

April 15, 2015

Craig Pirrong, the Streetwise Professor posts on reactions to the Iran agreement. ... Outside of Obama's amen corner, virtually everyone in the foreign policy establishment is aghast. Eminences grise Henry Kissinger and George Schultz wrote a long and devastating oped in the WSJ that eviscerated virtually every aspect of the deal. The administration's response? State Department interim spokesidiot Marie Harf (whom I would say is right out of a dumb blonde joke, except that would be insulting to the subjects of dumb blonde jokes) said that the Kissinger-Schultz piece was "sort of" full "a lot big words and big thoughts." Wow. What a telling riposte to the two most experienced diplomats of the post-WWII US. The only more inane response would have been "Is NOT!"

And then there's Obama himself, dishing out his usual sneering disdain at critics. For instance, he said that those who opposed the deal were taking "a foolish approach" and needed to "bone up on foreign policy."

Maybe what he meant to say is that they need to be boneheads on foreign policy, and therefore more like him. This is a guy who has lurched from one foreign policy misjudgment (or disaster) to another. The examples are endless. Calling ISIS the JV is one. The recent FUBAR with the Chinese International Development Bank is another. But my favorite, because it illustrates Obama's unique (and toxic) mixture of warped judgment and narcissistic belief in his own Olympian discernment, was his response to Romney's statement that Russia is the US's greatest geopolitical threat: "The 1980s are now calling to ask for their foreign policy back because the Cold War's been over for 20 years."

Hahahahaha. Touche! What a zinger! Silly Romney, living in the past, not like the progressive, hip, future-focused Obama.

Well, the problem with that is that Putin is living in the past too, and is itching to refight the Cold War. But our Barry knows better. ...

That's the opinion of one of our regulars. How about an editor of the Washington Post, **Jackson Diehl**?

The weakest point in President Obama's defense of his deal with Iran is his claim that "it is a good deal even if Iran doesn't change at all."

Let's consider that scenario. An Iran that does not change will reap hundreds of billions of dollars in fresh revenue from the lifting of sanctions, and it will surely use much of that to fund its ongoing military adventures in Iraq, Syria, Lebanon and Yemen. It will supply more weapons to Hamas and other radical Palestinian groups, and invest more in its long-range missiles, cyberweapons and other military technologies not covered by the agreement. It will continue developing advanced centrifuges for uranium enrichment and after a decade will begin installing them. ...

... Today it's difficult to find an expert who believes Iran will soon evolve into a more benign power, notwithstanding the 2013 election of the moderate Hassan Rouhani as president. Present and former senior administration officials I consulted said they expected the Iranian regime would remain the same in the next few years, or maybe get worse. One predicted

Khamenei — if he doesn't kill the accord outright — would set out to prove that it won't change the state's "revolutionary" agenda.

That widely shared analysis may well be too gloomy. But it probably explains why Obama keeps insisting in media interviews that he's not banking on an Iranian transformation. In reality, he is. It's the apotheosis of his worldview, the sine qua non of the nuclear deal — and the riskiest bet of his presidency.

Next, [Streetwise Professor](#) posts on the obama doctrine.

... The roots of this doctrine have also been quite obvious. There are two main ones.

The first is his very progressive view that the United States has been a malign force in the world. This is best encapsulated in his Cairo speech, with its criticism of American arrogance. It is also demonstrated in word and deed, in his insistence that American presence in foreign places creates disorder rather than reduces it, and his concerted effort to withdraw from the world and to defer to others (to "lead from behind", if you will).

In his younger days, he was a supporter of the nuclear freeze movement, which was animated at the very least by morally relativistic beliefs, but that moral relativism was usually merely a fig leaf to disguise deep-seated anti-Americanism (and anti-Westernism). He is a product of romanticism about the Third World that flourished in the 70s and 80s, and he came by it honestly, from both parents, inveterate leftists both.

It shows.

Indeed, Obama's views on these matters are quite aligned with Ayatollah Khamenei's, as set out in this fawning (but revealing) piece in Foreign Affairs. Khamenei's constant invocation of American arrogance is an eerie echo of Obama's: or is it the other way around? Either way, it is easy to understand Obama's benign attitude towards the most strident rhetoric coming out of the Iranian regime, e.g., the motto of "Death to America." (One of Obama's spokesman said that this rhetoric should be ignored, even when uttered by the Supreme Leader, because it is just "background noise" intended for domestic consumption.) He views it as an understandable, if somewhat overwrought, expression of a legitimate critique of the United States.

