COURT (SAME

How They Would Govern By David Von Drehle ■ Hidin' Biden By Karen Tumulty
The Candidates on the Issues ■ The Battle for Ohio By Amy Sullivan





How They Would Lead

By David Von Drehle

They only look as if they inhabit our galaxy. In truth, the men who would be President have been running for months in a parallel universe, a place where a Chief Executive changes laws by waving a hand and reorders society at the stroke of a pen. "When I am President," the candidates declare — and off they go into dreamspeak, describing tax codes down to the last decimal point and sketching health-care reforms far beyond the power of any single person to enact. In their imaginary, reassuring cosmos, America is always a mere 10 years — and one new President — away from energy independence. And the ills of the federal budget can be cured simply by having an eagle-eyed leader go through it line by line.

Then one of them wins the election.

In an instant, the winner is sucked through a wormhole back into the real world. A world in which Congress, not the President, writes all the laws and gets the last word on the budget. Where consumers decide which cars to drive and how many lights to burn. And where the clash of powerful interest groups makes it easier to do nothing about big problems than to tackle them. Even the strongest, wiliest, most effective Presidents must change shape and shift direction to accommodate these and other forces. An ability to alter course without losing one's way is essential to presidential success. "I claim not to have controlled events," Abraham Lincoln wrote, "but confess plainly that events have controlled me." As the sailor President Franklin D. Roosevelt understood, only rarely does a fair wind blow squarely at the President's back. More typical is the gale blowing from dead ahead or the deceptively strong crosswind. Sometimes the best that one can do is inch forward at an angle while struggling to avoid running aground.

The next President, whether it's Barack Obama or John McCain, will take the helm amid a maelstrom. Testifying before Congress, former chairman of the Federal Reserve Alan Greenspan — not known for his colorful public statements — professed "shocked disbelief" at the "tsunami" that has plunged global finance into disarray. He predicted a deep recession that will cost jobs and devastate balance sheets across the economy — "much broader than anything I could have imagined." When the chief economic advisers to McCain and Obama met recently for a debate, they found little to agree on. But they shared the realization that the new President's options will be severely constrained by an economy in turmoil. Douglas Holtz-Eakin conceded that McCain's promise to balance the budget in four years is off the table. "The events of the past few months have completely thrown a wrench into that — there's no way round it," he said. Austan Goolsbee, who counsels Obama, spoke grimly of "the hole we've dug" as a nation.

It's impossible to say exactly how deep that hole will turn out to be — which makes it hard to say exactly how much of the next President's energy will have to go toward pulling us out of it. And the economy is far from the only unpredictable force the 44th President will contend with. Experts are forecasting a surge in the number of Democrats in Congress that would give Speaker of the House Nancy Pelosi and Senate majority leader Harry Reid the largest majorities either party has had since the early 1990s. This would obviously limit the options of a Republican President McCain. But Congress would be a complicating factor



in the life of President Obama too. After all, the Constitution envisions a strong Congress, and that's just the way committee chairmen like it. After more than a dozen years of being stymied, first by Newt Gingrich and then by George W. Bush, congressional Democrats are bursting with pent-up ambitions and long-deferred dreams. Some are epic undertakings that would affect every American for decades — like the proposal to impose a cap on carbon dioxide emissions and put a price on permits to burn fossil fuels. Or the goal of completely reorganizing the way the U.S. manages health care. Other, smaller projects involve large amounts of controversy — like a bill that would allow federal funds to pay for abortions. And expansion of embryonic-stem-cell research. And a "path to citizenship" for millions of immigrants who are living illegally in the U.S.

Well-funded liberal interest groups will compete to rush their pet causes to the top of this agenda, while conservative groups will use these issues to rebuild their battered bases. Both presidential candidates have promised to lance the boil of partisan demagoguery in Washington, but for many of these interest groups, comity is bad for business. The fracturing of the media into a thousand voices — many of them strident — will further complicate the new President's efforts to deliver on the promise of a more civil way of doing the nation's business.

Don't forget the wars in Iraq and Afghanistan or the rise of China, the bluster of boom-and-bust Russia, the murky threat of Iran and the accelerating decay of Pakistan. Between the economic crisis at home and the geopolitical cauldron abroad, the new President's agenda will be largely predetermined. He might wish he could shrug off this dismal inheritance and devote himself to the shiny projects cataloged on his campaign website — but that's beyond his power.

Finally, there is the strongest, and perhaps the least predictable, force of all: public opinion. As the current President proved, a Chief Executive with two-thirds of the public behind him can steamroll almost any rival influence. In a single year when Bush's approval rating floated as high as the low 70s, he launched a war, reorganized the Federal Government and passed a vast expansion of Medicare. Forty percentage points later, he's the lamest duck since Harry S Truman. The public today is anxious, skeptical and dissatisfied. Record numbers say the country is on the wrong track. In this climate, the new President's honeymoon may be as fragile as a 3 a.m. Las Vegas wedding.

This is the real world the next President is about to enter. How he might respond to the winds of reality — and what tools he'll have available to weather the storm — differs greatly from one man to the other.

President Obama

"Who is the real Barack Obama?" McCain sometimes asks on the stump. If the election follows the polls of October and the U.S. awakens on Nov. 5 to an Obama presidency, he'll begin answering that question in the only way that counts: by his actions. Is he the pragmatic champion of the middle class whose calm and moderate tone carried him undefeated through three debates? Or is he the stealth lefty zestfully skewered by Sarah Palin at event after event?

There was a similar unveiling in 1992. Like Obama, Bill Clinton campaigned for the White House on a platform of middle-class tax cuts and a free-market-friendly approach to public policy. The government

doesn't "spend" tax money in the New Democrats' lexicon. It "invests" in the future. And like Obama, Clinton saw another version of himself painted by the opposition: a pot-smoking, war-protesting, bureaucrat-loving, income-redistributing radical.

When the voters called for the "real" Clinton to take office, he stumbled. His transition team was disorganized. He abandoned his tax cuts and worried about the bond market instead. He pitched into a needless controversy over gays in the military. His crime-fighting proposals were drowned out by his difficulty in finding an Attorney General who had paid all her taxes. He antagonized the White House press corps and seemed unsure in his dealings with the Democrats who ran Congress. He took his eye off the ball overseas and let a police action in Somalia turn into a national embarrassment. The Republicans saw all this, hauled themselves up from the canvas and, led by Gingrich, pounded Clinton and the Democrats in 1994. Eventually, Clinton delivered on much that he promised: he put 100,000 cops on the street, the budget was balanced, "welfare as we know it" was ended, and the economy boomed. But his weak start left him damaged in ways that shaped his entire presidency.

Obama is eager to avoid those mistakes. Within weeks of capturing the nomination, he started planning for the possibility that he would govern. He set up a transition team last summer, led by former Clinton chief of staff John Podesta, one of the best-connected — and least self-aggrandizing — Democrats in Washington. Podesta's team is compiling a book of perhaps 50 chapters to use as a blueprint for a new Administration. All this activity opened Obama to criticism from McCain that he was prematurely "measuring the drapes" of the Oval Office. Instead of drapes, though, the Illinois Senator seemed to be thinking of Cervantes, who declared, "To be prepared is half the victory." Indeed, one of Obama's striking qualities is that success never takes him by surprise. He's like a golfer who makes a hole in one and tells his stunned partners, That's where I was aiming.

But while there is a place in Washington for 50-chapter briefing books, the more important text for Obama could fit on a note card: Clear priorities. Everyone in the capital has a plan for a new President. Unless he sets his own agenda, others will eagerly set it for him. Obama has a lot to choose from. Recently, the National Taxpayers Union Foundation, no fan of his, compiled a catalog of promises and programs Obama has made during the campaign. Including documentary quotations, the list ran 85 pages. Obama recently told Time's Joe Klein that Job One is the unknowable task of patching and stabilizing the sinking economy, which makes sense because the power of this issue to shape the next presidency is absolute. The financial crisis has already changed Reagan Republicans into bank nationalizers almost overnight. Presidential-transition expert Paul Light calls this the most harrowing environment for a change of Administration since Lincoln took charge of a country split in two.

After that, his priority, Obama said, is passing an energy bill. Presidents have been talking about reducing U.S. dependence on fossil fuels for decades. McCain's embrace of alternative energy has given the issue a bipartisan flavor. And Obama believes that the quest for new engines and fuels for the future will serve as a "new driver" for robust economic growth. (It has happened before — just ask Thomas Edison and Henry Ford.) But momentum alone won't make it happen. Beneath the surface consensus lies enormous controversy. The cap-and-trade system of charging factories and utilities for permits to burn fossil fuels would be a major intervention in the economy, and opponents will argue that it's too great a shock to apply to an already ailing patient.

On the other hand, in a period of ballooning deficits, an energy bill has the advantage of seeming to pay for itself. The sale of carbon-emission permits would raise billions of dollars, money Congress could then disperse in the form of grants for alternative-energy research, tax credits for greening homes and businesses, and loans to retool inefficient industries — starting with Detroit's struggling automakers. Republicans doomed a Clinton-era attempt to do something similar by christening the plan a "carbon tax." For Obama to succeed, he would have to convince the public that this tax is truly an "investment."

Meanwhile, the ailing Atlas of congressional Democrats, Senator Edward M. Kennedy, has a different priority in mind for an Obama Administration. Even as he battles brain cancer, Kennedy has been trying to lay the groundwork for a breakthrough on universal health insurance. In his rousing, up-from-the-sickbed convention speech, Kennedy called health-care reform "the cause of my life," and many congressional Democrats share that zeal. Obama will have to decide whether, in the midst of a recession, Washington can take on two reforms of such historic proportions simultaneously. If, as the early betting predicts, he says no, Obama risks disappointing the liberal base — including Hillary Clinton supporters who were late joining his bandwagon and remain perilously close to the exits.

That said, Obama may have less to fear from congressional leaders pushing rival agendas than did his bedeviled predecessors Carter and Clinton. Those earlier Democrats faced Congresses dominated by complacent chairmen who had never known a gop majority. Today's Democratic leaders know what it's like to lose the perks — and opportunities — of power. Having reoccupied the plush offices of the Capitol, they might appreciate the idea that being in the same party sometimes means staying on the same page. Then there is the question of taxes. Obama has made overhauling the tax code a centerpiece of his campaign. In the real world of Washington, his plan is a mixture of commonplace steps (tweaking income tax rates) and unprecedented measures (a new approach to payroll taxes). The likelihood that he will get anything like the tax package he has outlined — or even that he'll seek all the changes he has promised — is remote as long as the economy is struggling. After all, what's the point of raising corporate taxes when companies aren't profitable or raising capital-gains taxes when stock prices and real estate values are plummeting? Even a gung-ho tax raiser like Representative Barney Frank of Massachusetts acknowledges that the economic climate is wrong. "Not now," Frank said recently of tax hikes.

When Obama launched his campaign last year, the biggest issue in the world was Iraq. Now the public's interest — and U.S. involvement there — is dwindling almost by the day. Obama's bumper-sticker plan for Afghanistan — more troops to catch bin Laden — is being swallowed up in a befuddling tangle of intractable issues, ranging from the Afghan heroin trade to the instability of Kashmir. Foreign policy breeds surprises in American Presidents: Nixon went to China; Reagan proposed nuclear disarmament; Bush changed from "humble" to imperial in a single morning. Compounding the unpredictability is the excitement Obama's candidacy has stirred in parts of the world. Will the novelty of a multiracial President with a Kenyan name have tangible diplomatic benefits? A scientist would say there are no data.

However, when it comes to the numbers Washington understands best — votes and money — Obama may be stronger, politically, than any other Democrat in years. Thanks to his extraordinary success in building an independent campaign, Obama would sit down with special interests knowing that his mailing list is bigger than theirs and his ability to raise money puts theirs in the shade. A capital that used to be impressed

by the Bush family's thousands-strong Christmas-card list boggles at the millions of names in Obama's digital address book. If his lead in the polls stands up through Election Day, he'll win more than 50% of the popular vote — something Bill Clinton never achieved.

President McCain

Like so many trailing candidates before him, McCain recently evoked the memory of Truman's come-from-behind victory in 1948. More than most, though, McCain actually flourishes as an underdog, and it's easy to picture him grinning broadly as he brandishes a newspaper — or screen grab — with the mistaken headline *Obama Defeats Mccain*. Unfortunately, the howling aftermath of a McCain miracle is just as easy to imagine: liberals blaming an eruption of racism; Democrats complaining of a dirty campaign; conspiracy theorists charging voting-machine fraud; conservatives piling rhetorical firewood under the feet of gop defectors like Colin Powell, Charles Fried and Scott McClellan. "Both sides of Pennsylvania Avenue will be itching for a fight," predicts Republican insider Ed Rogers. "It will be ugly."

Americans have shown a taste for divided government in recent decades but maybe not as divided as the early years of a McCain presidency would be. The Republican President would face not only a crowd of resentful Democrats on Capitol Hill but also deep splits within his own party. The closing weeks of McCain's campaign produced a soap opera of Republican dysfunction. McCain gambled his hopes on a bold move to pass a Wall Street rescue plan. House Republicans cut him loose and defeated the bill, sending the stock market crashing and swinging the momentum to Obama. A steady parade of prominent Republicans jumped ship. McCain's aides and supporters began the ritual finger-pointing that is the political version of hospice care, while Palin and others dear to the gop base subtly started jockeying for advantage in 2012.

So President McCain would find himself alone in hostile territory, beset by foes of every variety. Just the way he likes it. If any politician in recent memory could find success in that environment, it might be McCain. All his greatest hits as a Senator are variations on the same theme: If both sides are mad at me, I must be doing something right. His crusade for campaign-finance reforms was opposed by interest groups ranging from naral on the left to the nra on the right. His "Gang of 14" compromise on judicial nominations derailed true-believer hopes on both sides for a spectacular train wreck. His stubborn advocacy for a troop surge in Iraq annoyed the antiwar left and the Bush supporters of the right. McCain understands that the decisive slice of the American public is highly skeptical of both political poles. At his most authentic, he harnesses public opinion to neutralize the extremes.

What works for a legislator — who picks and chooses his battles — might be impossible for a President, however. Given the relentless, unscheduled traffic of crises through the Oval Office, he needs a reliable roster of allies. McCain would probably court the center by appointing some Democrats to his Administration — a move he has signaled throughout his campaign. (He shocked his party when he suggested New York liberal Andrew Cuomo to head the Securities and Exchange Commission and said he would love to have Obama supporter Warren Buffett as his Treasury Secretary.) He might be able to sign a cap-and-trade energy bill — though it would hurt him with gop conservatives. He might be able to please the right with some judicial appointments — but that would hurt him with Democrats. He could please hawks by rattling his saber at Iran and reach out to doves by using his credibility as the son and grandson of admirals to cut some Pentagon waste.

At a deeper level, the McCain years would see a constant tug-of-war between the President's pragmatic head and his instinctive, idealistic heart. His impulse to denounce pork barrelers — "I will make them famous," he likes to promise — would compete with his need to curry favor with as many allies in Washington as he can find. His desire to leave a mark on history — by signing a Democratic energy bill or health-care-reform bill, say — would clash with his gut-level identification with the gop. Washington veterans agree that McCain's conservative ideas for tax cuts and health-care reform wouldn't stand a chance in a Democratic Congress. But he might enlist enough swing-district Democrats — whose hold on their seats is tenuous — to join congressional Republicans in a grand compromise between the spenders on Capitol Hill and the tax cutters in the White House.

Who would be pulling for him through thick and thin though? No matter how much the Democrats might like striking deals with McCain, in the end they would be planning his demise in the next election. Meanwhile, given his age (72) and the long history of mistrust between McCain and the Republican right, his other flank would be in danger too. Conservatives would probably demand a steady stream of vetoes of Democratic legislation, and any failure to deliver would strengthen his younger gop rivals. The McCain-Palin relationship would be Washington's answer to King Arthur and Mordred.

McCain would find himself on a tightrope, surrounded by people trying to push him off. The last President to operate in such straitened circumstances was Richard Nixon. In 1969 he was inaugurated with a weak mandate, shaky popularity, a fractured party behind him and a Democratic majority on the Hill. Lurching left on domestic policy, veering right in his speeches, promising to end the war in Vietnam even as he escalated the bombing, Nixon infuriated his critics and confounded his allies. The roller coaster finally ended with his landslide re-election just as he was stepping off a cliff into disgrace.

A sad fact of contemporary politics is that we've lost the ability to get through a campaign without transforming honorable alternatives into cartoons of good and evil. Disagreement is out; denunciation is in. The distinctive tune of our day is hysteria with a drumbeat of hyperbole, all set in the key of bad faith.

Underneath, however, Americans still long for the mystic chords of memory strummed by the better angels of our nature — a patriotic harmony that we like to think is the song of our nation at its best. This is why the two candidates who fared best in this election were the ones who spoke most convincingly about bringing us together. When the two are finally narrowed to one, his mandate will be change, his timetable short and his environment stormy with division. At a historic moment desperate for a successful President, everything will hinge on one man's ability to navigate by the clouded star of common purpose.

Click to Print

Find this article at:

http://www.time.com/time/politics/article/0,8599,1854818,00.html



Friday, Oct. 31, 2008 Last Stand

By Nathan Thornburgh

The federal prison closest to anchorage sits in tiny Sheridan, Ore., where the fenceless minimum-security wing already houses 491 inmates, including a few Alaska legislators who were greased by oil money. There's an outdoor track, plus lots of fresh air perfumed by local vineyards and what former Anchorage state representative Tom Anderson calls "very professional and respectful staff."

Joining them soon may be Senator Ted Stevens, Alaska's senior Republican, who was found guilty on Oct. 27 on seven felony counts related to \$250,000 of unreported gifts from influential constituents. Stevens, whose political trademark was his immense success at bringing home the bacon--\$3.4 billion in federal earmarks for Alaska since 1995--was convicted by a jury in Washington for making false statements about gifts like his new massage chair, a pricey sled-dog puppy and, most of all, massive renovations to his home that were largely comped by Bill Allen, the disgraced CEO of Veco Corp., an oil-services company. Stevens, 84, had predicted the outcome before he even knew the FBI was listening to his telephone conversations. In a particularly incriminating wiretap that was introduced as evidence in his trial, he assured Allen that "the worst that can happen to us is we ... might have to serve a little time in jail."

