

# Conservative Review

Issue #34

Kukis Digests and Opines on this Week's News and Views

July 20, 2008

## In this Issue:

[Obama in the Middle East](#)

[Obama on the Cover of the New Yorker](#)

[What is Explain Freddie Mac and Fannie Mae?](#)

[Let me explain futures to you](#)

[What is the Deal with the Housing Crisis?](#)

[EPA Power Grab](#)

[Oil Seeping into the Environment](#)

[The US Congress is to be Commended](#)

[Taxes Breaks for the Rich](#)

[Obama at La Raza](#)

[Obama on Education](#)

[Obama Offers Nothing New](#) (excepts from a Thomas Sowell column)

## [The Rush Section](#)

[The Messiah Flails on Iraq](#)

[Food Rates #4 in Importance \(or, popping in on the boob\)](#)

[Who Gets Upset over Cartoons?](#)

[The Government Should Not Do Everything for you](#)

[Bush Gives a Good Press Conference](#)

[Pelosi and Boxer on Oil](#)

[Give Money to People Who Can't Pay it Back](#)

[How the Press Treats FNMA Exec](#)

[Additional Rush Links](#)

Too much happened this week! Enjoy...

The cartoons come from:

[www.townhall.com/funnies](http://www.townhall.com/funnies).

If you receive this and you hate it and you don't want to ever read it no matter what...that is fine; email me back and you will be quickly deleted from my list (which is almost at the maximum anyway).

I do not accept any advertising nor do I charge for this publication.

## Obama in the Middle East

John McCain has shamed Barack Obama into going to the Middle East. Like the great man of judgment that he is, Obama has already given his foreign policy speech on Iraq and his assessment of the Iraq situation a few days before going to Iraq on a "fact finding mission."

All 3 major television networks are sending their evening anchors to accompany Obama, something they would have never considered doing on any of McCain's visits to Iraq, despite the fact that McCain will readily make himself available to almost any reporter at any time. Organizations which examine news coverage reveal that Obama gets far more face time on network news than McCain and much more favorable reporting than McCain does.

Along the same lines, even evening talk shows make fun of McCain, but not of Obama. The punch line for nearly every single McCain joke is, *he's old; I mean, really old*. However, even though Obama has spoken about his trips to the 57 states with one more to go, late night talk show writers cannot think of anything funny to say about Obama (and Obama has said dozen of goofy things). Even the daring Saturday Night

Live did not make fun of Obama, but of the news reporters who all but gushed over him.

Obama will be in Afghanistan and then Iraq and then he will give a speech in Germany. That speech is being written right now. One theme will be, George Bush took his eye off the ball in Afghanistan and is concentrating too much on Iraq. Obama might even issue some sort of apology on behalf of the United States and its cowboy diplomacy, and he may promise for a closer relationship with Europe.

Obama will not discuss the success of the surge. My guess is, he will never even use the word "surge." In no way will he use the words "surge" and "success" (or any other synonym for "success") in the same sentence. He will praise our military for the fine job which they have done in Iraq, but he will not use the word "surge" because he opposed the surge and, in his infinite wisdom, said that it would not work (all references to which have been removed from his website this past week—a week ago, you could go to his website and find out the Obama said that the surge would not work).

It is highly unlikely that Obama will modify his position on troop withdrawal, even though public opinion is changing here. He tried to modify this opinion a few days ago, and the left wing bloggers jumped all over him for it, so he went back to his clear 16 month withdrawal plan. To be fair to Obama, even though he will not back down from this proposal even after being in Iraq, this does not mean that he will hold to it as president. However, even when running in the general election, I do not see him backing off from this position.

Even though 15 of the 18 political benchmarks in Iraq have been met, I don't think that Obama will make reference to them. He might talk about the Iraqi soldiers who are now bravely stepping up, but I don't see him as talking about the great political gains which have been made in Iraq.

He will propose that we get our eyes back on the ball, by which he means Afghanistan, and that troops from Iraq need to be taken to Afghanistan. As has been pointed out, Obama no longer uses the term "withdrawal" but he says "redeployment" instead.

He will not discuss the relative strategic importance of Iraq and Afghanistan. Iraq by its location and oil make them a much more important nation on the world stage than Afghanistan, which is much less influential. Afghanistan lacks oil, and is more of a backward nation than Iraq. If we had to choose (and let me make it clear: we don't), the smart choice between victory in these nations would be victory in Iraq. Obama will play these nations off one another, and imply that the US cannot win in both places (he will not directly say this).

Let me make it clear, I am telling you about his great Iraq/Afghanistan speech which is coming up, which is most of the way written, and which will be read directly from the teleprompter by Obama without any impromptu editing. This *will not* be his policy, if elected president.

Obama will not deal with details such as, the allied forces in Afghanistan are NATO forces and those in Iraq are a coalition of several nations. He will not discuss in anyway the relative significance and strategic importance of these two nations. To be fair, he may not have a clue about such things.

A commentator on FoxNews said that Obama ought to do that which is counterintuitive and speak fondly of the United States and George Bush and our foreign policy. The idea being, we have our disagreements here at home, but we present a united front to the world. The end result would be that Obama would pick up more centrist voters this way, who may hear snippets of this speech. I agree that this would be the best and smartest approach, but I don't see Obama as doing this. He is going to be among friends, and

those who rally to him in Germany also dislike Bush, so I believe that Obama will take a few jabs at Bush and our foreign policy. This will keep peace among his far left support at home.

What is Obama doing, btw? Why is he going to hold an unprecedented political rally in Germany? His early rallies in the US were phenomenons, with people screaming and fainting and busting the doors to get in. That has calmed down considerably (although he can out-rally McCain any day of the week), but this will not be the case in Germany. Remember the Beatles coming to America? Obama in Germany, France and England will be quite similar to the Beatles coming to America. What Obama wants is this great enthusiastic rally in Germany, with the same fervor that his early rallies in the US had. The news anchors will be there. Even if they were not Obama supporters (and they are), they would have to report on the rabid enthusiasm. The message we are to get at home is, Obama will repair our broken foreign relationship with Europe (he might even use words to this effect). The rallies will be evidence of this. I have a very intelligent college professor friend, and he believes that, if we repair our relationship with Europe, then everything else good will follow from this. I am sure that his opinion is held by many.

Those who watch network news, look for most of this coverage to be glowing. Nobody is going to talk about shivers going up and down their legs, but these anchors are going to be enthusiastic and, dare I say it?, *proud to be Americans* with Obama at the helm.

If Obama commits any gaffs, and he most certainly will, if he speaks off the cuff anywhere (that is his way), the main news anchors will either not report them or downplay them. However, these gaffs will find their way to youtube and probably to FoxNews. The network news already have their favorite son, and he can do no wrong in their eyes.

## Obama on the Cover of the New Yorker

By now, I am sure that you have seen this particular cover. I have heard several people on the right pontificate over this cover. Sean Hannity says it crosses a line; it goes too far. The first I heard of this cover was from a conservative talk show host, who said it was wrong to use this cover. Alan Colmes, the liberal on Hannity and Colmes, on the other hand, said it was satire, laughed, and thought nothing of it. I guess this is the instance where I line up with Alan Colmes.



I saw a clip of Bill Mahr rattling off a dozen insults about how stupid George Bush is. When called on the carpet for these remarks, he said it was humor; it was satire; and the audience was laughing (which they were). I saw a clip of Danny DeVito, half in the tank, and talking about how

stupid Bush was (I think this was on *the View*?); essentially, he repeated that Bush was stupid in a half-dozen different ways; and when called on it, he said it was meant to be funny. None of what these two guys had to say was funny. I was personally offended; however, my redress in a free society is to, not watch them, turn the tv off, not support their sponsors, not buy any products which they sell (movies, DVD's, etc.). I am not looking for Congress to pass a law here, nor do I believe that the television shows need to bleep these things out or provide us equal time of Ann Coulter calling some Democrat and idiot in 10 different ways. What they did is covered in free speech, and, even though they both struck me as being horse's asses, that is their right to be horse's asses.

When the Dixie Chicks made snide remarks about George Bush, they found themselves having to backtrack a little at first, because freedom of speech works in both directions. Those who did not care for their remarks burned their CD's and vowed not to buy any more. They had the right to make these remarks--even though the remarks offended me--and those who did not like what they had to say, had the right to not buy their CD's. It is called free speech.

So, when I saw this New Yorker cover, I must admit to being surprised that any media institution was actually poking fun at the Democrats, and I enjoyed the satire. I have no idea how any conservative could think that this was over the line. Every part of that picture could be tied to a news article or to a rumor. It was far more clever than Mahr and DeVito's rants.

It is a great thing in our country where we can criticize our leaders and our potential leaders, whether directly, as I and many others do, or by satire.