This helps explain his willingness to treat with Iran, and to make concession after concession. ...

[Salon](#) has someone else on the left who thinks Hillary will be a disaster. Says she's already running a losing campaign.

... On Friday, Clinton's campaign began the quick, quiet buildup to her Sunday announcement by placing a new epilogue to her last memoir in the Huffington Post. It's mostly about how being a grandmother gives her new energy and insight. At the end of the piece she says it also inspires her to work hard so every child has as good a chance in life as her new granddaughter has. Her recent speeches, even those her leakers tout as campaign previews, say little more than that.

Barring a Jeremiah Wright-level crisis, a presidential candidate gets just two or three chances to make her case to a big audience. Her announcement is often her best shot. That Hillary passed

on hers is unsettling. If she thinks she doesn't have to make her case real soon she's wrong. If she thinks she can get by on the sort of mush Democratic consultants push on clients she's finished. On Thursday the Q poll released three surveys. In two states, she now trails Rand Paul. In all three a plurality or majority said she is 'not honest or trustworthy.' You can bet the leak about her \$2.5 billion campaign will push those negatives up a notch.

Clinton seems as disconnected from the public mood now as she did in 2008. I think it's a crisis. If she doesn't right the ship it will be a disaster. In politics it's always later than you think. Advisors who told her voters would forget the email scandals probably say this too will pass. If so, she should fire them.

Leaders as progressive as Howard Dean and Barney Frank urge Democrats to circle the wagons and spare the party the bloodshed of a real contest, but this party needs to get its blood moving. Clinton needs a real challenge and a real debate, not just a sparring partner; not some palooka to dance her around the ring for a couple of rounds, but a real fighter. She needs the debate. We all do. But who will bring it?

Underdogs always need to get an early start, so it's surprising that Clinton beat all of her prospective primary opponents into the race. Some seem to be auditioning for the second spot on her ticket. Others may not make the race. If no champion emerges, progressives must mount their own debate and relearn some of the skills they applied so successfully back in the days before everybody had a PAC.

The Democrats' third problem is policy. They don't really have clear policies to deal with our biggest problems. It's why Hillary won't have the answers those Iowa families seek and why so few Democrats do. It's why we need a real debate. It is Clinton's misfortune to find herself master of a dying system. ...

Streetwise Professor

[Rashomon Meets Rouhani, or Oh, Obama You've Done It Again!](#)

by Craig Pirrong

The days after the alleged consummation of the nuclear "deal" between Iran and the the US and other P5+1 nations bears a strong resemblance to the famous Kurosawa film Rashomon: the participants have totally different accounts of what happened, and what was agreed to.

In the US version, Iran agreed to many terms that will make it impossible for it to "break out" to build a bomb in less than a year during the 10 year term of the deal. Centrifuges will not process uranium. Stockpiles of processed uranium will be neutralized. There will be intrusive inspections. Sanctions will not be eliminated immediately.

In the Iranian version, none of these things are true. Indeed, the Iranians characterize them as "lies". In particular, sanctions will be lifted immediately, and there will be no inspections of military sites.

So which version is true? Who knows? All we have to go on is the accounts of the participants. No document detailing the understandings reached has been released. Instead, each side has released “fact sheets” which are wildly contradictory. At least in Rashomon the basic contours of every story were the same, even if key details differed. Here, one wonders if these people were even in the same room.

Astoundingly, even if the American account is accurate, the US has made major concessions on every key issue. Obama had originally said Fordow (the hardened uranium processing facility) and Arak (the heavy water reactor) would be closed. Both will remain open, although allegedly they will be repurposed. For a while, anyways. There will be no accounting of past Iranian violations, making it impossible to establish a baseline against which to evaluate future actions. There will be no snap inspections. And on and on. All of these reflect dramatic concessions from the original American negotiating position. Iran made no similar concessions.

