

March 3, 2010

This week's Newsweek magazine has this cover story; [Victory at Last - The Emergence of a Democratic Iraq](#). [Kathryn Lopez](#) starts off a few Corner post on the subject. We'll end with [Peter Wehner](#).

... In 2006, the Middle East scholar Fouad Ajami wrote a powerful and stylistically beautiful book, [The Foreigner's Gift: The Americans, the Arabs, and the Iraqis in Iraq](#). That gift, Ajami said, was the idea of consensual government. It is a gift we gave the Iraqis at the cost of many American lives and much treasure. It is a gift they appear to have received.

"Iraq seemed the most forbidding place for a campaign of reform, the hardest soil," Ajami wrote during the darkest days of the war. "Yet every now and then, that country offered glimpses of hope that Iraqis may yet pull off a decent political world that works. There were days its sectarianism seemed like an affliction that would never go away. Then there were hints that the multiplicity of its communities could yet support a politics, and a culture, of pluralism."

The Iraqis were not as enchanted with tyranny or indifferent to democracy as some critics of the war insisted.

What America has done for Iraq, which had been brutalized for so long, may not be the noblest act in our history. But it ranks quite high. The Iraq war was, in fact, a war of liberation. And the liberation appears to be working. Nothing is guaranteed; "Everything in Iraq is hard," Ambassador Crocker once said. But regardless of where one stood on the war and the surge, what we see unfolding in Iraq today is something to be grateful for, and to take pride in.

In the [NY Times](#), [Efraim Karsh](#) discusses the lack of cohesion amongst the Islamic states and the implications for US foreign policy.

...So, if the Muslim bloc is just as fractious as any other group of seemingly aligned nations, what does it mean for United States policy in the Islamic world?

For one, it should give us more impetus to take a harder line with Iran. Just as the Muslim governments couldn't muster the minimum sense of commonality for holding an all-Islamic sports tournament, so they would be unlikely to rush to Iran's aid in the event of sanctions, or even a military strike.

Beyond the customary lip service about Western imperialism and "Crusaderism," most other Muslim countries would be quietly relieved to see the extremist regime checked. It's worth noting that the two dominant Arab states, Egypt and Saudi Arabia, have been at the forefront of recent international efforts to contain Iran's nuclear ambitions. ...

In the [WSJ](#), [Bret Stephens](#) writes about how Milton Friedman, and free market ideas, helped Chile to become South America's most prosperous nation.

...In 1973, the year the proto-Chavista government of Salvador Allende was overthrown by Gen. Augusto Pinochet, Chile was an economic shambles. Inflation topped out at an annual rate of 1000%, foreign-currency reserves were totally depleted, and per capita GDP was roughly that of Peru and well below Argentina's.

What Chile did have was intellectual capital, thanks to an exchange program between its Catholic University and the economics department of the University of Chicago, then Friedman's academic home. Even before the 1973 coup, several of Chile's "Chicago Boys" had drafted a set of policy proposals which amounted to an off-the-shelf recipe for economic liberalization: sharp reductions to government spending and the money supply; privatization of state-owned companies; the elimination of obstacles to free enterprise and foreign investment, and so on.

...Pinochet ... In March 1975, he had a 45-minute meeting with Friedman and asked him to write a letter proposing some remedies. Friedman responded a month later with an eight-point proposal that largely mirrored the themes of the Chicago Boys.

...By 1990, the year he ceded power, per capita GDP had risen by 40% (in 2005 dollars) even as Peru and Argentina stagnated. Pinochet's democratic successors—all of them nominally left-of-center—only deepened the liberalization drive. Result: Chileans have become South America's richest people. They have the continent's lowest level of corruption, the lowest infant-mortality rate, and the lowest number of people living below the poverty line.

Chile also has some of the world's strictest building codes. That makes sense for a country that straddles two massive tectonic plates. But having codes is one thing, enforcing them is another. The quality and consistency of enforcement is typically correlated to the wealth of nations. ...

Bill Kristol says that Republicans did not stop Obama. Here's who did:

(1) President Obama himself. As one wag commented, Obama turned out to be quite an effective community organizer. But the community he organized was a majority of the American people in opposition to his agenda of big-government liberalism.

(2) Nancy Pelosi and Harry Reid. Republicans, facing overwhelming majorities in both houses of Congress, should thank their lucky stars to have squared off against an ideologically blinkered speaker of the House and a short-tempered, incompetent majority leader of the Senate.

(3) Conservative and independent grassroots activists. It's this simple: No Tea Parties, no defeat of Obamacare. It wasn't just the practical and political effect of the demonstrations across the nation. It was the example of people not being intimidated by elite opinion, the example of their willingness to fight what was supposed to be an inevitable new era of liberal big government, and the enterprise that self-generating and self-organizing activists showed in resisting the Obama agenda. ...

Robert Samuelson says that politicians on both sides of the aisle have delusions about the budget. We disagree with part of Samuelson's assessment regarding tax cuts, as the Reagan tax cuts fueled economic growth after the disastrous Carter years. However, Republicans have done little in recent decades to restrain government growth or reduce spending, which has contributed to the current economic crisis and increased the national debt.

...On the left, President Obama and Democrats have spent the past year arguing that, despite the government's massive deficits and overspending, they can responsibly propose even more spending. Future deficits are to be ignored (present deficits, to be sure, partially reflect the economic slump). The proposal is "responsible" because it's "paid for" through new taxes and spending cuts. Even if these financing sources were completely believable (they aren't), the logic is that the government can undertake new spending before dealing with the consequences of old spending. Of course, most households and businesses can't do this.

Politicians can, because it's all make-believe. They pretend to deal with budget deficits when they aren't. Just recently, the Democratic Congress passed a new version of the "pay-go" budget rule. Under pay-as-you-go rules, if Congress cuts taxes or increases spending beyond present policies, it must find offsets by raising taxes or cutting spending elsewhere. This seems a prudent discipline, and Obama bragged about being "responsible." What he didn't say is that this new pay-go contains huge exceptions. These include the renewal of most of the Bush tax cuts, revisions of the alternative minimum tax, higher Medicare reimbursements for doctors and overhaul of the estate tax. Over the next decade, these exceptions could be worth about \$2.5 trillion, says Marc Goldwein of the Committee for a Responsible Federal Budget. ...

[David Harsanyi](#) examines the conflict of interest in the government investigating Toyota while owning GM.

...The other majority shareholder in GM (also on your dime) is the United Auto Workers union. As Mark Tapscott of the Washington Examiner recently uncovered, 59 Democrats serving on the two congressional panels involved in the investigation of the non-unionized Toyota had received re-election campaign contributions from UAW.

Then there is the administration. Less than a year ago, Ford — a private, non-government good ol' American corporation — issued the largest single recall in its long history. A total of 4.5 million vehicles were recalled after it was learned that faulty switches were fire hazards.