What disturbed me was Obama's reaction. Obama should have said, "Look, we live in a free

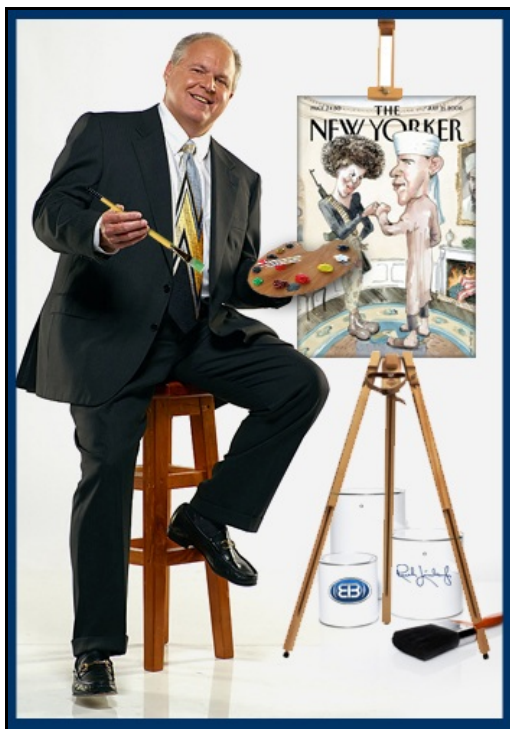
country which allows free expression. I am offended by this drawing, but that is just part of the process of running for president. America is a country of free expression and a free exchange of ideas. That is one of the things which makes our country great." That this was not his knee-jerk reaction, I find to be worrisome.

The first reaction of the Obama campaign, was to call the cover "offensive and tasteless."

<http://www.cbsnews.com/stories/2008/07/14/politics/politico/main4257077.shtml>

Obama's second reaction was to go on Larry King the next evening, and say essentially what I said his first reaction should have been (I wrote that before the Larry King interview).

I, like many others, did not grasp the intention of the New Yorker cover, which was to poke fun at conservatives and all of the rumors that we conservatives are spreading about Obama. However, as a newsperson later suggested, this should have been Rush Limbaugh either *saying* this picture or Rush Limbaugh painting this picture, and the satire would be more readily understandable. As it was, most people misunderstood the New Yorker cover until the New Yorker magazine released a statement which explained it.



### **What is Explain Freddie Mac and Fannie Mae?**

I am going to give you an oversimplified view, but one which should help you to understand just who these people are.

Freddie Mac and Fannie Mae (FHLMC and FNMA) are two huge companies make up a great deal of the secondary mortgage market. Because of them, your bank or nearby mortgage company can, any day of the week, lend out new money for a mortgage. Because of them, when you originate a mortgage, 1 or 2 months later, this mortgage will be sent to a new lender. Rarely do you ever get a mortgage and the same mortgage company handles the loan from beginning to end. It is sold on the secondary mortgage market, often to Freddie Mac or Fannie Mae.

You think that your mortgage company makes money by receiving your dutiful payments month after month. Wrong. Your mortgage company makes money by originating the loan, and their money is the origination fee (more or less).

Your mortgage company bundles up a batch of loans (maybe \$100 million worth) and sells them on the secondary mortgage market. Freddie Mac or Fannie Mae pays for these loans, giving your mortgage company more money to go out and to make more loans with.

FHLMC and FNMA also bundle up these loans and sells them as investment vehicles. That is, you can purchase a part of the pie, and you, in a manner of speaking, hold a portion of a mortgage in a bundle of mortgages. The idea is, a good home buyer will hold onto their home before all else, and make timely payments. It is my understanding that, when you are paid month to month on these mortgage backed securities, that you are getting both your interest and principal back at the same time, month to month, as if you had originated the loan yourself.

These loans which are bundled and sold must all be oranges. They cannot slip an apple into the bundled loans. Here's what I mean: there are guidelines as to what must be true of every single loan in the bundle. People have to meet certain requirements, and they must meet them precisely. They must all be oranges. So when Freddie Mac buys \$100 million worth of loans from Countryside, every single one of those loans must be an orange, which lessens the risk of Freddie Mac and FNMA, which lessens the risk of these mortgage backed securities.

When you invest in a mortgage backed investment vehicle, that money generally goes to FHLMC or to FNMA, and they use that money to buy more loans, which money is then pumped back into the system to loan out again by the primary mortgage market.

Since these are publically traded companies, some board members are elected by the shareholders and some are appointed by the president of the United States. This is one way in which these companies are sort of private and sort of governmental.

There is a good, more in-depth article on this at:  
<http://www.cityresearch.com/pres/smm.pdf>



Since I am in an explaining frame-of-mind,...

## Let me explain futures to you

Part of the news today is, oil prices are being driven up by speculators, and some have suggested strong regulation of speculators, which, at first blush, I thought sounded reasonable.

Oil is a world market and world speculators set the price. All that we can do is legislate speculators from the United States, which would have absolutely no effect upon the price of oil...because it is a world market.

Here is how futures works: essentially you are betting on a price in the future which is higher, lower, or the same; and this can be done with any quantity. For a percentage of the contract (typically 5–15%), you can purchase a contract to buy so much oil (or anything else) off in the future (a month, 6 months) at a specified price for a specified amount. If what you set as the price turns out to be below what oil is selling for at that point in the future, you make money, which is the difference between the actual price and what you agreed to pay, less your percentage

and any sort of a broker fee. For this to happen, there must be buyers and sellers. That is, you must find a willing seller, who is willing to sell you that amount of oil (or whatever) in the future at that amount (and he is hoping that the oil will cost less than what he wants to sell it to you for). Neither buyer nor seller has to have any connection to that which they are *buying* or *selling*.

For most people, futures trading is no different than gambling, and a long time ago, I heard the figure that 90% of people who invest in futures lose their money.

However, someone who knows what they are doing, looks at the amount of oil which is being produced and, ideally speaking, mathematically maps out the rate of increase of the production of oil into the future. Obviously, this is a guess, but mathematical models can be designed to approximate a curve which tells you approximately how much oil will be available at any given date. This is matched against the world market for oil (demand), which can also be set to a mathematical curve (sometimes, a simple straight line is used). Various events can affect both of these curves. If Iran shuts down oil movement in the Persian Gulf, production suddenly drops off, and demand, continues at a normal rate, increasing the price greatly. If the US started drilling in ANWR, that can increase the supply greatly, and the price would go down. A good mathematical model takes various world events into consideration, assigning them a percentage.

A futures buyer is not going to invest in a contract 6 months in the future for oil at \$200/barrel unless he thinks it will be higher than that. Similarly, a person who sets up a contract to sell that same oil for \$200/barrel is guessing that it will actually sell for less at that time.

Like anything else in the market, this can be manipulated to some degree. However, right at



this point in time, supply is roughly the same as demand, and demand is increasing dramatically in India and China, nations with over a billion people each.

At a point at which speculators agree that demand will far outweigh the supply, the price of oil soars, as we have seen.

This is also why, George Bush one day lifts the executive ban on offshore drilling, the price of oil dropped \$15/barrel in 3 days. If Congress acts before their August recess, oil will continue to go down; if they do not, oil prices will rise again. We have to eventually drill for more oil for this to have a sustained effect.

There are other factors, of course. Some oil, like shale oil, we have not exploited, because of the cost of getting it and refining it. However, if the value of oil is far higher than the cost of getting and refining it, then new markets are opened up.

To be fair and balanced, I should report to you what I heard on NPR this morning--an economics professor told the NPR reporter that we don't know why the price of oil goes up and down. Thank you, NPR expert.

That being said, anyone can be involved in futures trading. You can do it today, if you wanted to. This does not mean that, at some point in time, there will be a shipment of 10 million barrels of oil waiting for you at the nearest harbor, as speculators do not actually receive the oil that they bid on. Let me add that, you will probably lose all that you invest.

### **What is the Deal with the Housing Crisis?**

Two things have occurred. In markets like California and Florida, the value of property kept getting higher and higher, at a much faster rate than anywhere else. People could buy a house, put it on the market, and sell it and make a profit. That is how fast prices were going up. What

comes up must go down. Many investors who hold the note on a \$500,000 property which is suddenly worth \$400,000 walk away from this note. This caused the prices to go down even more. Many of these loans were "oranges" and found their way to Freddie Mac and FNMA.

The government thought that certain groups of people were being discriminated against, so Congress changed the requirements and provided taxpayer dollars to people for mortgages, people whose credit sucked. People with bad credit often had little by way of resources, so Congress made sure they could get into these houses with very little money down (sometimes less than is required to rent a house). Two guesses as to which political party supported this legislation.

People with bad credit get that way because they do not pay their bills. So, these people get into a house, their car breaks down, or they never readjust their spending habits, and when the house note comes due, they don't have the money. They find out that they can live for free in this house for about 5 months, so they often opt for that. These mortgages, btw, do not end up going to the secondary mortgage market because they are not "oranges." However, the secondary mortgage market receives payments every month which amounts to millions, if not billions, of dollars, so they sometimes invest in various securities and the like, and invest in packages of these risky loans.

The third factor is, mortgage loans with adjustable interest. When I was a real estate agent, I would not allow my customers to purchase such a loan. When selling real estate, I found that most of the agents and lenders and title companies were above board and honest. When I came across someone that I did not trust, I no longer did business with that person. If a title company did not tell my buyers what they were buying and what the papers were that they were signing, I would jump in and explain, properly close the transaction, and I would never

go back to that title company again. If I dealt with a loan officer who submitted false documents, I stopped dealing with that mortgage officer.

Now, it is certainly possible for someone to go out and get an adjustable mortgage and it is possible that no one will warn them of the potential mistake which they are making. It is possible that the real estate agent, the lender and the title company all keep this a secret, and the only thing which is known is written down in these stacks of papers, nearly 2 inches high, which the buyer signs at closing. It is possible that these naive buyers never talk to friends either or avail themselves of the many resources found on the internet (when I talk to people today, and I am no longer in the business, I tell them to stay away from adjustable rates and to set up their loan to be paid off in 15 years).

