

The



# LOWDOWN

Edited by Jim Hightower and Phillip Frazer ◆ Vol. 10 No. 7 ◆ July 2008

**"It's time we had a president who didn't choke saying the word 'union.' A president who strengthens our unions by letting them do what they do best—organize our workers."**

— SENATOR OBAMA, on CNN 5/1/08

We'll send him your picks for the pyramid of power

## If Obama wins, who will be on his team—and who should be?

**T**HERE'LL BE A CRUSH OF CAMERAS at the front door of the White House on January 20 as scores of media outlets scramble to record the moment that the new president walks in. But, wait—who're those people who'll be sliding in quietly behind him?

They're the ones who'll spend the next four years whispering in the president's ear, sitting in strategy sessions, running presidential councils, filling agency slots, and pulling the levers of executive power. They'll make up "The Administration," and they'll affect everything from economic policies to war, so it's worth getting a sense of them in advance of the election.

For a clue as to what kinds of people either McCain or Obama would carry into office, look at the top campaign advisors, fund raisers, and staffers already around them, for they're likely to move right along with their man. These people both reflect and shape a president's agenda, sometimes wielding the influence to alter both the overall direction and specific substance of a presidency.

Take the corporatization of Bill Clinton's administration. He had run a populist-minded campaign in 1992, pledging to challenge corporate greed and promising to be the president of working families. Come '93, however, such corporate hands as Robert Rubin were awarded strategic positions. A prince of Wall Street who'd been one the campaign's top fund raisers, Rubin was ensconced as head of Clinton's economic council—and he served there as corporate America's inside hit man, responsible for taking populist proposals down into a dark basement and throttling them.

In his first State of the Union speech, for example, Clinton proposed that tax write-offs for a corporate CEO's bloated paycheck be limited to "only" the first million bucks. The very next night, CEOs of several major corporations swarmed Rubin at a Manhattan dinner, wailing about Clinton's "cheap populism." Rubin, who'd been a \$26-million man at Goldman Sachs, definitely felt their pain, and he smoothed their ruffled feathers with these words: "That's not the real Bill Clinton."

Apparently not. With Rubin counseling that it wasn't good to make CEOs jittery, Clinton immediately dropped the idea.

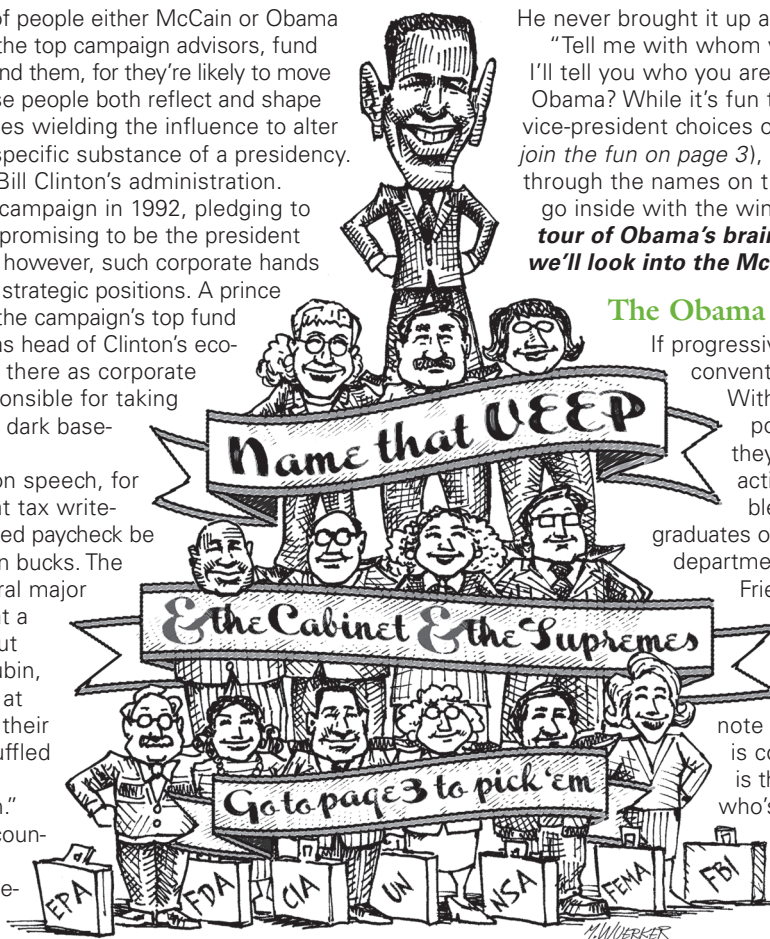
He never brought it up again.

