

May 24, 2015

George Freidman of Strafor provides an overview of the world's chaos.

A pretentious title requires a modest beginning. The world has increasingly destabilized and it is necessary to try to state, as clearly as possible, what has happened and why. This is not because the world is uniquely disorderly; it is that disorder takes a different form each time, though it is always complex.

To put it simply, a vast swath of the Eurasian landmass (understood to be Europe and Asia together) is in political, military and economic disarray. Europe and China are struggling with the consequences of the 2008 crisis, which left not only economic but institutional challenges. Russia is undergoing a geopolitical crisis in Ukraine and an economic problem at home. The Arab world, from the Levant to Iran, from the Turkish border through the Arabian Peninsula, is embroiled in politically destabilizing warfare. The Western Hemisphere is relatively stable, as is the Asian Archipelago. But Eurasia is destabilizing in multiple dimensions.

We can do an infinite regression to try to understand the cause, but let's begin with the last systemic shift the world experienced: the end of the Cold War.

The Repercussions of the Soviet Collapse

The Cold War was a frozen conflict in one sense: The Soviet Union was contained in a line running from the North Cape of Norway to Pakistan. There was some movement, but relatively little. When the Soviet Union fell, two important things happened. First, a massive devolution occurred, freeing some formally independent states from domination by the Soviets and creating independent states within the former Soviet Union. As a result, a potentially unstable belt emerged between the Baltic and Black seas.

Meanwhile, along the southwestern border of the former Soviet Union, the demarcation line of the Cold War that generally cut through the Islamic world disappeared. Countries that were locked into place by the Cold War suddenly were able to move, and internal forces were set into motion that would, in due course, challenge the nation-states created after World War I and the fall of the Ottoman Empire that had been frozen by the Cold War. ...

Erik Wemple is still after an answer from ABC News.

... After Politico's Dylan Byers published his story on George Stephanopoulos's donations to the Clinton Foundation, Washington Free Beacon staffers — including editor in chief Matthew Continetti and digital managing editor Andrew Stiles — tweeted out denunciations of ABC News, saying that they'd inquired about this matter the night before. ...

... ABC News has failed to respond to numerous inquiries from the Erik Wemple Blog about this move. In the most recent e-mail, we asked ABC News spokeswoman Heather Riley whether the network had logged any run-ins with the Washington Free Beacon that would contextualize its alleged behavior. No response just yet. ...

Mark Steyn has Stephanie comments with the idea we turn it around and have Karl Rove hired by ABC.

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Karl Rove is hired as an anchorman by ABC News. Whoa, you can stop right there. We're already in the realm of the fantastical, even though it is, objectively, exactly the same as hiring Stephanopoulos.

But Rove says not to worry, my partisan days are behind me. I'm strictly Mister Even-Handed Newsman now.

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As for Stephanopoulos' regret that he didn't go "the extra mile" in disclosure, the loyal Clinton flunkey didn't go the initial inch-and-a-half. At the very least, he should be dropped from all election coverage between now and November 2016. There's plenty of other stuff he could do - Kim'n' Kanye, Bruce transitioning - where his faithful service to his longtime benefactors is of less obvious advantage.

Jennifer Rubin turns here attention to the Clinton/Blumenthal links.

The discovery that Hillary Clinton received some 25 memos from Clinton family confidante and hatchet man Sidney Blumenthal is causing another round of angst for Democrats. It should. Why are the memos a problem?

- 1. They show the degree to which Hillary Clinton defied the Obama administration edicts. Told she couldn't hire him through the front door, she let him in the back. Perhaps the Obama team will conclude she was a disloyal and problematic employee and cease making her life easier (e.g. by refusing to investigate unreported conflicts of interest).*
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Maybe there's hope for higher ed. The University of Texas' new president rejects the offer of a "vulgar" salary. [Taxprof](#) has the story.

Gregory Fenves recently got a big promotion, from provost to president of the University of Texas at Austin. A raise came with it. Instead of his current base of about \$425,000, he was offered \$1 million.

And he rejected it — as too much. ... He suggested, and agreed to, \$750,000. That's hardly chump change. But in the context of the shockingly lucrative deals that have become almost commonplace among college presidents, the sum — or, more precisely, the sentiment behind it, — is worthy of note and praise.

