

The Political Forum

*A review of social and political trends and events
impacting the world's financial markets*

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THEY SAID IT

“One thing is certain. In nine months, Americans will get to know John Kerry pretty well. They will hear him discuss such issues as the economy, jobs, Iraq, national defense, terrorism, the environment, gun ownership, fiscal deficits, health care, Social Security, and the decency and competence of their current president. And at some point in this process, they will slowly begin to form opinions about him on less quantifiable issues, such as character, integrity, personality, empathy, appearance, demeanor, and yes, his vision for America.

“It is at this point that John Kerry’s ratings will begin to slide. And after the election, all the talking heads and ‘political analysts’ are going to offer the same explanation for why he lost. But you, gentle reader, will not have to wait, because I am going to tell you now. He will have lost because when people came to know him they found that they didn’t particularly like him.”

From an article entitled “A Single Observation About John Kerry” in The Political Forum newsletter dated February 17, 2004.

THOUGHTS ON JOHN KERRY: MAN OF THE PEOPLE. Here’s a prediction: before all is said and done this year, likely just after the conventions this summer or, at the latest, just after Labor Day, you’ll begin to hear Democrats (that’s right, I said *Democrats*) complaining about how much money John Kerry is raising and spending. How, they will ask, are we supposed to fund competitive races for House and Senate seats when Kerry is tapping all of our best erstwhile donors, leaving nothing but scraps for us?

This won’t be the first time such complaints have been heard in presidential politics. President Reagan was charged with hurting the chances of Senate Republican hopefuls in 1984 by continuing to raise money long after he had enough to put away his challenger, the hapless Fritz Mondale. The same was said of Nixon in ’72. The difference this time around is that unlike Nixon and Reagan, who were well on their way to blowout victories and should have, according to their intra-party critics, been more willing to share the wealth, Kerry will, in my estimation, be well on his way to ignominious defeat, prompting his critics to beg that he leave them an

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opportunity to put the campaign funds to more positive use in the hopes of salvaging something from an otherwise dreadful campaign season.

Now, I know it sounds a little odd to suggest that a candidate who is raising money hand-over-fist is going to lose badly. The guy with the most money does not always win, of course, but rarely do real losers raise the kind of cash that would draw the ire of fellow party members. But this is a unique election and John Kerry is a uniquely awful national-level candidate.

Last week, the Kerry campaign announced that it raised \$54.8 million in the first quarter of this year and \$42 million in March alone. Both amounts were records, for any period, for either party, for incumbent or challenger. And while this was happening, team Bush was dealing with a very difficult, three week long, all-out Iraqi insurgency, which resulted in many American deaths, and enduring two weeks of nonstop press coverage of 9/11 testimony that was anything but flattering to the Bush White House.

Yet the polls last week showed President Bush pulling away from Kerry. Just a few weeks ago, Kerry led the President in most polls and looked like he'd give President Bush a run for his money at the very least. Today Kerry is down five points, six if you factor Ralph Nader into the race. And this is, recall, after the worst two weeks the President has had in a long, long time.

Several explanations have been offered as to why Kerry seems to be faring so poorly, despite his opponent's troubles. The first is the Senator's own explanation, which relies heavily on the idea that the President has been spending big bucks on advertising. Bush has, according to Kerry, given him his "best shot," yet the Senator is "still standing."

A second explanation for Bush's surge in the face of all his troubles is that anything that stirs concerns about national security actually favors the President, since he is considered more aggressive and competent on such matters. Columnist Charles Krauthammer stated this view last week as follows.

The answer is simple: Americans are a serious people, war is a serious business, and what John Kerry is offering is simply not serious. Americans may be unsure whether Bush has a plan for success in Iraq. But they sure as hell know that going to U.N. headquarters, visiting foreign capitals and promising lots of jaw-jaw is no plan at all.

Both are fine theories, but neither, in my opinion, captures the entirety of what is happening to John Kerry's candidacy. I believe something much more important is at work, something Mark and I noted several months ago, as highlighted above in the "They Said It" section, namely that the more the American people get to know John Kerry, the less they like him.

Now we don't usually quote ourselves in the "They Said It" section, but we think this is an important point, which, so far as we can tell, has yet to be made by any of the mainstream pundits on either side of the political spectrum. So I thought I would revisit the subject this week, touching on some of the reasons why we believe more and more Americans will find during the coming months that they simply don't like John Kerry.

