that Obama raised more from private equity in the 2008 cycle than any other candidate, and that the president's negative ad buy went up on the very day he held a \$35,800 per plate fundraiser in New York City with the president of private equity firm Blackstone.

Not even MSNBC's Andrea Mitchell could reconcile the war on Bain with the fact that Obama has taken more than \$200,000 from the likes of Bain Capital managing Director Jonathan Lavine, not to mention tens of thousands from Landmark Partners Chairman Francisco Borges. The man would not even be president without the longstanding support of Chicago's Pritzker family, which knows something about, in the words of Rep. James Clyburn (D., S.C.), "raping companies and leaving them in debt."

The hypocrisy runs to the staffing decisions Obama makes. His White House is stuffed with Wall Street types. Two corporate buyout specialists sit on the president's job council. All three of his chiefs of staff have worked for financial houses. His small business administrator worked in private equity. His former chief technology officer left to join a private equity firm. His former communications director Anita Dunn left the White House and promptly offered her services to protect the private equity executives she had attacked while in government. And yet the

president is happy to run unseemly ads arguing private equity firms are job-destroying “vampires” that “suck the life” out of other companies and profit from their demise. Indeed, he informed the country Monday that Romney’s private sector career “is what this campaign is going to be about.”

Really? Obama may spend close to a billion dollars demonizing Bain, only to find that when the national exit poll comes out the night of November 6, “private equity” will not rank at the top of the public’s priorities. There is also a larger danger with shifting the focus of the campaign to such ancillary topics as whether private equity is good or bad: When you run a tactical campaign that targets the news cycle, you run the risk of having the attacks backfire. That is exactly what happened in the case of Booker, and what has happened in other cases as well.

In February, the president’s Chicago team jettisoned the political identity Obama had been building for years. He had already turned off independents by outsourcing legislation to the left-liberals in Congress in 2009, ignoring the bright flashing neon DANGER sign that was Scott Brown’s victory in 2010, and waiting until the last minute to release an economic plan that had no chance of passing in 2011. But it was not until the New York Times reported that Obama had reversed his position on raising money for the Super PACs he had once called a “threat to our democracy” that the bloom truly came off the New Politics rose.

This purported reformer was a classic politician who broke promises and compromised ideals in a relentless quest for cash. Lacking a popular record of accomplishment, and having betrayed his reputation for youthful, sunny, bipartisan Hope and Change, Obama had no other choice but to run a negative campaign in which he tried to paint the alternative candidate as too frightening to govern. So here we are.

The “war on women” message was conceived as a way to frighten all the single ladies into turning out for Obama in the fall. But that narrative quickly collapsed when Democratic strategist Hilary Rosen appeared on CNN in April and proclaimed that Ann Romney had not worked “a day in her life,” a remarkably stupid attack on stay-at-home mothers that Obama Super PAC donor Bill Maher “explained” by saying, “What she meant to say, I think, was that Ann Romney has never gotten her ass out of the house to work.”

America was thus treated to the spectacle of the president, his wife, and the vice president all defending Ann Romney’s honor, and of the White House press secretary pretending that he did not know the well connected Democratic player who had stepped on the campaign’s message. Making matters worse, the *Free Beacon* revealed that both the White House and Senate Democrats pay female staffers less than male ones.

Joe Biden’s May 6 appearance on Meet the Press turned into a similar disaster when the vice president said he was “absolutely comfortable” with same-sex marriage. That put Biden at odds with his boss, who at that time opposed “men marrying men, women marrying women.” Education Secretary Arne Duncan sided with Biden the next morning. Soon the media wanted to know whether Obama agreed with his subordinates. It was a treat to watch the condescending and preening White House press secretary being pummeled for 21 minutes with questions he could not answer because his bosses at the White House and at the campaign hadn’t the faintest clue of what to do.

Here, too, money was the foremost concern. Major fundraisers in the LGBT community were threatening to withhold cash if Obama did not endorse gay marriage. Jay Carney could not dodge press inquiries forever. ABC correspondent Robin Roberts was rushed from New York to D.C., where the president informed her that Sasha and Malia had helped him evolve into a supporter of same-sex marriage. The timing could not have been worse. The interview aired the day after North Carolina, which had been a swing state and where the Democrats will hold their convention in September, banned gay marriage and civil unions with 61 percent of the vote. Team Obama, however, managed to tell reporters—somehow while keeping a straight face—that they had been planning such a shift all along. The public doesn't buy it.

