

Lavishing Money on the Pentagon

Exclusive: It seems like it's always Christmastime at the Pentagon where the stockings are full and budget-cutting is for those domestic social-program guys, as Jonathan Marshall explains.

By Jonathan Marshall

Wise parents who celebrate Christmas advise their young children not to make unreasonably grandiose requests of Santa. After all, he has to squeeze down a rather narrow chimney to deliver their presents.

But as Christmas approaches this year, leaders of Congress, the Pentagon, and the Trump White House seem to have forgotten that lesson. Their wish list for the U.S. military, if taken seriously, will bust the federal budget at the very time Republicans are ramming through tax legislation that will shrink Uncle Sam's savings account by more than a trillion dollars over the next decade.

President Trump this week signed into law a \$700 billion blueprint for military spending in the current fiscal year. The 2018 National Defense Authorization Act includes funding for more troops, more weapons, more interventions abroad, and more active wars, with Trump's enthusiastic blessing. "We need our military," he declared at a White House signing ceremony.

In addition to lavish spending on new weapons – like \$10 billion for purchases of the disastrous F-35 Joint Strike Fighter – this Christmas legislation for the military includes all sorts of smaller presents, including billions of dollars to fund NATO's European Deterrence Initiative (whatever happened to Trump's demand that our allies pay for their own defense?), missile defense systems of doubtful efficacy, and development of a new cruise missile that would violate the 1987 Intermediate-Range Nuclear Forces treaty with Russia.

The bill also earmarks \$350 million for military aid to Ukraine, including lethal weaponry – a highly provocative measure that Arizona Senator John McCain has long promoted. Independent analysts, including prominent conservative foreign policy experts, warn that such lethal aid would be destabilizing, provocative, and "extraordinarily foolish."

Under the arcane rules of Congress, the House and Senate must still translate this blueprint into actual budget appropriations. Therein lies the rub. Back in the days when Republicans still claimed to believe in balanced budgets, they led the way in enacting limits on federal spending.

Current law caps core defense spending at \$549 billion in fiscal year 2018. The

defense authorization bill, in contrast, pegs the request for core Pentagon operations at \$634 billion, with another \$66 billion to fight ongoing wars in Afghanistan, Iraq, Syria and other hot spots. The latter funds are not subject to budget caps.

At his signing ceremony, Trump called on Congress to overturn its spending cap on the military. Many Republicans would be amenable, but Democrats may demand a parallel relaxation of budget limits on domestic spending, a non-starter for conservatives.

Supporters of increased military spending, led by the Pentagon, point to how overworked the armed services are in today's world environment.

"We aren't big enough to do everything we're being tasked to do," complained Admiral William Moran, vice chief of naval operations, in recent congressional testimony.

Policing the World

Moran was right: it's a lot harder to police the world with 300 ships than it was several decades ago with nearly 600 vessels and only one serious foe.

Seen another way, however, budgetary realities might be sending us a message that it's no longer feasible, or in the national interest, to maintain nearly a quarter million troops in more than 170 countries and territories abroad.

Nor is it necessary for our defense to carry out vast military exercises from the Baltic States to the Sea of Japan in order to maintain dominance in Central Europe, the Pacific and Indian Oceans, the Persian Gulf, the Middle East, North Africa, and any number of other locations – all while conducting live military operations in Afghanistan, Iraq, Syria, Somalia, Yemen, Niger, and other war zones.

Those who can't see their way to setting limits on runaway military spending should reflect on the fact that the roughly \$65 billion a year the Pentagon spends on active war-fighting, through the "Overseas Contingency Operations" fund, is roughly equal to Russia's entire military budget. Only China spends more than that amount. And after those two countries, the next 15 biggest military spenders are all U.S. allies or reasonably friendly toward the United States.

Where Does the Money Go?

Taxpayers should also reflect on the fact that the Pentagon has never passed a full audit and has only a foggy idea of where all its money goes.

“The United States Army’s finances are so jumbled it had to make trillions of dollars of improper accounting adjustments to create an illusion that its books are balanced,” Reuters reported last year.

“The Defense Department’s Inspector General . . . said the Army made \$2.8 trillion in wrongful adjustments to accounting entries in one quarter alone in 2015, and \$6.5 trillion for the year. Yet the Army lacked receipts and invoices to support those numbers or simply made them up. . .

“For years, the Inspector General – the Defense Department’s official auditor – has inserted a disclaimer on all military annual reports. The accounting is so unreliable that ‘the basic financial statements may have undetected misstatements that are both material and pervasive.’”

We may not know for sure where the money goes, but we know it amounts to a vast sum every year. Since 9/11, Americans have paid nearly \$5 *trillion* for its foreign wars, according to Brown University’s Cost of War project – or about \$25,000 per taxpayer. If Congress really wants to ease the tax burden on middle-class Americans, putting an end to our permanent state of war would be a good place to start.

Jonathan Marshall writes frequently on Pentagon programs, including “US Arms Makers Invest in a New Cold War,” “New Navy Ship Leaking Tax Dollars,” “Trump Adds to Washington’s ‘Swamp’,” “Learning to Love – and Use – the Bomb,” and “Rising Budget Stakes for Space Warfare.”

Trump, N. Korea & the Phony ‘Terror List’

Seeing what happened to the leaders of Iraq and Libya, North Korea’s Kim Jong Un won’t surrender his nuclear bombs – and getting put on the U.S. “terrorism list” won’t change that, as Independent Institute’s Ivan Eland explains.

By Ivan Eland

In an effort to further tighten the screws on North Korea in what is likely to be another failed U.S. attempt to convince North Korea to give up its nuclear program, President Trump put that country back on its list of countries sponsoring terrorism. North Korea will join Iran, Sudan and Syria on the list.

In response, North Korea has conducted another ballistic missile test.

Originally, some justification existed for putting North Korea on this list in 1988. In 1987, according to a North Korean agent, Kim Jong-il, Kim Jong-un's father and predecessor as North Korean leader, directed that a bomb be placed on a South Korean passenger jet, which resulted in the deaths of 115 civilians. Although for years after that incident, North Korea remained a quirky, despotic country trying to get nuclear weapons, it did not commit any acts that objectively could be called terrorism, if that term is used to describe deliberate attacks on civilians to attempt to scare them into pressuring their government for changes in policy. Showing that the U.S. terrorism list has a large political element to it, North Korea was only removed about 20 years later when President George W. Bush was trying to save a deal with North Korea that would have stopped its nuclear program—something that had nothing to do with whether North Korea was committing or sponsoring acts of terrorism.

Of course, President Trump's re-imposing the moniker of "state sponsor of terrorism" on North Korea is also political. The move is designed to increase only symbolic pressure against a regime that is unlikely to give up its nuclear program, which among other things, is designed to deter the United States from ousting Kim Jong-un from power – just as the U.S. has done with the leaders of non-nuclear nations, such as Haiti, Panama, Serbia, Iraq, and Libya.

Although North Korea certainly gets accused of mischief making – shelling a South Korean island, sinking a South Korean Navy vessel, conducting a cyber attack on Sony Pictures, and assassinating a member of the North Korean "royal family" who could someday have taken Kim Jong-un's job – none of these includes the mass slaughter of civilians for political purposes.

Politicized List

Castros' Cuba also remained on the list of state sponsors of terrorism long after it stopped sponsoring such acts, simply because the United States did not like the Cuban government and wanted to keep maximum pressure on it. Laudably, President Obama, as part of his warming of relations with Cuba, finally took that country off the list in 2015.

In addition, the other countries remaining – Iran, Syria, and Sudan – and many groups on the terrorism list don't really focus their attacks on the United States. However, continuing its expensive role as the world's policeman, despite having a national debt north of \$20 trillion, the United States insists on making new enemies worldwide by calling out groups and nations that don't focus their attacks on the United States – that is, fighting other countries' battles for them.

And the expanding war on terrorism is not just to be found on paper. For example, to show he is tougher than Barack Obama, President Trump has unilaterally approved new authorities to attack miscreants across the globe. Obama had enlarged George W. Bush's illegal and unending wars on terror in the developing world, and Trump is now trying to one-up Obama by further expanding these unconstitutional authorities. For example, in Somalia, the United States is escalating the attacks on the Islamist Shabab group.

