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THEY SAID IT

We have seen States of considerable duration, which for ages have remained nearly as they have begun, and could hardly be said to ebb or flow. Some appear to have spent their vigour at their commencement. Some have blazed out in their glory a little before their extinction. The meridian of some has been the most splendid. Others, and they the greatest number, have fluctuated, and experienced at different periods of their existence a great variety of fortune. At the very moment when some of them seemed plunged in unfathomable abysses of disgrace and disaster, they have suddenly emerged. They have begun a new course, and opened a new reckoning; and even in the depths of their calamity, and on the very ruins of their country, have laid the foundations of a towering and durable greatness. All this has happened without any apparent previous change in the general circumstances which had brought on their distress. The death of a man at a critical juncture, his disgust, his retreat, his disgrace, have brought innumerable calamities on a whole nation. A common soldier, a child, a girl at the door of an inn, have changed the face of fortune, and almost of Nature."

Edmund Burke, *First Letter On The Regicide Peace*, 1789.

OUR CARTOON PRESIDENT.

President Obama was going to transform the country. He promised us he would. He told us about hope and, most of all, about change. When asked during the Democratic primary debates which president he sought to emulate, Obama snubbed his Democratic predecessor – who also just so happened to be his principal opponent's spouse – and instead spoke glowingly of Ronald Reagan, who did, in fact, transform the country, semi-permanently altering its course and remaking it in his image. And this, we were told, was what we should expect from Obama.

And you know what? While we were skeptical of the claim when he made it, we are now willing to admit that something akin to transformation is in the offing. It's probably not the transformation Obama, his acolytes, and his disciples had in mind. But it will be transformation nonetheless. Let us explain.

In 1984, at the Republican National Convention, lifelong Democrat and United Nations ambassador Jeanne Kirkpatrick uttered the following immortal lines:

[The San Francisco Democrats] said that saving Grenada from terror and totalitarianism was the wrong thing to do - they didn't blame Cuba or the communists for threatening American students and murdering Grenadians - they blamed the United States instead.

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But then, somehow, they always blame America first.

When our Marines, sent to Lebanon on a multinational peacekeeping mission with the consent of the United States Congress, were murdered in their sleep, the “blame America first crowd” didn’t blame the terrorists who murdered the Marines, they blamed the United States.

But then, they always blame America first.

When the Soviet Union walked out of arms control negotiations, and refused even to discuss the issues, the San Francisco Democrats didn’t blame Soviet intransigence. They blamed the United States.

But then, they always blame America first.

When Marxist dictators shoot their way to power in Central America, the San Francisco Democrats don’t blame the guerrillas and their Soviet allies, they blame United States policies of 100 years ago.

But then, they always blame America first.

Just the other day, in Pakistan, Secretary of State Hillary Clinton tried very hard to explain that she, despite her nationality, was very different from the Americans the Pakistanis had encountered previously, that is, the Americans who may well have been the cause of the internal unrest and nascent civil war in their country. In so doing, she uttered these not-so-immortal lines, “I spent my entire eight years in the Senate opposing him [President George Bush] . . . So, to me, it’s like daylight and dark [between Bush administration and the current administration].

Note as well that relations with Russia needed the aid of a “reset button” because America had screwed things up so badly. And relations with Europe needed the warm and caring guidance of President Obama because America had screwed things up so badly. And Hugo Chavez needed to be called “mi amigo,” while Daniel Ortega needed to be coddled and indulged because America had screwed things up so badly. And the Muslim world deserved an apology and a promise of better, more caring, and more sensitive treatment in the future because American had screwed things up so badly. All of which is to say that, like the Democrats of Jeanne Kirkpatrick’s days, this crowd never sees a problem anywhere in the world that doesn’t have its roots in America’s actions or inactions, its greed and selfishness, its failures and inadequacies.

Karl Marx wrote famously that “Hegel remarks somewhere that all facts and personages of great importance in world history occur, as it were, twice. He forgot to add: the first time as tragedy, the second as farce.” If the “San Francisco Democrats” whom Ambassador Kirkpatrick berated in 1984 represented a tragedy – and they almost certainly did – then today’s Democrats, and particularly those in the Obama administration, unquestionably embody the farce. They are a joke. Or at least they would be, if they weren’t so terribly unfunny.

Interestingly, at the very same 1984 Republican National Convention where Ambassador Kirkpatrick immortalized herself, the late Ronald Reagan uttered his own immortal lines. To wit:

They call their policy the new realism, but their new realism is just the old liberalism. They will place higher and higher taxes on small businesses, on family farms, and on other working families so that government may once again grow at the people’s expense. You know, we could say they spend money like drunken sailors, but that would be unfair to drunken sailors . . .

