

The October Surprise

☒ Looks like we just got the October Surprise. The unemployment rate dropped below 8 percent. It's down to 7.8.

Normally, that number would be considered terrible news for any incumbent seeking re-election. But compared to 10, 9, or 8 percent ... anything starting with a 7 looks good by comparison, especially this close to Election Day.

So, in this cynical age in which we live, the new number raises a question: Is it real or was it rigged by Mr. Obama's henchmen to take the stench off of his debate performance? No less a giant in the world of business – and a widely respected one at that – than former GE CEO Jack Welch tweeted this:

“Unbelievable job numbers..these Chicago guys will do anything..can't debate so change numbers.”

Yes, Welch supports Mitt Romney and is no fan of Barack Obama, but still ... this isn't some right-wing screwball roaming the dark corners of the Internet. This is JACK WELCH.

So let's take a look at the numbers:

Without sinking too deep in the weeds, there are two ways to measure employment and unemployment – the Household Survey and the Establishment Survey.

Total employment as measured by the Household Survey rose by 873,000 in September, the biggest jump since June 1983. But the Establishment survey rose by only 114,000 in September.

So if you're selling old toasters and combs on eBay because you haven't been able to find a real job for the past year and a half ... you're considered employed.

That doesn't mean Jack Welch is right, that the numbers were

rigged, but it does mean unemployment is a lot worse than the 7.8 number indicates.

But don't expect too much nuance – or honesty – from President Obama's most loyal supporters ... so-called mainstream journalists. They will do PR for him and put the most favorable Obama spin on the new number. I won't be shocked if I see a headline that screams "Economy Roars, Recovery Arrives, Just in Time for the Election"

As for Team Obama, they have already embarked on their post-debate strategy. One day after the debacle in Denver, Mr. Obama's political hit man David Axelrod summoned reporters to a conference call and said Romney is a liar who will say anything to get elected. That was supposed to explain why Romney came off as the winner. It's not that Romney performed better, or that he had better arguments, or that President Obama's answer to every question was *more government*. No, Romney was a liar. That's why it looked like he did well.

Yes, it's pathetic. But reporters will be fact-checking every syllable Romney utters from here on out to confirm that he is indeed a liar. If Romney tells supporters, "I'm glad to be here with you in Ohio today," the press corps will investigate.

But I suspect we only witnessed the first October Surprise. The other one, I think, will be coming very soon. It will be a drone that hits the terrorists who killed our ambassador and three others in Libya. I'm all for drones that kill terrorists. But when Axelrod said Mitt Romney will do anything to get elected, this was a psychological slip. He was really talking about Barack Obama.

Civil War in the GOP Could Go Nuclear on Nov 7

☒ Are the polls rigged?

It's a question we're hearing a lot lately – almost always by conservative Republicans.

It's no secret that a lot of the polls weight Democrats more heavily than Republicans. In and of itself, that's not necessarily a problem – unless the over-weighting is based on faulty assumptions about voter turnout.

So when pollsters use 2008 voter turnout as their model in 2012, alarms should go off. Do the pollsters really think that Barack Obama will draw the same big numbers from young voters as he did four years ago? Or from Hispanic voters? Or even from black voters?

Not likely.

Pat Caddell, who ran the polling operation for Jimmy Carter, says not only is the polling science bad this time around, he thinks the polls really are rigged – often by the same news organizations that have been running interference for Barack Obama and are clearly rooting for him to win.

Caddell is no conservative Republican. He is a smart guy and shouldn't be written off as a partisan political hack. Anyone using 2008 as a model should know better, he says. And if they still use it, malice may very well be involved.

But let's wait to see how things turn out. If the polls wind up being right, no problem. If they wind up being way off and Mitt Romney wins, there needs to be some kind of investigation. The problem is we probably won't get it from those supposedly impartial observers in the media. Expecting

President Obama's most loyal base – journalists – to do their job, unfortunately, is asking a lot – especially if their own news organizations conducted the faulty polls.

What if Romney loses?

If that happens the civil war that has been brewing for years in the Republican Party will go nuclear.

Conservatives” on talk radio and the Fox News Channel will say we went with McCain – a moderate – four years ago and lost. Then we went with Romney – another moderate – and lost again. Now it's time for “a real conservative.”