In any case, you have a convergence of these 3 things. Fast rising markets which suddenly go south, Congress authorizing loans for social reasons (i.e., changing the regularions pertaining to certain mortgages), and adjustable rate mortgages (which are fine, as long as you know exactly what you are getting into).

The bad results are, property values go down, people are foreclosed upon (many of whom are investors), and this wave eventually hits the secondary mortgage market, which invests in some mortgage related securities which are fundamentally faulty. They also buy some of these adjustable rate mortgages and investor held mortgages.

What are the good results? First time home buyers and investors can purchase homes more cheaply than they could a year ago. People can become millionaires in down cycles like this, and

become millionaires based on 2-3 years of real estate investing. Housing, in some areas, which had gone through the roof, so to speak, and was no longer affordable, is now affordable.

Bear in mind that, with every market, good or bad; there are good and bad results. People can make money in both markets. And, when one thing goes down (like the dollar), oil futures and gold goes up. Anytime there is a down market in any sector, this does not mean that we are in the Great Depression or that it is the end of the world. Markets go up and they go down. The mainstream media is what fans these fires of fear.



## EPA Power Grab

The Supreme Court, in its infinite wisdom, brought climate change and carbon emissions into the realm of law (they classified naturally occurring greenhouse gases as pollutants), possibly giving untold power to the Environmental Protection Agency, a branch of the Federal Government, run by unelected officials.



The EPA, this week, has released Advance Notice of Proposed Rulemaking (ANPR), which is a 250 page document with an additional 800 pages of appendices. This will be the federal government getting involved in regulating almost every aspect of our lives, down to how many blades of grass our lawnmowers cut per gallon of gas used.

Here is simply one area they propose to regulate: In the agricultural sector, the draft discusses animal feeding operations, agricultural soil management, and fire management practices as a source of greenhouse gas emissions.

They want to redesign boats and ships, their hulls, limit their speech, and regulate their routes and port management. They want to have control over building sizes and design for large offices, residential buildings (i.e., your house), hotels, retail stores, etc.

Here is one quote from this document: *Whatever level EPA might eventually establish as an acceptable NAAQS for one or more GHGs, EPA's setting of such a level would immediately implicate further issues under the NAAQS regime, including the ability of States and localities to meet such a standard. If the GHG NAAQS standard for one or more gases is set at a level below the current atmospheric concentration, the entire country would be in nonattainment.* They designated this correctly: a *NAAQS regime*, and we had damn well better meet their standards of gas concentration, or, not only will we be in noncompliance, but they will regulate us even more.

Let me give you one tiny quote from this document: *In the case of light duty vehicles, it can be argued that consumers do not accurately value fuel economy, and regulation can correct this failure.* Do you understand what they are saying? You may drive a smaller truck, and you may choose to do so for fuel economy; but you don't really have enough sense to make this call yourself, so the EPA needs to step in and regulate

you and this industry even more than it is. Let me be more blunt: in the eyes of the EPA, you are too stupid to make a good choice; they aren't. They will regulate your life to take up the slack for your stupidity.

Here's the link:

<http://epa.gov/climatechange/anpr.html>

This was not very easy to find, even though I knew *where* to look.

## Oil Seeping into the Environment

According to Monica Crowley, she says that 70% of the oil contamination of the oceans comes from seepage. There are places in Alaska with oil on the shore which you can touch, but it is not there because of some tanker which capsized, but because there is so much oil in some places that it is just seeping out.

[http://current.com/items/89103304\\_study\\_63\\_of\\_oil\\_spills\\_natural\\_seepage\\_mother\\_nature\\_declines\\_comment](http://current.com/items/89103304_study_63_of_oil_spills_natural_seepage_mother_nature_declines_comment)

## Obama Not in the News

It should be clear that most news networks, most newspapers and the wire services are all in the tank for Obama. They want him to win and they will put a nice spin on any story they can; and, if they can't, they just won't print it (or say it).

Here are the stories which should be front page news, but are being ignored. These are stories which require an investigative reporter to go after.

Obama and Pleger. Most of us have already seen the white Jeremiah Wright, the Eminem of the Black liberation clergy set, rail on in church against Hillary Clinton and extolling the virtues of Barack Obama. What about the federal or state

moneys which Pleger involved-organization have recieved? How much has he received? How much of that came from Obama and his earmarks and his actions?

Tony Rezko. It is not completely clear how this all played out, but Obama bought his house the same day that Rezko also purchased an adjacent piece of property; Rezko paid full price; Obama got a significant discount. This is a bit of a coincidence don't you think? What sort of funds has Rezko received from the federal or state government? Was Obama's name attached to any of this?

Wright has always been in Obama's corner, and Obama's in Wright's, up until the past several months. There is the obvious relationship that Obama has given Wright's church a buttload of money during his rich years. Is there anything else which connects these men? Whereas, I have heard of Pleger and Rezko of receiving government grants, I am not aware of Wright receiving any. This ought to be investigated, just in case.

If one or two people only *suspect* that McCain might have done something wrong 8 years ago (without proof) or that an association of his may have looked inappropriate, even though it wasn't, it made front page news in the NY Times. There was less evidence for the McCain story than any of these 3 Obama connections. The story about McCain was far less important than these Obama connections.

The more that Obama became the frontrunner in this election, the more that the press should have investigated them. No one did.

The worst thing that the press can do is support one presidential candidate over another and then to make news decisions based upon this bias. This is not just bad for McCain; this is bad for Democrats. In the off-chance that Obama is elected (and I am not even sure if he will be the

Democractic nominee yet), his presidency will be far worse than Jimmy Carter's. Because of Jimmy Carter, for the past 28 years, there has been a Republican president for 20 of those years, and a Democrat president who had a fairly conservative advisor through much of his presidency. This is what 4 years of a super-sucky president can do to the Democratic party.

News services should do their jobs and investigate all political candidates and their connections and their dealings, from both parties; and by doing so, we have the best chance of having a good Democratic candidate and a good Republican candidate.

### **The US Congress is to be Commended**

[I received this as an email forward]

Remember the election in 2006? Thought you might like to read the following:

A little over one year ago:

- 1) Consumer confidence stood at a 2 ½ year high;
- 2) Regular gasoline sold for \$2.19 a gallon;
- 3) The unemployment rate was 4.5%.

Since voting in a Democratic Congress in 2006 we have seen:

- 1) Consumer confidence plummet;
- 2) The cost of regular gasoline soar to over \$3.50 a gallon;
- 3) Unemployment is up to 5% (a 10% increase);
- 4) American households have seen \$2.3 trillion in equity value evaporate (stock and mutual fund losses);
- 5) Americans have seen their home equity drop by \$1.2 trillion dollars;
- 6) 1% of American homes are in foreclosure.

America voted for change in 2006, and we got it!

Remember it's Congress that makes law, not the

President. He has to work with what's handed to him.

## Taxes Breaks for the Rich

Also received as an email forward.

Whether Democrat or a Republican you will find these statistics enlightening and amazing.

[www.taxfoundation.org/publications/show/151.html](http://www.taxfoundation.org/publications/show/151.html)

Taxes under Clinton 1999

Taxes under Bush 2008

Clinton: Single making 30K - tax \$8,400

Bush: Single making 30K - tax \$4,500

Clinton: Single making 50K - tax \$14,000

Bush: Single making 50K - tax \$12,500

Clinton: Single making 75K - tax \$23,250

Bush: Single making 75K - tax \$18,750

Clinton Married making 60K - tax \$16,800

Bush: Married making 60K- tax \$9,000

Clinton: Married making 75K - tax \$21,000

Bush: Married making 75K - tax \$18,750

Clinton: Married making 125K - tax \$38,750

Bush: Married making 125K - tax \$31,250

Obama wants to return to the higher tax rates. The one promise that you can depend upon: if a candidate promises that he will raise your taxes, he will. This promise is fulfilled 100% of the time.

It is amazing how many people that fall into the categories above think Bush is screwing them and Bill Clinton was the greatest President ever. If Obama is elected, he says that he will repeal the Bush tax cuts and a good portion of the people that fall into the categories above can't wait for it to happen. This is like the movie The Sting with

Paul Newman; you scam somebody out of some money and they don't even know what happened.

The Iraq War is Bankrupting Us!

Or so we are told....another email forward:

The URL's are included for verification of all the following facts.

1. \$11 Billion to \$22 billion is spent on welfare to illegal aliens each year by state governments.

<http://tinyurl.com/zob77>

2. \$2.2 Billion dollars a year is spent on food assistance programs such as food stamps, WIC, and free school lunches for illegal aliens.

<http://www.cis..org/articles/2004/fiscalexec.html>

3. \$2.5 Billion dollars a year is spent on Medicaid for illegal aliens.

<http://www.cis..org/articles/2004/fiscalexec.html>

4. \$12 Billion dollars a year is spent on primary and secondary school education for children here illegally and they cannot speak a word of English!

<http://transcripts.cnn.com/TRANSCRIPTS/0604/01/ldt.0.html>

5. \$17 Billion dollars a year is spent for education for the American-born children of illegal aliens, known as anchor babies.

<http://transcripts.cnn.com/TRANSCRIPTS/0604/01/ldt.01.html>

6. \$3 Million Dollars a DAY is spent to incarcerate illegal aliens.

<http://transcripts.cnn.com/TRANSCRIPTS/0604/01/ldt.01.html>

7. 30% percent of all Federal Prison inmates are illegal aliens.

