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Seven_Scary_Facts_About_How_Global_Warming_Is_Scorching_the_United_States_Mother_Jones_May_11,_2014.docx; Alicia_Keys_bio.docx;
Student_Debt_Is_Creating_A_Wealth_Gap_Among_Young_Adults_Tyler_Kingkade_Huff_Post_05_14_2014.docx; Condoleezza_Rice_says_there_are_'unanswered_questions'_about_Benghazi_Sean_Sullivan_May_15,_2014.docx;
India_Election_2014,_Opposition_Candidate_Narendra_Modi_Will_Be_The_Next_Prime_Minister_Huff_Post_May_15,_2014.docx;
India's_Election,_The_Next_Prime_Minister_Is_A_Dangerous_Man_New_Republic_May_15,_2014.docx;
What_I_Learned_About_the_Indian_Election_at_Kebab_Stands_Kyle_Gardner_The_Atlantic_May_9,_2014.docx

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DEAR FRIEND.....



The results of the biggest election of the year anywhere in the world was formally announced this week in New Delhi with Narendra Modi overwhelming defeating *"his slow-footed opponent"* Rahul Gandhi, 43, from the Congress party which his family has dominated since his grandfather Jawaharlal Nehru led India to independence from Britain in 1947. Headlines — ***Narendra Modi To Be India's Next Prime Minister... BJP Party Headed For Most Resounding Election Victory In 30 Years... Can Rule With Impunity... Supporters Jubilant... Ruling Congress Party Concedes... Nation Voted 'Against Us'... Hundreds Of Millions Cast Votes... Why The New Hindu Nationalist PM Is So Controversial... A Dangerous Man...*** But the headline that counted — ***Modi Crushes Gandhi in India's Election Landslide*** with the sub-head — ***The overwhelming victory of the BJP sets the country on a new course, burying perhaps forever the dynastic rule of the Gandhis and their Congress party.***

Reuters World News described the arithmetic of his victory is stunning. This has been an election of superlative numbers: a record 66.38 percent of an electorate of 820 million people cast its vote over the last month, and the results — have given his Bharatiya Janata [*Indian People's*] Party the first absolute majority for any party in India's parliament since 1984, when Thatcher and Reagan were in office, the Soviet Union was alive (if not quite kicking), and China's economic heft was little more than a twinkle in Deng Xiaoping's eye. As of this writing, the Modi-led BJP is slated to get 286 seats out of 543. Throw in the seats won by its electoral allies and fellow travelers, and the number swells to more than 340. That would make it possible for Modi to enact virtually any law, program or policy he wishes to, given that the Congress Party, which has headed a ruling alliance in parliament since 2004,

has been nuked by the Indian voters, nuked so devastatingly, in fact, that it has been reduced from 206 seats to 45 — a charred rump that represents its lowest tally of seats in Indian parliamentary history.

Its allies have fared little better, and even with them accounted for, a Congress-led alliance barely limps to 60 seats.

In addition to all of these, there are about 140-plus seats that have been won by a smorgasbord of regional and niche-interest parties, many of whom are likely to throw their weight behind Modi on an ad hoc basis. All of which means that his victory will count as one of the most lop-sided in any large, modern democracy, with his government able to act unchecked by any meaningful opposition. In fact, by a quirk of India's parliamentary rules, there won't even be a formal leader of the opposition: other than the BJP, no party has won a minimum of 10 percent of all seats (*i.e.*, 54) that would confer the status of formal, upper-case-O "*Opposition*." This has not happened in India's parliament since 1984.

Reuters World News: What does Modi stand for, and what can we expect from his government?

He and his party have, habitually, been described as "*Hindu nationalist*," by which is meant a combination — derided by critics on the left as unsavory — of Indian nationalism and Hindu revivalism. Certainly, the Congress Party is nationalist, too — it was, in fact, the vehicle for India's independence movement — but the BJP differentiates itself from the older, formally secular party by its embrace of Hinduism, the religion of about 85 percent of India's people. Modi, notoriously, presided over an administration in his home state of Gujarat that did little or nothing to stop the massacre of some 2,000 Muslims in 2002. Accused by his critics of complicity in the pogrom, Modi has never been found culpable by any judicial body, including a special investigating team set up by the Indian Supreme Court. Commentators have sought to explain Modi to non-Indians, deploying numerous comparisons to do so; but the one that works best, in my opinion, is to see him as a kind of Indian (*or Hindu*) Ariel Sharon.

To his credit, Modi conducted an election campaign in which he, personally, focused almost exclusively on his ideas for economic growth and better governance, two areas in which the Congress-led alliance had performed appallingly. Modi left the invocations of "*Hindutva*" — or Hinduness, a feature of his party's identity — to his lieutenants, some of whom were incendiary on the stump, seeking to stoke divisions between Hindus and Muslims. But as the campaign wore on, Modi's focus on "*Arthtva*" — or "*economics-ness*" — came to be reassuring to those voters who were repelled by the Congress party's incompetence and corruption, while harboring, at the same time, misgivings about the BJP's "*communal*" ideology.

Modi's resounding victory at the polls inclines me to argue that it is time to wipe his slate clean. I have been a critic of his derelict handling of the Gujarat riots, and have expressed regular misgivings about the tone of the BJP's "*Hindutva*." But India's electorate has made a clear choice, and one must respect that choice. There is nothing to be gained by harping on about events in 2002, however disconcerting those events were. Indians, and Modi's critics, need to move on.

One might derive some hope, also, from the size of Modi's majority, which would allow him to govern magnanimously, and with no vindictiveness toward those who did not vote for him. His parliamentary numbers allow him to enact economic reforms that Indians crave, with no need to buy off, or kowtow to, difficult coalition partners. They allow him, also, to extend a hand of reconciliation to India's Muslims, who, at 11 percent of the population number just over 170 million people. Early analyses indicate that only 10 percent of Muslim voters cast their ballots for the BJP, although the party did win

just over 40 percent of all seats with a significant Muslim population. (*American Republicans will see echoes here of their problems with the African-American electorate.*)

Were the story of Modi's win not so eye-catching, so spectacular, one would have said that the most dramatic outcome of this election was the savaging of the Congress Party, a once-proud institution that has fallen on times so hard that it is impossible to foresee a recovery. The party of India's independence movement has now become utterly dynastic, miserably sclerotic and entirely bereft of good ideas. It was profoundly depressing to see party hacks raising slogans, after their defeat, in favor of Priyanka Gandhi, sister of Rahul Gandhi, the man who has led his party to near-oblivion. The party will need to do much, much more than replace one scion with another if it is ever to come back to national prominence.

With each generation, the Nehru-Gandhi dynasty has grown less impressive, and more pedestrian. Jawaharlal Nehru, India's first prime minister, was, for all his flaws, a towering intellectual and political figure, a man of abiding education and culture. His daughter, Indira Gandhi, never finished her college degree, but she had political stature and an impressive, worldly sophistication. Her son, Rajiv Gandhi, was a retiring fellow who had politics thrust upon him, a pilot out of place in power. His son, Rahul Gandhi, represents the family's nadir: he has nothing on his curriculum vitae that is not a family inheritance. There is nothing on it that is self-made. He is a cipher who has reduced his own party to near-cipher status.

Modi won for three reasons. The ineptitude of the governing Congress Party over the last five years. The anemic record of economic growth. And the widespread corruption scandals associated with the party. These three things combined really sank the Congress Party. and simultaneously Modi's message of growth, of prosperity of bringing employment opportunities to a whole generation of aspiring Indians, as well as good governance worked well with the electorate. India expects Modi to deliver the country from economic stagnation. India expects Modi to be decisive. India expects Modi to be everything that the previous government was not. There has never been a contrast as great between two contending Indian leaders as there was between Modi and Rahul Gandhi. The country was offered an irrefutable antithesis of style, manner, culture, class, ideology, language, heritage and political hunger. The country chose Modi. They have given him a massive mandate. And with that, they have also given him a massive burden.

Modi must now show India that he can shoulder it without buckling. But as someone who has expressed religious nationalism and piety his biggest challenge in addition to delivering on his economic promises is that he can be a truly inclusive Prime Minister representing the needs and aspirations of those who didn't support him in the election especially when his election has raised the expectations to such a high extent that unless he can deliver particularly on the promise of economic growth and greater equality otherwise there will be disillusionment among his supporters and critics, particularly among the Muslim community are already sceptable of him given his past. Hopefully tolerance and inclusiveness which he expressed on Friday's speech will be the mantra of his governing. On top of this, international companies especially in the US will push the new government to open investment, transparency and judicial protection for foreign investment in India's lucrative sheltered business sectors.

