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On Petraeus, the end of easy money and his No. 1 priority



Things That Could Go Wrong on Election

Breaking machines, crashing computers, vanishing votes— are we ready for 130 million voters? If you're worried about your vote not counting, here's what you can do about it

BY MICHAEL SCHERER

7 Things That Could Go Wrong on Election Day







Thursday, Oct. 23, 2008 Introduction

By Michael Scherer

We can go to the moon, split atoms to power submarines, squeeze profits from a 99 cent hamburger and watch football highlights on cell phones. But the most successful democracy in human history has yet to figure out how to conduct a proper election. As it stands, the American voting system is a worrisome mess, a labyrinth of local, state and federal laws spotted with bewildered volunteers, harried public officials, partisan distortions, misdesigned forms, malfunctioning machines and polling-place confusion. Each time, problems pop up on the margins; if the election is close, these problems matter a great deal. Republicans and Democrats predict record turnouts, perhaps 130 million people, including millions who have never voted before. The vast majority will cast their votes without a hitch. But some voters will find themselves at the mercy of registration rolls that have been poorly maintained or, in some cases, improperly handled. Others will endure long lines, too few voting machines and observers who challenge their identities. Long a prerogative of local government, the patchwork of election rules often defies logic. A convicted felon can vote in Maine, but not in Virginia. A government-issued photo ID is required of all voters at the polls in Indiana, but not in New York. Voting lines are shorter in the suburbs, and the rules governing when provisional ballots count sometimes vary from state to state. As Americans cast their ballots on Nov. 4, here are some problems that threaten to throw this election to the courts again.

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1. The Database Dilemma

By Michael Schere

"Joe the plumber" is not registered to vote. Or at least he is not registered under his own name. The man known to his mother as Samuel Joseph Wurzelbacher, who has become a feature of John McCain's stump speech, is inscribed in Ohio's Lucas County registration records as "Worzelbacher," a problem of penmanship more than anything else. "You can't read his signature to tell if it is an o or a u," explains Linda Howe, the local elections director.

Such mistakes riddle the nation's voting rolls, but they did not matter much before computers digitized records. The misspelled Joes of America still got their ballots. But after the voting debacle in 2000, Congress required each state to create a single voter database, which could then be matched with other data, such as driver's licenses, to detect false registrations, dead people and those who have moved or become "inactive." In the marble halls of Congress, this sounded like a great idea — solve old problems with new technology. But in the hands of sometimes inept or partisan state officials, the database matches have become a practical nightmare that experts fear could disenfranchise thousands.

In Wisconsin, an August check of a new voter-registration database against other state records turned up a 22% match-failure rate. Around the time four of the six former judges who oversee state elections could not be matched with state driver's license data, the board decided to suspend any database purges of new registrants. But database-matching continues elsewhere. In Florida, nearly 9,000 new registrants have been flagged through the state's "No Match, No Vote" law. (Their votes will not be counted unless they prove their identity to a state worker in the coming weeks.) In Ohio, Republicans have repeatedly gone to court to make public a list of more than 200,000 unmatched registrations, presumably so that those voters can be challenged at the polls, even though most of them, like Joe, are probably legit. "It's disenfranchisement by typo," explains Michael Waldman, executive director of the Brennan Center for Justice, which tracks voting issues.

Elsewhere the purges are peremptory. A county official in Georgia this year removed 700 people from voter lists, even though some of those people had never received so much as a parking ticket. Another Georgia voter purge, which seeks to remove illegal immigrants from the rolls, has been challenged by voting-rights groups that say legal voters have been intimidated by repeated requests to prove their citizenship. Back in Mississippi last March, an election official wrongly purged 10,000 people from the voting rolls — including a Republican congressional candidate — while using her home computer. (The names were restored before the primary.)

With just days until the election, the scale of the database-purge problem is unknown. Millions have been stripped from voter rolls in key states, but the legitimacy of those eliminations remains unclear. The sheer volume of state voter checks against the federal Social Security Administration database, however, has raised concerns. Six states that are heavily using the federal database were recently warned by Social Security commissioner Michael Astrue about the danger of improperly blocking legitimate voters. "It is

absolutely essential that people entitled to register to vote are allowed to do so," he said in October.

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2. 'Mickey Mouse' Registrations And Polling-Place Challenges

By Michael Scherer

Thanks to a few bad apples, <u>ACORN</u> is no <u>longer just an oak-tree nut</u>. McCain blames the group for "maybe perpetrating one of the greatest frauds in voter history." Members of Congress have demanded investigations. The fbi is asking questions. Republican protesters have started crashing political events in squirrel costumes.

Yet the problem of registration fraud is age-old. For decades, both parties and many other groups have paid people to go out and register new voters. In the case of acorn, a community group that represents low-income and minority communities, this led to a massive registration drive this year, which signed up 1.3 million new people, mostly in swing states. The problem is that a small fraction of those new voters don't exist. That's because the 13,000 part-time workers conducting the acorn registration drive were paid on a quota system, providing them a clear incentive to fabricate registrations. Across the country, registrars have flagged thousands of acorn forms as suspect. In Florida, "Mickey Mouse" tried to register with an application stamped with the acorn logo. The starting lineup of the Dallas Cowboys signed up to vote in Nevada. But there's a difference between registration fraud and voter fraud; the latter has not been documented on any significant scale in decades. Phony registrations are difficult to translate into fraudulent votes. Under federal law, new registrants still have to provide election officials with identification before casting their first ballot. Unless Mickey Mouse has an ID, the chance that he'll vote is slim.

Democrats complain that trumped-up charges of voting fraud could scare people from the polls. On the other hand, the acorn effect makes elections suspect — and that's bad for everyone. Republicans in several key swing states have argued that the false registrations make it necessary to monitor polls and challenge suspect voters. If that happens on a grand scale, the voting process could become more like running a gauntlet than exercising a right, with polling-place delays and confrontations that could scare people off or just lead them to conclude it's not worth the time.



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3. Bad Forms

By Michael Scherer

Until the palm beach county butterfly ballot had its 15 minutes of fame, few believed that bad design could determine the fate of the world. But then a local election official created a form that confused elderly voters, causing thousands to mark both Al Gore and another candidate on the same form, disqualifying enough votes to put George W. Bush in the White House.

Eight years later, punch-card ballots are mostly a thing of the past, but bad design lives on. This summer, the McCain campaign sent poorly designed absentee-ballot forms to more than 1 million voters in Ohio. The form included a redundant box for voters to check if they were "qualified electors." Though the box was not required by law, the Democratic secretary of state, Jennifer Brunner, rejected thousands of otherwise complete forms with unchecked boxes. Luckily for the voters, the state supreme court stepped in to overrule Brunner's order, which it noted "served no vital public purpose or interest." A lawsuit has yet to be filed in a similar case in Colorado, where Republican secretary of state Mike Coffman, who is running for Congress, ruled that more than 6,400 new registrations should be rejected because people failed to check a box before providing the last four digits of their Social Security number. Again, the box was redundant, since new registrants provided all the other required information, yet Coffman has declared the forms incomplete and sent letters alerting voters that they have just a few days to fix the mistakes or be left off the rolls.

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4. The Voting-Machine Fiasco

By Michael Scherer

As soon as the last chad was counted in Florida, Congress got to work on a new law that authorized \$3.9 billion to buy new, high-tech voting equipment. On the whole, the new machines were an improvement over the old punch cards and levers, but many parts of the country now find themselves yearning for the old problems of paper.

About one-third of voters this fall will use electronic machines, usually touchscreen systems that produce no paper record of the vote. If the machines are miscalibrated, they are known to malfunction, sometimes causing the selection of one candidate to show as a vote for another. But the bigger concern, which has been echoed by computer scientists, is that the machines have no independent paper backup. A memory failure or a corruption of the data leaves no route for a recount. The 2006 congressional election in Florida's 13th District produced the nightmare scenario. Republican Vern Buchanan won the contest by a margin of 369 votes. But in a single, Democratic-leaning county, more than 18,000 voters mysteriously failed to record a selection in the congressional race, an undervote as much as six times the rate of other counties. There is no way to know for sure what, if anything, went wrong.

Since that election, several states, including Florida and California, have required paper records for all electronic-voting devices. A bill in Congress that would mandate paper records of all machines nationwide has gathered 216 co-sponsors, including 20 Republicans.

Meanwhile, 11 million people live in counties that will use lever machines or punch-card ballots this year, even though the congressional deadline to replace that equipment passed in 2006.



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5. Unequal Distribution of Resources

By Michael Scherer

This summer, a local democratic county clerk in Indiana noted a surprising increase in new registrations from the area around Ball State University. He suggested that a new early-voting location be set up on campus. But the county's Republican chairwoman, Kaye Whitehead, opposed the plan, calling it a "political ploy" that would encourage students to vote in exchange for freebies like hot dogs. "This is a serious election," she told the local newspaper, before the lone Republican on the election board blocked the site. "You need voters who are informed."

Partisan squabbles about access occur regularly across the country, often with major effects on Election Day. In 2004 lines in Ohio's Franklin County led some Democrats to complain that Republicans were using resources to affect the outcome of the vote. While suburban precincts had enough machines so voters didn't have to wait, largely Democratic precincts in Columbus had lines with four-hour waits — often in the rain. Bipartisan estimates suggested that between 5,000 and 15,000 voters gave up on waiting and never voted. But even the question of which precincts get election machines is a maze: in Wisconsin, one voting machine is required for every 200 voters registered in a precinct. In Virginia, by contrast, the law calls for one machine for every 500 to 750 voters, depending on the size of the precinct. In Colorado, which saw six-hour waits for ballots in 2006, the law simply calls for a "sufficient" number of voting booths.





6. New Burdens of Proof

By Michael Scherer

The sisters of the holy cross in notre Dame, Ind., don't have much use for driver's licenses. Or at least that's what a dozen of the nuns thought on May 6, when they went to vote in the presidential primary. They were each turned away as a result of a recently established ID-check requirement at Indiana polls.

In the intervening months, the elderly sisters have all had a chance to get government identification. But an explosion in voter-identification laws has raised the prospect that thousands will turn up to vote next month and find themselves turned away. Federal law now requires that all first-time voters who register by mail provide some sort of identification either when they register or when they vote. But states have applied that rule in markedly different ways. In Pennsylvania, first-time voters can use a firearm permit or a utility bill to identify themselves, and longtime voters don't have to show anything at all. In Georgia and Florida, gun permits don't help; all voters must show a state or federal photo ID at the polls. In Indiana, residents who attend state schools can use their student IDs in many cases, but students who attend private schools cannot. The laws have been established to prevent voter fraud, but some experts worry that voter suppression will result. "There is very little evidence of widespread voter fraud," says R. Michael Alvarez, co-director of the Caltech/mit Voting Technology Project. "Imposing these additional barriers doesn't seem terribly justified."