Actually, darker days are now in store.

Before his conviction, Stevens was locked in a tight re-election race with Anchorage mayor Mark Begich; after the jury returned a verdict, Stevens' poll numbers dipped. But even if Stevens does eke out a victory, he is already facing calls from across his party to resign soon afterward. Both John McCain and Sarah Palin called on Stevens to step down after the election. Under Alaska law, a resignation would set in motion a chain of events leading to a special election to replace him 60 to 90 days later. If he chooses not to resign and his appeals fail, the Senate would probably toss him out. "There is zero chance," said GOP leader Mitch McConnell, "that a Senator with a felony conviction would not be expelled from the Senate."

Any of these fates--defeat, resignation or expulsion--would be an ironic career ender for the 40-year Washington veteran whose control of the federal purse strings once made his colleagues practically genuflect in his presence. Longtime friend Jack Roderick, who practiced law with Stevens 40 years ago, sounded subdued at his Anchorage home the day of the verdict. "It's just sad on a personal level," said Roderick, who believes his old friend is innocent. "No question, he showed bad judgment to get associated with a guy like Bill Allen. He got sloppy."

Stevens treated the verdict like just another feature of a re-election campaign, claiming "prosecutorial misconduct" and vowing to "fight this unjust verdict with every ounce of energy I have." It is possible that in Alaska, with oil prices tanking, voters could decide that their state will have a hard time building the kinds of roads, bridges and schools they've come to expect without Stevens there to lard up the federal budget.

Stevens' years in power have earned him loyalty among Alaskans. At a Federation of Natives meeting on the



weekend before the verdict--more than 4,000 native leaders in a massive convention hall in Anchorage--Stevens sent a video message in which he asked for their prayers and apologized for missing the meeting. Julie Kitka, a Chugach native who is the federation's president and was a character witness for the defense in Stevens' trial, predicted that the state's 125,000 natives--about 20% of the population--will stick by him. At the end of his video, she said, the entire audience rose and gave Stevens a standing ovation.

But local affection won't trump the mess he made. If Stevens loses on Nov. 4, the Dems could inch closer to a 60-seat Senate supermajority. He and Palin have not been particularly close, but she could also be tarnished by the sorry spectacle in Alaska. In the Lower 48, the only people cheering Stevens now are Democrats.



Find this article at:

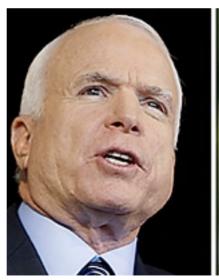
http://www.time.com/time/magazine/article/0,9171,1855365,00.html

Copyright � 2008 Time Inc. All rights reserved. Reproduction in whole or in part without permission is prohibited.

Privacy Policy | Add TIME Headlines to your Site | Contact Us | Customer Service

The Candidates on the Issues

Much has been written about the differences between McCain and Obama, but the race remains a contest of issues. Here are side-by-side comparisons of both candidates on seven key issue, in their own words.







Where They Stand On: Taxes

By Massimo Calabresi / Washington

The Basics

- •Raise taxes on businesses?
- •Tax cuts for the middle class?
- •Increase the capital gains tax?

McCain

- •Would cut corporate tax rate to 25%, from 35%
- •Gives an estimated \$325 tax break to the middle 20% of taxpayers, who make \$37,600 to \$66,400
- •Cuts long-term capital gains tax to 7.5% in 2009 and 2010

Obama

•Calls for boosting taxes on some multinationals that outsource abroad •Gives an estimated \$1,118 tax break to the middle 20% of taxpayers, who make \$37,600 to \$66,400 •Raises the maximum capital gains tax to 20%, from 15%, for families earning more than \$250,000

The Big Question:

Should the U.S. increase income tax rates on the wealthiest Americans?

MCCAIN

NO: Raising income taxes, investment taxes and business taxes during an economic downturn will hurt all Americans, even if they are not the ones directly paying the taxes. We should cut investment and business taxes, and we should offer incentives for businesses to engage in new research and development. We should offer tax relief to middle-class families. And we must resist the seductive call to raise taxes on those who have the resources to invest in the American economy and get us back on track.

OBAMA

YES: To finance middle-class tax cuts and other priorities like health care, I will ask families making more than \$250,000 per year to give back part of their Bush tax cut. But under my plan, every family, regardless of their income, will pay lower tax rates than they would have in the 1990s. I will cut taxes for 95% of workers and their families. My plan offers three times the tax cut for middle-class families as the McCain plan. I will also end tax cuts for companies that ship jobs overseas and use that money to cut taxes for small businesses and companies that create jobs in America.

Click to Print

Find this article at:

http://www.time.com/time/specials/packages/article/0,28804,1855269 1855265 1855260,00.html



Where They Stand On: Afghanistan and Iraq

By Massimo Calabresi / Washington

The Basics

- •Favor a timetable for leaving Iraq?
- ·Backed the surge of additional U.S. forces to Iraq?
- •Support talks with the Taliban, as with Sunni tribes in Iraq?

McCain

- •Leery that security gains could be reversed, he opposes any timetable for pullout
- •Was for an increase in troops even before Bush rolled out the surge strategy in 2007
- •Supports targeted "engagement with insurgents" where it can help disrupt and thin their ranks

Obama

•Calls for pulling out all 15 combat brigades, roughly half of all U.S. troops, by May 2010 •Strongly opposed it when announced; now says it has succeeded beyond expectations •Says U.S. should explore whether opportunities for productive talks exist with Taliban

The Big Question:

Does the worsening situation in Afghanistan require accelerating combat-troop withdrawals from Iraq?

MCCAIN

NO: The worsening situation in Afghanistan requires a national counterinsurgency strategy integrating all elements of power, unity of command, deployment of three additional brigades of U.S. and allied forces, doubling the size of the Afghan National Army, a White House Afghanistan coordinator, a presidential envoy for regional diplomacy and strengthened governance capacity in both Afghanistan and Pakistan. The additional forces could come from conditions-based withdrawal from Iraq, nato and non-nato allies, U.S. forces not deployed overseas and a significantly large Army and Marine Corps.

OBAMA

YES: I have long called for a shift in focus from Iraq to Afghanistan. As President, I will responsibly redeploy our combat brigades out of Iraq, which will help us restore our military and free up resources for the fight against al-Qaeda and the Taliban. I would send at least two or three additional combat brigades to Afghanistan. I would also increase training for Afghan security forces, nonmilitary assistance to help Afghans develop alternatives to poppy-farming, safeguards to prevent corruption and pursue a comprehensive strategy to crack down on cross-border terrorism from the al-Qaeda sanctuary in Pakistan.

Click to Print

Find this article at:



Where They Stand On: Energy

By Massimo Calabresi / Washington

The Basics

- •Boost biofuel subsidies, which have been linked to higher food prices?
- •Cut greenhouse-gas emissions with a cap-and-trade system?
- •Build more nuclear power plants in the U.S.?

McCain

- •Would cut ethanol subsidies; offers \$5,000 tax credit for zero-emission-car buyers
- •Aims to cut emissions 60% from 1990 levels by 2050 using cap and trade
- •Would build 45 new nuclear plants by 2030; supports storage at Yucca Mountain, Nev.

Obama

- •His \$150 billion energy plan would increase ethanol and other biofuel subsidies
- •Promises to cut emissions 80% from 1990 levels by 2050 using a cap-and-trade system
- •No new plants without unspecified security advances; opposes Yucca Mountain storage

The Big Question:

Should the U.S. unconditionally allow offshore drilling?

MCCAIN

YES: We must take advantage of our domestic oil and natural gas resources so that we do not continue to send half a trillion dollars overseas — some of it to countries that are openly hostile to America. But to achieve long-term energy independence as well as to halt global climate change, we need to diversify our energy resources beyond carbon-based fuels. We need to invest in nuclear power. We also have to work to bring to market renewable-energy technologies like wind, solar and hydro power. We must also invest in clean-coal technology and promote energy conservation.

OBAMA

NO: I am open to additional offshore drilling if it is part of a comprehensive, bipartisan energy package that invests in renewable energy and works to end the U.S. dependence on foreign oil. I will invest \$150 billion over the next decade to develop renewable and alternative energy sources and create 5 million new jobs while ending our dependence on foreign oil. I believe we must invest in a range of new technologies, including wind power, solar power and next-generation biofuels.

Click to Print

Find this article at:

http://www.time.com/time/specials/packages/article/0,28804,1855269 1855265 1855256,00.html



Where They Stand On: Health Care

By Massimo Calabresi / Washington

The Basics

- •Increase taxes to pay for expanded care?
- •Require businesses to provide health care for most employees?
- •Require children's health insurance?

McCain

- •Would end employer-based exclusions but replace them with individual tax credits
- •Lets those who want to shop for non-employer health plans buy coverage in other states
- •Opposes all mandates for health care

Obama

- •Plan calls for rolling back the Bush tax cuts for households making more than \$250,000
- •Except for small businesses, all employers must cover employees or pay a payroll tax
- •All children must have health insurance, with a goal of universal coverage

The Big Question:

Should employers, not individuals, take the lead in providing health care for Americans?

MCCAIN

NO: Under the current system, Americans get a tax break on health insurance only if they receive that insurance through their employer. I would reform the tax subsidy to be fair, replacing the existing break with a refundable tax credit that American families can use to either keep their employer-provided coverage or help to buy a policy of their choice in the individual market. Replacing the exclusion with the credit would benefit American families not only through greater competition in the insurance market but also by giving the average family \$1,200 to \$1,400 in additional benefits.

OBAMA

YES: My plan builds on the current system of employer-sponsored health care by offering new choices and lowering costs by \$2,500 per family. If you like your current coverage, you can keep it under my plan. If you don't have health care or want new choices, individuals and businesses will have the opportunity to purchase quality private health plans just like those offered to members of Congress. My plan will require insurance companies to cover pre-existing conditions and will provide tax credits to small businesses and working families.

Click to Print

Find this article at:



Where They Stand On: Education

By Massimo Calabresi / Washington

The Basics

- •Support for charter schools?
- •Reform No Child Left Behind?
- Increase ability to fire teachers?

McCain

- •Backs charter schools as part of his policy of increasing school choice and competition
- ·Says it needs work but offers few details
- •Says, "We need to ... help bad teachers find another line of work"

Obama

- •Wants to increase funding for charter schools, though highlights the need for accountability
- •Would fund and reform it, reducing focus on tests and punishment of under-performing schools
- •Provides assistance for under-performing teachers but would replace them if progress isn't made

The Big Question:

Should parents be given vouchers to enable them to send their children to any school?

MCCAIN

YES: Our education system still seeks to avoid genuine accountability and responsibility for producing well-educated children. I will place parents and children at the center of the education process, empowering parents by greatly expanding their ability to choose among schools for their children. I will target federal funds to recruit new teachers for the neediest education settings and provide tutors and other learning opportunities to low-income students. And I will make sure that these funds are controlled by school principals and parents—who know local communities and students the best — not Washington bureaucrats.

OBAMA

NO: I believe that public education in America should foster innovation and provide students with varied, high-quality learning opportunities. I helped pass a law to double the number of charter schools in Chicago, and I have proposed doubling funding for the federal charter-school program. I believe that graduation from a high-quality high school and the opportunity to succeed in college must be the birthright of every child in our country. My comprehensive plan gives all children access to early-childhood education, puts an excellent teacher in every classroom and makes a college education within reach of every American.

Click to Print

Find this article at:



Where They Stand On: Trade

By Massimo Calabresi / Washington

The Basics

- ·Back free-trade agreement with Colombia?
- •Boost enforcement of existing trade rules?
- Favor 2005 Central American Free Trade Agreement?

McCain

- •Calls it is a "no-brainer" that would save the U.S. money and increase the stability of an ally
- •Emphasizes benefits of trade but says he'll "build effective enforcement of global trading rules"
- •Voted for it, reflecting his general open-market approach

Obama

- •Opposes it because of Colombia's continuing record of violence against unions
- •Says he'll "pressure the World Trade Organization to enforce trade agreements"
- •Voted against it because of inadequate labor and environmental protections

The Big Question:

Should the U.S. renegotiate NAFTA and other trade agreements to help American workers?

MCCAIN

NO: Withdrawal from nafta would be a giant step backward for American workers and would strain our relationships with our next-door neighbors, Mexico and Canada. I know, however, that trade is not always good for everyone. The answer to that problem is not closing foreign markets to American products but upgrading and reforming our unemployment-insurance policy for the 21st century and creating a tax and regulatory climate in America that encourages job creation and entrepreneurship.

OBAMA

YES: I will work with the leaders of Canada and Mexico to fix nafta so that it works for American workers. I believe that nafta and its potential were oversold to the American people. It has not created the jobs and wealth that were promised. We can, and must, make trade work for American workers by opening up foreign markets to U.S. goods and maintaining strong labor and environmental standards. As President, I will work to amend nafta so that it lives up to those important principles.



Find this article at:

http://www.time.com/time/specials/packages/article/0,28804,1855269_1855265_1855208,00.html



Where They Stand On: Housing

By Massimo Calabresi / Washington

The Basics

•Force banks to directly adjust rates of failing mortgages? •Support stricter down-payment rules? •Ease bankruptcy rules?

McCain

- •Troubled mortgages should be bought and replaced with fixed-rate, FHA-guaranteed ones
- •Down payments for FHA mortgages should be increased as conditions allow
- Favors the current bankruptcy code, which prevents courts from adjusting mortgages

Obama

- •Would give banks incentives to buy or refinance existing mortgages
- •Would instead increase penalties on shady brokers and lenders
- •Wants to alter the bankruptcy rule so judges can modify and reduce people's mortgages

The Big Question:

To stabilize housing values, should the government buy troubled mortgages at a home's original cost?

MCCAIN

YES: It is important that those families who have worked hard enough to finance home ownership not have that dream crushed under the weight of the wrong mortgage. For those that cannot make payments, mortgages must be restructured to put losses on the books and put homeowners in manageable mortgages. My Resurgence Plan would purchase mortgages directly from homeowners and mortgage servicers and replace them with manageable mortgages that will keep families in their homes. The new mortgage would be an FHA-guaranteed fixed-rate mortgage at terms manageable for the homeowner.

OBAMA

NO: I strongly disagree with John McCain's proposal to buy mortgages at their full face value, which would provide a \$300 billion windfall to banks that lent irresponsibly, while ensuring that taxpayers lose money. I support aggressive action to help struggling homeowners refinance their mortgages and stay in their homes. I was an early supporter of legislation passed this summer that encourages borrowers and mortgage lenders to write down the principal on troubled mortgages. I pushed to include in the recent financial-market legislation authority for the government to buy up troubled mortgages.

Click to Print

Find this article at:

http://www.time.com/time/specials/packages/article/0,28804,1855269 1855265 1855197,00.html

Moments to Remember

Yes, it was an unforgettable political campaign. But what people recall most depends on whom you ask. A gallery of voices on the legacies of Campaign 2008







Thursday, Oct. 30, 2008 A Moment in Philadelphia

By Garry Wills

The most memorable aspect of the race, in my mind, came when Barack Obama stepped back, in Philadelphia, from the standard charge-and-countercharge exchanges of a campaign to take a long look at the problems of race in our history. It was as pivotal as John Kennedy's speech on religion to Protestant ministers in his race for President. But we do not read Kennedy's speech for its content now. I believe Obama's speech will have lasting historical significance, from the moment he could say, as part of a bid for the presidency, that "I have brothers, sisters, nieces, nephews, uncles and cousins, of every race and every hue, scattered across three continents, and for as long as I live, I will never forget that in no other country on earth is my story even possible."

Wills is professor of history emeritus at Northwestern University



Find this article at:

http://www.time.com/time/specials/packages/article/0,28804,1855060 1855039 1855004,00.html

Copyright • 2008 Time Inc. All rights reserved. Reproduction in whole or in part without permission is prohibited.

Privacy Policy | Add TIME Headlines to your Site | Contact Us | Customer Service





Thursday, Oct. 30, 2008 A Study in Contrasts

By Jay Winil

I keep thinking about that heart-stopping week when the economic crisis broke, a week when Americans were scared, fretful and angry: like a Civil War general itching to lead one last glorious charge, the 72-year-old John McCain broke off his campaign, rushed to Washington, cradled a cell phone to his ear and sought to help pass the financial rescue bill. Meanwhile, there was an unruffled Obama, looking composed and elegant and steady — might one say presidential? — reassuringly convening his economic advisers, many of whom comprise the modern-day Wise Men of the financial establishment. Here, at this Rubicon for the nation, was a profound study in contrasts for the voters to consider, a moment when two images transcended all the talking points and canned speeches. Here, too, in this one moment, was when Americans would decide who their next President would be.

Winik is the author of April 1865 and The Great Upheaval



Find this article at:

http://www.time.com/time/specials/packages/article/0,28804,1855060 1855039 1855012,00.html

Copyright � 2008 Time Inc. All rights reserved. Reproduction in whole or in part without permission is prohibited.

Privacy Policy | Add TIME Headlines to your Site | Contact Us | Customer Service





Thursday, Oct. 30, 2008 An Election of Firsts

By The Rev. Jim Wallis

This could be the most transformational election in years. The younger generation, which has cynically dismissed politics as useless, has been energized and engaged as never before. Even poor inner-city youth, usually disengaged from "public life," are excited about an election. Many Evangelicals and Catholics have redefined "moral" issues to include more than abortion and gay marriage, especially poverty and the environment. The economic crisis could open up a deeper national discussion about the relationship of democracy and the market, the need for new social regulation and self-regulation, and the reconnection of personal and social responsibility. And the election of Barack Obama would immediately change the image of America in the world.

Wallis is a Christian author, preacher and activist. He is president of Sojourners, a national network connecting faith and justice



Find this article at:

http://www.time.com/time/specials/packages/article/0,28804,1855060 1855039 1855018,00.html

Copyright � 2008 Time Inc. All rights reserved. Reproduction in whole or in part without permission is prohibited.

