

JONATHAN CHAIT IS WRONG ABOUT DEBATE FORMATS

[youtube]MiGZzNEZmHY[/youtube]

I'm not all that hung up on Obama's terrible performance in last Wednesday's debate or in the upcoming ones.

But I do think Jonathan Chait is wrong that the Jim Lehrer format was Obama's best chance because the upcoming debate formats are worse.

The VP Debate: the Angry Old Man

Chait argues, first of all, that Joe Biden will try to refute Paul Ryan's budget kabuki, which will end up making the Vice President look like an angry old man.

But you can't expose your opponent's misleading budget numbers to win a presidential debate any more than you can expose your opponent's misleading budget numbers to win a swimsuit competition. The audience has no concept of the underlying facts. The audience will only be able to grasp the atmospherics of the debate. And Paul Ryan is a world-class bluffer. He will spout figures with winsome authority, and Biden will come off as an angry old man.

When DC Democrats talk about Biden's upcoming debate performance, they seem to forget how Biden did in his debate against Sarah Palin in 2008. That was one of the biggest challenges in 08, pitting a guy with over 30 years service as a successful policy wonk Senator against a blithering, but very attractive female, idiot. It is often difficult for men to get the dynamic of debating women—both respecting them but not bullying them—right, and this was all the more dangerous. But Biden nailed it.

Whatever Biden says to rebut Ryan, he is of all four candidates the most personable to people outside of the Beltway. What are called gaffes inside the Beltway are often regarded as authentic outside of it.

And when Biden delivers lines like the one from his DNC (after 9:00 in the video)...

My dad never failed to remind us that a job is about a lot more than a paycheck. It's about your dignity. It's about respect. It's about your place in the community. It's about being able to look your child in the eye and saying 'honey, it's going to be okay.'

... He credibly addresses men and women who otherwise aren't being spoken to in this election.

If Joe Biden is an angry old man, he's a lot like the angry old men who will swing this election.

The Town Hall where the questions voters want answered finally get asked

Then there's the Town Hall debate, where real people rather than a crusty old PBS host get to ask the questions. Chait thinks Obama will fail here because he'll spend time filleting Mitt rather than answering questions.

Obama's campaign is talking up its plan to roll out a new, tougher Obama who will challenge Romney's slick evasions. But a town-hall meeting is a whole different animal. In a one-on-one debate, you can fillet your opponent. A town-hall meeting consists of undecided voters pressing the candidates for answers. The focus of the event is on answering the questions of the voters. Using their questions to assail your opponent is bad form – indeed, the Regular Voters who ask the questions, and serve as proxies for the public, can

be counted on to implore the candidates to stop attacking each other so much.

But one of the problems with the last debate was precisely in the stupid choice of questions Jim Lehrer asked. Lehrer's jobs question turned into a tax discussion. He didn't ask a single question about women's issues. And his ObamaCare question avoided questions about the substance of the policy as distinct from setting up contrast between identical programs.

I would expect that the questions from real people will be far more favorable to Obama because the things voters care about provide Obama to describe where he has been successful and where the guy who brags about creating \$9/hour jobs he admits don't pay the bills tends to fail.

Plus, some of Mitt's biggest campaign gaffes have come when he responded to regular questions with douchbag answers—the "corporations are people" problem. Obama may be standoffish, but Mitt is standoffish and tone deaf when speaking with real people. And that, too, should serve Obama.

Debating RomneyShambles

Then there's the foreign policy debate, an area where even Republicans recognize Mitt's weaknesses. Chait thinks this will go badly because it won't provide Obama an opportunity to talk about domestic issues.

And then the final debate centers on foreign policy. Obama can try to use some of the questions to turn to domestic policy, but that risks a scolding from host Bob Schieffer.

But unless Mitt pulls another total Etch-a-Sketch—even from the content of his speech today—he's going to say really stupid things, such as playing up Russia as our worst enemy.

More importantly, just about every foreign

policy—except torture—that Mitt aggressively embraces is unpopular with voters. Mitt almost certainly will call for starting a new war, while Obama will claim (not entirely credibly) to have ended two wars. Even on trade, where Obama's championing of three new trade deals, Mitt could tack left of Obama, he has chosen instead to accuse Obama of not supporting free trade.

The NYT suggested today that Obama let his disdain for Romney overwhelm his

Mr. Obama made clear to advisers that he was not happy about debating Mr. Romney, whom he views with disdain. It was something to endure, rather than an opportunity, aides said.

