

# The Political Forum

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

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## **A REPRINT FROM A PIECE PUBLISHED AUGUST 11, 1999**

### **SALMAGUNDI: HILLARY, A VICTIM?; ANTITRUST BLACKMAIL; AND CAMPAIGN FINANCE REFORM.**

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Judging by the coverage it received, there is no question that the political story of the week (month?, summer?, year?, Clinton presidency?, millennium?) was First Lady Hillary Rodham Clinton's interview with *Talk*, the irrepressible Tina Brown's new trade rag for New York's cultural demimonde.

This story, in which Mrs. Clinton discussed Bill's chronic womanizing, absolutely dominated the radio and TV talk show scene last week and was the subject of at least one op-ed piece by virtually every political writer in the nation. Frankly, we didn't find it all that interesting. In fact, we suspected that there was more than a little bit of plagiarism involved, which kind of took the newness off it.

Plagiarism? Yes. You see, we assume that Mrs. Clinton, as a prominent leftist, has read her share of Marx, and in doing so, we assume she has come upon the letter written to the illegitimate son of Marx and his housekeeper Lenchen by Marx's fiery, black-eyed, brilliant, talented, vivacious, politically active, ultimately tragic, youngest daughter, Eleanor, whose nickname was Tussy.

In it, Tussy discusses the philandering of her own husband, a notorious London rake, Dr. Edward Aveling, in terms strikingly similar to Mrs. Clinton's discussion of Bill's wayward ways.

I realize more and more that wrong behavior is simply a moral sickness . . . There are people who lack a certain moral sense just as others are deaf or short-sighted or are in other ways afflicted. And I begin to realize the fact that one is as little justified in blaming them for the one sort of disorder as the other. We must strive to cure them, and if no cure is possible, we must do our best.

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That aside, the interesting thing to us last week was the large number of liberals who viciously attacked the First Lady for her comments. That the *New York Times'* Maureen Dowd let Hillary have it with both barrels was no surprise.

In a political climate that cherishes dissension, there is such rare unanimity of revulsion at Mrs. Clinton's interview that she is now trying to slink away from it. Everyone is fed up with the creepy dynamics of this warped marriage. We have lost all hope of getting any shred of authenticity from either Bill or Hillary . . . unless it is the authenticity of the deluded.

But we must say that we didn't expect the *Washington Post's* two most liberal columnists, Mary McGrory and Richard Cohen, to join in the witch burning. McGrory, whose liberal credentials are so old that she is said to have once made eyes at Eugene McCarthy, began by calling Mrs. Clinton's interview "scandalously stupid." Then she really warmed up:

Looking down the road, you can picture the first lady's campaign turning into a Dr. Hillary traveling show of open-ended advice to the lovelorn, like those tacky late-night TV panels where people tell about how far they went on their first date. You can almost hear the earnest matron from Elmira: Mrs. Clinton, my husband is carrying on with his bookkeeper. When I tell him to stop, he says he was humiliated in the third grade by an arithmetic teacher and this woman has brought him closure. Should I forgive him?

And the ultra-ultra-liberal Cohen, described once by Florence King as the *Post's* resident "oh my!", lashed out with that special cattiness that only a man who is used to attending tea parties with the ladies of the garden club could muster.

Besides being unnecessary, it is so dopey in places we can only conclude that her husband strayed partially because he craved intellectual companionship. Hillary may test well--and she gives a great speech--but in matters of common sense she is a bit of a ditz. Monica, at least, knew the score.

What can we make of a woman who talks the language of afternoon television--an amalgam of psychobabble and fortune cookie wisdom, with a dollop of religion here and there . . . But no. We have to understand that Clinton "is a very good man" who has--how shall we put it?--this "weakness." It is something like a birth defect, a grandma-inflicted psychosis that left him panting for almost any woman with a pulse.

Once again, we find ourselves disagreeing from the liberal line. In fact, we find it ironic that these people, who invented the post-modern category of "victim," should fail to recognize a real victim when they see one.

If Mrs. Clinton isn't a classic example of a pathetic, psychologically scarred spouse, constantly making a fool of herself by offering lame excuses for her husband's outrageous behavior and imploring people to ratify her dubious reasons for believing that "it's okay," we don't know who is. Mrs. Clinton may be a victim of the morally confused world she and her friends helped create (and there may be some poetic justice in this), and she may be co-victimizer of all the women her husband has trashed, but she is, in our opinion, a victim herself, nevertheless.

Some sage on one of the talk shows last week pointed out that Mrs. Clinton is always “at her happiest” after Bill gets in trouble and she rescues him. Now we’re not shrinks, but we know enough to know that abused women are always “at their happiest” the next day, when their tormentor begs them for forgiveness, promises never to do it again, says he can’t live without them, and asks for their help.