Privacy Policy | Add TIME Headlines to your Site | Contact Us | Customer Service





An Encounter in Pennsylvania

By Bill O'Reilly

My interview with Barack Obama during the Republican Convention brought me some insight into the presidential campaign that I certainly did not have before the chat.

For months my producers had been trying to nail down a time and place for the interview, and finally it came together very quickly. The day before John McCain was to give his acceptance speech in St. Paul, Minn., the Obama people called. I was to meet the Senator in Pennsylvania the next morning. Be there or be square. The timing was obvious: disrupt the Republican flow. Give Senator Obama a high-profile TV slot just before McCain's big speech. Because I knew I would most likely not get a second chance to talk to Obama, we hopped on a chartered plane and flew to the Keystone State.

Senator Obama himself was commanding but cautious as he entered the interview room. He knew the talk would be a challenge. He did well, and millions of people saw a spirited back-and-forth.

Whenever a politician is straight with me, I gain a measure of respect for that person. Obama answered my questions, and we both let the chips fall. His campaign was using me, and my program was using him for high ratings. But our conversation is still being talked about. So we both won.

O'Reilly is host of The O'Reilly Factor and The Radio Factor; his latest book is the best seller A Bold Fresh Piece of Humanity



Find this article at:

http://www.time.com/time/specials/packages/article/0,28804,1855060 1855039 1855021,00.html





Wisdom from the Right

By By Laura Ingraham

Our country is on the verge of electing the most inexperienced, left-wing politician ever to make a serious run for the presidency. Yet were it not for talk radio and the conservative blogosphere, the American people would have learned little to nothing about certain aspects of Barack Obama's life and political outlook. Old media — network news, most major newspapers and magazines — didn't even bother trying to maintain a pretense of objectivity. They seemed to exist solely to deflect and dismiss criticism of Obama and demonize those who dared to question (enter: Joe the Plumber). Who needs the DNC when you have NBC?

Among the Obama stories either not adequately covered or not covered at all: his relationship with Bill Ayers, an unapologetic domestic terrorist; his 20-year friendship with preacher Jeremiah Wright; his view that the Constitution reflects a "fundamental flaw" of America; and his stance as a state senator against a bill that would have provided medical care to infants born alive after an attempted abortion. (He referred to such babies as "previable" fetuses that were "temporarily alive.") More than ever, talk radio and its friends in the blogosphere are essential to the preservation of an informed democracy. No wonder some powerful figures on the left want to bring back the so-called Fairness Doctrine!

Ingraham is host of the nationally syndicated talk show The Laura Ingraham Show. *Her most recent book is* Power to the People



Find this article at:

http://www.time.com/time/specials/packages/article/o,28804,1855060 1855039 1855022,00.html





A Democratic Awakening

By By Thomas Frank

What we'll remember about 2008 is that it was the year the backlash finally broke. For decades, American conservatism has presented itself as a class-based rebellion against a condescending "liberal élite." The argument has laid liberals low from George McGovern to John Kerry; it has sent the mainstream media scurrying in terror; it has fueled fights over such unlikely subjects as the theory of evolution; and it furnished the political cover for the most élitist economic policies since the 1920s. For years Democrats had been incapable of responding in kind. But the enormous economic unpleasantness of 2008 forced them back onto their own, almost forgotten working-class instincts. In response, conservatives escalated the assault on the "liberal élite." John McCain chose as his running mate a woman whose main selling point was her acute sense of cultural victimhood. His campaign marched a platoon of propaganda figures across the stage, like the cartoonishly named Joe the Plumber, to affirm the working man's love for the policies that were killing him. It was grotesque, and soon it will be over. Hopefully, for good.

Frank, journalist and author of The Wrecking Crew, writes about American culture and politics



Find this article at:

http://www.time.com/time/specials/packages/article/0,28804,1855060 1855039 1855026,00.html





The Unexpected Disappointment

By By David J. Garrow

One ought to feel great joy as we stand on the cusp of electing a young liberal Democrat as the first African-American President. But instead, my mood is one of deep disappointment, both with two nominees who've failed to live up to their own prior reputations and with increasingly politicized national news media that have wallowed in what's trite and vacuous rather than featuring policy substance or biographical insight. For two decades, John McCain represented the promise of a Republican Party standing for honest pragmatism rather than destructive ideological rigidity.

But this year McCain has run an embarrassingly bad general-election campaign that's insisted America's most pressing issue is Barack Obama's passing acquaintance with Bill Ayers, an aging Chicago radical. Prior to 2008, the brightest gemstone in Obama's political résumé was his championing of campaign reforms that would reduce the insidious role of private money in American politics. But this year Obama threw that commitment under the bus with an alacrity that should have alarmed everyone who thinks they know what policies he'll pursue as President. The news media have highlighted McCain's shortcomings far more aggressively than they've examined what's evanescent rather than enduring about Obama, but disappointment all around is the unexpected mood I'll remember from this campaign.

Garrow, a senior research fellow at Homerton College, University of Cambridge, is the author of Bearing the Cross, a Pulitzer Prize-winning biography of Martin Luther King Jr.



Find this article at:

http://www.time.com/time/specials/packages/article/0,28804,1855060 1855039 1855033,00.html



Friday, Oct. 31, 2008

Decision Day In a Red Town

By Amy Sullivan/Cincinnati

The New Battlegrounds Hamilton County, Ohio

Modest, workmanlike and a little wary of theatrics, Ohioans have nonetheless developed a flair for the dramatic when it comes to presidential elections. In 2004, election night came and went with no clear winner in the Buckeye State, and for a few long hours it seemed that the nightmare of 2000 just might repeat itself. When the results were finally tabulated, George W. Bush had won the state by just over 118,000 votes—a difference of fewer than 11 ballots per precinct.

This year Ohio is gearing up to put on another show. Both campaigns have spent enough time here that they should have invested in Quickpay cards for doughnut runs to Tim Hortons. John McCain chose Dayton for the site of Sarah Palin's coming-out party, and Barack Obama turned up in Canton to launch his "closing argument" speech for the last week of the race. In the latest TIME/CNN/Opinion Research poll, Obama held a 51%-to-47% lead over McCain but trailed him 48% to 50% among pivotal suburban voters.

Both McCain and Obama expected hand-to-hand combat in Ohio as the 2008 campaign drew to a close. But Hamilton County, which includes and surrounds Cincinnati, was never in anyone's battle plan. Over the past 100 years, its voters have backed the Democratic presidential candidate only four times. The county has been such unfriendly territory for Democrats that former Ohio governor John Gilligan, a Cincinnati native, once famously remarked that, "they hunt Democrats with dogs for sport in Hamilton County."

This year, however, Hamilton is up for grabs. Nestled in the southwestern corner of Ohio, where table-flat corn and wheat fields abruptly give way to hilltops, Cincinnati overlooks Kentucky from its perch above the Ohio River. "It's really two cities," says Dorothy Weil, 78, whose husband chaired the local Democratic Party two decades ago, "the East and the West." Culturally and politically, the West Side closely resembles its Kentucky neighbors and is dotted with working-class Catholic towns where people still place one another by asking which parochial high school they attended. Across town is the East Side, an affluent web of hillside communities that house executives from Macy's, Procter & Gamble and the seven other FORTUNE 500 companies that are based in Cincinnati.

For years, the social conservatism of the western part of the county and the fiscal conservatism of the eastern part formed an unbreakable Republican lock in Hamilton. Democrats like Weil focused their efforts on urban neighborhoods and only occasionally picked up support from surrounding townships and cities. But this year the Obama campaign sees a chance to pick the lock. Four years ago, Bush won the county by less than 6 percentage points; in 2006, Democrats took over the county commission for the first time in 44 years. In 2000, the last time both parties had a competitive primary, 115,300 voters participated on the GOP side, while only 54,600 cast votes for Democrats. This year the numbers are flipped: 83,400 voted for Republican candidates, and nearly 165,000 participated in the Democratic primary. Although Hillary Clinton won Ohio easily, Obama's best showing statewide came in Hamilton, where he won 63% of the vote.

"We have a reservoir of support there," says Isaac Baker, Obama's Ohio spokesman.

Much of that reservoir is African American. While Bush chipped into Ohio's black vote in 2004, the Obama campaign expects to see black support above 90%. In a county like Hamilton, which is one-quarter African American, that enthusiasm could provide the margin of victory. Obama's army has blanketed the county with signs and posters. Capitalizing on Ohio's early-voting law, it has organized van rides to shuttle students, low-income residents and even homeless voters to the early polling station downtown. One Obama aide says the campaign needs socially conservative whites on the East Side, but adds, "We're expecting record turnout among African Americans."

The strength of Obama's surge in Hamilton is evident in the lift it is giving down-ballot Democrats who otherwise might not stand a chance. On a recent afternoon, congressional candidate Steve Driehaus spent a few hours knocking on doors in Forest Park, a North Side working-class suburb of mostly African-American families that have moved out of the city. It's a neighborhood where nearly every front window sports a yellow ribbon or American-flag decal, and Driehaus barely needs to make his pitch. "Oh, yeah, we're voting for you," says a middle-aged woman. "We saw you at the rally with Obama." At another house, he exchanges a fist pound with a 3-year-old African-American girl named Kennedy.

Twelve miles (19.3 km) and several tax brackets away is Indian Hill, an East Side suburb that is home to those fiscally conservative swing voters the Obama campaign would like to win over. A drive around Indian Hill's winding country lanes leaves a visitor thinking it's less a town than a state park with sprawling manors. Bush beat John Kerry here by better than 3 to 1, and McCain and Palin have each dropped by in the past few months to raise money. But just a few weeks before the 2008 election, the yard signs anchored at the end of the long driveways were as likely to read OBAMA as MCCAIN. On Oct. 22, McCain and Palin flew in to fire up several thousand of their supporters at a local airport hangar. "Nothing is inevitable!" the Senator shouted. "We never give up. We never quit."

The changing political landscape in Hamilton County has left the McCain campaign with only one sure bloc of voters--social conservatives--and even they have required convincing. Cincinnati is home to some of the country's most active social-conservative leaders, including antipornography crusader Phil Burress. Many have never forgiven McCain for famously describing religious conservatives as intolerant in 2000. The McCain campaign hired Mike Huckabee's Ohio director to help smooth relations with social conservatives. The candidate himself came to Cincinnati in late June for a private meeting with half a dozen leaders to remind them of his opposition to abortion and ask for their support. After that conversation, Burress declared himself a "changed man."

"We knew early on that this was a constituency that we had to make every effort to get on board," says Joe Seaton, the McCain aide in charge of southwest Ohio. "And we have done so." But the outreach, along with McCain's selection of Palin as his running mate, may have alienated socially moderate swing voters and explains why McCain aides say they are targeting "the Cincinnati media market"--meaning more conservative outer counties like Butler and Warren--instead of the once rock-solid Hamilton.

There is one other piece of drama unfolding here: election officials are preparing for a wild Nov. 4, with turnout rates that could reach 80%. Sally Krisel, Hamilton County's director of elections, has ordered new

machines and plans to set up extra tables with privacy screens if the booths reach capacity. "I even ordered extra clipboards," says Krisel. "If we get really jammed, we'll stick ballots on clipboards and start handing those out." So for anyone looking to predict the outcome in Ohio this year, forget exit polls and anecdotal reports--but pay attention to whether those clipboards come out in Hamilton.

Click to Print

Find this article at:

http://www.time.com/time/magazine/article/0,9171,1855354,00.html



Wednesday, Oct. 29, 2008

Hidin' Biden: Reining In a Voluble No. 2

By Karen Tumulty / CHARLESTON, W.Va.

Anyone who has watched Joe Biden over 35 years in the Senate might have a little bit of trouble recognizing the guy who is running to be Barack Obama's Vice President. Oh, yes, he looks like the same fellow. But traveling with Biden during this campaign has sometimes been like reporting on a politician packaged in shrink-wrap. While his windy, off-point pontification was the stuff of legend among his Senate colleagues, Biden is now leashed to a teleprompter even when he is talking in a high school gym that is three-quarters empty. The exposure hound who in recent years appeared more often than any other guest on the Sunday talk shows is a virtual stranger to the small band of reporters on his plane — less accessible than even Sarah Palin is to her traveling pack of bloodhounds. And Biden keeps to a schedule that provides a minimum of off-the-cuff encounters with voters, except across a rope line. See Joe Biden's defining moments here.

The campaign's caution is understandable. With Obama leading in all the national polls, only a few things would seem to have the potential to throw him off course. One of those things is his running mate. Sticking to a script has never been one of Biden's stronger suits, as he demonstrated recently at a Seattle fund raiser. "Mark my words: it will not be six months before the world tests Barack Obama like they did John Kennedy," Biden told the \$1,000-a-ticket Democratic donors, who no doubt were startled to discover that the Fifth Horseman of the Apocalypse had ridden into the downtown Sheraton. "Remember, I said it standing here, if you don't remember anything else I said. Watch — we're going to have an international crisis, a generated crisis, to test the mettle of this guy." A bemused Obama responded, "I think that Joe sometimes engages in rhetorical flourishes." In a matter of days, Biden's comments were the subject of both a John McCain television ad and the opening skit on *Saturday Night Live*.

To the relief of some in Obama's camp, an operation that runs on discipline, there have been fewer lampoonable episodes than many had expected when Obama tapped the man who had famously described him as "articulate and bright and clean and a nice-looking guy." Whereas McCain's pick of a running mate was a big move aimed at jolting the race, Obama had hoped instead to bolster his foreign policy credentials, give him a second chance with white Catholics and, above all, do no harm. And though some Obama allies had qualms about Biden's tendency to run off the rails, they noted he had kept it in check during his own presidential campaign. Since being picked for VP, the Delaware Senator has performed well in what advisers say were his three biggest tests: his convention speech in Denver; his debate with Sarah Palin; and stumping for working- class voters in Pennsylvania, the crucial battleground state where Biden was born and to which he has made six trips since joining the Democratic ticket. In a recent national Pew Research Center poll, 60% of those surveyed said they had a favorable view of Biden, compared with 44% who felt that way about Palin. And that was before a civil war of anonymous quotes broke out within the McCain-Palin operation, with Palin's allies saying she is frustrated enough to "go rogue" against her handlers and McCain's calling his running mate a "diva."

Meanwhile, the no-drama Obama campaign has deployed Biden to the smallest hardscrabble corners of America's swing states, where he makes common cause by invoking his own working-class roots in

Scranton, Pa. He speaks of his father, who told Biden to always get up when he got knocked down. He says he wishes his mother could be there to say, "God bless ya." Biden even invokes his 10-year-old granddaughter Finnegan, whose favorite expression — "Hellooo?" — sums up Biden's reaction to the efforts of his "old dear friend" McCain to distance himself from George W. Bush. (See where Joe Biden stands on the issues.)

The crowds that Biden draws are smaller and older than the throngs at Obama's megarallies. A disproportionate number wear windbreakers and sweatshirts that identify them as members of unions representing mine workers, firefighters and painters. Flashing his 250-watt set of teeth, Biden rarely fails to bring them to their feet with a stump speech that goes from thunder ("I've had *enough*! Our *country* has had enough!") to whispered intimacy ("Ladies and gentlemen, it's about *dignity*") and back again ("I love ya! Get up, Virginia! Get *up*!").

As risky as it can be to let Biden step away from the teleprompter, it is in these moments that he can be most affecting. When he made a rare unscheduled stop at an ice cream parlor in Charleston, W.Va., Biden encountered the owner's daughter, a 28-year-old woman who told him she had suffered a brain aneurysm last December similar to the one that nearly killed Biden in 1988. The Senator threw an arm around Sara Beal's neck, pulled her to him and whispered in her ear. By the time he let her go about five minutes later, planting a kiss on top of her head, both of them were near tears.

At that same stop, a reporter shouted a question about McCain's new ad featuring Biden's comments in Seattle and got no answer beyond stony silence. In the two days that I was aboard his Boeing 737 campaign plane, Biden ventured only a few steps outside his cabin at the front of the plane, which kept him safely away from the reporters at the back. When Biden suddenly appeared at the door to the main cabin, Dallas *Morning News* reporter Todd Gillman attempted to take a snapshot — a not-uncommon occurrence aboard a campaign plane — and was told by a campaign staffer, "We prefer that you not take photos." According to a blog post by Ryan Corsaro, the CBS News embed on the Biden plane, the candidate has not taken questions from the journalists aboard his plane since Sept. 7, but he has done numerous interviews with local reporters. That is typically safer terrain, though in one contentious television interview on Oct. 23, an Orlando anchorwoman asked him whether Obama is a Marxist. For once, even Biden — who did the interview from North Carolina — seemed dumbfounded. "Are you joking?" he asked.

So what kind of Vice President would Biden be? His relationship with Obama is still in its formative phase, but history may hold some clues. It has been 48 years since a sitting Senator has been elected President, but in that time, five went directly from the Senate to the vice presidency. Some of them — Walter Mondale comes to mind — served as all-purpose advisers and troubleshooters for the President. Others chose specific portfolios — as Al Gore did in taking charge of areas like the environment, technology and reorganizing the operation of the Executive Branch.

Biden has a breadth of expertise that comes from having served as chairman of the Judiciary and the Foreign Relations committees in the Senate, two substance-heavy posts. But his ability to maneuver in either of those areas as Veep might quickly run him afoul of both the Attorney General and the Secretary of State. Biden will want a big say in helping decide who in an Obama Administration would get those two posts, if only because he will know how to get Obama's choices confirmed in the Senate better than anyone

else. But those close to Biden say the model he would follow would more likely be that of Mondale. As one put it, "Joe Biden is the ultimate got-your-back kind of guy, and whatever that ends up meaning, that is what he'll do for Obama."

It would have been nice to ask that question of Biden himself, but a campaign spokesman told me the Senator was suffering from a cold that made it a strain to give interviews. (I didn't glean evidence of any symptoms during the four speeches that I watched him give over two days.) The spokesman also said Biden would consider it "presumptuous" to talk about how he would perform the job for which he is running. Or maybe it simply wasn't in the script.