Today, of course, the Democratic administration has passed an \$800 billion non-stimulating stimulus bill, is reportedly contemplating a second, similarly outsized stimulus package, is threatening to expand Medicaid by almost 50%, has promised physicians a more-than-\$200 billion fix for Medicare reimbursement, *separate from broader health care reform*, and (speaking of which) is currently supporting health care reform packages that range in (low-balled) estimated costs at between \$800 billion and \$1.1 trillion. The current budget deficit is a record \$1.4 trillion, nearly triple that of President Bush's last full year. The national debt has jumped to more than \$12 trillion and will jump by considerably more over the next decade, even if the overly optimistic projections bear out. All this, and *we're only ten months* into the Obama presidency.

A farce? You bet.

In 1979, the dictator Anastasio Somoza was overthrown in Nicaragua and was replaced, first on a temporary basis and then on a semi-permanent basis, by Marxist thug Daniel Ortega. President Jimmy Carter, whose defense of human rights applied only to non-Marxist governments and who lectured his fellow Americans about their "inordinate fear of Communism," actually helped facilitate Somoza's departure, but had little appetite for confronting the Cuba-connected Sandanistas.

Thirty years later, in 2009, a wannabe-dictator named Manuel Zelaya violates his country's constitution and directly challenges both his nation's supreme court and its legislature. He is, by rule of law, deposed, much to the dismay of his Marxist backers, namely Hugo Chavez of Venezuela, the aforementioned Daniel Ortega of Nicaragua (back in power after a 16-year hiatus), and the also-aforementioned Cuban Communists. This time, the American administration chooses to reverse the Carter precedent and to make the internal affairs of this Central American nation its business – choosing, though, to rush to the assistance of the would-be dictator, in tandem with the Marxist agitators.

It is difficult to imagine an administration making the ghastly Carter team look adept and prudent, but in terms of handling Latin American dictators, the Obama team has managed both. Talk about farce . . .

But so it goes on issue . . . after issue . . . after issue.

Neither of us here at The Political Forum has ever had much of an appetite for writing fiction, so neither of us can say this with any certainty. But we suspect that if either of us wrote a novel about an American administration as universally wedded to outdated and invalidated leftist clichés as the Obama administration is, any publisher in his right mind would immediately reject the manuscript as unacceptably one-dimensional and cartoonish.

You name an issue – any issue – and it's a virtual certainty that the Obama administration will attack it from the far left, certainly from farther left than any president in American history, including the hapless Carter. Honestly, you couldn't make these guys up. No one would believe it. No one would accept the idea that a 21st century American administration could be so unflinchingly committed to a failed 20th century ideology and so utterly and crudely predictable in its policy positions.

Just take a minute, if you will, and try a little thought experiment to test our theory. How would a cartoon version of unthinking leftists handle a war that they and their partisan brethren had universally declared "essential?" Well, when the time came to fight the war, they would hem and haw for as long as possible before deciding ultimately not to listen to their hand-picked generals and not to do what it would take to win. What would the members of our cartoon administration do when faced with a choice between meeting with a global human rights leader and longstanding friend of the nation and kowtowing to a murderous and ostensibly Communist regime? They'd roll over for the ChiComms, of course, and openly rebuff the Dalai Lama.

What would the cartoon characters do if an industry were failing and thereby threatening to cause massive disruptions for their allies in organized labor? Why, they'd dispense with settled bankruptcy law and intervene to save the unions' interests and nationalize the industry. And who would be the most frequent visitor to such a White House, if it were found to be doling out favors and perks for favored constituencies? Do we even need to answer this one? Or can all guess that it would be the head of the nation's most powerful labor union, Andrew Stern of the Service Employees International Union?

The true hard lefties in American politics, the folks at [moveon.org](#), the [DailyKos](#), [Code Pink](#), and the [Huffington Post](#), who think that President Obama is a centrist who has abandoned them and their causes, are unhinged. Their beefs with this administration are fantastical, owing more to their own disconnect from reality than any candid evaluation of the administration and its positions.

For if their evaluations were forthright, they would have to acknowledge that Obama et al. have done everything practicable to reverse nearly thirty years of governance in this country. In less than a year, virtually every broad policy trend enacted by Reagan, endorsed by George H.W. Bush, hardened by Clinton, and reenergized by George W. Bush has been reversed. It took four presidents nearly three decades to move the nation away from the wretched, flaccid soft leftism of Jimmy Carter. But it has taken one president less than a year to move it back. In short, the reason that it feels like 1979 all over again, is because it *is* 1979 all over again, at least in terms of government policy on any of a host of issues, ranging from foreign affairs to monetary policy to fiscal policy.