Robert Reich: Four Big Conservative Lies About Inequality

Even though French economist Thomas Piketty has made an air-tight case that we're heading toward levels of economic and social inequality not seen since the days of the 19th century robber barons, right-wing conservatives haven't stopped lying about what's happening and what to do about it. Herewith, the four biggest right-wing lies about inequality, followed by the truth.

Lie number one: The rich and CEOs are America's job creators. So we dare not tax them.

The truth is the middle class and poor are the job-creators through their purchases of goods and services. If they don't have enough purchasing power because they're not paid enough, companies won't create more jobs and our economy won't grow. We've endured the most anemic recovery on record because most Americans don't have enough money to get the economy out of first gear. The economy is barely growing and real wages continue to drop. We keep having false dawns. An average of 200,000 jobs were created in the United States over the last three months, but huge numbers of Americans continue to drop out of the labor force. But the fact is that most CEO's at the top are mostly interested in creating shareholder profits and eagerly are willing to outsource company jobs with short-term views to boost stock prices.

Lie number two: People are paid what they're worth in the market. So we shouldn't tamper with pay.

The facts contradict this. CEOs who got 30 times the pay of typical workers 40 years ago now get 300 times their pay not because they've done such a great job but because they control their compensation committees and their stock options have ballooned. Meanwhile, most American workers earn less today than they did 40 years ago, adjusted for inflation, not because they're working less hard now but because they don't have strong unions bargaining for them. More than a third of all workers in the private sector were unionized 40 years ago; now, fewer than 7 percent belong to a union.

Lie number three: Anyone can make it in America with enough guts, gumption and intelligence. So we don't need to do anything for poor and lower-middle class kids.

The truth is we do less than nothing for poor and lower-middle class kids. Their schools don't have enough teachers or staff, their textbooks are outdated, they lack science labs, and their school buildings are falling apart. We're the only rich nation to spend less educating poor kids than we do educating kids from wealthy families. All told, 42 percent of children born to poor families will still be in poverty as adults — a higher percent than in any other advanced nation.

Lie number four: Increasing the minimum wage will result in fewer jobs. So we shouldn't raise it.

In fact, studies show that increases in the minimum wage put more money in the pockets of people who will spend it — resulting in more jobs and counteracting any negative employment effects of an increase in the minimum. Three professors at the University of California at Berkeley — Arindrajit Dube, T. William Lester and Michael Robert Reich — compared adjacent counties and communities across the United States, some with higher minimum wages than others but similar in every other way. They found no loss of jobs in those with the higher minimums.

The truth is, America's lurch toward widening inequality can be reversed. But doing so will require bold political steps. At the least, it is going to require the rich paying higher taxes in order to fund better-quality education for kids from poor and middle-class families. Labor unions must be strengthened, especially in lower-wage occupations, in order to give workers the bargaining power they need to get better pay. The minimum wage must be raised.

And to do this without strangling the economy; the country has to understand that its standing should not be primarily based on its military prowess that is sucking up approximately \$700 billion a year — which is larger than the combined military budgets of the next 13 countries — and hasn't made us any safer than Germany, Japan, Australia or Brazil. If we redeployed half of what we spend on defense, which would still be the largest military budget in the world, and spend it on repairing and upgrading our aging infrastructure which would create millions of jobs that can't be outsource and would have a positive multiplier effect on the economy. We have to call out the right-wing deniers of inequality, climate change, voting rights for minorities, poor and elderly, women's rights, racism, basic science and history **and this is my rant of the week.**



The Thwaites Glacier in Antarctica is seen in this undated NASA image. Vast glaciers in West Antarctica seem to be locked in an irreversible thaw linked to global warming that may push up sea levels for centuries, scientists said on May 12, 2014.

Last week Marc Rubio made news when on one of the Sunday morning news shows he publicly denied human complicity in Climate Change – Rubio *“I do not believe that human activity is causing these dramatic changes to our climate the way these scientists are portraying it, that’s what I do not believe. And I do not believe that the laws that they propose we pass will do anything about it, except that it will destroy our economy.”*

Rubio’s comments is officially the price of entrance in the 2016 Republican field. You either need to literally know nothing or pretend that you know nothing. Back in 2007 Rubio treated global warming as an accepted truth. – While independent teams of researchers from Nasa and the University of Washington released two reports on Monday concluding that the collapse of the Western Antarctic Ice Sheet, which holds enough water to raise global sea levels by several metres, has already begun and is ‘unstoppable’. They estimated that the fast-moving Thwaites Glacier will probably collapse into the sea somewhere in the next 200 to 1,000 years, raising sea levels by two feet.

This glacier acts as a dam for the rest of the western ice sheet and its disappearance could precipitate the collapse of a frozen mass large enough to raise sea levels by three to four metres. *"There's been a lot of speculation about the stability of marine ice sheets, and many scientists suspected that this kind of behaviour is under way,"* said Ian Joughin, a glaciologist at the University of Washington in Seattle, in a press release. *"This study provides a more qualitative idea of the rates at which the collapse could take place."*

A second study led by Nasa and the University of California declared the collapse of Thwaites and other glaciers had *"passed the point of no return"* and that glacial retreat would lead to a rise in sea levels of 1.2 metres. *"We finally have hit this point where we have enough observations to put this all together, to say, 'Wow, we really are in this state',"* Nasa glaciologist Tom Wagner told reporters during a conference. The studies both suggest that sea-level rise will be greater than previously estimated by the United Nations' IPCC report earlier this year. This forecast had not factored in the melting of the Western Antarctic Ice Sheet.

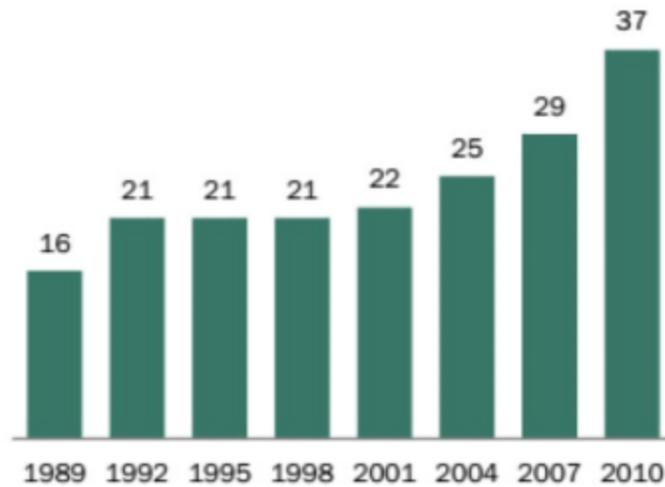
Scientists have warned about the dangers posed by the West Antarctic ice sheet for decades but say they had previously underestimated the pace of change. *"Previously, when we saw thinning we didn't necessarily know whether the glacier could slow down later, spontaneously or through some feedback,"* said Joughin. *"In our model simulations it looks like all the feedbacks tend to point toward it actually accelerating over time; there's no real stabilizing mechanism we can see."* Rising sea levels could threaten tens of millions of homes in coastal cities around the world and cause billions in financial damages. So why is Marco Rubio denying what 97% of scientist around the world believes is happening and if not addressed will destroy many parts of the world?

My personal belief is that the United States has the best higher education in the world. We have world-class universities, as well as great trade schools in every region. But the problem is that college loans are the new servitude as approximately 20 million Americans attend college each year. Of that 20 million, close to 12 million — or 60% — borrow annually to help cover costs. There are approximately 37 million student loan borrowers with outstanding student loans today carrying almost \$1.15 trillion student loan debt — \$1 trillion of that in federal student loan debt and more than American's credit card debt. And one of the reasons driving this rush into bondage is that college graduates earned 50 percent more than did young adults who completed only high school, and 22 percent more than did those with associate degrees. — In 2010, people ages 25 to 34 with bachelor's degrees earned 114 percent more than did those without high-school diplomas.

But a new report released Wednesday, titled ***"Young Adults, Student Debt and Economic Well-Being,"*** details a growing wealth gap between those in debt and those who are not. Roughly four-in-ten households headed by an adult younger than 40 currently have some student debt, which the **Pew Research Center** notes is the highest share on record. Researchers say that the average student debt loan is more than \$30,000 with graduate students carrying \$100-\$200,000 and more in student debt. Needless to see that student debt can also negatively impact an individual's ability to take on other consumer debt — and therefore place a drag on the national economy. But the Big Ugly is that tens of million Americans saddled with student debt essentially live in a type of new age serfdom.

