

March 3, 2015

Kevin Williamson posts on growing student loan defaults and the leftist politicians like Liz Warren who make excuses for deadbeats.

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On Monday, The New Yorker offered a sympathetic report ("[A student-loan debt revolt begins](#)") about 15 former students of Corinthian Colleges, a dodgy and now largely defunct operator of for-profit schools, who intend to stop repaying their student loans as a matter of principle. "They believe that they have both ethical and legal grounds for what appears to be an unprecedented collective action against the debt charged to students who attended Corinthian schools," writes Vauhini Vara, "and they are also making a broader statement about the trillion dollars of student debt owed throughout the country." Senator Warren has called on the federal government to simply discharge the debts of former Corinthian students. An Occupy-affiliated organization called Debt Collective is pressing a similar agenda.

What does not seem to have occurred to Senator Warren, to Debt Collective, to the Corinthian 15, or to Vauhini Vara and the editors of The New Yorker is this: The students in question do not owe money to Corinthian Colleges. They owe money to third parties, those being private lenders and the federal government. As an instrument of protest, they might as well stop making their car payments, skip their rent, or boost mocacchinos from Starbucks — the people who lent them money are no more responsible for Corinthian's woes than are their landlords and baristas.

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Politico says another member of the left media has to apologize for a Scott Walker hit piece.

Another major media outlet has apologized after getting a story about Scott Walker wrong. Last week, it was the [New York Times](#); now, it's The Daily Beast.

The Daily Beast has [retracted an article](#) from one of its college columnists that claimed that the Wisconsin governor's budget would cut sexual assault reporting from the state's universities.

The post, published Friday, cited a report from [Jezebel](#) that wrongly interpreted a section of the state budget to mean that all assault reporting requirements were to get cut altogether.

In fact, the University of Wisconsin system requested the deletion of the requirements to get rid of redundancy, as it already provides similar information to the federal government, UW System spokesman Alex Hummel told The Associated Press on Friday. ...

Politico also has the story of behind the scenes chaos at the Clinton Foundation. It is beginning to look like the Clinton's did not raise a brass knuckled street-fighter like themselves. This is a tad long, but an interesting look at the Clinton Foundation scam. *In December, the board of the Bill, Hillary and Chelsea Clinton Foundation approved a salary of more than \$395,000, plus bonus, for its Yale-educated CEO, Eric Braverman, while voting to extend his board term through 2017, according to sources familiar with the arrangement. Braverman, who had worked with Chelsea Clinton at the prestigious McKinsey & Company consultancy, had been brought in with the former first daughter's support to help impose McKinsey-like management rigor to a foundation that had grown into a \$2 billion charitable powerhouse.*

But last month, only weeks after the board's show of support and just a year-and-a-half after Braverman arrived, he abruptly resigned, and sources tell Politico his exit stemmed partly from a power struggle inside the foundation between and among the coterie of Clinton loyalists who have surrounded the former president for decades and who helped start and run the foundation. Some, including the president's old Arkansas lawyer Bruce Lindsey, who preceded Braverman as CEO, raised concerns directly to Bill Clinton about the reforms implemented by Braverman, according to sources, and felt themselves marginalized by the growing influence of Chelsea Clinton and the new CEO she had helped recruit.

The previously untold saga of Braverman's brief, and occasionally fraught tenure trying to navigate the Clintons' insular world highlights the challenges the family has faced trying to impose rigorous oversight onto a vast global foundation that relies on some of the same loyal mega-donors Hillary Clinton will need for the presidential run sources have said she is all but certain to launch later this year.

Already, a spate of recent news stories in Politico and elsewhere have highlighted questions about the foundation's aggressive fundraising both before and during Braverman's tenure, including the [news](#) that the foundation had been accepting contributions from foreign governments with [lax oversight](#) from the State Department when Hillary Clinton was secretary of state; the foundation has been Clinton's main public platform since she left State in February 2013.

The hiring a few months later of Braverman, who had been a partner in McKinsey's Washington office, was seen as validation of Chelsea Clinton's view that the foundation needed to address recommendations from a 2011 audit for tighter governance and budgeting, as well as more comprehensive policies to vet donors and avoid conflicts of interest. ...

... Chelsea Clinton's rise at times has seemed to threaten some veteran Clinton aides who had carved out influential – and lucrative – positions after long service with her parents. She is blamed in some quarters for marginalizing both Lindsey and Doug Band, who rose from the president's body man to build and help run the foundation's Clinton Global Initiative. A third Clinton veteran, Ira Magaziner, saw his portfolio at the foundation diminished during Braverman's tenure, and sources say Magaziner's role remains under scrutiny.

Magaziner, who was a Rhodes Scholar with Bill Clinton in the late 1960s and spearheaded Hillary Clinton's botched healthcare reform push in the 1990s, was paid \$415,000 in foundation salary and consulting fees in 2013 to help run two programs, the Clinton Climate Initiative and the Clinton Health Access Initiative. Magaziner left the climate project late last year after Braverman brought in new leadership, but he remains as CEO of the health initiative. The health group's board – which

includes Magaziner – at the end of last year voted unanimously to initiate an internal governance review by the New York law firm Simpson Thacher, according to foundation officials.

Sources say the review was expected to recommend management improvements. But in a statement sent on behalf of Magaziner, the initiative's spokeswoman Maura Daley said the review found good fiscal health and "significant programmatic success over the years" and that the initiative's board, in receiving the report at its last meeting, "expressed strong support for the successful leadership of CHAI." ...

In what has turned into another Hillary day, Jennifer Rubin posts on HRC's bore-a-thon.

There is only one presidential contender who has nothing to say, at least nothing new or that hasn't been said for years by others. Speaking to a bunch of privileged, wealthy women in Silicon Valley, Hillary Clinton proclaimed her concern for gender equality and the middle class (generally not defined as people making six figures with stock options). The Post quotes her as saying: "We have to restore economic growth with rising wages for the vast majority of Americans, and we have to restore trust and cooperation within our political system so that we can act like the great country we are." No — really?! ...

And Michael Goodwin says Hillary's blundering is threatening her chances.

