



FRIENDS OF THE MIDDLE **NEWSLETTER #22 — NOV. 22, 2011**

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INDEX: Click here.

Tonight's Republican Candidate Debate

(posted by Steven W. Baker / SteveB, Nov. 22, 2011)

I can't tell if the race for the Republican nomination is heating up or cooling down, but it always has some fascinating twists and turns. As Pam says, it's a lot like watching a Shakespearean drama unfolding live, in front of us. Enjoy!

"5 Things to Watch in Tuesday's Debate" by Alexander Burns, Politico

Nov. 22, 2011, (<http://dyn.politico.com/printstory.cfm?uuid=5197DFDE-9089-4B75-BB0F-51A943985030>)

The Republican candidates debating Tuesday night can likely agree on one thing: Foreign policy isn't going to decide the 2012 presidential race.

But each of the eight debaters will still have something at stake when they take the stage in Washington for the CNN-hosted 11th debate of the year.

For the candidates atop the polls – Mitt Romney and Newt Gingrich – the debate is an opportunity to let voters imagine them in the White House Situation Room as commander-in-chief. For Jon Huntsman, it's a chance to showcase his diplomatic bona fides. For underdog conservatives, such as Rick Perry, Ron Paul, Rick Santorum and Michele Bachmann, the debate provides an opening to ask Republican voters for another shot at looking presidential.

And for Herman Cain, the second consecutive forum focused on national security and foreign affairs is another chance to outline a position on Libya – perhaps with fewer distractions twirling around in his head.

The fact that the debate is taking place in the shadow of the so-called super committee's collapse, with huge, automatic defense cuts looming in the near future, adds some urgency to the event. As the Republican presidential field prepares for yet another primetime bout, here are the top five dynamics POLITICO will be watching for:

Can Newt Gingrich perform as a frontrunner?

Debate season has been friendly to Gingrich – very, very friendly. The former speaker of the House has gone from a non-factor in the 2012 race to a leader in the polls chiefly on the strength of his debate performances.

There's going to be a different standard for Gingrich's performance now that he's more than a marginal candidate. And his typical formula of attacking the moderator and disputing the premise of virtually every question may not be enough to sustain his position in the polls.

Gingrich has to do more Tuesday night than entertain a conservative audience; he has to look and sound like a president.

Longtime Gingrich-watchers say that the subject matter of the debate plays to his strengths. With the exception of Huntsman and perhaps the well-studied Romney, Gingrich has simply been immersed in security and foreign policy issues more extensively than any of his opponents.

"If they asked Newt whether he agreed with President Obama on Libya, the 11 minutes would not be stunned silence, but 150 examples of what he would have done differently," said Rich Galen, the GOP strategist and former Gingrich aide. "I'm not particularly in favor of his candidacy, but this is the kind of thing that he just shines in."

The greater challenge for Gingrich, said Galen, may be responding to attacks from other candidates in such a way that "he doesn't look like he's being disrespectful and swatting away a fly."

Can Mitt Romney pass the commander-in-chief test?

Romney has worked relentlessly to cast himself as the GOP's economic fix-it man – the candidate who can be trusted, first and foremost, to create jobs.

But the former Massachusetts governor is also running as the most mature and electable candidate in the Republican field. That means he'll have to prove that he can go toe to toe with an incumbent president who supervised the killing of Osama bin Laden, the ouster of Muammar Qadhafi, the surge in Afghanistan and the draw-down of U.S. troops from Iraq.

Democrats are already moving to tar Romney as being too weak to lead, with retired four-star General Wesley Clark ridiculing him Monday for shifting positions on the Afghan war and the pursuit of bin Laden.

Romney has to be nearly perfect when it comes to questions of the "3 a.m. phone call" variety. And he can't afford to cede much hawkish ground to his Republican opponents – or to his eventual Democratic opposition.

"Unfortunately for the Republican Party, there are a number of candidates whose foreign policy approach is isolationist, uninformed or other-planetary. I think Governor Romney has staked out a credible and serious foreign policy," said Brian Hook, a former assistant secretary of state and Tim Pawlenty campaign adviser.

"He can also articulate the connection between a strong foreign policy and our country's economic interests, which most candidates can't – or won't – do," Hook said. "At the debate I would like to hear him push back against calls for isolationism and retrenchment."

Can Herman Cain keep his foot out of his mouth?

Herman Cain's poll numbers were sloping downward even before his infamous Libya gaffe.