At the time, the Obama administration's overmatched Transportation Secretary Ray LaHood gently prodded customers "to pay attention." When news of Toyota's problems began to emerge, before we even knew what it was all about, LaHood told Americans to "stop driving" them. (He later claimed to have misspoke.) ...

...There is, however, an unsettling conflict of interest. Whatever happened with these cars, the subsequent investigation creates suspicion about the motives of those involved. And just another of countless reasons that Washington should stay out of the car business.

In the [NY Times](#), [Ross Douthat](#) sees presidential material in Indiana Governor Mitch Daniels.

...Since then, though, he's become America's best governor. In a just world, Daniels's record would make him the Tea Party movement's favorite politician. During the fat years of the mid-2000s, while most governors went on spending sprees, he was trimming Indiana's payroll, slowing the state government's growth, and turning a \$800 million deficit into a consistent surplus. Now that times are hard, his fiscal rigor is paying off: the state's projected budget shortfall for 2011, as a percentage of the budget, is the [third-lowest](#) in the country.

But Daniels hasn't just been a Dr. No on policy. His "Healthy Indiana" plan, which offers catastrophic coverage to low-income residents, aspires to eventually cover 130,000 people, about a third of the state's long-term uninsured. He's pushed targeted investments in kindergarten programs, the police force and the child welfare office. And he's been a pragmatic free-marketeer, rather than a strict ideologue. His controversial decision to lease the Indiana toll road reaped \$3.8 billion for the state. But when an attempt to outsource welfare enrollment went awry, Daniels yanked the system back into the public sector.

...And unlike both CPAC-goers and his party's leadership, Daniels was blunt about the challenges of deficit reduction. "There's been some very healthy hell-raising going on in the country," he said of the Tea Parties. "But to my knowledge, nobody's gotten up in front of those rallies and explained what's going to have to happen." His ideal approach to the deficit would look like Paul Ryan's fiscal roadmap, all spending restraint and no new taxes. But one way or another, deficit reduction "has to be done" — even if "you have to take the second- or third-best method." ...

Nancy Pelosi's hometown paper, the [San Francisco Chronicle](#), has an article from [Sally Pipes](#) on the dismal state of the Canadian healthcare system.

...Danny Williams, the premier of the Canadian province of Newfoundland, traveled to the United States earlier this month to undergo heart valve surgery at Mount Sinai Medical Center in Miami. With his trip, Williams joined a long list of Canadians who have decided that they prefer American medicine to their own country's government-run health system when their lives are on the line. ...

...Lawmakers should take Williams' case to heart. Canada's experience shows that government health care leads to waiting lists, rationing and lower quality of care. ...

...Canadian patients also face wait times for medical procedures. Nearly 700,000 Canadians are on a waiting list for surgery or other treatments.

A Canadian patient has to wait roughly four months for the average surgical or other therapeutic treatment. Wait times were similar a decade ago - even though the government has substantially increased health care spending since then. ...

This is an [editorial from the Chicago Tribune](#) that was posted in *Pickings* last August. Chicago aldermen had been trying to prevent a Wal-Mart from opening on the south side of Chicago. This is background for the next story.

...When that Chicago store opened in 2006, it was flooded with applicants for 450 jobs. But the aldermen want to dodge a vote to allow another Wal-Mart -- the first on the South Side -- because they're petrified over the influence of organized labor on local elections.

Organized labor doesn't like Wal-Mart because Wal-Mart doesn't have union jobs. It just has jobs (with an average hourly wage of \$12.05 in Chicago).

The aldermen, of course, already have jobs. They get paid \$110,556 a year and they figure that as long as they keep the labor unions off their backs, they'll keep making \$110,556 a year. Who says the City Council doesn't generate jobs? If you're one of the 50 aldermen, your unemployment rate is 0 percent.

But the unemployment rate for the rest of Chicago is above 10 percent. ...

[Chicago Business.com](#) tells us about a coalition of South-side ministers prepared to fight the Chicago government to get Wal-Marts built in Chicago. This is not your president's community organizing. It's much better.

...The alliance of just over 200 ministers, representing more than 100,000 congregants, will first demand that Mayor Richard M. Daley grant administrative approval to begin construction of a Wal-Mart at the Chatham Market shopping center, saving that project from falling into foreclosure. The group also will pressure aldermen to approve that store and others in retail-starved neighborhoods such as Englewood and Pullman.

If, as appears likely, more Wal-Marts don't get the green light this year, the ministers say they'll mount a campaign against aldermen who oppose the big retailer's expansion. Taking a page from union groups that have held Wal-Mart back, the ministers say they will support candidates in favor of the store with political advertising and urge their congregants to vote against dissenters.

"The pressure must be applied, starting with the mayor," says the Rev. Larry Roberts of Trinity All Nations Ministries on the South Side. "The procrastination is just bringing more damage to the city and the communities."

...The pastors are betting that community sentiment in favor of Wal-Mart has grown immensely as store closings and job losses have piled up, leaving Wal-Mart the only viable hope in many poor neighborhoods.

...

The Corner

[Mission Accomplished!](#) [Kathryn Jean Lopez]

Newsweek's cover this week is a double-taker.

So is [the accompanying story](#), which includes:

"Bush's rhetoric about democracy came to sound as bitterly ironic as his pumped-up appearance on an aircraft carrier a few months earlier, in front of an enormous banner that declared MISSION ACCOMPLISHED. And yet it has to be said and it should be understood — now, almost seven hellish years later — that something that looks mighty like democracy is emerging in Iraq. And while it may not be a beacon of inspiration to the region, it most certainly is a watershed event that could come to represent a whole new era in the history of the massively undemocratic Middle East."

Independent journalist Michael Yon remembers [writing something along these lines in the summer of 2008](#). He e-mails from Afghanistan: "As per normal, MSM is lagging behind the obvious . . . You might recall that in 2008 I said the war is over, and we won. (I remember because like with all such statements, people throw stones and only later does it bear out.)"

Yon's not looking for [credit](#) there. He explains: "This isn't rocket science, Kathryn. It's just a matter of paying attention and disregarding what others think about your report, and waiting patiently for history to vindicate."

He adds: "*Newsweek* might consider renaming itself to *Historyweek*."



The Corner

[Re: Mission Accomplished](#) [Pete Wehner]

It's a long [story](#) and I'll have more to say about it tomorrow. But for now, do consider [this](#) quote: And yet it has to be said and it should be understood — now, almost seven hellish years later — that something that looks mighty like democracy is emerging in Iraq. And while it may not be a beacon of inspiration to the region, it most certainly is a watershed event that could come to represent a whole new era in the history of the massively undemocratic Middle East.

First [Joe Biden](#) declares Iraq to be one of the great successes of the Obama administration; now *Newsweek* is publishing pieces on the "rebirth" of that nation. While things can still unwind and no success can be considered final just yet, it is still quite an extraordinary moment — and a deeply heartening one. And one that didn't happen by accident.

More, later.