Remarkably, [the CIA director John Brennan claimed the Iranians finally agreed to a deal because the Iranian economy was “about to go down” due to the existing sanctions regime](#). If that’s true, why didn’t our crack negotiating team present Iran with a take it or leave it offer that forced Iranian concessions on every matter, rather than fold on issue after issue? Why did the allegedly stronger party make all the concessions? Why didn’t Obama play good cop to the Republican bad cop, and tell the Iranians “unless you take give up your nuclear program, these crazy Republicans will impose even more sanctions”, instead of fighting the Republicans tooth and nail? Either (a) Brennan is wrong, (b) Obama is the world’s worst negotiator, or (c) Obama really had no desire to force Iran to give up its program.

Given the utterly ineffectual, inept and/or feckless American negotiating strategy, it is hardly surprising that the Iranians are now demanding yet even more concessions. In particular, they are saying that immediate elimination of sanctions is a red line: no lifting, no deal. They are also saying that there will be no inspections of Iranian military facilities. Another red line.

Obama apparently operates under the delusion that a revisionist, revanchist, and messianic power that is involved deeply in conflict throughout the Middle East, and which has made “Death to America” words to live by for the last 37 years will somehow become a normal, non-aggressive nation when sanctions are eased, the money flows, and it is on its way to getting the bomb, in 10 years even if Obama is accurate in his description of the deal and his belief that Iran will adhere to it, or even sooner if he isn’t. This is delusional. Iran didn’t become an aggressive, revanchist, terrorism-supporting nation because it was isolated from the international community: it was isolated from the international community because it has been aggressive, revanchist, and terror-supporting. Now it will be able to pursue its messianic and imperialist goals under far less constraint. Yes, this will work out well.

Outside of Obama’s amen corner, virtually everyone in the foreign policy establishment is aghast. *Eminences grise* Henry Kissinger and George Schultz wrote a long and devastating oped in the WSJ that eviscerated virtually every aspect of the deal. The administration’s response? State Department interim spokesidiot Marie Harf (whom I would say is right out of a dumb blonde joke, except that would be insulting to the subjects of dumb blonde jokes) said that the Kissinger-Schultz piece was “sort of” full “a lot big words and big thoughts.” Wow. What a telling riposte to the two most experienced diplomats of the post-WWII US. The only more inane response would have been “Is NOT!”

And then there’s Obama himself, dishing out his usual sneering disdain at critics. For instance, he said that those who opposed the deal were taking “a foolish approach” and needed to “bone up on foreign policy.”

Maybe what he meant to say is that they need to be boneheads on foreign policy, and therefore more like him. This is a guy who has lurched from one foreign policy misjudgment (or disaster) to another. The examples are endless. Calling ISIS the JV is one. The recent FUBAR with the Chinese International Development Bank is another. But my favorite, because it illustrates Obama's unique (and toxic) mixture of warped judgment and narcissistic belief in his own Olympian discernment, was his response to Romney's statement that Russia is the US's greatest geopolitical threat: "The 1980s are now calling to ask for their foreign policy back because the Cold War's been over for 20 years."

Hahahahaha. Touche! What a zinger! Silly Romney, living in the past, not like the progressive, hip, future-focused Obama.

Well, the problem with that is that Putin is living in the past too, and is itching to refight the Cold War. But our Barry knows better.

So yeah. Based on his stellar track record of being wrong 99.8 percent of the time we should totally trust his judgment that his "deal" with the Iranians will tame them and thereby usher in an era of peace and tranquility to the Middle East. In fact, the opposite is true, and we see more evidence of that daily, as Arabs gear up for a civilizational and sectarian war with Persians (with Yemen being only the first theater in this conflict).

Obama is the Mr. Magoo of foreign policy. He blindly and happily tools along in his jalopy, thinking he is accomplishing great things, totally oblivious to the chaos and destruction that he is leaving in his wake, proudly proclaiming "[Oh, Obama! You've done it again.](#)"

Yes. Yes he has. And every time he does it, the nation-and the world-moves one step closer to the abyss.

Washington Post

[Obama rolls the dice on Iran](#)

by Jackson Diehl

The weakest point in President Obama's defense of his deal with Iran is his claim that "[it is a good deal even if Iran doesn't change at all.](#)"

Let's consider that scenario. An Iran that does not change will reap hundreds of billions of dollars in fresh revenue from the lifting of sanctions, and it will surely use much of that to fund its ongoing military adventures in Iraq, Syria, Lebanon and Yemen. It will supply more weapons to Hamas and other radical Palestinian groups, and invest more in its long-range missiles, cyberweapons and other military technologies not covered by the agreement. It will continue developing advanced centrifuges for uranium enrichment and after a decade will begin installing them.

