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DOING WELL BY DOING NO-GOOD

If it turns out to be the financial crisis that puts Barack Obama over the top in his quest for the White House, the irony will be difficult to overstate. First, the biggest driver of the financial crisis was not any conservative policy such as the kind of deregulation John McCain supports. Rather, as **Diana West** argues, the biggest driver was the "race-based social engineering" that "virtually created the sub-prime mortgage industry." The implosion of that industry, in turn, triggered the present crisis.

The operative vision, then, was leftist and racist, not free-market. As West puts it, the social engineers decided that not "enough" minorities had homes because not "enough" minorities were eligible for mortgages. The solution was to junk the bottom-line, non-racial markers of mortgage eligibility traditionally used by banks to distinguish between good and bad credit risks -- steady employment, clean credit, and a down payment. Obama, then, is the beneficiary of the terrible failure of affirmative action style policies in the mortgage banking sector.

But the irony extends further. For it turns out that intimidating banks into making bad loans to minorities was a major activity of "community organizations" during the 1990s. And according to **Stanley Kurtz**, Obama himself trained and funded ACORN activists who engaged in such intimidation.

Using a combination of intimidation and white guilt to plunge the banking industry into the crisis that brings a radical activist to power – even Saul Alinsky couldn't have drawn it up this well.

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Posted by Paul at 8:30 PM