

A rebel Republican

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One of the tacit operating assumptions of the Bush administration is that the checks and balances have been checked. But that implacable wall has been cracked by an insider's surprising confessions. The former treasury secretary Paul O'Neill, fired and forgotten, mild-mannered and grey, appears an unlikely dissident. He was, after all, the CEO of Alcoa, a pillar of the Republican establishment.

More is involved with him than pride and pique. While O'Neill records slights and is dismissed by some as a dotty reject, he does more than tell a few tales in the book *The Price of Loyalty*. The attack on him, consistent with Bush efforts to intimidate anyone who challenges the official version, underscores the inherent fragility of Bush's public persona, upon which rests his popularity. Bush's greatest political asset is his image as a masterful commander in chief who happens to be a nice man. Alongside him, Dick Cheney is viewed as the sagacious Nestor.

O'Neill's persuasiveness and the long-term damage he does to these icons comes from his years in the Nixon and Ford administrations and his first-hand critique of a government radically unlike any before, especially Republican ones. O'Neill's threat is to a president unusually dependent in an election campaign on fear and credibility to sustain a sense of power and inevitability. He sounds an alarm against an unfit president who lacks "credibility with his most senior officials", behind whom looms a dark "puppeteer", as O'Neill calls the vice-president, and a closed cabal.

Invading Iraq was on the agenda of the first "principals" meeting of the National Security Council (NSC), of which O'Neill was a member, months before September 11, and relentlessly pushed. Regressive tax cuts creating massive deficits were implemented without economic justification as "the administration has managed to kill the whys at every turn".

When the political team distorts basic economic numbers on tax cuts and inserts them into the 2001 state of the union address, O'Neill yells: "This is complete bullshit!" It is "something that knowledgeable people in the US government knew to be false". The business executive is shocked at the derogation of policy in favour of corporate interests - a "combination of confidentiality and influence by powerful interested parties". He learns that moderate Republicans like him; that Christie Whitman, the director of the Environmental Protection Agency, sees her efforts to affirm policy on global warming "slaughtered" by Cheney and the politicians; and that secretary of state Colin Powell "may have been there, in large part, as cover".

Bush appears as a bully, using nicknames to demean people; he is querulous (when Bush waits impatiently for a cheeseburger, he summons his chief of staff. "'You're the chief of staff. You think you're up to getting us some cheeseburgers?' ... He all but raced out of the room"); he is manipulated ("'Stick to principle' is another phrase that has a tonic effect on Bush" - used by his senior adviser Karl Rove to push for additional tax cuts); he is incurious; and, above all, he is intently political. When Bush holds forth it is often to show that he's not Clinton. He informs his NSC that on Middle East peace "Clinton overreached", but that he will take Ariel Sharon "at face value" and will not commit himself to the peace process: "I think it's time to pull out of that situation." Powell is "startled".

The "inscrutable" Cheney emerges as the power behind the throne, orchestrating leaks to undermine opposing views. He uses tariffs as "political bait" for the midterm elections. When O'Neill argues that out-of-control deficits will cause a "fiscal crisis", Cheney "cut him off. 'Reagan

proved deficits don't matter,' he said ... 'This is our due.'" In the end, Cheney fires O'Neill, the first vice-president to dismiss a cabinet member.

O'Neill's revelations cut deeper than mere polemics. They have been met not by any factual rebuttal but by anonymous character assassination from a "senior official" - "Nobody listened to him when he was in office. Why should anybody now?"

Then the White House announced O'Neill was under investigation for abusing classified documents, though he said they were not and the White House had shovelled carefully edited NSC documents to Bob Woodward for his shining portrait of Bush at War. Quietly, O'Neill and his publisher prepared an irrefutable response. Soon they will post each of the 19,000 documents underlying the book on the internet. The story will not be calmed.

- Sidney Blumenthal is former senior adviser to President Clinton and author of The Clinton Wars