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THEY SAID IT

It is impossible that the upper class of a nation can become corrupt, frivolous, or emasculated without affecting deeply and widely the whole body of the community. Constituted as human nature is, rich men will always contribute largely to set the tone of society, to form the tastes, habits, ideals and aspirations of other classes. In this respect, as in many others, the gradual dissociation of the upper classes from many forms of public duty is likely to prove a danger to the community.

W. E. H. Lecky, *Democracy and Liberty*, 1896.

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CHICAGO, CHICAGO, THAT TODDLIN' TOWN.

Okay, here's the deal. Either we Americans got lucky and managed somehow to pick one pristine pol out of the cesspool of Illinois politics, who just happened to know several other similarly pristine pols from the same cesspool, or it is going to be a long, ugly four year war between the Obama administration and a small handful of people who still cling to the archaic notion that good character, as conventionally defined, is a *sine qua non* of good leadership.

We are not prepared right now to offer an opinion either way. We will just make two observations on the subject. The first is that if we had no doubts whatsoever on this matter, we wouldn't bring it up. Clearly Barack and Rahm Emanuel, his choice for White House Chief of Staff; Valerie Jarrett, one of his closest confidants and the co-chair of his transition committee; and David Axelrod, his senior political strategist, are all *bona fide* stars on the fetid stage of Chicago politics, which makes it possible, at least, that any one or all four, could end up in a time-consuming, highly publicized battle to protect his or her reputation in the months ahead.

Indeed, while much has been made by Barack's fans of his extraordinary rise from poverty to the highest office in the land, one could question why no one has become equally enthralled by his almost superhuman achievement of moving to the top of the dung heap of Chicago politics without getting dirty along the way.

The second thing we will say is that, for the sake of the country, we sincerely hope and pray that the president-elect and the Chicago gang he is bringing with him are pearls among swine, for the last thing this country needs at this period of extreme financial and social turmoil is for its new president, or any of his senior White House staff, to become enmeshed in a nasty, corruption scandal.

At the moment, it is anyone's guess whether ordinary Americans, or Barack, or any of his team has anything about which to worry. We will know a great deal more about the extent of the concern within the Obama camp, if any, soon after Barack takes office and decides whether to keep Patrick Fitzgerald in the job of U.S. Attorney in Chicago. During the campaign, Barack said that he would not replace Fitzgerald. A change of mind now would definitely raise warning signs.

One indication that Fitzgerald himself is aware of the possibility of being fired in order to keep him from pursuing a very high profile corruption investigation in the president-elect's political backyard may be his apparent haste to have the Illinois governor arrested before Barack's inauguration. The *Wall Street Journal* recently made the following comment on this subject: "Typically, prosecutors wait to obtain a grand-jury indictment before making such an arrest." Later, the *Washington Post* said that debate is raging within the legal community over whether Fitzgerald "moved prematurely to bring bribery and conspiracy charges before the consummation of an illegal act."

Now the issue here is not whether Barack or anyone close to him was personally involved in what appears to be a crack-brained scheme to sell a Senate seat. Given the political savvy of the Obama crowd, this seems highly unlikely, although *Chicago Tribune* political columnist John Kass has raised questions in print about whether Emanuel might have had some information about the on-going plan before it became public.

The real question here is whether Blagojevich could implicate Barack or any of his White House associates in any other illegal or unethical activities as a means of gaining some leverage during the upcoming plea-bargaining sessions.

Those who insist that Barack and his associates have no involvement whatsoever in anything seedy or illegal are fond of noting that there are several competing camps within the Chicago political establishment and that Barack has kept his distance from the dirtiest

of them, including the one with which Governor Blagojevich is most closely associated. Now this is all well and good, but it also means that Blagojevich has no legacy of loyalty to Barack that might prevent him from ratting on him if he knows anything.

Kass said last week that Blagojevich "most likely will start talking to the feds, blabbing about everyone he knows, in order to cut down his time, because what's on the federal tapes is devastating." Once the governor starts talking, Kass said, "the feds will have to slap him to shut him up."