Even in Afghanistan, in which the Congress passed a post-9/11 authority for the use of military force (AUMF), the Trump administration has expanded the authorities to attack opium labs that fund the militant Taliban insurgency. Let's hope this war on narcotics goes better than the colossal waste of taxpayer dollars that the war on drugs in Latin America has become. And all of this escalation despite terrorism experts' constant refrain that it difficult to kill your way out of an insurgency.

The war on terror failed long ago during the George W. Bush administration; expanding it both on paper and in the field may look tough, but it's just doubling down on a dubiously counterproductive policy.

Ivan Eland is Senior Fellow and Director of the Center on Peace & Liberty at the Independent Institute. [This article also appeared as a blog post at HuffingtonPost and at <http://www.independent.org/newsroom/article.asp?id=9219>]

America's Military-Industrial Addiction

Polls show that Americans are tired of endless wars in faraway lands, but many cheer President Trump's showering money on the Pentagon and its contractors, a paradox that President Eisenhower foresaw, writes JP Sottile.

By JP Sottile

The Military-Industrial Complex has loomed over America ever since President Dwight D. Eisenhower warned of its growing influence during his prescient farewell address on Jan. 17, 1961. The Vietnam War followed shortly thereafter, and its bloody consequences cemented the image of the Military-Industrial Complex (MIC) as a faceless cadre of profit-seeking warmongers who've wrested control of the foreign policy. That was certainly borne out by the war's utter senselessness ... and by tales of profiteering by well-connected contractors like

Brown & Root.

Over five decades, four major wars and a dozen-odd interventions later, we often talk about the Military-Industrial Complex as if we're referring to a nefarious, flag-draped Death Star floating just beyond the reach of helpless Americans who'd generally prefer that war was not, as the great Gen. Smedley Darlington Butler aptly put it, little more than a money-making "racket."

The feeling of powerlessness that the MIC engenders in "average Americans" makes a lot of sense if you just follow the money coming out of Capitol Hill. The Project on Government Oversight (POGO) tabulated all "defense-related spending" for both 2017 and 2018, and it hit nearly \$1.1 trillion for each of the two years. The "defense-related" part is important because the annual National Defense Authorization Act, a.k.a. the defense budget, doesn't fully account for all the various forms of national security spending that gets peppered around a half-dozen agencies.

It's a phenomenon that noted Pentagon watchdog William Hartung has tracked for years. He recently dissected it into "no less than 10 categories of national security spending." Amazingly only one of those is the actual Pentagon budget. The others include spending on wars, on homeland security, on military aid, on intelligence, on nukes, on recruitment, on veterans, on interest payments and on "other defense" – which includes "a number of flows of defense-related funding that go to agencies other than the Pentagon."

Perhaps most amazingly, Hartung noted in TomDisptach that the inflation-adjusted "base" defense budgets of the last couple years is "higher than at the height of President Ronald Reagan's massive buildup of the 1980s and is now nearing the post-World War II funding peak." And that's just the "base" budget, meaning the roughly \$600 billion "defense-only" portion of the overall package. Like POGO, Hartung puts an annual price tag of nearly \$1.1 trillion on the whole enchilada of military-related spending.

The MIC's 'Swamp Creatures'

To secure their share of this grandiloquent banquet, the defense industry's lobbyists stampede Capitol Hill like well-heeled wildebeest, each jockeying for a plum position at the trough. This year, a robust collection of 208 defense companies spent \$93,937,493 to deploy 728 "reported" lobbyists (apparently some go unreported) to feed this year's trumped-up, \$700 billion defense-only budget, according to OpenSecrets.org. Last year they spent \$128,845,198 to secure their profitable pieces of the government pie.

And this reliable yearly harvest, along with the revolving doors connecting

defense contractors with Capitol Hill, K Street and the Pentagon, is why so many critics blame the masters of war behind the MIC for turning war into a cash machine.

But the cash machine is not confined to the Beltway. There are ATM branches around the country. Much in the way it lavishes Congress with lobbying largesse, the defense industry works hand-in-glove with the Pentagon to spread the appropriations around the nation. This "spread the wealth" strategy may be equally as important as the "inside the Beltway" lobbying that garners so much of our attention and disdain.

Just go to U.S. Department of Defense's contract announcement [webpage](#) on any weekday to get a good sense of the "contracts valued at \$7 million or more" that are "announced each business day at 5 p.m." A recent survey of these "awards" found the usual suspects like Raytheon, Lockheed Martin and General Dynamics. The MIC was well-represented. But many millions of dollars were also "won" by companies most Americans have never heard of ... like this sampling from [one day](#) at the end of October:

- Longbow LLC, Orlando Florida, got \$183,474,414 for radar electronic units with the stipulation that work will be performed in Orlando, Florida.
- Gradkell Systems Inc., Huntsville, Alabama, got \$75,000,000 for systems operations and maintenance at Fort Belvoir, Virginia
- Dawson Federal Inc., San Antonio, Texas; and A&H-Ambica JV LLC, Livonia, Michigan; and Frontier Services Inc., Kansas City, Missouri, will share a \$45,000,000 for repair and alternations for land ports of entry in North Dakota and Minnesota.
- TRAX International Corp., Las Vegas, Nevada, got a \$9,203,652 contract modification for non-personal test support services that will be performed in Yuma, Arizona, and Fort Greely, Alaska,
- Railroad Construction Co. Inc., Paterson, New Jersey, got a \$9,344,963 contract modification for base operations support services to be performed in Colts Neck, New Jersey.
- Belleville Shoe Co., Belleville, Illinois, got \$63,973,889 for hot-weather combat boots that will be made in Illinois.
- American Apparel Inc., Selma, Alabama, got \$48,411,186 for combat utility uniforms that will be made in Alabama.
- National Industries for the Blind, Alexandria, Virginia, got a \$12,884,595 contract modification to make and advanced combat helmet pad suspension system. The "locations of performance" are Virginia, Pennsylvania and North Carolina.

Sharing the Largesse

Clearly, the DoD is large enough, and smart enough, to award contracts to companies throughout the 50 states. Yes, it is a function of the sheer size or, more forebodingly, the utter “pervasiveness” of the military in American life. But it is also a strategy. And it’s a tactic readily apparent in a contract recently awarded to Raytheon.

On Oct. 31, 2017, they got a \$29,455,672 contract modification for missions systems equipment; computing environment hardware; and software research, test and development. The modification stipulates that the work will spread around the country to “Portsmouth, Rhode Island (46 percent); Tewksbury, Massachusetts (36 percent); Marlboro, Massachusetts (6 percent); Port Hueneme, California (5 percent); San Diego, California (4 percent); and Bath, Maine (3 percent).”

Frankly, it’s a brilliant move that began in the Cold War. The more Congressional districts that got defense dollars, the more votes the defense budget was likely to receive on Capitol Hill. Over time, it evolved into its own underlying rationale for the budget.

As veteran journalist William Greider wrote in the Aug. 16, 1984 issue of Rolling Stone, “The entire political system, including liberals as well as conservatives, is held hostage by the politics of defense spending. Even the most well intentioned are captive to it. And this is a fundamental reason why the Pentagon budget is irrationally bloated and why America is mobilizing for war in a time of peace.”

The peace-time mobilization Greider referred to was the Reagan build-up that, as William Hartung noted, is currently being surpassed by America’s “War on Terror” binge. Then, as now ... the US was at peace at home, meddling around the world and running up a huge bill in the process. And then, as now ... the spending seems unstoppable.

And as an unnamed “arms-control lobbyist” told Grieder, “It’s a fact of life. I don’t see how you can ask members of Congress to vote against their own districts. If I were a member of Congress, I might vote that way, too.”

Essentially, members of Congress act as secondary lobbyists for the defense industry by making sure their constituents have a vested interest in seeing the defense budget is both robust and untouchable. But they are not alone. Because the states also reap what the Pentagon sows ... and, in the wake of the massive post-9/11 splurge, they’ve begun quantifying the impact of defense spending on their economies. It helps them make their specific case for keeping the spigot open.