Another of those deals came to light late Tuesday night, when [The Wall Street Journal](#) reported that Yale University had paid its former president, Richard Levin, an "additional retirement benefit" of \$8.5 million after he retired from his post in 2013. The Journal characterized this as an "unprecedented lump-sum payment" for a college president and noted that Levin's annual compensation package during his final years at Yale was already over \$1 million. ...

Stratfor

[A New Assessment of the World](#)

by George Friedman

A pretentious title requires a modest beginning. The world has increasingly destabilized and it is necessary to try to state, as clearly as possible, what has happened and why. This is not because the world is uniquely disorderly; it is that disorder takes a different form each time, though it is always complex.

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Two emblematic events immediately occurred. In 1990, even before the collapse of the Soviet Union was complete, Iraq invaded Kuwait and seemed to threaten Saudi Arabia. This followed an extended war with Iran from which Iraq emerged in a more favorable position than Tehran, and Baghdad seemed to be claiming Kuwait as its prize. The United States mobilized not only its Cold War coalition, but also states from the former Soviet bloc and the Arab world, to reverse this. The unintended consequence was to focus at least some Sunnis both on the possibilities created by the end of the Cold War and on the American role as regional hegemon, which in turn led to 9/11 and is still being played out now, both to the south and north of the old Cold War dividing line.

The second event was the breakup of Yugoslavia and the Serbian-Croatian-Bosnian war that left about 100,000 people dead. It was a war of old grudges and new fears. It seemed to represent a unique situation that was not applicable to the rest of the region, but it in fact defined the new world system in two ways. First, Yugoslavia was the southern extension of the borderland between the Soviet Union and Western Europe. What happened in Yugoslavia raised questions that most people ignored, about what the long-term reality in this borderland would be. Second, among other things, the war centered on an east-west schism between Christians and Muslims, and the worst of the bloodletting occurred in this context. The United States and NATO interceded in Kosovo against Serbia despite Russian protests, and Moscow was ultimately sidelined from the peacekeeping mission that defused the war. The explosion in the Balkans foreshadowed much of what was to come later.

While Russia weakened and declined, the two ends of Eurasia flourished. The decade following the collapse of the Soviet Union and the reunification of Germany ushered in a period of significant prosperity that had two results. The European Union, created through the Maastricht Treaty the same year the Soviet Union disintegrated, expanded its influence eastward into the former Soviet sphere and southward, incorporating disparate states whose differences were hidden by the prosperous period. And China, after the end of the Japanese economic miracle, became the global low-wage, high-growth country, powered by the appetite for its exports in prosperous Europe and North America.

The forces at work in Eurasia were hidden. The fragility of peripheral nations in Europe relative to German economic power was not fully visible. The cyclical nature of China's growth, similar in many ways to the dynamics of Japan in the previous generation, was also invisible. The consequences of the end of the Cold War Islamic world, the forces that were unleashed beneath the surface and the fragility of the states that were containing them were hidden beneath the illusion of American power after the victory in Kuwait. Only in Russia was weakness visible, and one of two erroneous conclusions was reached: Either Russia was permanently impotent, or its misery would cause it to evolve into a liberal democracy. All seemed right with Eurasia.

Signs of Destabilization

The first indication of trouble was, of course, 9/11. It was the American attack that was critical. Drawing on the recollection of Desert Storm, it was assumed that American power could reshape the Islamic world at will. All power has limits, but the limits of American power were not visible until later in the 2000s. At that point two other events intervened. The first was the re-

emergence of Russia as at least a regional power when it invaded Georgia in 2008. The other was, of course, the financial crisis. Both combined to define the current situation.

The financial crisis transformed Chinese behavior. Although China was already reaching the end of its economic cycle, the decline in appetites for Chinese exports changed the dynamic of China's economy. Not only did the decline suppress growth, but Beijing's attempts to shift growth to domestic consumption created inflation that made its exports even less competitive. The result was a political crisis as the Chinese government became increasingly concerned about instability and therefore increasingly oppressive in an attempt to control the situation.

At the other end of Eurasia, the differences between the interests of Germany - Europe's major exporter - and those of Southern Europe's developing economies exposed the underlying contradiction in the European Union. Germany had to export. The weaker countries had to develop their economies. The two collided first in the sovereign debt crisis, and again in the austerity policies imposed on Southern Europe and the resulting economic crisis. As a result, Europe became increasingly fragmented.