The Corner

[More on Newsweek's Cover Story about Iraq](#) [Pete Wehner]

Following up on my [post](#) from yesterday, I wanted to return to the *Newsweek* [cover story](#) on Iraq, which declared that "something that looks mighty like democracy is emerging in Iraq. And while it may not be a beacon of inspiration to the region, it most certainly is a watershed event that could come to represent a whole new era in the history of the massively undemocratic Middle East."

Here are some further thoughts on the story and what it tells.

1. The progress in Iraq has been truly remarkable, especially when one considers where things were at the end of 2006. Iraq was caught in a death spiral. The odds were stacked against us. And most people in Iraq and America — including almost all of the political class and virtually the entire foreign policy establishment — had given up on the possibility of success. The main question for them was the terms of our retreat and *de facto* surrender.

2. In Iraq we have seen the rebirth of a nation. The “emergence of politics” in Iraq — including the willingness of its political leadership to engage in compromise; the Iraqis’ passion for democratic processes and willingness to set aside sectarianism; a free press; and the respect and legitimacy the Iraqi military has gained among its people — is unprecedented in the Arab world. But the successes there remain fragile and can still be undone. Iraq has proven to be treacherous terrain for foreign powers.

3. With the passage of time, President Bush’s decision to champion a new counterinsurgency strategy, including sending 30,000 additional troops to Iraq when most Americans were bone-weary of the war, will be seen as one of the most impressive and important acts of political courage in our lifetime. And those who fiercely opposed the so-called surge were not only wrong in their judgment; in some instances their actions were shameful. (I have in mind those who insisted the surge was failing long after it was clear it was succeeding. For a recapitulation of the words and actions of the critics of the surge, including Barack Obama and Joe Biden, go [here](#) and [here](#)).

4. Those like Joe Klein and Tom Ricks, who claimed the Iraq war was “probably the biggest foreign policy mistake in American history” ([Klein’s words](#)) and “the biggest mistake in the history of American foreign policy” ([Ricks’s words](#)), were wrong. Ricks went so far as to say in 2009 that “I think staying in Iraq is immoral.”

Now, if we had followed the counsel of Klein and Ricks and not implemented the surge, their predictions might have been closer to the mark. (Bush’s decision was one of “adolescent petulance” and “the decision to surge was made unilaterally, without adequate respect for history or military doctrine,” Klein wrote on April 5, 2007.) As it is, if the positive trajectory of events continue and Iraq does end up reshaping the political culture of the Arab Middle East, the Iraq war will, on balance, have advanced American interests in the region.

5. What has unfolded in Iraq is not an accident or based on luck. It was the result of one of the most astonishing military turnarounds in American history. The story of how that happened, and the men who made it happen, will be studied for generations. And Gen. David Petraeus — whose views pre-2007 were not widely shared and were often resisted within the military chain of command — has already secured his place among the greatest wartime generals in American history.

6. The former American ambassador to Iraq, Ryan Crocker — another one of the heroes of this effort — said it as well as anyone has when he stated, “In the end, how we leave and what we leave behind will be more important than how we came.”

The war has taken longer and been harder than any of us ever wished. There were terrible mistakes in judgment along the way. But very late in the day those mistakes were corrected, allowing something good and hopeful to emerge in Iraq.

A nation that was broken is on the mend. A warring country is now peaceable, no longer a military threat to its neighbors or the region. A genocidal dictator is dead and gone. The Iraqi people are free. And a nation that was our enemy continues to work closely with us in rebuilding what was a shattered society.

In 2006, the Middle East scholar Fouad Ajami wrote a powerful and stylistically beautiful book, [*The Foreigner’s Gift: The Americans, the Arabs, and the Iraqis in Iraq*](#). That gift, Ajami said, was the idea of consensual government. It is a gift we gave the Iraqis at the cost of many American lives and much treasure. It is a gift they appear to have received.

“Iraq seemed the most forbidding place for a campaign of reform, the hardest soil,” Ajami wrote during the darkest days of the war. “Yet every now and then, that country offered glimpses of hope that Iraqis may yet pull off a decent political world that works. There were days its sectarianism seemed like an affliction that would never go away. Then there were hints that the multiplicity of its communities could yet support a politics, and a culture, of pluralism.”

The Iraqis were not as enchanted with tyranny or indifferent to democracy as some critics of the war insisted.

What America has done for Iraq, which had been brutalized for so long, may not be the noblest act in our history. But it ranks quite high. The Iraq war was, in fact, a war of liberation. And the liberation appears to be working. Nothing is guaranteed; “Everything in Iraq is hard,” Ambassador Crocker once said. But regardless of where one stood on the war and the surge, what we see unfolding in Iraq today is something to be grateful for, and to take pride in.

NY Times

Muslims Won't Play Together

by Efraim Karsh

London

WE may scoff at the idea that the Olympic Games have anything to do with the “endeavor to place sport at the service of humanity and thereby to promote peace,” as the Olympic charter enshrines as its ideal. But at least nations across the world were able to put aside differences for two weeks of friendly competition in Vancouver.

A mundane achievement, perhaps, but it's one that's beyond the grasp of the Islamic world. The Islamic Solidarity Games, the Olympics of the Muslim world, which were to be held in Iran in April, [have been called off by the Arab states](#) because Tehran inscribed “Persian Gulf” on the tournament's official logo and medals.

It's a small but telling controversy. It puts the lie to the idea of the Islamic world as a bloc united by religious values that are hostile to the West. It also gives clues as to how the United States and its allies should handle two of their most urgent foreign policy matters: the Iranian nuclear program and the Israeli-Palestinian conflict.

This is not the first time that Arabs have challenged the internationally accepted name of the waterway that separates Persia (or Iran, as it has been called since 1935) from the Arabian Peninsula. Pan-Arabist thought — which dominated Arab political life for most of the 20th century — insisted on the creation of a unified vast empire “from the Atlantic Ocean to the Arab Gulf,” provoking sharp confrontations with Iran since the late 1960s.

The Islamic regime in Tehran, which came to power in 1979 dismissing nationalism as an imperialist plot aimed at weakening the worldwide Muslim community (or umma), initially displayed less interest in the gulf's Persian identity than in the spread of its Islamist message. “The Iranian revolution is not exclusively that of Iran, because Islam does not belong to any particular people,” insisted Ayatollah Ruhollah Khomeini. “The struggle will continue until the calls ‘there is no god but Allah and Muhammad is the messenger of Allah’ are echoed all over the world.”

Yet like Stalin, who responded to the Nazi invasion of the Soviet Union in 1941 by urging his people to fight for the motherland rather than for the Communist ideals with which they had been indoctrinated, Khomeini reverted to nationalist rhetoric to rally his subjects after the Iraqi invasion of 1980. He also used the war to

justify a string of military and diplomatic actions against the smaller Arab states like Qatar and Kuwait aimed at asserting Iran's supremacy in the gulf.

In this history of a single body of water, one sees a perfect example of the so-called Islamic Paradox that dates from the seventh century. For although the Prophet Muhammad took great pains to underscore the equality of all believers regardless of ethnicity, categorically forbidding any fighting among the believers, his precepts have been constantly and blatantly violated.