Enter the National Conference of State Legislatures (NCSL), which notes, or

touts, that the Department of Defense (DoD) “operates more than 420 military installations in the 50 states, the District of Columbia, Guam and Puerto Rico.” Additionally, the NCSL is understandably impressed by a DoD analysis that found the department’s “\$408 billion on payroll and contracts in Fiscal Year 2015” translated into “approximately 2.3 percent of U.S. gross domestic product (GDP).”

And they’ve become a clearinghouse for state governments’ economic impact studies of defense spending. Here’s a sampling of recent data compiled on the NCSL website:

- *In 2015, for example, military installations in North Carolina supported 578,000 jobs, \$34 billion in personal income and \$66 billion in gross state product. This amounts to roughly 10 percent of the state’s overall economy.*
- *In 2014, Colorado lawmakers appropriated \$300,000 in state funds to examine the comprehensive value of military activities across the state’s seven major installations. The state Department of Military and Veterans Affairs released its study in May 2015, reporting a total economic impact of \$27 billion.*
- *Kentucky has also taken steps to measure military activity, releasing its fifth study in June 2016. The military spent approximately \$12 billion in Kentucky during 2014-15. With 38,700 active duty and civilian employees, military employment exceeds the next largest state employer by more than 21,000 jobs.*
- *In Michigan, for example, defense spending in Fiscal Year 2014 supported 105,000 jobs, added more than \$9 billion in gross state product and created nearly \$10 billion in personal income. A 2016 study sponsored by the Michigan Defense Center presents a statewide strategy to preserve Army and Air National Guard facilities following a future Base Realignment and Closure (BRAC) round as well as to attract new missions.*

Electoral Impact

But that’s not all. According to the DoD study cited above, the biggest recipients of DoD dollars are (in order): Virginia, California, Texas, Maryland and Florida. And among the top 18 host states for military bases, electorally important states like California, Florida and Texas lead the nation.

And that’s the real rub ... this has an electoral impact. Because the constituency for defense spending isn’t just the 1 percent percent of Americans who actively serve in the military or 7 percent of Americans who’ve served sometime in their lives, but it is also the millions of Americans who directly or indirectly make a living off of the “defense-related” largesse that passes through the Pentagon like grass through a goose.

It's a dirty little secret that Donald Trump exploited throughout the 2016 presidential campaign. Somehow, he was able to criticize wasting money on foreign wars and the neoconservative interventionism of the Bushes, the neoliberal interventionism of Hillary Clinton, and, at the same time, moan endlessly about the "depleted" military despite "years of record-high spending." He went on to promise a massive increase in the defense budget, a massive increase in naval construction and a huge nuclear arsenal.

And, much to the approval of many Americans, he's delivered. A Morning Consult/Politico poll showed increased defense spending was the most popular among a variety of spending priorities presented to voters ... even as voters express trepidation about the coming of another war. A pair of NBC News/Survey Monkey polls found that 76 percent of Americans are "worried" the United States "will become engaged in a major war in the next four years" and only 25 percent want America to become "more active" in world affairs.

More to the point, only 20 percent of Americans wanted to increase the troop level in Afghanistan after Trump's stay-the-course speech in August, but Gallup's three decade-long tracking poll found that the belief the U.S. spends "too little" on defense is at its highest point (37 percent) since it spiked after 9/11 (41 percent). The previous highpoint was 51 percent in 1981 when Ronald Reagan was elected in no small part on the promise of a major build-up.

So, if Americans generally don't support wars or engagement in the world, why do they seem to reflexively support massive military budgets?

Frankly, look no further than Trump's mantra of "jobs, jobs, jobs." He says it when he lords over the sale of weapon systems to foreign powers or he visits a naval shipyard or goes to one of his post-election rallies to proclaim to "We're building up our military like never before." Frankly, he's giving the people what they want. Although they may be war-weary, they've not tired of the dispersal system that Greider wrote about during Reagan's big spree.

Ultimately, it means that the dreaded Military-Industrial Complex isn't just a shadowy cabal manipulating policies against the will of the American people. Nor is the "racket" exclusive to an elite group of Deep State swamp things. Instead, the military and the vast economic network it feeds presents a far more "complex" issue that involves millions of self-interested Americans in much the way Eisenhower predicted, but few are willing to truly forsake.

JP Sottile is a freelance journalist, radio co-host, documentary filmmaker and former broadcast news producer in Washington, D.C. He blogs at Newsvandal.com or you can follow him on Twitter, <http://twitter/newsvandal>.

The Hidden Hazards of GOP's Tax-Cut Plan

Though sold as a pain-free tax cut for most Americans, the Republican plans favor the rich and carry hidden dangers for Social Security, Medicare and other key social programs, as Dennis J Bernstein describes.

By Dennis J Bernstein

The Democrats and the entire progressive community are up in arms about the Republican tax-cut plans, which budget experts say will shower the wealthy with tax breaks while raising taxes on some middle- and working-class families. The plans also could flood the federal debt with another \$1.5 trillion in red ink over the next decade.

The legislation is now in the hands of the U.S. Senate where some modifications are expected in order to bring onboard a few Republican holdouts, but the Senate version does not play well either with critics alarmed about the potential debt-induced raid on Social Security and other key social programs.

Rep. Ro Khanna, D-California, put it this way: "Not only would the GOP tax plan blow a hole in the deficit, but as a result, it would trigger major cuts to programs that many Americans depend on, including a \$25 billion cut to Medicare. This plan is a disaster for the middle class...[It] clearly demonstrates that they think it's better to serve the interests of the very wealthy than everyday people. Shareholders and corporate executives do not need any more favors handed to them."

What follows is an in-depth primer, from a progressive perspective, on the tax cut legislation. I spoke about it with Josh Hoxie on Nov. 21 in Boston. Hoxie has studied the proposal extensively and written about it as well. He is the Co-Editor of Inequality.org, based at the Institute for Policy Studies in Boston.

Dennis Bernstein: Let's start with some background on the Estate Tax. What is the estate tax and how was it established?

Josh Hoxie: About 100 years ago, Teddy Roosevelt and a few others saw that wealth was concentrating in fewer and fewer hands. We had a funneling of wealth up to the upper class and the rest of the country was struggling. They decided that we ought to have a levy on the inter-generational transfer of immense wealth. When so much money concentrates in so few hands, it is bad for everyone.

Today this tax is levied on wealth dynasties of \$7 million for married couples or \$5.5 million for individuals. It is probably the most progressive aspect of our tax code. It is incredibly important, not just for raising revenue, but for controlling the runaway inequality we are witnessing in America today.

Dennis Bernstein: Does the estate tax actually deal with the issue of inequality?

Josh Hoxie: If you have a fortune and can do whatever you want with that fortune when you die, you should think about how your money was made. I can guarantee that every great fortune in the United States was in some way enabled by the public sector: the roads you drove on, the schools that educated your workforce, the intellectual property rights that protected your intellectual property, and so on down the line.

One way we think of the estate tax is as “economic opportunity recycling.”

Paying forward the benefits that you had to create your fortune to the next generation so that they can get ahead too. Without an estate tax, the only people who benefit from your fortune are the genetic lottery winners who happen to be born to multi-millionaire and billionaire parents. With an estate tax, that opportunity gets spread around a little bit.

Dennis Bernstein: Trump says that eliminating the estate tax is going to bring money to the middle class. You say it is ultimately going to cost all of us \$260 billion in inequality. How do you come to that figure?

Josh Hoxie: The Senate Joint Committee on Taxation came to that figure. If we get rid of that tax, that is how much won't be raised. So it comes out of the public coffers and into the hands of the wealthiest people in this country. The most regressive thing you can do is take money away from the Program for Women and Infant Children (WIC)—which half of the children in this country rely on for basic nutrition—and give that money to the wealthiest people who need it the least.

Dennis Bernstein: You wrote a piece that appeared recently in *The Las Vegas Sun*. Can you say more about how this would significantly widen the racial wealth divide?

Josh Hoxie: When we look at who has the wealth in this country, we find that it is incredibly concentrated by race. Essentially, White families have hundreds of thousands of dollars in assets, while the median Black family has a few thousand. So we are talking about a hundred-to-one ratio. And it is similar for Whites-to-Latinos.