But Cain's painful interview with the *Milwaukee Journal Sentinel* – in which the candidate was captured on camera shifting in his chair and struggling to articulate his views on the Libya intervention – accelerated a bad trend for the insurgent presidential candidate. He made matters worse last Friday, when he warned in a Florida press conference that the Taliban held sway in Libya's new government.

If the former Godfather's Pizza CEO wants to have any hope of recovering his footing in the Republican primary, he needs to dispense with the perception that he is totally disengaged from the details of policy.

That's the line *National Review* editor Rich Lowry recently took when he diagnosed Cain with "knowledge-deficit disorder."

"As the inspiring outsider-businessman, Cain needn't sound like he's auditioning for the chairmanship of the Senate Committee on Foreign Relations," Lowry wrote. "But is it too much to ask that he sound like he reads the newspaper every day?"

The stakes would be high for Cain in the CNN debate, regardless of the topic. But the fact that it's focused on foreign policy and national security – the areas where he has flailed most – only raises the stakes further.

In the past, Cain has skated through by saying he favors a policy of "peace through strength and clarity." It's clarity – and specificity – that will be his chief challenges on stage.

Can Jon Huntsman turn his Afghanistan position into a strength?

The only seasoned diplomat in the 2012 field may also be the candidate whose foreign policy message has broken through the least.

Huntsman – a former ambassador to both Singapore and China, and a trade official in the George W. Bush administration – barely registered in this month's South Carolina debate on foreign policy. He has a distinctive message on the issue, focused on winding down overseas wars and building up America's "core" at home, but it has scarcely drawn notice thanks to Huntsman's low-key demeanor and unwillingness to draw sharp contrasts.

A key question for Huntsman, in the final run-up to Iowa and New Hampshire, is how boldly he's willing to stake his campaign on his opposition to America's foreign entanglements.

There's a population of moderate and independent voters in Huntsman's favored primary state of New Hampshire who could respond to a message that puts withdrawal from Afghanistan front and center. There's a fiscal-hawk angle to it, too – the wars in Iraq and Afghanistan have been enormously costly, and Huntsman could in theory put other candidates in the position of defending off-the-charts military spending at a moment when austerity is popular.

Betting heavily on war weariness would be a risk for Huntsman – but surely not more of a risk than entering a Republican primary as a gay rights-supporting, DREAM Act-backing, climate science-believing alumnus of the Obama administration.

Will Ron Paul get a turn in the spotlight?

If Huntsman won't stake his campaign on opposition to the war in Afghanistan, there's another candidate who might: Ron Paul.

That is, if he's given time to speak in the debate.

Paul's supporters cried foul after the South Carolina foreign policy debate – hosted by CBS and *National Journal* – because the Texas congressman was given only the paltriest share of airtime.

Paul adviser Jesse Benton said in an email that the candidate is looking forward to better treatment this time around.

"Dr. Paul will continue to deliver his message of a strong national defense, saving money by cutting overseas nation-building and his vision for a pro-American foreign policy," Benton said. "Due to our campaigns recent surge in key early states, we expect Dr. Paul to be treated like the frontrunner he has become and receive the fair share of questions his standing deserves."

Paul was tied for first place in a recent Iowa poll and routinely hits double digits in New Hampshire. And while his message has its limits in an interventionist-leaning political party, there's a population of voters who may respond to Paul simply because he's the only candidate in the field to make "bring our troops home" into a rallying cry.

FotM NEWSLETTER #22 (Nov. 22, 2011)—HYPERTEXT INDEX

<u>DATE-ID</u>	<u>TIME</u>	<u>FROM</u>	<u>SUBJECT/TITLE</u>
20111122-00		SteveB	Tonight's Republican Candidate Debate by Steven W. Baker / SteveB ("5 Things to Watch in Tuesday's Debate")
20111121-01	09:53	DaveY	FotM Newsletter
20111121-02	10:05	SteveB	Re: FotM Newsletter (reply to DaveY, above)
20111121-03	11:23	Pam	Re: "The Top 0.1% of the Nation Earn Half of All Capital Gains" (reply to SteveB, FotM Newsletter #21)
20111121-04	11:38	SteveB	Re: FotM (reply to Pam, above)
20111121-05	12:30	Pam	Re: FotM (reply to SteveB, above)
20111121-06	13:25	SteveB	FotM & Holidays in the Third World (to Pam, above)
20111121-07	17:41	Pam	FotM & Holidays in the Third World (to Pam, above)
20111121-08	18:19	Art	Quote: Sen. Bernie Sanders on the Deficit
20111121-09	18:42	Art	"2021: The New Europe"
20111121-12	20:35	Pam	Re: "2021: The New Europe" (reply to Art, above)
20111121-10	20:10	SteveG	Fw: MoveOn Petition: Tell Congress to Be Fair with Health Care!
20111121-11	20:29	SteveG	"Bank Lobbying on Track to Hit Record High This Year"
20111121-13	21:47	SteveG	"Open Letter to Chancellor Linda P.B. Katehi"

20111121-01	09:53	DaveY	FotM Newsletter
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Yes, I would be interested in the FotM Newsletter. I think it's great that you are such a free thinker!