It took a mere 24 years after the Prophet's death for the head of the universal Islamic community, the caliph Uthman, to be murdered by political rivals. This opened the floodgates to incessant infighting within the House of Islam, which has never ceased. Likewise, there has been no overarching Islamic solidarity transcending the multitude of parochial loyalties — to one's clan, tribe, village, family or nation. Thus, for example, not only do Arabs consider themselves superior to all other Muslims, but inhabitants of Hijaz, the northwestern part of the Arabian Peninsula and Islam's birthplace, regard themselves the only true Arabs, and tend to be highly disparaging of all other Arabic-speaking communities.

Nor, for that matter, has the House of Islam ever formed a unified front vis-à-vis the House of War (as Muslims call the rest of the world). Even during the Crusades, the supposed height of the "clash of civilizations," Christian and Muslim rulers freely collaborated across the religious divide, often finding themselves aligned with members of the rival religion against their co-religionists. While the legendary Saladin himself was busy eradicating the Latin Kingdom of Jerusalem, for example, he was closely aligned with the Byzantine Empire, the foremost representative of Christendom's claim to universalism.

This pattern of pragmatic cooperation reached its peak during the 19th century, when the Ottoman Empire relied on Western economic and military support to survive. (The Charge of the Light Brigade of 1854 was, at its heart, part of a French-British effort to keep the Ottomans from falling under Russian hegemony.) It has also become a central feature of 20th- and 21st-century Middle Eastern politics.

Muslim and Arab rulers have always, in their intrigues, sought the support and protection of the "infidel" powers they so vilify. President Gamal Abdel Nasser of Egypt, the champion of pan-Arabism who had built his reputation on standing up to "Western imperialism," imported more than 10,000 Soviet troops into Egypt when his "War of Attrition" against Israel in the late 1960s went sour.

Similarly, Ayatollah Khomeini bought weapons from even the "Great Satan," the United States. Saddam Hussein used Western support to survive his war against Iran in the 1980s. And Osama bin Laden and the rest of the Afghan mujahedeen accepted weapons and money from the United States, with the Islamic state of Pakistan as the middleman, in their struggle against the Soviet occupation.

Yet, since it is far easier to unite people through a common hatred than through a shared loyalty, Islamic solidarity has been repeatedly invoked as an instrument for achieving the self-interested ends of those who proclaimed it. Little wonder the covenant of Hamas insists, "When our enemies usurp some Islamic lands, jihad becomes a duty binding on all Muslims."

So, if the Muslim bloc is just as fractious as any other group of seemingly aligned nations, what does it mean for United States policy in the Islamic world?

For one, it should give us more impetus to take a harder line with Iran. Just as the Muslim governments couldn't muster the minimum sense of commonality for holding an all-Islamic sports tournament, so they would be unlikely to rush to Iran's aid in the event of sanctions, or even a military strike.

Beyond the customary lip service about Western imperialism and "Crusaderism," most other Muslim countries would be quietly relieved to see the extremist regime checked. It's worth noting that the two dominant Arab states, Egypt and Saudi Arabia, have been at the forefront of recent international efforts to contain Iran's nuclear ambitions.

As for the Palestinian-Israeli conflict, the idea that bringing peace between the two parties will bring about a flowering of cooperation in the region and take away one of Al Qaeda's primary gripes against the West totally misreads history and present-day politics. Muslim states threaten Israel's existence not so much out of concern for the Palestinians, but rather as part of a holy war to prevent the loss of a part of the House of Islam.

In these circumstances, one can only welcome the latest changes in the Obama administration's Middle Eastern policy, which combine a tougher stance on Iran's nuclear subterfuge with a less imperious approach to the Arab-Israeli conflict.

Secretary of State Hillary Clinton's two-track plan — discussion with Tehran while at the same time lining up meaningful sanctions — is fine as far as it goes. But a military strike must remain a serious option: there is no peaceful way to curb Iran's nuclear ambitions, stemming as they do from its imperialist brand of national-Islamism.

Likewise, there is no way for the Obama administration to resolve the 100-year war between Arabs and Jews unless all sides are convinced that peace is in each of their best interests. Any agreement between Israel and the Palestinians is far less important than a regional agreement in which every Islamic nation can make peace with the idea of Jewish statehood in the House of Islam.

And that, depressingly, is going to be a lot harder to pull off than even the Islamic Solidarity Games.

Efraim Karsh, the head of Middle East and Mediterranean studies at King's College London, is the author of "Islamic Imperialism: A History" and the forthcoming "Palestine Betrayed."

WSJ

How Milton Friedman Saved Chile

Milton Friedman gave Chileans the intellectual wherewithal first to survive the quake, and now to build their lives anew.

by Bret Stephens

Milton Friedman has been dead for more than three years. But his spirit was surely hovering protectively over Chile in the early morning hours of Saturday. Thanks largely to him, the country has endured a tragedy that elsewhere would have been an apocalypse.

Earthquake magnitudes are measured on a logarithmic scale. The earthquake that hit Northridge in 1994 measured 6.7 on the Richter scale. But its seismic-energy yield was only half that of the 7.0 quake that hit Haiti in January, which was the equivalent of 2,000 Hiroshima-sized bombs exploding all at once.

By contrast, Saturday's earthquake in Chile measured 8.8. That's nearly 500 times more powerful than Haiti's, or about one *million* Hiroshimas. Yet Chile's reported death toll—711 as of this writing—was a tiny fraction of the 230,000 believed to have perished in Haiti.



Chile's presidential palace survived the quake intact. Haiti's did not.

It's not by chance that Chileans were living in houses of brick—and Haitians in houses of straw—when the wolf arrived to try to blow them down. In 1973, the year the proto-Chavista government of Salvador Allende was overthrown by Gen. Augusto Pinochet, Chile was an economic shambles. Inflation topped out at an annual rate of 1000%, foreign-currency reserves were totally depleted, and per capita GDP was roughly that of Peru and well below Argentina's.

What Chile did have was intellectual capital, thanks to an exchange program between its Catholic University and the economics department of the University of Chicago, then Friedman's academic home. Even before the 1973 coup, several of Chile's "Chicago Boys" had drafted a set of policy proposals which amounted to an off-the-shelf recipe for economic liberalization: sharp reductions to government spending and the money supply; privatization of state-owned companies; the elimination of obstacles to free enterprise and foreign investment, and so on.

In left-wing mythology—notably Naomi Klein's tedious 2007 screed "The Shock Doctrine"—the Chicago Boys weren't just strange bedfellows to Pinochet's dictatorship. They were complicit in its crimes. "If the pure Chicago economic theory can be carried out in Chile only at the price of repression, should its authors feel some responsibility?" wrote New York Times columnist Anthony Lewis in October 1975. In fact, Pinochet had been mostly indifferent to the Chicago Boys' advice until the continuing economic crisis forced him to look for some policy alternatives. In March 1975, he had a 45-minute meeting with Friedman and asked him to write a letter proposing some remedies. Friedman responded a month later with an eight-point proposal that largely mirrored the themes of the Chicago Boys.