On “Cops” they plead with the policeman not to arrest the sap. “He’s really not a bad man. He has had a lot of problems lately. He had a troubled childhood. But he’s okay now. He promised me he would never do it again.” In Mrs. Clinton’s case, she proudly notes that Bill regularly asks her views on political matters. What a guy!

And the attacks on Hillary by her fellow liberals? Classic! It is common for mutual “friends” to side with the abuser. “He’s such a nice man. So nice looking. He does so much for the church. Maybe it’s your fault, honey. Do you keep him happy?”

As far as we’re concerned, the bottom line on this one is that Bill just hammered another nail into the coffin of the radical feminist movement, whose members can’t quite figure out whether their role is to protect Anita Hill from dirty jokes in the work place or to defend “hunks” like Bill from caviling wives and irate former gropees.

In our opinion, if Hillary has one genuine friend left in the world, that friend should do everything possible to help her “get a life,” as the expression goes; convince her to stop making excuses for the cad she married; and try to assure that she doesn’t end up like Tussy Marx, who poisoned herself after learning, while nursing Aveling back to health after a serious illness, that he had become more than just sick during his recent absence from home. He had also become married, to a young actress. Tussy too tried to fill the void in her life with political activism. But her suicide note stated: “How sad life has been all these years.”

The next item in this week’s “salmagundi” is our second annual comment on the Microsoft antitrust suit. You see, it was just over one year ago, on July 15 to be exact, in an article we wrote entitled “The Man In the Cement Shoes,” that we wrote that the Justice Department’s action against Microsoft was not only unjustified, but smacked of something more sinister.

We described it as a “perfect, true life, real-time example of a Hayekian-like and Tocquevillian-like theorem that modern, omnipotent government will inevitably be used by unscrupulous politicians to extort, bully and eventually compromise all other sources of power.”

Specifically, we attempted to merge the somewhat arcane field of academic economics with political realities, to demonstrate that the Clinton government’s crusade against Microsoft amounted to little more than “rent extraction,” or as economist Fred McChesney put it, “political extortion.” To make our point, we used the following analogy, drawn from McChesney’s book, *Money for Nothing*:

Popular folklore holds that this basic concept was developed and refined by Chicago mobsters in the 1920s. They called it the “protection racket.” A mobster would say to a businessman, “Would you like to buy some insurance against broken windows.” The

businessman would say, “Why, I’ve never had any trouble with broken windows.” And the mobster would say, “If you buy this insurance, you won’t have any trouble in the future either.”

Today, just over a month since the evidentiary phase of the Microsoft action was completed, we feel vindicated, as the Justice Department’s case appears to be on truly shaky ground. As Holger Jenkins, the *Wall Street Journal*’s business columnist recently wrote, “if [antitrust chief] Joel Klein were possessed of any public spirit at all, he would drop the case right now . . . the evidence and events outside the courtroom have clearly shown Microsoft’s ‘monopoly’ to be more semantic than real.”

Indeed, the Microsoft competitors who urged Klein and his compatriots to take action against Microsoft hardly appear damaged by the nefarious Microsoft monopoly; many, in fact, are presently strutting around the country proclaiming their victories (in head-to-head competition, mind you) against the formerly unbeatable Bill Gates. The much ballyhooed AOL-Netscape merger is but the tip of this proverbial iceberg. All around, Microsoft’s supposedly impenetrable walls have been penetrated.

Jenkins notes that in addition to AOL-Netscape, Microsoft’s market share has been threatened by Oracle, whose CEO, Larry Ellison, recently declared “we have almost a Gates-like share of the Internet and it’s the Internet that’s driving the business,” and by Sun Microsystems, which has added AOL-Netscape as a distribution channel and has produced “a very, very interesting, stable volume platform that gives any developer for the telco or ISP community a virus-free, object-oriented, smart card-to-supercomputer scalable, down-the-experience-curve platform that allows you to interoperate with every kind of device you can imagine.”

Jenkins translates that last bit as “Microsoft has a monopoly on nothing.” Add to that the likely launch of a Microwerkz/AOL computer and a new Gateway PC, neither of which will use the Windows operating systems, and the antitrust action against Microsoft appears as thin as gruel.

And, we should add that it’s not just us who question the motivation of the Microsoft action. Recently, a group of 240 economists, most of whom hail from academia (not, as critics might suggest, from libertarian think tanks), wrote an open letter to President Clinton decrying Klein & Co.’s current spate of antitrust litigation. These actions seeking to lay low the likes of Intel, Cisco Systems, American Airlines, and Visa and Mastercard appear, at least to these 240 economists, to be contrary to the public interest.

“Antitrust is supposed to be about protecting consumers against higher prices and other consequences of monopoly power,” their letter begins. “However, consumers did not ask for these antitrust actions—rival business firms did.” Many of these “rival business firms”, we should note, are significant political players that have “invested” heavily in “government relations.”