By Obama's own account, in 13 or 14 years Iran will reemerge as a threshold nuclear state with a breakout time "[almost down to zero.](#)" It will still seek domination of the Middle East and the elimination of Israel, but with far greater resources and the capability to build a nuclear weapon at any time of its choosing. A future president, administration officials concede, will have to go back to the same strategy — sanctions, sabotage and the threat of force — that Obama now

proposes to set aside, but the odds of preventing a nuclear Iran will be considerably worse than they are now.

To say the least, that future president is unlikely to agree that Obama made a good deal.

So let's be honest: Everything depends on Obama's hope that nuclear detente will change Iran. "If in fact they're engaged in international business, and there are foreign investors, and their economy becomes more integrated with the world economy, then in many ways it makes it harder for them to engage in behaviors that are contrary to international norms," is the way he [put it to National Public Radio](#).

Such an Iran would be less likely to try to cheat on its nuclear commitments or to rapidly expand its uranium enrichment when restrictions expire. As Obama sees it, rather than seek to destroy Israel or Sunni Arab regimes such as Saudi Arabia, it would settle for a regional "[equilibrium](#)" that would, in turn, open the way to compromise solutions to the wars in Syria and elsewhere. It would have "[a different kind of relationship](#)" with the United States.

Obama may deny that this transformation is baked into the terms he agreed to. But it's well known that his belief that "engagement" with rogue regimes leads to peaceful and positive change is the distinguishing foreign policy idea of his presidency, one that he has [applied to Burma and Cuba](#), as well as to Iran. It explains why he would agree to temporarily restrain, rather than eliminate, Iran's capacity to build a bomb. There's no point in simply buying time unless you expect something to change.

The biggest question about the accord is consequently not how quickly sanctions are lifted or whether inspections are rigorous enough. It is whether "those forces inside of Iran that say, 'We don't need to view ourselves entirely through the lens of our war machine' ... get stronger," as Obama [told the New York Times](#).

So can they? Fifteen years ago, most Western experts on Iran might have said yes. That was when the reformist president Mohammad Khatami, elected in a 1997 landslide, was encouraging a "[dialogue of civilizations](#)" and saying it was [up to the Palestinians](#) to decide the future of their homeland; when liberal students marched at universities and a robust independent press demanded even greater freedoms. In 2009, when the "[Green Movement](#)" surged into the streets following a disputed election, the possibility of radical political change in Tehran once again seemed real.

It turned out, however, that both Iranian liberals and Western analysts underestimated the strength of Iran's deep state — the Revolutionary Guards, the reactionary clergy, the hard-line judiciary. Those forces crushed both Khatami and the Green Movement; presiding over them is Supreme Leader Ayatollah Ali Khamenei, who last week reiterated his abiding hatred for the West and everything it represents.

Today it's difficult to find an expert who believes Iran will soon evolve into a more benign power, notwithstanding the [2013 election of the moderate Hassan Rouhani](#) as president. Present and former senior administration officials I consulted said they expected the Iranian regime would remain the same in the next few years, or maybe get worse. One predicted Khamenei — if he doesn't kill the accord outright — would set out to prove that it won't change the state's "revolutionary" agenda.

That widely shared analysis may well be too gloomy. But it probably explains why Obama keeps insisting in media interviews that he's not banking on an Iranian transformation. In reality, he is. It's the apotheosis of his worldview, the *sine qua non* of the nuclear deal — and the riskiest bet of his presidency.

Streetwise Professor

[The Obama Doctrine: Incompetence or Intent \(Bordering on Malice\)?](#)

by Craig Pirrong

There have been several attempts lately to discern some sort of “Obama Doctrine” in foreign policy. [This piece from the FT is just the latest example.](#)

Actually, the doctrine has been apparent from the first, to those paying attention. To put it crudely, but oh-so-accurately, it is “F*ck our allies, let our enemies f*ck us.”

The roots of this doctrine have also been quite obvious. There are two main ones.

The first is his very progressive view that the United States has been a malign force in the world. This is best encapsulated in his Cairo speech, with its criticism of American arrogance. It is also demonstrated in word and deed, in his insistence that American presence in foreign places creates disorder rather than reduces it, and his concerted effort to withdraw from the world and to defer to others (to “lead from behind”, if you will).