20111121-02	10:05	SteveB	Re: FotM Newsletter (reply to DaveY, above)
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Thank you, Dave. Welcome aboard! We're happy to have you join us. Speak up anytime you feel like it.

20111121-03	11:23	Pam	Re: "The Top 0.1% of the Nation Earn Half of All Capital Gains" (reply to SteveB, FotM Newsletter #21)
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Thank you for your kind words. I'm delighted if my words mean something to you. I know it means a lot to me to have this outlet. I'd probably go crazy without it. I've always been someone who believes that if you think something through and can articulate the problem, you have a good chance of solving the problem. Now that our glorious super-committee has apparently failed in their search for a solution (surprise! surprise!), I am more convinced than ever that our govt. is truly broken. Whether it stays that way remains to be seen.

I've often thought about the generation that lived through WW II. So much was at stake, and no one knew what the outcome was going to be. What must it have been like trying to live under Hitler's shadow? (I seem to be obsessed with Hitler these days.) We, of course, know the world came through, but it must have been so scary in, say, 1943. I was born exactly nine months after the end of the war. I guess my parents believed there would be a future after all. What I'm getting at is, I wonder how our current crises will play out, how future generations will regard us. At what point did it slowly dawn on people that Hitler was horribly dangerous? Will there be a point at which we realize what deep trouble we are in? I feel like we're in the middle of something that is beyond our experience or understanding.

And now a word about climate change. Back during the war, the British turned the London underground into bomb shelters and built Anderson shelters in back yards. The siren would blare, and everyone would run to safety. I think we're going to have to do something similar in response to our increasingly extreme weather. It is unseasonably warm here in N.C. today, which means we'll have storms in the next day or two. A week ago we had the same pattern, and a tornado ripped through a county west of us and flattened a town. There's more reason to

build storm cellars today than there was to build bomb shelters in the '50s. There's no negotiating with Mother Nature. I wonder when people will wake up to the fact that we need to build stronger structures and have emergency plans that go beyond opening a school gym to house the homeless after the storm has blown through. Hey, there's a job for the unemployed. :-)

[20111121-04](#) 11:38 SteveB Re: FotM (reply to Pam, above)

We keep getting more and more members (over 100 now) and you are much of the reason, I think. We have a lot of very smart people in the group. Plus you have taught me to be a little kinder, perhaps. I still aim to be provocative, but maybe less so. I see you and I as kind of a "good cop" / "bad cop" operation. You reel 'em in, and I chop 'em up! Well...maybe there's a better analogy... :-)

I wish our generation (outside of this group) shared a little more of the Greatest Generation's spirit.

Bravery, courage, fearlessness, self-sacrifice...that's what the Greatest Generation had in abundance. I remember my father and my uncles (I had quite a few!), they were all men almost without fear. They didn't think about things as they transitioned into doing them. Then our generation became, as a people, too ego-bound to be without fear. After all our hopes and aspirations and a real good start, I think, in the '60's, we got bought off.

(And I don't mean to short the women, it's just that the men were my role-models. But, as a small example, my mother and my grandmother (her mother) were as tough as anyone Laura Ingalls Wilder ever wrote about. My grandmother used to grab bees off of flowers in her garden and hold them in her hand to show me that they wouldn't dare sting her! And they didn't. And she would never hurt them either.)

Now we grope and hoard, yet go into debt, where the Greatest Generation created, saved, and shared.

As to the shelters, I have written about this. As an engineer, I am appalled how many people are needlessly dying because of tornadoes. There are fairly easy things that can be done to reinforce your house quite a bit. These could save you from a near miss, but a direct hit is still going to destroy everything and maybe you too.

Everyone who lives where these monsters can strike needs a shelter or very quick access to a shelter. In a new house, I'd have a basement shelter or a steel-reinforced-concrete bathroom or other small room on the first floor, with a strong door. The classic Midwest "root cellar" with the doors that swing up will save you. (Watch out for zombies down there though. It's one of their favorite places. That's why I prefer the reinforced 1st floor bathroom.)