In a reversal of roles, Russia took advantage of the fragmentation of Europe, using its status as a natural gas supplier to shape Europe's policies toward Russia. Russia was no longer the cripple of Europe but a significant regional power, influencing events not only on the Continent but also in the Middle East.

It was at this point that Russia encountered the United States. The United States has an elective relationship with the rest of the world. Except when a regional hegemon is trying to dominate Europe, the United States limits its global exposure. It exports relatively little, and almost half of what it does export goes to Canada and Mexico. But as Russia became more assertive, and particularly as it tried to recoup its losses after the fall of the Ukrainian government and the ensuing installation of a pro-Western government, the United States began to increase its focus on Ukraine and the borderlands between Europe and Russia.

At the same time that Washington felt it had to respond to Russia, the United States sought to minimize its exposure in the Middle East. Recognizing the limits of its power, the United States came to see the four indigenous powers in the region - Turkey, Iran, Saudi Arabia and Israel - as bearing the primary responsibility for regional stability and as counterbalances to each other's power.

The Current State of Play

This brings us to the contemporary world. There is general economic malaise around the globe. That malaise has forced China to control social forces by repression. It has created an existential crisis in Europe that goes far beyond Greece but is being acted out in a Greek-German relationship. The Russians have reached for regional power but have fallen short, for the moment. The nation-states of the Middle East are fraying, and the four major powers are maneuvering in various ways to contain the situation.

The United States remains the world's leading power, but at the same time, the institutions that it used during the Cold War have become ineffective. Even though NATO is increasing deployments and training in Eastern Europe, it is a military alliance that lacks a substantial military. The International Monetary Fund has become, in many cases, the problem and not the solution to economic difficulties. The United States has avoided entanglement in the economic problems in Europe and China and has limited its exposure in the Middle East. Yet it is

becoming more directly involved with Russia, with its primordial fear of a European hegemon aroused, however far-fetched the prospect.

After every systemic war, there is an illusion that the victorious coalition will continue to be cohesive and govern as effectively as it fought. After the Napoleonic Wars, the Congress of Vienna sought to meld the alliance against France into an entity that could manage the peace. After World War I, the Allies (absent the United States) created the League of Nations. After World War II, it was the United Nations. After the Cold War ended, it was assumed that the United Nations, NATO, IMF, World Bank and other multinational institutions could manage the global system. In each case, the victorious powers sought to use wartime alliance structures to manage the post-war world. In each case, they failed, because the thing that bound them together - the enemy - no longer existed. Therefore, the institutions became powerless and the illusion of unity dissolved.

This is what has happened here. The collapse of the Soviet Union put into motion processes that the Cold War institutions could not manage. The net assessment, therefore, is that the Cold War delayed the emergence of realities that were buried under its weight, and the prosperity of the 1990s hid the limits of Eurasia as a whole. What we are seeing now are fundamental re-emerging realities that were already there. Europe is a highly fragmented collection of nation-states. China contains its centrifugal forces through a powerful and repressive government in Beijing. Russia is neither an equal of the United States nor a helpless cripple to be ignored or tutored. And the map of the Middle East, created by the Ottomans and the Europeans, has hidden underlying forces that are rearing their heads.

The United States is, by far, the world's most powerful nation. That does not mean that the United States can - or has an interest to - solve the problems of the world, contain the forces that are at work or stand in front of those forces and compel them to stop. Even the toughest guy in the bar can't take on the entire bar and win.

Washington Post - Blogs

[Did the Washington Free Beacon have history with ABC News PR?](#)

by Erik Wemple

Third in a series on allegations that ABC News's PR shop shafted the Washington Free Beacon last week by "[running](#)" to Politico after the conservative news site sought comment about ABC News Chief Anchor George Stephanopoulos's contributions to the Clinton Foundation.

The scenario that played out last week between ABC News and the Washington Free Beacon bore the reflection of a poisonous relationship: After Politico's Dylan Byers published his story on George Stephanopoulos's donations to the Clinton Foundation, Washington Free Beacon staffers — including editor in chief Matthew Continetti and digital managing editor Andrew Stiles — tweeted out denunciations of ABC News, saying that they'd inquired about this matter the night before.

It's really considerate of [@ABC](#) to answer [@FreeBeacon](#) queries by running to [@DylanByers](#)!