If the sulky Obama that resulted shows up at the last two debates, he may well lose those, too, just as badly as the first.

But there's no reason to believe that's baked into the upcoming debate formats.

WHEN YOU'VE SPENT 3 YEARS DISDAINING CRITICISM

In my opinion, the story of the debate last night was how well each man channeled the almost palpable disdain he harbored for his opponent. Mitt Romney had the demeanor of someone who couldn't stand that an unaccomplished black man failed to accord his business and governmental success due respect (John McCain struggled with something similar). He channeled that disdain into amped Howdy Doody smiles that, while just as fake as everything else from Mitt, were at least more accessible.

Obama had the same demeanor we've seen for years from him when he gets exasperated that critics don't pay due attention to the catastrophe he inherited from Bush. Rather than listening to legitimate criticisms—at times, even from the right—Obama just purses his lips to hide his anger about the criticism and sends out an aide to make accusations about the Professional Left. Last night, Obama's anger at Mitt's criticisms and lies was channeled into looking down, occasionally forcing a smile out of those pursed lips, though only on a few occasions with enough mockery to successfully undercut what Mitt was saying.

I'm not suggesting that, last night, Obama should have affected listening to Mitt's lies as effective criticism (though I think he could have very effectively asked Mitt a number of pointed questions as a way to undercut the lies without appearing defensive). But I do think Obama's demeanor last night is something he has practiced often over the last 3 years.

I will say this for Obama: Some portion of his time in the 4 hours before the debate must have been spent not on debate prep, but in briefings on the escalating tensions between Turkey and Syria, which (particularly given that Turkey is a NATO member) could spiral out of control quickly. I wouldn't blame him if he was distracted by what could be a really dangerous incident, even putting the election aside.

All that said, Obama needs to find a way to engage enough with Mitt's criticisms and lies to debunk them with grace. Disdain alone won't do it.

MEET THE GUY WHO

PICKS UP 15 TONS OF TRASH MITT IS TRYING TO SHORTCHANGE

[youtube]68q28r7m_FU[/youtube]

AFSCME has launched a fascinating campaign, introducing people to the current sanitation worker, a former one, and the firetruck maintenance guy who service Mitt's La Jolla home.

It's a great campaign for the way it makes the invisible consequences of Mitt's hatred for government—and the 47%—visible. 15 tons of trash, Mitt's trash man collects, yet Mitt thinks there should be fewer people picking up his and his neighbors' trash.

But there's one more piece missing: Mitt's efforts to avoid paying his fair share for precisely these services. Remember, right after Mitt bought this home, he tried to claim it lost 45% of its value. When that didn't work, he hired a lawyer to fight to lower his tax bill paying for precisely these kinds of services. Ultimately, this man worth at least a quarter billion fought for years so he could avoid paying \$109,357 over four years.

But he tried to drop his yearly tax bill by enough to support one of these jobs.

I want to look at Mitt's original claim—that his house had lost almost 45% of its value in less than a year. That claim was higher even than the property decline all the houses in his zip code experienced in the two years after he bought the house.

Working for the Romneys, Streb concluded that the entire 92037 ZIP Code had suffered a 41% decline in average sales prices between the first six months of

2008 and the six months preceding his appraisal in October 2010. He settled on a value of \$7.5 million for the Romney home.

Had Mitt's outrageous claim been successful, he would have saved something like \$75,000 a year. This amounts to Mitt, buying a pricey home at a time when any half-witted being knew home values were crashing, turning around almost immediately and asking for a discount for buying at a time of falling values. But for a county struggling with the effects of banksters ruining the wealth of its much more average residents, it amounts to a real churlishness about the common good.

The LAT ends by justifying Mitt's efforts to save what amount to a few pennies on property taxes.

"I would think it's foolish not to request a decline in value if you are entitled," said Paul Habibi, who teaches real estate finance and development in the UCLA Anderson Graduate School of Management. "That's like saying a rich man should not bend over to pick up a hundred dollar bill."

Or you could look it another way. Most rich men, standing over a hundred dollar bill next to a poor kid, would let the kid take the bill. Not Mitt. He's gonna hire a lawyer to elbow the kid away from the cash so he can pocket it himself.

So it's not just that Mitt shows undue appreciation for the people who work hard to protect his La Jolla home and keep it clean. He has taken aggressive steps to make sure these

specific individuals don't get paid.

I guess Mitt plans on picking up those 15 tons of trash himself?

WE STILL DON'T ENTITLE PRESIDENTS

Steven Pearlstein collects a slew of things the plutocrats believe they're entitled to. The whole list is worth reading.