Democrats may be able to forget Obama's campaign finance hypocrisy. They may laugh off the Rosen and Biden gaffes. But Cory Booker's remarks will haunt them, because in just a few sentences, the mayor exposed a growing rift in the Democratic Party.

The Democrats clawed their way back to the presidency in 1992 thanks to a revolution in Democratic affairs: No longer would his party be captured by its client groups, Bill Clinton promised. The Democrats would not merely be a tool of the unions and the New Class of "helping professions" that rely on government spending for sustenance. Democrats would be pro-business, pro-Wall Street even. Freed from a Democratic Congress after the 1994 elections, Clinton was able to make good on this pledge and restrain spending, reform welfare, cut capital gains taxes, and enjoy an economic boom. His party grew close to Wall Street. It accumulated so much goodwill there and in boardrooms across the country that in 2008 even a former community organizer with roots in the left was able to pull the wool over the eyes of some of America's most powerful financiers.

What resulted—the stimulus, Obamacare, Dodd-Frank, the relentless pursuit of higher taxes on wealth, the bashing of hedge funds and private equity—has turned much of high finance against the Obama administration and even the Democratic Party at large. Cory Booker was performing triage. He was trying to sustain the dying embers of a Clintonite, pro-business Democratic Party. He understood that Obama and his Keystone Kops are turning the New Democrat dream into ashes. And Booker, like other Democrats, is terrified by the answer to the following question: Who else will Obama bring down with him?

Daily Caller

Answer: Choom

Question: *What's the sound of David Axelrod's weekend getting ruined?*

by Jim Treacher

Alex Pappas reports:

A new book on Barack Obama reveals fresh details about the president's youthful days as an avid smoker of marijuana — a time when he and his fellow weed smokers called themselves the "Choom Gang."

Among the highlights:

— *Obama was known for his interceptions. This is the act of joining a circle of people passing around a joint, taking a hit and yelling, "Intercepted!"*

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— Obama and his crew enjoyed what they called “roof hits,” smoking pot inside a car with all the windows rolled up to maximize the amount of smoke they inhaled.

Why did Obama put his dog on the roof of the car? So it wouldn't get stoned.

Speaking only for myself, I'm fine with having a president who used to get blazed out of his mind. It's just funny that the same people who are scrambling to defend him were, shall we say, somewhat less accepting of Bush's youthful indiscretions.

And as Mike Riggs at Reason points out: [“Barack Obama Punishes People for Getting High; It Used to Be, He Punished Them for Not Getting High Enough.”](#)

Also, everybody reading this is a racist. Yes, even you.

Pittsburgh Tribune-Review **[Biden's speech falls on deaf ears](#)** by Salena Zito

YOUNGSTOWN, Ohio — Dave Betras is known in "The Valley" for his colorful language and his political antics and drama. Last Wednesday, however, when Vice President Joe Biden visited a local industrial park, Betras was all about numbers.

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"We are friends of the owners -- that is why we came, to show support for the Garvey family," said Bob. At 71, he's retired but volunteers full-time as a counselor for Mahoning Valley small-business owners.

"Our vote is going for who is best to lead on the economy. That is Romney, for us," said Myra as her husband nodded.

Richard Furillo stood with his son Matthew at his son's workplace; a lifelong Democrat, he voted for Obama in 2008 but won't again. "I don't know why I did it but I cannot stand any more 'change,'" he said, referring to the president's old campaign slogan.

Father and son both said they attended the event to support the company.

"This is a once-in-a-lifetime chance to see a sitting vice president," added Matthew, also a Democrat. He, too, said he will vote for Romney.

Standing beside them, Jeff Cunningham echoed their sentiments: "The biggest challenge in this country is creating jobs that last, jobs that sustain families." The 36-year-old Mahoning Valley native said he will vote for Romney.

Montgomery "Monty" Deruyter sat several rows from where Biden stood to address the crowd. The 43-year-old father of two started working at M7 as a machinist two months ago; uncertainty drives him to favor Romney.

"I hold both parties at arm's length but trust Romney's business skills to lead on the economy," he said.

These were just six of more than a score of people interviewed who said they will not vote for Obama in November; they were the audience members not captured by TV cameras, who sat respectfully during Biden's 30-minute populist speech while the party faithful -- gathered up and bused in by Betras -- leaped up every time Biden's voice rose.