— Matthew Continetti (@continetti) [May 14, 2015](#)

ABC News has failed to respond to numerous inquiries from the Erik Wemple Blog about this move. In the most recent e-mail, we asked ABC News spokeswoman Heather Riley whether the network had logged any run-ins with the Washington Free Beacon that would contextualize its alleged behavior. No response just yet.

On that same topic, Continetti told the Erik Wemple Blog of an incident from August 2012, when ABC News reported that Republican presidential candidate Mitt Romney had feted big-money donors aboard a "[150-foot yacht flying the flag of the Cayman Islands.](#)" The episode was newsworthy because Romney's Cayman investments had [drawn scrutiny in the campaign.](#)

The Washington Free Beacon published a piece hammering [ABC News for screwing up its flag reading.](#) Very soon, Continetti heard from ABC News PR and determined that the network had registered a legitimate complaint. "We looked at it and we retracted the story immediately," said Continetti last week in a chat with the Erik Wemple Blog. That was the only run-in that Continetti could recall with ABC News in the history of the Washington Free Beacon, which launched in February 2012.

Perhaps ABC News has a different perspective, but it's not sharing.

Steyn On Line

[Buy George, He's Got It!](#)



His Master's Voice

~On a related subject, a few days ago I gave my take on [the George Stephanopoulos scandal:](#)

Only under the peculiarities of America's mainstream media could you have an interviewer interviewing a man who has written a book disclosing the dodgy donations to the Clinton Foundation without the interviewer disclosing that he himself is a donor to the foundation.

It turns out it's [worse than that:](#)

For example, in his on air apology for this ethical mess, [Stephanopoulos](#) did not disclose that in 2006 he was a [featured attendee](#) and [panel moderator](#) at the annual meeting of the Clinton Global Initiative (CGI).

He did not disclose that in 2007, he was a [featured attendee](#) at the CGI annual meeting, a gathering also attended by [several individuals](#) I report on in Clinton Cash, including mega Clinton Foundation donors Lucas Lundin, Frank Giustra, Frank Holmes, and Carlos Slim — individuals whose involvement with the Clintons I assumed he had invited me on his program to discuss.

Stephanopoulos did not disclose that he was a [2008 panelist](#) at the CGI annual meeting which, once again, featured [individuals](#) I report on in the book, such as billionaire Clinton Foundation foreign donor [Denis O'Brien](#).

ABC's most visible news employee did not disclose that in 2009, he served as a [panel moderator](#) at CGI's annual meeting, nor did he disclose that in [2010 and 2011](#), he was an official CGI member.

Stephanopoulos did not disclose that in 2013 and 2014, he and Chelsea Clinton served as [CGI contest judges](#) for awards, in part, underwritten by [Laureate International Universities](#) — a for-profit education company I report on in the book. Bill Clinton was on its payroll until his [recent resignation](#).

Seventy-five grand in "donations" is nothing to Stephanopoulos. But the amount of time he has given the Clintons is far more valuable: He is lending them his reputation, and giving them his endorsement. He was a "member" of the Clinton Global Initiative - whatever that means, but let's take it at face value: it's equivalent to being a member of the Girl Scouts or the Elks or the Ladies' Aid Society or the Ku Klux Klan. How could neither he nor ABC not think this was something to be "disclosed"? Or, indeed, a disqualifying factor from conducting the interview in the first place?

And that's before you consider the ludicrous thrust of Stephanopoulos' interview: We can't trust Peter Schweizer on the Clintons because he worked for Bush for four months, says a man who's worked for the Clintons since he was in Third Grade.

So the entire Schweizer/Stephanopoulos interview was a fraud perpetrated on ABC's audience. Picture it the other way around:

Karl Rove is hired as an anchorman by ABC News. Whoa, you can stop right there. We're already in the realm of the fantastical, even though it is, objectively, exactly the same as hiring Stephanopoulos.

But Rove says not to worry, my partisan days are behind me. I'm strictly Mister Even-Handed Newsman now.

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election coverage between now and November 2016. There's plenty of other stuff he could do - Kim'n' Kanye, Bruce transitioning - where his faithful service to his longtime benefactors is of less obvious advantage.

Right Turn

[10 reasons why the Clinton-Blumenthal story is a big deal](#)

by Jennifer Rubin

The discovery that Hillary Clinton received some 25 memos from Clinton family confidante and hatchet man Sidney Blumenthal is causing another round of angst for Democrats. It should. Why are the memos a problem?