So what does all of this mean for the future of the country? Would that we knew.

In 1979, the backlash against the Carter administration was swift and powerful. Ronald Reagan was elected a year later, along with a Republican Senate. And even the entrenched liberals in the House understood that they and their creed had been dealt a serious and

powerful blow by voters. The country rejected Carter and his flaccidity, choosing to re-embrace liberty, at home and abroad, and to end the nation's slide toward European-style soft leftism.

Will it do so again?

Obviously, Republicans are hoping that it will. This weekend, for example, *National Journal's* Ronald Brownstein noted the following:

Republicans see a wave building against Big Government like the one that elected Ronald Reagan president in 1980. They point to polling results such as Gallup's recent finding that 57 percent of Americans believe that government is trying to do too much. "Democrats are really pushing the envelope on what the public is willing to accept," GOP pollster Whit Ayres insists. Republican wins in next week's [i.e. tomorrow's] New Jersey and Virginia gubernatorial races would cement that conviction within the GOP.

Others, folks like *National Review's* Jonah Goldberg, insist that the bizarre race for New York's 23rd Congressional district – which saw liberal Republican Dede Scozzafava forced out of the race by Conservative Party candidate Doug Hoffman – proves that independents are willing to accept conservative alternatives to Obamism and to embrace candidates who profess sufficient dedication to conservative principles, as opposed to the political expediency that has been the GOP's hallmark of late.

Maybe Goldberg's right. We certainly hope he is. And maybe Whit Ayres is too. Maybe the wave of conservatism is building again and will, once again, rescue the nation in its time of need.

But you'll forgive us if we're skeptical.

What the optimists appear to forget is that the first Reaganite wave required a little something called "Reagan." Yes, folks like Jack Kemp and William

Roth were at the leading edge of the conservative intellectual and policy revolution. But without Reagan to lead that revolution, it's doubtful it would have made it very far. Reagan, obviously, was the indispensable component of the Reagan Revolution.

In reference to the quote we use in today's "They Said It" section, Russell Kirk notes that, "Burke refers to the reverses of Pericles, of Coriolanus, of the elder Pitt, of the Constable of Bourbon. His common soldier is Arnold of Winkelried, who flung himself upon the Austrian spears at Sempach; his child is Hannibal, taking at the age of twelve his oath to make undying war upon Rome; his girl at the door of an inn is Joan of Arc. Chance, providence, or mere individual strong wills, Burke declares, abruptly may alter the whole apparent direction of a nation or a civilization." Reagan was the actor cum politician willing to take on the establishment and to remake the nation. And as far as we can tell, his "individual strong will" has engendered no descendants.

We will concede Kirk's broader point that anyone "resolute enough and sufficiently imaginative, may alter the present course of events," but we suspect that you will understand if we have little faith in either the resolution or the imagination of those who will be tasked with leading the revolution against the leftist malaise this time, the current leaders of the Republican party and its presidential hopefuls.

In a rare moment of insight, last week the formerly great and currently confused Peggy Noonan declared that:

We are governed at all levels by America's luckiest children, sons and daughters of the abundance, and they call themselves optimists but they're not optimists—they're unimaginative. They don't have faith, they've just never been foreclosed on. They are stupid and they are callous, and they don't mind it when people become disheartened. They don't even notice.

She's right, of course (though she is apparently completely blind to her own responsibility for promoting these children – of both parties at various times over the last several years). The nation's alleged "leaders" leave much to be desired. Those in power adhere cartoonishly to a dead and destructive ideology. And those who would challenge that power are too self-absorbed, too intellectually deficient, too politically weak to do much about it.

In our companion piece today, we borrow the argument that the country and its economy will be just fine, over the long haul, if government doesn't intervene to screw things up. Pardon us for the pessimism, but frankly, that's asking an awful lot.

As we noted above, in many ways, it's 1979 all over again. We're just not so sure that this time around 1980 and 1981 will follow.

ARISE YOU PRISONERS OF STARVATION.

A few weeks ago, Democratic political consultant James Carville's organization, the Democracy Corps, published a study which concluded that anyone who believes that Barack Obama is "deliberately and ruthlessly advancing a 'secret agenda' to bankrupt our country and dramatically expand government control over all aspects of our daily lives" is so far outside the mainstream of American political thought that he or she might be regarded as a kook, if not a lunatic.