How big a barrier? A 2001 study found that 6% to 10% of the voting-age population lacks driver's licenses or other state-issued IDs. The most reasonable worry is that many local ID requirements are not well known to voters, which could lead to significant numbers of people leaving the polls frustrated on Election Day without casting their ballot. That should not happen: in all states, voters without IDs are permitted to cast a provisional ballot. But in many states, for the ballot to count they must bring a valid ID to election officials within days after the election, proving that they are the person they claim to be.







7. Confusing Rules, Bad Information

By Michael Scherer

As election day nears, dirty tricks surface. Flyers are left on cars telling Democrats that they should vote on Wednesday, not Tuesday. Anonymous automated phone calls warn people that they will be arrested at the polls or that their polling places have moved. The impact of such gambits is usually small, and in an increasing number of states, such tricks are punishable by law.

A more insidious type of misinformation starts months earlier with local officials. Last March, the president of Colorado College in Colorado Springs received a letter from the El Paso County clerk, Robert Balink, warning that out-of-state students cannot register to vote if their parents claim them as dependents in another state. This was false. The registrar of elections for the area around Virginia Tech issued other confusing messages to students there, obliquely suggesting that their parents' tax status could be jeopardized based on vague state-board-of-elections guidelines.

A widely circulated anonymous e-mail warns voters that they will be turned away from polling places if they wear a barack obama button or a john mccain T shirt. This is true in only a minority of states. In Virginia, for instance, wearing a candidate's T shirt or button can get you tossed from a polling place. After agreeing to the policy, Virginia Board of Elections officials said decisions about what to do will be subject to the interpretation of local poll workers and judges — which is a pretty good metaphor for the controlled electoral chaos that is about to unfold all over America in a few short days.

-with reporting by Marti Covington and Maya Curry / Washington



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Blue Dogs On the Prowl

By Michael Grunwald/Mathiston, Miss.

George W. Bush is less popular than poison ivy; the economy is in worse shape than Homer Simpson; if the Republican Party were a bank, it would need a bailout. But none of that can explain why Democrat Travis Childers won a startling special election to represent Mississippi's First Congressional District in May or why he's expected to keep his seat in November.

To understand the appeal the former Prentiss County chancery clerk has in deep red northern Mississippi, it's less helpful to know his party affiliation than to watch him deliver a 15-minute soliloquy on the glories of fried green tomatoes over lunch in Columbus or work the crowd at the annual Good Ole Boys and Gals political barbecue in Oxford or react to the news that squirrel dumplings would be served at a cookout in Yalobusha County. "Honey child!" Childers shouted with glee. "I think it's fair to say," he told me later, "that I'm a squirrel-dumpling kind of guy."

In the past few decades, Democrats have not done well in squirrel-dumpling kinds of districts. Bush dominated this one by 25 points in 2004, and Republican Roger Wicker held its congressional seat without much trouble for seven straight elections before he was appointed to the Senate to replace Trent Lott. But last spring Childers became a national symbol of Democratic resurgence when he defeated Republican Greg Davis to win Wicker's vacated seat, and his apparent advantage in their upcoming rematch has been described as a metaphor for GOP problems this fall. After gaining 31 House seats in 2006, Democrats are poised to capture perhaps 10 to 20 more on Nov. 4.

Childers is outpolling and outspending Davis, and Childers will benefit from an estimated 100,000-plus new Democratic registrations in Mississippi, many of them African Americans inspired by Barack Obama. And the collapse of the GOP brand--a party leader has said that if House Republicans were a dog food, they'd be pulled off the shelves--has gotten Childers some second looks from fed-up voters. Jim Lyons, a Republican whose trucking business is on the brink of failure, said after meeting Childers at a diner in tiny Mathiston that he's done with straight-ticket voting. "People are sick to death of all the incompetence and corruption in Washington," he said.

But Childers has not focused his campaign on Bush or on a House Republican caucus that has usually marched in lockstep with Bush or even on Davis; Childers' speeches make it sound as if he's running against a Washington resident named Partisan Bickering. He may be a Democrat, but he's a pro-gun, pro-life, pro-drilling Blue Dog Democrat who rarely mentions House Speaker Nancy Pelosi except to assure voters that she doesn't tell him what to do. And for all his folksy chatter, he won't even say whether he's voting for Obama, shifting to evasive blather about fiercely independent-minded Mississippians who don't want their Congressman to tell them how to vote. John McCain will win the First District easily, and Childers can't win without McCain voters, but he also needs an enthusiastic turnout from blacks, who make up more than a quarter of the electorate. "This is still a conservative Republican district, and that's why Travis is running away from his own party," Davis complains. "When he's home, he sounds like a Republican. But he's not."



Democrats expect to enjoy Election Day. They hope to see Obama in the White House, a filibuster-proof majority in the Senate and a much larger advantage in the House than the nearly 40-seat margin they have now. Childers is a reminder that Democratic strength in polls is as much a reflection of a change in strategy as it is of voter unease with the GOP. In a recent debate at the University of Mississippi, Childers agreed with Davis on just about every policy issue, from drilling in Alaska (for it) to the recent Wall Street bailout (against it); the only real contrast was that Childers is a proud country boy, a real estate agent from rural Booneville, while Davis is a more stilted suburbanite, the mayor of the bedroom community of Southaven. By recruiting candidates who depart from party orthodoxy but are more in line with conservative districts, Pelosi's team has expanded the Democrats' appeal in long-hostile territory. Childers actually runs strongest in rural towns that support John McCain but resent growing Memphis, Tenn., suburbs like Southaven. That presents dilemmas for Democratic leaders back in Washington, who may find new members of their herd hard to corral. After the galvanizing force of Bush is gone, they'll have to figure out what still unites them as a party.

To Childers, the common thread tying together Democrats is government concern for working families. As a teenager, he went to work in a convenience store after his father died, while his mother worked two minimum-wage jobs; he remembers borrowing \$1,100 to get himself through Ole Miss. He's appalled by the \$10 trillion national debt, but he's an economic populist who doesn't assume government spending is bad. He believes that Republicans convinced many Southerners that Democrats don't share their values because of hot-button culture issues like guns--he doesn't mention race--but he has an A rating from the NRA, and he considers himself the essence of Mississippi values. "I'm a mainstream Democrat, a rural Democrat, a middle-of-the-road Democrat," he says.

Davis does not claim to be middle of the road; he criticizes Childers for being middle of the road. Davis is a throwback to the small-government GOP revolutionaries of 1994, before they took power and discovered that Big Government had its perks. He believes the trouble with the Bush era has been overspending, and he's hammering away at Obama, Pelosi and the specter of a liberal counterrevolution that would turn health care over to the government. When I remind him that Medicare is a government program, Davis doesn't hesitate: "And look how great that turned out."

The problem for the Republican is voters like Paul Blackburn, a 65-year-old bus driver from Eupora who shook hands with Childers at the Mathiston diner. Blackburn voted for Bush twice--and would a third time if he could. He believes that all news stations are biased except Fox, which is where he says he learned that the Clinton Administration created the current economic meltdown by coddling Fannie Mae and Freddie Mac. "I believe in God, I believe in the war in Iraq, and I don't have a lot of use for Nancy Pelosi," he says. "But Travis, well, I think he's his own man. He's a Democrat, but he's O.K."

So far, Pelosi has been happy to let Travis be Travis. She let him carry a bill to protect gun ownership in the District of Columbia as well as an amendment to restrict the hiring of illegal immigrants. "She's never tried to arm-twist me, and I appreciate that," Childers says. "She told me when I was sworn in, You represent north Mississippi, and you answer to nobody else."

It's a smart strategy for building a solid majority: there are now 47 Blue Dogs in her caucus--about 20% of House Democrats. But Pelosi will have to decide whether to try to use her leash. At some point, those Blue Dogs are going to bark.



Life Without Credit (What Deleveraging Really Means)

By Bill Powel

At ByDesign Financial Solutions, a debt-counseling service in Modesto, Calif., they're working overtime these days. "Our call volume went up 97% in the past five weeks, which has left us scrambling," says Martha Lucey, president of the nonprofit agency. "[The callers] are close to the max on their credit cards, and they just can't figure out how to manage. We've seen credit-card companies decreasing lines of credit, and the [debtors] don't have any room left. They just can't juggle things like they used to."

At Keller's, a popular Modesto housewares store, the end of that profligacy is shockingly apparent to owners Cherie and Joyce Keller. Sales are evaporating, and they are worried about the Christmas shopping season. "It was sudden death — there were no people shopping," says Joyce Keller. "It took the crash for people to understand that this wasn't just a problem in California."

Economic reality, in other words, is settling in across the nation. Every tumultuous period of financial boom and bust comes to be defined by a word or catchphrase. Tulipmania. The Great Depression. The dotcom bubble. The word that could define the financial times we are now living through — and the economic pain that has begun — is *leverage*.

Leverage was the mother's milk of Wall Street — and of Main Street — for the past 20 years. Leverage meant debt, specifically the number of dollars you could borrow for every dollar of wealth you had. It meant borrowing other people's money to invest in something you wanted to invest in, or to buy something you wanted to buy. On Wall Street, debt funded investments in pretty much everything a financial firm could bet on, including the toxic mortgage-backed securities that led the way into this crisis. On Main Street, it meant borrowing to buy a house or a condo — maybe two — then perhaps borrowing again off the increasing value of that property to pay for something else: a flat-screen TV, a new set of golf clubs, your daughter's braces.

The debt binge was fueled by easy money and the belief that prices of assets — those of houses in particular — never went down; only interest rates did. That era is over. It will be replaced by what will be one of the more painful, and consequential, economic chapters in our history: the great *deleveraging* of America. On Wall Street, the largest financial institutions on the planet are reducing their debt and trying to build up capital, which once upon a time was the seed corn of their business, and now must be again. Retail banks like Wachovia and investment banks like Morgan Stanley have been so burned by their own reckless use of debt that only recently — and after unprecedented government intervention — have they been willing to once again make the most basic short-term loans to one another. The gradual thawing of the overnight-lending market, which seemed to begin on Monday, Oct. 20, was the first sign that Wall Street's credit markets were, however haltingly, regaining some sense of equilibrium after the previous, harrowing month.

But the credit crunch is not anywhere near over. "It took 20 years for us to get into this situation — leveraged to the hilt — and it will take more than a couple of years to unwind it," says Paul Ashworth, senior



U.S. economist at Capital Economics. "And even when we get back to normal, that normal is not going to be the same. We won't have this sort of freely available credit that we had before for households and businesses. It's going to be a different reality — a more austere one — when we come out on the other end of this."

The one exception, though, is Uncle Sam. Even before the financial crisis forced the government's hand, the U.S. had again become addicted to deficit spending — relying on the kindness of strangers (in this case, mainly Chinese and Japanese central bankers) to finance its spendthrift ways. In September the Congressional Budget Office's baseline deficit forecast for 2008 was \$407 billion. Now, with the Treasury's massive intervention in support of banks and financial markets (\$700 billion at a minimum) and with a second economic-stimulus package a political certainty, the government deficit could soar next year to \$1 trillion.

