

July 29, 2013

Charles Krauthammer explains the application of Stein's Law to Detroit. And then to the country.

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Detroit, for example, can no longer go on borrowing, spending, raising taxes and dangerously cutting such essential services as street lighting and police protection. So it stops. It goes bust.

Cause of death? Corruption, both legal and illegal, plus a classic case of reactionary liberalism in which the governing Democrats — there's been no Republican mayor in half a century — simply refused to adapt to the straitened economic circumstances that followed the post-World War II auto boom.

Corruption of the criminal sort was legendary. The former mayor currently serving time engaged in a breathtaking range of fraud, extortion and racketeering. And he didn't act alone. The legal corruption was the cozy symbiosis of Democratic politicians and powerful unions, especially the public-sector unions that gave money to elect the politicians who negotiated their contracts — with wildly unsustainable health and pension benefits.

When our great industrial competitors were digging out from the rubble of World War II, Detroit's automakers ruled the world. Their imagined sense of inherent superiority bred complacency. Management grew increasingly bureaucratic and inflexible. Unions felt entitled to the extraordinary wages, benefits and work rules they'd bargained for in the fat years. In time, they all found themselves being overtaken by more efficient, more adaptable, more hungry foreign producers. ...

Naomi Riley with more on the unintended consequences of student debt.

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This is not a scam, folks. Last year, Georgetown's Center for Applied Research in the Apostolate reported that a lot of seminary candidates are "too poor to take the vow of poverty": Many religious institutions are rejecting candidates who have too much educational debt.

With undergraduate and, in some cases, divinity-degree debt multiplying into the six figures while clergy wages remain relatively low, it's easy to understand why seminaries can't bless this kind of borrowing.

Of course, it's not just the religious being sent off course by student loans. Young people across America are putting off marriage and starting a family because they're so weighed down by the collective \$1 trillion in accumulated student debt. ...

Noemie Emery says the racial grievance industry is getting old.

After the bombings at the Boston Marathon on April 15, a columnist at Salon expressed his wish for a Caucasian villain, and he did get his wish — not a blond, blue-eyed Nazi or Bull Connor wannabe, but a Chechen from the actual Caucasus, an immigrant, and a Muslim, and the deflation was visible.

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And **Bill O'Reilly** challenges Jerry Rivers to find a black leader who will address the problem of the disintegration of black families.

On Geraldo's radio program today I told him to let me know when President Obama holds a press conference about the disintegration of the African-American family. I also asked Geraldo when a seminar on the damage hip hop and rap is doing to unsupervised children will be held by Sharpton and Jackson. I'm looking forward to that.

Perhaps at that seminar more positive entertainment might be encouraged and maybe an exposure like that would encourage President Obama not to invite people like Jay-Z to the White House when he is putting out dubious material that children are absorbing.

And finally I told Geraldo that I feel sorry for black kids who don't have fathers and who were born into poverty because their mothers become impregnated at a young age without any resources. It is America's shame and all politicians are responsible somewhat that we have not discouraged the astronomical out-of-wedlock birth rate in this country.

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The Examiner with the story you can't make up. Federal employees want to make sure they're not covered by Obamacare.

National Taxpayer Employee Union officials are giving members a form letter expressing concern...

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Pickerhead was thinking of ignoring the whole Weiner mess, but the cartoons were too good. As a way of introducing them we have a post from **Roger Simon** on the Dem's war against women.

... Hillary Clinton has, more than anyone I can think of, led our culture to where it is now.

We all remember well Hillary in high dudgeon blaming her husband's (serial, she knew well) adultery on the "vast right-wing conspiracy." What kind of person does that? How disconnected is that from reality — how narcissistic, selfish and, well, sociopathic?

This is the same Hillary Clinton who told the father of fallen Benghazi SEAL Tyrone Woods — at his son's funeral — that they were going to get that obscure and hapless filmmaker who made the dopey anti-Islam video, when all along she knew Tyrone and the others were the victims of an al-Qaeda-related terror attack. The word "entitlement" cannot encompass that behavior.

And she was, maybe still is, the mentor of Huma Abedin. The mind, as they say, boggles. And Huma, of course, is the daughter of a leader of the fundamentalist Muslim Sisterhood.