Record Share of Young Households Owe Student Debt

%



Note: Young households are households with heads younger than 40. Student debtor households have outstanding student loan balances or student loans in deferment.

Source: Pew Research Center tabulations of the 1989 to 2010 Survey of Consumer Finances

PEW RESEARCH CENTER

Pew Research Center

Yet, Pew finds another reason why this greater share of households with debt is troublesome. Young adult households headed by someone who is college educated without student debt have a typical net worth 7 times higher than those with student loans to pay back.

Young Student Debtors Lag Behind in Wealth Accumulation

Median net worth of young households



Note: Young households are households with heads younger than 40. Households are characterized based on the educational attainment of the household head. "College educated" refers to those with a bachelor's degree or more. Student debtor households have outstanding student loan balances or student loans in deferment. Net worth is the value of the household assets minus household debts.

Source: Pew Research Center tabulations of the 2010 Survey of Consumer Finances

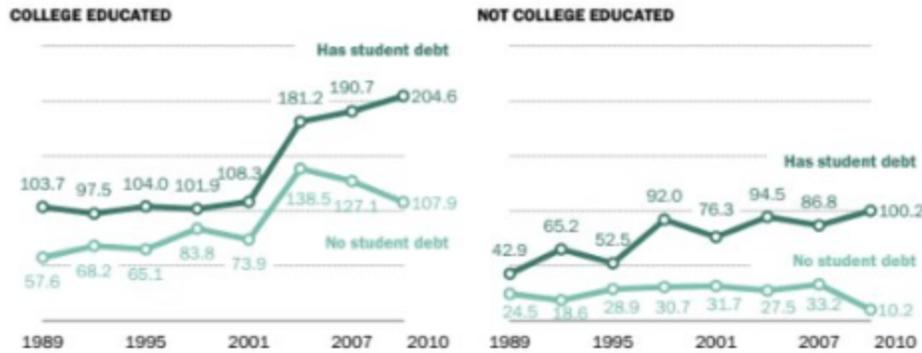
PEW RESEARCH CENTER

Pew Research Center

Those same households with student debt also typically have twice as much total indebtedness -- counting mortgage, auto and credit card debt -- as those without education loans. In addition, 41 percent of college educated persons with student debt say their total debt exceeds the value of their assets, compared to just 5 percent of college educated people without student loans. The difference in the median debt-to-income ratio between college-educated young adults with student debt and those without keeps growing, and at a faster rate after the turn of the century.

Median Total Debt to Household Income for Young Households, by Student Debt Status, 1989-2010

Median total debt as % of household income



Note: Young households are households with heads younger than 40. Households are characterized based on the educational attainment of the household head. "College educated" refers to those with a bachelor's degree or more. Student debtor households have outstanding student loan balances or student loans in deferment. Debt-to-household income is tabulated for each household. The median of the distribution is reported. For households reporting zero income their household income was set to \$1 in order to compute the ratio.

Source: Pew Research Center tabulations of the 1989 to 2010 Survey of Consumer Finances

PEW RESEARCH CENTER

Pew Research Center

In a separate study also released Wednesday, by the **American Enterprise Institute**, data shows graduates with four-year degrees are becoming more likely than those with just some college or with advanced degrees to be late on their student loan payments. According to the **New York Federal Reserve Bank**, as of the fourth quarter of 2013, more than 11 percent of student loans were at least 90 days behind in payments. On top of that, nearly half of outstanding student loans do not currently require any payment, because the student is either still in school or has taken advantage of other ways to defer payment. But, sooner or later, these loans will be due and many graduates will fall behind.

I took a look at AEI's study which also had brief video outlining several suggestions. First the study suggests that there is little correlation between steep loan balances and financial hardship saying that some families with relatively little debt often have the highest rates of financial hardship. So rather than bailing out delinquent borrowers we should rethink we hand out student aid offering three solutions. Income Share Agreements; where private investors would pay the full costs of a person's college education for a future share of the student's life-time income, with investors having a say over the student's educational choices. It this isn't serfdom, nothing is. Social Impact Bonds; where private investors front money for a particular social program and reap the dividends from its success. Needless to say, easy to see that this could easy become a new form of the plantation. Human Capital Savings Accounts; a sort of 401(k) which is just another way to channel money to Wall Street.

Much like with healthcare which is overpriced, inefficient and rated well behind almost all other industrialized nations, the saddling of young Americans with more than \$1.15 trillion in student loans is a travesty. With more and more emphasis being placed on college education for all, raising costs of an already expensive degree, and underemployment of college graduates running rampant, student loan debt is a problem that will cripple economic possibilities and success to come. There is no need to recreate the wheel here, as many Western European countries currently provide free higher education to their citizens (and students from EU countries) enabling them to pursue advance learning/training into their 30s, 40s, etc. Hence instead of being saddled with tens and sometimes hundreds of student loans they don't enter the workforce indentured. Can't we do this here in the richest country in the world.



Very few things outrage me to degree a comment that Condoleezza Rice said in an interview with Ozy.com on Thursday, **that the public still has questions about the security situation in the lead-up to the attacks and the circumstances on the ground during the attacks.** *"I think there are unanswered questions and they could be easily answered. But I think they need to be answered,"* Rice said. Rice, who was the nation's chief diplomat during the administration of George W. Bush, expressed optimism that the committee House Speaker John A. Boehner (R-Ohio) recently tasked with investigating the September 2012 attacks on diplomatic outposts could answer the outstanding questions. *"When the House says that it wishes to investigate something, it has a right to do that. And so I think done in the right way with the right cooperation we can put this to rest and that's how I would handle it at this point,"* she said.

This is the person who was National Security Advisor to the Bush Administration at the time of 9/11 and disastrous misadventures/wars in Afghanistan and Iraq, all based on admitted faulty intelligence. Let's remember that during the summer of 2001, Rice met with CIA Director George Tenet to discuss the possibilities and prevention of terrorist attacks on American targets. On July 10, 2001, Rice met with Tenet in what he referred to as an "emergency meeting" held at the White House at Tenet's request to brief Rice and the NSC staff about the potential threat of an impending al Qaeda attack. Rice responded by asking Tenet to give a presentation on the matter to Secretary Donald Rumsfeld and Attorney General John Ashcroft. Rice characterized the August 6, 2001, President's Daily Brief Bin Laden **Determined To Strike** in US as historical information. Rice indicated *"It was information based on old reporting."* Sean Wilentz of Salon magazine suggested that the PDB contained current information based on continuing investigations, including that Bin Laden wanted to *"bring the fighting to America."* And on September 11, 2001, Rice was scheduled to outline a new national security policy that included missile defense as a cornerstone and played down the threat of stateless terrorism.

And this is the person who is suggesting that someone dropped the ball in Libya killing four Americans – when the ball that she ignored in 2001 killed 2750 innocent civilians. This is the person who was still pushing the Missile defense shield when every military expert not beholdng to the Bush/Cheney Administration was trying to tell anyone who would listen that our biggest threat was terrorist acts, such as a suitcase bomb, sabotage and acts like 9/11.

Let's also remember that Rice was a proponent of the 2003 invasion of Iraq. After Iraq delivered its declaration of weapons of mass destruction to the United Nations on December 8, 2002, Rice wrote an editorial for **The New York Times** entitled "*Why We Know Iraq Is Lying*". In a January 10, 2003, interview with **CNN's** Wolf Blitzer, Rice made headlines by stating regarding Iraqi president Saddam Hussein's nuclear capabilities: "*The problem here is that there will always be some uncertainty about how quickly he can acquire nuclear weapons. But we don't want the smoking gun to be a mushroom cloud.*"

Leading up to the 2004 presidential election, Rice became the first National Security Advisor to campaign for an incumbent president. She stated that while: "Saddam Hussein had nothing to do with the actual attacks on America, Saddam Hussein's Iraq was a part of the Middle East that was festering and unstable, [and] was part of the circumstances that created the problem on September 11." By the end of 2004 if not sooner, it became clear that Iraq did not have nuclear WMD capability. And it was becoming increasingly clear that Rice, Rumsfeld, Wolfowitz, Bolton, Perle and Cheney were scare tactics, deceptions, lies and a hoax. "Either she missed or overlooked numerous warnings from intelligence agencies seeking to put caveats on claims about Iraq's nuclear weapons program, or she made public claims that she knew to be false," wrote Dana Milbank and Mike Allen in the Washington Post.