See photos of Joe Biden here.

See a gallery of campaign gaffes here.



Find this article at:

http://www.time.com/time/politics/article/0,8599,1854640,00.html

Copyright � 2008 Time Inc. All rights reserved. Reproduction in whole or in part without permission is prohibited.

Privacy Policy | Add TIME Headlines to your Site | Contact Us | Customer Service



Friday, Oct. 31, 2008

The 24-Minute News Cycle

By James Poniewozik

If you're like me--and I hope for your sake that you're not--you have been spending the past weeks visiting election-news sites and hitting the Refresh button on your Web browser. New Fox News poll out this afternoon! No? Let's go to Gawker and see what Elisabeth Hasselbeck said about Barack Obama on The View today! Are those poll numbers up at Politico? Drudge? Huffington Post? No? Refresh!

After a while, that little icon becomes less an option than a command. Refresh! Refresh! Refresh! You hit the button, take a big info swig and are left thirstier than you were before. It's the pause that doesn't refresh and the refresh that never pauses.

And it no longer matters if you're not obsessed with politics. Because even if you take in only the occasional newspaper, newscast or episode of Saturday Night Live, the coverage you see is driven by the fixations and miniscandals whipped up in the unsleeping election media. With cable and now online outlets that can make anything news at any time, the media formerly known as mainstream are dealing with news that can go through several rounds of attack and counter-attack between the morning paper and the evening news. The 24-hour news cycle that media critics used to bemoan seems as quaint and leisurely as a taffy pull. We're now living in a 24-minute news cycle.

If you follow campaign news, you'll see this cycle in action several times a day, with stories sprouting, blooming and dying like flowers in time-lapse photography. Breaking: McCain campaign worker assaulted! Has partisan anger gone too far? Let's ask the campaigns! Is media coverage of anger biased? Let's ask ourselves! Wait--story was a hoax! Never mind! Next!

Take a few hundred of these eruptions and lay them end to end, and you have the 2008 campaign. As politics has expanded to more platforms--blogs, YouTube, comedy shows--the old press has followed, raising its metabolism and sharpening its tone to compete. And following it all has been by turns thrilling and exhausting.

The Speed of Sound Bite

This is not to say that the souped-up cycle has rendered the election trivial. In a way, just the opposite. This election and its stakes are so significant that people's appetites are insatiable. They want their voices heard, their issues resolved, their lives bettered. Really, they want the election to be over and to know who is going to win. The media can't give them that, so instead they help people kill time by keeping ire and anxiety stoked.

One source of tension is that the media run so fast while politics moves so slow. By February, political observers doing the math saw where the Democratic primary was going--but it would take three months to get there. So the media revved their engines like a car in neutral:

SexismRacismWrightBillaryBitterBowlingBosnia! While Hillary Clinton and Obama won their expected states with the precision of a German train schedule, the 24-minute news cycle played each victory as: Comeback! Counter-comeback! Counter-comeback!

The cycle got its most vigorous workout during the whirlwind introduction of Sarah Palin. John McCain's Veep passed from surprise (who is this woman?) to novelty (beauty queen who shoots moose) to scandal (her daughter's pregnant) to obituary (will McCain drop her?) to resurrection (she's a pit bull with lipstick) to skepticism (but can she appeal beyond the base?) at the speed of a snowmobile.

The Palin story--in particular, her daughter Bristol Palin's pregnancy--showed just how interdependent the mainstream and nonmainstream media have become. The Palin camp revealed the news after blogs published rumors that Palin had faked her own recent pregnancy to cover up an earlier one of her daughter's. Mainstream outlets left these rumors alone until the Palins' disclosure, but once the story was out, the perception was that "the media" had hounded the family into opening their personal lives.

What the story really revealed is an ecology that Mickey Kaus of Slate calls the "undernews": stories, true and false, that percolate in the blogs or tabloids until the "respectable" press is forced to soil its white gloves, just as what happened with the John Edwards love-child story. (Wow, how long ago was that? The 1980s?)

The nontraditional media have also controlled the tone of the debate. The blogosphere joined talk radio as a driver of issues and stories. McCain faced some of his toughest interviews of the campaign on David Letterman and The View. And while Katie Couric grilled Palin on CBS, it was Tina Fey's impression that seared the moment into the national consciousness. (Palin impersonations were also among the hottest genres on YouTube.) The Daily Show was, as in 2000 and 2004, the election's dominant running commentary.

The traditional press, then, had more competition for scoops, influence and audience as the election became the biggest pop-culture event of the year. So the news media--all chasing the same ad dollars in a bad economy--learned the value of putting on a show. Formerly straitlaced outlets gave themselves an attitude makeover to keep up with the blogs and Comedy Central. CNN hired comic D.L. Hughley to do a late-night show, and even the stodgy Associated Press started injecting bloggy potshots and analysis into its wire stories. If you didn't snark, you didn't exist.

Hits, Clicks and the Hoff

At the same time, the election and technology bred another, kinder-and- dorkier group of stars: the geekocracy. CNN's John King broke down election returns and poll figures on a touchscreen "magic wall," while NBC guru Chuck Todd crunched numbers on what resembled an electronic Risk board. Meanwhile, a raft of bloggers used the Web's strength--indulging obsessiveness--to create temples of poll analysis. Chief among them was Nate Silver, a baseball-statistics nut at whose FiveThirtyEight.com habitués debate weighting averages and tracking-poll internals until the wee hours.

The audience was awash in data, if not necessarily in knowledge. Maybe the most addictive expression of

electoporn was the Election Simulator at <u>270towin.com</u> where you could press a button and get an electoral map based on probabilities from the latest polls, over and over again, different each time. Click, click, red, blue, red, blue! Like so much prognostication out there, it's less news than a video game.

The campaigns, meanwhile, also learned to use new media to keep the news monster appeased. Web ads were the Molotov cocktails of campaign 2008: quick, cheap and explosive--the more outrageous, the more likely to get embedded on blogs and played for free on the news. One zany McCain ad, made around Obama's summer trip to Europe, likened Obama to actor (and pop star in Germany) David Hasselhoff. Attention-getting? Definitely. Comprehensible? Does it matter?

McCain in many ways ran a campaign more in sync than Obama's with the 24-minute cycle. The media wanted drama, and he gave it to them. Here's a surprise V.P.! Here's a new message! My campaign's off! It's back on! Obama, for all his campaign's use of social networking, online fund-raising and e-mail-rumor debunking, ran a comparatively sedate media campaign.

We don't know yet which strategy worked. But the pundits who have analyzed the candidates' styles may be missing something. McCain has promised a "steady hand on the tiller"; Obama, a cool head in a crisis. I suspect that part of what the country wants after more than a year of rabid electotainment is a firm hand on the volume dial--a calming response not just to the economy or to partisanship but also to the incessant shrieking, browbeating, Chicken Littling of the media. They want someone to push not Refresh but Pause.

That seems clear to me now, anyway. But ask me again in 24 minutes.



Find this article at:

http://www.time.com/time/magazine/article/0,9171,1855330,00.html



The Gay Mafia That's Redefining Liberal Politics

By John Cloud / Beverly Hills

A few weeks before Virginia's legislative elections in 2005, a researcher working on behalf of a clandestine group of wealthy, gay political donors telephoned a Virginia legislator named Adam Ebbin. Then, as now, Ebbin was the only openly gay member of the state's general assembly. The researcher wanted Ebbin's advice on how the men he represented could spend their considerable funds to help defeat anti-gay Virginia politicians.

Ebbin, a Democrat who is now 44, was happy to oblige. (Full disclosure: in the mid-'90s, Ebbin and I knew each other briefly as colleagues; he sold ads for *Washington City Paper*, a weekly where I was a reporter.) Using Ebbin's expertise, the gay donors — none of whom live in Virginia — began contributing to certain candidates in the state. There were five benefactors: David Bohnett of Beverly Hills, Calif., who in 1999 sold the company he had co-founded, Geo-Cities, to Yahoo! in a deal worth \$5 billion on the day it was announced; Timothy Gill of Denver, another tech multimillionaire; James Hormel of San Francisco, grandson of George, who founded the famous meat company; Jon Stryker of Kalamazoo, Mich., the billionaire grandson of the founder of medical-technology giant Stryker Corp.; and Henry van Ameringen, whose father Arnold Louis van Ameringen started a Manhattan-based import company that later became the mammoth International Flavors & Fragrances.

The five men spent \$138,000 in Virginia that autumn, according to state records compiled by the nonprofit Virginia Public Access Project. Of that, \$48,000 went directly to the candidates Ebbin recommended. Ebbin got \$45,000 for his PAC, the Virginia Progress Fund, so he could give to the candidates himself. Another \$45,000 went to Equality Virginia, a gay-rights group that was putting money into many of the same races.

On Election Day that year, the Virginia legislature stayed solidly in Republican hands; the Democratic Party netted just one seat. But that larger outcome masked an intriguing development: anti-gay conservatives had suffered considerably. For instance, in northern Virginia, a Democrat named Charles Caputo (who received \$6,500 from Ebbin's PAC) had beaten a Christian youth minister, Chris Craddock, by an unexpectedly large margin, with a vote of 56% to 41%. Three other candidates critical of gays were also defeated, including delegate Richard Black, who had long opposed gay equality in Richmond. Black had had no single donation as large as the \$20,000 that Ebbin's PAC gave his opponent. "This was my ninth election campaign, and it wasn't unusual to have homosexuals involved," says Black, who now practices law. "But it was different, certainly, in degree. There had not been a concerted influx of money from homosexuals as a group before."

The group that donated the money to use against Black and the others is known as the Cabinet, although you won't find that name on a letterhead or even on the Internet. Aside from Bohnett, 52; Gill, 55; Hormel, 75; Stryker, 50; and Van Ameringen, 78, the other members of the Cabinet are Jonathan Lewis (49-year-old grandson of Joseph, co-founder of Progressive Insurance) and Linda Ketner, 58, heiress to the Food Lion fortune, who is running for Congress against GOP Representative Henry Brown Jr. of South Carolina.



Ketner's is something of a long-shot bid — her district has been reliably Republican for years — but recently *Congressional Quarterly* described her "suddenly strong run" against Brown as "the biggest surprise" in this year's House races. Ketner, who was invited to join the all-male Cabinet as a way of diversifying it, declined to discuss her role in the group.

Among gay activists, the Cabinet is revered as a kind of secret gay Super Friends, a homosexual justice league that can quietly swoop in wherever anti-gay candidates are threatening and finance victories for the good guys. Rumors abound in gay political circles about the group's recondite influence; some of the rumors are even true. For instance, the Cabinet met in California last year with two sitting governors, Brian Schweitzer of Montana and Kathleen Sebelius of Kansas, both Democrats; political advisers who work for the Cabinet met with a third Democratic governor, Wisconsin's Jim Doyle. The Cabinet has also funded a secretive organization called the Movement Advancement Project (MAP), which a veteran lesbian activist describes as the "Gay IRS." MAP keeps tabs on the major gay organizations to make sure they are operating efficiently. The October 2008 MAP report notes, for example, that the National Gay & Lesbian Task Force fails to meet Better Business Bureau standards for limiting overhead expenses.

According to the online databases Opensecrets.org and Followthemoney.org, the seven members of the Cabinet have spent at least \$7.8 million on political races since the beginning of 2004, although their true level of giving is doubtless far higher, since Followthemoney.org — which is run by the nonpartisan National Institute on Money in State Politics — does not capture all contributions to PACs (for instance, the Cabinet money that went to Ebbin's PAC in 2005 doesn't show up on the website). The Cabinet spends at least as much each election cycle as does the PAC run by the Human Rights Campaign, the world's largest gay political group. And yet the Cabinet has operated in stealth, without accountability from watchdogs. (The Cabinet does not subject itself to MAP analysis.)

Cabinet spending shows up in races all over the country where pro-gay candidates have a good shot. For instance, Bohnett, Gill and Van Ameringen have given \$143,000 this year to New York Democrats, who are within two seats of controlling the state senate. A Democratic New York legislature would likely approve equal marriage rights.

The Cabinet's Gill and Stryker have seen their money achieve remarkable results in their respective states, Colorado and Michigan. Stateline.org (a project of the Pew Charitable Trusts) reported that in 2006, Stryker gave "at least \$6.4 million to candidates or political committees in at least a dozen states, including Michigan, where he can boast that Democrats gained a majority in the state house for the first time in 12 years." Some Cabinet members also donated tens of thousands of dollars in certain Iowa and New Hampshire races in 2006, when Democrats regained control of both states' legislatures. Those states' Democratic majorities now ensure that, among other things, efforts to amend the Iowa and New Hampshire constitutions to ban same-sex marriage will fail.

And yet the Cabinet is noteworthy not only because its treasure begets political influence but also because its very existence shows how dramatically the culture wars — and liberal politics as a whole — have changed in the past decade. Next summer gays will celebrate the 40th anniversary of the Stonewall riots, the 1969 Manhattan demonstrations that began when cross-dressers angry about police raids at the Stonewall bar began throwing bottles and punches. Today, though, the street movement is basically defunct. And

increasingly, the center of gay power is moving out from Washington toward the interior — toward powerful foundations like those run by Stryker in Kalamazoo and Gill in Denver. Since the beginning of 2001, Stryker's foundation, which is called Arcus and has offices in both the U.S. and the U.K., has given away \$67 million, about three-quarters to gays and about one-quarter to apes. (Stryker, who got a pet monkey as a gift when he was young, is a major donor to the conservation of ape habitats.)

The Cabinet is emblematic of a larger shift on the left since 2004 in the direction of big-money politics, a shift most clearly seen in Barack Obama's refusal of public financing for his campaign. The Cabinet is only one of several flush, members-only liberal groups that have formed since 2004, the most famous (and richest) being the Democracy Alliance, whose sponsors include billionaires George Soros, Peter Lewis (father of Cabinet member Jonathan) and Pat Stryker (sister of Cabinet member Jon).

That raises questions: What does a civil rights movement look like in an era of massive wealth? Can you still inspire a grass-roots movement when all the street troops know that the billionaires can just write bigger checks? And is it possible that the left has become a movement as coldly obsessed with money as it always assumed the right was?

Gays may see the cabinet as powerful, almost numinous, but its own members see themselves as largely unorganized and highly independent. "It's a group of people who like and respect each other and their opinions," Ray Mulliner, a longtime Hormel adviser, told me recently. "It's nothing more than like-minded donors getting together to share strategies." When I mentioned that similar organizations on the right had received press scrutiny — I was thinking of the Arlington Group, a coalition of movement conservatives — Mulliner angrily rejected the comparison: "You have no reason to be curious about this. You're going to write a piece that's going to start a fire that needs to get put out, and it's going to cost a lot of money to put it out," he said.

The Cabinet first came together three or four years ago, according to Van Ameringen, as a "meeting place" for donors who wanted to use their money with greater strategic acumen. Gill got the idea for the group after he and Lewis attended a Democracy Alliance meeting. The donors felt they could accomplish more for gays if they shared information rather than operate as "silo" givers. Some members were frustrated that the established gay movement in Washington hadn't made greater progress in a society rapidly coming to see homosexuality as a mere variation rather than a moral degeneration.

Today it's difficult to find a gay organization that has not enjoyed the Cabinet's largesse. In 2007, for example, Stryker's Arcus Foundation gave away \$11.8 million as part of its Gay and Lesbian Program. The money reached both big-name groups like the Gay & Lesbian Alliance Against Defamation (which got half a million dollars) and little organizations like the Actors Theatre Co. of Grand Rapids, Mich., which got \$25,000 to produce a play called *Seven Passages: The Story of Gay Christians*.

The web of connections among the Cabinet members is complex. All the other members have donated the maximum amount allowed to Ketner's congressional campaign. Gill, Lewis and Stryker employ political advisers — respectively, Denver attorney Ted Trimpa; Paul Yandura, who worked in the Clinton White House's political-affairs office; and Lisa Turner, a former political director for the Democratic Legislative Campaign Committee — who regularly speak with one another and with others who work for Cabinet

members.

There's nothing illegal about the Cabinet's coordination of its members' giving, according to Lawrence Noble, campaign-finance expert with the Washington-based firm Skadden, Arps. The contributions would be illegal only if the members agreed to give up control of their donations entirely or coordinated them directly with a campaign. There's no evidence of either; several people associated with the Cabinet made clear that its members make their donations without anyone's review. And yet as the *National Review's* Byron York has pointed out, Americans were horrified to learn during Watergate that Richard Nixon's friend Clement Stone had donated an outrageous \$2 million in cash to the President's campaign. Cabinet members have spent at least five times that amount in various races in the past four years; the Soros-backed Democracy Alliance has spent probably 50 times that amount.

Still, it's hard to argue that the left in general and gays in particular should sit on their hands while foes outspend them. Strategically, the Cabinet makes sense; most people who defend its secrecy offer a Machiavellian understanding of ends and means. "I could lose a lot of sleep about it, and I do wonder why they have abandoned [gay] organizations that have a 35-year track record in order to have their own operations," says a seasoned Washington gay activist. "But if that's the way the rules of the game are being played, I need to maneuver within what the realities are."

The larger question is what role wealthy groups like the Cabinet will have in reshaping the politics of the left. There's been a great deal of (largely self-congratulatory) talk among liberals about the progressive movement's success in using new technologies to harness the netroots, to use the fashionable liberal argot. But there has been less reflection about what impact the great gobs of Sorosian money will have on the movement. Michael Fleming, a Los Angeles political *macher* who advises Cabinet member Bohnett, worries that rank-and-file gay people — the ones who might have picked up a rock at Stonewall — are increasingly relying on billionaires to cut checks. "Where is the outrage?" he asks.

The answer is that outrage has given way to smugness, the kind of self-satisfaction conservatives displayed after electoral successes in 1980 and 1994. Groups like the Cabinet and the Democracy Alliance suggest a new kind of moneyed progressivism, one that shows little of the class discontent that animated earlier strains of leftist thought. Is this a sign of maturation — throwing off radical excesses — or capitulation, a surrendering to the idea that efforts to reduce the power of money in our democracy have failed? Probably a little of both.