<http://transcripts.cnn.com/TRANSCRIPTS/0604/01/ldt.01.html>

8. \$90 Billion Dollars a year is spent on illegal aliens for Welfare & social services by the American taxpayers.

<http://premium.cnn.com/TRANSCRIPTS/0610/29/ldt.01.html>

9. \$200 Billion Dollars a year in suppressed American wages are caused by the illegal aliens.

<http://transcripts.cnn.com/TRANSCRIPTS/0604/01/ldt.01.html>

10. The illegal aliens in the United States have a crime rate that's two and a half times that of white non-illegal aliens. In particular, their children, are going to make a huge additional crime problem in the US

<http://transcripts.cnn.com/TRANSCRIPTS/0606/12/ldt.01.html>

11. During the year of 2005 there were 4 to 10 MILLION illegal aliens that crossed our Southern Border also, as many as 19,500 illegal aliens from Terrorist Countries. Millions of pounds of drugs, cocaine, meth, heroin and marijuana, crossed into the U. S from the Southern border.

The Homeland Security Report:  
<http://tinyurl.com/t9sht>

12. The National Policy Institute, 'estimated that the total cost of mass deportation would be between \$206 and \$230 billion or an average cost of between \$41 and \$46 billion annually over a five year period.'

<http://www.nationalpolicyinstitute.org/pdf/deportation.pdf>

13. In 2006 illegal aliens sent home \$45 BILLION in remittances back to their countries of origin.

<http://www.rense.com/general75/niht.htm>

14. 'The Dark Side of Illegal Immigration: Nearly One Million Sex Crimes Committed by Illegal Immigrants In The United States.'

<http://www.drdsk.com/articleshtml>

The total cost is \$338.3 BILLION DOLLARS A YEAR

Speaking of illegal immigrants,...

## Obama at La Raza

From Obama's scripted speech to the national council of La Raza:

*The 12 million people in the shadows, the communities taking immigration enforcement into their own hands, the neighborhoods seeing rising tensions as citizens are pitted against new immigrants.*

*They're counting on us to stop the hateful rhetoric filling our airwaves -- rhetoric that poisons our political discourse, degrades our democracy, and has no place in this great nation. They're counting on us to rise above the fear and demagoguery, the pettiness and partisanship, and finally enact comprehensive immigration reform.*

I began listening to talk radio a little before immigration was a big issue for a month or so, and one thing which I did not hear when the immigration bill was before Congress was *hateful rhetoric*. I heard a lot of people who were concerned that we had millions of people here in the United States illegally, and how that was affecting us economically. What I also heard was, people dying while being brought into the United States illegally and about the rampant out-of-control drug trafficking. I cannot recall one instance of someone speaking out against illegal immigration because they had something against Mexicans or Hispanics.

What Obama wants to do is to limit conservative talk radio, and one approach is to classify it as *hateful rhetoric...that poisons our political discourse and degrades our democracy*. Apparently, it makes no difference to Obama that this characterization is patently false.

*This election is also about the couple I met in North Las Vegas who saved up for decades only to*

*be tricked into buying a home they couldn't afford; it's about the Latino families who are the first ones hurt by an economic downturn and the last ones helped by an economic upturn. They can't afford another four years of the Bush economic policies Senator McCain is offering policies that give tax breaks to the biggest corporations and the wealthiest Americans, while doing little for struggling families who need help most.*

One of the reasons a person needs to learn English is so that, during closing on a loan at the title company, they can understand the papers that they are signing.

One of the most patently dishonest things which Obama says is that McCain's economic policies are going to be the same as Bush's. Bush did not run as a small-government, economic conservative, and he certainly did not govern as one. McCain is running as a small-government, economic conservative, telling us that we need a top down review federal government programs, eliminating as many as possible. McCain's philosophy is, *if it is something that we can do for ourselves, then government should not be doing it for us*. Apart from his support for the Bush tax cuts, McCain is a world apart from George Bush's economic policies.

*They're counting on us to restore fairness to our economy by giving tax relief to working families; by supporting our unions; by ending tax breaks for companies that ship jobs overseas and giving them to companies that create jobs here at home. They're counting on us to finally come together to solve this housing crisis that's devastating our communities.*

You have seen tax relief under Bush compared to Clinton. Companies take their jobs overseas when it is more economically advantageous to them to do so. High tax rates (our corporate tax rate being the 2<sup>nd</sup> highest in the world among the

industrial nations) sends jobs overseas. Obama wants to raise those.

Congress is a big player in the housing crisis, and Obama is a Senator. He ought to own up to his part in this crisis rather than to act like he is some neutral observer.

*This election is also about the Latino students who are dropping out of school faster than nearly anyone else, and the children who attend overflowing classes in underfunded schools taught by teachers who aren't getting the support they need.*

*They're counting on us to invest in early childhood education, stop leaving the money behind for No Child Left Behind, recruit an army of new teachers; and make college affordable for anyone who wants to go. Because that's how we'll give every American the skills to compete in the global economy, and all our children the chance to live out their dreams.*

You know what keeps kids from dropping out of school? School needs to serve the needs of the public, including those who are not going off to college (60% or more of those who begin high school). Obama wants to solve this by putting even more money into our failed school system. What does McCain offer? School choice. When parents can choose a school which is a good fit for their child, then they are more likely to become more involved in the process, and the child is more likely to remain in school.

The school where I taught for 23 years moved more and more toward college prep courses being required of all students, which caused a higher-drop out rate as well as a watering down of those college-prep courses.

I am an intellectual and I spend 7 or 8 years in college, so I am not anti-college. However, students need a good high school education which can be appropriate to their skills and an

end in itself. They need schools and graduation requirements which are flexible and appropriate to their needs. They do not need one-size-fits-all education, with college as the only reasonable goal of a high school education. Obama is an elitist and he talks over and over against about preserving our failed school system, about pumping more money into this system, and providing more money to college bound students. What about the other 60% of our kids, Obama?

*This election is about the nearly one in three Hispanics who don't have health care -- people for whom one accident, one illness can lead to financial ruin. And it's about the small business owners struggling to stay afloat because of the rising cost of insuring their employees. They're counting on us to fix our broken health care system.*

Part of Obama's *free* universal health care involves all of the illegal aliens who are here. Remember who he is speaking to. He can't come right out and say it, but a vote for Obama means that he will do everything in his power to see that illegal aliens are covered by our health care system.

Here's the entire speech:

<http://www.washingtonpost.com/wp-dyn/content/article/2008/07/15/AR2008071501138.html>

## Obama on Education

I did not write this article.

A landmark education program that provides opportunity to hundreds of families in the nation's capital to attend private schools is being opposed by Democrats in Congress.

Barack Obama told the Milwaukee Journal-Sentinel in February that he was open to voucher programs, but just last week announced his intentions to squash the DC pilot program. "Barack Obama prefers private education for his daughters, but won't give DC parents the same opportunity," said Brian Burch, president of Fidelis, a Catholic-based political, legal, research and educational organization.

"Vouchers are Change," he continued. "Rather than subjecting kids to rotting schools, vouchers have brought change to hundreds of families, who opted for private or parochial schools. If Barack Obama had fought for this program, it would be saved. But he refuses to help these low-income families. By supporting the teachers union, he sadly has become the Status Quo Candidate on education."

Back in February, it looked like Obama would be willing to back the teachers union and support the voucher program. The Illinois senator told the Milwaukee Journal-Sentinel: "If there was any argument for vouchers, it was 'Alright, let's see if this experiment works,' and if it does, then whatever my preconceptions, my attitude is you do what works for the kids," the senator said. "I will not allow my predispositions to stand in the way of making sure that our kids can learn. We're losing several generations of kids and something has to be done."

But by June, the teachers lobby convinced Obama to work against the program. The senator told ABC News last week: "We don't have enough slots for every child to go into a parochial school or a private school. And what you would see is a huge drain of resources out of the public schools."

Fidelis also said Republicans in Congress, including long-time voucher supporter Senator John McCain, deserve credit for placing parents and kids above the special interests of the teachers union. At a 2007 presidential primary debate, McCain said: "Choice and competition is



the key to success in education in America. That means charter schools, that means home schooling, it means vouchers, it means rewarding good teachers and finding bad teachers another line of work."

Burch concluded, saying, "Over the last eight years, we have seen some progress on education reform. John McCain has been a long-time advocate of education reform by providing alternatives to low-income families. Despite all the criticisms about Washington lobbyists and special interests, Barack Obama has sided with one of the most powerful special-interest groups in Washington, this time at the expense of the educational future of thousands of children."

This was taken from a news article at:

<http://www.onenewsnow.com/Education/Default.aspx?id=154958>

## **Obama Offers Nothing New**

by Thomas Sowell

In an election campaign in which not only young liberals, but also some people who are neither young nor liberals, seem absolutely mesmerized by the skilled rhetoric of Barack Obama, facts have receded even further into the background than usual.

As the hypnotic mantra of "change" is repeated endlessly, few people even raise the question of whether what few specifics we hear represent any real change, much less a change for the better.

Raising taxes, increasing government spending and demonizing business? That is straight out of the New Deal of the 1930s.

The New Deal was new then but it is not new now. Moreover, increasing numbers of

economists and historians have concluded that New Deal policies are what prolonged the Great Depression.