We have to also remember that in July 2002 Rice met with CIA director George Tenet to personally convey the Bush administration's approval of the proposed waterboarding and other methods including week-long sleep deprivation, forced nudity and the use of stress positions on alleged Al Qaeda leader Abu Zubaydah and other detainees. Days after Rice gave Tenet her approval, the Justice Department approved the use of waterboarding in a top secret August 1, 2002 memo. And as we know waterboarding is considered to be torture by the World Court and we called it torture when the Japanese used it on American POWs during WWII. And when this became a problem with Rice's approval terrorist suspects were subject to rendition to other countries who were expert in torture. Where I come from, you have to walk the walk, so if you are going to say that it is torture when the Japanese waterboarded our GIs and when the Viet Cong use sleep deprivation to force American POW's to sign confessions the same is true when Americans use it on its adversaries.

Logging in more travel miles than any of her predecessors as Secretary of State, Rice traveled heavily and initiated many diplomatic efforts on behalf of the Bush administration. As Secretary of State, Rice championed the expansion of democratic governments. Rice stated that the September 11 attacks in 2001 were rooted in "oppression and despair" and so, the US must advance democratic reform and support basic rights throughout the greater Middle East. Having played out the term "*Nation Building*" Rice under the Bush Administration recast the same policies as "*Transformational Diplomacy*". **All of this is Bull.** After casting a vote against Rice's Secretary of State Nomination Senator Barbara Boxer said she wanted "*to hold Dr. Rice and the Bush administration accountable for their failures in Iraq and in the war on terrorism.*"

As someone who had the largest terrorist attack happen on American soil since the Japanese attack of Pearl Harbor on their watch as National Security Advisor..... And someone who was still pushing the Missile Defense Shield when everyone knew that it was as obsolete/useless as the Maginot Line was for the French. And this is the person who now hides behind the excuse of "*faulty intelligence*" when asked how was she so sure that Saddam was weeks away from attacking the US with WMDs and supported al Qaeda in fighters in Afghanistan. Condoleezza Rice's snide remark that there are unanswered questions about Benghazi has to be considered the height of hypocrisy. Madam Secretary

as someone who own record is the weakest of glass houses, how does you have the chutzpa to throw stones at someone else's record? *And this is my rant of the week....*

WEEK's READINGS

How *Brown v. Board of Education* Changed — and Didn't Change — American Education



Linda Brown Smith was a third grader when her father started a class-action suit in 1951 of the *Brown v. Board of Education of Topeka, Kansas*.

Two milestones in the history of American education are converging this spring. The second is reshaping the legacy of the first. The first was yesterday May 17th, the **60th anniversary of the Supreme Court's *Brown v. Board of Education*** decision striking down "*separate but equal*" segregation in public education. The second watershed will follow in June, with the completion of what is likely to be the last school year ever in which a majority of America's K-12 public-school students are white.

That demographic transformation is both reinvigorating and reframing Brown's fundamental goal of ensuring educational opportunity for all Americans. The unanimous 1954 Brown decision was a genuine hinge in American history. Although its mandate to dismantle segregated public schools initially faced "*massive resistance*" across the South, the ruling provided irresistible moral authority to the drive for legal equality that culminated in the passage of the **Civil Rights** and **Voting Rights** acts a decade later. Educational inequalities helped spur the civil rights movement, and it continues to be the civil rights issue of our time. With the 60th anniversary of *Brown v. Board of Education*, it is critical to reaffirm our commitment to speak up and take action to ensure that every student receives a world class education that enables him or her to reach his or her full potential.

Thus Brown's core mission of encouraging integration can best be defined as unfinished. Many civil-rights advocates argue that after gains through the late 1980s, the public-school system is undergoing a "*resegregation*" that has left African-American and Latino students "*experiencing more isolation ... [than] a generation ago.*" Other analysts question whether segregation is worsening, but no one denies that racial and economic isolation remains daunting: One recent study found that three-fourths of African-Americans and two-thirds of Hispanics attend schools where a majority of the students qualify as low-income.

The problem today is that these gains are reversing. As the **Civil Rights Project** shows, minority students across the country are more likely to attend majority-minority schools than they were a generation ago.

The average white student, for instance, attends a school that's 73 percent white, 8 percent black, 12 percent Latino, and 4 percent Asian-American. By contrast, the average black student attends a school that's 49 percent black, 17 percent Latino, 4 percent Asian-American, and 28 percent white. And the average Latino student attends a school that's 57 percent Latino, 11 percent black, 25 percent white, and 5 percent Asian-American.

But this understates the extent to which minority students—and again blacks in particular — attend hyper-segregated schools. In 2011, more than 40 percent of black students attended schools that were 90 percent minority or more. That marks an increase over previous years. In 1991, just 35 percent of black students attended schools with such high levels of segregation.

Even more striking is the regional variation. While hyper-segregation has increased across the board, it comes after staggering declines in the South, the "border states" — Delaware, Kentucky, Maryland, and Missouri, i.e., former slaveholding states that never joined the Confederacy — the Midwest, and the West. In the Northeast, however, school segregation has increased, going from 42.7 percent in 1968 to 51.4 percent in 2011. Or, put another way, desegregation never happened in the schools of the urban North.

Today in New York, for instance, 64.6 percent of black students attend hyper-segregated schools. In New Jersey, it's 48.5 percent and in Pennsylvania it's 46 percent. They're joined by Illinois (61.3 percent), Maryland (53.1 percent), and Michigan (50.4 percent). And these schools are distinctive in another way: More than half have poverty rates above 90 percent. By contrast, just 1.9 percent of schools serving whites and Asians are similarly impoverished.

Before Brown, only about one in seven African-Americans, compared with more than one in three whites, held a high school degree. Today, the **Census Bureau** reports, the share of all African-American adults holding high school degrees (85 percent) nearly equals the share of whites (89 percent); blacks have slightly passed whites on that measure among young adults ages 25 to 29. Before Brown, only about one in 40 African-Americans earned a college degree. Now more than one in five hold one. Educational advances have also keyed other gains, including the growth of a substantial black middle-class and health gains that have cut the white-black gap in life expectancy at birth by more than half since 1950.

Yet many other disparities remain. Whites (*especially from more affluent families*) still complete college at much higher rates than African-Americans. That's one reason census figures show the median income for African-American families remains only about three-fifths that for whites, not much better than in 1967. Hispanics, now the largest minority group, are likewise making clear gains but still trail whites and blacks on the key measures of educational attainment, on some fronts substantially.

The second big educational milestone arriving this spring should recast the debate over the first. From Brown to the ongoing affirmative-action debates that the Supreme Court revisited again this week, fairness has been the strongest argument for measures meant to provide educational chances for all. But as our society diversifies, broadening the circle of opportunity has become a matter not only of equity but also of competitiveness.

The **National Center for Educational Statistics** recently projected that minorities will become a majority of the K-12 public-school student body for the first time in 2014—and that majority will steadily widen. As recently as 1997, whites represented more than three-fifths of public-school students. This transformation isn't just limited to a few immigration hubs: Minorities now represent a majority in 310 of the 500 largest public-school districts, federal statistics show.

These minority young people are the nation's future workers, consumers, and taxpayers. If more of them don't obtain the education and training to reach the middle class, the U.S. "*will be a poorer and less competitive society*," says Rice University sociologist Steven Murdock, former Census Bureau director under George W. Bush and the author of *Changing Texas*, a recent book on that state's demographic transformation. The increasing diversity and shrinking white share of America's youth population complicates Brown's original aim of promoting integrated schools. But that change only adds greater urgency to the decision's broader goal of ensuring all young people the opportunity to develop their talents.

And although most saw the Brown decision as white and black children sitting together in the same class room the real goal was access to equal resources and opportunities. Having started kindergarten before the Brown decision in a school on the white side of my town, early on I realized that I enjoyed many more *resources (smaller class size, new books, class trips)* and had superior facilities (*new schools, labs, class trips*) than my black friends in schools on the other side of town or friends who live in Harlem and black neighborhoods in Brooklyn, Queens or the Bronx. And I see it now, as my wealthy friends send their children to private schools, abandoning public schools for children whose parents can't afford to send them to private or get them into the better charter/magnet schools.

School segregation doesn't happen by accident; it flows inexorably from housing segregation. If most black Americans live near other blacks and in a level of neighborhood poverty unseen by the vast majority of white Americans, then in the same way, their children attend schools that are poorer and more segregated than anything experienced by their white peers. And as the saying goes out of sight, out of mind.

There are efforts across the country to divert public funds currently spent on public K-12 education to private or sectarian schools. At the federal level and in states across the country, legislation is being considered that would do just that -- depriving students of rights and protections they are awarded in public schools. These desperately-needed resources should continue to be invested in public schools

that serve all students regardless of economic status, gender, religion, prior academic achievement, disability and behavioral history. Equality for all students means supporting state initiatives like the **Common Core State Standards**, which would raise the bar in all schools and will go far in helping every student receive a high quality education that prepares him or her for success upon graduation from high school.