In the short term, that may be a necessary price to pay to pump life into the economy, but the effects of deleveraging on Wall Street and Main Street still threaten the steepest recession in the U.S. since the early 1980s, when unemployment peaked at 10.8% in 1982. Here's why that's so, and how we can still emerge from this crisis a little bit wiser — and, eventually, a lot more solvent — for our trouble.

Wall Street's Newfound Virtue

In February 2000, one of the street's most powerful executives petitioned the Securities and Exchange Commission (SEC) to allow his firm and other investment banks to raise their levels of leverage. He wanted the commission to alter something called the net-capital rule, which he said was "the single most important factor in driving significant parts of our business offshore."

That exec was Henry Paulson, then the CEO of Goldman Sachs, now U.S. Treasury Secretary. Four years later, the SEC complied, amending the rule; the effect was to allow Wall Street to borrow even more money to finance its businesses. At the most aggressive investment banks, leverage ratios reached 30 to 1. That is, for every dollar in equity capital the firm had, it borrowed \$30.

Now those ratios are being unwound with a vengeance. In interviews, Wall Street executives, like John Mack, CEO of Morgan Stanley, talk of reducing their leverage to a ratio of 12 to 1-a regulatory requirement, now that both Morgan and Goldman have turned themselves into commercial rather than investment banks — as if there were some button they could push to make it happen. But the truth is that for U.S. banks, reducing their use of debt and rebuilding their devastated balance sheets is a long and painful process. Deleveraging is part of what creates a credit crunch: institutions that have been hammered by the decline in real estate prices will be making fewer loans available to businesses and consumers alike.

We've seen this movie before, and it's not a happy one. Japan's financial sector imploded in the 1990s as bubbles in real estate and stock prices (sound familiar?) burst. Eventually, Japan's central bank drove interest rates to near zero to stimulate the economy. But it was, as the economists say, "pushing on a string." Banks were reluctant to lend because they needed to hoard capital to repair their balance sheets — just as they need to do now in the U.S. Economic growth slowed, and demand for the credit that was available diminished. The result was Japan's infamous Lost Decade: 10 years of low or no growth.

Is that what the U.S. is in for? Not necessarily. One crucial difference is that the Federal Reserve under Ben

Bernanke, a scholar of the Great Depression, has reacted to this crisis much more swiftly than his Japanese counterparts did in the 1990s. His nickname is "Helicopter Ben," because he believes it's the government's job to litter the landscape with money, if necessary, to prevent economic collapse. No surprise, then, that he endorsed the Treasury's plan to inject capital directly into the banks and this week backed yet another stimulus package for the economy.

Main Street's Pullback

For millions of Americans, the prospect of living within their means is a meaner one by the day. And it has consequences that are already showing in the bankruptcies of retailers such as Linens 'n Things, Mervyns, Steve & Barry's, Shoe Pavilion, Goody's and Sharper Image and in the possibility of poor holiday sales. The overleveraged consumer is the biggest economic problem the country faces, because debt has been the rocket fuel that has propelled growth for most of the past decade. Two-thirds of the \$14 trillion U.S. economy is driven by consumer spending, and the relentless shopper has also been critical to the growth in once booming exports led by economies like China's.

American consumers had become more addicted to debt than Wall Street was. Total household debt at the end of last year was \$13.8 trillion, up 20% since 2005. At the same time, the household savings rate ticked down close to zero; the rocket's engine was running on empty.

Now consumers everywhere are reeling. Christopher Adams is an architect who lives with his wife Rachel in a North Miami Beach condo project in which fully 25% of the 244 units are in foreclosure. That means higher maintenance fees for those — like the Adamses — who continue to pay their mortgages. And as his monthly payments have gone up, Adams' income has gone down. His firm has lost three projects over the past year as commercial developers canceled jobs. As a result, he and his wife make decisions that ripple through the economy. He cashed out of his 401(k) to pay bills. A plan to buy a new car? History. They took their son out of an expensive private school. Credit cards? They don't use them anymore. "Debit cards and cash only," says Rachel.

For a U.S. company in retail — the country's second largest industry, employing some 25 million Americans — those are about the most depressing words you can hear. And millions of Americans are now on the same page. Consider Maria Calderon, a single mother of two in Greenacres, Fla., who works for the Palm Beach County public defender's office. Two months ago, she lost a second, part-time job that had helped pay the bills. She soon surrendered to the gods of credit-card debt. She visited a West Palm Beach credit-counseling service to deal with some \$20,000 in unpaid bills. "I wasn't ashamed," says Calderon. "I had to tighten up. It was a decision I had to make to take care of my two kids."

The great risk, as consumers like Calderon cut their spending, is that bad economic news begets more bad news. Bernanke recently called this the "adverse-reaction loop": as consumers spend less, the economy weakens more, unemployment rises, mortgage foreclosures increase, putting more pressure on the financial system, and on the downward spiral goes. Capital Economics' Ashworth acknowledges that the "scenario is out there. It can't be totally dismissed. This deleveraging process could get very, very scary."

Washington's Answer: Charge!

This, you'll not be surprised to learn, is what the government is trying to avoid at all costs. "We're going to

see an evaporation of concern about fiscal restraint simply because the threat of an economic collapse is so great," says Robert Reischauer, president of the Urban Institute, a public-policy think tank. In other words, as the real world sheds debt, the government takes on more and more in the hope that at some point the economy will stabilize and then begin growing again.

The good news is that most economists believe all the weaponry the government is throwing at the problem will eventually have an effect. Interest rates are low and probably headed lower. More fiscal stimulus is on the way. Many economists are currently forecasting a couple of quarters of outright economic contraction. But many see a resumption of slow growth by the second half of next year. The sky, in other words, is not necessarily falling.

It just looks that way right now. "This is the worst economy I've seen since I've been in business," says Tom Slater, owner of Slater's Home Furnishings in Modesto. He's been in business for 39 years. Slater's behavior reflects the malaise: he has cut his personal spending at restaurants and retailers. But he realizes he's part of the solution too. "You can't stop and say, I'm going to keep my fingers crossed that someone's going to do business with me," he says. "We just have to do better business."

Less-leveraged business, in fact. The irony is that in the deleveraged society the U.S. is in the process of becoming, it's the careful consumer who may ultimately bail out the economy. Ashworth believes the U.S. savings rate will rise to 5% of GDP over the next two to three years. "We're going to save more and spend less, because now we don't have a choice," he says. That increase in savings, he figures, will amount to some \$1 trillion — about the projected size of next year's deficit.

That would eliminate the need for foreigners to fund our deficits. The hope is that as we sober up from our debt binge, we'll at least be able to do it ourselves. An era of thrift may be necessary now, but at some point, Americans are going to have to feel like spending again for the economy to grow. It's just hard to see, amid the current economic gloom, when that day will come.

— with reporting by Hector Florin/West Palm Beach, Kristin Kloberdanz/Modesto, Mark Kukis/Washington and Siobhan Morrissey/Miami

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Will the Market Kill Your Marriage?

By Belinda Luscombe

Recession and divorce, it is said, go together like carriage and horse. Those who labor in Splitsville have several explanations for why that might be. There's the lawyer theory, that money provides the soft fatty tissue that insulates the marital skeleton; once it's cut back and people get a good look at the guts of their relationship, they want out. And there's the marriage-counselor theory, that couples who were never quite on the same page in the checkbook finally get pushed off the ledger by endless bickering over their dwindling resources. And the therapist theory, that financial worries cause stress, stress can cause depression, and depression is a total connubial buzz kill.

"Recessions tend to raise divorce rates," says Nobel laureate and University of Chicago Graduate School of Business economist Gary Becker. "But you won't see a pandemic." Census Bureau figures show that over the past 2 1/2 decades, recessions have had only minor effects on divorce rates, which have been slowly waning since the early '80s after 20 years of steadily rising. Those trajectories have been influenced more by the rise of the women's movement and women's earning power, lower fertility and changes in divorce laws than by dour Dows. The only recorded spike in divorces in the past 75 years came right after World War II.

But the trend lines could change, Becker says, depending on the depth of this recession, striking as it does squarely at people's homes. With the financial baggage that many matrimonial vessels are hauling, it's not yet clear whether more spouses will jump ship or start bailing. What is clear is that everybody involved--from the ultra-wealthy to the completely broke, from family-court judges to therapists--has to figure out a new way to navigate.

The Rich, Who Are Different

Steven Eisman helps dissolve the unions of mostly wealthy clients in Nassau County, N.Y. In the traditional thinking about the recession-led split, non--wage earners "who were willing to stay in a less-than-perfect relationship become less willing once the credit cards are taken away," he says. But recently some lawyers have noticed that as stock prices have plunged, they've gotten inquiries from business owners and investors looking to unhitch now, with the idea that being poorer on paper will work to their advantage when dividing assets.

"In most states, the value of a business is part of the matrimonial pot of money that has to be divided up. Often, assets are set at the time of separation," says Neil Stein, partner at Stein & Glazer in Philadelphia. "I've had several clients come to me recently and say, 'I've wanted to get divorced for years but didn't want to give up half of my business. Now that my business is not worth anything, wouldn't it be a good time to do it?" Conversely, some nonearning spouses of the very wealthy are also trying to game the nuptial market, attempting to lock in a higher rate in case the economy travels further south.

The Stuck-at-Homes

Among the nonwealthy, the two assets that typically need to be divided are 401(k)s and the family residence. But suddenly 401(k)s aren't worth as much, and that home whose mortgage was the mother of all argument starters is not an asset at all. It can't be sold--or at least not for a price that provides money to start over.

Instead of working out who owns what, lawyers and mediators are trying to figure out the fiendishly trickier conundrum of who owes what. "We're negotiating debts--not assets," says Henry Gornbein, a family-law attorney in Oakland County, Mich. "Two, three years ago, I'd be telling you that houses had equity, and you'd either be doing a buying out or selling the house and splitting whatever the proceeds were. Now it's the reverse. You go into court; the judges just don't know what to do."

In the face of this, some couples are attempting to tough it out. "The divorce rate is down in Michigan," says Gornbein. "People have no choice sometimes now except to return to the marriage." Others are choosing to separate or divorce but live together until either the house sells or they go stark raving barmy and will sign anything. A Boston lawyer tells of a woman who had a restraining order against her husband but was forced by economic circumstance to let him move back in. (Eventually they reconciled.)

The ex-as-roommate phenomenon is common enough that Virginia already has case law that governs what couples who are separated but living under the same roof may and may not do if they want the separation to lead to a divorce. Sex is definitely out, as is doing each other's laundry, shopping or cooking for each other and going on a date. Virginia, clearly, is not for ex-lovers.