Putting new restrictions of international trade, in order to save American jobs? That was done by Herbert Hoover, when he signed the Hawley-Smoot tariff when the unemployment rate was 9 percent. The next year the unemployment rate was 16 percent and, before the Great Depression was over, unemployment hit 25 percent.

One of the most naive notions is that politicians are trying to solve the country's problems, just because they say so-- or say so loudly or inspiringly.

Politicians' top priority is to solve their own problem, which is how to get elected and then re-elected. Barack Obama is a politician through and through, even though pretending that he is not is his special strategy to get elected.

Some of his more trusting followers are belatedly discovering that, as he "refines" his position on various issues, now that he has gotten their votes in the Democratic primaries and needs the votes of others in the coming general election.

Perhaps a defining moment in showing Senator Obama's priorities was his declaring, in answer to a question from Charles Gibson, that he was for raising the capital gains tax rate. When Gibson reminded him of the well-documented fact that lower tax rates on capital gains had produced more actual revenue collected from that tax than the higher tax rates had, Obama was unmoved.

What matters politically is the image of coming out on the side of "the people" against "the privileged."

Obama is for higher minimum wage rates. Economists may point to studies done in countries around the world, showing that higher

minimum wage rates usually mean higher unemployment rates among lower skilled and less experienced workers.

That's their problem. A politician's problem is how to look like he is for "the poor" and against those who are "exploiting" them. The facts are irrelevant to maintaining that political image.

Nowhere do facts matter less than in foreign policy issues. Nothing is more popular than the notion that you can deal with dangers from other nations by talking with their leaders.

British Prime Minister Neville Chamberlain became enormously popular in the 1930s by sitting down and talking with Hitler, and announcing that their agreement had produced "peace in our time"-- just one year before the most catastrophic war in history began.

The complete article:

[http://www.realclearpolitics.com/articles/2008/07/are\\_facts\\_obsolete.html](http://www.realclearpolitics.com/articles/2008/07/are_facts_obsolete.html)

## The Rush Section

### The Messiah Flails on Iraq

RUSH: Yeah, it is kind of unbelievable out there, folks. You've got all of this turmoil in the credit markets; you've got people losing asset value of their homes; you got Charles Schumer causing runs on banks. By the way, if you're worried about your bank, I suggest that you call Charles Chuck-U Schumer, senator in New York, and ask him, since he's in charge of which banks go south and which don't, apparently. We have the Federal Reserve chairman testifying before Congress, the president out making a speech, and then, lo and behold, what happens, The Messiah, Lord Barack Obama, shows up somewhere to make a speech

on Iraq, which is on nobody's mind today, zilch, zero, nada. Iraq, for all intents and purposes, is a victory, the president's talking about accelerating our withdrawal of troops from Iraq. So what is The Messiah doing making a speech on Iraq? By the way, in this speech, The Messiah, Lord Barack Obama, once again -- how many flip-flops is this now? This has to be ten or 11 flip-flops. Now he's back to saying unequivocally, (paraphrasing) "I'm getting us out of there, don't doubt me, I'm getting us out of there. It's been a mistake. It was a mistake to go there," and so forth. Obviously they're troubled at The Messiah's campaign over the fallout that's occurring on the kook-fringe left, 'cause that's the only people that care right now what Obama or anybody else happens to be saying about Iraq.

But the thing that really, really frosts me when I watch Obama talk about Iraq, and he has this messiah attitude, he says he's always been against it, and he's always done this, what has he done? What has he contributed? Name one thing Barack Obama has contributed to the effort of this country to fight the war on terror, be it in Afghanistan or Iraq? And listen to this Reuters story. This is a story that was a prelude to his brilliant speech that he just concluded. "Democratic presidential candidate Barack Obama said on Tuesday a 'single-minded' focus on Iraq was distracting the United States from other threats and he renewed his vow to end the war." It was just last week that he said he would meet with the chief joints of staff and he would demand that the chief joints of staff present him a plan to end the war. He was refining his position, doing the policy pirouettes, but he illustrated he doesn't know what the jobs of the chief joints of staff are. The chief joints of staff have nothing to do with operations. Commanders at CENTCOM, for example, like Petraeus, they're the ones that make these decisions. By design, the chief joints of staff cannot get on the phone and tell commanders to do anything. He doesn't even know that.

At any rate, he said, "this war," meaning Iraq, "diminishes our security, our standing in the world, our military, our economy, and the resources that we need to confront the challenges of the 21st century." This war diminishes our security? Hey, Lord Obama, how many attacks have there been on the United States since we went to Iraq and Afghanistan? And how many, sir, did you have anything to do with preventing? How many votes did you make in the Senate that might have made it easier for terrorists to attack this country, sir? Not by design, don't misunderstand me, I mean through full-fledged incompetence. Diminish our standing in the world? See, we're in a constant state of decline, folks. This country's in a constant state of decline. The left has to always be unhappy and miserable, they've gotta find a demon. When things aren't going well there's gotta be one person, one entity, somebody that's responsible for why they're miserable when all they would have to do is look at the mirror. My gosh, if I woke up every day and knew I was a liberal I'd be miserable, too, miserable by design.

Back to my question, what has The Messiah, Lord Barack Obama, done, name one thing that has contributed to the United States military effort in the war on terror. I'll tell you, there is one thing. He took off his American flag lapel as he was defining patriotism, that's his contribution, to take off his flag pin. That's what he did, that's the sole contribution Barack Obama, the Lord Messiah has made. This speech he gave today is proof positive that there's trouble in paradise out there with the kook fringe. I don't even think the reporters care about it anymore. The news is so good over there they're not even reporting it. They don't want a report.

BREAK TRANSCRIPT

RUSH: Oh, no. Tell me that's not true, Mr. Snedley. You actually got a call from a military man wanting to correct me, thinking I do not know that it is the Joint Chiefs of Staff? You had a caller who actually thought that I believed the

title of that group is the Chief Joints of Staff? I guess I should explain it because that was Rita X back when Rita X called from Detroit. She was a big supporter of Calypso Louie. This was years ago. I remember Rita X talked about the "mother plane" up there that was going to beam all of Calypso Louie's supporters and followers up when the time was right, and she kept talking about Colin Powell and the chief joints of staff, talking about the Obama messiah, he doesn't know what it is, either! He doesn't know what they do. So why shouldn't I call it the Chief Joints of Staff? He probably wouldn't understand the difference if that was said. By the way, we have a little sound bite here from Obama from his speech. There are two things about this. Let's see if you catch both of them.

OBAMA: I will focus the strategy on five goals essential to making America safer.

RUSH: Yeah?

OBAMA: Ending the war in Iraq responsibly.

RUSH: Yeah?

OBAMA: Finishing the fight against Al-Qaeda and the Tal-ee-ban.

RUSH: Yeah?

OBAMA: Securing all nuclear weapons and materials from terrorists and rogue states.

RUSH: Yeah?

OBAMA: Achieving energy security.

RUSH: Yeah?

OBAMA: And rebuilding our alliances to meet the challenges of the Twenty-First Century.

RUSH: Wow! And he's going to do this how? Why, we shouldn't ask. He is The Messiah! They

just happen. Doesn't he realize that he just spelled out the rationale for the war in Iraq? (laughing) He just spelled out the rationale for the war on terror: "to make America safer. To end the war responsibly," that means with a victory. "Finishing the fight against Al-Qaeda and the Taliban" (which he called the Tal-ee-ban) "and securing all nuclear weapons and materials from terrorists and rogue states." That's what this is all about! He just endorsed the Bush policy, while thinking he was articulating some sort of a change.

## **Food Rates #4 in Importance (or, *popping in on the boob*)**

RUSH: So there was a lot going on this morning before the program. We had the president and his press conference, and then we had The Messiah and his latest flailing attempt here to get it right on Iraq with his dummkopf, kook fringe Neanderthal base, and at the same time all this was going on, Ben Bernanke, the chairman of the Federal Reserve, was up being grilled before a Senate committee. So I watch a little bit of this. Senator Bob Casey from Pennsylvania, who I charitably will say is an order of fries short of a Happy Meal, is sitting there reading a letter from a constituent to Bernanke, the chairman of the Federal Reserve, and anybody else watching on television in the room, and he summed it up here in one sentence. The letter was from Tammy May, not Fannie Mae, not Freddie Mac, Tammy May, a single mother of two living in Pennsylvania. This is what he read of her letter to him: "We have to reprioritize. House comes first, then day care, then gasoline, then food." This constituent of Bob Casey's put food last on her list of new priorities. Bob Casey reads this, and obviously what he's trying to do here is milk what's going on out there as a national disaster.

What does he fail to mention? She has a job. This is not an unemployed woman. This is a

woman who has a job, but she can't figure out how to live her life on her own so she needs Senator Casey and the Democrats to figure it out for her. Well, she's figured it out, but she wants them to make her do it, which is even sadder, when you get right down to it. When you prioritize things, just think about this. If you were going to write Senator Bob Casey a letter and tell him that we need to reprioritize things in life, where would you put food? And, by the way, is there a food problem? Is there a food problem? There's not a shortage of food. I know food has gone up in price, like everything has, because of energy costs, and of course other unrelated factors. So houses come first. I guess you need shelter before you eat, right? And then after house, then day care. Day care comes next, and then gasoline, (laughing) and then food. Let me be charitable and maybe Tammy May, who wrote Bob Casey a letter, is on a diet, and maybe food right now is her fourth priority. Well, you notice two things are not on this list. Iraq is not on this list, and health care is not on this list. Her list of priorities, house, day care, gasoline, food. I don't know if Casey realizes she's got a job. She is working. So in our list of priorities, should food be more than gasoline? So he's using this as a crisis, her crisis. Tammy May's crisis, which is nothing more than an understandable adjustment to the real world, and this is being used to play on our heartstrings. And, of course, the way we look at economic polling data, we find that if you ask people how they are doing personally, most of them will say fine and dandy, got some challenges, but okay, I feel pretty good about my future. But I'm worried about my neighbor's. Why?