1. They show the degree to which Hillary Clinton defied the Obama administration edicts. Told [she couldn't hire him](#) through the front door, she let him in the back. Perhaps the Obama team will conclude she was a disloyal and problematic employee and cease making her life easier (e.g. by refusing to investigate unreported conflicts of interest).
2. Blumenthal had no foreign policy expertise and yet his unvetted memos were given credence. Clinton's judgment in relying on him is troubling; her decision to share his views with State Department officials is worse.
3. Blumenthal was engaged in a massive conflict of interest since he was working with people attempting to do business in Libya. If Clinton knew, her behavior in circulating the memos was egregious. If not, her recklessness is once again apparent.
4. According to the [New York Times](#), the memos were circulated *without giving the source*, in effect *misleading her own department professionals* who would otherwise have disregarded information coming from a discredited source.
5. Blumenthal had been employed by the Clinton Foundation, although it is not clear he was still engaged when the memos were sent. This means the foundation served as a slush fund to pay for her cronies. Money from good-hearted donors went to characters like Blumenthal.
6. Clinton was deceptive when asked about him and the memos, suggesting it was just correspondence with an old friend. Her refusal to tell the truth even when documented evidence exists to contradict her shows how brazenly dishonest she is.
7. The memos marked "sensitive but unclassified" contained information including top officials's travel plans. This underscores her extreme recklessness in keeping her at-home server. And, in fact, we first knew about the Blumenthal memos because he was [hacked](#), raising the potential that embarrassing information to and from other figures is in the hands of hackers, foreign governments and others who would exploit the information and/or harm U.S. interests.
8. The memos remind us that the Clintons's stable of sleazy fixers has never left them. If she should win the presidency Blumenthal and his ilk would be front and center, free to run their political hit squad from the White House.

9. There is very well even more damning information that we do not have access to because Clinton destroyed tens of thousands of memos she claimed were “private” and wiped her server clean. Will that information surface at some point?

10. It is becoming near impossible for any journalist or Democrat not on payroll or in the tank for Clinton to defend her conduct. To the contrary, having stiffed and misled journalists she has accomplished a rare feat — getting the mainstream media motivated to go after the likely Democratic nominee with a ferocity almost always reserved for Republicans.

TaxProf

[New University Of Texas President Rejects 'Vulgar' Salary Slurped Up By His Counterparts At Other Colleges](#)

by Paul Caron

New York Times op-ed: [Platinum Pay in Ivory Towers](#), by [Frank Bruni](#):

Gregory Fenves recently got a big promotion, from provost to president of the University of Texas at Austin. A raise came with it. Instead of his current base of about \$425,000, he was offered \$1 million.

And he rejected it — as too much. ... He suggested, and agreed to, \$750,000. That’s hardly chump change. But in the context of the shockingly lucrative deals that have become almost commonplace among college presidents, the sum — or, more precisely, the sentiment behind it, — is worthy of note and praise.

Another of those deals came to light late Tuesday night, when [The Wall Street Journal](#) reported that Yale University had paid its former president, Richard Levin, an “additional retirement benefit” of \$8.5 million after he retired from his post in 2013. The Journal characterized this as an “unprecedented lump-sum payment” for a college president and noted that Levin’s annual compensation package during his final years at Yale was already over \$1 million.

All in all, few presidents give adequate thought to the symbolism and dissonance of extraordinarily generous salaries, which are in sync with this era of lavish executive pay and glaring income inequality but out of line with the ostensible mission of academia.