A popular theme on Planet Clinton is that poor Hillary is always in mortal danger of being undone by her charming cad of a hubby. "She can't control him" is how insiders express their fear that Bubba will have a bimbo eruption and crash the coronation.

On a long list of possibilities, that scenario must be included. But my reading of the Clinton Chronicles points to a much bigger threat to the restoration of the family monarchy.

That would be the stumbling performance of the lady herself.

On top of the tactical blunders, there was an overarching reason why sure victory eluded Hillary Clinton in 2008. She simply was not a very appealing candidate, offering neither charisma nor a compelling message. She ran with a sense of entitlement that the Oval Office was owed to her.

If anything has changed, it's a well-kept secret. Already, her run this time is marked by mistakes, gaffes and reports of ethical corner-cutting, which adds up to watching the same bad movie twice.

...

JenRub also posts on the Dems "bizarre" faith in Hillary.

... If Jeb Bush's last name was Smith, he might be the hands down leader for the GOP nomination, but if her last name wasn't Clinton, would she be a lock for the nomination or even the favorite? This is where the Democrats' attachment to her becomes mystifying. If they want a woman nominee, they have qualified women out there. If they want someone more reliably liberal and

more adept on the trail, they could find those candidates also. And yet they cling to Clinton for dear life. Why?

One explanation is that they think she is disingenuous and once in office will show her true liberal stripes. Maybe, but it sure would be safer to find someone who admits to being liberal, has a liberal record and isn't in league with the left's economic villains. Alternatively, they might think she is a political behemoth, able to roll over whatever Republican comes her way. Anything to keep the White House, right? But if you look at the items above plus her age and political skills isn't she a weak candidate? Frankly, Democrats are acting like Republicans — resigned to give the nomination to the next in line and clueless about her inability to connect with voters. The GOP hopes they don't figure this out until it's too late. So if anyone asks, she's a fabulous candidate, the most qualified person ever!

Ignoring the climate change dreck in this article from [BBC News](#), it is interesting to read about the 5 inch higher sea level north of New York that was caused by a series of storms five years ago. As an example of how wind can push the ocean around remember the "perfect storm" of the fall of 1991. Over a period of four to five days a monster storm sat off the Canadian Maritime provinces. At that time, Pickerhead was spending a lot of time traveling to Aruba for windsurfing off the northwest leeward coast where the trade winds blew across a narrow part of the island creating a windblown flat water paradise. At the time of the perfect storm a friend in Aruba told of incoming surf and three foot above normal tides. This was happening, because the storm off the Canadian coast was blowing the water to Aruba which is just off the coast of Venezuela. That is a distance of almost 2,500 miles. So it is not an earth shattering global warming event to have a series of storms push a lot of water against the New England Coast.

Sea levels north of New York City rose by 128mm in two years, according to a report in the journal, Nature Communications.

Coastal areas will need to prepare for short term and extreme sea level events, say US scientists.

Climate models suggest extreme sea level rises will become more common this century.

"The extreme sea level rise event during 2009-10 along the northeast coast of North America is unprecedented during the past century," Prof Jianjun Yin of the University of Arizona told BBC News.

"Statistical analysis indicates that it is a 1-in-850 year event." ...

National Review

Student-Loan Default Is Not a Moral Good

It's not sound financial management, either.

by Kevin Williamson

Some years ago, I was living in a rundown section of Lubbock, Texas, known locally as the "Tech ghetto" — being populated by a great many young Texas Tech students on modest budgets and the occasional junior staffer at the *Lubbock Avalanche-Journal* earning \$400 a week — when I got

a knock on my door and opened it to find a not especially prosperous-looking man of some years holding before him a silver tea service, which he was eager to sell me. I began to run through my neighbors in my head, trying to identify which household was most likely to have been burgled in the past five minutes by the man on my doorstep. I would have called the police, but I didn't have a telephone at the time. I declined his offer, and advised the fellow that I would decline it much more emphatically if in the next minute or so he was still visible from my doorway. But not everyone feels the same way about trafficking in stolen goods — on and around New York City's Canal Street, hordes of tourists come to pick over counterfeit versions of luxury handbags and high-end watches, counterfeiting being only another form of theft, albeit a slightly indirect one. But there are no illusions on Canal Street — everybody knows exactly what is going on.

You would not know it if you knew the world only through the declarations of Elizabeth Warren and Occupy rhetoric, but bank loans do not generally work like that. JPMorgan Chase does not send out legions of small-time criminals to knock on doors in low-income neighborhoods with the hopes of ensnaring some new mortgage customers, and if you want to open a line of credit with Deutsche Bank, you do not do so by making some discreet, oblique suggestions to a guy with a bunch of fake Gucci purses hanging on his wall before being led into a back room where real business is conducted. If you buy a car on credit, there are dozens of forms to be read, lines to be signed upon, and consultations with third parties. There are reams of bureaucratic documentation involved in getting a simple and straightforward credit card. And student loans are not something that simply happens to unsuspecting young people wandering around the precincts of higher education. They have to be sought out, applied for, approved, etc.

American households have been getting their act together on debt, at least a little bit, since the financial crisis and the subsequent recession. Credit-card defaults, after spiking around 2009, have been in decline, as have mortgage defaults and car-loan defaults. Home-equity loans took a little longer to get straightened out, but defaults on those are in decline, too, and have been for some time. (Much more on all that from the New York Fed [here](#).) But one kind of debt default remains stubbornly on the rise: student loans, which in total add up to more than all U.S. credit-card debt and are much more likely to be in default than any other major debt category, far outstripping credit cards in the No. 2 default position.

On Monday, *The New Yorker* offered a sympathetic report ("[A student-loan debt revolt begins](#)") about 15 former students of Corinthian Colleges, a dodgy and now largely defunct operator of for-profit schools, who intend to stop repaying their student loans as a matter of principle. "They believe that they have both ethical and legal grounds for what appears to be an unprecedented collective action against the debt charged to students who attended Corinthian schools," writes Vauhini Vara, "and they are also making a broader statement about the trillion dollars of student debt owed throughout the country." Senator Warren has called on the federal government to simply discharge the debts of former Corinthian students. An Occupy-affiliated organization called Debt Collective is pressing a similar agenda.