Kass also reported last week that "Tony" Rezko, a political fundraiser for both Barack and Blagojevich, who is currently in prison on corruption charges, "is singing in his cell about Blagojevich and maybe others. He's not done with his song repertoire and the feds haven't fully checked out his information to determine how grateful to be in sentence-seeking."

Speculation on whether Rezko knows anything that would implicate Barack in any illicit deals centers, for the time being at least, around the purchase of the Obama home in the Chicago area, which was once described as follows by ABC News:

In sharp contrast to his tough talk about ethics reform in government, Sen. Barack Obama, D-Ill., approached a well-known Illinois political fixer under active federal investigation, Antoin "Tony" Rezko, for "advice" as he sought to find a way to buy a house shortly after being elected to the United States Senate.

The parcel included an adjacent lot which Obama told the *Chicago Tribune* he could not afford because "it was already a stretch to buy the house."

On the same day Obama closed on his house, Rezko's wife bought the adjacent empty lot, meeting the condition of the seller who wanted to sell both properties at the same time . . .

Obama purchased the house for \$300,000 less than its owners were asking, and Rezko simultaneously bought the adjacent lot from the same seller at full price. Obama denies there was anything unusual about the price disparity. He says the price on the house was dropped because it had been on the market for some time but that the price for the adjacent land remained high because there was another offer.

Obama called it “bone-headed” to have engaged in financial dealings with the wealthy Chicago political operative, particularly as federal agents were reported to have been investigating Rezko for alleged corruption. He has also said he was “confident that everything was handled ethically and above board.”

There are several issues to consider while watching this drama unfold. One is the danger that the Obama administration will be forced to enter a damage control mode immediately upon taking power, which would hinder its efforts to aggressively address the many pressing problems that the nation faces at the present.

A second is that the United States is almost certainly entering a period of greatly heightened corruption, which has nothing directly to do with the Obama administration, but is related to the fact that the federal government is, at the moment, embarking on a long, highly dubious attempt to buy a return to prosperity by throwing hundreds of billions of newly printed dollars at myriad systemic problems within the health care industry, the housing industry, the financial services industry, the auto industry, the congressional pork barrel industry, and many, many other enterprises.

As we have said before in these pages, money in this amount is to corruption what Miracle-Gro is to houseplants. Indeed, all over the nation, from the cities to the rural areas, crooks of all shapes and sizes are preparing for a feast, attracted to the smell of government handouts like cockroaches are to a filthy kitchen. And while this will go on regardless of the

ethical behavior of the administration in power, it will be manifestly worse if that administration itself happens to be practiced in the corruption trade, or even to have a high comfort level with it.

Finally, and perhaps most importantly, as we have argued in these pages ever since Bill and Hillary Clinton breezed into town with their entourage of shysters, sharpies, liars, crooks, and conmen, we have warned that the war over the importance of the old fashioned concept of “good character” to the efficient functioning of government is entering a critical stage, and if the battle is lost to those who believe truth and honesty and integrity are hollow concepts, then the freedom that Americans love and honor will become little more than an artifact of the nation’s past glory.

RIDICULOUSNESS AND THE REPUBLIC.

At the risk of stating the obvious, American politics is a ridiculous game; Washington, D.C. is a ridiculous town, inhabited by ridiculous men and ridiculous women; and 2008, more than any year in memory, has been a ridiculous year. Moreover, the last seven days may well constitute the most ridiculous week, not just of this most ridiculous year, but of the entire, nearly equally ridiculous decade.

For starters, there was the circus surrounding the arrest of Illinois Governor Rod Blagojevich, a man described by political sage and onetime Chicago political consultant Michael Barone as “clearly the stupidest governor in all of our 50 states, and . . . maybe the stupidest governor I’ve had occasion to write about in the four decades when I’ve been co-author of *The Almanac of American Politics*.”