For his trouble, Friedman would spend the rest of his life being defamed as an accomplice to evil: at his Nobel Prize ceremony the following year, he was met by protests and hecklers. Friedman himself couldn't decide whether to be amused or annoyed by the obloquies; he later wryly noted that he had given communist dictatorships the same advice he gave Pinochet, without raising leftist hackles.

As for Chile, Pinochet appointed a succession of Chicago Boys to senior economic posts. By 1990, the year he ceded power, per capita GDP had risen by 40% (in 2005 dollars) even as Peru and Argentina stagnated. Pinochet's democratic successors—all of them nominally left-of-center—only deepened the liberalization drive. Result: Chileans have become South America's richest people. They have the continent's lowest level of corruption, the lowest infant-mortality rate, and the lowest number of people living below the poverty line.

Chile also has some of the world's strictest building codes. That makes sense for a country that straddles two massive tectonic plates. But having codes is one thing, enforcing them is another. The quality and consistency of enforcement is typically correlated to the wealth of nations. The poorer the country, the likelier people are to scrimp on rebar, or use poor quality concrete, or lie about compliance. In the Sichuan earthquake of 2008, thousands of children were buried under schools also built according to code.

In "The Shock Doctrine," Ms. Klein titles one of her sub-chapters "The Myth of the Chilean Miracle." In her reading, the only thing Friedman and the Chicago Boys accomplished was to "hoover wealth up to the top and shock much of the middle class out of existence." Actual Chileans of all classes—living in the aftermath of an actual shock—may take a different view of Friedman, who helped give them the wherewithal first to survive the quake, and now to build their lives anew.

Weekly Standard

Curb Your Exhilaration

Obama's down, but not out.

by William Kristol

"There is nothing more exhilarating than to be shot at without result." Republicans and conservatives have recently had reason to appreciate the truth of Winston Churchill's statement. President Obama and the Democratic Congress had a real shot at transforming American politics and public policy into European-style social democracy. When Obama spoke to Congress a year ago, on February 24, 2009, it certainly seemed he would have a chance to succeed.

Last week—one year later—he was on the defensive at his own health care "summit" thanks to the massive public hostility to his health care proposal.

What a difference a year makes.

Republicans deserve some credit. From the beginning of this Congress, GOP leaders kept their heads, staked out their positions sensibly, and held their members united in opposition to Obama's project. Meanwhile, conservative policy analysts and polemicists made the arguments against elements of that project more compellingly than might have been expected. But Republicans and conservatives don't deserve the bulk of the credit for stopping—or at least significantly slowing down—Obama before he was able to do as much damage as he intended.

Who does?

(1) *President Obama himself.* As one wag commented, Obama turned out to be quite an effective community organizer. But the community he organized was a majority of the American people in opposition to his agenda of big-government liberalism.

(2) *Nancy Pelosi and Harry Reid.* Republicans, -facing overwhelming majorities in both houses of Congress, should thank their lucky stars to have squared off against an ideologically blinkered speaker of the House and a short-tempered, incompetent majority leader of the Senate.

(3) *Conservative and independent grassroots activists.* It's this simple: No Tea Parties, no defeat of Obamacare. It wasn't just the practical and political effect of the demonstrations across the nation. It was the example of people not being intimidated by elite opinion, the example of their willingness to fight what was supposed to be an inevitable new era of liberal big government, and the enterprise that self-generating and self-organizing activists showed in resisting the Obama agenda. A year ago, Republicans were confused and conservatives dispirited. The Tea Parties did more than anyone else to change this. For all that may be problematic about some aspects of this new activism, the fact remains that the Grand Old Party owes Tea

Partiers much more than they owe Republicans—which is why the condescension of some GOP elites toward them is not only unseemly but foolish.

(4) *The American people.* The voters took control of Congress away from Republicans in 2006 and took the White House away in 2008. But despite the financial crisis, they didn't fall for the siren song of much bigger government. Despite their wish for the new president to succeed, they didn't succumb to the temptation—or to the urging of liberal elites—to give him a blank check. Rahm Emanuel's remark just after the election—you never want to let a serious crisis to go to waste—cynically assumed that the American public could be easily manipulated. Instead, Emanuel's dimstore Machiavellianism may have doomed the Obama presidency. Conservatives should learn the lesson of Emanuel's failure and reaffirm their faith in the wisdom of the American people.

So we've, at least for now, dodged the bullet. It's exhilarating. But now comes more hard work. In Virginia and New Jersey last year and in Massachusetts in January, Republicans went on the offensive. They need to stay on the offensive, overcoming their natural stolid conservatism. They need to welcome upstart candidates and unorthodox political strategies. They need to be open to new formulations of issues. In the pages of newspapers and magazines, conservatives have begun to lay out sensible and appropriately modest (as befits a congressional-year election) policy proposals that contrast with the Democrats'. This needs to be pushed ahead, steadily and relentlessly, through November 2010.

Then the big task of 2011: framing a post-financial crisis, post-Obama governing vision for the country. And then the task of 2012: finding a candidate, and winning the chance to govern. All of that lies ahead. For now, a little exhilaration is in order. But only a little.

Washington Post

[Both parties fall prey to make-believe politics](#)

by Robert J. Samuelson

There is a make-believe quality to modern American politics: People -- and this applies across the political spectrum -- say things that are stupid, misleading or unattainable and think (or pretend) that these very same things are desirable, candid and realistic. A disconnect between the language of politics and the nation's actual problems is growing. The politics of the budget offer a splendid example.

On the right, we have conservatives clamoring for tax cuts when, as a practical matter, today's massive budget deficits preclude permanent new tax cuts. With present policies and a decent economic recovery, the federal government could easily spend \$12 trillion more than it collects in taxes from 2009 to 2020, reckons the Congressional Budget Office. So before reducing taxes, the tax-cut advocates need to identify hundreds of billions of annual spending reductions -- or accept huge and hazardous annual deficits. Naturally, a comprehensive list of spending cuts is nowhere in sight.

On the left, President Obama and Democrats have spent the past year arguing that, despite the government's massive deficits and overspending, they can responsibly propose even more spending. Future deficits are to be ignored (present deficits, to be sure, partially reflect the economic slump). The proposal is "responsible" because it's "paid for" through new taxes and spending cuts. Even if these financing sources were completely believable (they aren't), the logic is that the government can undertake new spending before dealing with the consequences of old spending. Of course, most households and businesses can't do this.