What does not seem to have occurred to Senator Warren, to Debt Collective, to the Corinthian 15, or to Vauhini Vara and the editors of *The New Yorker* is this: The students in question do not owe money to Corinthian Colleges. They owe money to third parties, those being private lenders and the federal government. As an instrument of protest, they might as well stop making their car payments, skip their rent, or boost mocaccinos from Starbucks — the people who lent them money are no more responsible for Corinthian's woes than are their landlords and baristas.

This is classic leftist misdirection. The students in question took out loans and used their credit to purchase a defective product, no different from putting a bucket of magic beans on a MasterCard. They made poor decisions with other people's money, which is not entirely surprising: Access to

other people's money is an invitation to making poor decisions. There is an excellent case to be made that they were defrauded by Corinthian — or, at the very least, that Corinthian failed to deliver on services contracted — and that the students are therefore entitled to a refund of the money they paid to the firm. But just as MasterCard is not responsible if you put a lemon on your credit card (you'd be shocked how many people purchase cars with credit cards), Bank of McNasty and Uncle Stupid are not responsible for legal adults who borrow money to buy subpar educational services. This is not to say that the students in question weren't mistreated — it certainly appears that they were — but they were not mistreated by their banks.

Michelle Obama famously complained about having to make cumbersome student-loan payments early in life, blithely oblivious, as she tends to be, that one has a moral obligation to pay one's debts, and that student loans are generally made at concessionary interest rates, meaning that somebody, somewhere, is doing you a favor by lending you money at below-market rates.

Part of the problem is that nobody much knows what a market-rate loan for a college education should really look like. Most student loans are either made by the federal government or guaranteed by the federal government; the 2010 Student Aid and Fiscal Responsibility (ho, ho!) Act, which was rolled into the Affordable Care (ho, ho!) Act, eliminated federally subsidized loans and replaced them with direct federal loans. If you think of the student-loan bubble as being like the subprime-mortgage bubble — and it is — then SAFRA “solved” the problem of subprime lending in the private sector by replacing it with subprime lending by the government. There are basically no underwriting standards when it comes to student loans, which are mainly made to young people who have little or nothing in the way of credit histories upon which to evaluate their creditworthiness. Intelligent approaches, such as taking into account the institution being attended and the degree being sought, naturally are unthinkable, implying as they do such inequalitarian outcomes as a Wharton MBA student's being judged a better risk than a women's-studies major down the road at Temple or an [“individually designed major”](#) major at Menlo College [paying 40 grand a year](#).

See if you can spot the pattern: The federal government decides that health insurance is a right, but also decides that traditional methods of evaluating health-insurance risk are unfair (read: “politically unpopular”), gets directly involved in the market, and health-care prices go way up; the federal government decides that access to mortgage credit is a right, but also decides that traditional methods of evaluating mortgage-borrower risk are unfair (read: “politically unpopular”), gets directly involved in the market, and housing prices go way up before crashing and causing a worldwide financial catastrophe; the federal government decides that access to student loans is a right, but also decides that applying traditional methods of risk evaluation to those loans is unfair (read: “politically unpopular”), gets directly involved in the market, and college prices go way up . . .

If you make cheap money — credit at below-market rates — available for the purchase of *X*, then the price of *X* will typically go up. Dodgy operations like Corinthian (or Countrywide) will spring into existence to soak up the great raging streams of money being shunted into the *X* market. Just as people will buy more expensive cars when zero-interest financing is available, and people will buy more expensive houses when squat-down-interest-only-Crazy-Eddie-clown-show mortgages are available, people will spend money irresponsibly on higher education when they are spending somebody else's money, which is exactly what is happening when the federal government arranges loans at concessionary rates. Sweetheart financing is a favorite federal gimmick, because the federal government, unlike a bank, does not have to account for or price the risks it assumes when making loans. If the federal government just gave students money rather than giving them money indirectly by offering them loans without the risk properly priced in, that spending would have to show up on a budget, somewhere. Discounted financing is one of the

ways that the federal government spends money on political constituencies — college students, politically connected businesses and industry groups — without having to honestly account for the money spent.

But there's more than \$1 trillion in student loans out there, and you're on the hook for a lot of it — not in a bank-bailout, too-big-to-fail, indirect way, but explicitly. And the default rate continues to climb — and the progressives are embracing loan default as a moral good. If you think that's smart financial management, I know a guy who will make you a great deal on a silver tea service.

Politico

Daily Beast retracts story on Scott Walker

by Nick Gass

Another major media outlet has apologized after getting a story about Scott Walker wrong. Last week, it was the [New York Times](#); now, it's The Daily Beast.

The Daily Beast has [retracted an article](#) from one of its college columnists that claimed that the Wisconsin governor's budget would cut sexual assault reporting from the state's universities.

The post, published Friday, cited a report from [Jezebel](#) that wrongly interpreted a section of the state budget to mean that all assault reporting requirements were to get cut altogether.

In fact, the University of Wisconsin system requested the deletion of the requirements to get rid of redundancy, as it already provides similar information to the federal government, UW System spokesman Alex Hummel told The Associated Press on Friday.

The Daily Beast's correction and retraction is posted in full below. The "USA Today" story it references, however, is actually an AP article posted on the site:

"A Daily Beast college columnist at the University of Wisconsin based this article off a Jezebel posting which was incorrectly reported. Jezebel updated their post on Saturday with the following after USA Today [sic] published a story debunking Jezebel's account and clarifying Gov. Scott Walker's position. 'UPDATE: After Jezebel ran this item yesterday, a spokesman for the University of Wisconsin came forward—over two weeks after the budget was released—to clarify: the University requested that Gov. Walker delete the requirements because efforts were redundant with their compliance of the Cleary Act. Scott Walker's camp assures that he's committed to protecting victims.'

The Daily Beast is committed to covering the news fairly and accurately, and we should have checked this story more thoroughly. We deeply regret the error and apologize to Gov. Walker and our readers. This story should be considered retracted."

The Daily Beast did not include the last two sentences of Jezebel's 'update', which were added later:

"We reported this piece without full context, and while this piece conveys factual information, omission of that context for that information presents an unfair and misleading picture. We regret the error and apologize."