I cannot even begin to draw all the connections there. Maybe I don't even want to know. Besides, Andy McCarthy has done it better than I ever could.

But one connection I will draw — the way Democratic liberals treat women is the same way they treat blacks... as coolies.

Washington Post

Stein's Law

by Charles Krauthammer

If there's an iron rule in economics, it is Stein's Law (named after Herb, former chairman of the Council of Economic Advisers): "If something cannot go on forever, it will stop."

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Corruption of the criminal sort was legendary. [The former mayor](#) currently serving time engaged in a breathtaking range of fraud, extortion and racketeering. And he didn't act alone. The legal corruption was the cozy symbiosis of Democratic politicians and powerful unions, especially the public-sector unions that gave money to elect the politicians who negotiated their contracts — with [wildly unsustainable](#) health and pension benefits.

When our great industrial competitors were digging out from the rubble of World War II, Detroit's automakers ruled the world. Their imagined sense of inherent superiority bred complacency. Management grew increasingly bureaucratic and inflexible. Unions felt entitled to the extraordinary wages, benefits and work rules they'd bargained for in the fat years. In time, they all found themselves [being overtaken](#) by more efficient, more adaptable, more hungry foreign producers.

The market ultimately forced the car companies into reform, restructuring, the [occasional bankruptcy](#) and eventual recovery. The city of Detroit, however, lacking market constraints, just kept overspending — \$100 million annually since 2008. The city now has about \$19 billion in obligations it has no chance of meeting. So much city revenue has had to be diverted to creditors and pensioners that there is practically nothing left to run the city. [Forty percent of the streetlights](#) don't work, [two-thirds of the parks](#) are shut down and emergency police response time averages nearly an hour — if it ever comes at all.

Bankruptcy, which will radically cut payments to bondholders and retirees, is the only chance to start over. Yet, if a Detroit bankruptcy succeeds, other cities will be tempted to follow suit. Dozens of other large urban areas have similarly massive pension and debt obligations, with commensurately denuded services and exorbitant taxes — leading to a vicious cycle of depopulation that makes everything worse. Detroit has lost more than [60 percent of its population](#) since 1950.

The moral hazard increases if the federal government steps in to help. [The Obama administration](#) is therefore firmly opposed to any “bailout,” recognizing both the political toxicity of the word and the fiscal consequences of a Detroit precedent that invites other cities to line up with a tin cup. Washington cannot afford a nationwide federal bailout of insolvent cities.

However, under pressure from the public-sector unions, whose retirees will necessarily be victimized, the administration will likely offer “assistance” — which implies whatever kind of non-cash payments, indirect funds from other ongoing federal programs and enterprise-zone tax subsidies that it can get away with.

But Detroit is an object lesson not just for other cities. Not even the almighty federal government is immune to Stein's Law. Reactionary liberalism simply cannot countenance serious reform of the iconic social welfare programs of the 20th century. Nancy Pelosi and Harry Reid are pledged to their inviolability. President Obama will occasionally admit that, for example, [Medicare cannot go on as is](#), but then reverts to [crude demagoguery](#) when Republicans propose a structural

reform, such as premium support for Medicare or something as obvious as raising the retirement age to match increasing longevity.

On the contrary. Obama added one enormous new entitlement (Obamacare) and, in his [last State of the Union address](#), proposed yet another (universal preschool).

None of this is inevitable. [In Wisconsin, Republicans](#) showed that they recognize the perils of unconstrained government growth and will take on the unchecked power of government unions. Democratic Detroit, on the other hand, has for 50 years conducted a contrary experiment in myopia and the most imprudent passivity.

It doesn't take a genius to see what happens when the entitlement state outgrows the economy upon which it rests. The time of Greece, [Cyprus](#), Portugal, Spain, the rest of insolvent social-democratic Europe — and now Detroit — is the time for conservatives to raise the banner of Stein's Law and yell, "Stop." You can kick the can down the road, but at some point it disappears over a cliff.