Politicians can, because it's all make-believe. They pretend to deal with budget deficits when they aren't. Just recently, the Democratic Congress passed a new version of the "pay-go" budget rule. Under pay-as-you-go rules, if Congress cuts taxes or increases spending beyond present policies, it must find offsets by raising taxes or cutting spending elsewhere. This seems a prudent discipline, and Obama bragged about

being "responsible." What he didn't say is that this new pay-go contains huge exceptions. These include the renewal of most of the Bush tax cuts, revisions of the alternative minimum tax, higher Medicare reimbursements for doctors and overhaul of the estate tax. Over the next decade, these exceptions could be worth about \$2.5 trillion, says Marc Goldwein of the Committee for a Responsible Federal Budget.

Or take the [18-member presidential bipartisan budget commission](#) (10 Democrats and eight Republicans) charged with reining in the long-term deficits. If 14 members agree on a deficit-reduction package, Democratic congressional leaders have said they'd put the plan to an up-or-down vote. The obstacles to agreement are considerable. But if they're overcome -- and if Congress accepts the package -- you might reasonably conclude that, finally, we'd be suppressing chronic deficits. Not so.

The commission's official task is more modest: It's to eliminate the deficit in 2015, disregarding interest payments. This makes a big difference. By the administration's projections, the budget deficit in 2015 will total \$752 billion. Of that, interest payments represent \$571 billion. Even if the commission succeeds, the deficit would exceed half a trillion dollars. It would almost certainly grow in future years.

Governing is about making choices. By contrast, the la-la politics of both left and right evade choices and substitute for them pleasing fictional visions. Despite a theoretical argument for focusing on the non-interest deficit, it's mostly an excuse for expediency. It spares the commission from grappling with the huge growth of Social Security and Medicare -- the main causes for expanding federal spending and deficits. Similarly, the right's crusade for more tax cuts conveniently ignores the savage cuts in these programs that would be required to justify lower taxes.

The common denominator is a triumph of electioneering over governing. Every campaign is an exercise in make-believe. All the good ideas and good people lie on one side. All the "special interests," barbarians and dangerous ideas lie on the other. There's no room for the real world's messy ambiguities, discomfiting contradictions and unpopular choices. But to govern successfully, leaders must confront precisely those ambiguities, contradictions and choices.

The make-believe of campaigns increasingly shapes the process of governing. Whether this reflects cable TV and the Internet -- which reward the harsh hostility of extreme partisanship -- or the precarious balance between the two parties or something else is hard to say. But the disconnect between policy and the real world is harmful. Proposals tend to be constructed more for their public relations effects than for their capacity to solve actual problems.

The result is a paradox. This electioneering style of governing strives to bolster politicians' popularity. But it does the opposite. Because partisan rhetoric creates exaggerated expectations of what government can do, people across the ideological spectrum are routinely disillusioned. Because actual problems fester -- and people see that -- public trust of political leaders erodes.

Denver Post

[The Toyota pile-on](#)

Why Washington's investigation is already suspect

by David Harsanyi

Toyotas have minds of their own, apparently. But not to worry. The U.S. government will smite the robotic menace — and the company's profits along with it.

As one Lexus-driving victim stated at a recent congressional committee hearing, "Shame on you, Toyota, for being so greedy."

Indeed. Greed has reared its ugly head again. Shame on Toyota for consistently selling cars we want to buy. Shame on Toyota for employing thousands of Americans and building those unseemly factories. Shame on the company for perfecting the mass production of environmentally friendly hybrid vehicles.

Toyota has such an insatiable appetite for profit, it knowingly allows consumers to perish in Lexus deathtraps. One wonders why Toyota would risk its sterling reputation. Then again, it matters little now that D.C. has started dismantling it.

The Toyota horror is well on its way to transforming the Corolla into the Pinto of the 21st century. Who knows? Perhaps the worst is true about Toyota. Perhaps it is hiding something. Maybe Toyota thought it was infallible. Maybe it is evil. Right now, though you might not know it, it's all just a bunch of maybes.

There have been to this point 2,600 reported incidents of "sudden unintended acceleration" reported to Toyota — a company that used to sell 9 million cars yearly, most of them in the United States. This yet-to-be defined glitch — maybe a floor mat sticking — has reportedly caused more than 30 deaths.

What we do know is that anyone involved in a Toyota-driven accident now has a scapegoat. And, if they're smart, a lawyer.

All of a sudden, Toyotas are dangerous. Edmunds.com, which reviewed more than 200,000 complaints filed with the National Highway Traffic Safety Administration over the past decade, found that Toyota ranked fourth- best among the top 20 automakers in the overall number of complaints per vehicle sold.

General Motors came in six spots lower. Then again, GM is special — or, rather, developmentally disabled. Thus, the U.S. government has the majority stake (with funding extracted from taxpayers) in Toyota's main competitor. It also has the power to drag the CEO of its chief rival to Washington to nearly badger him into cutting off a pinky in one of those ritual atonement ceremonies.

All in good time on the finger thing. Toyota's January sales fell 16 percent and some analysts are expecting sales will be down as much as 40 percent in the coming year — which will, doubtlessly, do wonders for the economy.

The other majority shareholder in GM (also on your dime) is the United Auto Workers union. As Mark Tapscott of the Washington Examiner recently uncovered, 59 Democrats serving on the two congressional panels involved in the investigation of the non-unionized Toyota had received re-election campaign contributions from UAW.

Then there is the administration. Less than a year ago, Ford — a private, non-government good ol' American corporation — issued the largest single recall in its long history. A total of 4.5 million vehicles were recalled after it was learned that faulty switches were fire hazards.

At the time, the Obama administration's overmatched Transportation Secretary Ray LaHood gently prodded customers "to pay attention." When news of Toyota's problems began to emerge, before we even knew what it was all about, LaHood told Americans to "stop driving" them. (He later claimed to have misspoke.)

Now, it is difficult to believe that congressfolk and/or the administration are engaged in some concerted effort to prop up GM by sinking Toyota. (After all, if that was true, why would it be running the company in the first place?)

There is, however, an unsettling conflict of interest. Whatever happened with these cars, the subsequent investigation creates suspicion about the motives of those involved. And just another of countless reasons that Washington should stay out of the car business.

NY Times

A Republican Surprise

by Ross Douthat

Set a group of plugged-in conservatives to talking presidential politics, and you'll get the same complaints about the 2012 field.

Mitt Romney? He couldn't make the voters like him last time ... Sarah Palin? She'd lose 47 states ... Mike Huckabee? Better as a talk-show host ... Tim Pawlenty, Jim DeMint, Bobby Jindal, David Petraeus? Too blah, too extreme, too green, and stop dreaming ...

But murmur the name [Mitch Daniels](#), and everyone perks up a bit. Would he win? Maybe not. But he'd be the best president of any of them ...

"I've never seen a president of the United States when I look in the mirror," Daniels remarked last week, after officially inching the door ajar for 2012. You can't blame him: At 5'7", the Indiana governor wouldn't be the tallest man to occupy the White House, and he'd be the baldest president since Dwight D. Eisenhower. If Romney looks like central casting's idea of a chief executive, Daniels resembles the character actor who plays the director of the Office of Management and Budget — a title that he held, as it happens, during George W. Bush's first term.