When you look at who pays the estate tax, it is proportionately White folks who

have tons of money but the money is held in disproportionately White hands.

That is the result of a legacy of racist public policy that goes back to red-lining in our cities, the legacy of slavery, and income disparities that extend to today.

Dennis Bernstein: How would you critique the focus of this new tax plan?

Josh Hoxie: It is hard to criticize strongly enough the Trump tax cuts. They could mean irreparable damage for generations to come. This is a money grab.

This is done on party lines, jammed through Congress, backed by multi-millionaires and billionaires for their exclusive benefit.

It is bad economics but more than that it is morally reprehensible. In an age where one in five children is food insecure, we are going to cut basic public programs in order to give this tax break to people who need it the least in this country!

We have the first billionaire president and the wealthiest cabinet in history.

And we have never had so much money in our campaign finance system. So this is not being done for congressional constituents, it is being done for wealthy billionaire donors.

Dennis Bernstein: What programs are going to be cut, who is going to suffer?

Josh Hoxie: The Trump tax cuts will create such a major hole in the federal budget that they will preempt mandatory spending cuts in Social Security, Medicare and Medicaid. They are bringing back something called "chained CPI" which translates to less money for seniors. Social Security is the most successful anti-poverty program in American history. Before Social Security came around, half of people over 65 lived in poverty. Now it is less than 10 percent, largely thanks to Social Security.

I think it is just now coming out, all the insidious ways that this wealth grab is going to affect all the non-wealthy people in this country. A lot of people will see their taxes go up. Graduate students are going to see their costs go up fivefold. This is just mean on its face.

Dennis Bernstein: Are corporations and the wealthy spending a lot of money to make sure this goes through? And how will the Trump family make out?

Josh Hoxie: Donald Trump likes to claim that he is worth \$10 billion. If we take him at his word, eliminating the estate tax would mean \$4 billion for his kids. The Walton family stands to benefit enormously, as do the beneficiaries of the Koch brothers. There is a carve-out in the Trump tax cuts for private jet owners and alongside it is a fee increase for ordinary commercial flight

passengers! That is indicative of who is in the room when these things are decided.

Dennis Bernstein: What did we learn about these people from the *Panama Papers*?

Josh Hoxie: Two major leaks have come out regarding offshore tax shelters: *The Panama Papers* came out last year and *The Paradise Papers* came out this year.

Essentially, we know that there is an untold amount of money hiding in offshore tax shelters. We still don't know how much money is concentrated at the very top. We do know that it is not small businesses who are putting away money in these tax havens. It is corporate CEO's, corporations themselves, shady entities.

The whole premise of trickle-down economics is that if you give money to the top they will spend it and it will benefit everyone else. That has never happened, but even if you took them at their word, if the money is hiding in an offshore tax shelter, how is that ever going to benefit anyone else?

It is hard to overstate what happens when so much money concentrates in so few hands. Basically, we are seeing our politics, our civil society, our philanthropy dominated by the very rich, who care about no one but themselves and their country club friends.

Dennis J Bernstein is a host of "Flashpoints" on the Pacifica radio network and the author of Special Ed: Voices from a Hidden Classroom. You can access the audio archives at www.flashpoints.net.

The Struggles of 'A Good American'

Exclusive: A new documentary tells the story of ex-NSA official William Binney and his fight to get the federal bureaucracy to accept an inexpensive system for detecting terrorists while respecting the U.S. Constitution, writes James DiEugenio.

By James DiEugenio

In my view, one could not find a better title for Friedrich Moser's film about former National Security Agency technical expert William Binney than the one decided upon, *A Good American*. His life illustrates the cost some people pay when a person's morality and professional ethics clash with a governmental bureaucracy that values neither. Friedrich Moser's film captures the man and his

dilemma on a personal level, in historical terms, and in a memorable aesthetic form.



William Binney was born in Pennsylvania in September 1943. He attended Penn State University and graduated with a degree in mathematics. During the Vietnam War, Binney joined the Army so he could have some control over where he was stationed abroad. As the film shows, during his testing and his service, it was demonstrated he had a high aptitude in mathematical analysis and code breaking. So, he was stationed in Turkey for communications interception. From that nearby location, he was tasked with spying on the Soviet Union.

To say that Binney was good at what he did does not do his performance justice. In December 1967, given signals intercepted in Vietnam by an officer friend of his, Binney predicted the Tet offensive. Because of that forewarning, Binney's friend was able to hold his position with almost no casualties. In 1968, based on intelligence gathering, he predicted two days in advance that the Soviets would invade Czechoslovakia.

What Binney was so good at was, in those days, called traffic analysis. That is, from the data he was given – no matter how skimpy, no matter how foreign – once it was translated, he was able to break down signal codes, and he then would use that information to map out a whole chain of command and control.

As his friend and eventual National Security Agency colleague Ed Loomis states, Binney was so good at this that he could eventually map out who was talking to whom and which way the communication was going. That is either up the hierarchy or down the hierarchy. All this from the raw data of intercepts. Off this performance, the Army decided to transfer Binney to the National Security Agency.

Skilled at Puzzles

While there, Binney continued his uncanny and unique work in deciphering war preparation through signals intelligence. He predicted the Yon Kippur War in 1973. As he states on camera, he accomplished this through bypassing the very long list of warning signals the NSA gave him. He made a much shorter list of only five indicators that he used at his own desk.

And it was this list that Binney used again six years later to predict the Soviet invasion of Afghanistan. He predicted both the time and the day. As he notes on camera, he was off by one hour. Binney was so gifted in the creation and perfection of mathematical algorithms that when he got a 64K ram desktop computer in 1983, he was soon outperforming the gigantic mainframes, which took up the entire floor of an office building.

During this introductory segment of the film, Binney says something that is crucial to understanding him, this film, and the moral quandary that constitutes the misuse of intelligence for political ends. Binney states that he got into signals intelligence because he did not think that America should go to war due to bad information.

Therefore, he saw his function as informing leadership properly so they did not make mistakes. When one thinks of some of the wars that the U.S. entered under false intelligence – from the Spanish-American War through the Vietnam War and most recently the war with Iraq – one has to appreciate how important Binney's approach to his job was and how the contrary approach of politicized intelligence – i.e., analysis designed to please political interests – has led to disastrous results.

The War on Terror

From this point, the film introduces the Age of Terror, which *A Good American* starts with the 1993 World Trade Center bombing. Ramzi Yousef, one of the perpetrators, had spent time in an Al Qaeda training camp in Afghanistan. And the plot was advanced via telephone and through wire transfers from Khaled Sheikh Mohammed, who was suspected later of playing a large part in the 9/11 attacks. The idea was to use a 1330-pound truck bomb to blast the basement supports of the North Tower and crash it into the South Tower. The plan did not come off as intended. But still, six people were killed and about a thousand were injured.

Some in the intelligence community thought the 1993 bombing was an isolated incident. But others, including Binney's colleague at NSA, Tom Drake, thought it was really the start of a dangerous worldwide movement. But that warning went pretty much unheeded.

But Binney took it seriously; especially the phone calls and wire transfers involved. And that caused him to begin to think of constructing a worldwide surveillance program that would root out a terrorist threat before it could strike.

Binney boldly stated that they had to build something like a giant electronic grid, one that would somehow be able to capture, decipher and segregate the routing messages of 2.5 billion phones throughout the world.

When someone objected to the idea as being beyond the reach of any kind of cyber capability, Binney replied that if modern physics could map out a sub-atomic world that no one had seen or imagined, then the NSA could do the same in the atmosphere above us. That decision gave birth to first SARC, or Signals Intelligence Automation Research Center, and then to Thin Thread.

SARC was a group of very select technicians and analysts within the NSA. In 1997, Binney chose them from the thousands of people he supervised. He picked them based on their creative aptitudes and their ability to think outside the box and not be limited or intimidated by the bureaucracy. Two of Binney's cohorts in SARC are featured in the film: computer scientist Ed Loomis and senior analyst Kirk Wiebe.

In many ways, Thin Thread was Binney's magnum opus, the crowning capstone to a brilliant career. It was an all-encompassing surveillance program that worked from what has come to be known as metadata. That term usually refers to what we would call the header, or the routing information on a message. That is, the program was guided by the earmarks of the sender, the receiver(s), the time stamp, and the geographic points of origin and destination.