Even so, those faithful voiced discontent -- and worry that some in their community have no reason to vote for the president next fall.

Joe Louis Teague, 70, a black community icon who has run several unsuccessful campaigns for local office, is in charge of coordinating the Obama campaign's voter registration in the Mahoning Valley. He is worried about the black vote because "people are discouraged."

Black-on-black crime is out of control; drugs and poor parenting are at the heart of that problem, he said.

"I am going to be honest, I think he could have done more," he said of the first black president's attention to the black community. "I think he needs to do more."

As Biden switched between fiery class-warfare rhetoric and whispers about his upbringing in neighboring Pennsylvania, two things stood out: no mention of coal or Marcellus shale natural gas -- the resources bringing prosperity back to this region -- and his talk of middle-class resentment.

"They don't get it! They don't get who we are!" he shouted about how Republicans don't understand the little guy in places such as Ohio and Pennsylvania.

That's an interesting take from Biden, considering Obama's "understanding" of those same embittered, gun- and Bible-clinging voters that he famously described at a high-dollar San Francisco fundraiser in 2008.

It probably is why last week's Quinnipiac poll showed Obama's advantage over Romney in the Buckeye State at only 1 percentage point.

Streetwise Professor

Social Network-The Sequel

by Craig Pirrong

In the aftermath of its botched IPO, Facebook may need to change its name to Fiasco Book. The recriminations are flying fast and furious, and are likely to only intensify.

The basic facts are that right in the middle of the roadshow, Facebook realized that its earnings prospects were weaker than anticipated. It released a revised S-1 disclosure that made a Delphic reference about the fact that its “daily active users” were growing faster than “ad impressions.” It also told the underwriters that earnings would be at the low end of the range as a result of this poor performance. Underwriters communicated this information to big institutional clients. They issued no written report to the broader market, and Facebook did not make any disclosures beyond that Delphic statement. Moreover, Facebook insiders decided to issue 25 percent more shares, and price the issue very successfully.

And the rest is history; the fingerpointing is the future.

The primary target of criticism has been Morgan Stanley, the lead underwriter. Leading the brigade of critics is Henry Blodget, of Business Insider.

Blodget initially suggested that Morgan Stanley might have broken the law by telling only some of its clients. He has since walked that back completely, and now focuses on the unfairness of it all. Moreover, Blodget gives Facebook executives, notably its CFO David Ebersman, a pass, and places the blame entirely on Morgan Stanley and the other underwriters.

You may remember Blodget. He was a famous-then infamous-Merrill Lynch analyst during the tech boom, whose work earned him a lifetime ban from the securities industry. (More on this below. Complete with personal color.)

So why didn't MS issue written reports available to all investors? Because they can't-by law-between the release of the S-1 and 40 days following the IPO.

And why, pray tell, is this true? [Because of the shenanigans that went on during the dot com boom](#):

The bizarre rules are a result of previous regulation, created a decade ago, after abuses made by investment bankers in written reports during the dot com era. These rules may need to be reformed, but Facebook needs to play by them for the time being.

And who is the poster child for the abuses made by investment bankers in their written reports during the dot com era? Well, one Henry Blodget.

So it is way beyond rich for Blodget to rail against the unfairness of rules that he played no small role in bringing about. And I am at a loss for words when figuring out how to describe the chutzpah he displays by fulminating about inadequate disclosure when he fails to disclose his role in the events that led to the rules that limited what Morgan Stanley could tell the world.

His defenders claim that Blodget is reformed. Color me skeptical.

Why? I've seen him, up close and in person.

I was an expert witness against him in an arbitration related to his work at Merrill. I had the, umm, experience (adjectives escape me) of watching him testify for the first-but not the last time-in a legal action related to his behavior. And what an educational experience it was, watching him attempt to explain how he could rave in written analyst reports about the prospects of one of the companies he followed at the same time he was referring to the same company as a "POS" in emails. He attempted to feign that he didn't know exactly what "POS" meant.

Uh huh. Tell me another one.

I saw a total weasel trying to dig his way out of a mountain of lies. So you'll understand if I don't trust him as far as I can throw him.

Especially since he made allegations of illegality-and then backed off, and then denied (on Twitter) that he had and claimed that I had been unspecific in my criticism. Since he changed the subject after I [replied](#) (quoting him): "Selective dissemination of this sort could be a direct violation of securities laws.'Specific enuf?" Since he whined about "unfairness" and being "bashed" in response to criticism. Boo hoo hoo.