But I'm interested in the way he invokes Mitt Romney with them. (These are taken from the second half of Pearlstein's collection.)

I am entitled to a duty of care and loyalty from employees and investors who are owed no such duty in return.

I am entitled to operate my business free of all government regulations other than those written or approved by my industry.

I am entitled to load companies up with debt in order to pay myself and investors big dividends – and then blame any bankruptcy on over-compensated workers.

I am entitled to contracts, subsidies, tax breaks, loans and even bailouts from government, even as I complain about job-killing government budget deficits.

I am entitled to federal entitlement reform.

I am entitled to take credit for all the jobs I create while ignoring any jobs I destroy.

I am entitled to claim credit for all the profits made during a booming

economy while blaming losses or setbacks on adverse market or economic conditions.

I am entitled to deny knowledge or responsibility for any controversial decisions made after my departure from the company, even while profiting from such decisions if they enhance shareholder value.

[snip]I am entitled to be treated with deference and respect by investors I mislead, customers I bamboozle, directors I manipulate and employees I view as expendable.

I am entitled to be lionized in the media without answering any questions from reporters.

I am entitled to the VIP entrance. [my emphasis]

The last line—which is the second-to-last of Pearlstein’s long list, seems to directly invoke the Mitt donors who refused to wait in a line 30 cars carrying other big donors into a fundraiser. Four of the other bolded items appear to invoke Mitt’s Bain experience:

- Loading up companies with debt to pay dividends
- Taking tax breaks to do so and even a bailout from the FDIC
- Boasting about the 50,000 crap jobs Staples created while ignoring all the manufacturing jobs shut down
- Disclaiming any responsibility for outsourcing jobs to China that profited Mitt

personally

And then there's the expectation he wouldn't have to answer questions directly, one that his running mate continued yesterday when he refused to detail the Romney-Ryan tax plan for a friend Fox interview.

So while many people have taken this as a general statement about our plutocrats, I think it clearly uses Mitt as a poster boy for that sense of entitlement.

Which is why I think the first bullet I included is so interesting. "I am entitled to a duty of care and loyalty from employees." Mitt and his 47% fundraiser host Mark Leder may have had this expectation dashed if, as is likely, one of the fundraiser servers took and released a video of Mitt being a complete asshole. That video may not be decisive in this campaign, but it surely was a significant event.

But I think there's a more significant example where Mitt's expectation of absolute loyalty from his employees will have backfired. After all, even in the aftermath of the Paul Ryan selection, what may be the high point of Mitt's campaign, his campaign staff were making it clear they didn't approve of the decision (which turned out to be a the wiser judgment). And then there was the Politico story quoting lots of campaign insiders about how the campaign was in disarray. Those leaks came in the weeks after Mitt gave 7 top staffers—but not more junior staffers—bonuses; I would not be surprised if campaign workers became aware of the bonuses before the leaks to Politico. And then this weekend someone started leaking Mitt's debate strategy.

Mitt may expect absolute loyalty from people who work for him. But not only can't he control all those workers. But by treating his own campaign staff with the same kind of elitist reward system he wants the government to replicate, he may well have encouraged disloyalty among people who can hurt him the most.

This election is not over. But Mitt has certainly approached it with a deep sense of entitlement, just as Pearlstein lays out. One of his fatal errors, though, may be his belief that he is entitled to loyalty.

REBECCA SOLNIT'S MIRROR

I've been laughing my ass off at the number of lefties who have linked to—or republished—this Rebecca Solnit piece scolding her “dismal allies” for being such grumps.

It's not so much I mind someone trying to persuade progressives of the importance of voting for Obama in November. Solnit acknowledges that Obama has done some horrible things and recognizes the dilemma that might present. And as a swing state resident, I'm used to blue state residents imploring me about the importance of my vote. I've always weighed the responsibility of living in a more closely contested state seriously and in 2004 worked many many hours to elect a John Kerry I believed was a problematic choice. Solnit appears not to realize it (allowing one of her interlocutors from NV to equate voicing this dilemma with actual voter suppression, which is after all, a real thing that involves affirmative attempts to make it hard for people of color to vote), but we lefties in swing states actually do think about this stuff and weigh it seriously. It is fair to try to persuade us that voting for Obama is a better choice than not voting or voting third party.

It's just that I'm stunned that anyone—particularly people who work with words—could imagine Solnit's piece effectively accomplishes her goal.