The Teeterers

And then there are the couples who are contemplating divorce because of the strain the poor economy is putting on their poor marriage but think it's because of something else. John Coates, a Deutsche Bank trader turned Cambridge University researcher, measured the naturally occurring steroids in 17 British male traders over time and found high levels of testosterone during bull markets and of cortisol during volatility. Cortisol helps the body deal with threatening situations. But prolonged exposure to it, as during a lengthy downturn, makes people irrationally fearful, so when confronted with neutral situations—say, that their spouse would like the leaves raked—they react as if threatened. In other words, men can get funny when they're losing money. Even those who aren't traders.

Which brings us to cheating. Since no one has yet figured out how to do a National Infidelity Survey, it's hard to track, but experts warn it becomes more likely under stress. "Study after study shows that men deal with stress through escapism and women deal with it by talking," says Jill Brooke, a divorce expert who helps run Firstwivesworld.com "Online porn, massage parlors and escort services are cheaper and quicker than therapy, especially if you lost your health insurance." Often, since the men are operating under stress, they get caught. And often their wives can't bring themselves to take the Silda Spitzer--Elizabeth Edwards high road.

Apart from the ready access to high-speed online porn, what makes this recession different from others is that it's centered on real estate and thus on people's homes, which may explain why women are feeling more anxious about it than men are. In a survey released in October by the American Psychological

Association (APA), more women than men reported feeling stress about money (83% vs. 78%) and the economy (84% vs. 75%). And women were more likely than men to say they had symptoms of stress-including irritability and weariness. Plus, their stress levels had risen more sharply over the past six months than men's. So it's harder for women to take up their traditional role as household comforter and easier for the wheels to fall off the whole enterprise.

There is some good news. A study that correlated Playboy centerfolds with market conditions found that men like fuller-figured women more in lean times than in boom times. The APA study showed that when stressed, women liked to eat. Bingo!

But aside from stress-eating, is there anything to be done if you'd rather the market didn't take your marriage down with it? A lot of counselors suggest sitting with your spouse and putting your fears on the table. If partner A does not know the full lay of the dire financial land, partner B should map it out while partner A makes a robust attempt not to scream. Then figure out how to address your liquidity issues as a team. All this honesty might even work as foreplay, suggests New Jersey sex therapist Sandra Leiblum, but if not, she recommends putting down the BlackBerry and reminding your spouse of something that's "free, burns calories, releases tension and creates bonds." Bonds that, luckily, can't be traded.

With reporting by Lina Lofaro





Wednesday, Oct. 22, 2008

Excerpts from Klein's Interview with Obama

On his decision not to suspend his campaign during the financial crisis:

We were getting phone calls from people from Washington, and I think there were some on our staff who were thinking that maybe we should interject and respond in some way. My strong feeling was that this situation was of such seriousness that it was important not to chase the cameras ... One of the benefits of running this 22-month gauntlet is that you have been through some ups and you have been through some downs. And you start realizing that what seems important or clever or in need of some dramatic moment a lot of times just needs reflection and care. And I think that was an example of where my style at least worked.

On General David Petraeus, with whom he has disagreed over Iraq policy:

I'm glad Petraeus is in CENTCOM ... I think he's ... not just an astute soldier, but I think he's somebody who cares about facts and cares about the reality on the ground. I don't think he comes at this with an ideological predisposition. That's one of the reasons I think he's been successful in moving the ball forward in Iraq. And I hope that he's applying that same perspective to what's happening in Afghanistan.

On negotiating with the Taliban:

This is one useful lesson that is applicable from Iraq. The Sunni awakening changed the dynamic in Iraq fundamentally. It could not have occurred unless there were some contacts and intermediaries to peel off those who are tribal leaders, regional leaders, Sunni nationalists, from a more radical, messianic brand of insurgency. Whether there are those same opportunities in Afghanistan I think should be explored.

On kick-starting the economy:

Finding the new driver of our economy is going to be critical. There is no better potential driver that pervades all aspects of our economy than a new energy economy ... That's going to be my No. 1 priority when I get into office, assuming obviously that we have done enough to just stabilize the immediate economic situation. We've got a boat with a lot of leaks, and we need to get it into port. That's what the financial rescue package is about. But once we get it into port, once the credit markets are functioning effectively, then it's time for us to go back to the fundamentals of this economy.

On Joe the Plumber:

The point I was making was twofold. Number one, I want to give you a tax cut sooner so you can save sooner to start your business sooner, because the average plumber starting off sure isn't making \$250,000 a year. And the second thing is, plumbers, like everybody else, need customers. And if everybody's broke, you're not going to be able to build your business ... It's a simple principle that we've lost, which is that when everybody's sharing in our prosperity, everybody wins.



Thursday, Oct. 23, 2008 The 'Real' Issue

By James Poniewozik

My name is James, and I am a former Real American. I grew up in Monroe, Mich. (pop. 22,076), just across the state line from Holland, Ohio, where lives Joe Wurzelbacher, a.k.a. Joe the Plumber, campaign 2008's latest shorthand for Real America. My dad--also named Joe--drove a beer and wine delivery truck and hunted deer. We went ice fishing and bowling. The first album I ever bought was Bob Seger's Live Bullet.

Today my core beliefs are pretty much the same as then. (Well, the Bob Seger ... only in moderation.) But now I am unreal because I work in the media and live in Brooklyn, which is presumably not among Sarah Palin's "pro-American" parts of America. This is what campaign coverage tells me. If a candidate appeals to my kind, it is a liability. My artificiality will stain him with a mark that can be washed off only by a shot, a beer and a pilgrimage to Scranton, Pa.

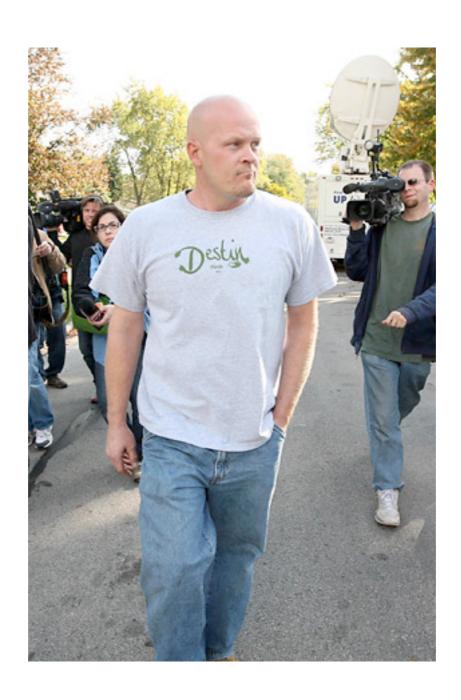
I sometimes wonder where my realness went. Did it fall out somewhere on I-80 when I moved to New York? Does it wear off, like a layer of skin? Did I ever have it? Or is it just a useful myth?

The "useful" part, at least, is confirmed by John McCain adviser Nancy Pfotenhauer's argument that her candidate would win in "real Virginia," as opposed to the D.C. suburbs. And it certainly had something to do with why McCain and Barack Obama mentioned Joe the Plumber in the final presidential debate more than 20 times and why McCain praised him on the stump as though he were Ronald Reagan.

Wurzelbacher, who had questioned Obama on his tax policy, quickly ran into revelations that he'd probably get a tax cut under Obama, that he owed back taxes and that his first name was actually Samuel. But you can see why he made such an attractive campaign mascot. Joe the Software Consultant or Joe the Staples Manager would not tick off nearly as many populist boxes as Joe the Plumber: beefy, hails from the heartland, works with his hands. The kind of guy Chris Matthews, Bill O'Reilly and Joe Scarborough lionize as "regular" and "real." If you can't convince Joe, then you, sir, are an élitist wuss.

Politicians have been calling their voters the salt of the earth--and delegitimizing the other guy's--since Richard Nixon's Silent Majority and before. But now they're abetted by a political press that dotes on a nostalgic definition of realness that bears ever less relation to today's America.

It's the Deadliest Catch--ification of politics. The more the electorate becomes suburban and diverse, the more pundits romanticize a definition of "working people"--like Discovery's Alaskan-crab fishermen--that is largely small town or rural, traditionally blue collar and white. The press spends months at the outset of each election at the independent diners and pancake breakfasts of Iowa and New Hampshire, a kind of museum-preserved Americana. Yet in 2000, according to U.S. Census data, only 59 million Americans lived in rural areas, and 30 million lived in small towns of fewer than 50,000 residents, compared with 192 million in cities and suburbs. Most of us, it seems, are unreal.



So we get an image of America shaped by outdated iconography and the self-consciousness and class guilt of journalists, especially male ones. (What do we, with our soft, girlie hands, know about real life?) Palin, in this picture, is real because she eats moose. Obama is not real, because he eats arugula. Yet arugula is served at strip-mall chains like the Olive Garden and Panera. Rachael Ray--not exactly a food snob's idol--makes pasta and beef tenderloin with it. I have looked in vain for her mooseburger recipe. Why are you so out of touch with yourself, America?

Here's why: because real Real Americans defy stereotypes. The real Real America has become both more homogeneous (more chain stores, less local flavor) and more heterogeneous (the "exotic" is less exotic-McDonald's sells lattes and chipotle wraps). This is America today: the real people borrow from the fake people, Dunkin' Donuts from Starbucks, and vice versa. But the media's cultural referents for ordinary America have hardly changed since George H.W. Bush cracked open a bag of pork rinds.

Which is not to say that Palin is any less real than Obama either. But she represents a kind of life--well-paid blue collar folks living close to the land--that has become rare and far removed from the American median. An élite, if you will.

Ironically, the very appeal of Palin's candidacy, and Obama's, is how they give the lie to "regular" Americanness, to the assumptions about what a female or a black candidate must be like. They remind us by their presence that "average" is anything but, that no one has a monopoly on reality. Our pundits should keep that in mind too. It would be--dare I say it?--the pro-American thing to do.

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Wednesday, Oct. 22, 2008

Why Barack Obama Is Winning

By Joe Klein

General David Petraeus deployed overwhelming force when he briefed Barack Obama and two other Senators in Baghdad last July. He knew Obama favored a 16-month timetable for the withdrawal of most U.S. troops from Iraq, and he wanted to make the strongest possible case against it. And so, after he had presented an array of maps and charts and PowerPoint slides describing the current situation on the ground in great detail, Petraeus closed with a vigorous plea for "maximum flexibility" going forward.

Obama had a choice at that moment. He could thank Petraeus for the briefing and promise to take his views "under advisement." Or he could tell Petraeus what he really thought, a potentially contentious course of action — especially with a general not used to being confronted. Obama chose to speak his mind. "You know, if I were in your shoes, I would be making the exact same argument," he began. "Your job is to succeed in Iraq on as favorable terms as we can get. But my job as a potential Commander in Chief is to view your counsel and interests through the prism of our overall national security." Obama talked about the deteriorating situation in Afghanistan, the financial costs of the occupation of Iraq, the stress it was putting on the military.

