

More GOP Fractures Emerge As Dems Batter Bush Policy

by Jeffrey Steinberg and Paul Gallagher

After a series of stunning political setbacks in both Houses of Congress, the Bush Administration has launched a no-holds-barred campaign of intimidation against Republican lawmakers, and against a highly mobilized Democratic Party, in what is increasingly evolving into a desperate effort to prevent George W. Bush from becoming the earliest “lame duck” second-term President in U.S. history.

Sources familiar with what they call a White House reorganization say that President Bush is so dysfunctional that Vice President Dick Cheney has assumed virtual control over all policy initiatives. His former role as “chief enforcer” of Republican Party Congressional discipline has been taken up by top Bush political advisor Karl Rove. According to these sources, Rove has solicited Abraham Foxman, the head of the Anti-Defamation League of B’nai B’rith (ADL), to run slander operations against targeted Democrats.

Rove, the sources report, has been working overtime for the past week, battling with leading Congressional Republicans who have shown signs of breaking with the White House on a wide range of issues, including: the controversial nomination of John Bolton as U.S. Ambassador to the United Nations; the so-called “nuclear option,” banning filibustering of judicial nominees; and some of the most draconian of the Bush-Cheney Schachtian budget cuts to social services, starting with Medicaid.

Rove jumped into the fray on April 25, when word leaked out of a pending deal between Senate Majority Leader Bill Frist (R-Tenn.) and Minority Leader Harry Reid (D-Nev.) to eliminate the “nuclear option,” which would have changed Senate rules to allow a majority vote to block a filibuster. According to Senate sources, Frist contacted Reid when it became clear that the Republicans did not have the votes to force through the rules change. A deal was in the works when

Rove, sources said, intervened and ordered Frist to drop the negotiations.

Rove also reportedly met with three Republican members of the Senate Foreign Relations Committee who have voiced concern over the nomination of neo-con thug John Bolton as United Nations ambassador. Senators Lincoln Chafee (R.I.), Chuck Hagel (Neb.), and George Voinovich (Ohio) all joined with Committee Democrats last week in postponing the vote on Bolton’s nomination, to allow three weeks of additional investigation into a number of serious allegations of misconduct by the former arms control chief.

Voinovich has already been targetted with White House-instigated television and radio ads by right-wing political action groups, labelling him a “traitor” for stalling the Bolton vote. Other Republicans have reportedly been warned by Rove and others that they will face the “Voinovich treatment” if they continue to buck the White House on Bolton and other looming issues. The Rove-Cheney recipe for holding the broken GOP coalition together through brute force, however, will only accelerate the political realignment. To the extent that the Republican Party remains dependent on the extremist right for its voter base, it cannot turn to any sane, moderate Republicans for the 2008 Presidential campaign.

What the White House Fears

As the GOP fissures widen, a united Democratic Party is defeating President Bush’s drive to divert the Social Security payroll tax to Wall Street. Fascist Chile-modelled “privatization” of Social Security is being swamped by a move of Democrats, moderate Congressional Republicans, and their voters, against Cheney and Bush’s policies in general, and toward a serious bipartisan effort to save the U.S. economy.

In a dramatic show of force, there was an extraordinary

demonstration outside the Capitol on April 26, in opposition to a Bush-mandated Senate Finance Committee hearing on privatization. It was perhaps an unprecedented sight in Congressional history: 125 Democratic Members of the House and Senate marched together before a 3,500-person rally outside the Capitol, to sign a "Declaration of Unity To Protect Social Security and Stop Privatization." (Scores more returned to Washington to sign it later in the day.)

"We've hit a wall," said one pro-privatization, conservative Republican Senator to the media after an April 26 hearing on Social Security in the Senate Finance Committee. Its chairman, Sen. Charles Grassley (R-Iowa), under White House duress, was trying to bring forward legislation to convert Social Security payroll-tax contributions to Wall Street investment accounts; but not a single Democrat supported him, and several Republicans, including Olympia Snowe of Maine and Larry Craig of Idaho, are opposed.

The White House refused, out of fear, to send any official to the hearing to discuss the specifics of Bush's privatization scheme, so Grassley claimed that the hearing was on Social Security's long-term solvency; but all the privatization schemes proposed for it, would make Social Security *insolvent*, as Democratic Senators clearly showed.

Senator Dick Durbin of Illinois began by saluting the crowd, "I'm an FDR Democrat, and I'm proud of it!" This FDR identification, associated with the LaRouche wing of the party, is spreading, after decades of Democrats running from Roosevelt's legacy. Senators Harry Reid (Nev.), Barack Obama (Ill.), Charles Schumer (N.Y.), Kent Conrad (N.D.), and House Minority Leader Nancy Pelosi (Calif.) and Charles Rangel (N.Y.), among others from the House, addressed the rally. Rangel said that if Congress were to allow Bush to take Social Security, "The only winner is Wall Street."

Meanwhile, Bush's Bolton nomination is now in real jeopardy. The *Los Angeles Times* confirmed on April 27 that on ten separate occasions, Bolton asked the National Security Agency (NSA) to provide intercept data on U.S. government officials who were in contact with foreign governments. There is widespread speculation that among the officials Bolton tracked via NSA taps, were former Secretary of State Colin Powell and former Deputy Secretary of State Richard Armitage.