And by that, they will mean the most conservative candidate running. After all, they'll say, Ronald Reagan was a real conservative and he won.

What these true believers don't seem to understand is that being the most conservative candidate in the field may be a recipe for losing yet again. If the most conservative candidate is a religious fanatic, for example, he or she will lose.

If the most conservative candidate divides the nation with fiery rhetoric, he or she will lose too. Pat Buchanan was the most conservative candidate in the field every time he ran, why did he lose every time?

Because even Republicans don't simply want the most conservative candidate if he's a fire-breathing right-wing ideologue who will scare more than half the country into voting for the Democrat whoever he or she is.

As for the Reagan analogy, he didn't win simply because he was a conservative. He won because he was *Ronald Reagan* – an affable campaigner who didn't frighten voters.

If Romney loses and the conservative media true believers push for the 2016 version of Pat Buchanan or Michele Bachmann, the Republican Party will be wandering in the wilderness for a long, long time.

Please Don't Shoot the Messenger

✘ We hear it over and over again from conservatives explaining why Mitt Romney will win. No president has won re-election with unemployment over 8 percent, they tell us, hoping the streak will continue this time around.

There's just one problem. It's not true.

Franklin Roosevelt won re-election with unemployment not only over 8 percent, he won with unemployment at Depression Era levels of around 20 percent!

When FDR won the presidency in 1932, the unemployment rate was a staggering 23.5 percent. A year later in 1933 it was 24.7 percent. In 1934 it was just under 22 percent. In 1935, for the first time in his presidency, unemployment dipped below 20 percent, but only to 19.97 percent. And by 1936, when he ran for re-election, 16.8 percent of Americans still couldn't find jobs.

So during FDR's first term the unemployment rate ranged from a high of nearly 25 percent to a low of about 17 percent – and he still won re-election.

Then in 1937, 14 percent of Americans were still out of work. In 1938, unemployment went back up to about 19 percent. In

1939 it was 17 percent, and in 1940, it was down to 14.45 percent.

So at no point during his first two terms had unemployment gone below that 14.45 percent, yet Roosevelt not only won re-election, he was re-elected to a *third term* – the first time that had ever happened in the entire history of the United States.

So, all this talk about how no president can win re-election with 8 percent of Americans out of work is wishful thinking at best, nonsense at worst.

FDR had a few things going for him that might be worth considering as Election Day approaches. First, he could blame it all on his Republican predecessor under whose watch the economy tanked. Second, FDR connected with ordinary Americans. In a word, they *liked* him.

Sound familiar?

Barack Obama has also said he inherited an economic mess. It's true that he didn't do anything to make things substantially better and arguably made things worse. Nonetheless, polls have shown that more Americans still blame George Bush for our economic doldrums than they blame Mr. Obama.

And even though many conservatives detest Barack Obama – as they did FDR – he scores high on likeability in the polls – and Romney doesn't.

This may explain why, in the face of a sluggish economy that might be headed for a second recession, President Obama is still leading in most of the polls. History may not exactly repeat itself, but it often rhymes, as Mark Twain once observed.

Don't shoot the messenger.

Even If He Wins, Obama Will Lose

✘ The latest Wall Street Journal poll can't be good news for Mitt Romney's chances of sending Barack Obama packing.

"With few voters still on the fence, President Barack Obama holds leads over Mitt Romney in new polls of Ohio, Florida and Virginia, three of the states likely to determine who wins the White House in November," is how the story unfolded.

"Among likely voters," the Journal story said, "Mr. Obama leads Mr. Romney by seven percentage points in Ohio and by five points in both Florida and Virginia, the polls found. The polls, conducted Sept. 9-11, carry a margin of error of plus or minus 3.1 percentage points for those voters."

Unless something changes – and yes, there are four debates between now and Election Day – things are not looking good for the Romney campaign.

But there were also some rays of hope in the poll for Romney. According to the Journal, he "edged the president among independents in both Ohio and Virginia. In all three states, Mr. Obama's job approval hovered at or below 50%. And the polls found a sharp drop from 2008 in likely first-time voters, a group that went strongly for Mr. Obama in the last election. Mr. Romney is also getting a larger share of the white vote than Sen. John McCain did in 2008."