"Tell me with whom you walk," goes the old adage, "and I'll tell you who you are." Who is walking with McCain and Obama? While it's fun to speculate about who might be the vice-president choices of this year's candidates (*and you can join the fun on page 3*), it's more instructive to rummage through the names on the campaign teams to see who might go inside with the winner. **This month we'll give you a tour of Obama's brain trust, and in the August issue we'll look into the McCain campaign.**

### The Obama watch

If progressives look at Obama's team through the conventional political lens, they'll get worried. With some exceptions, these are not the policy people you'd expect to see—they're not a phalanx of solid, progressive activists/thinkers/leaders with recognizable names. Some O-teammers are even graduates of the University of Chicago's economics department, home of laissez-faire guru Milton Friedman; some are tied to Robert Rubin (Rubin himself is a sometime advisor); a few hail directly from the ranks of corporate America.

Before panicking, however, let's note that little about the Obama campaign is conventional. My personal impression is that he intends to be a *serious* president who's willing to experiment in order to come up with policies and programs that actually achieve progressive goals, rather than merely rubber-stamping the long-preserved agendas



## THROWING TROOPS TO THE SHARKS

At a time when American field commanders in Iraq and Afghanistan say they need every single soldier they can get hold of, thousands of our battle-ready troops are being held back in the U.S. Why not deploy them? Because the Pentagon brands them "security risks."

That conjures up images of soldiers unwilling to fight—maybe because they have sympathies for the bad guys. But, no, these folks' only "crime" is that they've fallen deeply into debt here at home.

Like other Americans, military people can have an illness, go through a divorce, or just get caught in a credit-card crunch. But troops face an additional hazard: predatory "payday lenders," which are chains of quick-money outfits that cluster around military bases and lure soldiers to borrow against their next paychecks at exorbitant interest rates.

When debt payments reach about a third of a soldier's paycheck, military brass designate the debtor as a risk and yank security clearances, which knocks out duty abroad. The Pentagon's rationale is that soldiers in debt might be tempted to sell secrets or military equipment to the enemy. More than 6,300 members of the Air Force, Navy, and Marines have lost their clearances in a recent four-year period for financial reasons. However, the real total is much larger, since the Army—which employs the vast majority of our troops—refuses to release its numbers.

Instead of branding troops for life as security risks, Pentagon top dogs should work with these good soldiers to refinance their loan-shark debts with long-term loans at a low—or even zero—interest rate.

2

Hightower Lowdown

July 2008

of Washington-based Democratic-party insiders.

The upside of his having little Washington experience is that he's free of its constraints and more open to grassroots ideas and unconventional thinking. Obama seems to see the next four years as a transformative opportunity for our country—a time to make a generational change in leadership, to break with bipartisan corporatism and global saber-rattling, to restore a sense of common purpose (through such big initiatives as universal health care and rebuilding America's infrastructure), to adopt an approach to governing that tries to bring outsiders inside, and to link the democratic potential of the internet to America's historic pursuit of egalitarianism.

No small task. To get there, he has assembled advisors and staff who can help him find and nurture *ideas that work*. His people are mostly young, nonideological, pragmatic, expert in their fields, often wonkish, and willing to go against established opinion (of either the right or left). This is different, it's risky, and it's exciting.