Sources familiar with the scandal say that even the reckless Bolton, who is a lawyer, would not have acted alone in such a risky venture, and that Bolton was acting as a cut-out for senior officials in Dick Cheney's office, including, perhaps, the Vice President himself. The fact that Bolton's State Department arms control deputy, David Wurmser, was "on loan" in Cheney's office from early 2003 until he formally joined the Vice President's staff in September 2003, suggests one possible modus vivendi for the Bolton-Cheney snooping.

Powell privately responded to queries on Bolton by Chafee and Hagel, and it is now anticipated that Powell could be asked to testify before the Senate Foreign Relations Com-

mittee about his appraisal of Bolton. That alone could sink the nominee.

DeLay Is Ethically Challenged

The White House took another big hit on April 27 when the House of Representatives, by an overwhelming vote of 406-20, reversed the new Ethics Committee rules that would have allowed the Committee's five Republican members to block any investigation. Previous rules, now restored, assured that a tie vote would trigger an investigation. The issue centers on the corrupt House Majority Leader Tom DeLay (R-Tex.), who is under investigation by a Texas grand jury and several Federal law-enforcement agencies for taking payoffs from lobbyists, and other crimes.

Rove and Cheney were confronted with a *fait accompli* on the ethics issue, but it has reportedly caused a big split between the White House and Speaker of the House Dennis Hastert (R-Ill.), who apparently reached the deal with the Democrats and did not alert the White House in advance.

President Bush jumped feet first into the DeLay controversy on April 26, when he announced that he would extend his 60-day campaign tour, promoting Social Security privatization, for another 60 days, starting May 1, and that he would add a defense of Tom DeLay to his stump agenda. At an appearance in Galveston, Tex., this week, Bush was joined by DeLay, and the two men flew back to Washington together on *Air Force One*.

Bush is faced with an impossible dilemma: The Administration must hold together the shattered coalition that delivered Bush the November 2004 election, and that means the White House must continue to pander to the radical right wing, including the Christian fundamentalists, who view DeLay as their hero. But the more the President panders to these religious fanatics and anti-government fundamentalists, the more he will drive moderate Congressional Republicans into an anti-Bush coalition with a highly disciplined Congressional Democratic caucus.

This emerging combination was also evident on April 26 when, by a 348-72 vote, the House of Representatives passed a bipartisan non-binding resolution calling for the Administration's \$16 billion in Medicaid cuts to be restored (the Senate had already done the same), and for the creation of a bipartisan Congressional commission to come up with a plan to save Medicaid. It is plain to all sensible lawmakers that Medicaid and Medicare—and not Social Security—confront a crisis in maintaining health-care infrastructure vital to national security.

Lyndon LaRouche publicly told the Democrats, way back on Dec. 6, 2004, that stopping Bush from stealing Social Security was their crucial flank to seize the political initiative. He now says that the complete discrediting of Bush on the economy is at hand, and that a bipartisan, Congress-led economic recovery policy can be put into action, in place of Cheney-Bush lunacies.

Out of the 'Rubber Room'

As for George W. Bush, the Oval Office (Rubber Room) occupant hit Galveston, Texas on April 26 on his non-stop "60-Days" drive for Social Security privatization. Galveston hit back, with an editorial in the *Galveston County Daily News* emphasizing that the "Galveston Plan" of private retirement accounts—which Bush had come to push—is no model of replacement for Social Security.

That same morning, the *Des Moines Register* hit Bush's point-man on privatization, Sen. Grassley, in his home state with a statewide Iowa poll and a lead editorial entitled, "Forget About Personal Accounts." The poll was devastating: 68% of Iowans oppose Bush's privatization scheme, and only 26% support him on it. "The Iowa results mirror national polls," the newspaper said. "The more Bush tries to sell personal accounts, the less the public likes them—and the more the President's approval ratings fall."

Clearly unhappy that the White House had demanded he hold the Senate hearing, Grassley marked it with angry outbursts, calling the historic rally at the Capitol "political theater going on outside," and attacking the Democrats for partisanship. But Grassley's witnesses were completely partisan; they were right-wing, anti-government radicals, typified by Peter Ferrara, formerly of Cato Institute, and author of the Ryan-Sununu privatization bill which is being pushed by the right-wing Republican Study Group in the House.

Senator Conrad led the Democrats' presentations with extensive economic charts, with which he challenged the Social Security solvency forecasts themselves. If economic growth were to reach 3.4% instead of an abysmally low, Depression-rate of 1.8%, Conrad showed, 90% of the projected Social Security shortfall out to 2079 would disappear.

A New 'Reichstag Fire'?

The danger in this situation, as one senior continental European source pointed out, is faced with the collapse of popular support for the Administration, that the forces behind the Bush-Cheney regime could seek a new "Reichstag fire" solution—a contrived incident which leads to more dictatorial power. At this moment, the only issue that bolsters support for the Bush-Cheney regime is the war on terrorism—initiated by the "Reichstag Fire"-type events of 9/11.

But all is not well on the counter-terror front, either. American troops remain horribly bogged down in Iraq. The State Department failed this week to suppress the annual report on terrorism, after Congressional Democrats, led by Rep. Henry Waxman (D-Calif.), made an enormous public stink about the attempted cover-up. The report, released April 27, showed a tripling of serious terrorist incidents in 2004, compared to the previous year. Serious incidents in Iraq jumped from 27 in 2003 to 201 in 2004. And those numbers, experts report, are themselves significantly watered down.