The ridiculousness began on Monday, when Blago told reporters that he was so confident of the ethical content of his personal conduct that it wouldn’t bother him a bit if his phone conversations were taped. And, of course, by Tuesday morning, we learned that those conversations had indeed been taped and that Governor Einstein had been caught red-handed trying to sell President-elect Barack Obama’s Senate seat to the highest bidder.

The list of those potentially implicated in the Blago scandal was a veritable Who's Who of the usual suspects. Among others, said list included Andy Stern, head of the nation's most powerful union, the Service Employees International Union (SEIU), who did more to elect Obama than any other individual in the country, save perhaps George W. Bush. Stern was ID'd to the media by a union source as one of those who had discussions with Blago about the Senate and the going rate for a junior Senator's seat. The media carefully and rightly noted that there has been no indication from prosecutors that Stern or anyone else in the union has done anything wrong. And that only makes sense, of course, given Big Labor's long record of ethical wholesomeness.

Some press reports also implicated a man identified officially as "Candidate #5," whose real, secret identity, according to various sources, is none other than Jesse Jackson, Jr., the Congressman from Chicago and son of the Civil Rights "leader" Jesse Jackson. Apparently, Jr. felt that no Chicago scandal would be complete without the name "Jesse Jackson" involved and did his best to carry on the family legacy.

Meanwhile, the Obama team, apparently having never paid any attention whatsoever to any political scandal ever in the history of mankind, decided that although no one on the team had been implicated in any wrongdoing whatsoever, they should all, nevertheless, cover up their involvement and, moreover, do so stupidly and shoddily. First, we were told that the President-elect had talked to Blago about the seat. Then, we were asked to "hang on a minute." No, it turned out, he hadn't; the spokesman "misspoke." Then we read contemporaneous press accounts confirming such a conversation between Obama and Blagojevich. And then, "hang on a minute," those press accounts mysteriously vanished; down the memory hole they went, erased from the web sites. Then, the incoming administration insisted that Chief-of-Staff-designate Rahm Emanuel had never talked about the seat with Blago. But one more time, "hang on a minute," various sources reported that maybe he had done so, since, it turns out, there may be recordings of those conversations. Et cetera, et cetera, et cetera, as Yul Brynner put it in "The King and I."

For a political savant, surrounded by other, lesser savants, Obama and his team did not exactly cover themselves in glory last week. Say what you will about Bill Clinton, at least he had the good sense not to act guilty, especially when he wasn't, which, in his case, was rare.

And speaking of the Clintons, Hillary, the erstwhile junior Senator from New York and former "unindicted co-conspirator" in at least one of her husband's many scandals, was, last week, officially named as Secretary of State-designate to the cheers and adulation of both the mainstream press and the political establishment.

Apparently, it didn't bother anyone in the Obama administration, or in this political establishment, that the woman has zero credentials for this important job. It didn't bother them either that she is anything but diplomatic in her personal conduct and just happens to have the ethical background of a sleazy, jack-leg, small town, Arkansas lawyer. The appointment was so ridiculous and so calculating that it compelled Camille Paglia, the iconoclastic, academic, neo-feminist, lesbian author, and columnist to wonder openly whether the Clintons "have something on" Obama.

What sense does that make except within parochial Democratic politics? Awarding such a prize plum to Hillary may be a sop to her aggrieved fan base, but what exactly are her credentials for that position? Aside from being a mediocre senator (who, contrary to press reports, did very little for upstate New York), Hillary has a poor track record as both a negotiator and a manager. And of course both Clintons constantly view the world through the milky lens of their own self-interest . . . The secretary of state should be a more reserved, unflappable character – not a drama queen who, even in her acceptance speech, morphed into three different personalities in the space of five minutes.

Over in Iraq, President Bush, making his final tour of that nation as President – a sort of victory lap, if you will – was attacked by a wing-tip wielding mad man, or “reporter,” as if there’s a difference. The President handled the attack with his usual grace and aplomb, deftly dodging the projectile Buster Browns, and ensuring that the man would receive merely a harsh reprimand rather than death by thumb-hanging. Naturally, the mainstream press, playing to form, completely missed the fact that the way in which Bush ensured that the man would receive a punishment fitting his ridiculous “crime” was by deposing Saddam Hussein and, five years ago this week, hauling the former dictator out of the hidey-hole he shared with a few hundred spiders. So soon we forget, to coin a phrase.