In his younger days, he was a supporter of the nuclear freeze movement, which was animated at the very least by morally relativistic beliefs, but that moral relativism was usually merely a fig leaf to disguise deep-seated anti-Americanism (and anti-Westernism). He is a product of romanticism about the Third World that flourished in the 70s and 80s, and he came by it honestly, from both parents, inveterate leftists both.

It shows.

Indeed, Obama's views on these matters are quite aligned with Ayatollah Khamenei's, [as set out in this fawning \(but revealing\) piece in Foreign Affairs](#). Khamenei's constant invocation of American arrogance is an eerie echo of Obama's: or is it the other way around? Either way, it is easy to understand Obama's benign attitude towards the most strident rhetoric coming out of the Iranian regime, e.g., the motto of “Death to America.” (One of Obama's spokesman said that this rhetoric should be ignored, even when uttered by the Supreme Leader, because it is just “background noise” intended for domestic consumption.) He views it as an understandable, if somewhat overwrought, expression of a legitimate critique of the United States.

This helps explain his willingness to treat with Iran, and to make concession after concession. From the “closed fist/open hand” rhetoric of his first campaign and first term, to his recent statements that Iran would moderate its behavior and become a responsible nation when it achieves a rapprochement with the US and the West, it is clear that he believes that Iranian actions are an understandable response to American and Western hostility, rather than a dangerous brew of Persian chauvinism and imperialism on the one hand, and fanatical Islamist ideology on the other.

This can lead him to deny some very basic and obvious realities about the Iranian regime. For instance, he pushed back against Arab criticism of his quest for a deal with Iran by saying that they needed to pay less attention to an Iranian threat, and realize that their greatest risk was “dissatisfaction inside their own countries”.

Truly, there is much to criticize about the Saudis and Qataris and Egyptians: I find the oil ticks particularly loathsome. But Obama’s criticism of the Arabs is not matched by a similar criticism of Iran, even though by every measure (e.g., public executions of gays, oppressive lifestyle police, totalitarian control of civil life), Iran is as bad or worse than the Saudis et al. But Obama is silent about Iranian repressions and internal dissatisfaction even as he criticizes the Saudis and Egyptians.

Indeed, in 2009 Obama notoriously spurned a broad-based expression of popular dissatisfaction in Iran during the “Green Revolution,” yet disastrously embraced the Arab Spring: the fervent support for Morsi and the Muslim Brotherhood in Egypt was particularly disastrous.

Looking at this history, it is clear that the best predictor of whom Obama will support (or at least not criticize) and home he will oppose (and criticize) is not the political system, or the repressiveness of the government, but whether it is allied with the US, or not.

Cuba is the latest example. The spectacle that is occurring in Panama is sick-making in the extreme. The Cuban regime has not reformed, in the least. It remains oppressive, and inveterately anti-American. Yet Obama strives to normalize relations without demanding the slightest moderation of Cuba’s domestic oppression or anti-American foreign policy.

Obama’s progressive blaming of the US is implicit in these actions. His words also betray the second taproot of his “doctrine”: his overweening arrogance. I have mentioned several times that I was going to start dating things “BO” for “Before Obama” and “AO” for “After Obama”, because he quite evidently believes that things that happened before his birth are irrelevant, and that his arrival makes a new world possible. [Whoops, he did it again!](#):

“The Cold War has been over for a long time,” Obama said. “And I’m not interested in having battles frankly that started before I was born.”

As if the date of his birth has any relevance whatsoever to the historical, political, economic, and social forces that drive the relations between nations. (BTW, Raul Castro obviously knows how to play Obama: with obsequious praise for his genius.)

This statement about the Cold War is particularly amazing, given recent developments, including developments involving Cuba. I recalled just the other day Obama’s sneer at Romney’s warning about Russia, saying that the 80s wanted their foreign policy back, because the Cold War is over, and noted that this statement was risibly clueless because Putin clearly wants to refight it: a war ain’t over if one guy is still fighting it. (This is another principle that Obama seems to ignore because of his narcissism: in Iraq and Afghanistan, he declares peace simply because he has stopped fighting. But there is no peace.) If you’ve been paying attention (and Obama clearly hasn’t been, or worse, has been and doesn’t care) you will have noticed that one Cold War strategy that Putin is resurrecting is extensive military and intelligence cooperation in the Caribbean, [in particular with Nicaragua, Venezuela . . . and Cuba](#).