Everyone needs to be instructed that, if you don't have safe shelter, you can outrun these things in a car. I would certainly try, rather than sit there to be killed. Drive at right angles to the path of the storm wherever possible. They only travel at about 30 MPH. Don't get stuck in traffic though!

Remember, if you see one, it came to kill you. Act accordingly.

[20111121-05](#) 12:30 Pam Re: FotM (reply to SteveB, above)

I'm enough of an egotist to be pleased by what you say. And I think you're right about the good cop/bad cop thing. Of course, you are the linchpin of this whole enterprise. I can't believe there are 100 people on it.

Do you celebrate Thanksgiving in Bolivia? When we lived in Canada, Thanksgiving came in October, which I liked. More time between two big holidays. My kids will all be in other places, so Mark and I are going out to a nice restaurant. At this point, I'm very happy to do that. No cooking, no clean up.

[20111121-06](#) 13:25 SteveB FotM & Holidays in the Third World (to Pam, above)

This is how the U.S. has "no stature" in the rest of the world. This is how "unpopular" our culture is. (see below)

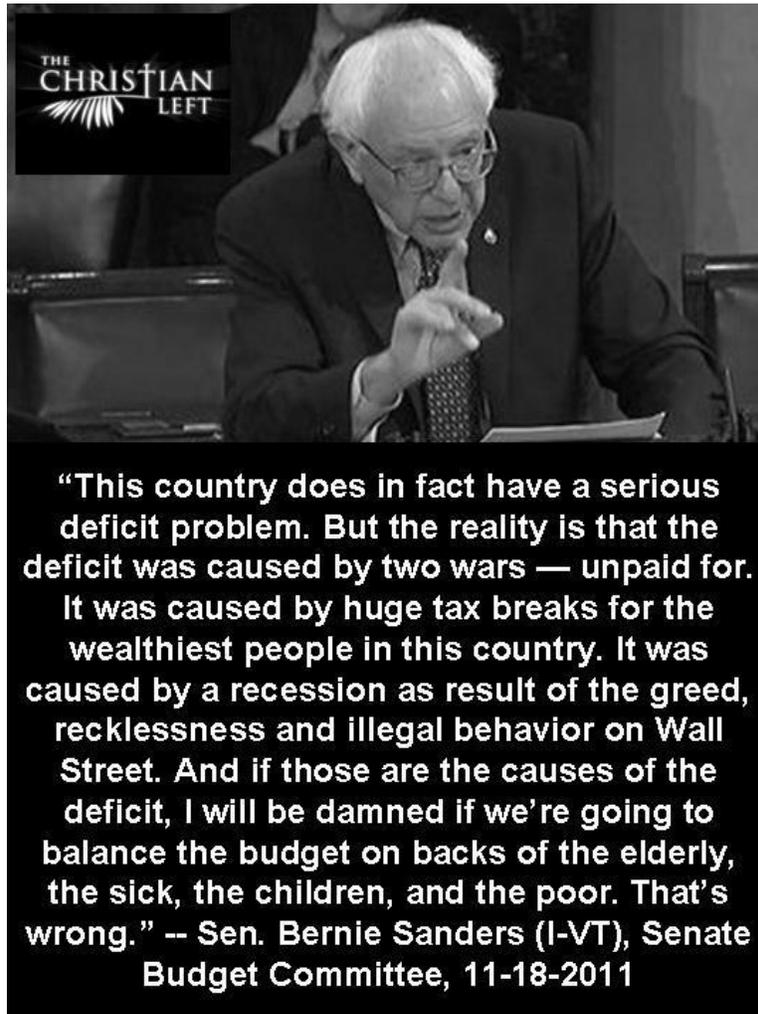
Here is the progression I've seen in several of the underdeveloped countries I've visited and lived-in for the past thirty years of so:

1. Initially, only a couple of local holidays like Carnaval or Independence Day might be a big deal. Most countries have a national holiday. Even Christmas and New years are pretty subdued. People might give their kids one Christmas gift, but people don't go crazy buying for everyone, giving kids everything. (Though I've often chosen to ignore that one myself. ☹) Christmas and Easter are religious holidays. No one ever sends anyone else a card, unless somebody died or is getting married, hopefully not in that order. Candy goes begging at the stores.
2. Then, Christmas gets bigger. More people have trees, then lights, then exchanging more gifts. Expensive shops open where you can buy those gifts. More and more toy stores open with action heroes and Barbie dolls and Hot Wheels. Santa Claus starts comin' to town and knowin' stuff 'bout when yer sleepin'. Lots and lots of candy gets sold at the stores.
3. Then the Easter Bunny starts coming to town. There are baskets, marshmallow and chocolate bunnies in countries where rabbits don't exist. Decorated eggs roll down sidewalks and kids hunt them down. Easter cards spring into existence, signaling that they must have found sucks for the Christmas cards introduced earlier. Lots and lots of candy gets sold at the stores.
4. There has always been a "Day of the Dead" in early November in Catholic countries, but it is more like our Memorial Day. So there was a need, apparently, to fill the vacuum with Halloween. Now Carnaval costumes can be used twice. You'll see cowboys in countries without cows, and pirates in countries with ocean borders. A little trick or treating hits the neighborhoods, though not with the abandon as in America. Lots and lots of candy gets sold at the stores.
5. The next chip to fall is Thanksgiving, which is one of my person favorites. I'm a fan of the food and of the moment of thankfulness. It's a great idea for a holiday, especially since it tends to produce those magical four-day weekends. So what do I see this last couple of years in Bolivia? Turkey and cranberry sauce. Paper Pilgrims (I kid you not) to decorate with. And we don't have enough Americans here to buy this stuff, but lots of stuff gets bought.
6. I think next will be the tooth fairy. Maybe she already comes here or to Africa or somewhere.
7. Can the Fourth of July be far behind?

20111121-07	17:41	Pam	FotM & Holidays in the Third World (to Pam, above)
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I think if I were sure that good is stronger than evil, I'd be more sanguine. Still, there must be enough "good" seeds to keep sprouting, or we'd have succumbed completely long ago. The whole concept of good and evil is probably a human construct anyway. (My apologies to the religious folks.) We need it to live, but I believe it's based more in nature and chance than in any design. One of my favorite Victorian authors, William Makepeace Thackeray, wrote that we all live by illusions, but it's important to choose the right ones. I have a friend who is an eternal optimist (we're sort of yin and yang). She always believes things will work out for the best, no matter what. She has cancer, but she expects to live a long time, and I certainly hope she's right. So far, so good. She believes the recession will end after the next President is elected, no matter who that is. When life gives her lemons, she makes lemonade and does it with a smile. I'm glad she's my friend, but I can't buy into her constantly cheery outlook. What I think is, we're both probably wrong about "reality." We see what we believe we'll see.

Thank you, Sen. Bernie Sanders, for once more saying out loud what the other cowards won't.....



Sarcastic, witty form of futuristic Anglo-German-o-phobia post-mortum of the 2011 Euro crisis. Must read and chuckle at the ending!

I love it, Marsha Radetzky indeed. Of course, I doubt a single Tea Bagger would understand a sentence.

“2021: The New Europe” by Niall Ferguson, *Wall Street Journal*

Nov. 19, 2011, (<http://online.wsj.com/article/SB10001424052970203699404577044172754446162.html>)

(Niall Ferguson peers into Europe's future and sees Greek gardeners, German sunbathers—and a new fiscal union. Welcome to the other United States. Map illustration by Peter Arkle.)



'Life is still far from easy in the peripheral states of the United States of Europe (as the euro zone is now known).'

Welcome to Europe, 2021. Ten years have elapsed since the great crisis of 2010-11, which claimed the scalps of no fewer than 10 governments, including Spain and France. Some things have stayed the same, but a lot has changed.

The euro is still circulating, though banknotes are now seldom seen. (Indeed, the ease of electronic payments now makes some people wonder why creating a single European currency ever seemed worth the effort.) But Brussels has been abandoned as Europe's political headquarters. Vienna has been a great success.

"There is something about the Habsburg legacy," explains the dynamic new Austrian Chancellor Marsha Radetzky. "It just seems to make multinational politics so much more fun."

The Germans also like the new arrangements. "For some reason, we never felt very welcome in Belgium," recalls German Chancellor Reinhold Siegfried von Gotha-Dämmerung.

Life is still far from easy in the peripheral states of the United States of Europe (as the euro zone is now known). Unemployment in Greece, Italy, Portugal and Spain has soared to 20%. But the creation of a new system of fiscal federalism in 2012 has ensured a steady stream of funds from the north European core.

Like East Germans before them, South Europeans have grown accustomed to this trade-off. With a fifth of their region's population over 65 and a fifth unemployed, people have time to enjoy the good things in life. And there are plenty of euros to be made in this gray economy, working as maids or gardeners for the Germans, all of whom now have their second homes in the sunny south.