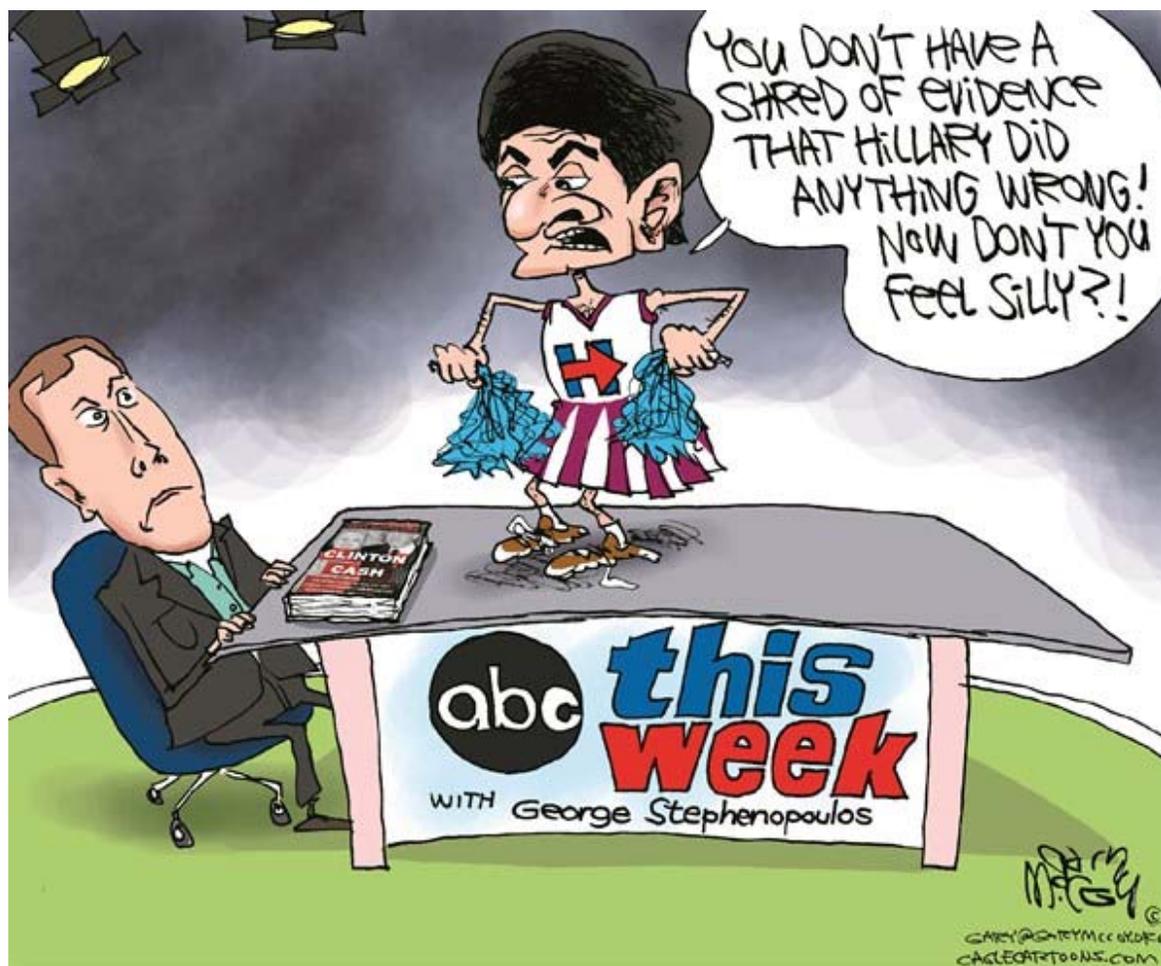
Ideally, higher education is dedicated to values different from those that govern Wall Street and corporate America. It supposedly calls students to more soulful concerns, even to sacrifice. But that message is muddled when some of the people who run colleges wallow in payments and perks that would once have been considered vulgar.

For E. Gordon Gee’s final year as the president of Ohio State University, which he left in 2013, he got a package of more than \$6 million, as was [widely reported](#). It was a one-time bonanza, including deferred payments and severance, but he’d earned roughly \$2 million annually over the previous years.

The Chronicle of Higher Education [analyzed](#) salary information for private colleges from 2012, the most recent year available, and found that Shirley Ann Jackson, the president of Rensselaer Polytechnic Institute, received a package worth over \$7 million. John L. Lahey of Quinnipiac University: about \$3.75 million. [Lee Bollinger](#) of Columbia University: almost \$3.4 million. ...

Their extravagance strikes an especially discordant note in light of the challenges confronting higher education today, and it undercuts their moral authority.

How do you defend the transfer of teaching responsibilities to low-paid, part-time adjuncts when the president is sitting so pretty? How do you cut administrative costs, which indeed need cutting? How do you explain steep tuition increases, mammoth student debt and the failure to admit more children from poor families? How do you summon students back to the liberal arts and away from mercenary priorities?