The barriers to fulfilling that vision, from family breakdown to persistent residential and educational segregation remain formidable. The difference is that as our society grows inexorably more diverse, the consequences of failing to overcome those barriers are rising for all Americans. These are realities that it is in everyone's interest to address. Education is no longer a racial issue. It is an issue about inequality. And the inequality isn't about quotas. It is about priorities. And the priority in America should be to ensure that every child (and adult) is given access to the best education possible so that they are equipped to compete against their counterparts around the world.



MRSA — for methicillin-resistant *Staphylococcus aureus*

Doctors have long warned against prolonged use of antibiotics, saying that bacteria can build resistance to drugs, eventually rendering them ineffective. The **World Health Organization** reported last week that antibiotic-resistant bacteria now exist in many parts of the world. Some diseases that once could easily be cured by antibiotics have now become deadly. Antibiotic resistance is becoming a worldwide problem as new forms of resistance can cross countries and continents with ease. Each year in the United States, more than 2 million people acquire serious infections with bacteria that are resistant to one or more of the antibiotics designed to treat those infections, according to the **Centers for Disease Control and Prevention**. At least 23,000 people die each year in the United States as a direct result of these antibiotic resistant infections and many more die from other conditions that were complicated by these infections. And no country is immune, as bacteria and viruses resistant to drugs travel the globe with ease.

The Geneva-based **WHO** said its survey shows very high rates of drug-resistant *E. coli* bacteria, which can cause meningitis and infections of the skin, blood, kidneys and other organs. The agency's assistant director-general, Keiji Fukuda, citing the report said that the survey also found worrying rates of resistance in other bacteria, such as those that cause pneumonia, diarrhea, urinary tract infections and gonorrhea. *"It's clear that rates are very high of resistance among bacteria, causing many of the most common serious infections, the ones that we see both occurring in the community, as well as in hospitals,"* said Fukuda. Romanian doctor Adrian Cercel said he has virtually no treatment left for some of his patients. *"During the last 20 years, the bacteria have developed very sophisticated resistance mechanisms, and we are facing a situation in which we don't have antibiotics to treat the patient due to the existence of pan-resistant germs,"* said Cercel.

The **WHO's** survey shows that in some countries, many types of bacterial infections do not respond to antibiotic treatment in more than half of patients. Public health specialists blame overconsumption of antibiotics, which are often prescribed for non-bacterial ailments. Jean-Baptiste Ronat, with the group **Doctors Without Borders**, said that people also can consume the drug inadvertently by eating meat from animals that have been treated with antibiotics. *"So the two main dangers, actually, [are] the use and the overuse of antibiotics in food factories and animal production - especially the fact that we use antibiotics as growth factors since ages in the U.S. and all over the world. It has been restricted in Europe since 2001. And the second one is the overuse in human health. Taking into*

account that most of the time people take antibiotics because they have a common cold and because the patient want[s] antibiotics," said Ronat.

Because of the increasing rise, increasing prevalence of KPCs in the United States we and especially our hospitals are going to have to become increasingly more vigilant now and in the coming years. When we isolate one of these bacteria and find that it is resistant to all known antibiotics we have come to the end of how we practice medicine with drugs. And the prospect of life without antibiotics is unimaginable for a world that has had a cheap and plentiful supply of them since the end of WWII. They are a staple of modern medicine and it is hard to recall a time without them when an infected cut could kill a healthy person in a matter of days. But it is now clear that we are heading back in that direction as the miracle of these drugs is slipping away. Antibiotics are you need drugs. They are not like any other class of drugs. 50 years from today the cholesterol drugs we have now will work just as well as they work today. The cancer drugs that we have now will work just as well as they do today and that's true of all the other drug classes.

Antibiotics are the only class of drugs where the more we use the more rapidly we lose. So when you use it, the antibiotic becomes less effective for me and vice a versa. This is the essence of antibiotic resistance. The more you expose a bacteria to an antibiotic the greater the likelihood resistance to that antibiotic is going to develop. So the more antibiotics we put into people and into the environment the more opportunities we create for these bacteria to become resistant. In 1945 Alexander Fleming the man who invented penicillin warned the resistance was already being seen and the more that we wasted penicillin the more people were going to die from penicillin resistant infections. Bacterial resistance is largely inevitable but is also something that we helped along the way fueling the fire to bacterial resistance. Although antibiotics are miracle drugs, we have been far too cavalier in their use and haven't taken good care of them.

Antibiotics everywhere are over-used. As a result, bacteria are growing ever more resistant. What are the risks of this and what can be done? Ideally you would presume that we would be finding antibiotics all of the time so as one drug became ineffective we would have a next generation replacement. But there has been no new class of antibiotic drugs discovered since 1987. First, they are difficult to make and the pharmaceutical companies haven't come up with any new breakthrough drugs and secondly because pharmaceutical companies believe that they can make more money creating new medicines to treat kidney and heart problems than developing basic science type medicines.

Public health officials estimate that half of all antibiotic use and the United States is either unnecessary or inappropriate. Additionally, over using these antibiotics we have set ourselves up for the scenario that when I will find ourselves in now where we are running out of effective antibiotics. The growing scarcity of antibiotics isn't just a problem of over use. It is also been driven by what is happening in the drug industry itself. The place where it started to become really challenging was in the 1980s and 1990s when scientists began to see bacteria that was very hard to treat and became increasingly difficult to use the same tactics to invent new antibiotics with the pace of new antibiotics slowing down considerably. As a result, this century we began to see resistant bacteria that we didn't have very much or anything at all and we had nothing coming to treat them.

A the start of the new century most major drug companies were pulling out of the antibiotics research field just as the Gram-negative bacteria threat was worsening leaving Pfizer (of the majors and several small biotech companies) who built a world class research team in Groton, Connecticut under Dr. John

Quinn. Aside from the difficulty in developing antibiotics is the their economic downside/paradox - if you need an antibiotic you only need it briefly and from the economic standpoint of a developer you are not getting the return on the investment that you have made which could be \$600 million to \$1 billion to get the drug to market. Whereas, drugs for cholesterol, arthritis, high blood pressure or dementia are drugs that people are going to have to take the rest of their lives is the reason why pharmaceutical companies have all but abandoned developing antibiotics. And then in 2011 even Pfizer felt forced to shut down its Groton facility.

With the spread of Gran negatives fast accelerating with new outbreaks of MRSA, KPC and the rise of NDM1 last March the **Center for Disease Control and Prevention** sounded a loud alarm, warning of a superbug/nightmare. But then who is in charge of this potential public health crisis? Critics immediately point to the government but we have been cutting government spending expecting the private sector to takeover. And even if the **CDC** started tomorrow with its unparalleled experience and vast facilities, no one entity can and will solve this problem. Moreover we don't have a comprehensive plan to deal with antibiotics and resistance. With the estimated 23,000 people dying as a result of KPC and other bacterial resistant infections this is an epidemic. And unless this epidemic is addressed now it will be a catastrophe where pneumonia will again become a feared killer, surgery risky, diarrhea fatal and forget transplants if urgent action is not taken to preserve the power of current antibiotics as well as develop new ones.