The U.S.E. has actually gained some members. Lithuania and Latvia stuck to their plan of joining the euro, following the example of their neighbor Estonia. Poland, under the dynamic leadership of former Foreign Minister Radek Sikorski, did the same. These new countries are the poster children of the new Europe, attracting German investment with their flat taxes and relatively low wages.

But other countries have left.

David Cameron—now beginning his fourth term as British prime minister—thanks his lucky stars that, reluctantly yielding to pressure from the Euroskeptics in his own party, he decided to risk a referendum on EU membership. His Liberal Democrat coalition partners committed political suicide by joining Labour's disastrous "Yeah to Europe" campaign.

Egged on by the pugnacious London tabloids, the public voted to leave by a margin of 59% to 41%, and then handed the Tories an absolute majority in the House of Commons. Freed from the red tape of Brussels, England is now the favored destination of Chinese foreign direct investment in Europe. And rich Chinese love their Chelsea apartments, not to mention their splendid Scottish shooting estates.

In some ways this federal Europe would gladden the hearts of the founding fathers of European integration. At its heart is the Franco-German partnership launched by Jean Monnet and Robert Schuman in the 1950s. But the U.S.E. of 2021 is a very different thing from the European Union that fell apart in 2011.

It was fitting that the disintegration of the EU should be centered on the two great cradles of Western civilization, Athens and Rome. But George Papandreou and Silvio Berlusconi were by no means the first European leaders to fall victim to what might be called the curse of the euro.

Since financial fear had started to spread through the euro zone in June 2010, no fewer than seven other governments had fallen: in the Netherlands, Slovakia, Belgium, Ireland, Finland, Portugal and Slovenia. The fact that nine governments fell in less than 18 months—with another soon to follow—was in itself remarkable.

But not only had the euro become a government-killing machine. It was also fostering a new generation of populist movements, like the Dutch Party for Freedom and the True Finns. Belgium was on the verge of splitting in two. The very structures of European politics were breaking down.

Who would be next? The answer was obvious. After the election of Nov. 20, 2011, the Spanish prime minister, José Luis Rodríguez Zapatero, stepped down. His defeat was such a foregone conclusion that he had decided the previous April not to bother seeking re-election.

And after him? The next leader in the crosshairs was the French president, Nicolas Sarkozy, who was up for re-election the following April.

The question on everyone's minds back in November 2011 was whether Europe's monetary union—so painstakingly created in the 1990s—was about to collapse. Many pundits thought so. Indeed, New York University's influential Nouriel Roubini argued that not only Greece but also Italy would have to leave—or be kicked out of—the euro zone.

But if that had happened, it is hard to see how the single currency could have survived. The speculators would immediately have turned their attention to the banks in the next weakest link (probably Spain). Meanwhile, the departing countries would have found themselves even worse off than before. Overnight all of their banks and half of their nonfinancial corporations would have been rendered insolvent, with euro-denominated liabilities but drachma or lira assets.

Restoring the old currencies also would have been ruinously expensive at a time of already chronic deficits. New borrowing would have been impossible to finance other than by printing money. These countries would quickly have found themselves in an inflationary tailspin that would have negated any benefits of devaluation.

For all these reasons, I never seriously expected the euro zone to break up. To my mind, it seemed much more likely that the currency would survive—but that the European Union would disintegrate. After all, there was no legal mechanism for a country like Greece to leave the monetary union. But under the Lisbon Treaty's special article 50, a member state could leave the EU. And that is precisely what the British did.

Britain got lucky. Accidentally, because of a personal feud between Tony Blair and Gordon Brown, the United Kingdom didn't join the euro zone after Labour came to power in 1997. As a result, the U.K. was spared what would have been an economic calamity when the financial crisis struck.

With a fiscal position little better than most of the Mediterranean countries' and a far larger banking system than in any other European economy, Britain with the euro would have been Ireland to the power of eight. Instead, the Bank of England was able to pursue an aggressively expansionary policy. Zero rates, quantitative easing and devaluation greatly mitigated the pain and allowed the "Iron Chancellor" George Osborne to get ahead of the bond markets with pre-emptive austerity. A better advertisement for the benefits of national autonomy would have been hard to devise.

At the beginning of David Cameron's premiership in 2010, there had been fears that the United Kingdom might break up. But the financial crisis put the Scots off independence; small countries had fared abysmally. And in 2013, in a historical twist only a few die-hard Ulster Unionists had dreamt possible, the Republic of Ireland's voters opted to exchange the austerity of the U.S.E. for the prosperity of the U.K. Postsectarian Irishmen celebrated their citizenship in a Reunited Kingdom of Great Britain and Ireland with the slogan: "Better Brits Than Brussels."