That’s all right out of the Cold War. And believe it or not, some of it happened after Obama was born!

So while Putin is busy trying to reignite superpower competition, Obama acts as if it's a thing of the past, to be ignored. Which explains why Obama does not condition dealing with Cuba on its agreement to forego military ties with a revanchist and revisionist Russia.

This all demonstrates another symptom of Obama's narcissism: his mental rigidity and inability to admit a mistake, or that conditions have changed in a way that invalidate his original judgments. He has believed that the Cold War is over, and nothing will budge him from that view.

My conclusion is based on observation from a distance. Someone who observed him up close for many years, Richard Epstein, has noted the same thing. [His criticism of the Iran "deal" is withering, and it culminates with this conclusion](#) (at about the 14:35 mark):

I see no sign that he will change his mind. He is always the smartest man in the room. That's true when there's one person there.

In other words, Obama believes that he is incapable of error; that facts cannot change in ways that make it necessary to change his mind; and that he can ignore criticism because no one is capable of achieving his Olympian insights.

I am not alone now in trying to determine whether Obama's actions are the results of incompetence or intent: this question is debated with some regularity, and this is not limited to the right anymore (though of course it is predominant there). I do not discount that he is incompetent and over his head, but I think he is intentionally pursuing these various courses out of a firm set of beliefs rooted in a progressive, fundamentally anti-US and anti-Western worldview, and in a belief in his transcendent superiority. Isis and other disasters are unintended consequences, but by and large he ignores them because he is convinced that these are irrelevant to his ultimate quest to remake the world and redeem America's sins, original and derivative.

Hanlon's Razor says never attribute to malice what can be explained by incompetence. What Obama is doing cannot be explained by mere incompetence alone. It has to be intentional, and is arguably malicious.

Salon

[**Hillary Clinton just doesn't get it: She's already running a losing campaign**](#)

Rand Paul has edged in front of her. Jeb thinks she'll be easy to defeat. She's playing right into their hands

by Bill Curry

Hillary Clinton joins the race for president today. If you believe the leaks from her staff, and there's no reason you shouldn't, she'll do it in a video released at noon as she herself flies high above the nation in a chartered plane. She and her top advisors, all smart people, must think it's a good idea. It doesn't feel like one.

For months Clinton has run a front-porch campaign — if by porch you mean Boo Radley's. Getting her outdoors is hard enough; when she does get out it's often to give paid speeches to people who look just like her: educated, prosperous and privileged. Needing desperately to

connect with the broader public, she opts for the virtual reality of a pre-taped video delivered via social media. Go figure.

Her leakers say she'll head out on a listening tour like the one that kicked off her first Senate race. They say listening to real people talk about real stuff will make her seem more real. This too may be a good idea, but it made more sense when she was a rookie candidate seeking a lesser office in a state she barely knew. Running for president is different. So are the times. Voters are more desperate now, and in a far worse mood. If you invite their questions, you'd better have some answers. I'll return to this point shortly.

Her leakers say she'll avoid big events, rallies, stadiums, that sort of thing. This is about 2008, when she and her tone-deaf team seemed to be planning a coronation. This time they say she doesn't want to come off as quite so presumptuous. Yet next week she keynotes a 'Global Women's Summit' cohosted by Tina Brown and the New York Times, at which "world leaders, industry icons, movie stars and CEOs convene with artists, rebels, peacemakers and activists to tell their stories and share their plans of action." Orchestra seats go for \$300.

Clinton personifies the meritocracy that to an angry middle class looks increasingly like just another privileged caste. It's the anger captured best by the old 'Die Yuppie Scum' posters and in case you haven't noticed, it's on the rise. Republicans love to paint Democrats as elitists. It's how the first two Bushes took out Dukakis, Gore and Kerry — and how Jeb plans to take out Hillary. When she says she and Bill were broke when they left the White House; when she sets her own email rules and says it was only for her own convenience; when she hangs out with the Davos, Wall Street or Hollywood crowds, she makes herself a more inviting target.

