

**Yankee Steve's Column**  
**for the Week of October 16, 2008**

**BUSH WINS; AMERICA LOSES**

**To my valued readers,**

*As you know Congress followed the lead of President George W. Bush in approving a \$700 billion bailout of Wall Street. For a while it was touch and go, but Bush had his way with our elected officials. As James Madison said, "Enlightened statesmen will not always be at the helm." I would assume that some of you are thinking of writing the President, and I encourage you to do so. Better yet, write a letter of support to any member of Congress who refused to approve this bill.*

*If I were addressing a letter to President Bush at this time in our history the following is **some** of what I would write. Permit me to share my thoughts with you.*

*Please understand that this is an extended version of my weekly column. Thank you. S. C.*

October 9, 2008

Dear Mr. President:

I know you are busy these days so I will come straight to the point.

Look at the state of the economy. More importantly, look at what has happened to the conservative movement, which is in full retreat!

If you had directed a Texas-sized wrecking ball against the conservative movement you could not have done more damage.

You know that millions of Americans voted for you only to realize later that the wool had been pulled over their eyes. You presented yourself as a conservative, and they believed you. This may well be the greatest con job in modern political history. You won the election both times, but afterwards you lost their respect. Conservatives now know they were used. This is appalling because they would rather lose an election than sacrifice their principles.

I don't need to prove what I am saying; others have done it for me. Thousand of lawyers signed a White Paper stating that your disdain for the Constitution had not escaped their attention. If

you were a conservative you would never have surrounded yourself with “yes” men who thought they could steer around the Constitution.

You not being a true conservative has been costly for the Republican Party. Everyone recognizes that things have not gone well for a political party if at term’s end the opposition chooses a candidate lacking in presidential qualities such as experience and integrity. It is as if the Democrats believe that they can win the White House no matter whom they choose. Just look at their nominee; he sits even to the left of FDR! Barack Obama is a flagrant Socialist, a lifelong friend of radicals, and a senator who more than any other has shown little or no regard for traditional mores.

Your administration has been so unnerving to Americans that it has galvanized the supporters of a candidate who is an insult to the nation. I am convinced that they are not out stumping for Obama because they really believe in him, but because they want to oppose what they think or *would like to think* are conservative politics.

In an attempt to win over some to the left, the Republican Party has nominated Senator John McCain of Arizona. By no stretch of the imagination can he be thought of as a conservative. This explains why he chose a stalking horse to be his running mate, Alaska Governor Sarah Palin. However, it is already apparent that she will not be able to influence him. I am convinced that he chose Palin because she is likely malleable. McCain will not change. Recently he reached out to those on the left in an attempt to find a solution to the financial crisis, even though the Freddie Mac and Fannie Mae debacle can be traced right back to them. The left has little or nothing to offer America yet McCain likes to cozy up to them. Why would you bring your bucket to an empty well?

### **Our Economic Crisis**

Mr. Bush, I want you to know that I have changed the way I used to think about you and other so-called conservatives. At one time I believed that if a presidential candidate was morally upright and pro-family he would vote with those on the right when it came to fiscal policies and the protection of our liberties, but with time comes discernment.

I now know that you are an “interventionist” or what economists would call a Socialist. The recent sub-prime fiasco has confirmed this opinion. **Like all Socialists of one shade or another you think that you can use Socialism in order to save Capitalism.** That was the tact of John Maynard Keynes of England. The fact is however, that he really despised Capitalism, just like some of our leading senators and house representatives. I must tell you that by signing on to policies that call for government intervention you are, to use the words of respected economist Ludwig von Mises, “clutching at a straw.” The policies you want us to adopt are clearly interventionist which means that you are perpetuating the same actions that originally caused this economic catastrophe. Von Mises says, **“All those evils which the progressives interpret as evidence of the failure of capitalism are the necessary outcome of allegedly social interference with the market.”**

Von Mises warned that interference in the market will lead down a thorny path. He speaks with the voice of authority. Interventionism “...**is a method for the transformation of capitalism into socialism by successive steps.**”

But not all Socialist ideologues have promoted Socialism by the successive steps of interventionism. At first Karl Marx, the fountainhead of Socialism, called for interventionism but eventually, as you may know, he turned against using the slow approach. I really can't say that Marx would be pleased by your bailout. Capitalism, he supposed, must be allowed to evolve overtime so that by some peculiar law of nature it would one day die of natural causes, and then with a sudden thrust, Socialism would take its rightful place among the nations.

You are contributing to the *transformation* of Capitalism. What I mean is that you are on Marx's side. You are headed for the same destination as the Socialists even if you are driving in the slow lane. But who cares about what Marx might think? What counts is that you have roused the ire of a large number of thoughtful Americans!

**I, for one, will fight against Socialism or what economist Frederick Hayek called “serfdom.”** Once the navy cruiser on which I served faced down a U.S.S.R. man-of-war in the Baltic Sea. Let me assure you, the 1,500 men who served on our ship did not stand behind their captain on that day only to have Soviet-style Socialism imposed on them at a later date, whether through interventionism or by some other means.