For its part, the Cabinet seems poised to prod the gay movement into being sleeker, faster, more tactical. When the remaining veterans of Stonewall march down Fifth Avenue next summer, those shimmeringly romantic, slightly foolish days of 1969 will have never seemed so distant.



Find this article at:

http://www.time.com/time/politics/article/0,8599,1854884,00.html



Thursday, Oct. 30, 2008

Is Housing Nearing the Floor?

By Bill Saporito

The last piece of the last residential construction crane in Miami is coming down, and locals don't expect to see another one for a while. Developers threw up some 23,000 housing units along South Beach and its environs beginning in 2003, many of them bought by speculators who thought they could flip the properties for a quick profit. Then the music stopped. "Our best guesstimate--and we've talked to lenders and developers--is that you will not see a residential construction crane in the sky in downtown Miami for a generation," says Peter Zalewski, a real estate broker and founder of Condo Vultures, a realty-intelligence service. "Well, at least seven years," he says before modifying his forecast yet again. "Let's go with a decade," he finally concludes.

When it comes to the U.S. housing market, it's sensible to plan for the worst. The latest Case-Shiller Home Price Index for a 20-city composite showed that prices recorded a 1% drop in August and were down 17% for the past 12 months. Miami had a 2% monthly drop and a 28% tumble over the last year; in San Francisco it was -4%, and -27% for the year.

But the picture is brightening in pockets of the country, where there are nascent signs of a bottoming: the rate of decline slowed in August, according to Case-Shiller, and in September, existing home sales rose 6% nationally. That means buyers are finally being lured to the market by low prices. In Los Angeles, and even in Miami, there is evidence that the housing market is lifting its head off the deck, even as foreclosures continue to pile up and prices edge downward. Some banks are grudgingly agreeing to short sales—that is, selling below the mortgage amount—and doing some workouts. For owners, buyers and policymakers, such signs of a recovery raise a big question: Will a recession that is gaining momentum break through housing's floor again? In other words, is this real estate's dead-cat bounce?

Oddly enough, talk of a possible federal mortgage bailout is slowing deals. "Recently, a lot of the financial institutions have stopped accepting short sales to find out if the government is going to buy their loans that are in default. They're waiting to see what happens with the recent rescue plan to buy back mortgages," says Fred Arnold, president of the California Association of Mortgage Brokers. In Miami, banks can't wait to throw underwater mortgages into the government's pool. Says Zalewski, "I can see the Federal Government giving them a mulligan and allowing them to sort of do a do-over."

He can expect a do-over from the outgoing Administration, but not a paper-over that would rescue speculators. FDIC chief Sheila Bair has been pushing to use new loan-guarantee authority passed under the \$700 billion banking bailout to adjust troubled homeowner mortgages. The plan would provide \$50 billion from the government to be tapped as insurance for banks willing to adjust mortgages in a loss-sharing agreement. The FDIC would guarantee any losses on loans readjusted for homeowners who can show a 38% debt-to-income ratio, similar to what the FDIC worked out for the 60,000-odd bad loans it ate when it closed IndyMac bank.

The idea is to save people whose loans are salvageable from being tossed out of their homes, thus preventing even more inventory from being dumped on the market. "We still think foreclosures are a major issue for borrowers, homeowners and the housing market generally," says a source familiar with Bair's negotiations with the Treasury Department. A deal of some sort is expected within weeks.

How much the next President would further change any plan isn't clear. Both John McCain and Barack Obama have promised aggressive, but as yet vague, action on housing. McCain's proposals are more radical: getting the government to buy a large swath of the bad mortgages at cost and replace them with FHA-guaranteed, fixed-rate ones. But that plan could be seen as having a dampening effect on any bottoming in the housing market. Why? If owners know they can dump their illiquid home loans cost-free on the government, they have little incentive to sell.

Obama has proposed slightly less market-skewing alternatives. He wants to create incentives for banks to buy or refinance existing mortgages. He supported the so-called cram-down rule that would allow judges to modify mortgages when homeowners file for bankruptcy, a measure that was axed from the Wall Street bailout package.

Whatever the government does, home sellers had better resign themselves to lower prices. Nationally, the inventory of unsold homes is still large. In the greater Miami area, there are 110,000 single-family homes, condos and town houses for sale. Some 55,000 new foreclosures were filed in the first nine months of this year, and an additional 19,000 properties were taken back by lenders. In California, the median price for houses has dropped 41% in a year, according to the California Association of Realtors. In the L.A. area, the outlying suburbs of San Bernardino and Riverside have been hardest hit because of the number of homes owned by more marginal borrowers.

But even without government intervention, sales of distressed properties are up significantly. In and around Los Angeles, housing sales were up 83% in September over the prior year, with distressed properties notably contributing to the surge. "We're seeing a significant increase in sales activity over the past four or five months, but it is the moderate to low-end distressed properties--including foreclosures and short sales--that are showing really very significant increases," says Leslie Appleton-Young, chief economist for the California Association of Realtors.

Not all areas of the country are suffering equally. In Dallas, which never had a bubble, there has been no bust. Houses are selling on average in 81 days, below their 90-day historical average. Only the million-dollar homes are slow to move. In late September, Donald Trump stood atop his new, 92-story condo-hotel tower just off Chicago's Michigan Avenue. "There's an economic disaster going on in the country," Trump dryly acknowledged. "A lot of things you think will be built in Chicago and elsewhere will never happen. But we got this one built, and we're proud of it."

Getting it built and getting it sold are not the same thing. Many of the gleaming building's units remain unsold, and The Donald's lenders are looming. Roughly 75% of the 4,900 condominium units under construction in downtown Chicago are already sold. That's good, but next year the number of new units coming onto the market is expected to drop to 4,600, and only 60% are sold, according to Appraisal Research Counselors, a consulting firm that tracks downtown Chicago real estate.

Experts say some areas of downtown Chicago are most likely to recover first. But it is the areas that were just beginning to experience redevelopment, or any development, where recovery is likely to be the most drawn-out, if it happens at all.

There are too many moving parts in the economy now to say when things might hit bottom. But what is in place--realistic pricing, some banks willing to deal and maybe a mortgage bailout--should provide some friction against a big slip. That should allow home buyers to take some comfort--and sellers to make some cash.

With reporting by Massimo Calabresi/Washington, Steven Gray/Chicago, Barbara Maddux/New York, Siobhan Morrissey/Miami, Alison Stateman/Los Angeles



Find this article at:

http://www.time.com/time/magazine/article/0,9171,1855349,00.html

Copyright ❖ 2008 Time Inc. All rights reserved. Reproduction in whole or in part without permission is prohibited.

Privacy Policy | Add TIME Headlines to your Site | Contact Us | Customer Service



Time to Pay the Price

By Justin Fox

In 2002 the inimitably audacious editorial writers at the Wall Street Journal brought to the nation's attention the existence of a vast and allegedly pernicious class of "lucky duckies" who pay no federal income tax because their incomes are in sub-\$40,000 territory and they qualify for one or more of the many credits added to the tax code in recent decades.

Since then, thanks to tax changes proposed and signed into law by President Bush, this impoverished yet fortunate class has only grown--to 45.6 million households, or one-third of all income tax filers, according to the Tax Foundation, a right-leaning think tank with a reputation for getting its numbers right. If the various tax cuts and credits Barack Obama has proposed on the campaign trail are enacted, the group estimates, that figure will rise to 63 million, while John McCain's tax plans would bring the tally to 62 million. Either way, more than 40% of the population would stand to come out even or ahead on April 15.

What are we to make of this development? Some conservatives say it endangers the underpinnings of American democracy, echoing the 2002 Journal editorial: "Workers who pay little or no taxes can hardly be expected to care about tax relief for everybody else. They are also that much more detached from recognizing the costs of government." This argument is historically obtuse, considering that the federal income tax was initially designed to hit only a tiny minority of high earners and exempt the other 99% (it first became a mass tax during World War II). It's also misleading, in that lucky duckies still get hit with payroll taxes for Social Security and Medicare, federal excise taxes, state and local sales taxes and so on.

But the growth in the ranks of those who pay no income tax does raise an important question that both Obama and McCain failed to fully answer during the current campaign: How the heck are we going to finance our government? The question has been looming for a while because of the chronic deficits of the Bush years and the soon-to-escalate demands on Social Security and Medicare. It has gained urgency lately, with Washington committing vast sums to fighting financial panic and with more deficit-financed emergency aid surely on the way.

Obama's partial answer is that he will raise taxes on those making more than \$200,000 a year (\$250,000 for two-earner households) by returning their tax rates to the levels that prevailed before 2001. McCain's partial answer is that he will cut government spending. But both are also pledging big tax cuts. The Tax Policy Center, a joint venture of the left-leaning Urban Institute and Brookings Institution that also has a reputation for getting its numbers right, estimates that Obama's tax proposals would increase the deficit by up to \$3.5 trillion over the next decade, while McCain's would increase it by up to \$8.6 trillion. That doesn't count possible spending cuts, but even McCain's proposed "freeze" wouldn't come anywhere near to closing that hole.

The upshot is that you can probably throw out the window most of the tax proposals Obama and McCain have been talking about on the campaign trail. The demands on government are growing, and investors



around the world won't finance huge U.S. deficits forever. Four or eight years down the road, the likeliest scenario is that the overall tax burden will be higher, not lower.

So who will pay those taxes? Obama's plan to target the highest earners has merit, given that almost all income gains in recent years have gone to the top 1%. But because the rich can afford good tax lawyers, there are diminishing returns to increasing their tax rates. Returning to the pre-2001 top rate of 39.6% (from 35% now) would surely bring in more money, but going much higher might not. Also, the bulk of the recent gains at the top of the income spectrum has come from huge paychecks in the financial sector–paychecks that are almost sure to shrink in coming years.

That brings us back to the lucky duckies. Trouble is, they're an even less promising target. The share of pretax income going to the bottom 40% of households dropped from 20% in 1980 to 15.9% in 2005, according to the Congressional Budget Office, and that decline has been counteracted only modestly by tax credits. There's simply not enough money there to close any budget gaps.

So where is the dough going to come from? In 2007, 56% of pretax income went to households making between \$70,000 and \$250,000 a year, estimates the Census Bureau. That's the upper middle class, broadly defined. If we need more money to keep the country running, here's betting that is where it's going to be found.

Extra Money To read Justin Fox's daily take on business and the economy, go to time.com/curiouscapitalist



Find this article at:

http://www.time.com/time/magazine/article/0,9171,1855351,00.html



A Tale of Two Wars: Iraq

By Andrew Lee Butters/Baghdad

A Tale Of Two Wars

Whoever wins on Nov. 4 will, inevitably, be a wartime President. In the streets of Iraq and in foxholes in Afghanistan, U.S. troops continue to fight a two-front engagement on perilous terrain, against a constantly shifting array of adversaries. John McCain supported the war in Iraq and was a leading advocate of the surge there; Barack Obama opposed the intervention and calls for pulling out roughly half of all U.S. troops by the middle of 2010. But whether that happens will depend largely on the performance of the Iraqi government. And the possibilities for a reduction in U.S. troops in Iraq must be balanced against the likely need to send more to Afghanistan, where the situation now looks somewhere between difficult and dire. Here are two on-the-ground assessments of the wars that await the next President:

Perhaps no place better symbolizes the stranger-than-fiction quality of the U.S. project in Iraq than the Republican Palace. The sprawling sandstone complex on the Tigris River was a monument to Saddam Hussein's regime. Then in 2003 it became the center of American power there--first of direct military rule, and following that, as headquarters of the U.S. embassy. Though U.S. officials removed some of the more egregious reminders of Saddam--like massive stone carvings of the dictator's head--the palace's marble floors and soaring ballrooms still make an incongruously imperial backdrop for the civilians and soldiers working to bring democracy to Iraq.

But the imperial phase of America's involvement in Iraq is ending. Probably by the end of the year, the U.S. will return the palace to the Iraqi government, and embassy staff will move into a new complex just down the river. The U.S. will still have a heavy footprint in Iraq--the embassy is the largest in the world and cost about \$750 million to build. But the departure from the Republican Palace is part of a larger transfer of authority. So far, the U.S.-led coalition has turned over security responsibilities to Iraqi forces in 13 out of 18 provinces. And the Bush Administration is trying to seal a deal with the Iraqi government that, Washington hopes, would enable the U.S. to pull America's 152,000 troops out of Iraq's cities and towns by July of next year and out of the country entirely by 2012.

This transfer of responsibility would be unimaginable had it not been for the success of the surge of U.S. troops in Iraq, the deployment of U.S.-trained Iraqi security forces and the uprising of armed Iraqi civilian groups—the so-called Awakening—against jihadist insurgents and sectarian militias. Violence in Baghdad is down 90% from its height in 2006 and down 80% in the country as a whole, according to Rear Admiral Patrick Driscoll, the U.S. military spokesman in Baghdad. "In 2006, Iraq was a failed state, and in 2008 Iraq is a fragile state," he says. But the surge is now over. Most of the extra 30,000 American soldiers have gone home, and another 8,000 will leave by the end of January.

No matter who wins the presidential election, the drawdown of U.S. power in Iraq will continue. The U.N. mandate that legalized America's occupation is running out at the end of this year, and the Iraqi



government, created by a democratic process that the U.S. put in place, is eager to take over the reins from what most of its citizens view as a foreign occupation. It is the orderliness of that transfer of power that will most challenge the new President. And he will be only partly master of his destiny. The fate of the U.S. mission--to make Iraq a stable, democratic country that is an asset rather than a liability in the war on terrorism--is increasingly out of American hands. The U.S. now needs to buy time for the Iraqi state to take control of its own problems--on security, corruption and sectarianism--before they become overwhelming once again. "This is what Iraqis say they want," says a senior U.S. diplomat. "As Iraq gradually takes control over its affairs, you are going to see less American influence. The question is, Will [the transition] be orderly and deliberate ... or does it become unduly hastened?"

To a large extent, how and when America leaves Iraq will depend on Iraq's elected leaders. Iraq's national parliament is a monument to the success of the U.S.'s nation-building efforts. It's rare for a correspondent in the region to have an opportunity to meet so many politicians of such opposing views so quickly and so amicably, drinking tea and eating sesame cookies from the same canteen. Good luck doing that in Syria. But there's a reason Iraq's politicians are easy for a reporter to meet: most of them rarely leave the security bubble of the fortified International Zone, the miniature government city-state within Baghdad. The parliament is much harder to reach if you are an average Iraqi trying to get through many security checkpoints. And such is the fear Iraqi politicians have of their countrymen that there are no Arab Iraqi state forces inside the International Zone. The only Iraqis are Kurdish peshmerga forces, which are considered more difficult for insurgents to infiltrate. The rest are either U.S. soldiers or foreign civilian security contractors.

Moreover, start asking questions of Iraq's politicians, and the veneer of national unity wears thin. The new electoral system created ethnic and sectarian political blocs that are pulling the country apart. Most of the Arab political parties, for example, suspect that the Kurds are preparing to expel Arabs from contested areas in Mosul and Kirkuk.

The next U.S. President will discover, however, that one thing unites most of Iraq's politicians. Awkwardly, that is opposition to the Status of Forces Agreement (SOFA), the understanding that would formalize and legalize the continued presence of U.S. forces on Iraqi soil. In late October, when the Bush Administration leaked a draft of SOFA that it had worked out with Prime Minister Nouri al-Maliki's government, his Cabinet demanded a renegotiation. No particular provision seems to be objectionable so much as the agreement itself: it is practically political suicide for an Iraqi politician to be seen authorizing the U.S. occupation. So now the U.S. is stuck in a game of chicken with the Iraqi government. "We are telling them they are not going to get a better deal," says the senior American diplomat. "I don't think the situation is ready [for us] to walk out the door and leave the Iraqis on their own. But if that's what the Iraqis want, we have no choice."

However long U.S. soldiers stay in Iraq, they will largely be out of the war-fighting game, focusing mainly on training the Iraqi army. Will that be enough to prevent Iraq from slipping back into sectarian civil war? Cautious optimists hope so. "Iraq is well on its way to becoming a normal Middle Eastern country, with all the good and the bad that that implies," says John Nagl, a retired Army officer who helped General David Petraeus draft the Army's new counterinsurgency manual. "As long as Iraq stays Page 26 news, that's O.K." But if anything goes wrong, it's going to be tough to handle. "We put ourselves in the position of fighting

two wars simultaneously, and that's leading to competing demands for scarce resources," says Nagl.

Both the success of the surge and the challenges awaiting Iraq are visible in Dora, a neighborhood in southern Baghdad that was the scene of some of the worst urban violence during Iraq's dark days. When Lieut. Colonel Ali Abbas Hamad, deputy commander of an Iraqi police brigade, first deployed in Dora in the summer of 2007, most of the neighborhood's Christians had been driven from their homes by jihadis and militias, and the residents that remained didn't dare leave their homes. "There wasn't a car in sight," Hamad told TIME. "The only person I saw fired an RPG [rocket-propelled grenade] at me." With the help of U.S. soldiers, the police began taking back the streets and now patrol them on their own. Stores are open, and a church is once again celebrating Mass. But Hamad said he never could have done the job without the help of a local Awakening group that the government is disbanding, concerned that the loyalties of its members are uncertain. Hamad thinks this is a mistake. "Some of these people helped al-Qaeda [only] because they needed the funds," he said. "All they have known for four years is war. If the government doesn't treat them with respect and help give them jobs, they will go back to war."

It is a familiar tale. What Dora wants and needs most is reliable electricity and water. Yet Hamad says not a single government official has shown up in Dora while he has worked here. "Our officials only care about themselves," he said, in the sort of resigned phrase that should depress any U.S. leader. "They are only in power for four years so they make as much money as they can and then plan to flee the country. What we need is a dictator."

If one comes, there's a palace waiting for him.