Needless to say, we took notice of this charge, having expressed several versions of that thought numerous times in these pages. Indeed, in one issue published last April we offered readers a choice between the following two alternatives. First, we suggested that Barack may be best described as a strange sort of evil genius who is driven by his oft-evidenced resentment and antagonism toward American society to pursue some grand, elaborate plan to destroy the traditional foundations upon which it stands in order to rebuilt it based on a socialist blueprint. Our alternative view was that he is not intellectually up to the task of being president of the world's last remaining superpower; that his knowledge of history, economics, sociology,

political philosophy, and even human nature is so limited, his association with the denizens of the radical left so long-lived, and his disdain for American exceptionalism so deeply-seated that he is incapable of seeing the world as it is.

However, we have always subscribed to the advice that Oliver Cromwell gave to the members of the General Assembly of the Church of Scotland in 1650 when he beseeched them, “in the bowels of Christ” (an expression he borrowed from Philippians 1:8) to “think it possible that you may be mistaken.” So, we spent some time thinking about whether it is possible that we have been mistaken; that Barack is really a swell guy, possibly even a genius, who is able, due to his unique background, his superb education, and his awesome courage, determination, and keen insight, to shed the chains of conventional wisdom and develop a new and unique approach to government; that he is not only capable of doing, but actually will do a far, far better job of governing the United States than has ever been done, and take this great nation to a far, far better place than it has ever known.

But, upon consideration, we doubt it. And, if that means that we are kooks, or worse yet, lunatics, we are at least comforted by the knowledge that enough people apparently agree with us to prompt The Democracy Corps to publish a study concluding that our views are meaningless. Go figure.

In any case, our advice to Carville and his colleagues is that they give some thought to whether they may be mistaken, if for no other reason than the fact that the stakes involved in determining what Barack is capable of doing and why he would want to do it are extremely high. Extremely high, you say? Well yes. Here’s what our old friend and colleague from the Prudential Securities days, Greg Smith, had to say about that in this week’s edition of his newsletter “From the Sidelines.”

I believe that the economy is ready to resume sustainable growth. In fact, many economies around the world are in this position. Indeed, some have resumed growing. The major

difference this time around is the very real possibility that government policies will counteract the natural restarting of economic activity that is in place. Liquidity has returned to many companies. Of course, this happens first within the highest grade companies and slowly filters down. As such, it has yet to reach the many small firms that depend on bank and finance companies for their credit. But there is nothing unusual about that, at least in very serious recessions.

But lo and behold, at the very moment that we get some evidence that the natural process of recovery is beginning, the folks in Washington announce that the solution to the health care crisis includes an income surtax that will push the top income tax rate in 39 states to over 50%. This means that we now have reason to worry that economic recovery could be at risk in 2011.

Of course, people will see this coming and will start to anticipate it by spending less next year. In fact, they could begin to hold back even now in response to the uncertainty. The scary part is that health care and energy policy is being driven by a major shift in government ideology, which indicates that the administration doesn’t care if their actions retard or perhaps even prevent the economy from improving. What makes this all the more interesting for investors is the fact that a failure of these proposals to become law could unleash not only an economic recovery, but a surprisingly good one.

In other words, if Greg is right – and he usually is – the stakes are about as high as they can get, most especially for investors. With this mind, we would like to say that we agree wholeheartedly with Greg’s observation that ideology is the driving force behind Barack’s health care and energy initiatives, which means, as Greg also says, that assertions of dire economic consequences from his actions in these and other arenas are not going to carry a great deal of weight with him.

In fact, more than any other president in history, we believe that Barack is less concerned about the consequences of his actions on the near-term economy and on his standing in the polls and more concerned about his long-term impact on the nature of the Republic. To put this in another way, if ever an American president believed, with Lenin, that you have to break a few eggs to make an omelet, it is Barack Obama.

Of course, his abysmal lack of both understanding and concern about the economic consequences of his crusade to bring the joys of socialism to America will eventually come back to bite him in the backside. The problem is that it will bite the whole damn country and most of the rest of the world in the same place.

In the meantime, we can all find solace in lamenting the fate of the Silesian weavers, and find joy in singing The International.

Arise, you prisoners of starvation!
Arise, you wretched of the earth!
For justice thunders condemnation:
A better world's in birth!
No more tradition's chains shall bind us,
Arise you slaves, no more in thrall!
The earth shall rise on new foundations:
We have been nought, we shall be all!
'Tis the final conflict,
Let each stand in his place.
The international soviet
Shall be the human race
'Tis the final conflict,
Let each stand in his place.
The international working class
Shall be the human race

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