Jezebel reporter [Natasha Vargas-Cooper](#) tweeted her own thoughts on the 'update':

Ran an update on the Walker piece. Find another thing to be outraged about sweet, sweet Walkerites.

— Natasha VC (@natashavc) [February 28, 2015](#)

Also, I'm not gonna apologize for reporting what was in the budget. Because that was in the budget. Ask your gov. to apologize for bad optix

— Natasha VC (@natashavc) [February 28, 2015](#)

At a time when there is HEAVY scrutiny on state/fed/colleges, a proposal to delete standing regulations, requires more tact.

— Natasha VC (@natashavc) [February 28, 2015](#)

Vargas-Cooper apologized for the error Saturday afternoon:

(1) I realize now that it would have been worth a follow up phone call to Walker's office.

— Natasha VC (@natashavc) [February 28, 2015](#)

(2) So, you guys, Walker folk and media pundits alike, I screwed up.

— Natasha VC (@natashavc) [February 28, 2015](#)

(3) I know I said I wasn't going to say sorry but I hope you won't fault me for changing my mind.

— Natasha VC (@natashavc) [February 28, 2015](#)

Politico

Eric Braverman Tried to Change the Clinton Foundation. Then He Quit.

Inside the power struggle at Clinton, Inc.

by Kenneth P. Vogel

In December, the board of the Bill, Hillary and Chelsea Clinton Foundation approved a salary of more than \$395,000, plus bonus, for its Yale-educated CEO, Eric Braverman, while voting to extend his board term through 2017, according to sources familiar with the arrangement. Braverman, who had worked with Chelsea Clinton at the prestigious McKinsey & Company consultancy, had been brought in with the former first daughter's support to help impose McKinsey-like management rigor to a foundation that had grown into a \$2 billion charitable powerhouse.

But last month, only weeks after the board's show of support and just a year-and-a-half after Braverman arrived, he abruptly resigned, and sources tell Politico his exit stemmed partly from a power struggle inside the foundation between and among the coterie of Clinton loyalists who have surrounded the former president for decades and who helped start and run the foundation. Some, including the president's old Arkansas lawyer Bruce Lindsey, who preceded Braverman as CEO,

raised concerns directly to Bill Clinton about the reforms implemented by Braverman, according to sources, and felt themselves marginalized by the growing influence of Chelsea Clinton and the new CEO she had helped recruit.

The previously untold saga of Braverman's brief, and occasionally fraught tenure trying to navigate the Clintons' insular world highlights the challenges the family has faced trying to impose rigorous oversight onto a vast global foundation that relies on some of the same loyal mega-donors Hillary Clinton will need for the presidential run sources have said she is all but certain to launch later this year.

Already, a spate of recent news stories in Politico and elsewhere have highlighted questions about the foundation's aggressive fundraising both before and during Braverman's tenure, including the [news](#) that the foundation had been accepting contributions from foreign governments with [lax oversight](#) from the State Department when Hillary Clinton was secretary of state; the foundation has been Clinton's main public platform since she left State in February 2013.

The hiring a few months later of Braverman, who had been a partner in McKinsey's Washington office, was seen as validation of Chelsea Clinton's view that the foundation needed to address recommendations from a 2011 audit for tighter governance and budgeting, as well as more comprehensive policies to vet donors and avoid conflicts of interest.

When Braverman arrived to replace Lindsey as CEO, he moved quickly to adopt the auditor's recommendations, and then some. He diversified the foundation's board beyond the Clintons and their longtime political allies and restructured its finance department. He oversaw the creation of a \$250 million endowment and implemented data-driven analytics to measure the effectiveness of foundation programs.

No public explanation was offered for Braverman's resignation.

But sources say Braverman's modernization efforts were hampered by the occasionally conflicting visions of the three Clintons, and their rival staff factions. Some told Braverman, "You don't know how this place works," while others—including Lindsey—second-guessed Braverman to Bill Clinton, according to sources familiar with the situation. They said a repeated refrain from the old guard was that Braverman was in it for his own glory.

Braverman referred requests for comment to the foundation.

Asked if Braverman was pushed out, foundation officials pointed to an official resignation [statement](#), in which Braverman thanked the foundation and the Clintons praised his leadership in helping "improve our governance structure, increase coordination across the Foundation and build better internal processes."

The foundation announced that, while it was looking for a permanent successor, longtime Clinton loyalist Maura Pally would serve as acting CEO. Other than a stint at Bloomberg Philanthropies (which has donated more than \$100,000 to the Clinton Foundation's efforts), Pally had spent most of her professional life working for the Clintons, from Bill Clinton's White House to Hillary Clinton's 2008 presidential campaign and subsequent State Department term.

This account of Braverman's foundation tenure is based on interviews with about a dozen current and former Clinton Foundation staffers, Braverman associates, donors and Clinton allies, most of whom cited the coming presidential race in declining to be identified.

Most praised Braverman, and said he accomplished much of what he set out to do, leaving the foundation in strong position headed into 2016. And some dismissed recent scrutiny of the foundation's fundraising and management as a function of the news media's "total obsession" with the Clintons, in the words of Chris Ruddy, the CEO of the conservative media outlet Newsmax, which last year pledged \$1 million to the foundation. A longtime participant in the foundation-backed Clinton Global Initiative, Ruddy said, "I don't see that the ongoing work of the foundation will be undermined in any way by any leadership changes that have taken place."

But some family allies think Braverman's experience offers lessons that could help Hillary Clinton as she chooses from the scores of operatives jockeying to work for a 2016 campaign. "This is the story of their lives. They've always been torn between the super, super loyalists who are protecting them and the extremely competent people who don't owe their whole careers to them," said one former Clinton aide. "They need to try to strike that balance. And her campaign, at least so far, seems to be bringing in competent people who haven't all come from that world."

In many ways, what played out over the last two years at the foundation was the story of Chelsea Clinton's rise. Her power now at the foundation cannot be overstated, according to sources with knowledge of its workings, who say no major decisions occur without her input. Now 35 and with the official title of vice chair at the foundation, Chelsea Clinton is expected to be a key adviser to her mother in the presidential campaign.