The Romney people say the poll is only a snapshot, and one taken at right after the Democratic National Convention, a time most favorable to the president. They may be right. And with the election still more than a month away, anything is

possible.

But I'm pretty sure about this: If Barack Obama wins he will not only be saddled with high unemployment, an enormous debt, and an all-around economic mess, much of it of his own doing, but a mess of a different kind altogether.

Let me re-visit a theme I've written about before.

If he wins, President Obama will have succeeded in pitting Americans against each other – never a good thing. Once politicians divided us based on race. Mr. Obama divides us based on money. He plays the envy card and turns us against each other based on how much we have in the bank.

If he wins, he will have convinced Americans that Mitt Romney is the kind of guy who callously shuts down steel mills, fires its workers to line his pockets, and doesn't care if their wives die of cancer, supposedly for lack of medical insurance.

If he wins, he will have convinced them, too, that Mitt Romney is a tax cheat and possibly a felon.

If he wins, he will have successfully conveyed a nasty message that Republicans are racists. Remember Mr. Obama's sidekick, Joe Biden, telling a mostly African-American audience that "they're gonna put y'all back in chains."

Barack Obama is the man who won the trust of a majority of American voters four years ago not just with his promises to fix the economy. He was going to heal the divisions in America, the nasty, never-ending partisan arguments that had become poisonous.

Four years later, the unemployment rate is still high, the national debt is \$5 trillion more than when he took office, the overall economy is still a mess, and we're more polarized today than when he was elected.

The Wall Street Journal poll may indeed only be a snapshot,

but it isn't encouraging for Mitt Romney, not at the moment anyway. But it isn't encouraging for Barack Obama, either.

If he wins, the man who told us that there is no Red State or Blue State America, only a United States of America, will learn how hollow that line really was. He will be president of a deeply divided and angry nation.

No, hard line liberals would not be happy if Romney wins. We would still be divided and angry. But Mitt Romney has done nothing to tear this country apart. Decent people who didn't vote for him, I hope, would wish him well – just as many Republicans four years ago wished Mr. Obama well.

But Barack Obama has done great harm to this country. Take away the smile and he's David Axelrod, just one more politician who would do just about anything to win.

Bad News for Barack Obama?

☒ Another day another poll. This one from The Hill, the Washington paper for political junkies. It was taken on September 2, just after the GOP convention in Tampa, of 1,000 likely voters.

And the results don't look good for Barack Obama.

Fifty-two percent of likely voters say the nation is in "worse condition" now than it was in September 2008.

Only 31 percent of voters say the nation is in "better condition" today, while 15 percent say it is "about the same."

So, should the president be re-elected? A majority say no.

Fifty-four percent say President Obama doesn't deserve to be re-elected, based solely on his job performance. Only 40 percent say he does deserve a second term.

And what about the so-called centrists, independents, the voters who, especially in a close race, each candidate needs to win in November?

Fifty-six percent are unsatisfied with Mr. Obama's handling of the economy. Fifty-three percent say the country is worse off.

Fifty-two percent of voters who consider themselves centrists said President Obama does not deserve re-election based on his job performance.

It's no surprise that men (57 percent) are more likely than women (51 percent) to believe the president does not deserve re-election.

According to The Hill, "The results highlight the depth of voter dissatisfaction confronting Obama as he makes his case for a second term at this week's Democratic National Convention in Charlotte, N.C."

Despite all this, almost every poll shows the race too close to call.

So, the million dollar question: How can this be?

One possibility is that the American people still like Barack Obama, and likeability goes a long way in politics. But another possibility is that the voters may simply be lying to the pollsters.

A friend of mine, I'll call him Sigmund, wrote this to me the other day, outline three possible reasons the polls are wrong:

"1. Those polled don't want to be labeled racists [so they

tell the pollsters they're going to vote for President Obama or that they're undecided].

2. Those polled are suspicious and distrustful of any perceived, institutional or political questions of any kind.

3. Those polled who are conservative either hang up or decline because they believe their vote is their vote, and none of our business, particularly in today's toxic environment and particularly among older voters who actually will vote."

Sigmund is an analytical guy and in this case may have the wisdom of Dr. Freud. And if he does, if he's on to something, that could be good news for Mitt Romney.