Since then, though, he's become America's best governor. In a just world, Daniels's record would make him the Tea Party movement's favorite politician. During the fat years of the mid-2000s, while most governors went on spending sprees, he was trimming Indiana's payroll, slowing the state government's growth, and turning a \$800 million deficit into a consistent surplus. Now that times are hard, his fiscal rigor is paying off: the state's projected budget shortfall for 2011, as a percentage of the budget, is the [third-lowest](#) in the country.

But Daniels hasn't just been a Dr. No on policy. His "Healthy Indiana" plan, which offers catastrophic coverage to low-income residents, aspires to eventually cover 130,000 people, about a third of the state's long-term uninsured. He's pushed targeted investments in kindergarten programs, the police force and the child welfare office. And he's been a pragmatic free-marketeer, rather than a strict ideologue. His controversial decision to lease the Indiana toll road reaped \$3.8 billion for the state. But when an attempt to outsource welfare enrollment went awry, Daniels yanked the system back into the public sector.

If this portrait sounds suspiciously glowing, keep in mind that I saw the governor last Monday, in between the CPAC gathering of movement conservatives and the White House health care forum. In both cases, the contrast made Daniels seem particularly appealing.

Unlike the politicians who spoke at CPAC, Daniels eschewed triumphalism about conservatism's prospects. "I think a lot of Republicans are over-reading all of this," he said. "They're a little ahead of themselves, a little too giddy." What his party still needs, and doesn't have he said, are the answers to "the 'what' question — what are we about, what are our answers to the obvious problems the nation has?"

Unlike the Republicans at the health care summit, he balanced criticisms of Obamacare with candor about the problem of the uninsured. "This is a very real issue, and we were determined to have a constructive approach to it — but one that would be affordable." Healthy Indiana, he went on, is "incredibly popular with the people who are a part of it. I get tearful hugs from people who just want to tell me that it's brought them peace of mind."

And unlike both CPAC-goers and his party's leadership, Daniels was blunt about the challenges of deficit reduction. "There's been some very healthy hell-raising going on in the country," he said of the Tea Parties. "But to my knowledge, nobody's gotten up in front of those rallies and explained what's going to have to happen." His ideal approach to the deficit would look like Paul Ryan's fiscal roadmap, all spending restraint

and no new taxes. But one way or another, deficit reduction “has to be done” — even if “you have to take the second- or third-best method.”

All this honesty might evaporate on the campaign trail. And if it didn't, would Daniels have a prayer? He's admired by elites, but unknown at the grass-roots level. He's a social conservative, and his gubernatorial campaigns have played the populist card successfully — but he lacks the built-in constituencies of other candidates. And his years' carrying water for the Bush administration's budgets would doubtless be used against him in the battle for the Tea Partiers' affections.

For a Daniels candidacy to catch fire, what's left of the Republican establishment, currently (if reluctantly) coalescing around Mitt Romney, would have to decide that he's the better pick. That would mean gambling that the best way to defeat the most charismatic president of modern times is to nominate a balding, wonky Midwesterner who reminds voters of their accountant.

Stranger things have happened.

San Francisco Chronicle

[Why Canadian premier seeks health care in U.S.](#)

by Sally C. Pipes

Danny Williams, the premier of the Canadian province of Newfoundland, traveled to the United States earlier this month to undergo heart valve surgery at Mount Sinai Medical Center in Miami. With his trip, Williams joined a long list of Canadians who have decided that they prefer American medicine to their own country's government-run health system when their lives are on the line.

But just as American hospitals are becoming popular vacation destinations for about 40,000 Canadians a year, California's Senate is pressing ahead with its effort to make the state's health care system more like the one in the Great White North. The Senate recently approved a bill sponsored by Mark Leno, D-San Francisco, that would install a government-run, single-payer health system in the Golden State. The Assembly will soon consider the measure.

Lawmakers should take Williams' case to heart. Canada's experience shows that government health care leads to waiting lists, rationing and lower quality of care.

For instance, Canada suffers from a scarcity of physicians. Over the last decade, about 11 percent of doctors trained in Canadian medical schools have come to the United States to practice. Physicians' salaries are set at artificially low levels by provincial authorities: The average Canadian doctor makes just 42 percent of what an American physician does.

Canadian patients also face wait times for medical procedures. Nearly 700,000 Canadians are on a waiting list for surgery or other treatments.

A Canadian patient has to wait roughly four months for the average surgical or other therapeutic treatment. Wait times were similar a decade ago - even though the government has substantially increased health care spending since then.

Canadians also lack access to advanced medical technology. Compared to other developed countries, Canada ranks 14th out of 25 nations surveyed by the Organization for Economic Co-operation and Development in access to MRIs; 19th of 26 for CT scanners; and eighth out of 21 for mammograms.

Canadian women are nearly a quarter less likely to have had a mammogram than are American women.

Despite these visible shortcomings, many American lawmakers want to emulate Canada's system. President Obama's new blueprint for reform would greatly expand Medicaid by adding 15 million Americans to the rolls. Medicaid patients already have trouble finding doctors who will treat them because of low government reimbursements. Nearly a third of physicians nationwide won't accept new Medicaid patients, according to the Medicare Payment Advisory Commission. Expanding the program will only make matters worse.

Congress would also like to beef up government-run "comparative effectiveness research," whereby officials evaluate competing drugs to determine which ones are purportedly most effective for the average patient.

Canada employs these reviews ostensibly to make sure that public money is spent wisely. But such reviews just diminish patients' access to the latest medicines. Publicly insured Canadians have access to half as many drugs as their countrymen with private insurance - and must wait a year longer to gain access to the few new drugs that become available.

America's health care system merits reform - but not of the government-heavy sort favored by the president and congressional Democrats. Expanding government control over the health care system will diminish outcomes for American patients - as well as the occasional Canadian visitor.

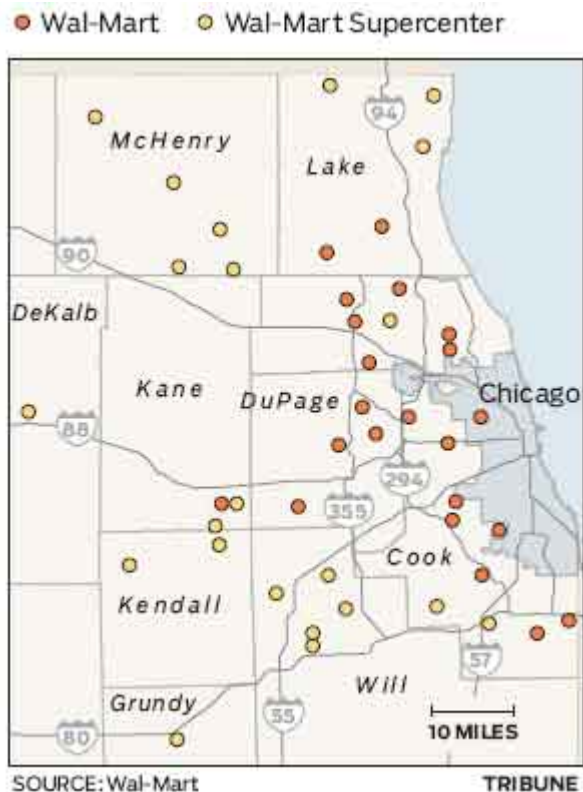
Sally C. Pipes, a former Canadian, is president and CEO of the Pacific Research Institute.