Another thing no one had anticipated in 2011 was developments in Scandinavia. Inspired by the True Finns in Helsinki, the Swedes and Danes—who had never joined the euro—refused to accept the German proposal for a "transfer union" to bail out Southern Europe. When the energy-rich Norwegians suggested a five-country Norse League, bringing in Iceland, too, the proposal struck a chord.

The new arrangements are not especially popular in Germany, admittedly. But unlike in other countries, from the Netherlands to Hungary, any kind of populist politics continues to be verboten in Germany. The attempt to launch a "True Germans" party (*Die wahren Deutschen*) fizzled out amid the usual charges of neo-Nazism.

The defeat of Angela Merkel's coalition in 2013 came as no surprise following the German banking crisis of the previous year. Taxpayers were up in arms about Ms. Merkel's decision to bail out Deutsche Bank, despite the fact that Deutsche's loans to the ill-fated European Financial Stability Fund had been made at her government's behest. The German public was simply fed up with bailing out bankers. "Occupy Frankfurt" won.

Yet the opposition Social Democrats essentially pursued the same policies as before, only with more pro-European conviction. It was the SPD that pushed through the treaty revision that created the European Finance Funding Office (fondly referred to in the British press as "EffOff"), effectively a European Treasury Department to be based in Vienna.

It was the SPD that positively welcomed the departure of the awkward Brits and Scandinavians, persuading the remaining 21 countries to join Germany in a new federal United States of Europe under the Treaty of Potsdam in 2014. With the accession of the six remaining former Yugoslav states—Bosnia, Croatia, Kosovo, Macedonia, Montenegro and Serbia—total membership in the U.S.E. rose to 28, one more than in the pre-crisis EU. With the separation of Flanders and Wallonia, the total rose to 29.

Crucially, too, it was the SPD that whitewashed the actions of Mario Draghi, the Italian banker who had become president of the European Central Bank in early November 2011. Mr. Draghi went far beyond his mandate in the massive indirect buying of Italian and Spanish bonds that so dramatically ended the bond-market crisis just weeks after he took office. In effect, he turned the ECB into a lender of last resort for governments.

But Mr. Draghi's brand of quantitative easing had the great merit of working. Expanding the ECB balance sheet put a floor under asset prices and restored confidence in the entire European financial system, much as had happened in the U.S. in 2009. As Mr. Draghi said in an interview in December 2011, "The euro could only be saved by printing it."

So the European monetary union did not fall apart, despite the dire predictions of the pundits in late 2011. On the contrary, in 2021 the euro is being used by more countries than before the crisis.

As accession talks begin with Ukraine, German officials talk excitedly about a future Treaty of Yalta, dividing Eastern Europe anew into Russian and European spheres of influence. One source close to Chancellor Gotha-Dämmerung joked last week: "We don't mind the Russians having the pipelines, so long as we get to keep the Black Sea beaches."

On reflection, it was perhaps just as well that the euro was saved. A complete disintegration of the euro zone, with all the monetary chaos that it would have entailed, might have had some nasty unintended consequences. It was easy to forget, amid the febrile machinations that ousted Messrs. Papandreou and Berlusconi, that even more dramatic events were unfolding on the other side of the Mediterranean.

Back then, in 2011, there were still those who believed that North Africa and the Middle East were entering a bright new era of democracy. But from the vantage point of 2021, such optimism seems almost incomprehensible.

The events of 2012 shook not just Europe but the whole world. The Israeli attack on Iran's nuclear facilities threw a lit match into the powder keg of the "Arab Spring." Iran counterattacked through its allies in Gaza and Lebanon.

Having failed to veto the Israeli action, the U.S. once again sat in the back seat, offering minimal assistance and trying vainly to keep the Straits of Hormuz open without firing a shot in anger. (When the entire crew of an American battleship was captured and held hostage by Iran's Revolutionary Guards, President Obama's slim chance of re-election evaporated.)

Turkey seized the moment to take the Iranian side, while at the same time repudiating Atatürk's separation of the Turkish state from Islam. Emboldened by election victory, the Muslim Brotherhood seized the reins of power in Egypt, repudiating its country's peace treaty with Israel. The king of Jordan had little option but to follow suit. The Saudis seethed but could hardly be seen to back Israel, devoutly though they wished to avoid a nuclear Iran.