And especially since he is flacking for Facebook, Zuckerberg, and Ebersman, and placing all the blame on Morgan Stanley. No doubt since he is *persona non grata* on Wall Street, he is trying to suck up to Silicon Valley and the social media VCs who are desperate to avoid the negative fallout from Fiasco Book.

I'm not buying. Facebook chose to make the Delphic disclosure. Facebook chose not to modify its S-1 to disclose the bad earnings forecast news. Facebook insiders chose to unload more stock. Yes, Morgan Stanley went along with this, but (a) ultimately, the information was Facebook's and it chose not to disclose, and it chose the size and price of the deal, and (b) it is pretty clear that Facebook was throwing its weight around (as evidenced by the fact that Morgan Stanley's CEO participated in some of the discussions).

This will all be litigated, of course. No doubt MS will not escape unscathed. But my prediction is that Facebook-and Zuckerberg-will take the big hit.

Apparently Zuckerberg learned nothing from the Saverin litigation. He tried to take everything then, and leave nothing on the table. It appears to me he tried to do the exact same thing in the IPO-in the way that he retained control of the company, and in the way the deal was priced and sized. He made one enemy the first time around. This time around-thousands.

So inquiring minds want to know: will Jesse Eisenberg play Zuckerberg in Social Network II?

Washington Post

[Elizabeth Warren's identity politics](#)

by George F. Will

BOSTON

Blond, blue-eyed Elizabeth Warren, the Senate candidate in Massachusetts and Harvard professor who cites “family lore” that she is 1/32nd Cherokee, was inducted into Oklahoma’s Hall of Fame last year. Her biography on [OklahomaHeritage.com](#) says that she “can track both sides of her family in Oklahoma long before statehood” (1907) and “she proudly tells everyone she encounters that she is ‘an Okie to my toes.’” It does not mention any Cherokee great-great-great-grandmother. A DVD of the induction ceremony shows that neither Warren nor anyone else mentioned this.

The kerfuffle that has earned Warren such sobriquets as “Spouting Bull” and “Fauxcahontas” began with reports that Harvard Law School, in routine academic preening about diversity (in everything but thought), listed her as a minority faculty member, as did the [University of Pennsylvania](#) when she taught there. She said that some in her family had “[high cheekbones](#) like all of the Indians do.” The New England Historic Genealogical Society said that a document confirmed the family lore of Warren’s Cherokee ancestry, but it later backtracked. She has said that she did not know Harvard was listing her as a minority in the 1990s, but Harvard was echoing her: From 1986 through 1995, starting before she came to Harvard, a directory published by the Association of American Law Schools listed her as a minority and says its listings are based on professors claiming minority status.

So, although no evidence has been found that Warren is part Indian, for years two universities listed her as such. She has identified herself as a minority, as when, signing her name “Elizabeth Warren — Cherokee,” she submitted a [crab recipe](#) (Oklahoma crabs?) to a supposedly Indian cookbook. This is a political problem.

A poll taken before this controversy found her Republican opponent Scott Brown trouncing her on “likability,” 57 percent to 23 percent. Even Democrats broke for Brown 40 to 38. Now she is a comic figure associated with laughable racial preferences. She who wants Wall Street “held accountable” is accountable for two elite law schools advertising her minority status. She who accuses Wall Street of gaming the financial system at least collaborated with, and perhaps benefited from, the often absurd obsession with “diversity.”

How absurd? Warren says that for almost a decade she listed herself in the AALS directory as a Native American because she hoped to “meet others like me.” This well-educated, highly paid, much-honored (she was a consumer protection adviser to President Obama) member of America’s upper 1 percent went looking for people “who are like I am” among Native Americans?

This makes perfect sense to a liberal subscriber to the central superstition of the diversity industry, which is the premise of identity politics: Personhood is distilled not to the content of character but only to race, ethnicity, gender or sexual preference.