For starters, outside of cultural issues, Kerry, like the party he represents, would appear to have no core beliefs; nothing that he can present to voters and say “this is me.” So far, he has defined himself exclusively in terms of what George Bush is not. Indeed, Kerry has been defining himself as “not George Bush” for so long, that he’s actually lost the ability to be embarrassed by the superficiality of such an “ideological” position, and actually embraces it. Consider, for example, what he told Tim Russert on “Meet the Press” last week:

We’re in a position now to be able to respond and introduce myself to the country. I look forward to that. I look forward to Americans getting to know who I really am. Let me give you an example. George Bush has no record to run on. He has a record to run away from. He can’t come to a city and talk about creating jobs, because he hasn’t created them. He’s lost them. He can’t come anywhere and talk about health care for all Americans, because he has no plan. He can’t come and talk about keeping the promise to our children and our schools because he broke it and he doesn’t fund it. He can’t talk about cleaner air or cleaner water because he’s going backwards on those policies.

Not only is this insistence on defining himself solely as the anti-Bush bizarre, but it also leads to contradictions that even less attentive voter can’t help but notice. Three weeks ago, for example, Kerry was bloviating about how the high price of gasoline is Bush’s fault. According to Kerry, the President has so damaged America’s standing in the world that he is unable effectively to lobby the more powerful members of the OPEC cartel, namely Saudi Arabia, to increase production. If he were President, Kerry argued, he’d be able to make those calls and exert that pressure and thereby ease the financial burden on America’s working class families.

Kerry followed up this claim by reading the press clips from Bob Woodward’s new book, and asserting that what he *really* believes is that Bush is *too* close to the Saudis and has *too much* influence on Saudi oil production. According to *The New York Times*:

Kerry quickly seized on Mr. Woodward’s assertion on Sunday that the Saudi ambassador to the United States had agreed that his country would make sure that oil prices did not get too out of hand and would lower them to boost the American economy prior to the election — a decision that would presumably help Mr. Bush politically. “That is outrageous and unacceptable to the American people,” Mr. Kerry, the presumed Democratic presidential nominee, declared during a campaign stop in Florida.

Now, I’ll concede that I’m none too comfortable with the historical Bush family ties to the House of Saud, but Kerry is downright schizophrenic here. Bush is at once both too close to the Saudis and too distant from them. Bush simultaneously has both too much influence on gas prices and not enough.

In addition to the fact that the Kerry campaign seems to have transmorphed into a cut-rate, Senatorial version of Al Franken’s radio shtick, voters also seem to be growing tired of him because of the ridiculousness of his penchant for turning every situation and question he encounters into an excuse for mentioning Vietnam.

“My hemorrhoids are killing me today Bertie.”

“Ah yes! The Boer War, I remember it as though it were yesterday. Many soldiers were bothered by hemorrhoids during the Boer War, in which, you may have heard, I participated myself, you know.”

Both Mark and I have long suggested that Kerry’s overemphasis on his Vietnam service would eventually become the subject of jokes, but Kerry appears to have beaten the jokesters to the punch line, turning his campaign premise into a virtual parody. At a fundraiser in Louisiana last week, Kerry looked out over the beautiful Mississippi and, like something out of a Monty Python skit, began reminiscing about Vietnam. According to the Associated Press:

Standing at the bow of a 25-foot power craft called “Fishing Magician” inspecting coastal erosion in southern Louisiana reminded Kerry of his days as commander of a Navy “swift” boat 35 years ago.

“I looked out at the shoreline and I commented that parts of it looked a lot like the rivers and coastline that I went through in Vietnam,” the Massachusetts senator said.

He told about 100 supporters sweltering in the heat on the banks of the Mississippi that he had spent a lot of time “in a habitat that looked a little like this” as a young Naval officer. He said the 50-foot gunboat he commanded was built “right here in Louisiana.”

On a more serious note, Kerry’s over-the-top invocation of Vietnam as a justification for his Presidency is energizing the many critics he has among his fellow Vietnam veterans, and giving them a public prominence that such individuals would not normally enjoy, given that the insights they have to offer are 35 years old.