"I've often joked that she would be the ultimate campaign manager," said a longtime Clinton operative, who said that the foundation was an ideal place for Chelsea Clinton "to come sit at the adult table. And Chelsea is unique in that she was always at the adult table, but now she can participate."

Foundation spokesman Craig Minassian said, "Chelsea has a tremendous positive influence on the foundation, and we're thrilled to have it. Publicly, she's been an incredibly strong and effective advocate for the foundation and its programs. Internally, she's done everything she can improve the way the foundation operates and make sure it's in the best possible position to continue helping people around the world."

But Chelsea Clinton's rise at times has seemed to threaten some veteran Clinton aides who had carved out influential – and lucrative – positions after long service with her parents. She is blamed in some quarters for marginalizing both Lindsey and Doug Band, who rose from the president's body man to build and help run the foundation's Clinton Global Initiative. A third Clinton veteran, Ira Magaziner, saw his portfolio at the foundation diminished during Braverman's tenure, and sources say Magaziner's role remains under scrutiny.

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Sources say the review was expected to recommend management improvements. But in a statement sent on behalf of Magaziner, the initiative's spokeswoman Maura Daley said the review found good fiscal health and "significant programmatic success over the years" and that the initiative's board, in receiving the report at its last meeting, "expressed strong support for the successful leadership of CHAI."

And foundation officials disputed suggestions that Chelsea Clinton was seeking to marginalize Magaziner.

Chelsea Clinton had a hand in initiating the 2011 audit — also by Simpson Thacher — that paved the way for Braverman's hiring and reforms, partly by raising concerns that seemed directed at Lindsey and Band. The foundation paid Lindsey \$395,000 in 2013. He served as CEO until July of that year, when he was replaced by Braverman, but a source who has worked for all three Clintons challenged the notion that Chelsea Clinton sought to marginalize Lindsey, pointing out that he also became chairman of the foundation's board in 2013.

Band left the Clinton Global Initiative staff in 2010, though he remained on the board into 2013, when the board was disbanded. At one point he was earning \$90,000 a year for helping run the Initiative, while also on the payroll of Clinton's personal office. He later earned huge consulting fees through a firm he started in 2011 called Teneo, which counted a few foundation donors as clients and also paid Bill Clinton as an advisor. *The New Republic*, in a lengthy 2013 examination, [reported](#) that Chelsea Clinton became concerned that Band's overlapping business interests could backfire on the Clintons, though a [2014 book](#) asserted that that Chelsea Clinton initially wanted to be a part of Teneo.

The former Clinton aide said "Doug gets conveniently blamed" for a lot of institutional issues at the foundation.

For years, the foundation had no review process for determining executive compensation, according to its tax filings through 2009. In those years, the filings noted that it was "working to put such a process in place."

The 2011 Simpson Thacher [review](#) found that the foundation needed tighter fiscal oversight, including "clearer policy guidance and enforcement to manage potential conflicts of interest," which was seen at least partly directed toward Band and his firm, though others also have earned outside income while working at the foundation. For instance, Magaziner's consulting firm was paid by clients such as Corning, though foundation officials say that relationship ended in 2011.

Neither Lindsey nor Band responded to requests for comment, but foundation officials say that under Braverman's stewardship all the audit recommendations have been addressed.

"Simpson Thacher gave us a way forward. Under Eric, those recommendations were implemented, embraced by the organization, and continue to make our work more effective," said Minassian, the foundation spokesman. "The Foundation is grateful for Eric's leadership, and his departure doesn't change the course or mission of the Foundation."

The Simpson Thacher review — which also recommended "more strategic and budgetary planning" — came after the resignations of several mid-level philanthropic professionals who were [reportedly](#) unhappy with the influence of longtime Clinton allies at the top.

The foundation, which started with nine staffers in Little Rock, now employs more than 2,000 people around the world through various initiatives and affiliates. Most program staffers and executives have philanthropic backgrounds and did not come up with the Clintons through political channels. And well before the modernization push, Bill Clinton had already notched some major accomplishments through the foundation, such as brokering agreements with drug companies to increase global access to HIV medication. The Simpson Thacher review noted that the dozens of employees and officials interviewed by the firm "uniformly praised the effectiveness of the Foundation."

But it also hinted at deficiencies that seemed to land at the doorstep of Lindsey, who had been living part-time in Arkansas. It recommended that the foundation consider hiring a president who “would be based in New York on a full-time basis,” and suggested creating donor-vetting policies, as well as a committee to conduct annual audits, review whistleblower complaints and potential conflicts of interest.

Some within the foundation urged that Lindsey be replaced with a political veteran with close ties to the Clintons who could carry out the Simpson Thatcher recommendations. The argument was that major reforms should be balanced with political sensitivities ahead of 2016 and Hillary Clinton’s presumed presidential run. Leslie Dach and Sally Susman—high-ranking executives at Walmart and Pfizer, respectively, who both worked in the Clinton administration —were considered, according to sources. They didn’t respond to requests for comment, and a foundation official said, “We do not comment on our hiring processes.”

Chelsea Clinton’s push for Braverman prevailed. On paper, he seemed the perfect guy to prepare the organization for a future where the once—and possibly future—first family wouldn’t be around to call the shots and raise the cash.

Braverman had developed a reputation as one of McKinsey’s “foremost experts on the transformation of complex public institutions and on government innovation,” according to a [biography](#) posted by the Yale School of Management, where he lectured regularly. The 39-year-old also holds undergraduate and law degrees from the university, and he was the point person for McKinsey’s corporate involvement in the Clinton Global Initiative, which estimated McKinsey’s contributions at more than \$500,000 (Braverman personally donated more than \$25,000 to the foundation through 2014, according to its records). He had experience helping to restructure banks, technology companies and all manner of government agencies, including working with Haiti and Bill Clinton to boost the accountability and transparency of that island nation’s recovery efforts after the devastating 2010 earthquake.

But things got tricky for Braverman at the foundation once he started hiring his own people.

“Some of the people who had been there longer knew how the place ran, but they maybe didn’t come through the philanthropy world,” said the former Clinton aide. “And you have to take that job knowing that, at the end of the day, it’s the family’s name that’s on it. I don’t care if you’re friends with Chelsea, there is a balance, and from what I understand he didn’t get that balance right.”