Back home, Charlie “The Tax Man” Rangel stubbornly refused to relinquish the powerful chairmanship of the House tax-writing committee, even as his own tax “peculiarities” continued to proliferate. Rangel, who apparently is a tax cheat in multiple jurisdictions and possibly even multiple countries, adamantly insists that he’s the right man for the job of rewriting the tax code. And maybe he’s right. After all, who better to close various tax loopholes than a guy who has exploited all of them and then some?

Senator Chris Dodd and Congressman Barney Frank, the chairmen of the respective banking committees, continued, last week, to insist that Fannie and Freddie contributed nothing whatsoever to their own downfall or to the broader, nationwide, financial crisis, though the evidence to the contrary is so obvious that even the mainstream press can’t ignore it. And as for Dodd, he also insists that neither he nor Countrywide Financial had anything whatsoever to do with the mortgage meltdown, despite the fact that Countrywide’s low-income mortgage portfolio increased 600% over the period while the company was providing the good Senator with a below-market “Friend of Angelo” mortgage, even as he remained the top Democrat on the committee responsible for banking oversight.

Ridiculous you say? Well maybe, but not quite as ridiculous as the outcome last week of the bailout negotiations between the formerly Big Three automakers and the U.S. Government. These captains of industry had come to Congress twice, hat in hand, begging for help, only to be turned away each time by the “powerful” representatives of the collective will of the people. And then what happened? Need you ask? Why, the President of the United States, a self-proclaimed proponent of “conservative values,” overruled the Congress, or at least he promised to. Is anyone any longer surprised that this president’s “colleagues” at the U.S. Treasury will do whatever they wish with “their” money, regardless of what Congress says? Likewise, will anyone be surprised when the next president’s Treasury colleagues take the same liberties? So much for the ridiculous idea of “checks and balances.”

Of course, for sheer entertainment value, it is unlikely that anyone or anything could possibly top the scene that ended the week of bitter negotiation and rancorous debate in Congress over the fate of the car-bailout plan. The good guys and the bad guys stood toe to toe, *guano a guano*, as the saying goes, and it was nigh on impossible for anyone to tell which was which and even, for that matter, which was the more ridiculous. Here we had the President of the United Auto Workers union squaring off against and verbally attacking Senator David Vitter of Louisiana, who spearheaded the Republican Senate opposition to the bill. On one side, then, we had the leader of the most ruthless, authoritative, calculating union in the country; the man responsible in large part for the mess in which the automakers find themselves, given their outrageous health care and retirement benefit packages, and the union’s refusal to budge even an inch on contract renegotiation. And on the other side, we had a common “john,” if you’ll allow us the parochial use of that word; a man who has made “ethics reform” one of his principal legislative priorities, while nonetheless engaging the services of Deborah Jeane Palfrey, the infamous D.C. Madam.

Who is the “good guy” and who is the “bad guy” here? Hell if we know.

All we can say is that the whole thing is ridiculous. And getting ridiculouser.

We couldn't tell you the name of the guy, but we happened to hear a guest on Fox Business News last week say something rather profound. "We hear repeatedly," this fellow said, "that Detroit's 'business model' is broken." Then, he asked, "is not the U.S. government's business model equally broken?"

For all the blather about "hope" and "change" and "reform," it's the same old clowns doing the same old things, fleecing and embarrassing the same old rubes, who actually believe that they live in a functional and functioning democratic republic.

Is it any wonder that people are cynical? Is it any wonder that they'd vote for a guy with no experience, specifically for that reason, because he's the guy least tainted by Washington and its trade-mark ridiculousness?

Last week, conservative journalist Rod Dreher posted the following exchange on his blog:

The other day I was part of a conversation in which people were talking about the Blagojevich mess, and I overheard an elderly veteran say, "What we need in this country is a coup. Just bring the military in and straighten things out."