For example, by releasing most of his military records, Kerry may have quieted the talk (noted here last week) about the nature of the injuries he received leading to his first Purple Heart. But, as a result of posting these records, he flushed into the open an old critic of his, who otherwise might have remained quite. According to the *Boston Globe*:

Vietnam combat records posted on John F. Kerry’s campaign website for the month of January 1969 as evidence of his service aboard swift boat No. 94 describe action that occurred before Kerry was skipper of that craft, according to the officer who said he commanded the boat at the time.

On the site, the Massachusetts senator is described as the skipper of Navy boat No. 94 during several actions in late January 1969. However, Edward Peck, who was the skipper of the 94 before Kerry took over, said combat reports posted by the campaign for January 1969 involve action when he was the skipper, not Kerry. Peck, who was seriously wounded in fighting that took place on Jan. 29, 1969, said he believes Kerry campaign aides made a mistake in claiming Kerry as skipper of the 94 at that time.

On the Kerry website, the report of the combat on that day on the 94 boat is posted as occurring during Kerry’s time as skipper of the boat. Peck said Kerry replaced him after the Jan. 29, 1969, event. “Those are definitely mine,” Peck said, referring to the

combat reports that the Kerry campaign posted as representing Kerry's action. "There is no doubt about it."

Potentially even more damaging is the fact that questions about Kerry's antiwar activities, which could easily have been brushed aside as "ancient history," have become semi-serious issues as a result of Kerry insistence on making his Vietnam duty the centerpiece of his campaign.

Among others, retired naval officer and Houston lawyer John O'Neill has been making the rounds on cable news talking about the terrible things Kerry said about his fellow combatants while he was making a name for himself in the early 1970s.

O'Neill, it turns out, was also a swift boat captain in Vietnam. Like Kerry he was in Coastal Division 11 and returned from Vietnam with several commendations for valor. And also like Kerry, O'Neill spoke publicly about his experiences in Vietnam, the only difference being that he did so specifically to call his fellow swift boat skipper a liar.

In 1971, O'Neill and Kerry appeared together on the Dick Cavett Show and debated Kerry's Senate testimony and the "findings" of the Winter Soldier Investigation. Recently, O'Neill told *National Review's* Alexander Rose why he felt it necessary to challenge Kerry's charges. To whit:

I felt very passionate about the issue of war crimes. I had served in Vietnam with all those kids . . . and they reflected the people in the country as a whole. And the way [Kerry and his friends] falsely used war-crime charges involved a degree of political cynicism beyond my comprehension. I was outraged. I thought honestly about my friends who had died out there. And the unit we were in — Kerry and I — had suffered substantial casualties because of the restraints we placed on ourselves . . . I always thought Kerry wouldn't be able to document evidence of war crimes . . . Of course he was there for such a short time, he might not have known what was happening.

Now, after 30-plus years in relative obscurity and after decades of fighting off GOP entreaties to share dirt on Kerry, O'Neill has re-emerged to call Kerry out. Rose summarized O'Neill's motivations thusly.

As he recuperated in an intensive-care unit after donating a kidney to his wife, Anne (now well on her way to recovery), a television story about Kerry leading the pack galvanized O'Neill. "It was *déjà vu* all over again; there was a *Lord of the Rings* quality to it, because here was the guy I had debated on the *Cavett Show* reappearing as the presidential candidate."

What O'Neill found particularly unsettling was that here was "a guy who believed everything we did in Vietnam was a crime" but who was now "campaigning on his record and claiming to be a war hero." In short, "the only reason I'm getting involved now is because he's running for commander-in-chief of the United States."

A final reason that John Kerry is probably beginning to wear on the nerves of voters is his total inability to convey to them that he is one of them, or, to put it another way, his inability to hide

the fact that he is a wealthy, condescending, pretentious New England snob. It is hardly a crime in politics to come from privilege. Indeed, if it were George W. Bush – son of President George H.W. Bush, grandson of Senator Prescott Bush – would himself be in serious trouble. But Kerry appears never to have grown comfortable with the ways of “average Americans,” and is awkward and stilted when he tries to be “normal.”

This is a man, for example, whose half-billionaire wife refuses to release her tax returns, despite the fact that all candidates in recent memory have done so. This is a man who doesn't even file a joint return with his wife because his piddling two or three hundred thousand dollars in income every year screws up the accountants. This is a man whose greatest source of income in 2003 (according to his individual return) was his share of the proceeds of the sale of a million-dollar-plus piece of artwork, which he probably didn't even buy himself.