Thin Thread would then correlate the information from financial transactions, travel records, web searches, and email messages in order to chart relationships among people in real time, as events were happening. As Binney says, it was all about finding patterns among people and charting out relationships.

Constitutional Safeguards

Binney had designed the program with internal safeguards in order to avoid legal and constitutional violations. The main objectives in this regard were to avoid stealing the actual contents of a message, and to also avoid as much as possible the danger of spying on Americans.

The latter was accomplished by only being able to focus the program on persons who were already targeted as domestic suspects. From there, if probable cause was established, the program was designed to take the case to the Foreign Intelligence Surveillance Court to obtain a FISA warrant.

Fellow employees in the NSA who saw the prototype said the precision of the final correlations of information resembled a fingerprint a lawyer could take to a FISA Court.

From everyone in SARC, the Thin Thread program received fulsome praise as a problem solver for the NSA. Yet there were some in the NSA who wanted to work with more information, not less.

To Binney, this desire was problematic on three levels. First, it created storage problems for the immense amount of data collection. Second, there was the problem of time consumption: the more data collected (or "data mining"), the longer it took to analyze the information. Third, there was the constitutional problem from the invasion of privacy of American citizens.

Binney felt that this more invasive approach would lead to a breakdown in the legal system that would resemble the intrusions of a fascist state. The indiscriminate vacuuming up of data would fulfill the Orwellian idea of National Security Advisor John Poindexter's Total Information Awareness (TIA).

As the film depicts, Thin Thread fell victim to the ambitions of NSA Director Michael Hayden, who had been an Air Force General prior to heading the NSA. Thus, he understood how hierarchies work, and how power operates in a bureaucracy as large as the Pentagon, i.e., the value of expensive programs over cheaper ones.

When Thin Thread was ready to activate, Binney talked to a project acquisitions officer about purchasing the system for the NSA to use. According to Binney, the problem was that the price tag was too low. After the initial briefing, the officer came back and said words to the effect: Could you expand it to a budget of \$300 million?

In short order Binney discovered the problem was that Hayden wanted a colossal program that he could tag with a correspondingly colossal price. This would expand the size and scope of the NSA to make it rival the CIA, which had always been the biggest kid on the block as far as the intelligence community went.

The Victory of Money

Therefore, over time, Thin Thread lost out to a much more expensive, but much less efficient and workable program called Trail Blazer, which was budgeted at over \$1 billion and which eventually cost well over that sum.

As the film shows, the congressional liaison for the NSA, Diane Roark, told the agency that the project was both overdesigned and overly complicated. To her, it looked like a boondoggle in the making.

After Roark voiced her reservations, and interviewed some NSA employees from SARC, Hayden circulated a memo in which he voiced his disagreement with those who were countering his decision. He said these actions were hurting the NSA and he would not tolerate the dissent, a thinly veiled hint at retaliation.

Hayden decided to outsource Trail Blazer, rather than develop the program in-house. Hayden used a private company called Science Applications International Corporation (SAIC), which employs many former NSA managers. Hayden also brought back to the NSA an SAIC executive named Bill Black who was appointed Deputy Director to develop Trail Blazer.

Hayden then dispatched his third-in-command, Maureen Baginski, to deliver the news that Thin Thread was being abandoned. As Binney recalls, her memorable words were: If we abandon Trail Blazer, I make 500 people unhappy; if we abandon Thin Thread, I make 6 people unhappy. But happiness management was not Binney's idea of what the NSA was about.

The clincher to that meeting was that the 9/11 attacks occurred three weeks later.

Evidently fearful of further attacks, Hayden closed down the NSA offices on 9/11 and the day after. To get inside, Binney disguised himself as a custodian and was astonished by the attitudes of people like Baginski who looked at the 9/11 attacks as something like a gift because now the NSA budget and its powers would be expanded beyond their wildest dreams. About two months later, both Binney and Wiebe decided to resign from the NSA.

It turned out that Roark and SARC were correct. Trail Blazer ended up being a costly failure. It was finally abandoned in 2006. But in 2002, members of SARC filed a complaint with the Department of Defense about the waste and abuse involved in the decision to start Trail Blazer when Thin Thread was already operating in prototype. That complaint was accepted and the inquiry by the Inspector General went on for years. When the report was finally issued in mid-2005, the large majority of the text was redacted. The film shows us these blank pages as Binney leafs through the report.

Tom Drake stayed on at NSA. He knew about Thin Thread and realized the prototype was still there. He decided to run the program through the data that had been collected prior to 9/11. Drake discovered that Binney's program worked as he said it would. It picked up all the important movements and dispersal patterns. It even showed that the plot was more expansive than revealed: part of it had failed since some other planes had not been hijacked. Drake concluded that the information was there for the NSA to interpret but without Thin Thread they could not do so.

Hayden's Intervention

When Wiebe and Binney left the NSA they created their own private company called Entity Mapping LLC, which began selling Thin Thread to other intelligence agencies like the National Reconnaissance Office (NRO), and Customs and Border Patrol. The NSA stepped in and negated these deals.

The film implies that Hayden did not want the NSA to be further embarrassed by a program he had rejected for all the wrong reasons. It was at this point that SARC decided to file the complaint with the Department of Defense. Drake said he would support the action from the inside since he was still at NSA. Although the Inspector General report was largely redacted, enough of it was readable so it was clear that Trail Blazer was the most expensive failure in the history of the NSA.

One might think that this story could not get any worse. But it does. After the *New York Times* and *Baltimore Sun* exposed the fact that, as Binney predicted, the NSA would eventually be involved with warrantless eavesdropping and invasions of privacy, the FBI made a series of criminal raids.

In July 2007, the FBI raided the homes of Loomis, Wiebe, Roark and Binney, along with a Justice Department lawyer named Thomas Tamm. The Bush administration was upset that the media was exposing their violations of the original FISA law that was enacted after the Church Committee's exposure of U.S. intelligence abuses.

The FBI agents entered Binney's home with guns drawn while he was in the shower. According to Roark, much of her NSA data on Thin Thread was confiscated by the FBI during the raid.

It turned out that it was Tamm who had been talking to the *New York Times*. Since he was a lawyer in the Justice Department working the FISA cases, he understood that the Bush administration was violating the law as to how NSA was attaining information and how the surveillance agency had targeted domestic citizens who were not contacted by foreign entities. The administration had set up a special branch of the FISA court to deal with those special cases.

The FBI cases against Binney, Roark, Loomis, Tamm and Wiebe were eventually dropped for lack of evidence. Drake's home was raided a few months later because he had talked to the *Sun*. The prosecuting attorneys tried to get Drake to testify against the others, but he refused to do so.

The prosecutors tried to get Roark to turn against Drake, but that did not work either. After Drake appeared on *Sixty Minutes*, the government dropped all charges except a misdemeanor for misusing an NSA computer system. Drake ended up losing his \$155,000-a-year job at NSA, and his pension. He also was fired from

his university teaching position.

As NSA whistleblower Edward Snowden has stated, the major reason he decided not to go through internal channels when he discovered other abuses within the NSA programs, was because of the prior examples of what had happened to men like Binney and Drake.

Thus, in 2013, Snowden fled the country, contacted people in the media and revealed to them the privacy problems with NSA programs like Stellar Wind, and PRISM and Tempora. Binney had worked on Stellar Wind, but the NSA had altered it to spy on Americans after he left.

In other words, if Hayden had listened to Binney and SARC, there would have been no Edward Snowden and 9/11 might not have occurred. But as the film painfully points out, while Binney, Roark and Drake were being prosecuted, Hayden went on to get two major promotions. The first was Deputy Director of National Intelligence and later Director of the CIA. (Hayden remains a respected go-to intelligence expert sought out by the mainstream U.S. media.)

An Artistic Documentary

Friedrich Moser's film about Binney is well made in what might be called the post- Errol Morris documentary mode. There is the well-chosen use of dramatic music and the liberal use of reenactments to demonstrate certain stages of Binney's career. In an age of fine photography, the cinematography in this film is exceptional, even when watching without high definition. In fact, this documentary is more imaginatively directed than many feature films I have seen of late.

