

'Lucky' Voters Can Pick Romney

Exclusive: Mitt Romney's political struggles are testing the patience of the Republican presidential nominee and his wife Ann, who tells Americans that they should know how "lucky" they are that her husband is offering himself as the nation's savior. Romney's message to voters is "you're welcome," writes Robert Parry.

By Robert Parry

If Mitt Romney were Gen. George Washington after winning America's independence or even Gen. Dwight Eisenhower back from defeating the Nazis, it might go down easier when Romney and his wife treat the American electorate like peasants who should be simply saying "thank you" for the Romneys' generosity in deigning to move into the White House.

But Mitt Romney is no George Washington and no Dwight Eisenhower, two men who actually had accomplished great things before they became President. Romney even avoided military service in the Vietnam War, a conflict he says he supported but got deferments to avoid.

Romney's big accomplishment in life was running a venture capital firm, Bain Capital, that was spun off from Bain & Co. with promises from founder Bill Bain of no reputational risk for Romney if it failed. Romney then tapped into his family's powerful connections to amass a multimillion-dollar fund that went on to make lots more money, albeit with a mixed record for saving (or bankrupting) companies. [See *The Real Romney* by Michael Kranish and Scott Helman.]

One can commend Romney for his financial success and even give him credit for running the Salt Lake City Olympics and serving as a one-term governor of Massachusetts, but his achievements in life were never so spectacular that he should expect to be treated like America's savior. Any number of former U.S. Presidents including early ones who led the Revolution and later ones who commanded troops in wartime had a longer list of meaningful accomplishments than Romney.

Yet, Romney and his wife, Ann, apparently see themselves as entitled to become America's new First Couple. They seem perturbed and perplexed that their road to the White House has not been strewn with rose petals from the cheering masses. They can't figure out why this mixed-race incumbent is leading in so many polls and even Republicans are criticizing Romney's stumble-bum campaign.

The annoyance broke through Friday when Ann Romney was asked what she would say

to the GOP complainers. "Stop it," the would-be first lady snapped. "This is hard. You want to try it? Get in the ring. This is hard and, you know, it's an important thing that we're doing right now, and it's an important election."

She then added, "It is time for all Americans to realize how significant this election is and how lucky we are to have someone with Mitt's qualifications and experience and know-how to be able to have the opportunity to run this country."

Did she really say that running for President is "hard" and tell us "how lucky we are" that Mitt Romney is willing to accept the job? Well, yes, running for President is "hard" though it's generally regarded as a test for whether someone can handle the position's complex responsibilities. And seeing how bizarrely disorganized the Romney campaign has been isn't exactly reassuring.

By contrast, in 2008, the relatively inexperienced Sen. Barack Obama reassured many voters of his managerial competence by running a first-class campaign that bested the heavily favored Sen. Hillary Clinton and then defeated the widely admired Sen. John McCain. Obama's campaign was not perfect, but he showed toughness, resilience and elegance in weathering a few rough patches.

The opposite has been true of Romney, who entered Campaign 2012 with mainstream journalists gushing about him as a "turnaround artist" and a "managerial wizard." Yet, his campaign has been a disaster, matched perhaps only by his inept performance as a candidate. Stretching back into the GOP primaries, it's been one gaffe after another, one unforced error after another.

Sense of Entitlement

But always there has been this sense of entitlement. In April, after Mitt Romney had obliterated his Republican rivals with Dresden-style ad campaigns paid for by his rich backers, Ann Romney was counting the days until Obama and his family would be told to pack their carpetbags and vacate the White House.

"I believe it's Mitt's time," she declared. "I believe the country needs the kind of leadership he's going to offer. So I think it's our turn now."

Yet, along the way, there were so many annoyances, like impertinent questions from the news media asking why Mitt Romney would release only his two most recent tax returns and not live up to his father's precedent of 12 years. Mitt and Ann Romney spoke in unison that two years was all the public would get to see.

Just this past week, referring to their wealth and their aggravation with all the criticism about the presidential campaign, Ann Romney told a Fox station in Colorado that Mitt Romney "obviously doesn't need to do this for a job."