During its long ramp-up, Democrats searched for signs that this Clinton campaign would be better than the last, a seething cauldron of rivalries and resentments run by D.C. consultants who made their real livings from corporate clients. Things do look better at the top. The chief of staff is John Podesta, a man whose core competency is competency. Pollster Joel Benenson is a huge step up from the fiercely anti-populist Mark Penn.

Still, the leaks are a bad sign. All campaigns fall prey to them and it's sometimes a good thing for the First Amendment that they do. All White House staffs leak to settle scores or advance agendas and careers. Bill Clinton's White House added a new wrinkle — leaks that elevated the leaker at Clinton's expense. Often the leaker wanted only to prove his insider status and savvy; the result was to frame everything Clinton did as political even before he did it. Every modern president polled as much as Clinton but none was so scorned for it. Leakers had a lot to do with that.

All political reportage is full of insider tales about how every link of sausage is made. When House Democrats resumed their push for a minimum wage hike, staff framed the initiative not as sound policy but as clever politics. Even if authorized, nearly all such leaks harm the principle. On Friday, Clinton's campaign let slip its aim to raise \$2.5 billion; maybe that's not the best way to say hello to a struggling middle class. Someone gabbed about the message of Hillary's planned sit downs with average families, a sure fire way to make the families look and feel like props — and to make the whole, hollow exercise look and feel like a hollow exercise.

There are three problems that go far deeper than Hillary's image or her campaign's operations. Each is endemic to our current politics; all are so deeply connected as to be inseparable. You already know them. The first is how they raise their money. The second is how they craft their message. The third pertains to policy.

To get the money they think they need candidates who crook the knee to moneyed interests. They spend vast sums on polls, focus groups and data mining to find out what messages to send and to whom, and vaster sums to send them. The need to serve their donors keeps them from solving real problems. With so little to show for their service, they must rely even more on paid propaganda. The emptier their ads, the more of them they need.

The first thing to know about this system is how well it works for Republicans, most of whom would back the status quo with or without the money. Since they can't afford to be too honest about policy anyway, consultants' metaphors and themes suit them fine, as do the strict limitations of texts, tweets and ads.

The opposite is true for Democrats. When they truckle to the status quo, they break sacred vows. Their base feels most betrayed, but everyone notices and no one likes what they see. Convinced by their consultants that politics is all about metaphors and emotion, they treat issues as landmines and do everything possible to avoid stepping on one. They skip real debates to pursue what Obama consigliere David Axelrod calls 'the politics of biography.' Trading real reform for public policy vaporware, they lose all sense of purpose — and eventually stop making sense.

On Friday, Clinton's campaign began the quick, quiet buildup to her Sunday announcement by placing a new epilogue to her last memoir in the Huffington Post. It's mostly about how being a grandmother gives her new energy and insight. At the end of the piece she says it also inspires her to work hard so every child has as good a chance in life as her new granddaughter has. Her recent speeches, even those her leakers tout as campaign previews, say little more than that.

Barring a Jeremiah Wright-level crisis, a presidential candidate gets just two or three chances to make her case to a big audience. Her announcement is often her best shot. That Hillary passed on hers is unsettling. If she thinks she doesn't have to make her case real soon she's wrong. If she thinks she can get by on the sort of mush Democratic consultants push on clients she's finished. On Thursday the Q poll released three surveys. In two states, she now trails Rand Paul. In all three a plurality or majority said she is 'not honest or trustworthy.' You can bet the leak about her \$2.5 billion campaign will push those negatives up a notch.

Clinton seems as disconnected from the public mood now as she did in 2008. I think it's a crisis. If she doesn't right the ship it will be a disaster. In politics it's always later than you think. Advisors who told her voters would forget the email scandals probably say this too will pass. If so, she should fire them.

Leaders as progressive as Howard Dean and Barney Frank urge Democrats to circle the wagons and spare the party the bloodshed of a real contest, but this party needs to get its blood moving. Clinton needs a real challenge and a real debate, not just a sparring partner; not some palooka to dance her around the ring for a couple of rounds, but a real fighter. She needs the debate. We all do. But who will bring it?

Underdogs always need to get an early start, so it's surprising that Clinton beat all of her prospective primary opponents into the race. Some seem to be auditioning for the second spot on her ticket. Others may not make the race. If no champion emerges, progressives must mount their own debate and relearn some of the skills they applied so successfully back in the days before everybody had a PAC.