I would be remiss if I did not note that Moser is from Austria and his film was sponsored by the Austrian Film Institute. I doubt that such a film could be made in the United States today. Recently, the mainstream U.S. media has labeled him a "conspiracy theorist" because he has disputed the conventional wisdom that Russia "hacked" Democratic emails to help elect President Trump; Binney's experiments revealed that the download speed of one of the key hacks was impossible via an Internet hack and instead matched what was possible from a direct download onto a thumb drive, i.e., a leak from an insider.

But that is the fate of people who sacrifice their careers for just causes. They eventually lose their reputations.

Moser is to be congratulated for making his aptly titled film, which would be enormously informative to about 99 percent of the public. I would recommend it to anyone. You can see it on Amazon for \$4, the story of a good American.

James DiEugenio is a researcher and writer on the assassination of President John F. Kennedy and other mysteries of that era. His most recent book is *Reclaiming Parkland*.

Trump Adds to Washington's 'Swamp'

Exclusive: President Trump's vow to "drain the swamp" was just one more empty promise as he adds to the muck with military contractors in key Pentagon jobs and other industry lobbyists at regulatory posts, says Jonathan Marshall.

By Jonathan Marshall

In the Famous-Last-Words department, this Dec. 12, 2016 headline from Reuters surely ranks among the worst: "Trump attack on Lockheed Martin foreshadows war on defense industry." When it comes to military contractors, President Trump surely prefers to make love, not war.

Not only does he seek a \$51 billion increase in the base military budget, Trump is putting top defense industry insiders in charge of spending more than \$300 billion a year in contract awards to private corporations.

Those insiders include former General Dynamics board member James Mattis, now Secretary of Defense; former Boeing Senior Vice President Patrick Shanahan, now Deputy Secretary of Defense; Raytheon's former top lobbyist, Mark Esper, now Secretary of the Army; and former Textron CEO Ellen Lord, now Undersecretary of Defense for Acquisition, a post that supervises all Pentagon weapons procurement.

Oh, yes, let's not forget Lockheed Martin Corporation, subject of the Reuters headlines and the nation's biggest military contractor, with annual sales of nearly \$50 billion. Trump chose its former consultant, Heather Wilson, to become Secretary of the Air Force.

Lockheed Martin paid Wilson, a former Republican congresswoman from New Mexico, nearly a quarter million dollars for advice on winning an extension of its contract to run Sandia National Laboratories. Following that campaign, the company had to pay the feds \$4.7 million to settle charges that it improperly used government money to lobby senior U.S. officials.

Now Wilson is overseeing the biggest weapons program in U.S. history – the F-35 Joint Strike Fighter, a notoriously trouble-plagued jet with a total estimated

program cost of *more than \$1 trillion*. Who makes it? Lockheed Martin. Lockheed Martin also makes the equally notorious Littoral Combat Ship for the U.S. Navy.

More Military-Industrial Complex

Last month, the Trump administration sent to the Senate its nomination for the Pentagon's third-highest position, Under Secretary of Defense for Policy. He's John Rood, senior vice president of Lockheed Martin International. Rood oversees the company's weapons sales in some 70 other countries, such as Saudi Arabia, which signed a gigantic arms deal with President Trump in May.

That \$110 billion deal sent defense stocks soaring to all-time highs. Lockheed Martin's CEO, citing prospective new weapons sales worth \$28 billion, said she hoped the deal would "strengthen the cause of peace in the region."

In his previous job as Vice President for Government Affairs for Lockheed Martin, Rood directed its lobbying activities in Washington. Last year the company spent more than \$13.9 million on lobbying and mobilized \$5 million in campaign contributions, making it one of the very top corporate political spenders.

Lockheed lobbies through the media as well as in Congress. In May, a *Washington Post* column authored by Stephen Rademaker, a lobbyist with the Lockheed-funded Podesta Group, insisted that the best way to confront North Korea was by deploying the THAAD and Aegis Ashore missile defense systems, as well as "long-range strike aircraft" – all, not coincidentally, built by Lockheed Martin. Adam Johnson, a writer for Fairness and Accuracy in Reporting (FAIR), pointed out that the newspaper noted Rademaker's connection to Podesta Group, but not its role as a major lobbyist for the military contractor.

Rood would also have had a hand in the company's contributions to many "independent" think-tanks, such as the Atlantic Council, Center for a New American Security, Center for Security Policy, Heritage Foundation, Lexington Institute (founded by a Lockheed lobbyist), and others that promote greater military spending and often recommend specific weapons systems built by Lockheed Martin.

One example is the Center for Strategic and International Studies (CSIS), a major hawkish think tank based in Washington, D. C. It has "push[ed] the THAAD missile system or its underlying value proposition in US media" at least 30 times, according to Johnson and his colleagues at FAIR. CSIS, which has long been notably secretive about its funding, admits that Lockheed Martin ranks with Boeing, General Dynamics, and Northrop Grumman among its top-10 corporate funders.

A *New York Times* exposé last year also cited the Center's role in pushing for government permission to export drones, another weapons system that Lockheed Martin helps build.

Trump Goes to the Extreme

Trump is certainly not the first president to appoint defense industry executives to senior Pentagon posts, but he's taken the practice to extreme lengths. He's also extended the same practice to almost every other cabinet department.

Thus he appointed a top lobbyist for the American Petroleum Institute, the American Fuel and Petrochemical Manufacturers, the American Chemistry Council, and the National Association of Manufacturers to head the Environmental Protection Agency's clean air enforcement office; a coal industry consultant to head the Interior Department's Office of Surface Mining and Reclamation and Enforcement; and a top pharmaceutical executive to head Health and Human Services.

And after his frequent campaign blasts against Goldman Sachs, Trump has appointed its alumni to top White House, Treasury, economic policy, national security, and Wall Street regulatory jobs. Goldman CEO Lloyd Blankfein said he was proud of this record but admitted he was "a little apprehensive . . . for fear of how it might look."

With their stock prices up more than 30 percent in the year since last November's election, neither Goldman Sachs nor Lockheed Martin seems to worry too much about appearances. Nor do Raytheon, General Dynamics, and all the other contractors profiting from the military spending boom that Trump is promoting. But if you smell something funny coming out of Washington, it's because someone forgot to drain the swamp.

Jonathan Marshall is author of many articles on military procurement and contractors, including "US Arms Makers Invest in a New Cold War," "Feeding the Military-Industrial Complex," and "New Navy Ship Leaking Tax Dollars."

Trump and Democrats Misread Mandates

Exclusive: Neither the Democrats nor President Trump learned the right lessons from the 2016 election, leaving the nation divided at home and bogged down in wars abroad, writes Robert Parry.

By Robert Parry

One year ago, the American electorate delivered a confused but shocking result, the election of Donald Trump over Hillary Clinton, a quirky outcome in the Electoral College that put Trump in the White House even though Clinton got three million more votes nationally. But neither party appears to have absorbed the right lessons from that surprise ending.

The Democrats might have taken away from their defeat the warning that they had forgotten how to speak to the white working class, which had suffered from job losses via “free trade” and felt willfully neglected as Democrats looked toward the “browning of America.”

The choice of Clinton had compounded this problem because she came across as elitist and uncaring toward this still important voting bloc with her memorable description of half of Trump’s voters as “deplorables,” an insult that stung many lower-income whites and helped deliver Pennsylvania, Michigan and Wisconsin to Trump.

For more than a decade, some Democratic strategists had promoted the notion that “demography is destiny,” i.e., that the relative growth of Latino, Asian and African-American populations in comparison to whites would ensure a future Democratic majority. That prediction seemed to have been validated by Barack Obama’s winning coalition in 2008 and 2012, but it also had the predictable effect of alienating many whites who felt disrespected and resentful.

So, while the Democrats and Clinton looked to a multicultural future, Trump used his experience in reality TV to communicate with this overlooked demographic group. Trump sold himself as a populist and treated the white working class with respect. He spoke to their fears about economic decline and gave voice to their grievances. He vowed to put “America First” and pull back from foreign military adventures that often used working-class kids as cannon fodder.