NY Post

['Predator' student loans](#)

College debt is ruining lives

by Naomi Schaefer Riley

'Help Jenna join the Convent!' A number of friends posted the link from fund-raising site YouCaring.com to Facebook, so I clicked. Jenna Andrews, it turns out, is a 30-year-old Catholic convert who's trying to join the Dominican Sisters of Hawthorne this fall. The Westchester-based order is devoted to caring for destitute cancer patients at the end of their lives. But it can't accept Jenna until she pays off her \$32,336 worth of student loans.

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Of course, it's not just the religious being sent off course by student loans. Young people across America are putting off marriage and starting a family because they're so weighed down by the collective \$1 trillion in accumulated student debt.

The Wall Street Journal reported on a recent survey by the National Association of Consumer Bankruptcy Attorneys: "Members are seeing a big increase in people whose student loans are forcing them to delay major purchases or starting families."

In other words, student loans aren't just altering our finances, they're changing our whole social structure. They're preventing us from pursuing the careers we want, from tying the knot, from having children when we want or as many children as we want.

This should worry liberals as much as conservatives: Whether you want young people to get married earlier and have large families or whether you want them to pursue careers as community organizers or other bleeding-heart low-paying jobs, you should care about the high cost of higher education and the ease with which students can take on such crippling debt.

Student loans used to be a no-brainer. College would increase your lifetime earnings significantly and make it less likely you'd be unemployed. For many, this is still true, says Richard Vedder, the head of the Center for College Affordability and Productivity.

"If you're in the top quarter of your class at a good suburban high school or a private school and your SATs are above average and you're accepted to a good private college or a flagship public one, you'd be foolish not to go," Vedder says. "Even if you have to borrow money."

But for others, it's important to assess the risk. For every student who should definitely go, Vedder says there's another one or even two "for whom the probability of graduating is 50-50." And even if you do finish, the job that a graduate of a mediocre college ends up with may not be so different from the job you'd have without a college degree. Surprising numbers of bartenders, cab drivers and supermarket managers have BAs these days.

Congress is fiddling with the student-loan system again, but the problem isn't mainly with the rates that the politicians are adjusting — it's with how much is being borrowed, with government enabling, for a degree that's not worth it. It's worse than all those "predatory" mortgage loans back before the 2008 collapse.

In other words, we need to make it less easy to foolishly borrow too much for college.

One idea would be to get student loans to work more like insurance: Students with a lower likelihood of graduating or who major in subjects unlikely to get them a well-paying job would have to pay a higher rate — or maybe not qualify for a loan at all.

Another improvement, says Vedder, would be to give colleges a little more skin in the game. Today, schools push students to take out loans, but nothing happens to colleges if students default. Why not make it so that colleges (especially those with large endowments) have to risk some of their own money on these kids?

In the meantime, young women like Jenna will simply have to put their lives on hold. And we'll all be poorer for it.

Examiner

[Dog-whistling 'Dixie' over and over is wearing thin](#)

by Noemie Emery

After the bombings at the Boston Marathon on April 15, a columnist at Salon expressed his wish for a Caucasian villain, and he did get his wish — not a blond, blue-eyed Nazi or Bull Connor wannabe, but a Chechen from the actual Caucasus, an immigrant, and a Muslim, and the deflation was visible.

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Gates thought Crowley begrudged him the house that he lived in, and blew up when he asked him for proof that he lived there, which was standard procedure for possible break-ins, and which somebody seems to have told the professor, before the historic "Beer Summit" took place.

About the time that drop-offs in actual prejudice started to threaten their jobs and their funding, academics discovered 'unconscious prejudice,' which was prejudice people had without knowing they had it, and therefore could never deny.

To measure this, some scholars created an index of "racial resentment," asking questions on issues with no racial content in which feelings on race were nonetheless found.

Many hours on MSNBC's "Hardball" were happily passed in discussing "dog whistles," innocent phrases that racists deploy to send coded messages to evil and white-hooded friends.

These were usually sent by Michele Bachmann and Sarah Palin, who learned these dark arts in the northernmost states of the union where the Confederate cause still has such resonance.

But dog whistles fell out of favor last summer, when the definition at last became stretched beyond reason, and some of the help on the MSNBC roster found sinister meanings in "Chicago" and "golf."