A "spirited" conversation ensued, one person who was in the room told me. "It wasn't a perfunctory recitation of talking points. They were arguing their respective positions, in a respectful way." The other two Senators — Chuck Hagel and Jack Reed — told Petraeus they agreed with Obama. According to both Obama and Petraeus, the meeting — which lasted twice as long as the usual congressional briefing — ended agreeably. Petraeus said he understood that Obama's perspective was, necessarily, going to be more strategic. Obama said that the timetable obviously would have to be flexible. But the Senator from Illinois had laid down his marker: if elected President, he would be in charge. Unlike George W. Bush, who had given Petraeus complete authority over the war — an unprecedented abdication of presidential responsibility (and unlike John McCain, whose hero worship of Petraeus bordered on the unseemly) — Obama would insist on a rigorous chain of command.

Barack Obama has prospered in this presidential campaign because of the steadiness of his temperament and the judicious quality of his decision-making. They are his best-known qualities. The most important decision he has made — the selection of a running mate — was done carefully, with an exhaustive attention to detail and contemplation of all the possible angles. Two months later, as John McCain's peremptory selection of Governor Sarah Palin has come to seem a liability, it could be argued that Obama's quiet selection of Joe Biden defined the public's choice in the general-election campaign. But not every decision can be made so carefully. There are a thousand instinctive, instantaneous decisions that a presidential candidate has to make in the course of a campaign — like whether to speak his mind to a General Petraeus — and this has been a more difficult journey for Obama, since he's far more comfortable when he's able to think things through. "He has learned to trust his gut," an Obama adviser told me. "He wasn't so confident in his instincts last year. It's been the biggest change I've seen in him."

(See photos of Obama's extended family here.)

(See a gallery of campaign gaffes here.)

I asked Obama about gut decisions, in an interview on his plane 17 days before the election. It was late on a Saturday night, and he looked pretty tired, riddled with gray hair and not nearly as young as when I'd first met him four years earlier. He had drawn 175,000 people to two events in Missouri that day, larger crowds than I'd ever seen at a campaign event, and he would be endorsed by Colin Powell the next morning. He seemed as relaxed as ever, though, unfazed by the hoopla or the imminence of the election. Our conversation was informal but intense. He seemed to be thinking in my presence, rather than just reciting talking points, and it took him some time to think through my question about gut decisions. He said the first really big one was how to react when incendiary videos of the Rev. Jeremiah Wright's black-nationalist sermons surfaced last spring. "The decision to make it big as opposed to make it small," Obama said of the landmark speech on race relations he delivered in Philadelphia. "My gut was telling me that this was a teachable moment and that if I tried to do the usual political damage control instead of talking to the American people like ... they were adults and could understand the complexities of race, I would be not only doing damage to the campaign but missing an important opportunity for leadership."

The speech was followed by a more traditional form of damage control when Wright showed up in Washington still spewing racial nonsense: Obama cut him loose. And while Obama has followed a fairly traditional political path in this campaign, his strongest — and most telling — moments have been those when he followed his natural no-drama instincts. This has been confusing to many of my colleagues and to me, at times, as well: his utter caution in the debates, his decision not to zing McCain or even to challenge him very much, led me to assume — all three times — that he hadn't done nearly as well as the public ultimately decided he had. McCain was correct when he argued that Obama's aversion to drama led him to snuggle a bit too close to the Democratic Party's orthodoxy. But one of the more remarkable spectacles of the 2008 election — unprecedented in my time as a journalist — was the unanimity among Democrats on matters of policy once the personality clash between Obama and Hillary Clinton was set aside. There was no squabbling between old and new Dems, progressives and moderates, over race or war or peace. This was a year for no-drama Democrats, which made Obama as comfortable a fit for them as McCain was awkward for the Republican base.

And at the crucial moment of the campaign — the astonishing onset of the financial crisis — it was Obama's gut steadiness that won the public's trust, and quite possibly the election. On the afternoon when McCain suspended his campaign, threatened to scuttle the Sept. 26 debate and hopped a plane back to Washington to try to resolve the crisis, Obama was in Florida doing debate prep with his top advisers. When he was told about McCain's maneuvers, Obama's first reaction — according to an aide — was, "You gotta be kidding. I'm going to debate. A President has to be able to do more than one thing at a time." But there was a storm brewing among Obama's supporters in Congress and the Beltway establishment. "My BlackBerry was exploding," said an Obama aide. "They were saying we had to suspend. McCain was going to look more like a statesman, above the fray."

(See photos of Obama's extended family here.)

(See a gallery of campaign gaffes here.)

"I didn't believe it," Obama told me. "I have to tell you, one of the benefits of running this 22-month gauntlet is that ... you start realizing that what seems important or clever or in need of some dramatic moment a lot of times just needs reflection and care. And I think that was an example of where my style at least worked." Obama realized that he and McCain could be little more than creative bystanders — and one prominent Republican told me that McCain was "the least creative person in the room at the President's White House meeting. He simply had no ideas. He didn't even have any good questions." Obama had questions for the Treasury Secretary and the Fed chairman, but he was under no illusions: he didn't have the power to influence the final outcome, so it was best to stay calm and not oversell his role. It was an easy call, his natural bias. But, Obama acknowledged, "There are going to be some times where ... I won't have the luxury of thinking through all the angles."

Which is why the Petraeus moment is so interesting. Obama's gut reaction was to go against his normal palliative impulse and to challenge the general instead. "I felt it was necessary to make that point ... precisely because I respect Petraeus and [Ambassador Ryan] Crocker," Obama said, after he reluctantly acknowledged that my reporting of the meeting was correct. "Precisely because they've been doing a good job ... And I want them to understand that I'm taking their arguments seriously." Obama endorses Petraeus' new post, as the commanding general at Central Command, with responsibility for overseeing both the Iraq and Afghanistan wars. "He's somebody who cares about facts and cares about the reality on the ground. I don't think he comes at this with an ideological predisposition. That's one of the reasons why I think he's been successful in moving the ball forward in Iraq. And I hope that he's applying that same perspective to what's happening in Afghanistan."

Actually, Obama and Petraeus seem to be thinking along similar lines with regard to Afghanistan. I mentioned that Petraeus had recently given a speech at the conservative Heritage Foundation in which he raised the possibility of negotiating with the Taliban. "You know, I think this is one useful lesson that is applicable from Iraq," Obama said without hesitation. "The Sunni awakening changed the dynamic in Iraq fundamentally," he said, referring to the Petraeus-led effort to turn the Sunni tribes away from the more radical elements of the insurgency. "Whether there are those same opportunities in Afghanistan I think should be explored," he said. In fact, senior U.S. military officials have told me that there is a possibility of splitting Pashtun tribes away from the Taliban in the south of Afghanistan. "But we have to do it through the Karzai government," a senior officer told me, referring to the fact that the Army had acted independently of the Maliki government in creating the Anbar Awakening. "That is one lesson we've learned from Iraq."

(See photos of Obama's extended family here.)

(See a gallery of campaign gaffes here.)

Almost exactly two years ago, I had my first formal interview with Barack Obama — and he appeared on this magazine's cover for the first time. It wasn't an easy interview. His book *The Audacity of Hope* had just been published, but his policy proposals didn't seem very audacious. He actually grew a bit testy when I pushed him on the need for universal health insurance and a more aggressive global-warming policy —

neither of which he supported. He has stayed with his less-than-universal health-care plan, and I still find it less than convincing. And his cap-and-trade program to control carbon emissions has taken a backseat to the economic crisis — although Obama insisted that he still favored such a plan, so long as consumers are cushioned with rebates when energy prices rise.

But Obama seems a more certain policymaker now, if not exactly a wonk in the Clintonian sense. He has a clearer handle on the big picture, on how various policy components fit together, and a strong sense of what his top priority would be. He wants to launch an "Apollo project" to build a new alternative-energy economy. His rationale for doing so includes some hard truths about the current economic mess: "The engine of economic growth for the past 20 years is not going to be there for the next 20. That was consumer spending. Basically, we turbocharged this economy based on cheap credit." But the days of easy credit are over, Obama said, "because there is too much deleveraging taking place, too much debt." A new economic turbocharger is going to have to be found, and "there is no better potential driver that pervades all aspects of our economy than a new energy economy ... That's going to be my No. 1 priority when I get into office."

That sort of clarity is new. At the beginning of the year, Donna Brazile said of Obama, "We know he can walk on water — now where are the loaves and fishes?" The inability to describe his priorities, the inability to speak directly to voters in ways they could easily comprehend, plagued Obama through much of the primary season. His tendency to use big rhetoric in front of big crowds led to McCain's one good spell, after Obama presumptuously spoke to a huge throng in Berlin after his successful Middle East trip. Only a President should make a major address like that overseas. Obama seemed to learn quickly from that mistake; his language during the general-election campaign has been simple, direct and pragmatic. His best moments in the debates came when he explained what he wanted to do as President. His very best moment came in the town-hall debate when he explained how the government bailout would affect average people who were hurting: if companies couldn't get credit from the banks, they couldn't make their payrolls and would have to start laying people off. McCain, by contrast, demonstrated why it's so hard for Senators to succeed as presidential candidates: he talked about Fannie Mae and Freddie Mac and the sins of Obama, and never brought the argument home.

(See photos of Obama's extended family here.)

(See a gallery of campaign gaffes here.)

But even with his new populist skills, Obama hasn't been as plain as he could be. If an Apollo project to create a new alternative-energy economy is his highest priority, as he told me, why hasn't he given a major speech about it during the fall campaign? Why hasn't he begun to mobilize the nation for this next big mission? In part, I suppose, because campaigns are about firefighting — and this campaign in particular has been about "the fierce urgency of now," to use one of Obama's favorite phrases by Martin Luther King Jr., because of the fears raised by the financial crisis and because of the desperate, ferocious attacks launched by his opponent.

If he wins, however, there will be a different challenge. He will have to return, full force, to the inspiration business. The public will have to be mobilized to face the fearsome new economic realities. He will also have to deliver bad news, to transform crises into "teachable moments." He will have to effect a major change in

our political life: to get the public and the media to think about long-term solutions rather than short-term balms. Obama has given some strong indications that he will be able to do this, having remained levelheaded through a season of political insanity. His has been a remarkable campaign, as smoothly run as any I've seen in nine presidential cycles. Even more remarkable, Obama has made race — that perennial, gaping American wound — an afterthought. He has done this by introducing a quality to American politics that we haven't seen in quite some time: maturity. He is undoubtedly as ego-driven as everyone else seeking the highest office — perhaps more so, given his race, his name and his lack of experience. But he has not been childishly egomaniacal, in contrast to our recent baby-boomer Presidents — or petulant, in contrast to his opponent. He does not seem needy. He seems a grown-up, in a nation that badly needs some adult supervision.