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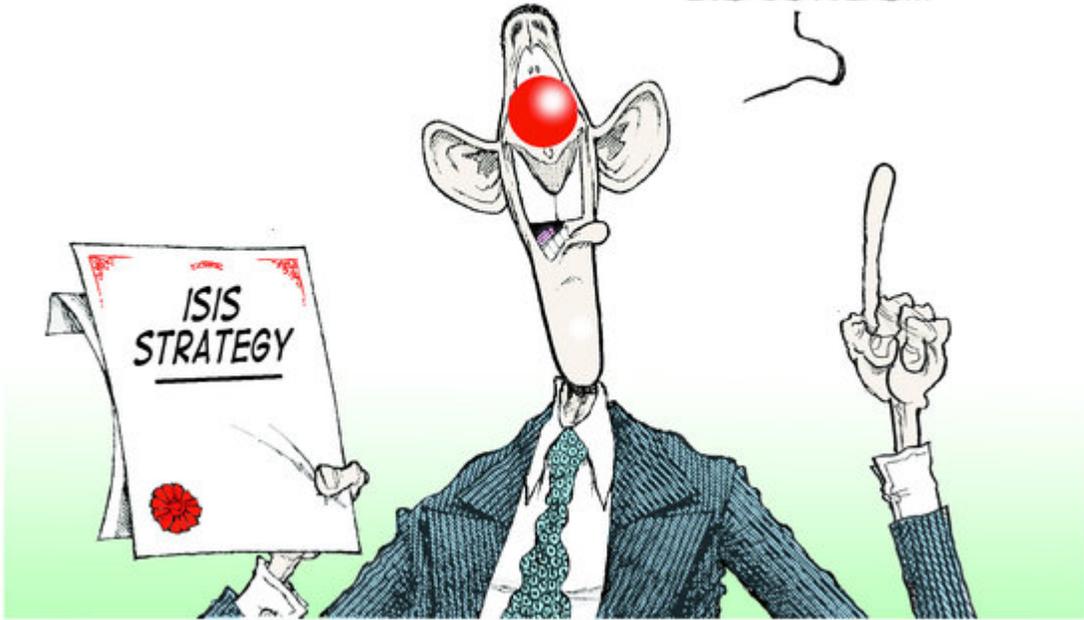
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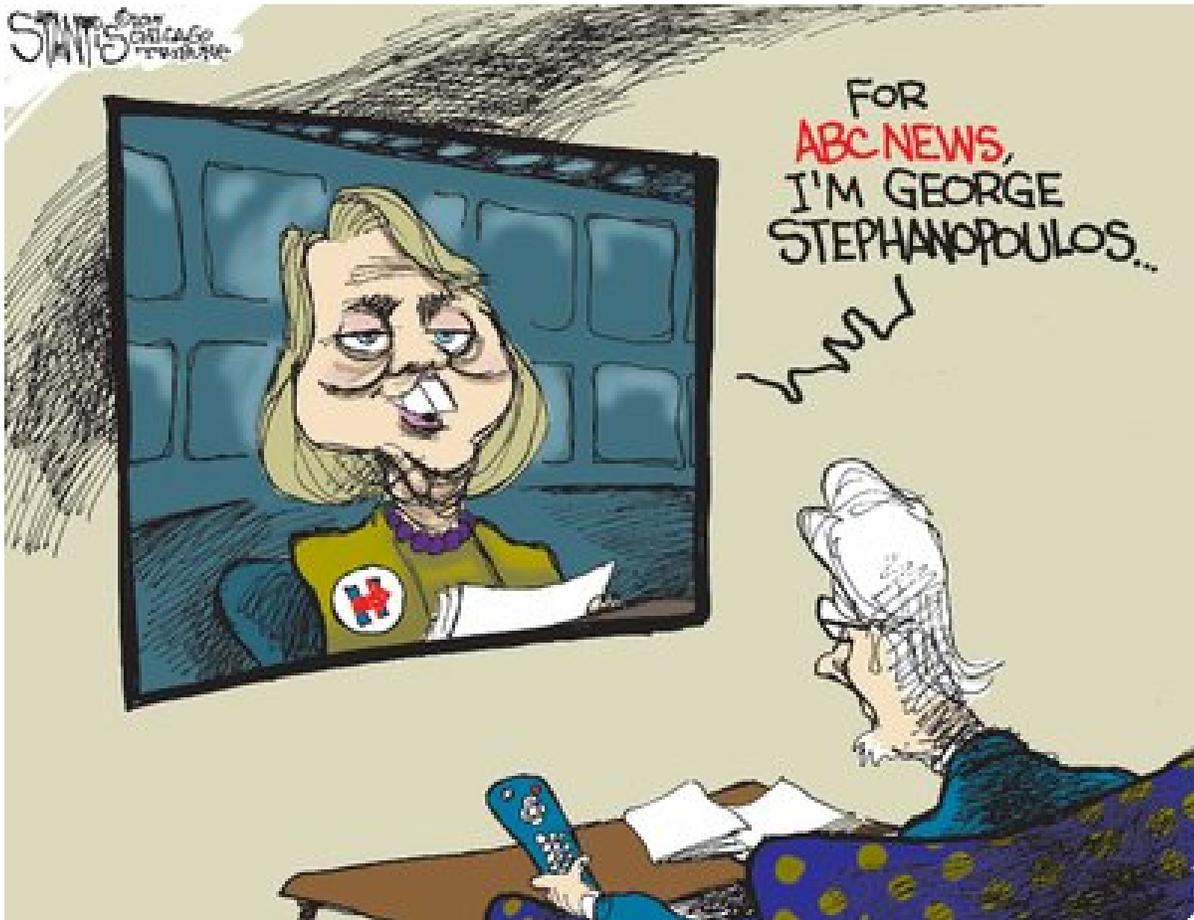