This shows a palpable lust for the 1950s and 1960s, the "Good War" in the domestic arena, which, like World War II, had great moral issues, great moral clarity, and great divisions between right and wrong.

Since then, however, things have been different: The Gates-Crowley row was a misunderstanding; the Florida death was a great, tragic blunder; the great threat to black lives now is gang violence, and Zimmerman is a poster-boy for the Democrats' "coalition of the ascendant" and an Obama voter himself.

"Today's civil-rights leaders have missed the obvious," as Shelby Steele tells us. "The success of their forebears in achieving social transformation denied to them the heroism that was inescapable for a Martin Luther King Jr ... It's hard to be a King or Mandela today."

It's less hard if you think Trayvon Martin is like Emmett Till, George Zimmerman is like Bull Connor, and Florida is like apartheid South Africa, which is why they keep trying. But it is wearing terribly thin.

Fox News

O'Reilly: Liberals Are Running From The Truth On Black Families

BILL O'REILLY: On Geraldo's radio program today I told him to let me know when President Obama holds a press conference about the disintegration of the African-American family. I also asked Geraldo when a seminar on the damage hip hop and rap is doing to unsupervised children will be held by Sharpton and Jackson. I'm looking forward to that.

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As we stated early this week that drives poverty, that drives crime. And that's what's causing the massive chaos in many black American precincts.

Now, this week we asked a number of prominent African-American people to discuss the situation on "The Factor." Michelle Alexander, for example, wrote a piece in "Time" magazine all about the terrible injustices of the Zimmerman/Martin trial. Well, she was just too busy to speak with us.

Brother Cornel West, very outspoken in the civil rights area too busy to talk with us. Congresswoman Yvette Clark from Brooklyn who said quote "The lives of black men and women are not a quarter the same value as the lives of white Americans." Well she just couldn't make time for "The Factor."

Martin Luther King III simply wouldn't respond to us. Jesse Jackson appeared on a number of programs but couldn't make time for "The Factor." Finally, Congressman Charles Rangel, well, he didn't respond at all. And I thought that was pretty strange because on the night the Zimmerman verdict came in I spoke with Mr. Rangel personally and he assured me he wanted to come on the program, but then he ran.

So it's clear that people pushing racial injustice that they believed happened in the Zimmerman trial, they don't really want to talk about complicated racial problems in general. What the grievance industry does want is to divide the country along racial lines because that's good for

business. And they may be succeeding.

A recent "Wall Street Journal" poll asked the folks about the state of race relations in the USA: 52 percent say they are very good or fairly good; 44 percent say fairly bad or very bad. But in January of 2010, the number was 72 percent saying very good or fairly good, just 23 percent saying very bad or fairly bad.

So you can see the state of race in America seems to be getting worse. That's because problems are not being fixed. And many black Americans continue to blame white Americans for the poverty and crime they are facing. "Talking Points" believes that the collapse of the African-American traditional family is the primary reason the gap between blacks and whites is so large. And as I said at the top of this memo, our leadership simply will not deal with that issue. And that is why we have this problem.

Examiner

IRS employee union: We don't want Obamacare

by Joel Gehrke

National Taxpayer Employee Union officials are giving members a form letter expressing concern...

IRS employees have a prominent role in Obamacare, but their union wants no part of the law.

National Treasury Employees Union officials are urging members to write their congressional representatives in opposition to receiving coverage through President Obama's health care law.

The union leaders are providing members with a form letter to send to the congressmen that says "I am very concerned about legislation that has been introduced by Congressman Dave Camp to push federal employees out of the Federal Employees Health Benefits Program and into the insurance exchanges established under the Affordable Care Act."

The NTEU represents 150,000 federal employees overall, including most of the nearly 100,000 IRS workers.

Like most other federal workers, IRS employees currently get their health insurance through the Federal Employees Health Benefits Program, which also covers members of Congress.

House Ways and Means Committee Chairman Dave Camp offered the bill in response to reports of congressional negotiations that would exempt lawmakers and their staff from Obamacare.

"Camp has long believed every American ought to be exempt from the law, which is why he supports full repeal," Camp spokeswoman Allie Walker said.