And while there is certainly nothing outrageous or unusual about Kerry's wealth, the fact that he would, if elected, be the third richest President in American history, does tend to set him off from the rest of the nation, George Bush included. Of course, the truly problematic thing for Kerry is not the privilege, but the ways in which the privilege has affected his personality and behavior.

When the Senator was vacationing this spring, for example, he hit the slopes for a little snowboarding. When the Secret Service agent sworn to lay down his own life to protect Kerry accidentally got in the Senator's path, causing him to fall, Kerry angrily described him as a “son-of-a-bitch” to reporters, who asked him about the instance. When, at the Earth Day celebration he attended, the Senator was asked about how his professed love for the environment squares with the big gas-guzzling SUV he himself favors (Chevy Suburban: 14 mpg), Kerry simply denied that he owns an SUV, saying “the family,” not he owns it. Even as far back as Vietnam, Kerry's had a tough time dealing civilly with others. Indeed, about the only interesting thing in the medical records released by the campaign this week was the notation that he was, as *The Washington Post* put it, “occasionally demanding” with the naval doctors, citing a notation by a doctor who was treating Kerry before he went on his four month tour in Vietnam that “this is a very aggressive patient.”

Surely, we will revisit this subject again before November. There are dozens of stories about John Kerry and his fashionably potty-mouthed wife Teresa behaving in ways that are likely to lose them favor with the all-important, middle-America swing voters.

In the meantime, I would note that not only does Kerry seem to be having difficulty bonding with the great center of the American electorate, but his struggle to do so is rapidly becoming the big Kerry story in election 2004, rather than the candidate's proposed policies or vision for America. And in case you have forgotten, this is exactly what happened to Bob Dole in his race for the White House.

KERRY'S RUNNING MATE. The only position on this year's presidential ballot still unfilled is the number-two slot on the Democratic ticket. Between now and whenever John Kerry officially names his running mate, theories and rumors as to the eventual selectee will abound, and the overwhelming majority of them will be wrong.

You see, forecasting running mate choices is pretty tricky business, all the more so after the strange 2000 contest. Indeed, about the only selection in recent memory to catch the alleged experts off guard more than George W. Bush's selection of the head of VP search committee, Dick Cheney, was Pat Buchanan's decision to fill the number two slot on the Reform Party ticket with black nationalist/Marxist Lenora Fulani.

But while actually picking the right choice is difficult, eliminating the wrong ones is considerably easier. Several weeks ago, for example, I dismissed the idea that Kerry would tap his friend Republican Senator John McCain. But while McCain himself has said repeatedly that he will not be John Kerry's running mate, the rumors persist, and some pundits find it hard to take the renowned "straight-talker" at his word. It seems the idea of a war hero/war hero ticket is just too good for some folks to get past.

And this brings us to rumor *du jour*; that involving another Vietnam vet war hero, former Nebraska Senator Bob Kerrey, who has been mentioned several times by prominent pundits as a highly realistic possibility, particularly in light of his dramatic performances on the 9/11 Commission. Kerrey is smart, well spoken, and politically shrewd. And he hasn't got a prayer.

Why? Well, because by most traditional measures, Kerrey would add exceptionally little to the Kerry ticket. It is, in fact, highly unlikely that the former Governor and Senator from my beloved home state of Nebraska would even be able to convince a majority of his fellow Cornhuskers to vote for the rich liberal from Massachusetts. Nebraska is the very heart of Bush Country, always tilts overwhelmingly for the GOP in presidential contests, and was even one of the handful of states that went for the then-too-radical-for-Prime-Time Ronald Reagan in the 1976 primaries. Of course, even if Kerrey could bring Nebraska, the state's five electoral votes are hardly anything to write home about.

Beyond that, it is difficult to see what else he would bring to the campaign. Yes, he has a great biography – war hero, lost a foot in combat, Congressional Medal of Honor winner, self-made millionaire. But given Kerry's reliance on his own resume, all of that seems like overkill. Bob Kerrey is hardly a nationally well known politician and, indeed, abandoned his 1992 run for the White House very abruptly when it became clear that he had almost no national following. Former colleagues consider him aloof and cantankerous, and he has something of a reputation for doing whatever it takes to ensure that he gets his mug on TV.