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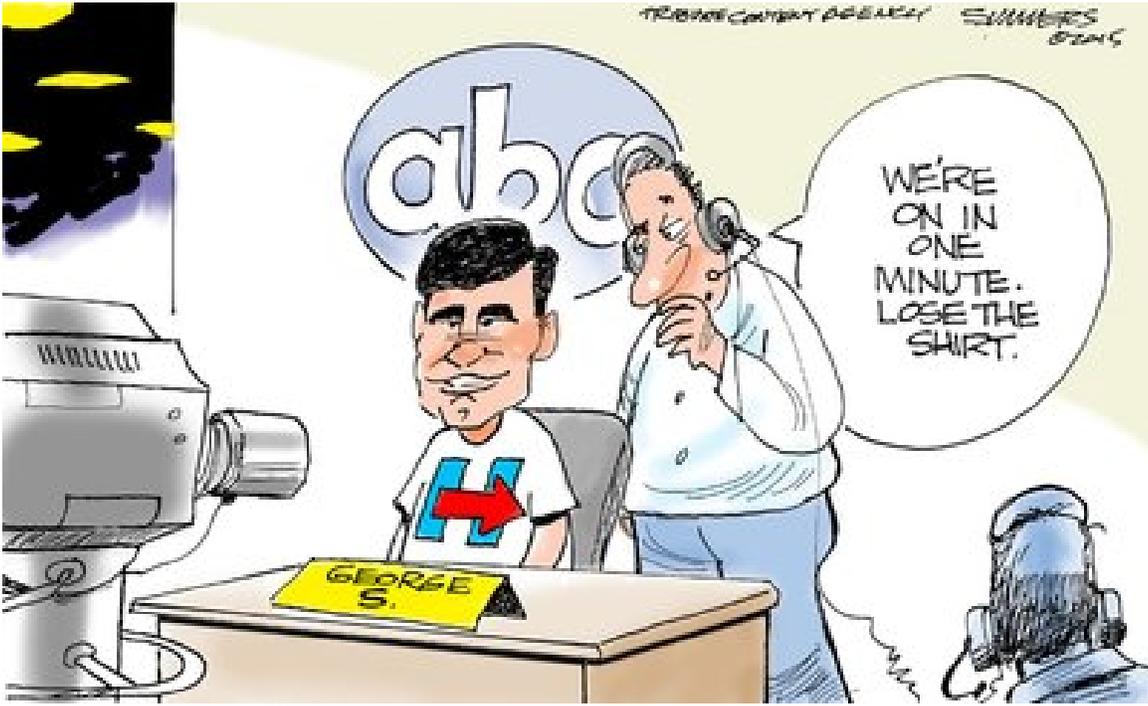


NATIONAL RED NOSE DAY

STATS FROM CHICAGO TRIBUNE

FOR
ABC NEWS,
I'M GEORGE
STEPHANPOULOS...





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