Most people don't even know their neighbors. They're worried about them anyway 'cause they see on the Drive-By news every night that the economy is going to hell in a handbasket, people losing their houses, they're losing their jobs, government is taking their kids away, their bank is foreclosing on them, it's total disaster. That's what they see on the news, yet their lives, ah,

okay, got a few worries. So here comes Bob Casey with old Tammy May's story that's designed to create the same, "Wow, I didn't know it was that bad out there. Why, it's so bad, she's having to make food the last priority. That's really bad, Mr. Limbaugh. See, that's a good indication, sir, of just how bad the country is, you don't see it." By the way, this woman may be smarter than any of us because putting food fourth on her list, she has gotta know there are food stamps. Well, why should food be the number-one priority if you look to government for everything because the food stamp people advertise. They're looking for more customers to keep the budget levels up.

BREAK TRANSCRIPT

RUSH: Charlottesville, Virginia is next and it's Natalie. Hey, Natalie! Hey, welcome to the program.

CALLER: Hi, Rush. I've been listening to you since I was 16 years old. I'm a lifelong Republican, and I have to call and disagree with you about your comments about the Bob Casey letter.

RUSH: Yeah?

CALLER: I thought they were rather insensitive and, um, unsupportive of this woman. She is just trying to put a home over her children's head. She doesn't want to relinquish her responsibilities on the mortgage. She wants to pay that, and she needs to get the kids to day care, and she needs a job to get to day care, you know, kids to day care and herself to work, so food is just going to naturally fall fourth on her priority list.

RUSH (sigh)

CALLER: And, you know, I have to say that you're just falling into the liberal camp. You're sounding like a liberal -- I mean, a limousine conservative. You're just giving them like more fodder to run with, to say, "Oh, those Republicans. They're so heartless and uncaring."

RUSH: Now, now, now. Natalie, I can't believe in your heart you actually mean all that you just said because it isn't true.

CALLER: How is it not true?

RUSH: Well, in the first place, this woman was trying to tell a United States Senator that he ought to take charge and reprioritize everybody's life this way.

CALLER: I'm curious. I heard you talking to the previous caller about that. I'm curious. How exactly do you come to that conclusion?

RUSH: Because she wrote the letter! She's free to reprioritize her life however she wishes. What does Bob Casey have to do with it? How do we know that Bob Casey's got his life prioritized correctly?

CALLER: Well, I'm quite sure he doesn't, but... (giggles) Would you rather see her not pay her mortgage and not be a responsible citizen and honor her debts?

RUSH: What has that got to do with this? She doesn't say she can't pay her mortgage. I gather she says she can't buy food because she has to pay the mortgage. I don't know. But you misunderstood my point. I do think... How many kids do you have? Do you have any kids?

CALLER: I have three under five.

RUSH: You have three under five?

CALLER: Yes. (giggles) I have three kids under five.

RUSH: All right. Now, I'm going to create a hypothetical for you.

CALLER: Okay.

RUSH: You have infants and you've obviously got one very young.

CALLER: Yes.

RUSH: And you know when the infant wants to eat, it wants to eat, and that's all it knows. That's all it cares about.

CALLER: That's true.

RUSH: All right. And are you going to put that fourth on your priority list or are you going to go out there and go talk to the savings and loan about your house?

CALLER: Well, Rush, not to be too explicit, but I just pop it on the boob. (giggles) So it doesn't count.

RUSH: Alllllllll right.

CALLER: But I have two others.

RUSH: All right, all right.

CALLER: (laughing)

RUSH: Okay, then let's move up to the four-year-old.

CALLER: Okay.

RUSH: The four-year-old you don't pop on the boob anymore.

CALLER: No.

RUSH: So the four-year-old gets hungry and he tell you he's hungry -- she, whatever -- wants the milk, wants whatever, and you say, "No, I have to make sure that the roof isn't leaking"?

CALLER: You know, I have to say that we -- you know, my husband is unemployed right now, that we -- have had to make some serious changes to how we handle our budget, and I have had to be

a lot stricter about when they can eat and what they can eat and I've had to cut back on maybe giving them certain snacks and certain foods that we would have gotten before. They're not starving or anything. You know, I'm not going to the food pantry yet. But I'm like a lot of other people. Right now, we're having to watch, but if the dollar keeps falling and gas costs keep going up, you know, something else is going to have to give (sigh) and it could be my food budget. (giggles)

RUSH: Okay, all right. See, in that scenario, as I listen to you describe your current circumstances.

CALLER: Mmm-hmm?

RUSH: In that scenario, I would say that the number-one priority for you -- because it's affecting everything else, outside of your husband's unemployment -- is gasoline. The price of gasoline is affecting everything else that you're doing. It is affecting how much food you buy because food's more expensive. You have less income now, so you have to be choosy about what kind of food you buy. But the prices of food, the availability and the ability to go get it are all related to the gasoline price. Are you in danger of losing your home?

CALLER: No.

RUSH: Okay.

CALLER: No, we're not.

RUSH: All right, so you do have concerns other than your house. But let me ask you this, getting back to Tammy May here in Pennsylvania. You have these concerns. Are you going to write a letter to Senator Webb and tell him of your circumstance and ask him to do something about it and ask him to read the letter to the chairman of the Federal Reserve? Now, Tammy May didn't do that, but when she writes this letter, she



obviously wants Senator Casey to come to fix her life.

CALLER: (sigh) I don't want Jim Webb or any other senator to fix my life or my husband or our family circumstances, but I would like to see some real action on the energy front, and I would like to see some real action on addressing the dollar value issues --

RUSH: Okay.

CALLER: -- because that affects also what my food costs.

RUSH: Okay. Let's talk about what kind of action that would be. Now, please don't misunderstand my tone. I'm not trying to grill you. I'm trying to walk through this with you.

CALLER: Okay.

RUSH: Because I want to understand what you think and what you believe.

CALLER: Okay.

RUSH: So you want somebody to do something about energy prices.

CALLER: Absolutely.

RUSH: Okay. What is it that you think the government or an individual in the government can do about it right now?

CALLER: I think they need to open up drilling.

RUSH: All right. Good answer.

CALLER: Thank you. (giggles)

RUSH: That a way. You're not asking somebody to wave a magic wand.

CALLER: No.

RUSH: You're not asking to go after and really tarnish the speculators or bury the oil companies.

CALLER: No. (giggles)

RUSH: Right. Okay. Cool. Well, then you have a pretty good idea that then one of the problems that we have in the rising price of crude oil is that representatives in our government are standing in the way of what you know needs to be done.

CALLER: Yes, they are, and I think we all need to rise up and start complaining to them every moment we get.

RUSH: Amen. So, closing the loop here, when I see Bob Casey read a letter from his constituent that spells out how she thinks everybody needs to have their priorities redone and wants him to do it, I think, "This is where we got into the problem in the first place. Every time government fails at something, people still go back to it and ask them to fix it!"

CALLER: I think, Rush, that she wrote that letter because it does feel like our senators and our representatives are completely out of touch, and they're only self-serving. They only want their own piece of the pie. Bob Casey included.

RUSH: Amen.

CALLER: Jim Webb included.

RUSH: Amen.

CALLER: That's why I think more that is where her letter is coming from, or at least where my letter would be coming from. Look, you guys are only after your own hineys here, and I would like to see some real action, not just serving their own silver platter.

RUSH: I totally understand. Now, you and I are discussing this Tammy May and her letter, and neither of us know the woman --

CALLER: That's right.

RUSH: -- and so we really don't know why she wrote it.

CALLER: Mmm-hmm.

RUSH: We only can guess. You have a guess, I have a guess.

CALLER: Mmm-hmm.

RUSH: Your guess is based on you think you can relate to her emotionally.

CALLER: Mmm-hmm.

RUSH: My guess is based on something that has nothing to do with emotion. "Why the hell write the letter? If you want to change the priorities, just do it!" If she writes the letter -- and, by the way, she says, "We have to reprioritize." Who is "we"? No, Tammy, you want to reprioritize, you go right ahead, but don't get Senator Casey involved in reprioritizing me.

CALLER: Mmm-hmm. Oh, I agree with you there.

RUSH: So that's it.

CALLER: Don't include "we."

RUSH: Pardon?

CALLER: "We" is the key word there. She shouldn't say "we."

RUSH: Exactly right. Exactly right. Anyway, Natalie, I'm glad you called. You're sweet to call; you're sweet to stay on the phone. By the way, am I still insensitive?

CALLER: No, you aren't. You are fine, Rush, and thank you for taking the time to answer my call. I appreciate it. I've waited a long time to talk to you.

RUSH: Well, my pleasure. Any time you want to call back, feel free.

CALLER: Thank you.

RUSH: We're here.

CALLER: Thank you.

RUSH: You bet.

BREAK TRANSCRIPT

RUSH: Jerry in Lansing, Michigan, you're next on the EIB Network. Hi.

CALLER: Hello, sir. How are you?