Complicating matters was Lindsey, who remained involved as board chairman. While Lindsey, now 66, had been limited for a time by the effects of a stroke, he still had a key currency: a deep relationship with Bill Clinton. The two young Arkansans first met in the late 1960s working in Washington for Sen. J. William Fulbright. Later, Lindsey worked on Clinton’s gubernatorial and presidential campaigns, before following the newly elected president back to Washington in 1993 as a top administration adviser. From a coveted West Wing office, Lindsey served as “captain” of his old friend’s defense against impeachment proceedings.

At the foundation, sources say, Lindsey and other longtime Bill Clinton confidants hampered Braverman’s reform efforts by warning the former president not to allow too many changes that could be interpreted as a course correction. The result was that Braverman would develop consensus around reforms, but, when he tried to implement them, the old guard would try to undercut him, say people familiar with his tenure. They say he lacked the political background or allies to navigate between the Clintons and their sometimes divergent power bases.

One foundation donor and longtime Clinton supporter who is personally fond of Braverman recalled exchanging pleasantries with him at a recent foundation event, but wondering about his role at the foundation. "I had no idea he was running the place," said the donor.

Some bristled when Braverman hired a foundation media relations director. Critics [complained](#) to the *New York Times* that it was an effort to boost Braverman's own profile, and grumbled that his new hire—Brian Cookstra—had been a lead spokesman for the federal Department of Health and Human Services during its clumsy Obamacare rollout.

Braverman's defenders contend that it had nothing to do with boosting his profile, noting he seldom even talked with the media. They considered it a low blow that highlighted the institutional resistance to expanding the foundation beyond Bill, Hillary and Chelsea Clinton's fiefdoms.

Another flashpoint came in 2013, when the foundation was renamed the Bill, Hillary and Chelsea Clinton Foundation, an elevation of the Clintons' daughter that struck some of the old guard as presumptuous and troubling. It was one thing, they grumbled, to add the name of a former first lady who had also been elected a United States senator and was coming off an acclaimed stint as secretary of state—but their kid?

They worried that the family was letting her use the foundation to establish herself as a serious player in her own right. She expanded the foundation mission into new causes—including curbing elephant poaching and ivory harvesting—that seemed peripheral to its core missions of fighting AIDS, climate change and childhood obesity, or Hillary Clinton's efforts to increase opportunity for women and girls.

And some rolled their eyes when the foundation's \$250 million was invested with a firm called Summit Rock Advisers where Chelsea Clinton's best friend Nicole Davison Fox is managing director. The two were classmates at Sidwell Friends School and Davison Fox interned in the Clinton White House. She later served as matron of honor in Clinton's wedding, and her husband was a founding employee of the hedge fund started by Clinton's husband, Marc Mezvinsky.

Davison Fox did not respond to requests for comment, but foundation officials pointed out that her firm was selected through a competitive bidding process in which 15 firms were invited to participate. And while Davison Fox played a role pitching her firm, officials said Chelsea Clinton did not participate in the final selection of Summit Rock once her friend's firm became a finalist.

Most major donors came to foundation through their relationships with Bill and Hillary Clinton, and many still seem to think of it as the former president's foundation.

Andrew Tobias, a longtime Democratic donor and Clinton loyalist, praised Bill Clinton's ability to bring together affluent people from across the political spectrum to support good causes. The treasurer of the Democratic National Committee, Tobias has personally donated more than \$250,000 to the foundation's efforts, and described himself as "really proud to have been a very small part of this. It's amazing how many millions of lives here and around the world President Clinton has touched and improved—even saved—since leaving office, and how many business leaders affiliated with both parties he'd helped to energize in constructive, creative pursuits and partnerships."

Foundation fundraising has posed complications for groups trying to raise money for Hillary Clinton's nascent campaign, as Politico has [reported](#). Some top-dollar donors who had recently given to the foundation's endowment drive have resisted solicitations to pledge seven-figure sums to a key super PAC seeking to support the expected Clinton campaign. And some allies working to

pave the way for the campaign worry that the longer Hillary Clinton continues high-dollar fundraising for the foundation, the more difficult it will be for the super PACs to collect their own big checks.

A foundation official said “the Clintons will continue to fundraise for the Clinton Foundation as appropriate.” And sources say the foundation will be the beneficiary of two upcoming fundraisers around the time of its planned annual gala on March 4 in New York, which will feature a performance by Carole King, and is expected to be one of the Clintons’ final major events before the campaign. The foundation is also planning a fundraiser hosted by Tony James, billionaire president of the private equity firm Blackstone, and a March 9 fundraiser hosted by venture capitalist Deven Parekh that’s being billed as a final chance to hang out with Clinton before she kicks off her campaign.

Braverman’s defenders say that growing the endowment, which was in the \$20 million range when he arrived, was among his major goals. They say he always intended to stabilize the foundation and then move on. In fact, he kept his townhouse in Washington’s Dupont Circle neighborhood, while accepting a housing allowance for temporary digs in New York.

He did not want to preside over the foundation during a presidential campaign when it would become harder to continue making changes, say sources familiar with his thinking, who suggested that Braverman decided it was best to leave early this year, before the presidential campaign lurched into high gear.

“You come in, you fix shit and then you leave,” said one person familiar with the situation. “In some ways, that is the apex of management consulting.”

Right Turn

Hillary Clinton’s bore-a-thon

by Jennifer Rubin

There is only one presidential contender who has nothing to say, at least nothing new or that hasn’t been said for years by others. Speaking to a bunch of privileged, wealthy women in Silicon Valley, Hillary Clinton proclaimed her concern for gender equality and the middle class (generally not defined as people making six figures with stock options). [The Post quotes her as saying](#): “We have to restore economic growth with rising wages for the vast majority of Americans, and we have to restore trust and cooperation within our political system so that we can act like the great country we are.” No — really?!

Then citing an even more privileged woman, she declared: “We all cheered at Patricia Arquette’s speech at the Oscars because she’s right.” Except we know that when accounting for factors such as part-time work and career choice, the [wage gap shrinks considerably](#). ([On the other hand](#), Clinton could have started with her own staff: “Clinton’s 28% gender pay gap while in the Senate was more than double the 13.3% current gender pay gap in Obama’s White House and more than three times the average gender pay gap for the Washington, D.C. labor market of only 9.2%.”)