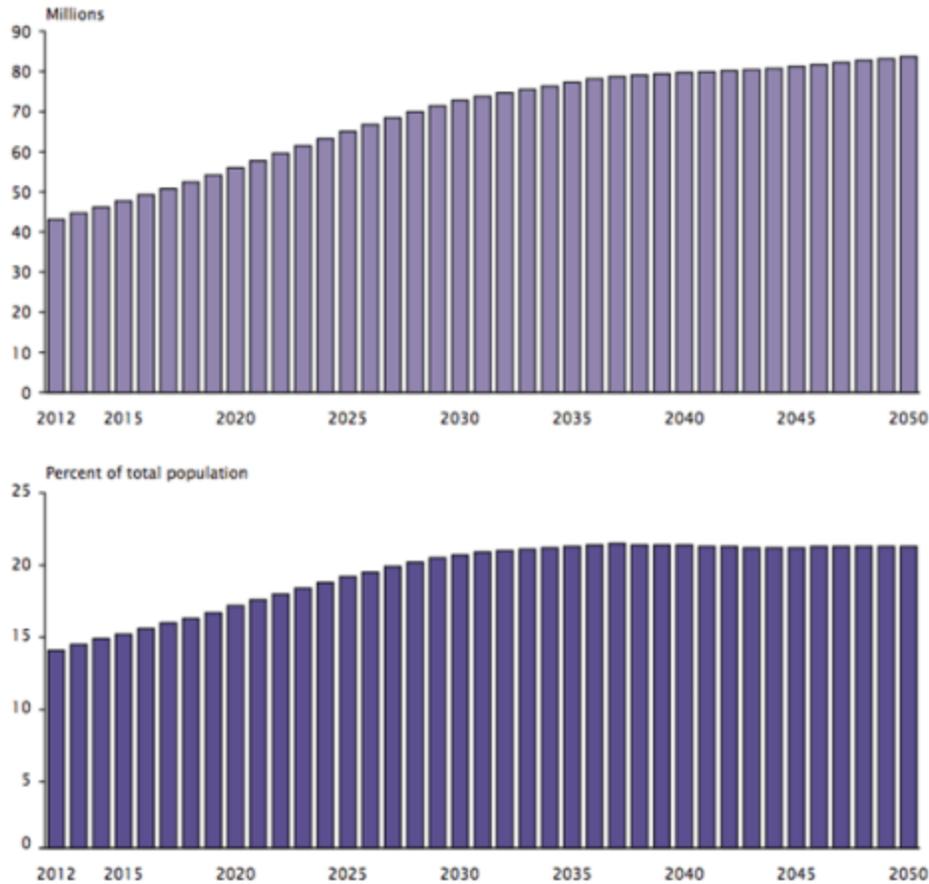
America Is About to Get Really Old

The rest of the developed world is about to get even older.



Today, one in seven Americans is over 65. In 15 years, one in five Americans will be over 65. The gray boom is inevitable and it's happening for two simple reasons. The first reason is that all Americans are living longer (except, for mysterious reasons, poor women). The second reason is that every living member of the baby boomer generation, the largest adult generation in U.S. history (there are actually more Millennials, born between the early 1980s and late 1990s), will be older than 65 in the year 2030. Here, from a new Census report, is a look at the steady growth of 65+ Americans—a population that will double in the next four decades.

Population Aged 65 and Over for the United States: 2012 to 2050



Source: U.S. Census Bureau, 2012 Population Estimates and 2012 National Projections.

Ben Casselman, of FiveThirtyEight, sums up America's age problem succinctly: "In 2012, U.S. had 22 people 65 and older for every 100 working-age people. In 2030, there will be 35." This is called the dependency ratio.

The fact that America is getting older won't surprise you in the slightest if you're familiar with U.S. demographic trends or, more generally, the relentless march of time. What might surprise you, however, is how we stack up against other countries. Here's a look at America's dependency ratio compared with Japan and Western Europe. If you tab over to 2030, you can see the 20-year move. The upshot: Japan isn't just super-old; it's also getting older faster than any developed country in the world. Canada will leapfrog the U.S. in the next few decades to become the oldest country in the Americas, partly thanks to plentiful immigration from Latin American into the U.S.

The Old-Age Dependency Ratio

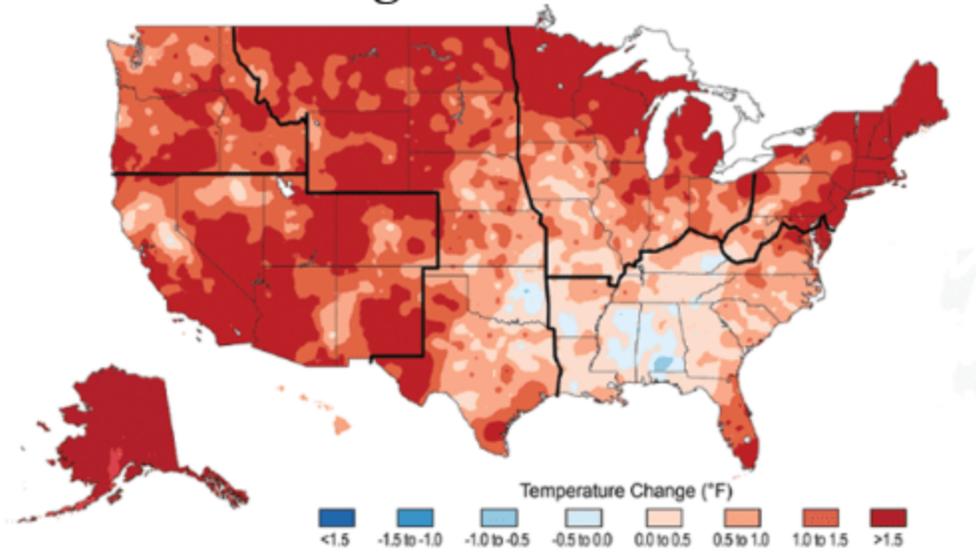
Seniors divided by working-age (18-64) adults

Country 2012 2030

Japan	40	59.6
Germany	32.8	49.7
Italy	32.6	43.2
France	29	42.1
Spain	26.6	35.5

United Kingdom	27.2	36.5
Canada	25.4	43.8
United States	21.9	35.4

Seven Scary Facts About How Global Warming Is Scorching the United States



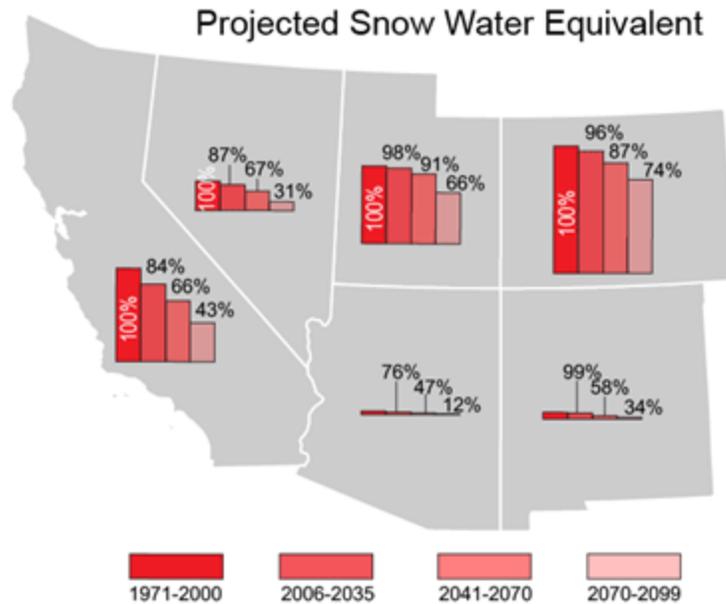
The new **National Climate Assessment**, launched last Tuesday by the Obama administration, is a landmark document. It is a landmark because unlike the reports of the **United Nations' Intergovernmental Panel on Climate Change**, it is written in plain language that ordinary mortals can understand. (*"Evidence for climate change abounds, from the top of the atmosphere to the depths of the oceans."* *"Data show that natural factors like the sun and volcanoes cannot have caused the warming observed over the past 50 years."*)

It is a landmark because unlike past National Assessments, this report is not being buried or ignored. Rather, President Obama is using it to launch a very impressive communications campaign aimed directly at Americans via one of their most trusted scientific sources, TV meteorologists. But most of all, it is a landmark because it shows, unequivocally, that we simply do not live in the same America any more, thanks to climate change. It is a different place, a different country. Here are some of the most striking examples of how:

1. America is much hotter than it was before. According to the assessment, the 2000s were the hottest decade on record for the United States, and 2012 was quite simply the hottest year ever (for the contiguous US).

2. That translates into extreme heat where you live. Of course, nobody feels temperature as a national average: We feel it in a particular place. And indeed, we've felt it. The National Climate Assessment makes clear that extreme heat waves are striking more than before, and

climate change is involved. Take Texas' extreme heat in the summer of 2011, the "hottest and driest summer on record" for the state, with temperatures that exceeded 100 degrees for 40 straight days! "The human contribution to climate change approximately doubled the probability that the heat was record-breaking," notes the assessment. Oh, and if we continue to mess around, it gets a lot, lot worse: By 2100, a "once-in-20-year extreme heat day" will occur "every two or three years over most of the nation."



3. America is parched. According to the assessment, the Western drought of recent years "represents the driest conditions in 800 years." Some of the worst consequences were in Texas and Oklahoma in 2011 and 2012, where the total cost to agriculture amounted to \$10 billion. The rate of loss of water in these states was "double the long-term average," reports the assessment. And of course, future trends augur more of the same, or worse, with the Southwest to be particularly hard hit. As seen in the image at right, projected "snow water equivalent," or water held in snowpack, will decline dramatically across this area over the course of the century.