The glue for this team is not its uniform progressive credentials, but Obama himself. Again: This is risky. I might have to eat these words later, but I think he has a deep core of progressive values, honed by his life experience as a global child and a community organizer. Accordingly, he seems to have assembled people around him who have the expertise to help him make the big

changes he has in mind. He's the rudder, they're the sails.

**PERSONAL DIGRESSION:** I relate to this. When I was elected Texas ag commissioner in 1982, I knew I wanted to help small farmers, workers, consumers, and the environment. But I needed people who actually knew what to do to make a real-life difference for this broad constituency. So we brought together a diverse staff, ranging from corporate food marketers to community organizers, and I gave them the same mandate that Franklin Roosevelt gave to his team in 1933: Do something. If it works, do it some more. If it doesn't work, do something else.

Here are a few of the Obama people:

■ **Jayson Furman.** Because of his pro-corporate connections and comments, Furman is the guy who most alarms labor, fair-trade activists, and other progressives (like me). Recently designated Obama's top economics aide, this 37-year-old Harvard-educated academic has found nice things to say about the Wal-Mart business model, has supported the corporate trade agenda, and most recently has headed a policy-research outfit founded by Robert Rubin. Yet, it turns out that Furman is not quite the corporate snake that some would make him. His background also includes an important stint with the highly progressive Center on Budget and Policy Priorities, where he churned out hard-hitting, influential policy

papers on the rising danger of income inequality, the need to raise the minimum wage, the disaster of Bush's tax cuts, and the necessity of stopping the privatization of Social Security. He's no populist, but neither is he a sneaky Rubinaut, and his selection has been warmly endorsed by liberal economist Joseph Stiglitz (with whom Furman has worked), labor economist Jared Bernstein, and populist economist James Galbraith—all three of whom are also on the Obama team.

■ **Austan Goolsbee.** An economics prof at the Chicago school of business, this 38-year-old has been a top Obama advisor since the 2004 U.S. senate campaign. A centrist, Goolsbee has been senior economist to the Democratic Leadership Council, the party's corporate wing, which gave us Bill Clinton. He popped into public view this spring when a Canadian memo suggested that he had a backdoor (and unauthorized) meeting with officials there to assure them that Obama's tough campaign talk about the disaster of NAFTA had more to do with politics than policy. Obama disavowed Goolsbee's approach, and the advisor's star has since faded, but the matter of who's influencing the senator's trade policy has caused activists to be "VERY CONCERNED," as one put it.

Another Obama trade aide, Daniel Tarullo of Georgetown University, was part of the Clinton team that produced NAFTA and the WTO, so this is an area where grassroots forces will have to buck up Obama. But we should also note that one of the best labor leaders on trade policy, Bruce Raynor of UNITE HERE, says that the senator "has been with us from day one." Moreover, Obama himself says that while he supports the idea of trade agreements, he is determined to find new ways to make them work for labor, farmers, and others who're now paying a "devastating" cost for corporate deals.

■ **Dan Carol.** A recent addition and a big plus, this 50-year-old Oregonian is a longtime progressive strategist, a pioneer in internet organizing, a proponent of grassroots-based policy development, a believer in the politics of big ideas, and an unabashed advocate of making political action fun. (DISCLOSURE: Carol is a friend of mine and was a key organizer of our *Rolling Thunder Downhome Democracy Tour* a few years ago).

## What Obama calls "old politics"

**OLD CONGRESS CRITTERS** never die, they just go to K Street.

Take **Dennis Hastert**. Actually, he's already taken. The longtime Republican lawmaker retired last November, but rather than return to Illinois, he has alighted just a few blocks from the Capitol at the blue-chip lobbying firm of **Dickstein Shapiro**. The firm lured Hastert with more than half a million bucks in annual pay, designating him "strategic counselor" on the legislative needs of its corporate clientele.

Dickstein Shapiro brags that it lobbies for more than 100 of the Fortune 500 corporations—a lineup that **includes tobacco giants, drug companies, the nuclear industry, mercenaries** like Triple Canopy, and such brand names as **AT&T** and **Time-Warner**. Hastert will feel right at home in this crowd, for he was always a faithful legislative errand runner for corporate America. Indeed, corporate interests essentially ran the place when Hastert was Speaker of the House, with the likes of super-lobbyist **Jack Abramoff** given a free hand to cut corrupt deals. While Dennis no longer has the muscle to ram through a corporation's agenda, he certainly has his old buddy network and insider knowledge to get favors done—this time for personal gain.