(See photos of Obama's extended family here.)

(See a gallery of campaign gaffes here.)



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Here Be Monsters

By Mike Murphy

In the closing days of a campaign, every day is Halloween, because the hobgoblins are all real and they genuinely are trying to scare you.

Campaigns are paranoid places to begin with, so when you add the terrible pressures of the final days, it is little surprise that both candidates and their staffs are so jumpy. First, the campaigns are running out of time, which is their most precious resource. Second, by this point each side is totally consumed with rage at the various despicable maneuvers—both real and imagined—of its opponent. Finally, somebody is ahead and afraid to lose position, and somebody is behind and desperate to catch up.

So what happens? Campaigns freak out at every rustle or stirring they hear coming from the eerie political forest. Each side is very quick to see a massive conspiracy behind every day's small kerfuffle. "Why is the poll dipping where we are now spending much more money on television ads? The other side must be making zillions of dirty phone calls under the radar. Quick, triple our nasty phone calls. And double up on the nasty!" This is the main reason campaigns go negative late in the game--when you see a demon lurking behind every shadow, it is only natural to haul out the big artillery and start blasting away.

Meanwhile, as things wind down, Murphy's Law takes over: If something can possibly go wrong, it will. In the final days of one of Bob Dole's presidential campaigns, a GOP superstar was scheduled to appear in a splashy "turn things around" rally for Dole and make a surprise endorsement. The phone rang late the night before--the superstar was canceling the appearance, citing a "dental emergency." At least give that shirker points for creativity. Candidates know that national politics is a brutal Serengeti, and the animals that roam there have highly attuned survival instincts. When they start to flee, it is a sure warning of coming trouble.

But the biggest and scariest monster of all is the Frankenstein of Massive Voter Fraud. Both campaigns are so worked up about it, they are doing what worried campaigns always do: howling like banshees to the media. Each hopes to create a yowl of media attention that will prevent the other side from doing its worst, although each side assumes a level of villainy from the other that is probably more a product of final-campaign-week neurosis than reality. Still, each campaign is obsessed that the other will "steal" the election. In this paranoia, they are perfect dancing partners, since their worst fears are ironically codependent.

While the Republicans and Democrats both fear the lurking fraud monster, it could exist in reality only if they jointly created it, since each party's monster is a direct response to the anticipated actions of the other. Republicans think the Democrats--aided by ACORN, the AFL-CIO, organized crime, the Comintern and the New York Times--are going to stuff every urban ballot box from Miami to Chicago with fraudulent ballots cast by phony, made-up repeat voters. The Democrats fear that the Republicans--aided by the League of Snarling 'n' Sweaty Southern Sheriffs, Wal-Mart, Fox News, Dick Cheney and the ghost of J. Edgar Hoover--are going to use legal shenanigans, menacing hired goons and a vast army of pseudofascist

Christian activists to deny millions of innocent Americans their right to vote.

Silly paranoia? (Cue creepy music here.) Or key elements in "The Enemy's Secret Plan"? Both monsters do exist, I'd say, but are only about 2 ft. (0.6 m) tall, scared of the daylight and lacking particularly sharp claws. The FBI is looking at ACORN for a reason, and the phrase ballot suppression is not a term totally unheard of in GOP hallways. That said, both sides are by and large trying to do what is right, at least most of the time. New-voter registration is a good thing. Keeping a sharp eye out to prevent ballot fraud is also a good thing.

The truth is that in most elections, this clash of the monsters usually boils down to a pair of elderly women poll watchers--the one in the patterned sweater and sneakers is the Democrat, and the one with the rhinestone red-white-and-blue elephant pin and the sensible flats is the Republican--arguing over a few smudgy ballots in a couple of thousand precincts across America. Relax--our democracy will survive.

Of course, if real issues do arise this year, both sides have created huge armies of lawyers ready to pounce on any dubious county board of elections with cuff links flashing. That should be enough to scare away even the nastiest of election-year demons.

Murphy is a GOP political consultant and was senior strategist for Senator John McCain's 2000 presidential race





Thursday, Oct. 23, 2008 The Shell Hunter

By NANCY GIBBS

It's a chill morning, the light is thin, the air sweet and the crowd lively as 15,000 of us set off down a country lane lined with old stone walls and houses with Halloween ghosts in the front yard. Survivors wear pink T shirts; a team called Wendy's Warriors wears black ones with F*#! CANCER on the back. It's a beautiful day to walk together for a little while, just five miles, not so much really, except that in the time it takes to finish, 35 more women will learn they have breast cancer--an average of one every three minutes--and eight more will have died.

I'm walking with Team Sue Harmon in this year's American Cancer Society Making Strides Against Breast Cancer campaign in Purchase, N.Y., and we walk with purpose. Sue is the second biggest fund raiser in the country, locked in a fierce, friendly rivalry with Stacy Matseas of San Diego to see who can raise the most. Sue set her goal at \$100,000 to celebrate the 10th anniversary of her diagnosis. I didn't know her back then, when she was 32, a first-grade teacher with a 6-month-old and a 3-year-old and a disease that came out of nowhere. The doctors' advice was clear and aggressive: a lumpectomy, followed by six months of chemotherapy, then radiation, then five years of tamoxifen. Her ovaries came out because the tumors were estrogen-positive. And the minute she was able, she and her husband Dave and their girls began reaching out and fighting back.

Sue turned out to be a demon fund raiser. Friends designed her a website (<u>Teamsueharmon.com</u>) she gave speeches, did interviews. The world was her classroom. Everyone from kindergartners with birthday parties to high school girls marking sweet 16 asked that in place of presents, guests donate to Team Sue Harmon. This fall a 7-year-old handed over a zip-top bag with \$51.87 from a summer lemonade stand. People know to give out Sue's number; she gets calls from friends of friends across the country and around the world, women who need someone to cry with or yell at, women whose mammogram "found something" and need to talk.

"What's the first thing you tell them?" I ask her before the walk. "Breathe," she says. It's easy to forget to do when your life has been knocked out from under you.

When she began her outreach, she says, "I thought, I'm one of the lucky ones; I have to be there for the next person." Well, now she's the next person all over again. She was on the school playground a few weeks ago when she got the call: That lump she had felt a few days before? Not good.

Even after 10 years without a recurrence, she knew better than to ask, Why me? But I couldn't help wondering. She did everything she was supposed to. She has a mental attitude so positive, you could sell shares in it and retire. She runs at least five miles several times a week and had regular tests and scans. This just feels all wrong.

But Sue seems to understand what Maya Angelou once observed: that bitterness, like cancer, eats its host.



"But anger is like fire," Angelou notes. "It burns it all clean." Recalling the day she got the news, Sue says, "I swore a lot." Eight days after the tumor was found, she was back on the operating table for a double mastectomy. In a few weeks she'll find out what comes next. But she's already back in the fight. She hated missing the walk this year, so we e-mailed and texted and sent pictures to her all along the route. I'm counting on her to lead us next year.

None of us know how our days will be numbered. We think nothing can touch us--the car that swerves, the lightning strike, the cells that go insane and start setting fires. So we skip along, stopping to complain about lesser things: plans that fail and doors that stick and people who don't know yield from merge.

I've heard people talk about cancer as a wake-up call, even a blessing in disguise. Sue was born wide awake. She's like sunshine with skin. Her friends learn by watching her. Courage is said to be the virtue that makes other virtues possible; maybe joy is the gift that makes other gifts possible, the compliment that doubt pays to hope.

You may not know my Sue, but if you're lucky, you have one of your own. Someone who lifts you up because she lives above the waterline of distractions and temptations that drown out things that matter more. I found when we went off on spring break last year that Sue is a skilled shell hunter; her grandfather taught her. You have to see through the debris the waves bring in, so much random waste, so carelessly tossed aside. She walks that beach with her eyes sharp, and she finds treasures, and gathers them, and brings them home.

See TIME's special report on advances for Breast Cancer patients here.



Find this article at:

http://www.time.com/time/magazine/article/0,9171,1853317,00.html



Thursday, Oct. 23, 2008

Postcard from Damascus

By Andrew Lee Butters

On any given Thursday night--the start of the weekend in Syria--Z Bar, the rooftop nightclub at the Omayad Hotel, is packed. An instant hit with Damascus' rich and restless when it opened last summer, Z Bar provides not only a place to dance on tables Beirut-style but also a commanding view of the oldest continuously inhabited city in the world. "Top of Z Town" is its Pepé Le Pew--esque slogan, but everyone knows who's really on top in this town. From a hill above Z Bar, the glass façade of Bashar Assad's presidential palace looks down at his capital like an unblinking eye. And the stern portraits of Assad on every block suggest that Damascus is not party central for the Middle East just yet.

In many ways, Syria is an anachronism: governed by a totalitarian regime, managed by Soviet-style central planners and littered with the crumbling ruins of ancient civilizations. More recently, the Bush Administration has accused Syria of supporting anti-Israeli terrorists and tried to isolate the country. But with the Bush era winding down, Syria appears to have weathered threats of regime change--and is roaring back.

Two years ago, when Khaled Samawi opened Ayyam Gallery, Damascus' first major showcase for contemporary Syrian art, the city's artistic community "accused me of exporting Syrian culture," he says. "There was still this romantic idea that artists have to be poor." Not anymore: prices have risen as much as 1,000%, and top works can command up to \$200,000. Ayyam Gallery is expanding to Dubai and Beirut and has an exhibition in New York City. Many buyers aren't megarich Saudi oil princes but wealthy Syrians with newfound avant-garde tastes and an eagerness to promote their culture. "People like to say our culture is thousands of years old, but as a country, we're just about 50 years old," says Samawi. "We've had our trials and errors. Now we're starting to get it right."

The Syrian art boom is taking place amid an economic thaw. Syria began opening its economy in 2005 under pressure from U.S. sanctions; foreign investment has changed the face of the country. Once the streets of Damascus were filled with 1950s-era American auto-mobiles, kept running by trade barriers and twine; now there's a daily traffic jam of new Asian sedans and German sports cars. Superseding the capital's dictator-chic hotels from the 1970s--massive concrete towers with prostitutes in the bars and spies in the lobbies--modern boutique inns are sprouting in renovated courtyard palaces of the Old City. Among Syria's élite, the Baathist-apparatchik look--leather jacket, bell-bottoms, cigarette holder--is giving way to skinny jeans and cappuccinos.

Beneath the froth, Syria's financial picture is still grim. Oil production--which once accounted for 90% of government revenue--is on the decline. Inflation has rendered unsustainable the food and fuel subsidies on which millions of poor Syrians depend. Enter President Assad, who Syrians hope can help attract much needed foreign investment. Once persona non grata in the West, Assad is more secure than ever at home and abroad. The violence that followed U.S. regime change in Iraq has raised his profile in a region where stability is often valued over freedom. In August, French President Nicolas Sarkozy became the first

Western leader to visit Damascus in five years, a reward to Assad for launching a peace initiative with Israel in May.