4. But when it rains, the floods can be devastating. At the same time, climate change is also exacerbating extreme rainfall, because on a warmer planet, the air can hold more water vapor. Sure enough, the United States has seen record rains and floods of late, including, most dramatically, a June 2008 Iowa flooding event that "exceeded the once-in-500-year flood level by more than 5 feet," according to the assessment.

More generally, reports the document, the "amount of rain falling in very heavy precipitation events has been significantly above average" since 1991. Staggeringly, the Northeast has seen a 71 percent increase in the amount of precipitation that now falls in the heaviest precipitation events, rain or snow, since 1958.

Vulnerability to Sea Level Rise



5. There is less of America. Thanks to global warming, the United States has shrunk. That's right: Sea level around the world has risen by eight inches in the last century, swallowing up coastline everywhere, including here. Granted, "eight inches" in this case is just an average; the actual amount of sea level rise varies from place to place. But the risk is clear: When a storm like Sandy arrives, those living on the coasts have less protection. Quite simply, they're closer to the danger.

Such is the condition for quite a lot of Americans: Almost 5 million currently live within four vertical feet of the ocean at high tide, according to the assessment. In the future, they're going to live even closer than that, as sea level is projected to increase by one to four feet over the coming century.

Oh, and then there's the infrastructure. "Thirteen of the nation's 47 largest airports have at least one runway with an elevation within 12 feet of current sea levels," notes the assessment.

6. Alaska is becoming unrecognizable. Nowhere is global warming more stark than in our only Arctic state. Temperatures there have increased much more than the national average: 3 degrees Fahrenheit since 1949, or "double the rest of the country." The state has the United States' biggest and most dramatic glaciers — and it is losing them rapidly. Meanwhile, storms batter coasts that used to be insulated by now-vanished sea ice. And the ground is literally giving way in many places, as permafrost thaws, destabilizing roads, infrastructure, and the places where people live. Eighty percent of the entire state has permafrost beneath its surface. The state currently spends \$10 million per year to repair the damage from thawing permafrost and is projected to spend \$5.6-\$7.6 billion repairing infrastructure by 2080.

7. America is ablaze. More drought, and more heat, means more wildfires.

And sure enough, the United States has been setting numerous records on this front. In 2011, Arizona and New Mexico had "the largest wildfires in their recorded history, affecting more than 694,000 acres." The same went for scorching Texas that year; it also saw unprecedented wildfires and 3.8 million acres consumed in the state. That's "an area about the size of Connecticut," notes the assessment.

And then there is Alaska, where “a single large fire in 2007 released as much carbon to the atmosphere as had been absorbed by the entire circumpolar Arctic tundra during the previous quarter century.” Because, on top of everything else, increasing wildfires actually make global warming itself worse, by releasing still more carbon from the ground. In sum, you don't live in America any more. To borrow a page (or, a title) from Bill McKibben's book *Eaarth*, perhaps we should say you live in America. It is a different place, a different country, and by now, everybody is noticing.



Overlooked this week by media and the public was a landmark ruling that could rock the Internet search-engine industry, Europe's highest court said Tuesday that people are entitled to some control over what pops up when their name is Googled. The Court of Justice of the European Union said Google must listen and sometimes comply when individuals ask the search giant to remove links to newspaper articles or websites containing information about them. The ruling applies to EU citizens and all search engines in Europe, including Yahoo and Microsoft's Bing. It remains to be seen whether it will change the way Google and its rivals operate in the U.S. and elsewhere around the world. Nor is it clear exactly how the court envisions Google and others handling complaints, which could prove to be a logistical headache if large numbers of people start demanding that information about themselves be removed.

The EU, which would be the world's largest economy if its 28 countries were counted as one, has a population of over 500 million. The case was referred to the European Court from Spain's National Court, which asked for advice in the case of Mario Costeja, a Spaniard who found a search on his name turned up links to a notice that his property was due to be auctioned because of an unpaid welfare debt. The notice had been published in a Spanish newspaper in 1998, and was tracked by Google's robots when the newspaper digitized its archive. Costeja argued that the debt had long since been settled, and he asked the Spanish privacy agency to have the reference removed. In 2010, the agency agreed, but Google refused and took the matter to court, saying it should not be asked to censor material that had been legally published by the newspaper.

Costeja's case will now return to Spain for final judgment. There are about 200 others in the Spanish court system, some of which may still prove difficult to decide. For instance, one involves a plastic surgeon who wants mentions of a botched operation removed from Google's results. In its ruling, the European Court said people may address requests directly to the operator of the search engine, "*which must then duly examine its merits.*" The right is not absolute, as search engines must weigh "the legitimate interest of Internet users potentially interested in having access to that information" against the right to privacy. When an agreement can't be reached, the Luxembourg-based court said, the matter can be referred to a local judge or regulator.

Debates over the "right to be forgotten" — to have negative information erased after a period of time — have surfaced across the world as tech users struggle to reconcile the forgive-and-forget nature of human relations with the unforgiving permanence of the Internet. Though the idea of such a right has generally been well-received in Europe, many in the U.S. have criticized it as a disguised form of censorship that could, for example, allow ex-convicts to delete references to their crimes or politicians to airbrush their records. Alejandro Tourino, a Spanish lawyer who specializes in mass media issues, said the ruling was a first of its kind and "quite a blow for Google." *"This serves as a basis for all members of the European Union. It is a most important ruling and the first time European authorities have ruled on the 'right to be forgotten'," said Tourino, who has worked for the AP in several legal cases and is the author of "The Right to be Forgotten and Privacy on the Internet."*

Some limited forms of a "right to be forgotten" exist in the U.S. and elsewhere — for example, in regard to crimes committed by minors or bankruptcy regulations, both of which usually require that records be expunged in some way. However, the burden falls on the publisher of the information, usually a government — not on search engines. Viviane Reding, the EU's top justice official, said in a Facebook posting that the ruling confirmed that *"data belongs to the individual"* and that unless there is a good reason to retain data, "an individual should be empowered by law to request erasure." However, Javier Ruiz, policy director at Open Rights Group, a British-based organization, cautioned that authorities have to be careful in how they move forward. *"We need to take into account individuals' right to privacy,"* he said. *"But if search engines are forced to remove links to legitimate content that is already in the public domain ... it could lead to online censorship."* And this is definitely a potential problem, not just for search engines but also for all kinds of internet intermediaries as well as the public at large.



For those of you who wants additional confirmation that the bailing out Wall Street with taxpayer's dollars worked they will be comforted when they read Timothy Geithner's new book about the financial crisis, *Stress Test*, is basically an argument that the Wall Street bailout succeeded. But I guess that this is hardly surprising, given that Geithner was in charge of the bailout when Treasury Secretary (as was his predecessor at Treasury, Hank Paulson), and so has an inherit interest in telling the public it succeeded. There is no doubt that the bailout clearly succeeded, if success means avoiding another Great Depression. But this week in an article — ***Tim Geithner and the Wall Street Bailout Redux*** — in the **Huffington Post**, Robert Reich argue that another Great Depression might have been avoided if the crisis had been handled differently -- for example, by allowing the bankruptcy laws to do what they were intended to do, and forcing the big Wall Street banks to reorganize under them.

In fact Reich says that the bailout was a colossal failure in several respects Geithner barely mentions in his book, or avoids completely:

(1) The biggest Wall Street banks are now bigger than ever, and no sane person on or off the Street now believes Washington will ever allow them to fail -- which means they'll continue to make big, risky bets because they know they can't fail. And they'll get even bigger because big depositors and lenders know they'll never fail and therefore demand lower interest rates than demanded from smaller banks.

(2) No Wall Street executives have ever been prosecuted for what they did to the country, which means even more rampant irresponsibility in executive suites as well as even deeper cynicism in the public about the political power of Wall Street.

(3) The bailout helped the banks but did little or nothing for the tens of millions of Americans who lost billions of dollars in home equity and savings, and the millions more who lost their jobs. The toll was greatest on the poor and the middle class, who still haven't recovered their losses, even though Wall Street has fully recovered (and then some). Nor have reforms been enacted that will help the middle class and the poor the next time Wall Street implodes.

YES, the bailout was a success, but it was only a success in the narrowest terms. Seen more broadly it was a terrible failure. It did little to lessen the pain for tens of millions of Americans as well as the rest of the world caused by the great recession and the free-fall of the global economy. Let's remember the pain caused by great recession.