With reporting by With Reporting by Mark Kukis/Washington, Mark Thompson/Washington



Find this article at:

http://www.time.com/time/magazine/article/0,9171,1855353,00.html



A Tale of Two Wars: Afghanistan

By Aryn Baker/Kabul

Saboor isn't taking any chances. The bus conductor, 30, prepares for his twice-weekly Kabul-to-Kandahar trips by exchanging his city outfit for the filthy tunic and voluminous trousers of a poor mechanic, the better to fool potential robbers. He rubs grease and dirt on his face to conceal from possible Taliban attackers that he is clean-shaven. These precautions, Saboor says, have saved his life. Just the other day, a gang of thieves robbed his passengers at gunpoint. Two weeks ago, Taliban insurgents pulled some 50 passengers off a bus and slaughtered 27 men they falsely claimed were Afghan soldiers.

Seven years after the war to topple the Taliban regime, Afghans are starting to wonder if anything has been achieved. The highway between Kabul and Kandahar was supposed to be a success story. Completed in 2003, it has instead become a symbol of all that plagues Afghanistan: insecurity, corruption and the radical Islamic insurgency that feeds off both. If Afghanistan is ever to fulfill the promise that beckoned when the U.S. first went to war there, those trends will have to be reversed.

That won't be easy. Monthly casualty figures for U.S. service members in Afghanistan now rival those in Iraq--though there are about a quarter the number of troops there. Insurgent groups have spread to previously peaceful regions. "We are not exactly in a stalemate, but we are still marching uphill," says a NATO military commander in Kabul. He compares Afghanistan today with "about where we were in Iraq in 2004 to 2005"--which is just before it started to get really bad.

The U.S. intelligence community seems to share that assessment. While still a "work in progress," the National Intelligence Estimate on Afghanistan, due out after the U.S. elections, portrays a country on a "downward spiral," says a Pentagon official who was briefed about the report. The key reasons: a revitalized Taliban, inadequate U.S. and NATO forces, the funds generated for the Taliban by narcotics, and a government so consumed by corruption and inefficiency that it cannot offer a reasonable alternative to the insurgents.

There has been progress, of course. More Afghan children are in school today than at any other time in the nation's history, and the private sector is growing. But such good news is easily undermined by the increasing insecurity and Afghanistan's rampant corruption. Ashraf Ghani, a former Finance Minister, says his nation has reached a fork in the road. "It is not inevitable that we go to that downward spiral," he says. "If we take the right road, we can get to the destination of a stable and eventually prosperous Afghanistan."

So what is to be done? For most Afghans, the right road starts with better security. Eating pomegranates in a tea shop in Sarobi district, just east of Kabul, Saeed Shah says he was not fond of the Taliban when it was in power. But his once peaceful district has witnessed a wave of criminality and violence--10 French soldiers were slaughtered by insurgents in August--that has him longing for the old regime and its harsh but effective justice. "Yes, there was hardship, but there was also peace," he says. "You could leave your shop open all night, and no one would steal a thing." In the south and east, where the insurgency is at its



strongest, there are simply not enough troops. Soldiers can clear ground, but when they return to their barracks at night, insurgents terrorize the locals for assisting the foreign and government forces. If Afghans fear that they will be killed for cooperating with the government, they won't do it. "We've got to provide enough security so that the people can feel that they have a future that has some stability and peace to it," says Admiral Mike Mullen, Chairman of the Joint Chiefs of Staff.

The most obvious solution--an Iraq-style surge--is unlikely to succeed. President Bush has promised to begin sending 8,000 more troops before he leaves office, and both presidential candidates have pledged at least an additional two brigades. But any troops are unlikely to arrive fast enough or in sufficient numbers. Afghanistan is a third larger than Iraq in size, and its terrain is a lot more difficult. Counterinsurgency expert John Nagl has estimated that there should be 600,000 troops--including Afghan ones--inside the country to quell the Taliban and al-Qaeda threat. Currently there are only about 65,000 coalition forces (including 33,000 U.S. troops) on the ground, in addition to some 70,000 Afghan army personnel--of whom fewer than half can fully function on their own--plus an ineffective police force. Iraq, by contrast, has some 160,000 coalition troops and a nearly 600,000-strong professional national-security force. If there is to be a surge at all, it will most likely be an Afghan one. The U.S. has pledged \$20 billion to nearly double the Afghan army's strength by 2012, but it is still short more than half the necessary military trainers to do the job. "The sheer business of training the army, equipping them, deploying them and creating the infrastructure takes time," says the NATO commander. "And the only way to buy time is to bring in more alliance or coalition troops."

But most NATO nations either can't or won't send more troops, and the U.S. armed forces are spread thin between two wars. So the next U.S. Administration may perforce have to abandon the big stick in favor of speaking more softly. Army General David McKiernan, the top U.S. commander in Afghanistan, has made it clear that there is no purely military solution. "It's not just a question about more soldiers," he has said. "It's a question about more governance, about more economic aid, about more political assistance for the government of Afghanistan."

All that, and regional politics too. No possible solution in Afghanistan can ignore the dire state of Pakistan. The two countries share a 1,640-mile (2,640 km) border that is impossible to seal. Pakistan's ungoverned tribal areas have become a sanctuary not only for the Taliban militants fighting NATO forces in Afghanistan but also for a new base for al-Qaeda. Islamabad says it wants to help. "Pakistan is now ready to take full responsibility for its side of the border and work cooperatively with the Afghan and NATO forces to make sure that that border area is not a source for attacks in Pakistan, Afghanistan or around the world," says Pakistan's ambassador to Washington, Husain Haqqani. But commanders in Afghanistan privately say they are still skeptical about Pakistan's intentions and dismayed by its evident lack of a coherent strategy to fight the militants.

Can the U.S., NATO and the Kabul government alone sort out Afghanistan? General David Petraeus, now head of U.S. Central Command, does not think so. A key element of Petraeus' strategy is likely to involve exploring the chances of reconciliation with more moderate members of the Taliban. Afghan President Hamid Karzai seems to be moving in the same direction; last month he appealed to Taliban leader Mullah Omar for peace and offered to talk. But negotiations will be impossible unless the Taliban renounces all ties to al-Qaeda, its key financial supporter.

Still, Petraeus has one thing going for him. The bulk of Taliban fighters are disaffected Pashtun tribesmen who have lost their traditional power bases and are disillusioned with Kabul. It is these men Petraeus plans to bring to the government's side, but first they have to be convinced that they have a government worth fighting for. That's hardly an easy task, for the chronic corruption and ineffectiveness of the Karzai administration have become a festering ulcer on the whole Afghan experiment. "Corruption is the greatest source of instability in this country," says Ghani, who, while conceding that military force is essential for maintaining stability, calls for a political surge too. "Two hundred judges in the country will do the work of five divisions," he says. "A thousand bureaucrats committed to integrity will do the work of 10 more."

In his own way, Shah, in the tea shop, agrees. "The Taliban gave us a dictatorship of fear," he says. "Karzai has given us a dictatorship of bribes. What we want now is a dictatorship of law." The next U.S. Administration could do worse than focus on how to help bring that about.

With reporting by With Reporting by Ali Safi/Kabul, Mark Kukis/Washington, Mark Thompson/Washington



Find this article at:

http://www.time.com/time/magazine/article/0,9171,1855331,00.html

Copyright • 2008 Time Inc. All rights reserved. Reproduction in whole or in part without permission is prohibited.

Privacy Policy | Add TIME Headlines to your Site | Contact Us | Customer Service



Friday, Oct. 31, 2008 The Urkel Effect

By Joel Stein

I am not at all concerned about the Bradley effect--the theory that secretly racist white people tell pollsters they'll vote for a black candidate like Barack Obama but will actually pull the lever for a white one like John McCain. The truth is that secretly racist white people happily vote for black candidates, listen to black musicians and laugh at black comedians to make themselves feel better about not having black friends. In fact, I once even tried to get all the way through Barbershop.

I am, however, deeply worried about the Urkel effect, which holds that voters leaning toward Obama will walk into the voting booth and suddenly think, I cannot take four years of listening to that giant-eared nerd. Because people are starting to realize that Obama is not all that cool. He's earnest like C-3PO, emotionless like Spock, overly practical like Encyclopedia Brown and incredibly skinny like C-3PO, Spock and Encyclopedia Brown.

Obama seemed cool at first because he uses slang, dresses well and bumps fists. But a lifetime of dangerous undercover work makes it easy for me to spot a fellow nerd. Obama has done a good job passing, with his nice suits, easy smile and attractive wife. But those are just the over-30 nerd trappings of success. Have you seen him try to dance? It's like watching a white guy make fun of other white guys. Sure, he played high school basketball, but how many cool kids play indoor sports in Hawaii? The man is all superego. He never gets angry or flirts with hot chicks by asking them to be his Vice President. Obama has written about using pot and cocaine, but a New York Times article found only school buddies who said he merely dabbled with marijuana. That's because the only people who bring up their drug use didn't really do drugs. Try asking George W. Bush about alleged cocaine use. You'll see how the nonnerds play it.

The Urkel effect has damaged most of the last generation of Democratic presidential candidates, so I figured I'd have its horrors explained by Michael Dukakis. "The guy I was running against was chewing on pork rinds during the campaign," said Dukakis. "I don't think George H.W. Bush had had a pork rind in his life. They did that number on me, and I did a much less effective job than Obama did. I was kind of the bloodless technocrat, right? If I had a nickel for every guy who said, 'You're nothing like the guy on television,' I'd be a millionaire." Then Dukakis spent 15 minutes telling me about the importance of precinct-by-precinct campaigning, thereby saving me a nickel.

Former TIME reporter Benjamin Nugent, author of American Nerd: The Story of My People, is also worried about the Urkel effect, though he thinks Obama is less nerd than nerd-adjacent. These are the types of terms you have to endure when talking to the author of American Nerd: The Story of My People. "He would be the guy the jocks didn't choose to towel-snap, but he would kind of stand there looking disapproving while they towel-snapped. Whereas McCain would be more likely to towel-snap you, and Sarah Palin would make out with the guy who towel-snapped you," he says.

To find out how Obama can save himself before it's too late, I consulted the reigning geek of our time, John

Hodgman, who plays PC in the Apple ads and wrote a new book called More Information Than You Require. Hodgman thinks that while the Urkel effect hurt Al Gore and John Kerry, America's lack of desire to drink even a malty Belgian beer with Obama will actually help him. "After eight years of jocklike bluster, Obama's technician's calm seems extra-attractive," says Hodgman, who believes that jocks vs. geeks has replaced red vs. blue as the reigning cultural conflict of the day. But jockdom, he says, is on the wane. "The world is now driven by knowledge economies. China and India and Dubai do not make Big Bang--theory sitcoms marginalizing their geeks and engineers--unless they actually do, in which case, awesome!"

Maybe Hodgman is right. Maybe Obama won't fall victim to the Urkel effect. Maybe, just as Seth Rogen has replaced Harrison Ford as a romantic-movie lead, our comic-book-loving, viral-video-sharing culture is replacing the blow-dried Mitt Romneys with the Jew-froed Al Frankens. Of course, it's also possible that while our society is ready to accept a black President, it still clings to a treasured stereotype: that all black people are cool and all nerds are white.

Click to Print

Find this article at:

http://www.time.com/time/magazine/article/0,9171,1855333,00.html



Priorities for the New President

By Joe Klein

In the days before the great election of 2008, your nation's capital was consumed by a single question: If Barack Obama wins, what's in it for me? A week before the balloting, I sat in the dining room of one of Washington's finest hotels and, eavesdropping madly, realized that my neighbors at every one of the adjoining tables were consumed by the vagaries of appointive politics — as I was, after my guest arrived. The game of turbocharged, Cabinet-level musical chairs is the autumnal version of the summer speculation about vice-presidential picks: lots of fun, but not very nourishing, and I'm not going to indulge in it here (O.K., maybe a little). There are bigger fish to fry, like what's the new President — Obama is universally, *prematurely*, assumed the victor — actually going to do?

It was possible, in this rotisserie of naked self-promotion, to discern some larger themes. For the first time since Franklin Roosevelt, the next President will face the prospect of neither peace nor prosperity — and there seems a consensus that, as much as Obama (or John McCain, for that matter) wants to play in the world, the financial crisis will demand most of his time and political capital. From that assumption flows another. For the sake of continuity and the absence of drama, it might not be a bad idea for Obama — if elected — to stick with the current national-security players in the battle against Islamic extremism.

When I interviewed him on Oct. 18, Obama said he was "happy" that General David Petraeus was at Central Command, supervising the wars in Iraq and Afghanistan. Last June, Obama told me that he would want "people like" Secretary of Defense Robert Gates in his Cabinet. Petraeus is studying the options in Afghanistan, with the goal of producing a detailed action plan for the next President by the end of December. It is likely the general will recommend the resumption of troop withdrawals from Iraq on something resembling the Obama timetable. Indeed, Iraq has slipped down the list of national-security priorities as it has stabilized (in a recent week, the U.S. military casualties there were ... four wounded). It is also likely that at least two brigades scheduled to deploy to Iraq in 2009 will be sent to Afghanistan instead. Already, Obama has indicated that he approves the general direction in which Petraeus is heading. Unlike President Bush, Obama strongly supports nation-building in both Afghanistan and Pakistan; and, like Petraeus, he favors negotiations with some of the pro-Taliban tribes (at least those who are not al-Qaeda). Unlike McCain, Obama will not be reluctant to continue the current cross-border strikes, via Predator drone, against selected terrorist targets in Pakistan.

Pakistan will have to be handled carefully. A senior U.S. official told me that the intelligence community now considers Pakistan the "central front" in the war on terrorism. "Al-Qaeda wants to go after the Pakistani leadership," the official said. With foreign fighters coagulating in Pakistan's border regions, forging a renewed U.S.-Pakistani alliance against al-Qaeda will be a top priority.

But it won't be *the* top priority. As Obama told me in our interview, a government-propelled transition to an alternative-energy economy will be his most important initiative. Translated into Washington terms, this means a massive infrastructure and stimulus package — in the neighborhood of \$300 billion, according to

the current speculation. There is a back-to-the-future quality to this: it's what used to be derided as big-spending liberalism. The Beltway consensus is that the economic crisis makes it necessary now. But public cynicism about government requires that the next President builds accountability into his spending programs. That's why the Infrastructure Bank that Obama proposed during the campaign may be crucial: it would create a bipartisan board of five governors who would judge and approve all major projects.

In normal times, getting an Infrastructure Bank through Congress would be impossible. "It is a direct threat to their way of life," says Norman Ornstein of the American Enterprise Institute. "It changes the dynamic of how you deal with earmarks," by taking the decision-making, and to some extent the credit, away from politicians. "I know one huge ally Obama would have on this," Ornstein adds with a laugh. "John McCain."

This could be an early test for President Obama (it would be an impossible task for President McCain, given the Democratic enmity should he win). Will Obama be able to convince his party's leaders that the economic situation is so dire, and the public's opinion of Congress so low, that big new public-works projects will need the validation of an independent board? Will he be willing to spend his political capital on this relatively obscure notion? When Bill Clinton arrived in Washington, he found that his toughest challenge was herding the donkeys in his own party. The nation's capital awaits the new President, wondering not just who gets what, but also how tough — and skilled — the new guy will really be.

Click to Print

Find this article at:

http://www.time.com/time/politics/article/0,8599,1854885,00.html





That Wealth Spreader

By Michael Kinsley

In the 1943 movie Tender Comrade, Ginger Rogers utters the words "Share and share alike--that's democracy." Nobody objected at the time, but four years later, Rogers' mother complained to the House Un-American Activities Committee that her daughter had been forced to express a communist sentiment. The scriptwriter, Dalton Trumbo (who actually was a communist), went to jail for refusing to testify and then spent years on the Hollywood blacklist, unable to get work. But "share and share alike" has been rehabilitated and restored to its place of honor as one of America's finest bromides.

So what future awaits "spread the wealth," a similar bromide uttered by Barack Obama to Joe the Plumber at a rally in Ohio? The history of this expression can also be traced to a movie: Hello, Dolly, released in 1969 and never before now regarded as subversive. But perhaps it deserves a closer look. It starred Barbra Streisand, a notorious Hollywood lefty who also starred in The Way We Were, the 1973 weepie that glamorized frizzy-haired communists and left-wing agitators from New York City and derogated real Americans like handsome blond Robert Redford. In Hello, Dolly, Streisand plays a professional matchmaker who has her eye on Walter Matthau, playing a "well-known unmarried half-a-millionaire." At a key moment, she declares, "Money, pardon the expression, is like manure. It's not worth a thing unless it's spread around." Where was Streisand's mother while this outrage was being perpetrated?

Wait. It gets worse. Hello, Dolly is one of many versions of The Matchmaker, a play by Thornton Wilder, author of Our Town and other treacly warhorses of the American theater. Over the years, millions of American children have had to sit through what once was viewed as sentimental propaganda and therefore good for them. Many impressionable young people have even been forced to say the line about spreading money around in student productions of The Matchmaker, taking innocent pleasure in the joke about manure while their little minds were being polluted with redistributionist propaganda. While I remember Wilder's plays as being flag-draped, I read in Wikipedia that his major theme was "the universality of the simple yet meaningful lives of all people in the world." Also, he was gay. So much for him.

John McCain thinks Obama's "spread the wealth" comment is a major gotcha. He has locked his chops around this remark like a terrier around Obama's ankle and keeps repeating it. He regards it as self-evidently self-damning. On Meet the Press, McCain ducked Tom Brokaw's invitation to agree or disagree with Sarah Palin that Obama is a "socialist." But a day later McCain brandished a radio interview from seven years ago in which Obama had used the term redistributive change.

Seven years ago, as Brokaw pointed out, McCain himself was sounding redistributionist, complaining about President Bush's tax cuts. Campaigning against Bush in 2000, he said that "when you ... reach a certain level of comfort, there's nothing wrong with paying somewhat more." Obama has said no more than this, except to set the "level of comfort" at \$250,000, which is pretty comfortable. McCain is free to argue that Obama will raise taxes on people making less than \$250,000. My bet is that whoever wins the election will be forced to. But his apparent belief that the very expression "spread the wealth" puts Obama beyond the

pale is so out of touch that it's almost touching. It belongs on the golf courses of Arizona, not on the campaign trail.