So who will the choice be? Well, right now conventional wisdom offers four favorites. They are former House Minority Leader and soon-to-be-retired Congressman Dick Gephardt; soon-to-be-retired Senator John Edwards; New Mexico Governor and former Clinton Energy Secretary and Ambassador to the United Nations Bill Richardson; and Iowa Governor Tom Vilsack. These four are the only candidates thus far publicly acknowledged to have been interviewed by James Johnson, the head of Kerry's search team.

Of the four, the sentimental favorite appears to be Gephardt. And why not? He is nationally well known. He is generally well liked. He has built a tremendous amount of goodwill among Democratic Party politicians, operatives, and workers throughout the nation over his three-plus decades of national service. He scored significant points by bowing out of this year's Democratic primary contest early and gracefully. And unlike say, John Edwards, he meets the

first stipulation of running mate choices in that his personality will not eclipse the top dog, which, in this case, is not an easy task.

My pick among the four would be Richardson, who in addition to being calm, intelligent, and less gratingly left wing than either Gephardt or Edwards, is also much better known nationally than Vilsack. He is also Hispanic, which certainly couldn't hurt.

Of course, even Richardson is a fairly unexciting, conventional choice. And it may be that Kerry might decide that he has nothing to lose by picking a more unconventional running mate; not a stupid choice, like say Geraldine Ferraro, but an unconventional one, and one whose strengths will add value to the ticket.

If, for example, Kerry wanted to bolster his economic credentials, he might consider former Clinton Treasury Secretary Robert Rubin, who is generally well respected both in Democratic circles and on Wall Street. If Kerry wanted to counter the charge that he is soft on defense and too dovish, Sam Nunn would be a brilliant choice, not unlike Bush's choice of Cheney. Indeed, there are plenty of unconventional and stirring Democrats who would enjoy a run with Kerry, even if they knew it were futile. But he would, like Bush in '02, have to go outside the current crop of active Democratic politicians to find one.

Of course, that would require that Kerry possess some political courage, some farsightedness, and some imagination. And none of these appear to be traits that he bears in any great quantity. Or to put it another way, my guess is that he'll pick Gephardt.

A SPECTER IS HAUNTING PENNSYLVANIA. Tomorrow, Republican voters in Pennsylvania will go to the polls to nominate their candidate for the U.S. Senate. And in what has become the most watched and most talked about primary of the campaign season, it seems possible that challenger Pat Toomey, a conservative Congressman, will overcome exceptionally long odds and beat four-term incumbent, the moderate/liberal Republican Arlen Specter.

The latest polling data show Specter slightly ahead, but with his "re-elect" number at well below 50%, which is often considered certain death for incumbents. Toomey has been making up ground quickly, and is considered by most observers to be the candidate with momentum coming out of the final weekend. Given all this, I expect a Toomey victory tomorrow.

But even if Toomey loses, the game has been changed forever, and a strong message has been sent to GOP members of Congress who tend to vote more often than not with the opposition party. And this message comes courtesy of our old friend – and apparently Washington's newest big shot power broker – Steve Moore, whose Club for Growth has been instrumental both in publicizing Senator Specter's liberal voting record and in supporting (financially and otherwise) Congressman Toomey.

It was unthinkable to Steve and more than a handful of other stalwart Republicans that term limits on committee chairmanships could force the helm of Judiciary to be turned over to Specter, one of the GOP traitors who sold out Judge Bork, and a man who will probably be best remembered as the goofball who voted "not proven" when asked if Bill Clinton was guilty of the

crimes for which he was impeached. But unlike most people, Steve decided not to stand idly by while Specter ran virtually unopposed.

When Steve left the Cato Institute a few years back to start the Club for Growth, he promised that it would eventually be as powerful, if not more so than Emily's List, the liberal group whose fundraising strategies Steve emulated and improved upon. Win or lose tomorrow, Steve and the Club have clearly surpassed that goal. Conservatives have found a true and powerful ally, and liberal Republicans have met an exceptionally determined and skillful adversary.

Congratulations Steve, and hopefully, congratulations to you as well, Nominee Toomey. If Mark and I lived in Pennsylvania you would most certainly have our vote. Godspeed.

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