- ➤ Real gross domestic product (GDP) began contracting in the third quarter of 2008 and did not return to growth until Q1 2010. CBO estimated in February 2013 that real U.S. GDP remained only a little over 4.5 percent above its previous peak, or about \$850 billion. CBO projected that GDP would not return to its potential level until 2017.
- ➤ The unemployment rate rose from 5% in 2008 pre-crisis to 10% by late 2009, then steadily declined to 7.3% in March 2013 and 6.3% April 2014. The number of unemployed rose from approximately 7 million in 2008 pre-crisis to 15 million by 2009, then declined to 12 million in early 2013 and 9.8 million in March 2014. Residential private investment (mainly housing) fell from its 2006 pre-crisis peak of \$800 billion, to \$400 billion by mid-2009 and has remained depressed at that level. Non-residential investment (mainly business purchases of capital equipment) peaked at \$1,700 billion in 2008 pre-crisis and fell to \$1,300 billion in 2010 and didn't recover until 2013. Housing prices fell approximately 30% on average from their mid-2006 peak to mid-2009 and have only returned to pre-recession prices now. Stock market prices, as measured by the S&P 500 index, fell 57% from their October 2007 peak of 1,565 to a trough of 676 in March 2009. Stock prices began a steady climb thereafter and returned to record levels in April 2013 and now are enjoying record high prices.
- ➤ The net worth of U.S. households and non-profit organizations fell from a peak of approximately \$67 trillion in 2007 to a trough of \$52 trillion in 2009, a decline of \$15 trillion or 22%. It began to recover thereafter and was \$66 trillion by Q4 2013.
- ➤ U.S. total national debt rose from 66% GDP in 2008 pre-crisis to over 103% by the end of 2012.
- ➤ For the majority, income levels have dropped substantially with the median male worker making \$32,137 in 2010, and an inflation-adjusted income of \$32,844 in 1968. The recession of 2007–2009 is considered to be the worst economic downturn since the Great Depression and the subsequent economic recovery one of the weakest. The weak economic performance since 2000 has seen the percentage of working age adults actually employed drop from 64% to 58% (a number last seen in 1984), with most of that drop occurring since 2007.
- ➤ Approximately 5.4 million people have been added to federal disability rolls as discouraged workers give up looking for work and take advantage of the federal program.
- ➤ The United States has seen an increasing concentration of wealth to the detriment of the middle class and the poor with the younger generations being especially affected. The middle class dropped from 61% of the population in 1971 to 51% in 2011 as the upper class increased its take of the national income from 29% in 1970 to 46% in 2010. The share for the middle class dropped to 45%, down from 62% while total income for the poor dropped to 9% from 10%.
- ➤ Inflation-adjusted median household income in the United States peaked in 1999 at \$53,252 (at the peak of the Internet stock bubble), dropped to \$51,174 in 2004, went up to 52,823 in 2007 (at the peak of the housing bubble), and has since trended downward to \$49,445 in 2010. The last time median household income was at this level was in 1996 at \$49,112, indicating that the

recession of the early 2000s and the 2008–2012 global recession wiped out all middle class income gains for the last 15 years. This income drop has caused a dramatic rise in people living under the poverty level and has hit suburbia particularly hard. Between 2000 and 2010, the number of suburban households below the poverty line increased by 53 percent, compared to a 23 percent increase in poor households in urban areas.

Let's not forget that the crisis also affected Europe, where it progressed from banking system crises to sovereign debt crises, as many countries elected to bailout their banking systems using taxpayer money. Greece was different in that it faced large public debts rather than problems within its banking system. Several countries received bailout packages from the "troika" (European Commission, European Central Bank, International Monetary Fund), which also implemented a series of emergency measures. Unlike in the US, a number of European countries were forced/or chose to embarked on austerity programs, reducing their budget deficits relative to GDP from 2010 to 2011 – and just another way to shift the pain from the banks to taxpayers and the public.

Again, the bailout was as success, but it was only a success for Wall Street, big banks and the very rich, who were able to buy assets when the financial and housing markets bottomed out and disproportionately benefited the minute those markets rebounded. We would have done better had we forced the biggest Wall Street banks, including the giant insurer AIG, to reorganize under bankruptcy rather than bail them out. As my father use to say, "*History is always rewritten by the winners.*" And having saved Wall Street and the big banks from any real reform and punishment Mr. Geithner can now take his victory lap, having penned his memoirs so that the Big Banks and Wall Street can find a way to give him a nine-figure thank you.

THIS WEEK'S QUOTES

None of us got where we are solely by pulling ourselves up by our bootstraps. We got here because somebody – a parent, a teacher, an Ivy League crony or a few nuns – bent down and helped us pick up our boots.

Thurgood Marshall

BEST VIDEO OF THE WEEK

**Joshua Klein – *The amazing intelligence of crows* (TEDtalks) –
YouTube**

Web Link: <http://www.youtube.com/watch?v=8mm1H5DYdlk>

A PARABLE

There are no saints in the animal kingdom only breakfast and dinner....

A rich man opens the paper one day he sees the world is full of misery. He says I have money, I can help. So he gives away all of his money. And although he is applauded, but it's not enough. The people are still suffering. One day the man sees another article. He decides he was foolish to think that just giving money was enough. So he goes to a doctor and says doctor I want to donate a kidney. The doctors do the surgery. It's a complete success. Afterwards he knows that he should feel good but he doesn't for people are still suffering. So he goes back to the doctor. He says, doctor this time I want to give it all. The doctor says, what does that mean, give it all. He says this time I want to donate my liver but just my liver, I want to donate my heart. But not just my heart, I want to donate my corneas but not just my corneas I want to give it all away everything I am all that I have. The doctor says a kidney is one thing but you can't give away your whole body piece by piece that's suicide and he sends the man home. But the man cannot live knowing that people are suffering and he could help so he gives the one thing he has left, his life..... and people are still suffering.

The moral of the story is that only a fool thinks that he can solve the world's problems.

From the television show FARGO

THIS WEEK'S MUSIC



This week I would like for you to enjoy the music of Alicia Keys. **Alicia Augello Cook** (born January 25, 1981), known professionally as **Alicia Keys**, is an American R&B singer-songwriter, pianist, musician, record producer, and actress. Keys released her debut album with **J Records**, having had previous record deals first with Columbia and then Arista Records. Keys' debut album, ***Songs in A Minor***, was a commercial success, selling over 12 million copies worldwide. She became the best-selling new artist and best-selling R&B artist of 2001. The album earned Keys five **Grammy Awards in 2002**, including **Best New Artist** and **Song of the Year** for "***Fallin'***" becoming the second American recording artist to win five Grammys in one night. Her second studio album, ***The Diary of Alicia Keys***, was released in 2003 and was also another success worldwide, selling eight million copies. The album garnered her an additional four **Grammy Awards** in 2005. Later that year, she released her first live album, ***Unplugged***, which debuted at number one in the United States. She became the first female to have an **MTV Unplugged** album to debut at number one and the highest since Nirvana in 1994. With this..... *please relax and enjoy the music of the multi-talented Alicia Keys.....*

Alicia Keys – ***No One*** -- <http://youtu.be/rywUS-ohqeE>

Alicia Keys – ***If I Ain't Got You*** -- <http://youtu.be/Ju8Hr50Ckww>

Alicia Keys – ***Fallin'*** -- <http://youtu.be/UrdlvwoSSEc>

Alicia Keys – ***Girl On Fire*** -- <http://youtu.be/N84SmnYaoAg>

Alicia Keys – ***Try Sleeping With A Broken Heart*** -- <http://youtu.be/PTmsY-IDL3E>

Alicia Keys – **Brand New Me** -- <http://youtu.be/-dK11vIWFrE>

Alicia Keys ft John Mayer – **Lesson Learned** -- <http://youtu.be/24gjW4Oqj2k>

Christina Aguilera & Alicia Keys – **Impossible** -- http://youtu.be/aWbdGwH_wDg

Alicia Keys – **You Don't Know My Name** -- http://youtu.be/_ST6ZRbhGiA

Alicia Keys – **Un-thinkable (I'm Ready)** -- <http://youtu.be/HhuGQUZJot8>

Alicia Keys – **Diary** -- <http://youtu.be/PIksbyVq5jA>

Alicia Keys – **Never Felt This Way/ Butterflyz** -- <http://youtu.be/uDDbJPzEFpM>

Alicia Keys – **Troubles** -- <http://youtu.be/JVSMWbeZjsw>

JAY Z & Alicia Keys – **Empire State of Mind** -- <http://youtu.be/oUjsXo9l6I8>

Alicia Keys & Maxwell – **Fire We Make** -- <http://youtu.be/gN-az8fkaKcI>

I hope that you have enjoyed this week's offerings and wish you and yours a wonderful week.

Sincerely,

Greg Brown

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