This is a piece the 7th word of which is “briefly” that doesn’t wind down for another 2,765 words. It’s the 6th paragraph before Solnit gets around to providing an example of her complaint, and before you get there, you have to wade through vacuous language like, *“There are bad things and they are bad. There are good things and they are good, even though the bad things are bad”*—italics original.

By the time readers have gotten to the moral of Solnit’s story,

Every minute of every hour of every day you are making the world, just as you are making yourself, and you might as well do it with generosity and kindness and style.

She has called or implied her audience is “dismal,” “rancid,” “Eeyore,” “snarky,” “poison[ing],” “sour” “complainers,” “kvetchers,” “caustic,” “pile of bile,” She accuses her audience of “bitch[ing],” “pound[ing] down,” “habitual[ly] tearing down,” engaging in “recreational bitterness.” She disdainfully labels the “lesser of two evils” metaphor a cliché, but then informs her readers that, “when you’re a hammer everything looks like a nail”—and that’s just one of her many clichés. And all that’s before she accuses her audience of asking that “Che Guevara give them a spa pedicure.” She calls other people snarky?

Given the way she attacks her audience, I find it hard to believe that Solnit didn’t see the irony when she suggests we “thrive in this imperfect moment [] through élan, esprit de corps, fierce hope, and generous hearts.”

And then there are Solnit’s details. She repeatedly implies that she “already know[s] most of the dimples on the imperial derriere.” But that’s not always clear. Three times she suggests Obama’s re-election is about access to health care; just once does she get it right that it’s about access to insurance. And here’s

the complaint—the one that first shows up in the 6th paragraph—that appears to have set her off:

Recently, I mentioned that California's current attorney general, Kamala Harris, is anti-death penalty and also acting in good ways to defend people against foreclosure. A snarky Berkeley professor's immediate response began, "Excuse me, she's anti-death penalty, but let the record show that her office condoned the illegal purchase of lethal injection drugs."

Apparently, we are not allowed to celebrate the fact that the attorney general for 12% of all Americans is pretty cool in a few key ways or figure out where that could take us. My respondent was attempting to crush my ebullience and wither the discussion, and what purpose exactly does that serve?

Not only does Solnit seem to misunderstand what has happened on the foreclosure front, but she also projects motives onto a guy who appears to have insisted on measuring Harris by her deeds, not her words. Was he really "attempting to crush Solnit's ebullience"? Does she have evidence to that fact? Can she—someone who writes for a living and in this piece demands that people "describe [this political system] and its complexities and contradictions accurately"—really not imagine that this guy was simply providing precisely that complexity?

Along with her ironic call for generosity and kindness, Solnit also suggests people consider how they're engaging in this movement.

ask yourself just what you're contributing, what kind of story you're telling, and what kind you want to be telling.

Solnit might ask herself these same questions.

Indeed, she might take a lesson from Obama, a master story-teller. Rather than attacking the students and Latinos and struggling workers whose enthusiasm had waned—a strategy Solnit apparently shares with Mitt Romney—Obama has told stories about kids getting insurance coverage and students getting Pell grants and factory workers working longer hours again. Given the increased enthusiasm among his base, those stories appear to have worked like a charm.

But rather than tell those kind of stories, Solnit has opted for precisely the kind of attack she criticizes.

NO EASY DAY, WIKILEAKS, AND MITT'S 47%: THREE DIFFERENT APPROACHES TO ILLICITLY-RELEASED INFORMATION

[youtube]nYXXk0LgMqQ[/youtube]

Last week, DOD issued a guidance memo instructing DOD personnel what they are—and are not—permitted to do with the Matt Bissonnette book, *No Easy Day*, that they claim has sensitive and maybe even classified information. DOD personnel,

- *are free to purchase NED;*
- *are not required to store NED in containers or areas approved for*

the storage of classified information, unless classified statements in the book have been identified;

- *shall not discuss potentially classified and sensitive unclassified information with persons who do not have an official need to know and an appropriate security clearance;*
- *who possess either firsthand knowledge of, or suspect information within NED to be classified or sensitive, shall not publically speculate or discuss potentially classified or sensitive unclassified information outside official U.S. Government channels (e.g., Chain-of-Command, Public Affairs, Security, etc.);*
- *are prohibited from using unclassified government computer systems to discuss potentially classified or sensitive contents*

of NED, and must not engage in online discussions via social networking or media sites regarding potentially classified or sensitive unclassified information that may be contained in NED.

The memo points to George Little's earlier flaccid claims that the book contains classified information as the basis for this policy, even though those claims fell far short of an assertion that there was actually classified information in the book.