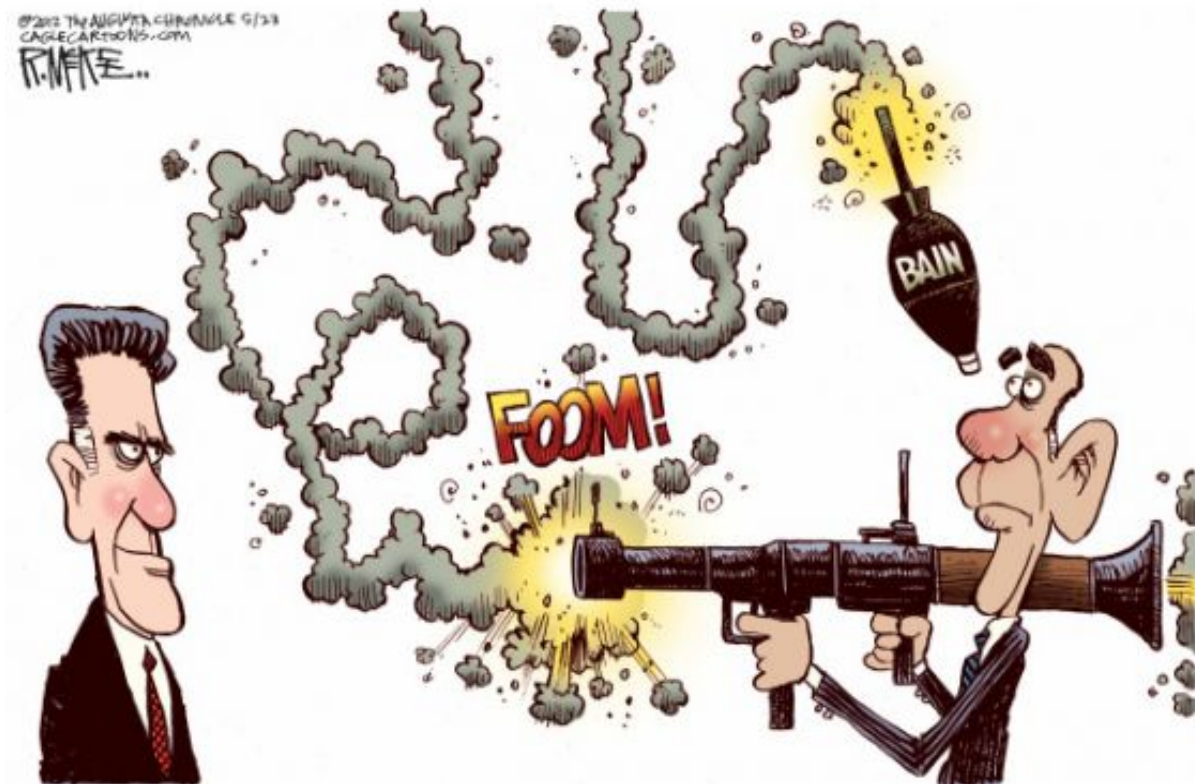
This controversy has discombobulated liberalism’s crusade to restore Democratic possession of the Senate seat the party won in 1952 with John Kennedy and held until 2010, when Brown

captured it after Ted Kennedy's death. Lofty thinkers and exasperated liberals consider the focus on Warren's fanciful ancestry a distraction from serious stuff. (Such as The Post's nearly 5,500-word [wallow in teenage Mitt Romney's prep school](#) comportment?) But Warren's adult dabbling in identity politics is pertinent because it is, in all its silliness, applied liberalism.

The New York Times Magazine's headline on its profile of her — "Heaven Is a Place Called Elizabeth Warren" — suggests the chord she strikes with liberals. They resonate to identity politics of the sort Warren's campaign tried when, on the defensive, it resorted, of course, to claiming victimhood. Playing the gender card, it insinuated that criticism of her adventures as a minority amounts to a sexist attack on an accomplished woman. But an accomplished woman, Susan Collins of Maine, the only Republican senator rated more liberal than Brown (who last year voted with his party only 54 percent of the time on partisan issues), called this insinuation "patently absurd."

Barack Obama, who carried Massachusetts by almost 800,000 votes in 2008, will win here again, and a senior official of Brown's campaign thinks that in order to win Brown must run between 250,000 and 500,000 votes ahead of Romney. In the special election in January 2010, Brown defeated a female opponent (women are 53 percent of Massachusetts voters) by 107,317 votes. He won independents 2 to 1.

The turnout this November, with Obama on the ballot, probably will be larger, less white and more Democratic. But just 0.3 percent of Massachusetts residents are Native Americans, even counting Warren.



The TURNAROUND ARTIST