I am disgusted by the \$700 billion bailout bill and its pork passed by the legislature and signed by you. Shame on you and Congress, no, double and treble shame!

Your spirited appeals to Congress and subsequent bailout of Wall Street, or what most of us believe is just the tip of the iceberg, is causing anxiety because it cannot be paid for by any one generation. Nevertheless it appears this is the way you do things. Recently through the Freddie Mac/Fannie Mae bailout you managed to increase the deficit by almost fifty percent! Is that what a fiscal conservative would do? Is not “deficit spending” the hallmark of a good Socialist, a Lord Keynes? Wasn't it Keynes who instructed President Franklin Delano Roosevelt that deficit spending is the norm for a government, and all that red ink on ledgers are just numbers? Just look at us now; we are Capitalists without capital!

### **Your Culpa Mea**

The housing and mortgage crisis happened on your watch. Of course you will plead innocent by reminding everyone that you had wanted to bring about reform in the way mortgage lenders do business. However you were too busy doing other things such as promoting the Iraq War which you financed by relying on Keynesian soft money.

The fact of the matter is that you are not altogether innocent. Recently I heard a recording of a speech which you gave in 2002. It gave me the impression that you were not above applying pressure on the mortgage industry so that those whom you called “Anglos” and those whom you referred to as “others” could experience the American dream of owning their homes. You

wanted millions of new houses by 2010. Openly you were advocating laissez-faire economics, but it is possible because of your meddling that in the long-run you are no better than Presidents Jimmy Carter or Bill Clinton.

Economist Nouriel Roubini watched you in action. He went so far as to predict the present calamity. “. . . **Bush hypocrites who spewed for years the glory of unfettered Wild West laissez-faire jungle capitalism allowed the biggest debt bubble ever to fester without any control, and have caused the biggest financial crisis since the Great Depression.**”

President Bush, are you not aware that Adam Smith in *The Wealth of Nations*, the primer on laissez-faire conservative economics, instructed us to put in place what he calls the “police?” He was not talking about traffic cops. Someone has to watch those who loan money, who import and export, and who manufacture, especially if by their dealings they can bankrupt an entire nation. This is Economics 101; did they offer that course at Yale where you took your MBA?

### **The Abominable Obama**

As we face the future, taxpayers will have to keep an eye on those who preach that economic equality is a matter of *justice*. This is the essence of Socialism, and it is the reason why we are in disaster-mode now. During the French Revolution activists demanded equality. This was what one American President later called “clap trap.” He knew that whenever we begin to think that everyone must be equal economically, that it leads to Socialism which in turn leads to tyranny. It was no accident of history that the French Revolution led to the Paris Commune of 1848, the takeover of Paris by militant, power-hungry Communists.

Leftist politicians in America have for a long time been telling us that *in a just society* everyone will have what everyone has, and that until that is so those who have prospered should feel guilty. In keeping with their rhetoric they posed this question. “How can America be thought of as a civilized country if some Americans can’t afford a home while others can?” Prodded by vote-soliciting politicians the clap trappers went into action. Using questionable pressure tactics, people on the left (Obama was such an activist) gang-raped the mortgage industry and the American people. “One of every 171 U.S. households [one in every 25 in Stockton, CA] received filings, which include notices of default, auction sale notices and bank repossessions.” [CNNMoney.com 7/29/08]

Many of the people who applied for loans (some illegally in the country) were not qualified to borrow money. No matter, financial institutions were assured that if the bubble bursts, the government would outfit lenders with golden parachutes. In other words in a just society taxpayers will be only too glad to foot the bill. In that way hard-working Americans who have prospered will no longer feel guilty for having what someone else does not. You see, Mr. President, the left has palmed off on government their own ideology, the ideology of Socialism. It is fascinating that in the Bible it is not the wise, but the unwise, who conceived a Socialistic concept, “Let us all have one purse.” [Proverbs 1:14]

Vladimir Bukovsky who spent 12 years in the Soviet Gulag saw what happens to a country when its citizens are asked to believe that justice and economic equality are one and the same. He cautioned,

**The dream of absolute, universal equality is amazing, terrifying, and inhuman. And the moment it captures human minds, the result is mountains of corpses and rivers of blood, accompanied by attempts to straighten the stooped and shorten the tall... Is it really surprising that whenever you get striving for equality and fraternity, the guillotine appears on the scene?**

Mr. Bush, your presidency is coming to an end, and it grieves me that even if other Americans and I had written you five or six years ago, it would not have made a difference. Somewhere along the way you concluded that Socialism in one form or another is an option. Recent measures taken by Congress, I am certain, will not bring about a solution to the crisis we are facing. We are clutching at straws. However I cannot spend my time only worrying about this because unlike the Socialist I believe that there is more to life than government.

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