Chicago Tribune - Editorial

[The jobs map](#)

Members of the Chicago City Council, take a look at this map. What do you see?

You see 44 dots.



Every dot is a Wal-Mart in the Chicago area. Every dot is a place where people go to work and draw a paycheck. Every dot produces sales tax revenue. Every dot caters to people who want to buy shoes and socks and TVs and tires and whatever else draws them to Wal-Mart.

If we widened this map to take in all of Illinois, there would be 148 dots.

If we widened it again to take in all of the U.S., there would be 3,514 dots.

So, aldermen. How's that campaign going to protect Chicagoans from the scourge of working for Wal-Mart?

Last week, the City Council did what it does best: pass the buck. An ordinance that would open the way for a Wal-Mart Supercenter on the South Side skipped from the Rules Committee to the Finance Committee, where it is likely to settle in for a long winter's rest. Finance Committee Chairman Ed Burke (14th) and other council leaders appear to be in no hurry to let the Wal-Mart ordinance escape to a vote on the floor of the council.

Construction of the store would create 200 jobs. The store, once it was running, would provide nearly 500 jobs.

But the City Council wants none of that, so all the Chicagoans who like to shop at Wal-Mart and all the Chicagoans who would like to work at Wal-Mart have to go to one of those dots on the map. They're all in the suburbs, save the one Wal-Mart that has been allowed to open in Chicago.

When that Chicago store opened in 2006, it was flooded with applicants for 450 jobs. But the aldermen want to dodge a vote to allow another Wal-Mart -- the first on the South Side -- because they're petrified over the influence of organized labor on local elections.

Organized labor doesn't like Wal-Mart because Wal-Mart doesn't have union jobs. It just has jobs (with an average hourly wage of \$12.05 in Chicago).

The aldermen, of course, already have jobs. They get paid \$110,556 a year and they figure that as long as they keep the labor unions off their backs, they'll keep making \$110,556 a year. Who says the City Council doesn't generate jobs? If you're one of the 50 aldermen, *your* unemployment rate is 0 percent.

But the unemployment rate for the rest of Chicago is above 10 percent.

One in 10 Chicagoans is out of work.

Many of the aldermen think that if you're a constituent and you're unemployed you can just go look somewhere else. You want to get a paycheck from Wal-Mart? Go take a hike to one of those dots on the map.

Go take a hike to those clueless suburbs.

Chicago ministers group to play hardball on Wal-Mart

by Monée Fields-White



From left to right, the Revs. Thomas Barclay, Larry Roberts, Herbert Lee and Alan Ragland are part of a more than 200-member coalition looking to bring more Wal-Marts to Chicago.

A coalition of Chicago ministers is readying a campaign for more Wal-Mart stores in Chicago — and preparing another against aldermen who stand in the way.

The alliance of just over 200 ministers, representing more than 100,000 congregants, will first demand that Mayor Richard M. Daley grant administrative approval to begin construction of a Wal-Mart at the Chatham Market shopping center, saving that project from falling into foreclosure. The group also will pressure aldermen to approve that store and others in retail-starved neighborhoods such as Englewood and Pullman.

If, as appears likely, more Wal-Marts don't get the green light this year, the ministers say they'll mount a campaign against aldermen who oppose the big retailer's expansion. Taking a page from union groups that have held Wal-Mart back, the ministers say they will support candidates in favor of the store with political advertising and urge their congregants to vote against dissenters.

"The pressure must be applied, starting with the mayor," says the Rev. Larry Roberts of Trinity All Nations Ministries on the South Side. "The procrastination is just bringing more damage to the city and the communities."

Rev. Roberts is leading the coalition, which also includes prominent clergymen the Rev. Roosevelt Watkins of Bethlehem Star M.B. Church; the Rev. Simon Gordon of Tiedstone Full Gospel Baptist Church; the Rev. Alan Ragland of Third Baptist Church of Chicago; the Rev. D. Darrell Griffin of Oakdale Covenant Church; the Rev. Herbert Lee of New Progressive Missionary Baptist Church; the Rev. Thomas Barclay of Progressive Beulah Pentecostal Church, and the Rev. Walter Turner of New Spiritual Light Missionary Baptist Church.

The pastors are betting that community sentiment in favor of Wal-Mart has grown immensely as store closings and job losses have piled up, leaving Wal-Mart the only viable hope in many poor neighborhoods.

Retail insiders say the ministers could lend moral authority to the pro-expansion movement, countering labor's argument that Wal-Mart pays low wages and otherwise mistreats its employees. Of course, the prospect of mobilizing their congregations is the group's most powerful weapon.

"What aldermen respond to is votes, and what churches have is lots of congregants and lots of votes," says Neil Stern, a partner at Chicago retail consultancy McMillan Doolittle LLP.

Some of the ministers originally opposed Wal-Mart's encroachment but changed positions in the past year as the recession took its toll. "The landscape of these communities isn't the same," says Rev. Ragland, who four years ago spoke against Wal-Mart. "We don't have the luxury of saying no to Wal-Mart now."

The Bentonville, Ark.-based retailer has only one store in the city, in the Austin neighborhood on the West Side.

Since 2004, Alderman Howard Brookins (21st) has sought to put another in his ward at 83rd Street and Stewart Avenue. The project has been held up in the city's Finance Committee, chaired by Alderman Edward Burke (14th).

Mr. Burke, who didn't return calls for comment, last month stalled a vote on an amendment to the Chatham shopping center development agreement by attaching a measure that would require retailers with more than 50 employees to pay an hourly wage of at least \$11.03 to receive city subsidies. Without agreement on that, he has said, he won't take action on the Chatham store.

Unions, led by the Chicago Federation of Labor, will fight to keep Wal-Mart out. In the last aldermanic election, in 2007, labor backed several successful candidates who tipped the vote count against the big discounter.

The City Council must approve zoning changes required to build stores and has other ways to block Wal-Mart expansion, as in Mr. Burke's committee. So-called "living wage ordinances" have been aimed squarely at Wal-Mart.

To attempt to turn the council back in Wal-Mart's favor, the ministers say they will advertise, hold community rallies and find aldermanic candidates to challenge anti-Wal-Mart incumbents.

Funding for the campaign is still being ironed out. In the fight over the big-box ordinance, Wal-Mart has financed ads for various community groups. A Wal-Mart spokesman says the company isn't involved in the coalition.

"We're starting by putting wood in the fire to put more steam in the engine to move this train," Rev. Roberts says. "We're bringing out the heavy artillery."