Hastert is hardly the only Capitol Hill alum to cash in on his public trust. In recent years, more than **200 former members** have made the lucrative metamorphosis from lawmaker to lobbyist, and Congress's feeble ethics rules even let members openly shop for lobbying jobs while they're supposed to be doing their legislative work. This is a revolving door system that special interests are happy to exploit—last year, they paid nearly **\$3 billion to hire Washington influence peddlers**. That's **\$17 million** for every day Congress was in session.

And Congress critters wonder why their public approval rating is a humiliating **11 percent**.

He's been a strategist for MoveOn, True Majority, and the Oregon Bus Project, among other innovative grassroots efforts, and he's now been brought onto the O-team as "director of content and issues."

That's a fuzzy title, but I do know that he'll be a major force in pushing one of Obama's signature ideas: a "Green Deal" that would enlist the American people themselves to build a green infrastructure all across America, creating millions of new conservation and renewable energy jobs, reviving our grassroots economy, and achieving energy independence. This would be a multibillion-dollar national effort derived from the successful community-based projects already underway through the Apollo Alliance (see *Lowdown*, January 2002). Such solid, progressive thinkers and activists as **Van Jones** of California and **Joel Rogers** of Wisconsin are also enlisted in this exciting aspect of Obama's campaign.

■ **Laurence Lessig**. A Stanford law professor, Lessig specializes in internet law. Until now, an "internet advisor" hasn't been at the center of any presidential campaign, much less played a central role on a White House staff, but this **use of the web** is a political and governmental tool that Obama has elevated to heights unimagined even four years ago. We know about the dramatic fund-raising and organizing advances his campaign has made through the web. But his tech initiative doesn't stop there. He intends to use the power of cyberspace to advance some of his biggest goals, ranging from lowering healthcare costs to increasing citizens' direct input into governance. To help guide this transformation, the campaign has enlisted Lessig, a visionary

## Name that VEEP!

**WHY SHOULD STAID OLD PUNDITS** have all the fun in political guessing games? Let's bring you into play.

Join us in taking the **Lowdown Presidential Survey**—a free-wheeling, thoroughly unscientific poll, asking you *Lowdowners* to designate people who might serve as officials in the next presidency. We want to know your choice for vice president, of course but don't stop there—who should serve in other key positions, from FEMA director to Supreme Court?

Remember, you're as likely to be right as any of the establishment seers, so have fun! This month, we'll start with your selections for the Obama Administration, then, next month you can do it again with names for the McCain Administration. We'll print a report on your choices—and, yes, we most certainly will forward the results to Obama and McCain, so they can get the real lowdown directly from you grassroots folks.

Here are the categories. Put names to as many as you like:

- |                                |                            |                                 |
|--------------------------------|----------------------------|---------------------------------|
| ■ Vice President               | ■ EPA Administrator        | ■ Secretary of Veterans Affairs |
| ■ Attorney General             | ■ Surgeon General          | ■ Secretary of Treasury         |
| ■ Supreme Court (name up to 3) | ■ Secretary of State       | ■ Secretary of Health           |
| ■ National Security Advisor    | ■ Secretary of Defense     | ■ FCC chair                     |
| ■ CIA director                 | ■ Secretary of Labor       | ■ FDA commissioner              |
| ■ FBI director                 | ■ Secretary of Interior    | ■ FEMA director                 |
| ■ U.S. Trade negotiator        | ■ Secretary of Agriculture | ■ Other: _____                  |

Send your choices to us by fax: 512-478-8536, or fill out the form online at [www.hightowerlowdown.org](http://www.hightowerlowdown.org)



## Others in the guessing game:

**EBONYJET.COM WRITERS** launched a frenzy of cabinet-speculating among online pundits in May when they posted their lists of what an Obama cabinet might look like at [www.ebonyjet.com/politics/national/index.aspx?id=7821](http://www.ebonyjet.com/politics/national/index.aspx?id=7821). One suggested **Colin Powell** for VP because he is a retired four-star general, a Republican, and a famously popular person. Another suggested sending the Obamas' best friend/advisor **Valerie Jarrett** as ambassador to London, **John Kerry** to Paris, and **Al Gore** to the UN.