"If the Obamacare exchanges are good enough for the hardworking Americans and small businesses the law claims to help, then they should be good enough for the president, vice president, Congress and federal employees," she also said.

“The NTEU represents Internal Revenue Service employees who have the responsibility to [enforce much of the health insurance law](#), especially in terms of collecting the taxes and distributing subsidies that finance the whole system,” said Paul Kersey, director of Labor Policy at the Illinois Policy Institute.

“IRS agents will also collect data and apply penalties for those who fail to comply with many of Obamacare’s requirements,” Kersey said.

Roger L. Simon **[The Democratic Party’s War on Women](#)**



When I was a kid growing up in fifties Manhattan, if my mother had told me there would be a flasher running for mayor of New York, my mouth would have dropped open. Flashers were those guys I was supposed to run away from in Central Park.

But now we have Anthony Weiner, a flasher of the Internet sort, who exposes himself to random women online, before and *after* having apologized publicly for it, actually (as of this writing) still campaigning for mayor of our biggest city and financial center.

Weiner is no mere adulterer as described by Flaubert, Tolstoy and thousands of lesser writers. Or even a compulsive womanizer à la Bill Clinton. He is a genuine weirdo, straight out of the pages of Krafft-Ebing’s *Psychopathia Sexualis*, the kind that really do jump out of the bushes in public parks.

Making this even more bizarre, his wife, Huma Abedin, appears to be standing by him in the face of this immense public humiliation.

Why she may be doing that, I will discuss in a moment, but it’s worth noting that Weiner is not alone among prominent Democrats these days in his assaults on women. San Diego Mayor and former Congressman [Bob Filner](#) evidently can’t keep his hands off any female within a radius of

three hundred feet and seems about to lose his job after only eight months. And we all know about Eliot “Client #9” Spitzer, the great seeker of justice who prosecutes prostitutes while patronizing them, now back running for New York comptroller and, like Weiner, dragging his spouse along with him.

Here’s a thought experiment: Imagine a Mayor Anthony Weiner consoling someone’s teenage daughter with a hug after the next 9/11. Problem? Okay, maybe Comptroller Spitzer will do it.

Not only are these men sleazy hypocrites in their politics, they are deeply misogynistic in their behavior — and yet the *soi-disant* “progressive” crew of female politicians (Hillary Clinton, Kirsten Gillibrand, Nancy Pelosi, Barbara Boxer, Dianne Feinstein, Elizabeth Warren, et al.) are strangely silent.

Where is the *true* “War on Women” and who’s waging it? Think this one through, my “liberal” friends.

I guess as long as these guys vote for free government condoms, everything’s okay.

Of course, it’s not. These people have shown themselves to be absolutely repellent liars (and, as I noted, misogynists) unworthy of any sort of public trust on any subject.

But that’s only the obvious part. Every human being I have encountered, including myself of course, has probably lied at one time or another. It’s just a question of the extent and the situation. These men, however, have brought the most egregious and unpleasant lies, that should only lead to private expiation, into the public sphere — humiliating friends, family and supporters, not to mention the society at large — and, to some extent at least, have gotten away with it. They act as if they are still entitled to run for office after all this and not head off to Bangladesh for exculpation by cleaning latrines (as they should).

How and why did that happen in our culture? What has changed the atmosphere?

Not long ago many of us thought (I include myself again) that Americans invested too much in the private lives of our politicians. We should be more like, say, the French who were able to divorce these things.

So we all shrugged our shoulders — or many of us did anyway — when Bill Clinton performed various sex acts in the hallway outside the Oval Office and evidently under his White House desk as well. We out-Frenched the French (pardon my vulgarisms).

The culture forgave old rascal Bill, but now we have sociopathic Anthony and people are beginning to get uncomfortable. How, as I just asked, did this happen?

Well, I’ll tell you — if Hillary could forgive Bill, everybody could. She was the first Huma Abedin and, far from coincidentally, Huma’s boss and ultimately, we can be reasonably certain, her role model. Stand by your man, even if it seems absurdly anti-feminist and reactionary.

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Works for me