It went downhill from there. If she was attempting to craft the least controversial and most trite campaign lines, she succeeded. “I’d like to bring people from right, left, red, blue, get them into a nice, warm purple space where everybody’s talking, where we’re actually trying to solve problems.

That would be my objective if I decide to do this,” she said. So much for the liberal base, I guess.
[Mostly she remarked how hard some questions can be:](#)

Whether Apple or Google or any other company should be able to market encrypted devices that keep the government and others from obtaining private data is “a classic hard choice” between privacy for end users and the government’s efforts to respond to a “legitimate security threat,” she said. “I don’t have the answers.”

As for whether social media can help defeat the Islamic State through counter-messaging, Clinton, after describing the genesis of ISIL, called the pledge to defeat the group “a very hard challenge ... It’s like three-, four-, five-dimensional chess.” She volunteered that combating ISIL and other groups like it worldwide is a long-term endeavor. . . .

When asked if she had become “less polarizing” in a world she worried was now even more polarized, Clinton answered “yes.” But the example she offered was about arriving in Washington from Arkansas in 1993 (she did not mention her husband, the 42nd president). She said she discovered that the nation’s capital expressed “incredible shock” that a first lady who had been an advocate for decades would “have an opinion.”

Perhaps recognizing that a recollection about getting rebuffed more than 20 years ago was not evidence of her softer side, or of practicing what she’d just preached about “developing a thick skin,” Clinton changed tacks.

“I don’t think I have all the right ideas. I don’t think my party has all the right ideas,” she said.

Unfortunately, she personally seems to have none.

Are you pumped up? All ready to go?! Not so much, I guess. She was not asked whether the leaked terms of the Iran deal would be acceptable, whether in retrospect it was a mistake to pull all troops out of Iraq, why she applauded the president’s turnaround on the red line with Bashar al-Assad (and does she regret calling him a “reformer”?), or anything else of interest. No queries about why she did not choose to resign rather than remain in an administration unwilling to lift a finger to prevent the slaughter of 200,000 Syrians. She certainly was not asked how the great defender of women and girls could take [millions from countries](#) where women are not permitted to drive, young girls are married off to old men, spousal rape is not illegal and rampant gender discrimination permeates every aspect of life. Oh, and will she give the money back if she runs, or are we to set a new low in conflicts of interest, allowing oil kingdoms to buy their own candidates?

How Clinton expects to get through an entire campaign on pabulum without answering any hard questions, I do not know. But perhaps by then she will have poll-tested some positions and figured out ways to shift attention away from the dreadful results of the Obama-Clinton foreign policy. Pity the poor reporters who will have to follow her for months dutifully recording her empty platitudes, evasive answers and awkward anecdotes.

NY Post

[Hillary’s presidential chances threatened by her own blundering](#)

by Michael Goodwin

A popular theme on Planet Clinton is that poor Hillary is always in mortal danger of being undone by her charming cad of a hubby. “She can’t control him” is how insiders express their fear that Bubba will have a bimbo eruption and crash the coronation.

On a long list of possibilities, that scenario must be included. But my reading of the Clinton Chronicles points to a much bigger threat to the restoration of the family monarchy.

That would be the stumbling performance of the lady herself.

On top of the tactical blunders, there was an overarching reason why sure victory eluded Hillary Clinton in 2008. She simply was not a very appealing candidate, offering neither charisma nor a compelling message. She ran with a sense of entitlement that the Oval Office was owed to her.

If anything has changed, it's a well-kept secret. Already, her run this time is marked by mistakes, gaffes and reports of ethical corner-cutting, which adds up to watching the same bad movie twice.

It's a strange way to make a fresh start given the dreary end of her time as secretary of state. To describe her four-year tenure as empty of accomplishment doesn't do justice to the damage. She was complicit in the foreign-policy disasters now erupting around the world.

Remember her clever Russian reset? Benghazi, Syria, Egypt, Iraq, Iran, Israel, China — the list of things that got worse on her watch is long, while it is a challenge to name one significant advance in America's favor.

That record is who she is. Once viewed as a smart, passionate woman whose brilliance would shine when she was liberated, she is, at 67, getting long in the tooth to be talked of in terms of potential.

To justify faith in a big upside from here, there should be abundant evidence of recent excellence. But what has she accomplished other than winning two elections as senator and losing one for president?

There's no breakthrough doctrine or novel idea or even a successful policy or law identified with her. After 25 years in the circus, she's still a celebrity guest, not a star performer.

Her new campaign is more of the same. Instead of offering coherent principles and establishing a message, she's running the Rose Garden strategy of a favored incumbent.

Let the other candidates scrape for attention by responding to the world's woes. She's still giving paid speeches, believing she can float above it all like a giant balloon in the Thanksgiving Day parade.

In another sign that she sees herself as president-in-waiting, she's got a reported 200 advisers, suggesting she's already staffing an administration.

I wouldn't bet the house she'll get the chance. Sure, she's a lock for the nomination — unless another Barack Obama comes along. Far-lefty firebrand Sen. Elizabeth Warren says she's not running, but any more head-shaking revelations about the Clinton Foundation's sleazy fund-raising could change her mind.

The foundation accepted millions of dollars from foreign governments while Hillary was America's top diplomat, [The Washington Post found](#). It said that at least one gift, \$500,000 from Algeria, violated loose ethics rules drawn up by the Obama administration to separate her duties from the foundation.

[The Wall Street Journal also found](#) a suspicious pattern of corporate giving. General Electric, Exxon Mobil, Microsoft and Boeing were among 60 companies that lobbied the State Department during her tenure and donated a combined \$26 million to the family foundation, the paper reports.

It found several cases where her lobbying of foreign governments on behalf of specific American firms came just before or after those firms made hefty donations to the Clinton Foundation or another nonprofit she created, Vital Voices. Walmart gave to both groups, and to a separate fund Clinton established at the State Department.

Any claim that there was no quid pro quo should be made under oath. Most of the corporations have their own foundations, so why would they give their money to the Clintons to spend? Who suggested they do so?