RUSH: Fine, sir. Thanks very much.

CALLER: The reason I was calling was regarding this letter that was written to Senator Casey from Pennsylvania.

RUSH: Yes, Tammy May, the well-known-by-now constituent, Tammy May.

CALLER: Right, right, right. Oh, and, by the way, I don't miss the Clintons at all.

RUSH: Thank you.

CALLER: You're welcome. Her problem is she has confusion with her needs as opposed to her wants. She wants a house, I'm sure. We all do. But all you really need is a roof over your head, and so maybe she should look into downsizing and get a different house.

RUSH: She might have a house, I don't know. We simply do not have enough data here. You're right, if she doesn't have a house and is writing Senator Casey to get her one, we're in trouble.

CALLER: Absolutely.

RUSH: But we've been in trouble for a long, long time now.

CALLER: Yeah, and to put food fourth on your list, obviously that must be going down into the wants category as opposed to the needs category, and if she has that confused she's not going to be around very much longer to write very many more letters.

RUSH: Well, this is an excellent point, food is a necessity.

CALLER: Absolutely.

RUSH: It is a need, it's not a want.

CALLER: And so for her, I would say you need to step up and accept the personal responsibility for your own welfare --

RUSH: Now, see, now you're being harsh.

CALLER: No, I'm not.

RUSH: Now you're being cold-hearted --

CALLER: No.

RUSH: -- and you're giving everybody the wrong idea about conservatives. When you tell her, this poor woman has got nothing left in life but to write her senator; you're telling her to step up; you're telling her to accept responsibility, you cold, cruel SOB. Don't you understand you are feeding the fuel of fodder that the liberals always say about us. I can't believe you.

CALLER: Oh, I know, but, you know, it's like Sam Kinison said, half the people that are homeless in the country eat better out of the Dumpsters in this country than half of the world does, which is to a certain extent true.

RUSH: Yeah, but that was very harsh and insensitive, too.

CALLER: I'm sorry. But sometimes the truth hurts.

RUSH: You want another example of Sam Kinison? This is hilarious. He was lampooning Sally Struthers, Feed the Children, she goes over to Africa and surrounds herself with genuinely starving little kids with the flies buzzing all around, and she's saying, "Won't you help? Send some money," pleading, and Sam Kinison says, "We know you went over there with food. You're not going to starve. Give those kids your sandwich instead of asking everybody else." He had his great moments, Sam Kinison did.



## Who Gets Upset over Cartoons?

RUSH: The Obama campaign, they continue to be in a tizzy over this New Yorker cartoon. Let me ask you a question. Obama and his team are upset over a cartoon on the cover of The New Yorker, a leftist publication, that makes him look like a Muslim, that makes his wife look like a terrorist Muslim, that has the American flag burning in the fireplace, under the portrait of Osama Bin Laden in the Oval Office. The Obama campaign and The Messiah himself were said to be very, very upset over this. Let me ask you a question. Who is it that gets upset over cartoons? Muslims. (Gasping) Dawn's in there saying, "He didn't say that." Yes, I did, I'll say it again. (laughing) I just love tweaking these

people. Who is it that gets upset over stupid cartoons? Muslims, intolerant Muslims.



I have a theory about this, and we've got audio sound bites. They're out there saying, "You know what the piece missed?" Typical of liberals, they're saying that most Americans are too moronic to understand the sophisticated satire here, that what this piece needed was Rush Limbaugh painting the picture on the cover. That would have clued in the great unwashed that it was a joke, otherwise the great unwashed will not get that this is satire. Here's the point of this piece. I have figured this out. A lot of you people have written me and said, "Rush, you're missing the point on this. This is a Hillary and Bill Clinton plant." No, it's not. Who's in the New Yorker. David Remnick. Leftist. Huge, in the tank for Obama, the whole magazine. Covers on magazines don't just happen overnight. There's a lot of thought that goes into covers, there is a lot of debate, strategy and so forth. You don't just call a cover artist and say, "Hey, give me a cover of Obama and Michelle Obama in the Oval Office, we're doing a cover here." This had to be discussed. So therefore this was done for a reason.

Now, they've satirically portrayed other public figures on the cover here, but the purpose of this

is specifically to make the readers of New Yorker think that's how conservatives look at Obama, not how they do, but how we do, and it's proven by all these liberals out there in the Drive-By Media saying what the piece missed was not having Rush Limbaugh painting the thing. So the purpose of this piece is to convince as many people as possible that it is us, the conservatives, who are out there making the point that he's a stealth Muslim working for Iran or whoever, when in fact all that came up during the Democrat primaries. It was the Reverend Jackson just last week who wanted to make Obama a member of the New Castrati.

RUSH: Now, I want to complete the thought on this New Yorker cover here, because I think this is key to understanding. I have a theory about this, but I think this New Yorker cover is actually a setup. We all know that the New Yorker is a radical-left magazine. They are desperate for Obama to win the presidency. This is what you have to understand. New Yorker is not trying to pull a move here to get Hillary nominated and they're not for McCain. They desperately want Obama to win. So in that sense, why in the world would they run something that's harmful to Obama in their minds? They're not trying to harm Obama here. So they put a cartoonish drawing on their cover. They knew full well that it would draw all kinds of attention. But to hurt Obama? This is not what they intended. Nobody informed the Obama camp this was coming. Nobody called 'em up and said, "Hey, gang, we've got this cover coming. You're gonna love it. It's gonna really nail the right wing and the way they talk about you."

This cartoonish cover, here's the bottom line. This New Yorker cover happens to stereotype, not the Obamas. It stereotypes conservatives as racists, sexist throwbacks. That's the intent of this cover: to reinforce that Obama is a victim of right-wing haters lying about him and his wife. It is Obama and the left that kept perpetuating the

notion that we are saying he was Muslim and that his wife was unqualified. The New Yorker is selling magazines when they smear conservatives as racist and sexist. Obama gets to run around like he's doing and claim to be a victim, and wheeze-whine about it, by the way, that's quite unbecoming. If he doesn't get a handle has to be a victim every three or four days to keep his popularity up, it's going to come back and haunt him. So we are left watching all this while we are the ones who have been smeared by this.

The Obamas are not the ones being smeared in this cover. And of course the Drive-By Media, they're all you upset because you people are a bunch of rubes and idiots and you won't understand that it is you that are being made fun of, that it's you that are being criticized. They're afraid you're going to think, "Wow, even the libs think Obama is a Muslim. Wow, even the libs think Obama loves Bin Laden!" That's what they're deathly afraid of. Because they don't know, they don't have any confidence at all that you have any brains.

Andrea Mitchell says dumb Americans might not get the joke:

<http://newsbusters.org/blogs/scott-whitlock/2008/07/14/andrea-mitchell-dumb-americans-might-not-get-sophisticated-cartoon>

How Obama and various Democrats first responded to the New Yorker cover:

<http://www.newsday.com/services/newspaper/printedition/tuesday/nation/ny-uscamp155763979jul15,0,7331801.story>

We just can't joke about Obama:

<http://www.nytimes.com/2008/07/15/us/politics/15humor.html>



## The Government Should Not Do Everything for you

RUSH: It has been confirmed -- I missed this when talking to Natalie -- Dawn gave me the transcript. Natalie from Charlottesville, Virginia, said, (paraphrasing) "I have to say that you have fallen into the liberals' hands on this. You were sounding like a limousine conservative. I mean, you're just giving them more fodder to run with saying, 'Oh, those Republicans are so heartless and uncaring.'" She may as well have called me harsh. I spoke with her after this and it's all settled now, but that's really an insult, limousine conservative. Just so you people know, there is not a limousine out there that meets my standards. I wouldn't be caught dead in one, and to be called a limousine conservative, I'm glad I did not hear that. It might have changed the entire tenor of the whole call.

By the way, a slight correction here on the thing we've been discussing about Tammy May from Pennsylvania, the letter that she wrote. It doesn't change anything, but just a slight detail. She did not write the letter to Senator Casey. She wrote the letter to her local newspaper, a small-town newspaper, and Senator Casey's

office saw it, brought it to his attention, and he took that to the Senate hearing today in front of the chairman of the Federal Reserve. So it doesn't change anything other than she didn't write Casey. She wrote a letter to the editor of the newspaper, and in the letter to the editor of the newspaper, she said we have to reprioritize: House comes first, day care, gasoline, and food. Those are the new priorities. Now, I get the call from Natalie in Charlottesville, Virginia, who accused me of being a little harsh. Didn't use that word, but not really compassionate and understanding the situation. Look, it's time for a little tough love. Some of you might think what I'm going to say next is lacking in compassion, but I assure you that it's not.

We have a foundation for what I'm going to say here. We've got a big problem in this country, and it's a problem that's been big for a while, and it's growing. And the problem is that way too many of our fellow citizens expect -- and some of them even demand -- that our government, which is nothing more than all the rest of us, take care of them in one way, shape, manner, or form, be it health care or be it a home mortgage when they can't afford it or what have you. And the government is only too eager to comply because they love having people dependent on them, particularly liberal Democrat members of the government. Now, we as conservatives believe in the concept of individual responsibility, and when we say that, we get tarred and feathered as being heartless and cold and cruel. "What do you mean individual responsibility? Easy for you to say." But leftists are collectivists, and they think we all ought to be banded together and all have equal things, outcomes, houses, this sort of thing. And until that situation exists, in their minds America is an unfair place.