The strategy behind this policy seems to be to accept the massive release of this information, while prohibiting people from talking about what information in the book is classified or sensitive—or even challenging Little's half-hearted claim that it is classified. Moreover, few of the people bound by this memo know what the President insta-declassified to be able to tell his own version of the Osama bin Laden raid, so the memo also gags discussions about information that has likely been declassified, not to mention discussions about the few areas where Bissonnette's version differs from the Administration's official version.

Still, it does let people access the information and talk about it generally.

Compare that policy with the Administration's three-prong approach to WikiLeaks information:

- Government employees cannot discuss—and are not supposed to consult at all—WikiLeaks cables. The treatment of

Peter Van Buren for—among other things—linking to some WikiLeaks cables demonstrates the lengths to which the government is willing to go to silence all discussion of the cables. (Though I imagine the surveillance of social media will be similar to enforce the DOD guidance.)

- Gitmo lawyers not only cannot discuss material—like the dodgy intelligence cable that the government used to imprison Latif until he died of still undisclosed causes or the files that cite tortured confessions to incriminate other detainees—released by WikiLeaks unless the press speaks of them first. But unlike DOD personnel who do not necessarily have a need to know, Gitmo lawyers who do have a need to know couldn't consult WikiLeaks except in closely controlled secure conditions.
- The Government will refuse to release cables already released under FOIA. While to some degree, this strategy parallels the DOD approach—whereas the NED policy avoids identifying

which is and is not classified information, the WikiLeaks policy avoids admitting that cables everyone knows are authentic are authentic, the policy also serves to improperly hide evidence of illegal activity through improper classification.

Now, one part of the Administration's logic behind this approach to purportedly classified information (thus far without the legal proof in either case, or even a legal effort to prove in the case of Bissonnette) is to limit discussion of information that was allegedly released via illegal means. By preventing certain classes of people from discussing certain aspects of Bissonnette's book and the WikiLeaks cables, you ensure that political opponents don't gain an advantage because of these leaks.

Which brings us to the Obama campaign's treatment of the video showing Mitt Romney insulting 47% of the country. That video may have violated Federal and Florida wiretap and intrusion laws prohibiting non-consensual recordings (though as with Bissonnette's book, prosecuting that violation would be politically and legally challenging).

Yet, in spite of the fact that the 47% video is tainted by the same kind of allegedly illicit release as *No Easy Day* and WikiLeaks, Obama's campaign has had no compunctions about using it. A lot. Indeed, hitting Mitt for the content and the delivery of his 47% comments has been a cornerstone of Obama's (and his PAC's) campaign since the video was released.

Now, Obama might differentiate the 47% video by arguing that Mitt should have no expectation of privacy at a campaign fundraiser, as distinct from discussions with people in other countries

or about operations the White House has hailed. He might argue that Mitt should not be able to shield the conversations he has with powerful donors from the citizens of the democracy he wants to represent, as distinct from the operations conducted in our name. He might claim that Mitt's comments—including those revealing Mitt's true beliefs about a 2-state solution—have nothing to do with national security.

But particularly in the case of a book covering the very same topics discussed openly so Obama can benefit from the OBL killing, and even in the case of WikiLeaks documents revealing our government's crimes, those claims ring hollow. *No Easy Day* and WikiLeaks cables, now that they have been released, ought to be acceptable topics of discussion for all the same reasons why citizens should be permitted to talk about how much Mitt dislikes working people: such discussions are an important part of democracy.

When Obama's ability to engage in democratic debate is at stake, he appears to be a big fan of using illicitly circulated information. Somehow, when democratic debate might limit his power, it's a different issue.

"I'm Barack Obama, and I approve the circulation of illicitly leaked messages. Sometimes."

THE LESSON OF OHIO: INDUSTRIAL STRATEGY

The election is not over yet, but today there's an even worse poll out of Ohio for Mitt than the 8 point Obama lead that WaPo had yesterday: a NYT/CBS/Q poll showing Obama leading by 10, 53-43.

And so beltway pundits are trying to figure out what went wrong for the rich douchebag who said

one of America's key companies should be let go bankrupt.

