



Common Sense



Issue XIII

News Round-Up

[All summaries are written by Common Sense, links to source material can be found at Opednews.com]

Bush Administration Endorses Outsourcing

"Outsourcing is just a new way of doing international trade," said N. Gregory Mankiw, chairman of Bush's Council of Economic Advisors. "More things are tradable than were tradable in the past. And that's a good thing."

Mankiw's statements caused an uproar across the country, as the nation has suffered millions of lost jobs over the past three years from outsourcing, decimating America's manufacturing sector.

Since then, Congressional republicans and administration members have tried to distance Bush from the statements, however Mankiw was only relaying the position of an important administration report which bears the President's signature.

*See the Arizona Republic, Feb. 10, 2004
Warren Vieth, Edwin Chen*

GOP Leader Tom DeLay Calls Current Condition "Goldilocks Economy"

Explaining that the nation's position economically is "just right," Tom DeLay, the leader of Republicans in the House, sent out a press release applauding it as "Goldilocks economy."

DeLay's statements came as a surprise to many, who pointed out that the number of jobs created under this administration falls 8 million short of what would have been necessary just to accommodate new labor entering the market.

Approximately 150,000 new workers enter the market each month as a result of population growth, and in January the number of jobs produced once again fell short of this number (136,000).

The economy has only produced over 150,000 jobs twice under the President Bush.

<http://releases.usnewswire.com/GetRelease.asp?id=125-02062004>

Defectors Associated with Chalabi, Cheney Tainted Intelligence

Newsweek produced a damning article detailing how defectors associated with the Vice President's office injected false information into the intelligence collection, and to a larger degree, administration statements.

The article describes how at least two, and as many as four key defectors are not only now being suspected as "fabricators," but were identified as incredible sources long ago.

All such defectors were provided by two exile groups, one of which, the Iraqi National Congress (INC), is headed by Ahmed Chalabi, a close friend of Dick Cheney who was groomed for leadership in Iraq by the Pentagon.

Chalabi has been distrusted by the CIA for years as a result of prior misinformation as well as the apparent theft of US government funds given to him in support of an internal revolution against Hussein. Chalabi has also been convicted of bank fraud in Syria, in a case that Syria claimed devastated its economy.

The CIA now says it is investigating the legitimacy of all of the defectors, who provided the hardest "evidence" of continued WMD programs in Iraq. Many claimed to have fled from high-level positions in Saddam's army, and the CIA now says that not only is it clear that they were lying, but that their claims were extremely dubious at the time.

The CIA sources for the *Newsweek* story would not go into details of how the bogus defectors, known as "fabricators," found their way into intelligence reports and administration statements, but the Rumsfeld and Cheney made their presence known through every step of the process.

The Senate Intelligence Committee agreed unanimously this week to examine administration statements, and the finger-pointing between the CIA and the administration is likely to escalate from there.

*See Newsweek Web Exclusive, Feb. 11, 2004
Michael Isikoff, Mark Hosenball*

The President's Intelligence Commission Fails to Address Key Questions

"The message from all sides was essentially this: We weren't wrong, and if we were, no one can prove it." - Time Magazine

Faced with rapidly mounting public support for the demands of Democratic lawmakers, it was becoming clear that an independent commission would be necessary to explain the massive discrepancies between administration statements on Iraq and the reality on the ground as reported by David Kay. Reacting to this uproar, the administration hastily changed course in its PR stance. Whereas the administration had opposed such a commission all along, even after Kay himself endorsed one, the administration turned on a dime and jumped in front so as to hijack complete control from Congress and ensure that the commission would only cover what the administration wanted it to.

In his interview on "Meet the Press," the President continued his attempts to diffuse the efforts of the commission, saying that the focus of the investigation will be at the intelligence level only, and that it will cover intelligence across the board- thus taking the focus off of Iraq specifically. When asked why the commission would report only after the November election, while Prime Minister Tony Blair's parallel commission will report back in July, the President could only muster, "We didn't want it to be hurried."

Anticipating that an entirely biased panel would be quickly rejected, the administration named members to the panel from both parties, and many news reports seemed to be persuaded that this was a genuine attempt at an independent commission. The co-chair of the panel, however, is a judge named Lawrence Silberman, a figure with one of the most vicious partisan histories in Washington. For just a few examples, he got Ken Starr (a close friend) appointed to the Clinton hearings, wrote the decision overturning the conviction of Oliver North, played a still shadowy role in the "October Surprise," and recently sat on the secretive panel that granted John Ashcroft unprecedented freedom in wire-tapping procedures. *See Time, February 10, 2004*

Opinion **Stealing From Your Children**

A Common Sense Editorial

Imagine a fellow in a flannel shirt approaches you, calling himself a “friend.” He offers you a couple hundred dollars, telling you he knows that times are tough and that he just wants to lend a hand. You might think he was fairly nice fellow.

But then another friend approaches. He tells you that while that fellow was giving you a couple hundred bucks, he was giving every millionaire \$90,000. Worse yet, he didn’t have the money to give, so he stole it all from your children.

This is exactly what President Bush has done, and this year he will be touring the country, asking you to repay his “gift” by re-electing him for a second term.

Now Bush and his supporters might protest the term “stealing,” arguing that it is only borrowing. “Borrowing” implies an intention to repay, and not only does the administration have no intention of repaying anything, if it has its way it will make permanent a budget that piles debt on future generations in perpetuity.

But the analogy is imperfect for another reason. A *New York Times* poll showed that

74% of Americans felt their taxes had either remained the same or gone up under Bush, and this 74% was exactly right. Whatever “gifts” the president has given have been devoured by increases in state and local taxes, a direct result of Bush’s “starve the states” policy.

But even more stunning are the deficit analyses now being produced by independent organizations. A growing consensus which includes at least four prominent independent financial groups (such as Goldman-Sachs) is finding that deficits over the next ten years will top **\$5 trillion**. If the Bush tax cuts are made permanent as the Republican leadership intends, such deficits would continue further than the eye can see.

To get an idea of the implications of this debt, take this simple fact:

The interest on the debt accrued over the next ten years under Bush’s proposed budget will amount to approximately \$300 billion each year. That is money that will produce absolutely nothing, flushed down the toilet of debt service.

What does \$300 billion buy in today’s market? These are the entire budgets for the following departments under Bush’s budget for 2004:

- **2004 Veterans’ Affairs budget: \$68.3 billion**
- **2004 Homeland Security budget: \$31.4 billion**
- **2004 Social Security Administration budget: \$53.7 billion**
- **2004 Department of Education budget: \$66.4 billion**
- **2004 Department of Justice budget: \$21.8 billion**
- **2004 Housing and Urban Development budget: \$34 billion**
- **2004 State Department and International Assistance budget: \$30.4 billion**

Total: \$306 billion

Rather difficult to argue that “deficits don’t matter,” isn’t it?

Put plainly, Bush’s budget is nonsensical. Both governmental and non-governmental groups have raised alarms that the Bush budget is “unsustainable,” but the administration continues to brazenly ignore these warnings. By the time our children become tax-payers, the government will be in a state of fiscal ruin, unable to provide Medicare or Social Security. This is exactly what the hard-line economic right wants, and they may only need one more Republican term in the White House to pull it off. This demands our attention during this election year.