Washingtonian.com ran theirs, also in May (at [www.washingtonian.com/blogarticles/people/capitalcomment/7641.html](http://www.washingtonian.com/blogarticles/people/capitalcomment/7641.html)), as did Will Thomas at HuffingtonPost, followed at HuffPo by Thomas de Zengotita who argued this month that **Obama should name the team now** because we deserve to know who's lining up and because "putting Obama at the center of a team of rivals" (biographer Doris Kearns Goodwin's term for Lincoln's administration) would "dampen the he's-not-one-of-us factor that is... still the greatest danger Obama faces."

For foreign policy advisors, check [www.fpif.org/fpiftxt/4940](http://www.fpif.org/fpiftxt/4940).

For all the huffing and puffing, most names being floated are senators and governors who generate limited excitement; but we know *Lowdowners* will be more creative.

## SPECULATORS AND OUR FOOD: EIEIO!

Hedge-fund schemers and Wall Street manipulators—the very characters who brought us the Great American Housing Collapse—have a new target for their fast-buck profiteering: farming. **EIEIO!**

Speculators have long messed with farmers by artificially manipulating prices on everything from corn to soybeans. But now they're pooling up billions of dollars from global investors to go after the farms themselves, as well as fertilizer plants, grain elevators, ships and barges, and other basic tools for producing, transporting, and storing our food supply. As one hedge-fund operator says, "It's going on big time. There is considerable interest in what we call 'owning structure.'"

By "owning structure," these buyers mean centralizing control of food in the hands of financial manipulators who have only one crop in mind: fat profits. These multibillion-dollar funds are buying thousands of farms in the U.S., Britain, Brazil, and elsewhere, including Africa, and turning farmers into corporate laborers.

The funds aim to lock down production and stockpile the supply so that they can control price. If corn prices don't hit investors' target numbers, simply store the corn and force prices up. Or, if corn prices are down in the U.S., ship it to Japan or wherever else might be more profitable. And if these distortions cause a food crash? Hey, the speculators will already have sucked out billions in profits, and they will just move on to the next hot investment.

Hedge funds bring nothing but greed and grief to the farm economy and our food supply, and they should be banned from "owning structure."

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## NO "NEWS" FROM IRAQ

Ho-hum. The war. Such a bore. After six years, the media is fatigued with the story. As a CBS news producer put it, "One guy in uniform looks like any other guy in uniform."

Yeah, so why cover that?

And, indeed, America's three big TV networks have quietly been executing their own staged withdrawal from Iraq. The evening newscasts of ABC, CBS, and NBC—where the great majority of Americans still say they get their "news"—have whacked their coverage of Bush's ongoing disaster in the desert. In the first half of this year, the total time devoted to Iraq by all three networks was only 181 minutes—out of approximately 11,000 minutes of available airtime.

Is nothing going on over there? No, nothing's happening—unless you count the constant deaths and horrendous casualties among U.S. troops, the expenditure of \$3 billion in our tax dollars every week, the endless deaths of Iraqi civilians, the waste of our country's integrity and reputation, the everyday arrogance among America's corporate mercenaries, the collapse of civil society and bitter sectarian divides, Big Oil's move to grab Iraq's reserves of crude, and the administration's ceaseless use of censorship, propaganda, and lies to control the news from Iraq.

Gosh, you'd think that enterprising journalists might pull a story or two a day out of that soup. But doing so would require—*whatdoyoucallem?* Oh, yeah, reporters. CBS, however, no longer keeps even one full-time reporter on the Iraq beat. Meanwhile, none of the networks has a full-time reporter in Afghanistan.