Alec MacGillis, relying on 3 reporting trips, provides 6 possible reasons at TNR:

1. Misunderstanding on the part of DC pundits that Obama's problem with working class white is largely limited to Appalachia and the South
2. Obama's successful attacks on Mitt as a guy who outsourced jobs at Bain
3. Backlash to Governor Kasich's efforts to roll back public unions
4. OH's improving job picture
5. Kasich's greater interest in saving himself than helping Mitt
6. The auto bailout

And CNN, relying on mostly anonymous Republicans, provides the following explanations:

- The auto bailout
- Mitt's top-down approach and the ease with which he has been portrayed as a "plutocrat married to a known equestrian"
- Mitt's failure to provide inspiration about the future
- Alienation among OH's women
- Kasich's efforts to claim credit for job turnaround rather than help Mitt

Now, aside from Mitt being a rich douchebag beating up on the people who work hard in this country—which Tim Ryan was too polite to bring up yesterday—these explanations aren't all that different from a Democratic Congressman representing one of the most manufacturing-reliant districts in the country had to say.

Obama is winning OH—and therefore is winning this election—because he gets to claim credit for policies that have supported manufacturing and jobs more generally, and because he is less associated with bashing public unions than Mitt and Mitt's surrogates.

It's funny. Even while Republicans keep focusing on Mitt's advantage on the deficit, what seems to have worked here is actually investment, not cutting spending. Which would actually be another, better way of addressing the deficit.

CONGRESSMAN TIM RYAN'S 4 REASONS OBAMA IS WINNING OHIO

The Alliance for American Manufacturing just had a press conference with Congressman Tim Ryan, who represents Youngstown and part of Akron, Ohio, to talk about the role



that China is playing in this year's President election.

Earlier in the day, in the wake of the release of a WaPo poll showing Obama with an 8 point lead in OH, Adam Serwer had suggested, "There's a great piece of journalism to be done about how Obama nuked Romney in Ohio." So I asked Ryan for the four top reasons why Obama is doing so well in OH.

He listed, in order:

1. The auto bailout (Ryan's district also includes GM's Lordstown Chevy Cruze plant)
2. Obama's successful WTO trade complaint against China's tire dumping (which affected Akron)
3. The Administration's investment in education and research
4. Mitt's campaigning against Proposal 2, which protected collective bargaining for OH's public workers

As Ryan said of Mitt's anti-union campaigning, "he was against [OH's teachers, police, and firefighters] when they needed him."

Obviously, Ryan's not an unbiased observer. But he does represent a bunch of Ohioans who appear poised to swing the election to Obama.

Maybe Mitt shouldn't have spent so much time demonizing workers?

HOW MITT MANUFACTURED A CHARITABLE VIEW OF HIS TAXES

This worthwhile piece on the charities Mitt Romney gives millions to (largely, the Mormon Church and the Mormon Church) got me thinking about the chronology of Mitt's 9 month slow reveal (sic) on taxes. The headline takeaway from Mitt's tax returns among Mitt supporters on Friday was his generosity: Mitt gave 30% of his income to charity and why didn't Obama—to say nothing of Joe Biden—give as much.

But look at how that view came about.

	4/18/11	1/24/12	1/24/12	4/13/12	9/21/12	9/21/12
	O 2010	R 2010	R 2011 Est	O 2011	R 2011 Claimed	R 2011 Actual
AGI	\$1,728,096	\$21,646,507	\$20,901,075	\$789,674	\$11,696,951	\$11,696,951
Charity	\$245,075	\$2,983,974	\$4,020,572	\$172,130	\$4,020,572	\$2,230,772
Percentage	14.18%	13.79%	19.24%	21.80%	29.35%	16.43%

Romney's tax troubles started in January when Newt Gingrich started pressuring him to release his taxes. So on January 24, Mitt released both his 2010 taxes—which had been submitted October 15, 2011—as well as estimated taxes for 2011—which came with a big "IN PROCESS RETURN" stamped on it and were never signed or submitted.

Those records showed that Mitt had donated 13.79% of his \$21.6 million income in 2010, and 19.24% of his \$20.9 million in 2011.

Of course, by that point, Obama's 2010 tax returns were already public. They showed he had donated 14.18% of his \$1.7 million income. Thus, at that point, it appeared that Obama had donated more to charity in 2010, but Mitt had donated a higher percentage of his income in 2011 than what Obama *had* donated the year before.

Obama released his 2011 tax returns on April 13. They showed he had donated 21.8% of his \$789K

income, or a few percentage points more in charity than Mitt had declared in January.

Mitt, of course, had filed for an extension. So it was not until Friday when we got his 2011 taxes. But that release came in two steps. First, before 2PM, a statement from his Trustee, personal lawyer and longtime associate, Brad Malt. He said the Romneys had donated "nearly 30% of their income" in 2011.