We may disagree on how much to spread around and how to go about it. We all tend to think that it's someone else's wealth that needs to be spread around and that it ought to be spread in our direction. But the principle that the unequal distribution of wealth is a legitimate concern and government policies should mitigate it has been part of American democracy since at least the New Deal. In fact, it is a commonplace that the moderate wealth-spreading of the New Deal saved American democracy. Today collecting checks from people and issuing checks to other people--or the same people--is the government's main domestic activity.

Although it was an off-the-cuff remark and one that Obama probably regrets, he actually put it well, avoiding the suggestion of envy or class war, which are the usual accusations about such talk. Spreading it around is "good for everybody," he says. And who disagrees? Or would you like to live behind locked gates and hire guards to protect your family from kidnapping, as in places where they spread it around even less than here?

Click to Print

Find this article at:

http://www.time.com/time/magazine/article/0,9171,1855360,00.html





Friday, Oct. 31, 2008 Light Fantastic

By Richard Lacavo

Thirty-two years ago, the photographer William Eggleston leaped from obscurity to notoriety with an art-world debut that the New York Times called "the most hated show of the year." It was a fancy dive from the most visible platform there could be, the Museum of Modern Art in New York City. "William Eggleston's Guide," it was called, as though he were taking you on a tour, but one prone to dwell on the sketchiest roadside attractions. In a photo by Eggleston there might be a sunbeam that sweetly anoints a full dish rack on a white sink. There might also be a dismal suburban tract house or a bunch of plastic bottles scattered across a dirt road. It was a make-of-it-what-you-will exhibition, and a lot of critics didn't know what to make of it. The Times critic called it "perfectly boring."

What made it all the more challenging was that Eggleston worked in color. In 1976 serious photographers were expected to work in black and white, and most museums assumed that camera art could be made only within the palette you might find in a cinder block. And then there were Eggleston's pictures of places where no one had ever bothered to point a camera before, like the green tiled interior of an empty shower stall or the strangely mesmerizing blackness of an open kitchen oven. In 1961 photographer Robert Frank said, "You can photograph anything now." But it took Eggleston to prove it.

"When I was taking that oven picture," Eggleston says today, "I thought the results would be unlike any other picture I had seen. You just don't encounter too many pictures of open ovens." All these years later, you still don't, but his work is no longer so puzzling. What it is instead is famous, influential and even venerated, the kind of work that gets you a big retrospective like the one opening on Nov. 7 at the Whitney Museum of American Art in Manhattan and traveling to Munich and Washington. With about 150 photos and two videos, including a rather loopy one from the early 1970s, "William Eggleston: Democratic Camera" will be the largest American museum show ever devoted to his work. And this time, no one will be bored.

Eggleston is what you might call a bohemian of independent means, a descendant of the Mississippi Delta planter aristocracy who was also for a time the lover of Viva, the Andy Warhol superstar. Since the mid-1960s, he has lived, comfortably and at full throttle, in Memphis, Tenn.

When he comes to the door, he's in his customary Wasp regalia, a button-down cotton shirt and white suede shoes. Quantities of nicotine and bourbon have produced his voice, a liquid Southern baritone that reminds you of his friend Shelby Foote. It's a voice he dispenses in small doses. What that means is that he can stretch a sentence into next week while he deliberates on his next syllable or two.

He has lived an interesting life. At 69, Eggleston has been married to his wife Rosa for 44 years and raised three children. But his definition of wedlock has been elastic enough to permit numerous girlfriends and affairs. He has been known to shoot indoors--guns, not just pictures. There have been various run-ins with the law. And over the years, he's been the best of friends with Jim Beam and Jack Daniel's. He's also been one of the most original artists of your lifetime.

Eggleston's maternal grandfather, a judge in Sumner, Miss., owned a sizable cotton plantation. After Eggleston's father shipped off to the Pacific in World War II, the boy and his mother shuttled for years between Florida and his grandparents' places in Mississippi. Eggleston preferred their house in town to the plantation. "Life in the country was sort of remote," he says. "It was lonely. There was nothing in every direction but cotton fields."

Because he suffered from asthma as a boy, Eggleston was mostly an indoor child, absorbed by the piano, cameras and sound equipment. Later he attended a few colleges, including Vanderbilt and the University of Mississippi, without managing to graduate from any. But at Ole Miss, where he studied painting, he started to wonder seriously about photography. And by the early '70s, he had come upon dye-transfer printing, a method that produces deeply saturated color. This is why, when he makes a picture of a rooftop sign that reads PEACHES!, the orange letters just about sear your retina.

Though he's widely traveled and keeps an apartment in Paris, Eggleston has worked mostly in the South. All the same, it makes him squirm to hear people describe him as a regional artist--Faulkner with a Leica. "I have never considered myself making what one would call Southern art," he says. "There is such a thing, but I don't do it." He insists he's not interested in local color, though there's no denying that it finds its way into a lot of his images. "The pictures look Southern because that's where they were taken," he says with a shrug. "I don't know how to make them look any other way, unless I go changing the landscape around here with chainsaws."

Eggleston also doesn't like the term snapshot aesthetic, but from early on, just like Garry Winogrand and Lee Friedlander, he's been making pictures that are brilliantly open to the flotsam of the visible world, the little accidents of vision and oddball details that snapshots automatically gather up. He is fascinated by American junk-space, the banal stretches of tract housing and strip malls. But there's nothing camp or ironic about Eggleston's work. The power of his pictures rests on their casual but absolute sincerity, their conviction that small is beautiful. There's something very American about this, a valorization of the commonplace, carried to a level of intensity that can curl your toes. Looking at his picture of a soda bottle simply perched on the hood of a car, you can't help thinking of what Henry James once wrote about Nathaniel Hawthorne: "The minuteness of the things that attract his attention, and that he deems worthy of being commemorated, is frequently extreme."

Eggleston has said he doesn't make a distinction between one image and another. So how does he choose which ones to publish or exhibit? "I don't," he says. And he means it. His working method is to take hundreds, even thousands of pictures--though rarely more than one shot of any particular scene--and let his curator or editors sort it out. For "William Eggleston's Guide," John Szarkowski, the legendary MOMA photo curator, effectively served a role like the one that editor Maxwell Perkins played for novelist Thomas Wolfe, drawing a meaningful work out of a superabundant output.

Eggleston isn't a religious man. "Oh, no, just the opposite," he says. "The idea of a soul to me is ridiculous." But there's a kind of spirituality in his pictures, an assent to things as they are and a conviction that the whole of creation is worth your careful attention. Look at his picture of a grocery boy pushing a rack of carts, or a hand stirring a drink on a flight, and you can't help realizing that, even in its most incidental corners, it's a bright, beckoning world out there. And that there's nothing boring about it.

Steady Art Beat Richard Lacayo blogs daily about art and architecture at time.com/lookingaround

Click to Print

Find this article at:

http://www.time.com/time/magazine/article/0,9171,1855332,00.html

Copyright � 2008 Time Inc. All rights reserved. Reproduction in whole or in part without permission is prohibited.

Privacy Policy | Add TIME Headlines to your Site | Contact Us | Customer Service





Friday, Oct. 31, 2008 Charmed Life

By Josh Tyrangie

The most gratifying thing about the new George Plimpton biography, George, Being George (Random House; 423 pages), is that it is nearly as much fun as George Plimpton. For the bulk of his 76 years, Plimpton--the Wasp bohemian who quarterbacked the Detroit Lions, danced at Truman Capote's Black and White Ball, set off more fireworks than a thousand juvenile delinquents and edited America's greatest literary journal for 50 years before his death in 2003--was educated society's unofficial mayor of good times. Who else could box a few rounds with Archie Moore, trade stanzas with Marianne Moore and make a living by pointing out his inadequacy at both?

Plimpton's fame and glaring idiosyncrasies (born and raised in New York City, he spoke as if he were always dashing off to a regatta) make him the perfect subject for a code-cracking biography, the kind that lays bare the man and his motivations. George, Being George does the trick, in part by borrowing the form of Plimpton's own biographies of Capote and Edie Sedgwick (Jean Stein's Edie: American Girl, which he edited). Recognizing that Plimpton's spirit would suffocate under the weight of analytic prose, editor Nelson Aldrich Jr. interviewed more than 200 verbally dexterous Plimpton associates--from Norman Mailer (adoring) and Gay Talese (brutally adoring) to the Plimptons' nanny--and constructed a narrative out of their most entertaining paragraphs. It's biography as cocktail party.

Early on, George, Being George doubles as a comic history of the élite. There's the Mayflower ancestry and the expulsion from Exeter--followed by a Harvard acceptance letter. ("It was a little easier to get into Harvard in those days," recalls Plimpton's brother Oakes.) The founding of The Paris Review offers proof that enthusiasm can trump disorganization, but Plimpton doesn't come into focus until his brief engagement to Bee Dabney, who dumps him for a friend at their engagement party. Dabney tells the tale here, but it was hardly a secret; Plimpton dined out on it for years. "That was quintessential George," says John Heminway. "He took such pleasure in telling a story about what great sadness he'd had."

Not long after, Plimpton created participatory journalism, foisting himself into ball games and orchestra pits (his absentminded triangle-playing infuriated Leonard Bernstein), where his earnest failures made for excellent pieces. What comes through in each episode is Plimpton's unquenchable curiosity, a love of human folly--especially his own--and a modern shrewdness; his fame as a professional amateur begot more fame, which gave him even greater access.

Almost everyone mentions his generosity, particularly bottomless when it came to The Paris Review, which he ran out of his home for decades. But what radiates is a person of massive charm, entirely at ease with his own unease. Muhammad Ali, sensing someone who got the joke about himself, called Plimpton "Kennedy," while the actual Kennedys welcomed him into their lives as a confidant. It was Plimpton, at Bobby's side, who wrestled the gun away from Sirhan Sirhan, a rare example of sadness that he did not mine for storytelling.

It's an odd criticism for a book composed of friendly recollections, but if anything, George, Being George is a bit too harsh. It may be true that he had a serious drinking problem in his declining years and was a rather horrible person to be married to, but those themes send the book out on a minor chord, particularly as friends recall Plimpton's lingering regret that he never took a proper crack at the great American novel. The rest of George, Being George proves he created something just as valuable: a great American character.

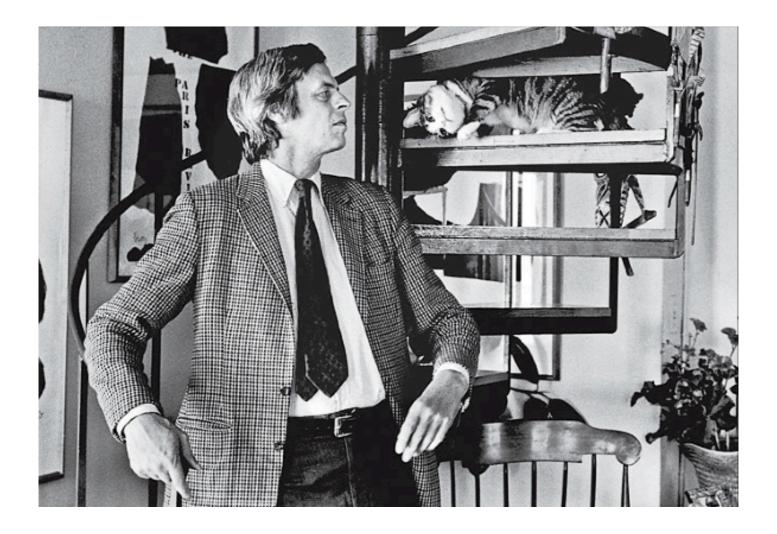
Click to Print

Find this article at:

http://www.time.com/time/magazine/article/0,9171,1855340,00.html

Copyright � 2008 Time Inc. All rights reserved. Reproduction in whole or in part without permission is prohibited.

Privacy Policy | Add TIME Headlines to your Site | Contact Us | Customer Service







Thursday, Oct. 30, 2008

Zack and Miri Make a Porno: Sex, Pals and Videotape

By Richard Corliss

Romantic comedies often make do on flimsy premises, but this one is thinner than Kate Moss and nuttier than an Almond Joy. Attend: Zack (Seth Rogen) and Miri (Elizabeth Banks) are close friends and functioning heterosexuals who somehow have lived together without having sex or, for that matter, coveting it. When grinding poverty forces them to raise money quick, Zack suggests that they appear in a porno movie and sell it on the Internet. Purely an economic decision, you see, no concupiscence involved — though we know Rogen from his Judd Apatow movies as a perpetual horn dog, and Banks (Laura Bush in Oliver Stone's *W*.) is such an appealing presence, she could copyright Cute.

Preposterous or not, this is way more plot than <u>Kevin Smith</u>, the writer-director of *Zack and Miri Make a Porno*, used to get by on. His first film, *Clerks*, was little more than guys talking, and that was enough, since Smith not only knew all the bad words but also could twist them into illuminating comedy. In *Chasing Amy*, he found the poignancy in male bluster, the warmth in a guy's rivalry with and veneration of that other species, The Girl.

In *Zack and Miri*, Smith flounders for a while in situations and gags that are frankly sub-Smithian. It's as if Apatow has swiped his mojo and Smith can't get it back. As he constructs his rickety thesis, with Zack and Miri recruiting cast and crew for their X-rated masterpiece, the one spark of comedy brilliance is provided by Justin Long (the Mac guy in the Mac commercials) as a frog-throated gay porn star.

The film was initially rated NC-17, winning an R on appeal; it has a possibly unprecedented poo scene, but it's pretty tame erotically. It ought to be called *Zack and Miri Try to Make a Porno and Fall in Love*. When they finally get it on, Rogen and Banks reveal a benign chemistry, and the film dissolves all reservations as Smith relocates his vibe. At 38, the grand old man of raunch talk has figured out how to make a movie that's sweet, funny and (a little) sexy.



Find this article at:

http://www.time.com/time/arts/article/0,8599,1855273,00.html





Friday, Oct. 31, 2008 Short List

By RICHARD CORLISS, Lev Grossman, James Poniewozik

- 1 | TELEVISION 30 Rock She says she's giving up doing Sarah Palin, but after Tina Fey's killer SNL impression, her other vehicle returns strong. Nov. 6 brings a cameo by Oprah Winfrey, to whom Fey's TV producer, Liz Lemon, cries, "My work-self is suffocating my life-me!" We like both of her just fine.
- 2 | DVD Mystery Science Theater 3000 Cable's first and coolest nerd-genius hit, MST3K elevated a derisory premise—a guy and two robots riff on cheesy movies—into glorious comic art. This 20th anniversary edition contains four episodes (the best: Werewolf) and enough goofy extras to make any MSTie mist up.
- 3 | DVD Spin City: The Complete First Season Deceiving the media was never more delightful than in this 1996 sitcom set in New York's city hall. As Deputy Mayor Mike Flaherty, tap-dancing for the press while managing a gaffe-machine mayor (Barry Bostwick), Michael J. Fox is a breath of fresh hot air.
- 4 | VIDEO GAME LittleBigPlanet There aren't a ton of games that make buying the PS3 worth the money, but LittleBigPlanet is one of them. It's a game/creativity tool in which you play a little fabric doll that wanders through a rich, dreamy toyscape to the soothing sounds of light jazz.
- 5 | MOVIE Splinter Seen enough of the Saw movies? For harrowing Horrorween chills, try Toby Wilkins' lean, nasty tale of four people (including thug Shea Whigham and dweeb Paulo Costanzo) battling a porcupinish parasite. It's like Night of the Living Dead but with prickles.

Arts Online For more reviews and openings this weekend, go to time.com/entertainment



Find this article at:

http://www.time.com/time/magazine/article/0,9171,1855338,00.html



Born to Hand Jive

By Josh Quittner

What's more Partisan, shrill and exhausting than presidential politics? The eternal conflict between Microsoft and Apple, of course. While the race to the White House will, mercifully, be over soon, the decades-long battle between Macs and PCs--with the negative ads and trash-talking bigwigs--will persist until cockroaches inherit the earth. You think taxes are just a political issue? A few weeks ago, as Apple prepared to launch its new line of laptops, Microsoft execs were on the stump, criticizing what they call the "Apple tax," the premium consumers pay for Macs with the same power and speed as lower-priced PCs.

Market-research firm NPD Group dug into the numbers and determined that, on average, you'll spend up to \$800 more on an Apple than you would on a comparable PC laptop. And in most cases, PCs come with more bells and whistles, like Blu-ray drives and more ports for special external hard drives and video connectors. So what kind of sucker would be willing to pay the Apple tax?

I would! Gladly. Where do I sign? After months of reviewing Windows desktops and laptops, I put the new \$1,600 MacBook through its paces--and it was like returning from a backward country where nothing works only to find your homeland is even better than you remembered.

Apple specializes in mini-malist design that simply works better. Each MacBook, for instance, is carved out of a single block of aluminum, and this unibody construction creates a stronger, lighter chassis that looks like a work of art.

Likewise, while some of the PC laptops I tried have two separate sets of mice on board--in case you prefer one type over the other--Apple's pointing system has evolved on the new laptops so that the (only) mouse consists of a single glass touch pad. Push the entire pad down to click, or configure it so a double tap does the same job.

Cooler yet is the touch pad's iPhone-like gesture system. Drag one to four fingers across the surface to perform a variety of tasks--move your cursor, zoom, scroll through documents, even navigate among alternate desktops you can create on your machine.

Plus, with the Apple tax comes peace of mind. A major virtue of Steve Jobs' control-freak ways is that if something goes wrong with your computer, you know whom to blame. You call Apple or go to the Genius Bar at an Apple store. End of problem. With a PC, though, you have to try to figure out if you've got a hardware problem or a software problem. Invariably, you will be wrong, and the Microsoft-support rep will refer you to the PC manufacturer. Or vice versa. Repeat.

The best MacBook feature, however, is the Leopard operating system, which I find so much simpler, more stable and more straightforward than Windows Vista. The only possible argument anyone can make in the latter's favor is that, well, it powers some mighty cheap machines. And so, in summary, just as the political

pundits have done lately, I'll paraphrase Oliver Wendell Holmes: taxes are the price we pay for civilized computers.