But how far will Assad go? While a peace deal sweetened with Western aid would put Syria on solid economic ground, conflict with Israel has helped justify the security state that keeps him in power. And Damascus would probably have to break off its partnership with Iran, an alliance that helped it survive those years as a Western pariah. "Syria has a stark choice to make," says Andrew Tabler, a co-founder of the English-language magazine Syria Today. "They can't reconcile friendship with Iran and peace with Israel." Still, many have faith in the nation's promise. "Syria is a virgin country, like China was 20 years ago," says Nabil Sukkar, one of the country's leading economic reformers. "No matter what you do, you find gold."

Global Dispatch For a new postcard from around the world every day, visit time.com



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Thursday, Oct. 23, 2008

The Skimmer

By Claire Suddath

The Shadow Factory

By James Bamford Doubleday; 395 pages

In the annals of U.S. espionage, there are few groups more secretive than the National Security Agency (NSA), the covert Defense Department organization that illegally tapped the phones of U.S. citizens in the frenzied, fearful wake of Sept. 11, 2001. In his third book on the agency, Bamford, a former Navy analyst, catalogs the humiliating blunders that allowed the hijackers into the country and the subsequent failure to locate them--despite the fact that at one point, they were listed in the phone book. The 9/11 attacks, he argues, put enormous pressure on the NSA to "turn its massive ears inward." Armed with White House-approved decisions to ignore the Constitution and un-supervised access to AT&T customers' phone calls, the NSA transformed from a passive information gatherer to a "hunter," actively seeking information it wasn't allowed to take. But as The Shadow Factory points out, the more voices the NSA heard, the harder it was to pick out those that mattered. That Big Brother is watching is bad enough; it's worse to think he may not be doing any good.

READ X SKIM TOSS



Find this article at:

http://www.time.com/time/magazine/article/0,9171,1853293,00.html





Thursday, Oct. 23, 2008 The Moment

By Bryan Walsh

Major League Baseball executives must have been crying into their beers after the Red Sox and the Dodgers both failed to make the World Series. Instead of a marquee matchup featuring two of the most storied franchises in the game, baseball has the Tampa Bay Rays and the Philadelphia Phillies. That would be 2007's worst team in baseball vs. a franchise that recently lost its 10,000th game. The sound you hear is the country flipping the channel en masse to America's Next Top Model.

It makes sense though. Amid market turmoil, job losses, a discredited Administration and foreign policy meltdown, what could be a better symbol for our depressed and divided nation? Two legendarily awful clubs from economically hurting swing states, battling it out for the championship of a past-its-prime sport while the rest of us watch football highlights. Philadelphia--my city--hasn't won a championship of any kind for 25 years, a record for a four-sport town. Tampa Bay has a shorter history of woe, but this is a city (well, technically, a body of water) whose football team, the Buccaneers, lost the first 26 games of its existence. If history is any indicator, neither team will win: the Rays and the Phillies will be swept from the field in a freak hurricane, and Manny Ramirez and David Ortiz will have a home-run derby to decide the title, as Abner Doubleday no doubt would have intended.

So this is the World Series we deserve, if not the one we want. Both Philadelphia and Tampa have done their time enduring bad teams and worse luck. But for the rest of the country, idly wondering where the Yankees are, there's a lesson to be had. If Tampa Bay can survive the indignity of changing its name from the Devil Rays to exorcise the stink of failure, and Philadelphia can bounce back from the shame of losing the 1993 World Series to Canadians, there's promise for our subprime nation. Rooting for these teams represents the triumph of hope over experience—and that's as American as baseball.



Find this article at:

http://www.time.com/time/magazine/article/0,9171,1853312,00.html



Thursday, Oct. 23, 2008

The World

By Alex Altman, Harriet Barovick, Gilbert Cruz, Alyssa Fetini, Andréa Ford, Frances Romero, M.J. Stephey, Claire Suddath

- 1 | China Going Back to the Land The ruling Communist Party announced a major initiative to overhaul the country's land-use policies, still hampered by the unwieldy collectivization policies of the Mao Zedong era. The plan, unveiled Oct. 19, is an attempt to jump-start agricultural productivity and promote prosperity among its restive farmers, who have largely been bypassed by China's economic boom. Currently, farmers are entitled to the proceeds from their sales but do not own the land--a system easily exploited by corrupt officials and developers. Beijing hopes the reforms--enabling farmers to lease, swap, subcontract and transfer land-use rights--will help double the average disposable income among the nation's 730 million rural residents, to more than \$1,200 by 2020.
- 2 | Nebraska Children Left Behind Lawmakers have moved to close a loophole in Nebraska's safe-haven law that has seen 18 children--some as old as 17--abandoned at state hospitals since it went into effect in July. The law, which was intended to offer an alternative for those financially or emotionally unable to cope with newborns, never defined the word child--prompting some out-of-state parents to drive to Nebraska to take advantage of the oversight. The law will now apply only to babies 3 days old or younger, putting it on a par with safe-haven laws in other states.
- 3 | Turkey Coup Trial Gets a Shaky Start Chaos erupted at the opening of a trial for 86 people accused of plotting to overthrow Turkey's Islamic-leaning government, forcing a halt in proceedings and prompting a judge to be removed from the case. The defendants--including retired generals, journalists and lawyers--are charged with belonging to a secret group called Ergenekon, which prosecutors say planned a campaign of violence to oust a leadership it saw as threatening Turkey's secular constitution.
- 4 | Mexico Roadblock for Cuban Migrants Cuban refugees have long been allowed asylum in the U.S. only if they reach land--the so-called dry-foot policy. That's made the "dusty foot" route via Mexico far more popular than a risky sail to Florida. But under a new deal, Mexico will deport illegal Cuban migrants, in a policy that may signal warmer Cuba-Mexico ties.

[This article contains a complex diagram. Please see hardcopy of magazine or PDF.]

Cuban Migrants to the U.S. in FY 2007

Sea route to Florida: 971

Land route to Texas: 11,344

(SOURCE: U.S. CUSTOMS AND BORDER PROTECTION)

5 | Afghanistan Violence Escalates Amid growing concern over the deteriorating security situation in

Afghanistan, both Taliban sources and Afghan police confirmed that dozens of passengers aboard a bus in Kandahar had been killed. Six of the recovered bodies had been beheaded. While the Taliban has claimed responsibility for the deaths of 27 passengers, contending that they were Afghan soldiers, police chief Matiullah Khan Qaneh maintained that the Taliban had killed some 40 civilians who were en route to Iran in search of work. On Oct. 20, aid worker Gayle Williams, who had British and South African citizenship, was shot dead in Kabul by two gunmen on a motorbike as she walked to work, another attack for which the Taliban claimed responsibility.

- 6 | Madrid OLD CRIMES UNEARTHED A judge launched Spain's first criminal investigation into executions under dictator Francisco Franco, who waged a campaign to eliminate political opponents during the 1936-39 Spanish Civil War. Nineteen mass graves (including the one above) were opened, and the Interior Ministry was instructed to locate any living members of Franco's regime to see if they might stand trial. Lawyers appealed the decision, citing a 1977 law granting amnesty to those who served in Franco's government. A National Court panel will ultimately decide whether the case proceeds.
- 7 | Chicago Former Top Cop Arrested Ex--Chicago police commander Jon Burge was arrested Oct. 21 at his home in Florida on charges of obstruction of justice and perjury stemming from a 2003 civil rights lawsuit alleging police torture. Madison Hobley, a convicted felon, claimed that Burge and other officers participated in beatings, electric shocks and death threats against dozens of criminal suspects. Burge could face up to 25 years in prison.
- 8 | India Up, Up and Away On Oct. 22, India became the latest entrant in a burgeoning Asian space race, launching its first lunar mission just a year after China's rookie effort. The unmanned spacecraft, Chandrayaan 1 (the name translates as Moon Craft), will orbit for two years in an effort to map the lunar surface. Critics say the project is a waste of the developing country's vital resources.
- 9 | Sri Lanka Closing In The Sri Lankan army captured the key strategic village of Vannerikulam from Tamil Tiger rebels on Oct. 20, in a day of fierce fighting that left 44 dead. Military officials claim that the victory puts the army closer to capturing the insurgent capital of Kilinochchi and ending a 25-year civil war.

[This article contains a complex diagram. Please see hardcopy of magazine or PDF.]

30-year fixed mortgage rates (weekly averages) (SOURCE: FREDDIE MAC)

- 10 | Washington Bank-Rescue Side Effects U.S. mortgage rates saw their steepest climb in more than 20 years in mid-October. Analysts say the spike may be an unintended result of the government's bank bailout, which may make bank debt more attractive to investors than that of beleaguered Fannie Mae and Freddie Mac. Rates have fallen, but experts predict further volatility. Federal Housing Finance Agency director James Lockhart has tried to calm markets, saying Fannie and Freddie debt is "effectively" guaranteed.
- * | What They're Recalling in Britain: The melamine-tainted milk products that sickened thousands of babies in China have turned up in an unlikely consumer product: Chinese-made chocolate- and strawberry-flavored body spreads sold in British sex shops. Tainted "I Love You" sets contained between 126 and 259 mg per kg of the chemical (more than 50 times the safe amount), according to Britain's Food Standards Agency (FSA). "This is a first," the FSA noted on its website.



Thursday, Oct. 23, 2008 Verbatim

'Other countries have the Mafia. In Bulgaria, the Mafia has the country.' ATANAS ATANASOV, a member of parliament, on the nation's history of political corruption and violence

'The occupier will retain its bases.' MUQTADA AL-SADR, Shi'ite cleric, on why Iraq's parliament should reject a security pact with the U.S.

'There was no fraud involved. This person is a dead fish.' BETH NUDELMAN, a Chicago resident, after her deceased goldfish Princess received voter-registration forms in the mail; the family once jokingly filled in the pet's name when it got a second phone line

'They're not going to shoot us; it's not Iraq. We might have to pay a fine and serve a little time in jail.' TED STEVENS, Alaska Senator, caught on a taped phone conversation played during his corruption trial

'Maybe life, as it unfolds, will perfect it.' ALEJANDRO COLANZI, of Bolivia's National Unity Party, on the nation's newly ratified draft constitution, which grants rights to the indigenous population but faces opposition from provincial leaders

'Never in my dreams had I imagined that I would drive my truck to the other side.' BABAR ALI, who drove the first vehicle that crossed from Pakistan to India along a newly reopened trade route on the Kashmiri border that had been closed for 61 years

'We make sure one is absorbed completely into the family before we add another.' ANGELINA JOLIE, actress, on the possibility of adopting another child after having had twins

Back & Forth:

Gitmo

'Most of these aliens were detained after attending or traveling to terrorist training camps.'

U.S. JUSTICE DEPARTMENT, appealing a federal ruling to release 17 Chinese Muslims from Guantánamo Bay to the U.S.