Then, late Friday afternoon, the second set of tax returns was released for 2011, showing that indeed Mitt and Ann Romney were making plenty of money off their investments, with an adjusted gross income of \$13.7 million. But the release raised more questions than it answered.

An accompanying statement by Brad Malt, the trustee for the Romney's fortune, indicated that the Romneys engineered a higher percentage for their federal taxes for 2011 by not taking \$1.75 million in eligible deductions for charitable donations.

That put their effective tax rate at 14.1 percent, about four percentage points higher than it would have been if they had applied all their deductions. The reason, according to Malt, was that the Romneys wanted "to conform to the Governor's statement in August, based upon the January estimate of income, that he paid at least 13 percent in income taxes in each of the last 10 years."

Translation: a near single-digit tax payment for a multi-millionaire would look bad, especially after the leaked videotape showing him decrying the "47 percent" of Americans who don't pay federal income taxes as irresponsible moochers who see themselves as "victims." Many of those low-income wage earners do pay around 15 percent in federal payroll taxes. (Others among Romney's "47 percent" are retirees and soldiers in combat.)

Yet, if the Romneys' actual tax rate should have been only around 10 percent in an up-year for equity investments as 2011 was what would his effective tax rate have been for 2007 and 2008 at the start of the Great Recession when the equity markets were in free-fall. Some accountants have suggested that Romney might have had zero tax liabilities in those down-years.

Romney moved to squelch such speculation by releasing a statement from the accounting firm of PricewaterhouseCoopers, which summarized Romney's tax records for 20 years, from 1990 to 2009. However, PWC's wording was curious.

The statement said, "In each year during the entire 20-year period, the Romneys owed both state and federal income taxes." [Emphasis in original.] But why did PWC use the verb "owed" instead of "paid"? Did Romney fail to pay taxes in one or more years but perhaps was later audited and told that he "owed" the Internal Revenue Service money? Or possibly did he carry over losses from a previous year erasing a later year's tax liability?

Also, the use of the 20-year time frame could be misleading in that it wasn't until 2003 that President George W. Bush pushed through the sharp reduction of capital gains taxes to 15 percent. Before that, Romney might have paid a much higher percentage in taxes on his investment income. By extending the time frame

back to 1990, rather than to, say, 2000, Romney could make his average tax liability appear higher.

Thus, PWC could write, "Over the entire 20-year period, the average annual effective federal tax rate was 20.20 percent."

In contrast to the curious PWC wording that Romney "owed" taxes in every year, his statement about his 2011 taxes reported that "the Romneys paid \$1,935,708 in taxes on \$13,696,951 in mostly investment income." The verb "paid" was used, not "owed."

But the Romneys have made clear that the public has no right to know any more about their financial history. Presumably, the voters should just be thankful that Mitt Romney has been generous enough to make himself available to be President of the United States. His only comment should be, "you're welcome."

Robert Parry broke many of the Iran-Contra stories in the 1980s for the Associated Press and Newsweek. His latest book, *Neck Deep: The Disastrous Presidency of George W. Bush*, was written with two of his sons, Sam and Nat, and can be ordered at neckdeepbook.com. His two previous books, *Secrecy & Privilege: The Rise of the Bush Dynasty from Watergate to Iraq* and *Lost History: Contras, Cocaine, the Press & 'Project Truth'* are also available there.

Obama Relents on Delisting MEK

The Obama administration is acquiescing to a high-priced lobbying campaign to "delist" the Iranian dissident movement, MEK, from the U.S. terrorism list. The move signals a readiness to intensify the confrontation with Iran, write Flynt and Hillary Mann Leverett at www.RaceForIran.com.

By Flynt Leverett and Hillary Mann Leverett

The U.S. Department of State took the moral and strategic bankruptcy of America's Iran policy to a new low, by [notifying Congress](#) that the Obama administration intends to remove the *mujahedin-e khalq* (MEK) from the State Department's list of foreign terrorist organizations (FTOs).