Find this article at:

http://www.time.com/time/magazine/article/0,9171,1855334,00.html

Copyright � 2008 Time Inc. All rights reserved. Reproduction in whole or in part without permission is prohibited.

Privacy Policy | Add TIME Headlines to your Site | Contact Us | Customer Service





Friday, Oct. 31, 2008 Purple Reign

By Kristina Zimbalist

Miuccia Prada planted the seeds in her spring 2007 collection, sending down the runway two satin dresses the moody purple-blue of Van Gogh's irises. Since then, fellow designers Marc Jacobs and Zac Posen have filled their lines with shades of it. Nike, the Gap and even Cadillac are sporting its finery. And Michelle Obama certainly got the memo. She wore it to her husband's nomination ceremony and final debate and on Larry King Live--as did, come to think of it, Mr. King.

On the off chance that it has escaped your notice, purple is having a moment. And while many may assume a sudden color explosion to be just another whim of fickle fashion, the analysts and anthropologists who study shifts in chromatic preferences see this particular manifestation—the purple proliferation—as a sign of our uncertain times.

Sartorially speaking, fall is almost always dominated by warm colors (think camel, winter white), so this season's abundance of purple--and a chilly blue one at that--is "very unusual," says Leatrice Eiseman, psychologist and executive director of the Pantone Color Institute. The New Jersey--based company, which provides universal color standards for design industries and manufacturers worldwide, predicted two years ago that purple would be everywhere this fall. Eiseman sees the hybrid color as a reflection of "discontent and desire for change," a quarrel between cool blue (peace, hope) and warm red (passion, anger, turmoil).

That's one interpretation. Leslie Harrington, executive director of the Color Association, the oldest chromatic forecasting firm in the U.S., offers another. "The meaning of red and blue are so entrenched in our society," she says. "Purple is representative of not deciding." Which may explain why pundits from Keith Olbermann to Bill O'Reilly have been sporting purple ties during the election season.

Even antipurple people have gotten sucked in by the color's zeitgeistiness. "I always hated purple, and I hated people who were into purple," says Manhattan-based designer Thakoon Panichgul, a favorite of Michelle Obama's who in December will launch a collection at Target. "But it has an element of angst that I gravitated to this season."

Color has long functioned as a cultural mood ring. There was the rainbow cacophony that defined the free-love, footloose '60s and the avocados and vegetal yellows of the '70s, which style experts attribute to environmental empathy spawned by Rachel Carson's Silent Spring. Precisely how these trends catch on has always been hazy; the trail of bread crumbs is typically detectable only in hindsight. But there's big business in forecasting the color of the moment. A DuPont survey found that 39% of prospective car buyers would buy a completely different brand if unable to obtain their color preference.

Twice a year, Pantone holds a closed-door, highly secretive meeting in Europe, where the world's top cultural anthropologists, color psychologists--yes, such an occupation exists--and designers from the fashion, automotive and other industries share their highly attuned thoughts on color. Their semiannual

consensus, one palette for spring and one for fall, is sold in bound copies by the hundreds for \$750 a pop to companies ranging from Pottery Barn and KitchenAid to Ford.

Meeting participants "come in with gadgets and toys, strange things like mirrors, records, their own color palettes and mood boards," says David Shah, a Holland-based publisher of color and textile magazines who runs the Pantone gatherings. "I've seen people get hysterical with each other over the minutest difference in hue, something where nobody's going to know the difference." He adds, "Color's a complicated business."

And purple may be one of the most complicated colors. It traces its roots back to kings and cardinals, in the days when thousands of mollusks had to be crushed to make a single drop of purple dye, a process only those with servants could afford. Douglas Lloyd of Lloyd & Co., the New York City design firm that recently created a violet-hued ad campaign for Estée Lauder's fragrance Sensuous, says he chose the color for its "royal connotations, a richness that conjures the idea of religion and incense." But, he says, "at the end of the day, it's just a great, poppy color."

Sometimes it can have a little too much pop. Historically, the automotive industry has been leery of purple, with Americans tending to shy away from brighter colors on larger cars. But the General Motors executive in charge of external color and trim, Chris Webb, is quick to sing the praises of Cadillac's revival of "black cherry," which he describes as "a very dark burgundy red." When pressed, he notes that "reds are going bluer." To the point of purple? "Exactly."

This year's It color As analysts predicted, blue iris abounds in '08

Fashion forward Pantone's forecast for 2009's must-have color: mimosa



Find this article at:

http://www.time.com/time/magazine/article/0,9171,1855343,00.html



Thursday, Oct. 30, 2008 Purse Strings

By Marion Hume

There's an old ethiopian saying that spiderwebs joined together can catch a lion. Taytu — the name comes from a legendarily strong-willed Ethiopian empress — is a company composed of small leather and handwoven-textile producers in and around Addis Ababa. Collectively, these craftsmen are achieving what they could never have accomplished on their own: they've established the first luxury label in one of the poorest countries on earth. Barneys New York and Fred Segal in Santa Monica, Calif., are among Taytu's growing and loyal customer base. Those are some high-profile lions.

Taytu <u>taytu.com</u>, which is endowed with long-term support from the ngos U.S. Agency for International Development and U.N. Industrial Development Organization, began five years ago with the idea that fashion buyers in developed nations would buy Ethiopian luxury products — in this case, ornate leather handbags and beautiful one-off scarves — if the goods they were being offered were sophisticated, in tune with current trends and still authentic and well made in the tradition of this ancient African civilization.

Creative support came in the form of a few designers and fashion technicians, including Italians Ambrogio (Gino) Malinverni, who trained the craftsmen in their own factories and workshops, and Barbara Guarducci, a fashion consultant who has since taken the helm of a design collective in Bangladesh. Joining them is American marketing consultant Holly Hikido, who works with design consultants at brands like Missoni and Fendi.

In November 2007, Taytu opened a tiny store in chaotic Addis Ababa, where handbags and scarves are displayed on old coffee-grinding tables that are set against a backdrop of hand-painted flowers. But Taytu-produced goods could turn up in ever more sophisticated surroundings. The 250 or so Ethiopians earning a living because of the company are also manufacturing small sample runs for some of fashion's top names. New York City based brand Theory, for example, has placed an order for scarves and bags with the aim of selling them under the label Taytu for Theory at its Manhattan flagship store. Model turned humanitarian Liya Kebede, who produces her line of children's wear, Lemlem, in her native Ethiopia, also uses Taytu as one of her resources.

"Working in Addis is exciting and challenging," says Hikido, who laughs when she recalls the time she requested a courier and a man on a donkey turned up. "But the package made the flight, and we got an order from Paris." The aim is for Taytu to expand in a way that is both ethical and ecologically sound while those involved acquire the technical know-how, business skills and fashion contacts to make this web of small businesses self-sufficient and strong.

Click to Print

Find this article at:

http://www.time.com/time/specials/2007/article/0,28804,1717144_1855124_1855106,00.html



An Exotic Education

By BARBARA ISENBERG

Many affluent travelers are nudging aside traditional escapes for more educational fare. Even in the midst of an economic downturn, private-jet tours costing \$45,000 or more for a few weeks of learning about places like Easter Island and Mali are heading out full, some with wait lists. Barbara Isenberg talks with Amy Kotkin, director of Smithsonian Journeys, the largest U.S. museum-based educational-travel program.

Although the Smithsonian's been offering educational tours for nearly 40 years, the marketplace seems to have expanded in the past few years. Any thoughts on why? There are more boomers who are retiring and who have an unprecedented amount of wealth and education. They're looking for access — they want to go behind the scenes where people aren't generally allowed, and they're looking for insight from experts. They want authentic experiences, but they want to be comfortable.

What instigated the around-the-world trips in private jets? A few college-alumni and museum-affinity groups were offering private-jet trips in the mid-1990s, and we began ours in 2001. At first, we didn't think our travelers would buy this product. It was much more expensive than anything we had previously offered. But they proved to be very popular.

How do you decide where to go and then manage to pull it off? You have to work very closely with the jet-tour provider. Our current provider, Starquest, generally uses Boeing 757s specially configured with 88 VIP-style seats instead of the standard 228, and they have to know where those planes can land. They need to know what destinations have the infrastructure — hotels, guides, places to eat — to accommodate a group of 88 people comfortably.

How do these jet trips sell in a tough economy? Our Extraordinary Cultures trip in March '09 is almost full. We usually start selling those tours 16 months in advance. Our 34-person Lands of the Great Buddha trip, which sold out this year, will go out again in September '09 to China, Japan, Mongolia, Bhutan and India to see how Buddhism evolved in those countries.

What about tours for the rest of us? We offer about 250 escorted educational tours a year. Our Signature Tours, which are higher-end, are accompanied throughout by an academic, and our lower-priced Travel Adventures have local lecturers who meet up with you along the way. If you're going to the Great Barrier Reef, for instance, you'll meet with a marine biologist, and if you go to Iceland, we'll make sure there are talks by geologists.

In other words, the idea is to get travelers to places and people they couldn't find so easily on their own? Yes. We also do one-off trips where we can provide special access to what is already an exciting event, like a major golf match or the Toronto Film Festival. One of our perennials is a Mystery Lover's tour of England and Scotland where travelers meet mystery writers and visit places where mysteries take place.

Given how different these tours are from one another, what do they have in common? Our tour operators share our notion of good itinerary-planning for this market. Often that means slowing it down and spending enough time in key places to let people absorb what they're seeing at a reasonable pace.

Have you noticed any commonalities among the people who travel with you? When you sign up for a learning vacation rather than having fun in the sun, that's the first cut. When people unite around a special interest and are willing to travel to faraway places, the likelihood of their being with other people who share that passion is very high.



Find this article at:

http://www.time.com/time/specials/2007/article/0,28804,1717144 1855124 1855370,00.html

Copyright • 2008 Time Inc. All rights reserved. Reproduction in whole or in part without permission is prohibited.

Privacy Policy | Add TIME Headlines to your Site | Contact Us | Customer Service



Thursday, Oct. 30, 2008

Natural Instincts

By Susan Sachs / Restigne

"You don't want a world populated only by tall blondes with blue eyes, and it's the same with wine," says Pierre Breton, a wiry and intensely serious Loire Valley producer of natural wines. "Wines are for pleasure. They inspire creativity. They stimulate conversation. Why would we want them to all have the same identity?"

People are naturally passionate about wine in this part of France, where soldierly rows of gnarled grapevines march all the way to the horizon. But there's passion, and then there's passion, as soon becomes clear when one talks with Breton and his wife Catherine, co-owners of the Domaine Breton vineyard in Restigné, just outside Tours.

They are the vanguard of a growing movement that aims to take the art of winemaking back to its roots, before the days of pesticides, chemical fertilizers, commercial flavoring agents and sometimes heavy-handed doses of preservatives like sulfites. By offering wines made with an artisan's flair, and produced from organically grown grapes to boot, vintners like the Bretons are building a niche market among consumers who are perpetually searching for the authentic.

Natural-wine purists like the Bretons, whose 27 acres (11 hectares) of vineyards produce Bourgueil, Chinon and Vouvray wines, believe that the conventional method of making wine not only pollutes the environment but also produces boringly uniform wine.

Their alternative approach is to meddle as little as possible in the transformation of grapes into wine. They do not treat the vines or the fruit with anything other than natural products. They pick the fruit by hand to avoid compacting the earth with machines.

It is an altogether more labor-intensive, and ultimately costlier, way of doing business. But the biggest difference from standard winemaking comes after the harvest, during the precisely choreographed process of pressing, fermenting and aging, which largely determines a wine's structure and taste. That is when everything comes together — the personality of the fruit, the properties of the soil, the woodiness of the barrel and the caprices of that summer's weather — and the wine gets its chance to express itself.

And so does the winemaker. The makers of natural wine maintain that the additives and yeasts used by more orthodox vintners can stabilize a wine to death, muting the distinctive variations that should stand out because of different grape varieties and settings. "It's like being the conductor of an orchestra," says Pierre Breton, whose wines are made with naturally occurring native yeasts and a bare minimum of sulfite as an antibacterial agent and antioxidant. "Each of us begins with the same ingredients," he says. "But like conductors, we produce different music in our wines from the same score."

Not everyone in the wine world believes that natural wines are necessarily better than wines made by skilled

and conscientious vintners using more high-tech methods. Some critics say the natural-wine disciples take themselves much too seriously. In an article earlier this year in the French daily Le Monde, wine writer Jean-Yves Nau joked that they consider sulfites, which are generally added before bottling to help preserve wines, "the chemical reincarnation of the devil."

But in the past few years, the movement toward more holistic winemaking has attracted more and more converts. A number of Paris restaurants and bars, among them La Muse Vin, near the Place de la Bastille, and Le Baratin, in the rapidly gentrifying Belleville neighborhood, make a point of serving wines from producers like the Bretons. These wines are also a particular favorite of independent wine stores, like Le Vin se Livre, in the 12th arrondissement, that look for original, lesser-known wines that stand out from the blur of labels offered by chain stores.

Nearly every wine-growing region of France has enthusiasts who have switched to organic farming and chemical-free winemaking. Most of these vineyards are small, family-owned ventures run by proud iconoclasts who describe their methods in almost mystical terms. Some are so picky about doing things the way they were done a century ago that they use horse-drawn carts in cultivating their vines. Many natural-wine producers also follow the principles of biodynamic farming, with its attention to the phases of the moon and the movement of the planets, set out in the early 20th century by the Austrian philosopher Rudolf Steiner.

But natural winemaking is not just the domain of a few small-scale nonconformists. Some of the most revered appellations also have dedicated practitioners, among them a producer of the select Romanée-Conti wines of Burgundy, the Champagne producer Anselme Selosse and a number of respected vineyards in the Beaujolais, Bordeaux and Alsace regions.

"There are now about 200 natural winemakers in France, while 30 years ago there were perhaps 15," says Marc Sibard, who runs Caves Augé, a large central-Paris wine store where natural wines represent about 70% of all the bottles in stock.

Sibard, a longtime crusader for the cause of organic and natural wines, has been selling them in his store for 25 years. "It's still somewhat of an underground culture," he says, noting that the people who dare to produce them are too often dismissed as impractical dreamers or rebuffed by distributors who want more familiar, and less fragile, "industrial" wines for export and for sale to big supermarket chains.

Yet Sibard has found that demand is growing. "We are specialists," he says. "We have a demand from clients because we're lucky enough to be in Paris, where people have the wherewithal to buy good wine, and many of them understand that it's better to drink one good bottle at 20 euros (\$26) that's produced honestly than to buy three bottles at 6 euros (\$8) each that were produced industrially."

Natural winemakers may be zealous about their methods, but it cannot be said that they lack a sense of humor. The bottles crowding the floor and every shelf in Caves Aug attest to that. One vineyard has a wine called Soif du Mal, the French title of Orson Welles' film Touch of Evil. Another has named one of its wines Gama Sutra, apparently with an eye to the Asian market. One producer includes the guarantee that his grapes were "picked by people in thongs." The Bretons offer a wine called Nuits d'Ivresse (Drunken

Nights) and another called La Dilettante.

For all their whimsy, these wines are beginning to make a splash in international markets. "In the early days, there were some that really weren't good advertisements for organic wine," says Kermit Lynch, a major California wine merchant who was a pioneer in selling natural and organic wines to U.S. consumers in the 1980s. "But there is a real niche now of people who are interested in those kinds of wines."

Lynch, who imports many of the Bretons' wines, owns a vineyard near Gigondas, in southern France. He has not converted to organic or biodynamic production, but he says he agrees with the natural winemakers' argument that too many wines are suffocated by overuse of chemicals. "I don't know enough about all that to say that's the way it should be done," he says. "But I've had wine-makers tell me that since they changed, they are getting better juice. And better juice means better wines."



Find this article at:

http://www.time.com/time/specials/2007/article/0,28804,1717144_1855124_1855104,00.html

Copyright � 2008 Time Inc. All rights reserved. Reproduction in whole or in part without permission is prohibited.

Privacy Policy | Add TIME Headlines to your Site | Contact Us | Customer Service



10 Questions for T. Boone Pickens

By T. Boone Pickens

Do you envision an energy plan that will eventually lead to the U.S. no longer being dependent on fossil fuels? Paul Frost, IONIA, MICH.

That'll be a long time off. What I envision is we're going to have to use every resource we have. I want to get off of foreign oil. When I say off foreign oil, I'm O.K. with Canadian oil. I'm O.K. with oil from Mexico. In 10 years, if I was running the operation, I think I could have us where we had reduced oil by 50%.

If you believe that we need cleaner, more independent sources of energy, how will you help convince those who will still profit from oil? Andrew Rowley SPOKANE, WASH.

The profit from oil--we peaked in America in 1970 with 10 million bbl. a day. We're down to 5 [million bbl.] now. There will always be a place for oil, but we have to get over to the renewables, which are wind and solar, first. Those are assets that we have done nothing with in America.

In light of President Bush's record on the environment, do you think supporting the Swift Boat Veterans for Truth was a good choice, insofar as it contributed to his re-election? Brian Checco, BALTIMORE

Have I been disappointed Bush didn't make any meaningful move toward cleaner, domestic natural gas as an alternative to foreign oil? Probably. But did that weigh into my Swift Boat support? Not at all. I had serious questions about [John Kerry's] military service, and he never would answer them.

Do you believe it will be more difficult to mobilize a bipartisan environmental effort due to your past political affiliations? Kevin Buselmeier, BROOKLYN, N.Y.

I don't think my past political affiliations will have anything to do with it. I've worked very well on the Pickens Plan with the Democrat side and the Republican side. I've talked to both Senator McCain and Obama. And I've talked to Governor Palin. They took some of the things we talked about, and they use them in their speeches now.

Why do you all of a sudden want alternative energy when you have been an oilman your whole life? Have you separated yourself from the oil industry? Todd Weiler, SAN DIEGO

No, I haven't separated myself from the oil industry. I still believe that's a part of the solution. We're going to have to drill, we're going to have to do the renewables, and we've got to use natural gas, biofuels--any resource in America.

Do you believe the next Administration will have the ability to directly effect change in the economy, or will this economy shape the next Administration? Chris Hirsh, BERKELEY, CALIF.