Because a black hole doesn't yield much information, Clinton beat reporters often turn spin into news. A New York Times story went big with the "news" that Clinton would "spotlight gender" this time.

Wow, stop the presses. The Times must have missed that 2008 movement to "shatter the glass ceiling" and the talk of the "pantsuit posse."

In fact, gender pitch redux shows Clinton once again waving group identity as her chief qualification. In that case, she should go all the way and just say this: I want to be president because I deserve it.

That at least has the virtue of honesty.

Right Turn

[The Democrats' bizarre faith in Hillary Clinton](#)

by Jennifer Rubin

Democrats seem ready to hand over their 2016 presidential nomination to Hillary Clinton. She has a [nearly 50-point lead in the polls](#) and no serious opposition. To give her the nomination, liberals would have to swallow an awful lot:

1. She doesn't want a New Deal or a Great Society or a New Foundation but a ["a nice warm purple space where we're trying to solve problems."](#) I imagine a grape-colored bean bag, which is about as formless as her agenda.
2. The magnitude of her greed and the connection to the "worst" (from the left's point of view) in Wall Street and corporate America (Goldman Sachs, for one) who have supported her foundation and paid lavishly for her speaking fees. Is she really going to turn around and police these people, push for all the regulation the left thinks we still need and make them pay their "fair share" of taxes?
3. She voted for the Iraq War. She favored intervention in Libya. And she wanted military action in Syria. In my book, those are her strong points but does the left want to throw President Obama's foreign policy of retrenchment and engagement under the bus?
4. She's gotten of millions from Gulf oil kingdoms — [some of the worst abusers of women, children](#) and gays, not to mention the heart of the global-warming, fossil fuel industry — for her foundation. She will feel no indebtedness? And aside from that, this certainly will be the fodder for every GOP opponent she might draw. Even worse, [the foundation accepted foreign donations](#) while she was secretary, including one in actual violation of the loophole-

ridden agreement with the administration. Even the worst apologists will find this hard to stomach.

5. If the GOP nominates someone with a blue collar persona, like Wisconsin Gov. Scott Walker, or someone with a rags-to-Senate story like Sen. Marco Rubio (Fla.), the Democrats are going to be on the receiving end of the Mitt Romney treatment, as Clinton's wealth, taxes and lifestyle are held up with glee. Her nomination may be the only one that could hand the class warfare card to the GOP.
6. She may have talked a good game, but she dragged her feet on the Magnitsky Act, backburned human rights in China, never went after Arab countries for their human rights abuses and was content to serve in an administration that let 200,000 Syrians die. I know a lot of Democrats don't care about human rights, but she is the personification of realpolitik and heartless indifference to the world's dissidents, oppressed minorities and political prisoners.

If Jeb Bush's last name was Smith, he might be the hands down leader for the GOP nomination, but if her last name wasn't Clinton, would she be a lock for the nomination or even the favorite? This is where the Democrats' attachment to her becomes mystifying. If they want a woman nominee, they have qualified women out there. If they want someone more reliably liberal and more adept on the trail, they could find those candidates also. And yet they cling to Clinton for dear life. Why?

One explanation is that they think she is disingenuous and once in office will show her true liberal stripes. Maybe, but it sure would be safer to find someone who admits to being liberal, has a liberal record and isn't in league with the left's economic villains. Alternatively, they might think she is a political behemoth, able to roll over whatever Republican comes her way. Anything to keep the White House, right? But if you look at the items above plus her age and political skills isn't she a *weak* candidate? Frankly, Democrats are acting like Republicans — resigned to give the nomination to the next in line and clueless about her inability to connect with voters. The GOP hopes they don't figure this out until it's too late. So if anyone asks, she's a fabulous candidate, the most qualified person ever!

BBC News

US sea level north of New York City 'jumped by 128mm'

Sea levels along the northeast coast of the US rose by record levels during 2009-2010, a study has found.

by Helen Briggs

Sea levels north of New York City rose by 128mm in two years, according to a report in the journal, Nature Communications.

Coastal areas will need to prepare for short term and extreme sea level events, say US scientists.

Climate models suggest extreme sea level rises will become more common this century.

"The extreme sea level rise event during 2009-10 along the northeast coast of North America is unprecedented during the past century," Prof Jianjun Yin of the University of Arizona told BBC News.

"Statistical analysis indicates that it is a 1-in-850 year event."

Tidal records

Scientists at the University of Arizona and National Oceanic and Atmospheric Administration (NOAA) in New Jersey studied records of tidal levels along the east coast of the US and Canada.

They divided the coastline into three areas: north of New York City, New York City to Cape Hatteras on the coast of North Carolina, and south of Cape Hatteras.

They identified what they call an extreme sea-level rise during 2009-10, when the coastal sea level north of New York City jumped by 128mm.

"When coastal storms occur, extreme sea levels can lead to elevated storm surge," said Prof Jianjun Yin.

"In addition to long-term and gradual sea level rise, coastal communities will need to prepare for short and extreme sea level rise events."

Commenting on the study, Prof Rowan Sutton, climate scientist at the National Centre for Atmospheric Science, University of Reading, said climate models suggest an increase in such events.

"This study identifies a record breaking high sea level event that occurred along part of the US east coast in 2009-10.

"There is strong evidence that the likelihood of such events has been increased by climate change, and that we should expect more such events in the future.

"This example illustrates how individual extreme events are influenced by multiple factors - in this case the global rise of sea levels, regional changes in ocean circulation, and wind patterns."

Dr Dan Hodson, also from the University of Reading, said the analysis underlined the importance of understanding the connections between surges in sea levels and ocean currents.

"Sea level change is a complex phenomenon, especially on the regional scale, where changes to the global ocean circulation can play a major role," he said.

"The east coast of North America is quite close to an area of active, fast ocean currents, and so is quite sensitive to changing ocean circulation."

He said the Atlantic Meridional Overturning Circulation (AMOC), a major current in the Atlantic Ocean, had implications for Europe and Africa as well as the US.

Research at the University of Reading has shown how it could make British summers wetter and may influence rainfall patterns in parts of Africa.

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