I asked him if he really meant that, and if he understood what he was saying.

"Hell yeah," he said. "Look at 'em." He meant Congress and Wall Street.

That's nuts, to put it mildly. But that doesn't mean that it's terribly difficult to understand how someone could come to that conclusion. With likes of Chris Dodd, Barney Frank, Rod Blagojevich, Rahm Emanuel, Bernard Maddoff, Dick Fuld, Bob Rubin, Hank Paulson, and all the rest of that ilk running

around the nation like Alice's mad hatters, it is no wonder that people are upset with the way in which this country's political and financial elites have governed, or *misgoverned*, as the case may be. The system is broken. The model is obsolete. Whatever metaphor you want to use, the point is the same. The Republic is in trouble, and no one with the power to do anything about seems much to care.

Regular readers know that we at The Political Forum place a great deal of faith in the early works of the renowned political scientist Theodore Lowi, who, in his 1960s classic, *The End of Liberalism*, described the rise of "interest group liberalism," the related rise of the rule by special interests, and the subsequent collapse of the rule of law. A great deal of what Lowi described nearly a half-century ago is behind the current crisis of governmental confidence and the cynicism and despair that voters and others are expressing.

What may be more telling in this case, though, is Lowi's follow-up book, *The End of the Republican Era*, published in 1996. In it, Lowi not only correctly predicted the collapse of the Republican coalition under the weight of various contradictions (i.e. freedom-loving classical liberalism vs. authority-driven religious conservatism), but also warned of the collapse of the Republic itself, under the weight its own various contradictions and neuroses.

Not that we (or he, for that matter) think that the country is about to descend into chaos or that the elderly veteran cited above will get his coup. But clearly this Republic is no longer capable of addressing the real problems that face it – be they demographic, economic, cultural, or military. The partisan entrenchment, the prostitution of and manipulation by the media, the incompetence of the bureaucracy, the corruption of the politicians, and the dishonesty and self-centeredness of the various special interests have all combined to make everything from killing the al Qaedaists to enforcing the nation's immigration laws politically impossible. The republican era may not yet be over, but it certainly is dysfunctional.

What can be done about it? Well, that depends on whom you ask. President-elect Obama has dozens of ideas for “reform,” most of which involve going back to the future. And even if Obama had lost, his opponent, the now all-but-forgotten John McCain was himself an accomplished “reformer” who had an agenda and a list of items that he would fix on our behalf. Everyone, it seems has ideas about how best to reform the country and make it right again.

But not we, brother. Not we.

We don’t much care for “reform.” As the term has come to be used of late, it is little more than shorthand for “making the mess different, but bigger.” In a 1995 essay on reform published in the journal *First Things*, Patrick Glynn, then a resident scholar at the American Enterprise Institute, put it very nicely and very succinctly:

Radical efforts to improve society almost always yield evils worse than those that reformers (or revolutionaries) originally set out to cure. From this follow a number of other conservative precepts, including the famous “law of unintended consequences” – i.e., that social policies inevitably produce by-products that their architects neither intend nor desire – stressing the pitfalls of even moderate social reform.

“Reform,” in other words, is a big part of the reason we’re in this mess in the first place. And the idea that more reform can straighten things out is as ridiculous as it is arrogant.

The real problem, as any schoolboy surely knows, is power. Certainly Lord Acton knew it. And if government has the power and that power is corrupting, then the obvious answer would be to take that power away from the government. Of course, this thought will come as no surprise to longtime readers. We’ve written those words – or words to that effect – more times than we can possibly count, not that anyone listened to us.

So while we continue to bemoan the power of government and to write trenchant tracts to that effect, while sitting in our respective basements in our jammies, the powers that be will continue to give us “reform,” and to promise that everything will soon be better. Don’t bet on it. After all, the reformer we just elected is himself the product of the same political machine that also produced Rod Blagojevich, just to name one, which is to say that we have a suspicion as to where his reforms are headed.

Ridiculous, we say. But then, what isn’t these days?

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