But much of Trump’s message, like the real-estate mogul himself, was phony. He really didn’t have policies that would address the needs of working-class Americans. Still, his promises of a massive infrastructure plan, good health-care for all, and rejection of unfair trade deals rang the right bells with enough voters to flip some traditionally Democratic blue-collar states to Republican red.

Staying Blind

You might have thought that the Democrats would respond to Trump’s shocking victory, which also left Republicans in charge of Congress and most statehouses around the country, by launching an apologetic listening tour to reconnect with

working-class whites.

There also might have been a clear-eyed evaluation of the weaknesses of the Democratic presidential nominee who came to personify the corrupt insider-culture of Official Washington, exploiting government service for financial gain by raking in millions of dollars for speeches to Wall Street and other special interests.

Clinton also offended many peace voters because of her support for aggressive war, both as a U.S. senator backing the disastrous invasion of Iraq and as Secretary of State pushing for U.S. military interventions in Libya and Syria. Her apology for voting for the Iraq War came across as opportunistic and insincere, and her undisguised delight over Libyan leader Muammar Gaddafi's grisly murder ("We came; we saw; he died!") seemed ghoulish.

And, whether fairly or not, many Americans were turned off by the Democratic Party's emphasis on "identity politics," the assumption that people would vote based on their gender, race or sexual orientation, rather than on bread-and-butter policies and war-or-peace issues.

In other words, the Democratic Party could have looked in the mirror and seen what many Americans found unappealing about the modern version of a party that had done so much to build the country, from the New Deal during the Great Depression through the Civil Rights Movement of the 1960s, and taking a leading role in addressing environmental, health-care and other national challenges.

But today's Democrats instead chose to blame their plight largely on Russia and its alleged "meddling" in U.S. politics, a strategy that not only made little sense – given the many other reasons why voters turned away from Clinton and her party – but delivered a message to white working-class voters who had gone over to Trump that they were "stupid" and had been "duped."

Whatever one thinks about white working-class voters who favored Trump, calling people gullible is not an effective way to woo back a voting bloc that already feels insulted and alienated.

Missing a Chance

So, when Trump was sworn in last Jan. 20, the ball was largely in his court. He could have focused on rebuilding America's infrastructure; or he could have proposed a serious plan for improving access to health care; or he could have moved pragmatically to resolve a host of international conflicts that President Obama had left behind.

Instead, President Trump squandered his first days in office by getting into

absurd arguments about his inaugural crowd size compared to Obama's and denying that Clinton had won the national popular vote. His "alternative facts" made him a laughingstock.

Last spring, when I spoke with a group of Trump voters in West Virginia, they were still faithful to their choice – and wanted Washington to give him a chance – but they already were complaining about Trump's personal outbursts on Twitter; they wanted him to concentrate on their real needs, not his petty squabbles.

But Trump wasn't listening. He couldn't kick his Twitter habit. He kept putting his giant ego in the way.

As his presidency stumbled forward, Trump also brushed aside suggestions that he reverse his image as a person who had no regard for facts by declassifying information about the conflicts in Syria, Ukraine and elsewhere – to reveal situations where Obama and his team played propaganda games, rather than tell the truth.

And, lacking sufficient knowledge about the world, Trump failed when presented with sophisticated plans for reshaping U.S. policies in the Middle East to become less dependent on Israel and Saudi Arabia. Instead, Trump jumped into the arms of Israel's Prime Minister Benjamin Netanyahu and Saudi King Salman.

Pandering to Israeli-Saudi desires – and trying to show how tough he was – Trump fired off 59 Tomahawk missiles at Syria over a dubious chemical-weapons incident; threatened more Mideast strife against Iran; and escalated the 16-year-old war in Afghanistan.

Plus, he blustered about war against North Korea and personally insulted the country's leader, Kim Jong Un, as "little rocket man." Rather than rein in neoconservative aggression, he continued to unleash it.

When Trump did address domestic policy, he defined himself as basically just another right-wing Republican, supporting a health-care scheme that would have made matters worse for millions of Americans and backing a tax-cut plan that would mostly benefit the rich while blowing an even bigger hole in the deficit. All that red ink, in turn, drowned any hopes for investments in a modern infrastructure.

In other words, Trump exposed himself as the narcissistic incompetent that his critics said he was. He proved incapable of even acting presidential, let alone showing that he could use his power to make life better for average Americans. He was left with little to boast about beyond the economy that was bequeathed to him by Obama.

Republicans also had little to brag about, explaining why Ed Gillespie, the GOP's gubernatorial nominee in Virginia in 2017, opted for ugly socially divisive attack ads as the best hope for defeating Democrat Ralph Northam, a Gillespie strategy called "Trumpism without Trump."

But Gillespie's approach backfired with a surprisingly strong turnout of Virginia's voters putting Northam into the governor's mansion and almost erasing the solid Republican majority in the state legislature.

Trump was left to tweet about how the Virginia results, which were echoed in other states' elections on Tuesday, weren't a reflection on his own popularity, ignoring his unprecedentedly low approval ratings for a president nine months into his first term.

So, the new political question is whether Trump can belatedly learn from his failures and finally undertake some actions at home and abroad that actually serve the interests of the American people and the world. Or will he continue to bumble and stumble along?

A parallel question is whether the Democrats will misinterpret their strong showing on Tuesday as encouragement to continue ignoring their own political and institutional shortcomings – and to keep on using Russia to bash Trump. Neither side has shown much aptitude for learning.

Investigative reporter Robert Parry broke many of the Iran-Contra stories for The Associated Press and Newsweek in the 1980s. You can buy his latest book, *America's Stolen Narrative*, either in [print here](#) or as an e-book (from [Amazon](#) and [barnesandnoble.com](#)).

Recycled GOP Promises of 'Trickle Down'

Since the 1980s, Republicans have insisted that tax cuts for the rich will benefit working people, but the rich just sock away their money and national needs are neglected. Yet, the same cycle is back again, says JP Sottile.

By JP Sottile

It is really important that the Republican Party decorated its [Tax Cuts and Jobs Act](#) with the word "Jobs" because the GOP is going to sell this to their base using the magical thinking that giving a big tax cut to corporations is giving a big raise to workers. The idea is that you give more money to big businesses.

The executives, in turn, will take that excess money and trickle it down onto their employees in the form of raises.

This wishful thinking is predicated on the people at the top suddenly feeling compelled to share this new windfall when they've refused to share all the windfalls of the past. For some reason, that didn't happen with the previous two big tax cuts (Reagan/BushII) and, of course, GOP supporters of this deal say "middle class hasn't gotten a raise in decades," without pointing out that the severe wage/income gap began with the coming of Ronald Reagan's tax cut (the graphed data is stark) and it has continued unabated, George W. Bush's tax cuts be damned.

You see, the average pay for an S&P 500 CEO is 271 times the pay of their average worker. And it's 819 times workers making minimum wage. Amazingly, in 1965, the ratio was 20-to-1; by 1989, after the Reagan tax cuts, that ratio had widened to 59-to-1. Those dates – 1965 and 1989 – coincide with the high point of the Middle Class (1965) and the beginning of the end of the Middle Class (1989) as a mass phenomenon or what we called The American Dream.

And 1989 was a point of acceleration for the financialization of the economy, which brings me to the point: this economy is a hoarding economy, not a productive economy. Hoarding is rewarded over production. Inflating stock prices with buy-backs is rewarded. Inflated valuations and speculation are rewarded. Exotic financial devices that repackage and sell debt are rewarded. Cutting the cost of labor is rewarded. And the people at the top are rewarded for stoking stock prices, no matter the P/E ratio. And shorting your own bad decisions is rewarded ... and your simple greed is bailed-out if your bottom line was big enough.

That's because this economy is a rigged game rooted in speculation and salesmanship and vaporware. Trump touts the \$5 trillion of wealth "created" in the stock market ... but it's all just paper ... or, actually, just data stored on computers. IF it becomes tangible wealth because the holders of the data decide to cash out and take some profits, that's going to be enjoyed by the top 10% of Americans who hold 80% of the stock market.