Regarding the newly-filed 2011 Tax Return:

- *In 2011, the Romneys paid \$1,935,708 in taxes on \$13,696,951 in mostly investment income.*
- *The Romneys' effective tax rate for 2011 was 14.1%.*
- *The Romneys donated \$4,020,772 to charity in 2011, amounting to nearly 30% of their income.*
- *The Romneys claimed a deduction for \$2.25 million of those charitable contributions.*
- *The Romneys' generous charitable donations in 2011 would have significantly reduced their tax obligation for the year. The*

Romneys thus limited their deduction of charitable contributions to conform to the Governor's statement in August, based upon the January estimate of income, that he paid at least 13% in income taxes in each of the last 10 years.

Now, Malt didn't exactly hide what was going on here—that Mitt was claiming to have given money to charity that he didn't declare on his taxes so as to boost his tax rate over the 13% he had discussed earlier in the summer. But the introduction to the bullets—"Regarding the newly-filed 2011 Tax Return"—implied, falsely, that all the information in the bullets came directly from Mitt's tax returns.

Nevertheless, a bunch of reporters took that statement and ran with it, resulting in articles like this one:

**Romney 2011
taxes: Mitt
gives more to
charity than
President Obama,
Joe Biden**

Republican presidential nominee Mitt Romney was far more generous to charities than President Barack Obama or Vice President Joe Biden last year, both in dollar terms and as a percentage of

income, tax return data Romney's campaign released Friday indicate.

Romney and his wife, Ann, gave 29.4 percent of their income to charity in 2011, donating \$4,020,772 out of the \$13,696,951 they took in.

Obama and first lady Michelle Obama gave 21.8 percent of their income to charitable organizations last year, donating \$172,130 out of the \$789,674 they made.

Even this more weedy Rick Newman post—probably the first to note the difference between Mitt's estimated and reported income—reported the dollar amount of Mitt's charitable deductions had remained the same.

The final deduction for charitable giving is the same as on the estimated returns earlier this year: About \$4 million. Since that hasn't changed, there must have been other deductions Romney was able to claim.

But of course, the IRS doesn't have a 1040 category for "charitable contributions you claim you've made but you're not actually going to deduct."

And a few hours later, when the campaign released Mitt's actual tax returns, it reflected only \$2,250,772 in donations—or 16.43% of the \$13.7 million Mitt claimed as income, which works out to be a higher percentage than Obama donated in 2010, but a lower percentage than the President donated in 2011.

Gifts to Charity	16	Gifts by cash or check. If you made any gift of \$250 or more, see instructions. . . . SEE STATEMENT, § . . .	56	1,330,199		56,304
	17	Other than by cash or check. If any gift of \$250 or more, see instructions. You must attach Form 8283 if over \$500. . . .	56	920,573	STATE 5	
	18	Carryover from prior year	18			
	19	Add lines 16 through 18	56	2,250,772		
Credibly and Faith Loans	20	Credibly or faith loans. Attach Form 4886. (See instructions.)	56			

And—as Newman noted right away (and returned to after the actual returns were released) but has yet to be explained by either the campaign or

any journalists/tax analysts I've seen—Mitt's stated income dropped dramatically since his January release.

So here's the mystery: Between January and October of this year, Romney's adjusted gross income for 2011 fell by \$7.2 million. And it dropped by nearly \$8 million compared with his AGI in 2010. His federal tax liability also fell, by similar proportions.

The most likely explanation is that Romney's accountants transferred income from Romney's personal return to one of the three trusts that also generate considerable income, almost all of it from investments.

Now, I'm not sure what happened with the income—I assume we'll find an answer to that as more tax experts keep sifting through these returns. But the effect—assuming Mitt really did give \$4 million to charity last year—was to dramatically increase the percent of Mitt's income that went to charity. Far enough, in fact, to become higher than Obama's donation percentage.

But as of right now, the only information we have reflecting a higher amount of donations is the earlier unsigned release and Malt's legally non-binding statement. And Malt has been making politically convenient "blind" decisions for Mitt as recently as June 15.

And if you look at the chronology of the reporting—the colored table above—it looks like it could be a carefully manipulated effort to try to get Mitt's donations above those of Obama's; certainly, that's the line the campaign tried (and to a large degree succeeded) in spinning on Friday.