'The true fear is not that they will pose a security threat but that they will serve as living reminders of the Administration's mistakes in setting up Guantánamo.'

JENNIFER DASKAL, of Human Rights Watch, noting that the men haven't been considered enemy combatants since 2004; they remain in custody

Campaign

'Al-Qaeda will have to support McCain in the coming election.'

AL-HESBAH, a terrorism website quoted by the Washington Post, saying John McCain would continue the "failing march of his predecessor," George W. Bush

'It is ridiculous to believe that in its heart of hearts, al-Qaeda wants John McCain to be the President.'

McCain adviser JIM WOOLSEY, accusing the Post of running an "inflammatory" story

LEXICON

Afghanicide n.--The destruction of the country and its people as a result of war among the Taliban, the government and NATO

USAGE: "Afghanicide--the killing of Afghanistan--must be stopped," says Israir Ahmed Karimizai, a leader of Awakened Youth of Afghanistan, a prominent antiwar group --CHRISTIAN SCIENCE MONITOR, OCT. 20, 2008

Sources: AP; New York Times; Christian Science Monitor; AP; New York Times; Washington Post; New York Times

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Find this article at:

http://www.time.com/time/magazine/article/0,9171,1853308,00.html



The Bradley Effect

By Alex Altmar

With the presidential debates in the books and a commanding lead in the polls, Barack Obama appears to be coasting toward history. But a potential cakewalk makes for dull punditry, and politicos are abuzz over the last hurdle Obama must clear in his path to the presidency: a phenomenon known as the "Bradley effect."

The theory holds that voters have a tendency to withhold their leanings from pollsters when they plan to vote for a white candidate instead of a black one. In 1982, Tom Bradley—the African-American mayor of Los Angeles—ran for governor of California. On the eve of the election, polls anointed him a prohibitive favorite. But on election day, Bradley lost to his white opponent, Republican George Deukmejian. Some experts chalked up the skewed polling to skin color.

The notion was burnished by a series of subsequent elections in which black candidates saw solid leads shrink or vanish once voters cast their ballots. In 1983, Harold Washington escaped with a narrow win in Chicago's mayoral election after being projected a decisive victor. In 1989, Douglas Wilder held a nine-point lead on the eve of Virginia's gubernatorial election, and won by less than one percentage point. That same year, David Dinkins' 18-point lead in New York City's mayoral race evaporated in the voting booths, though he still eked out a nail-biter over Rudy Giuliani.

When Hillary Clinton edged Obama in this year's New Hampshire primary — despite data that showed Obama leading — some suspected the Bradley effect had crept back into play. "Since then," Democratic strategist Donna Brazile wrote recently, "pollsters and pundits alike have warned that Obama needs a six-to-nine point lead to overcome the so-called Bradley effect." In recent weeks, the New York *Times* and Washington *Post* have both run features examining the phenomenon.

But some analysts say there is little evidence the Bradley effect still exists—if it ever did. Among the more persuasive voices in this camp is V. Lance Tarrance, Jr. When he calls the Bradley effect "a pernicious canard," Tarrance speaks with some authority—he was the pollster for Bradley's opponent, George Deukmejian. Tarrance argues the effect was merely a result of bad data: the poll declaring Bradley a prohibitive favorite ignored Deukmejian's advantages among absentee and early voters. To give credence to a Bradley effect in this year's election, Tarrance argues, "is to damage our democracy, no matter who wins."

Other recent studies have added further doubt. Marshalling data from the 31 states with significant pre-primary polling this year, Nate Silver of the political website <u>fivethirtyeight.com</u>, argues it was Obama, not Clinton, who actually outperformed expectations in this year's primaries, by an average of 3.3%.

A study released by Harvard political scientist Daniel Hopkins offers a more nuanced historical view.

Analyzing 133 gubernatorial and Senate races between 1989 and 2006, Hopkins says the Bradley effect
—which he calls the "Wilder effect," after the Virginia governor—did exist, but petered out when racially

charged issues were elbowed away from the political forefront: "As racialized rhetoric about welfare and crime receded from national prominence in the mid-1990s, so did the gap between polling and performance."

There is no question that racial bias is a powerful force to overcome and a slippery one to quantify. But with Obama propelled by panic over shrinking nest eggs and the wilting Dow, the Bradley effect may be this fall's paper tiger: an old theory re-heated by the media because there's not much left to talk about.



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Thursday, Oct. 23, 2008 Pop Chart

SHOCKING

JEFF PROBST to host reality show starring terminally ill people. Because being on a crappy TV show is totally the way to go out

SCARLETT JOHANSSON to host Nobel Prize concert. Finally, she'll be the most attractive person in the room

 $\label{eq:needs} \textbf{NEEL KASHKARI} \ oversees \ \$700 \ billion \ U.S. \ bailout \ plan, \ still \ embarrassed \ by \ Rush \ quotes \ on \ high \ school \ yearbook \ page$

Nicolas Sarkozy threatens to sue maker of VOODOO DOLL; doesn't realize it's just his arm falling asleep

Sarah Palin's fame skips action-figure stage, goes straight to TALES FROM THE CRYPT covers

LITTLE BIG PLANET video game pulled because of musical passages quoting Koran

Stalin comes in second in Russian poll of greatest leaders. Yeah, but PUTIN still sexiest!

Ex--New York Times reporter JUDITH MILLER to join Mike Huckabee, Karl Rove and ex--Clinton flack Howard Wolfson on Fox News' island of misfit toys

PREDICTABLE

BRAD PITT stars as Nazi hunter in Tarantino's Inglorious Basterds; watch out, TOM CRUISE

AC/DC refuses to sell new album over Internet. Angus Young's horse buggy has a CD player

ZIMA production halted. Teenage girls heading straight to scotch

GISELE and TOM BRADY wedding rumors. Matt Cassell to fumble ring

LIL WAYNE expecting first son, Lil Lil

This election just got hotter: Hustler shoots NAILIN' PAYLIN

HUGO CHAVEZ and SEAN PENN, friends forever

Fan wins honor of writing CLAY AIKEN'S Playbill bio. In other news, Aiken's SPAMALOT to shutter in January

SHOCKINGLY PREDICTABLE





Thursday, Oct. 23, 2008 Milestones

DIED The inspiration for Robert De Niro's character in Martin Scorsese's Casino, Frank (Lefty) Rosenthal ran four Las Vegas casinos in the 1970s and was labeled "the greatest living expert on sports gambling" by SPORTS ILLUSTRATED. Head of the Stardust, Fremont, Hacienda and Marina casinos, he was famous for his alleged ties to the Mob. After surviving an attempt on his life, Rosenthal left the city and ended his gambling career. He never admitted any wrongdoing, once invoking the Fifth Amendment more than 35 times in a 1961 Senate hearing on gambling and organized crime. He was 79.

He called himself the "Godfather of Rap," but others remember Rudy Ray Moore simply as Dolemite, the tough-talking character he played in the 1975 film of the same name. As a pimp surrounded by a group of kung fu--fighting prostitutes, Dolemite became a blaxploitation icon. Moore, however, found fault with the term, once telling a reporter, "I never heard The Godfather called 'Italian exploitation." Unbeknownst to many, Dolemite was first part of Moore's stand-up comedy routine, becoming a ghetto hero long before hitting the big screen. Moore was 81.

Sister Emmanuelle, born Madeleine Cinquin in Belgium, was a champion for the marginalized. A nun at 23, she taught literature and philosophy in Turkey and became an outspoken critic of the Roman Catholic Church's contraception policies. At 62, she was allowed to begin working with Cairo's poorest people. Sister Emmanuelle went on to found the Asmae Association to fight poverty and homelessness in countries such as Egypt, Sudan and India. She was 99.



Find this article at:

http://www.time.com/time/magazine/article/0,9171,1853313,00.html







Thursday, Oct. 23, 2008 Levi Stubbs

By Abdul (Duke) Fakir

To measure the man solely by his golden, powerful and gut-wrenching voice would be a discredit to Levi Stubbs, who died Oct. 17 at 72. Although his voice is undeniably among the great ones of his time, Stubbs' heart and character far exceeded any simple measurement of vocal talent.

As a good friend of Levi's--the two of us had been close since he moved in with me when he was 16 years old--I know he turned out to be truly a man full of love for his family and full of love for the "Four of Us" as a group: Renaldo (Obie) Benson, Lawrence Payton, Levi and me.

We had great fun growing together in the music world. Even before coming to Motown, we did stints in Las Vegas, sang backup vocals for Billy Eckstine and performed several other musical feats.

In 1963, with the beginning of Motown, Levi's voice catapulted the Four Tops to heights we had never dreamed of, with such hits as "Baby I Need Your Loving," "Reach Out," "Bernadette," "I Can't Help Myself (Sugar Pie, Honey Bunch)" and many more.

He will be greatly missed in the music world. But to me personally, this is the end of a very special time in my life, as I am the last Four Top standing. Levi's voice, memory, love, character and commitment to all of us--his family and his extended musical family--will always remain in my heart. I am deeply saddened and will be for some time. Yet as Levi would say, "The Show Must Go On."

Fakir tours with a version of the Four Tops that includes two Motown veterans and Payton's son Roquel



Find this article at:

http://www.time.com/time/magazine/article/0,9171,1853329,00.html





Thursday, Oct. 23, 2008

Mr. Blackwell

By Kate Betts

The designer and mordant fashion critic who dared to call Madonna the "bare-bottomed bore from Babylon" died Oct. 19 in Los Angeles. Richard Blackwell, a.k.a. Mr. Blackwell, of the infamous worst-dressed list, made a name for himself not with his own creations but by skewering those sported by celebs on the red carpet. In addition to Madonna, Blackwell famously knocked Camilla Parker Bowles as "the Duchess of Dowdy" and even put the newly married Diana, Princess of Wales, at the top of his list in 1982.

His favorite targets, however, were celebrities like Zsa Zsa Gabor and Britney Spears, who he felt lacked any innate sense of style or glamour. He said his criticism had nothing to do with talent and once remarked that Meryl Streep looked like a "gypsy abandoned by a caravan."

Born Richard Sylvan Selzer in Brooklyn, N.Y., Blackwell started out as an actor but switched to fashion in 1958 when his career stalled. Fame came with the publication of his first list in 1960. Although he often admitted he was uncomfortable about appearing so publicly mean, Blackwell also said he was compelled to poke fun at celebrity style because fashion designers were not doing their job: they failed to make women look beautiful. While his original intention was to act as a sort of fashion watchdog, Blackwell and his list became a dreaded Hollywood institution that paved the way for other red-carpet critics. The annual issuing of the list, on the second Tuesday in January, became its own kind of fashion moment.

And though the list began to lose its luster by the late 1990s, the ever acerbic Mr. Blackwell never lost his bite.



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http://www.time.com/time/magazine/article/0,9171,1853315,00.html