The authors of this letter note that the industries targeted by Klein are among the most competitive and the most deflationary. Credit cards, airlines, and computers are three consumer goods that have seen radical price declines over the past few years, though these gains are threatened by the emergence of what these economists call “antitrust protectionism.” “Instead of

preventing prices from rising,” they conclude, “antitrust protectionism keeps prices from falling.”

Finally, we’d like to close with a few words about the hot topic of campaign finance reform. We are not talking here, by the way, about the kind of goofy institutional reform that Republican Senator John McCain (Ariz.) and his liberal Democratic friends are pushing. We are talking about real campaign finance reform; the kind that makes a real difference; the kind that addresses the kinds of problem that real people have.

Specifically, we are talking about addressing one of the biggest campaign finance problems that many conservatives and libertarians face today, namely that they are so disgusted with most Republican politicians that they won’t contribute to any of them anymore.

We are talking about the problem faced by people who can’t get too concerned about the possibility that Mrs. Clinton might win a Senate seat because they can’t figure out why she’d be any worse for conservative causes than such “conservative” Senators as Trent Lott (Miss.), Orrin Hatch (Utah), or the aforementioned John McCain.

And what "reform movement" addresses this problem? Well, so far as we can tell, only the reforms suggested by a new group called “The Club for Growth” do. The people who run this group are suggesting that people with this problem “reform” the way they give money to campaigns. Specifically, they are suggesting that instead of giving up giving entirely, such people should give money to their organization, which they say will not only make darn certain that only the “right” kind of Republican gets the money, but that the recipient will appreciate it, and vote accordingly.

“The Club for Growth” is the brainchild of, among others, our old friend Steve Moore, the Director of Fiscal Policy Studies at the Cato Institute, who we never fail to describe as one of the brightest economists in Washington.

Steve and his group have modeled “The Club For Growth” after EMILY’s List, an organization that collects small donations from some 50,000 women across the nation, and gives it in large chunks to politicians who support abortion rights. The name, by the way, stands for "Early Money Is Like Yeast (it makes the dough rise.)"

If given individually, the small checks of EMILY’s List “members” would have virtually no political clout. When pooled, they totaled some \$21 million in the 1998 election cycle, making EMILY’s list the nation’s largest Political Action Committee. This group, for example, gave a cool \$1 million to California Senator Barbara Boxer’s 1998 campaign. It could give this large an amount in one lump because it was made up of checks from 11,000 individual contributors.

It is also worth noting here that EMILY’s list is not only the most successful independent political fund raising operation of all time, but it has permanently altered American society by virtually assuring that the political climate would remain favorable to abortion rights, and also by helping to divert the focus of women's movement away from pornography, an early concern of the "feminist" movement. The latter achievement was a goal favored by one of Emily's List founders, Christie Hefner, Chairman and chief executive office of Playboy Enterprises.

Anyway, the following are some words from “The Club for Growth’s” Mission Statement. We run them here as a public service for people seeking real campaign finance reform. For more information contact: Lynn Bradshaw, Membership Director of The Club for Growth, 1776 K Street, NW, Suite 300, Washington, D. C. 20006. Her phone is 202-955-5500 [Updated since the article was published.]

The Club for Growth is a membership organization of thousands of like minded political contributors from across the country who are frustrated with the ideological drift of both parties today. All club members have a shared goal of helping elect more Reaganite, economic growth-oriented office seekers. . . . Every two years the club for Growth will select a small number (10 to 20 at first) of exceptional candidates . . . . We will rely on two criteria in selecting candidates for the list: 1) They are committed to the right set of free market-based policy ideas; and 2) they are running races that are closely contested and thus winnable.

Seldom has frustration and anger toward the national Republican party been more intense than it is today. For 30 years conservatives and libertarians labored mightily to wrestle control of Congress away from a Democratic party that has been mostly captured by the left at the national level. Most of us believed that electing a Republican congress would bring about the kinds of major policy reform--tax cuts, school choice, less wasteful government, and so on--that are so critical to advancing prosperity.

We now know that was a naive hope.

Republicans on a national level have let us down repeatedly. They have enacted budget deals with Bill Clinton that betray our limited government beliefs. They have approved pork-barrel highway bills worse than what the Democrats used to give us. They have dropped the ball on tax cuts, tax reform, and personal investment of Social Security. In short, congressional Republicans have veered away from the limited government agenda that got them elected to the majority in Congress in the first place. . . .

The mission of the club for growth is to help our members better target their campaign contributions--to help elect candidates who are reliable on the issues that we care about--tax reform/cuts, personal investment of Social Security, budget cutting, etc. . . . Today there are some 270 House and Senate Republicans, but there are only some 50 members of Congress who are truly dedicated to prosperity and limited government. The goal of the Club for Growth is to double and even triple that number within the next ten years.

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