At a macro level, we are disdainful, even scornful, of the U.S. government's lists of both FTOs and state sponsors of terrorism. We have seen too many times over the years just how cynically American administrations have manipulated these designations, adding and removing organizations and countries for reasons

that have little or nothing to do with designees' actual involvement in terrorist activity.

So, for example, after Saddam Hussein invaded the fledgling Islamic Republic in 1980, on September 22, no less, and starting killing large numbers of innocent Iranians, the Reagan administration (which came to office in January 1981) found a way to remove Iraq from the state sponsors list, in order to remove legal restrictions prohibiting the U.S. government from helping Saddam prosecute his war of aggression as robustly as the administration wanted.

(During that war, the MEK, after having tried but failed to bring down the Islamic Republic through a bloody campaign of terrorist bombings and assassinations conducted against the new Iranian government's upper echelons, ended up collaborating with an Iraqi government regularly carrying out chemical weapons attacks against targets, civilian as well as military, inside Iran.)

But, when the same Saddam invaded Kuwait in 1990, the George H.W. Bush administration couldn't get Iraq back on the state sponsors list fast enough. We are very skeptical that Saddam's ties to groups that the United States considers terrorist organizations changed all that much during this period.

Yet, precisely because we know how thoroughly corrupt and politicized these designations really are, we recognize their significance as statements of U.S. policy. Today, the Obama administration made a truly horrible statement about U.S. policy toward Iran.

The statement is horrible even if one wants to believe that FTO designations have some kind of procedural and evidentiary integrity about them. (We don't, but we also recognize that letting go of illusions is often not easy.)

Just this year, U.S. intelligence officials told high-profile media outlets that the MEK is actively collaborating with Israeli intelligence to assassinate Iranian nuclear scientists, see [here](#); Iranian officials have made the same charge. Since when did murdering unarmed civilians (and, in some instances, members of their families as well) on public streets in the middle of a heavily populated urban area (Tehran) not meet even the U.S. government's own professed standard for terrorism?

Of course, one might rightly point out that the United States is responsible for the deaths of millions of innocent civilians across the Middle East. But Washington generally strives to maintain the fiction that it did not intend for those innocents to die as a (direct and foreseeable) consequence of U.S. military operations and sanctions policies. (You know, the United States didn't really mean for those people to die, but, as Secretary of Defense Donald

Rumsfeld once said, "Stuff happens.")

Here, the Obama administration is taking an organization that the U.S. government knows is directly involved in the murder of innocent people and giving this group Washington's "good housekeeping seal of approval."

But, to invoke Talleyrand's classic observation that a certain action was "worse than a crime, it was a mistake," delisting the MEK is not just a moral abomination; it is a huge strategic and policy blunder.

It is hard to imagine how the Obama administration could signal more clearly that, even after the President's presumptive reelection, it has no intention of seeking a fundamentally different sort of relationship with the Islamic Republic, which would of course require the United States to accept the Islamic Republic as a legitimate political entity representing legitimate national interests.

Count on this: once the MEK is formally off the FTO list, a legally defined process that will take a few months to play out, Congress will be appropriating money to support the *monafeqin* as the vanguard of a new American strategy for regime change in Iran.

In the 1990s, similar enthusiasm for Ahmad Chalabi and the Iraqi National Congress, who were about as unpopular among Iraqis as the MEK is among Iranians, led to President Bill Clinton's signing of the Iraq Liberation Act, which paved the way for George W. Bush's decision to invade Iraq in 2003.

The chances for such a scenario to play out with regard to Iran over the next few years, with even more disastrous consequences for America's strategic and moral standing, got a lot higher today.

Flynt Leverett served as a Middle East expert on George W. Bush's National Security Council staff until the Iraq War and worked previously at the State Department and at the Central Intelligence Agency. Hillary Mann Leverett was the NSC expert on Iran and from 2001 to 2003 was one of only a few U.S. diplomats authorized to negotiate with the Iranians over Afghanistan, al-Qaeda and Iraq. [This article was originally published at RaceforIran.com. For direct link, click here:

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