I don't mean to be an asshole. Maybe the manipulative games Mitt did happen just as he said: he didn't report deductions, presumably to bring the tax rate for his unexplained \$7.2

million lower income up over 13%, and in doing so, with the dramatically lowered income, Mitt just happened to boost his donations above the level Obama gave at. But the point is, we don't know, and we may never know, particularly if Mitt loses; we just have a series of legally non-binding declarations to that effect (interestingly, the change in donations came in the cash portion, not the portion that is presumably stocks, which might be something Bain could track).

One more piece of evidence suggests Mitt's claimed story may not be the truth, that he may not have donated as much as he claims to have. The Pricewaterhouse Coopers statement doesn't say anything about what Mitt paid or donated in 2010 and 2011; it only reflects what he did from 1990 to 2009. But it does tell us how much Mitt tends to donate. And for 20 years, Mitt has averaged 13.45%, which is just slightly less than the 13.79% he gave in 2010, and is in the vicinity of the 16.43% his official tax returns reflect, but is way off what he claims to have donated. And if he ever gave 30% before 2011, it would mean there were multiple years when Mitt didn't tithe his required 10% to his Church (to bring the 1990-2009 average up over 13%).

Mitt may well have given 30% of his income last year, as he claims: but we're just taking him on his word—about taxes!—something he has refused to be honest about. But if he did give 30%, he likely did so as part of a shell game involving lowering his stated income to try to beat Obama in donations while still keeping his tax rate above an absurd 13%.

AN AIRPLANE WINDOW

ON MITT'S THINKING

Let me start by saying I'm grateful that Ann Romney—as well as the pilot and co-pilot who were in the cockpit of Ann's chartered plane where a fire broke out Friday, forcing them to make an emergency landing—are safe. I'm sure the entire episode was frightening and I'm happy that the pilots didn't panic about the fire.

But now that she is safe—but looking ahead to six more solid weeks of chartered air travel—I'm surprised by Mitt's problem solving process. The solution to this scare, Mitt says, is to make it possible to open windows on planes.

"I appreciate the fact that she is on the ground, safe and sound. And I don't think she knows just how worried some of us were," Romney said. "When you have a fire in an aircraft, there's no place to go, exactly, there's no — and you can't find any oxygen from outside the aircraft to get in the aircraft, because the windows don't open. I don't know why they don't do that. It's a real problem. So it's very dangerous. And she was choking and rubbing her eyes. Fortunately, there was enough oxygen for the pilot and copilot to make a safe landing in Denver. But she's safe and sound."

Never mind the obvious reasons you can't have windows that open on jets, never mind the additional problems introduced if you tried to have open windows in the cockpit, where the fire and smoke—and therefore the greatest risk—broke out.

I'm more interested in what this says about Mitt's problem solving.

If it were my spouse on the plane, I'd want to know the cause of the fire—preliminarily they say electrical problems—and more importantly why it wasn't prevented. On a commercial jet, a

pilot would have to follow a pre-flight protocol to try to identify any failures; did this charter? On a commercial jet, you'd have the maintenance schedules to track whether someone overlooked an electrical problem; did this charter jet?

The charter company Mitt uses most—Air Charter Team—is a broker. It doesn't operate or staff the planes involved. They contract out to other operators. They ensure the safety of the planes they deal with by contracting with a research company to grade the teams they use.

Air Charter Team has contracted with Aviation Research Group (ARG/US) to provide our customers with comprehensive safety information on the charter operators and pilots we utilize on your behalf. The report our company receives on each air charter operator and pilot gives us the background and safety information we need to make a sensible decision on who to use for your private jet charters.

[snip]

The CHEQ report (Charter Evaluation and Qualification report) has three major components that air charter companies use: historical safety ratings, current aircraft and pilot background checks, and on-site safety audits. Analysis of these components results in four potential levels of safety rating: DNQ, Silver, Gold, and Platinum. Each level reflects analysis and ranking based on increasing amounts of detailed information on the charter operator.

If it were my spouse who had had an emergency landing on a charter my campaign was using (and presumably would use for the next six weeks), I'd want to double check this assurance. Was Ann on a Platinum graded plane? Were the reports in the plane's historical aircraft checks accurate?

That is, I'd want to know if the subcontractors my contracted service was using were fulfilling my needs. But not Mitt. This guy—a guy with a JD/MBA—thinks first of a way to minimize the damage from a fire that would be dangerous under any circumstances, rather than ensuring very obviously procedural means to try to avoid a fire were in place.

Such a method of problem solving—even a problem that affects him personally—doesn't say much about what kind of problem solving he'd do as a President.

Update: According to the pool reporter, Mitt was joking about the windows.