If the Republican tax cut comes through you can expect some profit-taking. The market has been rising on speculation of a tax cut, after all. Why not visit Wall Street's magical ATM machine? And just like the previous two tax cuts (Reagan/BushII), this will put money in the hands of the people at the top who've shown since 1981 that they have no inclination to share their wealth with "the workers" in the form of raises, in spite of their own meteoric compensation.

Why would they hand out higher wages now ... particularly with a whole new robotic workforce on the horizon? Why not hoard the wealth and take advantage of the initial cut to, and the eventual end of, the estate tax, which already only applies to multimillionaires and – through its elimination – will allow wealth to be passed on from one generation of plutocrats to the next? So, why not cement your own family's elite position before the next shock? And why give raises to people who've become grateful to just have a job ... or two jobs, as the case may be?

No, like the Reagan and Bush tax cuts, this Congressionally-sanctioned hoarding will be the predictable prelude to another leg in America's perpetual boom-and-bust cycle ... which eventually will lead to another call for tax cuts to advance the hoarding process at the top even more. That is, if there is anything left.

JP Sottile is a freelance journalist, radio co-host, documentary filmmaker and former broadcast news producer in Washington, D.C. He blogs at [Newsvandal.com](http://www.newsvandal.com) or you can follow him on Twitter, <http://twitter/newsvandal>.

How Afghans View the Endless US War

To understand why the 16-year-old U.S. war in Afghanistan continues to fail requires a look from the ground where Afghans live and suffer, a plight breeding strong opposition to the U.S. presence, explains Kathy Kelly.

By Kathy Kelly

On a recent Friday at the Afghan Peace Volunteers' (APV) Borderfree Center, here in Kabul, 30 mothers sat cross-legged along the walls of a large meeting room. Masoumah, who co-coordinates the Center's "Street Kids School" project, had invited the mothers to a parents meeting. Burka-clad women who wore the veil over their faces looked identical to me, but Masoumah called each mother by name, inviting the mothers, one by one, to speak about difficulties they faced.

From inside the netted opening of a burka, we heard soft voices and, sometimes, sheer despair. Others who weren't wearing burkas also spoke gravely. Their eyes expressed pain and misery, and some quietly wept. Often a woman's voice would break, and she would have to pause before she could continue:

"I have debts that I cannot pay," whispered the first woman.

"My children and I are always moving from place to place. I don't know what will

happen.”

“I am afraid we will die in an explosion.”

“My husband is paralyzed and cannot work. We have no money for food, for fuel.”

“My husband is old and sick. We have no medicine.”

“I cannot feed my children.”

“How will we live through the winter?”

“I have pains throughout my whole body.”

“I feel hopeless.”

“I feel depressed, and I am always worried.”

“I feel that I’m losing my mind.”

The mothers’ travails echo across Afghanistan, where, as one article noted, “one-third of the population lives below the poverty line (earning less than \$2 a day) and a further 50 percent are barely above this.” Much of the suffering voiced was common: most of the women had to support their families as they moved from house to house, not being able to come up with the rent for a more permanent space, and many women experienced severe body pains, often a result of chronic stress.

Water Shortages

Last week, our friend Turpekai visited the Borderfree Center and spoke with dismay about her family’s well having gone dry. Later that morning, Inaam, one of the students in the “Street Kids School,” said that his family faces the same problem.

Formerly, wells dug to depths of 20 to 30 meters were sufficient to reach the water table. But now, with the water table dropping an average of one meter a year, new wells must be dug to depths of 80 meters or more. Inflowing refugees create increased demands on the water table in times of drought and so do the extravagant water needs of an occupying military, and the world’s largest fortified embassy, that can dig as deep for water as it wants.

Families living on less than \$2 a day have little wherewithal to dig deep wells or begin paying for water. The water has been lost to war.

Sarah Ball, a nurse from Chicago, arrived in Kabul one week ago. Together we visited the Emergency Surgical Center for Victims of War, feeling acutely

grateful for an opportunity to donate blood and hear an update from one of their logistical coordinators about new circumstances they encounter in Kabul.

In past visits to Kabul, staff at the Emergency Hospital would point happily to their volleyball court, the place where they could find diversion and release from tensions inherent in their life saving work. Now, as an average of two “mass casualties” happen each week, often involving many dozens of patients severely injured by war, a triage unit has replaced the volleyball court. Kabul, formerly one of the safest places in Afghanistan, has now become one of the most dangerous.

The Taliban and other armed groups have vowed to continue fighting as long as the U.S. continues to occupy Afghan land, to wage attacks on Afghans and supply weapons to the various fighting factions. The United States maintains nine major bases in Afghanistan and many smaller forward operating bases.

Trump’s Continued War

Following President Trump’s announcement of an increase in U.S. troops being sent to Afghanistan, the Washington Post reported that “Direct U.S. spending on the war in Afghanistan will rise to approximately \$840.7 billion if the president’s fiscal year 2018 budget is approved.”

What on earth have they accomplished?!

Masoumah asked each mother a second question: What are you thankful for? The atmosphere became a little less grim as many of the mothers said they were grateful for their children. Beholding the lively, bright and beautiful youngsters who fill the Borderfree Center each Friday, I could well understand their gratitude.

The following day, we joined two dozen young girls living in a squalid refugee camp. Crowded into a small makeshift classroom with a mud floor, our friend Nematullah taught a two-hour class focused on forming peace circles. The little girls were radiant, exuberant and eager for better futures. Nematullah later told us that all their families are internally displaced, many because of war.

I feel deeply moved by the commitment my young friends have made to reject wars and dominance, preferring instead to live simply, share resources, and help protect the environment.??Zarghuna works full-time to coordinate projects at the Border Free Center. She and Masoumah feel passionately committed to social change which they believe will be organized “from the ground up.”

I showed Zarghuna a Voices accounting sheet tallying donations entrusted to us for the Street Kids School and The Duvet Project. I wanted to assure her of

grassroots support from people giving what they can.

“Big amounts of money coming from the U.S. military destroys us,” Zarghuna said. “But small amounts that are given to the people can help change lives and make them a little better.”

Kathy Kelly (kathy@vcnv.org) co-coordinates Voices for Creative Nonviolence (www.vcnv.org). In Kabul, she is the guest of the Afghan Peace Volunteers (ourjourneytosmile.com)

Trump and His ‘Beautiful’ Weapons

It’s easy to understand why some of President Trump’s senior advisers privately consider him a “moron,” with a limited vocabulary and stunning lack of normal human empathy, as William Blum explains at Anti-Empire Report.

By William Blum

Capturing the wisdom and the beauty of Donald J. Trump in just one statement escaping from his charming mouth: “Our military has never been stronger. Each day, new equipment is delivered; new and beautiful equipment, the best in the world – the best anywhere in the world, by far.” [Washington Post, Sept. 8, 2017]

Here the man thinks that everyone will be impressed that the American military has never been stronger. And that those who, for some unimaginable reason, are not impressed with that will at least be impressed that military equipment is being added EACH DAY. Ah yes, it’s long been a sore point with most Americans that new military equipment was being added only once a week.

And if that isn’t impressive enough, then surely the fact that the equipment is NEW will win people over. Indeed, the newness is important enough to mention twice. After all, no one likes USED military equipment. And if newness doesn’t win everyone’s heart, then BEAUTIFUL will definitely do it. Who likes UGLY military equipment? Even the people we slaughter all over the world insist upon good-looking guns and bombs.

And the best in the world. Of course. That’s what makes us all proud to be Americans. And what makes the rest of humanity just aching with jealousy. And in case you don’t fully appreciate that, notice that he adds that it’s the best ANYWHERE in the world.

And in case you still don't fully appreciate that, notice that he specifies that our equipment is the best in the world BY FAR! That means that no other country is even close! Just imagine! Makes me choke up.

Lucky for the man ... his seeming incapacity for moral or intellectual embarrassment. He's twice blessed. His fans like the idea that their president is no smarter than they are. This may well serve to get the man re-elected, as it did with George W. Bush.

William Blum is an author, historian, and renowned critic of U.S. foreign policy. He is the author of *Killing Hope: U.S. Military and CIA Interventions Since World War II* and *Rogue State: A Guide to the World's Only Superpower*, among others. [This article originally appeared at the Anti-Empire Report, <https://williamblum.org/> .]