Israel was entirely isolated. The U.S. was otherwise engaged as President Mitt Romney focused on his Bain Capital-style "restructuring" of the federal government's balance sheet.

It was in the nick of time that the United States of Europe intervened to prevent the scenario that Germans in particular dreaded: a desperate Israeli resort to nuclear arms. Speaking from the U.S.E. Foreign Ministry's handsome new headquarters in the Ringstrasse, the European President Karl von Habsburg explained on Al Jazeera: "First, we were worried about the effect of another oil price hike on our beloved euro. But above all we were afraid of having radioactive fallout on our favorite resorts."

Looking back on the previous 10 years, Mr. von Habsburg—still known to close associates by his royal title of Archduke Karl of Austria—could justly feel proud. Not only had the euro survived. Somehow, just a century after his grandfather's deposition, the Habsburg Empire had reconstituted itself as the United States of Europe.

Small wonder the British and the Scandinavians preferred to call it the Wholly German Empire.

(Mr. Ferguson is a professor of history at Harvard University and the author of *Civilization: The West and the Rest*, published this month by Penguin Press.)

20111121-12	20:35	Pam	Re: "2021: The New Europe" (reply to Art, above)
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Wow. Put it in a time capsule and let's dig it up in ten years.

20111121-10	20:10	SteveG	Fw: MoveOn Petition: Tell Congress to Be Fair with Health Care!
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from MoveOn:

Below is an email from Michael Morrill, a MoveOn member who created a petition at SignOn.org that is getting a lot of attention and may be of interest to you. If you have concerns or feedback about this petition:

http://civic.moveon.org/signon_feedback/?id=33102-18997482-7_PDEjx&t=1

In April, the Republican-controlled House of Representatives voted to cut Medicare and Medicaid. And this month, even Democrats on the so-called Super Committee have offered deep cuts to these vital programs.

Essentially, Republicans in Congress are telling senior citizens and the poor that tax cuts for billionaires and millionaires are more important than providing a health care safety net for our most vulnerable.

But did you know that members of Congress get great taxpayer-funded health care? In fact, they have one of the best health care plans in the world.

It strikes us as the height of hypocrisy to be accepting government-provided, taxpayer-subsidized health insurance while denying seniors, the disabled, and the poor the basic coverage that Medicare and Medicaid provide.

That's why we're circulating this petition demanding that members of Congress who voted to cut Medicare and Medicaid stop accepting taxpayer-subsidized health insurance for themselves. If they believe our most vulnerable citizens should buy insurance on the corporate, for-profit market, shouldn't they do the same?

The petition is addressed to the U.S. Senate and House of Representatives and says:

"If you voted to cut Medicare and Medicaid, you must stop accepting taxpayer-funded health care for yourself and your family."

Will you sign the petition? Click here to add your name, and then pass it along to your friends:

http://www.moveon.org/r?r=267956&id=33102-18997482-7_PDEjx&t=2.

Thanks! –Michael Morrill

20111121-11	20:29	SteveG	"Bank Lobbying on Track to Hit Record High This Year"
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"Bank Lobbying on Track to Hit Record High This Year" Huffington Post

Nov. 21, 2011, (http://www.huffingtonpost.com/2011/11/21/bank-lobbying-record-high_n_1106350.html?utm_campaign=112111&utm_medium=email&utm_source=Alert-business&utm_content=FullStory)



Big banks are on track to spend a record amount lobbying lawmakers this year.

The five banks that spend the most on lobbying have boosted their lobbying outlays by 12 percent in the first three quarters of 2011, compared to the same period last year, according to an analysis by the *Charlotte Observer*.

Commercial banks comprising the banking industry have spent close to \$47 million on lobbying so far this year, compared to \$42 million at this time last year, the report finds.

[Continue reading at Huffington Post...](#)

20111121-13	21:47	SteveG	"Open Letter to Chancellor Linda P.B. Katehi"
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"Open Letter to Chancellor Linda P.B. Katehi" by Nathan Brown, UC Davis Bicycle Barricade

Nov. 18, 2011, (<http://bicyclebarricade.wordpress.com/2011/11/19/open-letter-to-chancellor-linda-p-b-katehi/>)

—Friends of the Middle,
Steven W. Baker (SteveB), Editor/Moderator

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Your email address will always be kept strictly confidential.

Feel free to forward this Newsletter to anyone you know on the Right or the Left, though your motives might be different in each case. Regardless, PASS IT ON! Help keep your friends and acquaintances informed and thinking.

<http://www.FriendsOfTheMiddle.org>
FriendsOfTheMiddle@hotmail.com

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