Cover the war? That's too expensive—and it's not nearly as fun or profitable as a sitcom.

advocate for free public access to the internet and a renowned defender of the people's online rights against the grasp of corporate control. He serves on the boards of such forward-looking groups as Electronic Frontier Foundation and Public Knowledge, and his presence in the campaign signals Obama's seriousness about advancing the democratic potential of this technology.

■ **Lee Hamilton.** A moderate internationalist (as opposed to a corporate globalist), this former Democratic House member from Indiana has no formal role in the campaign, but his realist foreign policy outlook and his non-ideological, often-contrarian approach to foreign policy issues predominate in Obama's camp. The Senator frequently seeks Hamilton's counsel, and four former Hamilton aides have taken top foreign policy spots in the campaign. When Obama shocked Washington's conventional wisdom this spring by saying that he would be willing as president to talk with such declared U.S. enemies as Iranian President Mahmoud Ahmadinejad, this "radical" idea was right in line with Hamilton's own pragmatic view. Other key advisors on foreign issues include **Susan Rice**, **Richard Danzig**, and **Tony Lake**, all alumnae of the Clinton presidency. They, too, are pragmatists—for example, they considered Bush's rationalization for invading and occupying Iraq to be nonsense, leading them to oppose it from the start. This pitted them directly against senior Clintonites who were cowed by Bush's warmongering, fearing that Democratic opposition to the war was bad politics. Also on Obama's team are two foreign policy maver-

## Obama slip-sliding away?

**MIXED EMOTIONS ARE WHAT YOU EXPERIENCE** when you see your 16-year-old daughter come home from the prom with a Gideon Bible under her arm.

You get **mixed emotions** watching Barack Obama. While he clearly has progressive instincts and a phenomenal potential to be this century's FDR, he sometimes shows up carrying the Holy Bible of Corporatized Politics-As-Usual under his arm.

Look at his **flip-flop on the domestic spying bill**. It gives legal immunity to the telecom giants that helped George W spy on millions of us Americans. **Obama had pledged** this spring to go all out to defeat this—but then caved in and supported it (in fairness, he did fight to strip telecom immunity from the larger bill, but he knew that this would be a losing effort).

This is part of the Obama package—a man who, on occasion, will try to drift from progressive positions, crafting legalistic compromises that fudge the issue and fudge his own stand. **Obama is not a pure progressive.** Get used to that. If he is in the White House, progressives themselves will constantly have to challenge him, pushing him to be more FDRish, less Clintonesque.

The good news is that people are already onto this. When he reneged on his telecom pledge, the progressive netroots nation that has so strongly backed Obama exploded all over him, **using his own website to rip him for breaking faith** and to organize opposition to his switch. They didn't stop him this time, but they did sting him, making clear that they felt betrayed, could not just be ignored, and are expecting better.

To achieve progressive policies, **democracy demands** that the people themselves be noisy, feisty, and confrontational. That was true in FDR's time—and it's no less true in ours.

icks—**Lawrence Korb**, an assistant secretary of defense under Ronald Reagan who has since become a vocal proponent of slashing the waste and fraud in the Pentagon budget, and **Richard Clark**, the counterterrorism insider who blew the whistle on the Bushites' disastrous war fantasies and failures.

There are, of course, many more players who would mold Obama's White House agenda—including the very smart, very passionate, and very progressive **Michelle Obama**. There would also be the usual forces of caution, inertia, and recalcitrance dragging him down, ranging from don't-rock-the-boat Democratic elders to Washington's army of corporate lobbyists. Generally speaking, though, he has brought together a crew that is youthful (both in age and perspective), highly-knowledgeable, free-thinking, and imbued with progressive ideals.

The substance of an Obama presidency—and its degree of progressivity—will not be determined by these advisors. They are mostly implementers, who'll be guided by his own idealism and willingness to be bold. And that'll ultimately be determined by the insistent demands and steady involvement of the energized grassroots constituency that has propelled him this far.

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10:7 July 2008

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