The Democrats' third problem is policy. They don't really have clear policies to deal with our biggest problems. It's why Hillary won't have the answers those Iowa families seek and why so

few Democrats do. It's why we need a real debate. It is Clinton's misfortune to find herself master of a dying system.

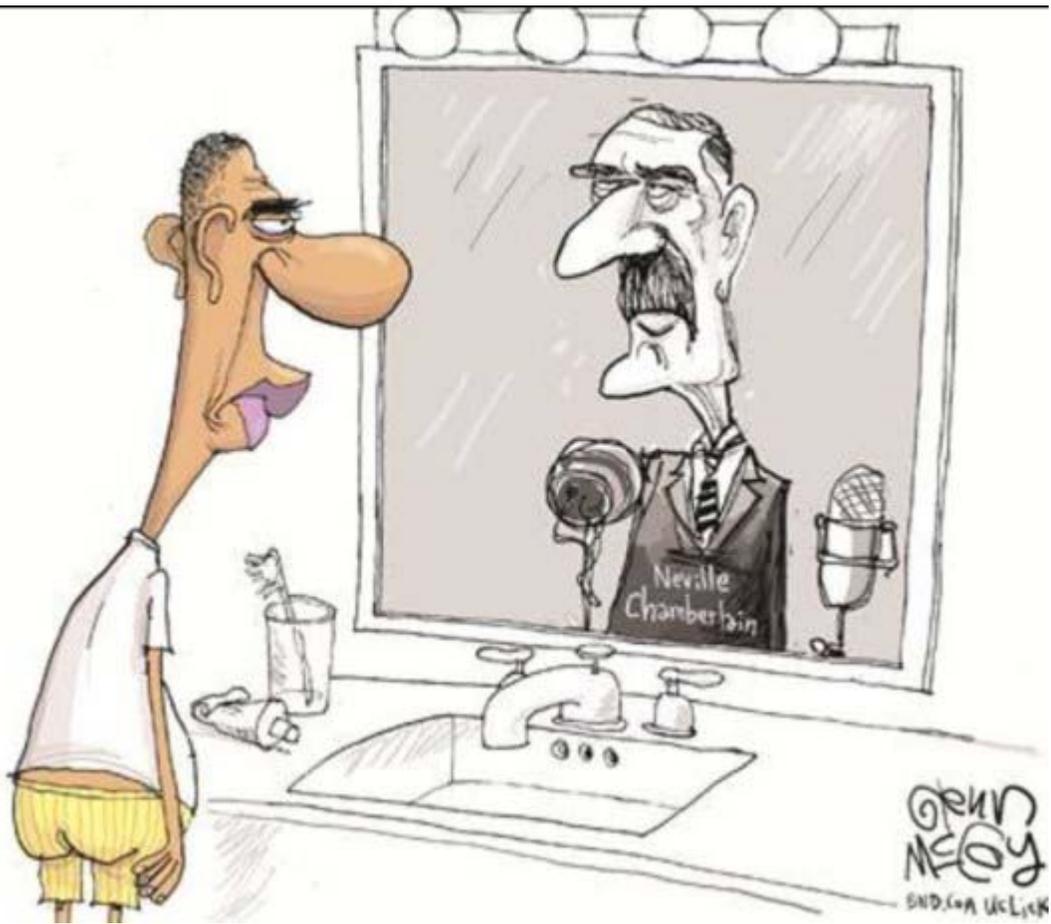
If she raises all that money it will ruin her. Fundraising nearly ruined her husband in 1996. He didn't need all the money he raised then and God knows she doesn't need all the money she wants to raise now. Even if raising the money doesn't land her in hot water, if she spends it the way most Democrats do, that will ruin her.

Like Bill Clinton's 1992 race, this election is about the economy. But this one's about how to *reform* the economy, not just jumpstart it. Our political system isn't set up to debate whether or not our economic system needs real reform. It will take a very different kind of politics, and leader, to spark that debate. We'll soon know whether anyone is ready, willing and able to fight.

Bill Curry was White House counselor to President Clinton and a two-time Democratic nominee for governor of Connecticut. He is at work on a book on President Obama and the politics of populism.







GRIN
NEOY
SND.COM UCLICK