Now, adults have to make decisions about the families that they're going to start, how many kids they're going to have, the way in which they're going to live, whether they can afford to have a home, whether they have to rent instead

at first, how many cars to buy, or use public transit, how many televisions they're going to have in the house, how many computers, cable, all these things, what kind of education they hope to achieve, what kind of job they want to pursue, whether they want to start their own business, on and on. These are decisions that all of us should make for ourselves. And most of us do, but at some point when the decision goes wrong, way too many of us look for relief from Washington and say that the system screwed me and I need to have it made right. Well, maybe the system did screw you, but welcome to the club. Everybody gets screwed now and then. Contrary to what some people think, it's not a charmed life for everybody. In fact, for very few.

Now, let's take a hypothetical situation. Let's take a single mother of two living in Pennsylvania who goes out and, because some community organizer has lobbied Congress to make home mortgages available to people that can't afford them, our fictional character in Pennsylvania, single mother of two, goes out and gets a house that she really can't afford. But because it's the American dream and the members of Congress have mandated that this happen, the woman is secured for a loan, and all of a sudden the rate goes up, and then it's a problem because she can't pay for it. She can't afford the monthly without maybe doing without food or driving less and maybe she's gotta pay for day care because she has to go to work, she's got day care, she's got a job. So she looks to the government because the government roped her into buying the house, told her it was cool and hunky-dory, she thinks. But the rest of us were not involved in her decision. This to me is the key. I don't know this woman in Pennsylvania, and I don't know what she did. I don't know the circumstances, and yet the woman -- and this is going to sound harsh, but, folks, it's a problem, we're going to have to get a handle on this. It's all around us, what this is leading to, the credit crunch, the mortgage crunch, entities that supposedly have assets backing their worth that



don't have those assets, we got Chuck-U Schumer out there starting runs on banks, stock markets going up and down, the gasoline price, the oil price, a lot of people are very much on the edge here. And many of them are just like the rest of us are, they're prisoners to these cycles.

But in the case of our fictional character in Pennsylvania, I had nothing to do, nor did you, with the decisions that she made. And unless you and I are involved in the decisions that everybody else makes, which is not possible, then we can't know whether the decisions they've made are wise or unwise. Now, multiply that by millions of families. In this country, we spend \$3.1 trillion a year. This is not a safety net. This is a hammock, \$3.1 trillion. Most of us cannot put our arms around that. Most of us have no concept of how much that is, but it's enough that we're not talking about government creating a safety net. We're talking about a massive government that is involved in all things and wants to be involved in even more, \$3.1 trillion is not chump change. It has become a hammock. The consequence is regulations and taxes are in fact harming more and more families, making them poorer and making it more difficult for them to succeed. This much we know for sure, this is what happens when government gets in your way.

The list of examples is endless, from the family that goes out and buys a plot of ground and finds out later on that there's some sacred grouse on it and they can't do anything with it. Who says? The government, some regulation, the kangaroo rat in Bakersfield, California, farmer had to get rid of his farm. Wetlands, the whole assault on private property rights, is just one example. California is readying a statewide ban on trans fat, statewide. It's in the San Francisco Chronicle today, a statewide ban on trans fat. Now, my friends, I don't know about you, but I think that is a waste of time. It is a waste of bureaucratic involvement and money, it is none of their business, this notion that we are too stupid to protect ourselves and ensure our own good

health and therefore somebody has to. And they might make a claim to saying they have to protect our health because after all, they're paying for our health care, and they want it to be as little as possible they have to pay, so we're going to have to live under their guidelines since they're paying our health care. The minute you surrender responsibility for yourself to somebody else, then they own you. And in this case, if it's the government telling you that they're going to pay for your health care then they're next going to tell you what you can and can't eat, what you can and can't smoke, where you can and can't eat it. They're going to make your life a living hell of regulation. This is already happening. It's happening incrementally.

We sit around, "Oh, they're so benevolent. They're so good-hearted. They're just trying to save our lives. They're trying to keep us healthy." They're not doing that at all. They're simply exercising control. So the decisions that people make oftentimes are the result of obstacles placed in their way by a government that they think loves them and cares for them, and so their taxes have to go up and the regulations increase, and they are poorer and they have more difficulty, people have more difficulty getting ahead financially because of all these obstacles. At the same time, the government sits around and laments how stupid people are, thinks, "They don't know what to eat right; they don't know how to drive right; they don't know how to do this or that, we need to take care of them." They have no faith in you. You have faith in them, you think they're benevolent, you think they're out to help you. They look down on you. And when I say government, I'm talking leftist, activist government. The problem is that the Republican Party signed onto this the last couple years, too, and kind of lost their identity in this whole notion of limited government. The bottom line is that the federal government imposes on every family in this country hundreds of thousands of dollars in obligations from its entitlement programs, insurance programs, and nobody ever talks about

this because some people, not all, but some people think this is all done to help us. But every time this way of managing a society, managing a society's affairs has been tried, it has failed miserably, and people end up revolting against it, in many cases trying to leave the country which has held them prisoner, in which case many of them got shot trying to go over a wall or under a fence. Now, we're not there yet, and don't anybody misunderstand me here.

But for all these people that are out there in a genuine state of fear over what they see in the news every day, writing letters to little newspapers saying we need to reprioritize, we, not the letter writer, we need to reprioritize, that "we," that's a giant red flag. That means this letter writer wants a central authority to implement what she thinks is good. Now, imagine if she hates smokers or imagine if she hates jet airplanes or imagine if she hates going to the beach. She writes, "Too many people are going to the beach, destroying the beach, the beach should be for animals and birds and so forth, and the crabs or whatever. We need to get on this, protect the beach." Some politicians are going to pick it up. The thing I'm trying to say here is, individual responsibility is something that we all at some point in our lives exercise, and that somewhere down the line too many of us abandon it and sacrifice it when our decisions maybe didn't turn out the way we wanted them to and there's a little pain or suffering, so we turn to someplace for help and assistance, and that can become habit-forming or addictive. We've gotten to the point now where there are many people who have simply surrendered their own individual liberty and sovereignty 'cause it's easier. Meanwhile, the rest of us pay for it, and when we try to help fix the problem, "Take care of yourself. Be responsible. You'll be happier. You'll accomplish more. You're better than you think you can be. You're far more qualified and capable than even you know, but you're never going to experience that if you give up and let people pigeonhole you into some area where

you're only good for this or that." We say things like that and they say, "Well, it's easy for you to say, but it's really harsh. It's really harsh."

## **Bush Gives a Good Press Conference**

RUSH: The President's press conference today, a couple of pretty good answers here. First one, a reporter asked the president why he isn't telling individuals how to conserve energy. This is audio sound bite 15. The question came from Mark Smith at AP Radio. He said, "Why have you not, sir, called on Americans to drive less and turn down the thermostat?"

THE PRESIDENT: They're smart enough to figure out whether they're going to drive less or not. The consumer is plenty bright, Mark. The marketplace works. People can figure out whether they need to drive more or less. They can balance their own checkbooks. I think people ought to conserve and be wise about how they use gasoline and energy, absolutely. But my point to you, Mark, is that, you know, it's a little presumptuous on my part to dictate to consumers how they live their lives. The American people are plenty capable and plenty smart people and they'll make adjustments to their own pocketbooks. That's why I was so much in favor of letting them keep more of their own money, you know? It's a philosophical difference: Should the government spend their money or should they spend their own money? And I've got faith in the American people.

RUSH: What a great, great answer. So here you have this typical AP reporter straight out of AP storyline narrative school (snarky reporter impression), "How come you're not telling people to conserve? Those people are stupid, Mr. President. How come you're not telling them to turn down the thermostats and use less gasoline?" This is an attitude that every liberal has, that you need to be saved from yourself because you can't do it. You're incompetent. You

can't overcome the obstacles life places in your way. You can't even live responsibly. You gotta have somebody from the benevolent government walking all over your life, telling you where to put your thermostat, how much to drive, where you can drive, how fast you can drive, where you can go or you can't go, that you ought to be in mass transit, or some sort of thing like that. You just don't have the intelligence. The president comes out with this answer: They're plenty smart on their own.

That answer, by the way, a classic difference, ladies and gentlemen, in how liberals and conservatives look at people: central planning versus individuals making choices in free markets. He later explained why he thinks oil companies are investing capital to find new oil. (laughs) He had to explain the question! The question is stupid. Somebody asked him why he thinks oil companies are investing capital to find new oil. Of course the underlying tone is, "Why aren't they investing in alternative energies like the magic elixir that will get a hundred thousand miles to the gallon that we know they've got in the drawer somewhere and just won't make? Why, Mr. President, aren't you telling Big Oil to get honest?" But it's unbelievable that either of these questions were asked, but there's the president calmly explaining every step of the process: How to find and bring oil to the market. A lot of money, a lot of capital is tied up in the process. There's no other choice but to get the oil. It was really simple stuff.

It was a great opportunity, and the president himself capitalized on this. The media in this press conference today looked like a bunch of second graders. In fact, he made the media in this press conference look like Obama. And he won the exchange. They were that uninformed, that arrogant at the same time, and he gave straightforward, smart answers, like every leader should. You know, I've been on this kick for the past week or so that the Republican Party is sitting on a gold mine here with the gasoline price

where it is, oil price where it is, and Democrats being the party that is standing in the way of doing anything about it. Nancy Pelosi yesterday was calling the president's oil drilling design "a hoax." I mean, the Democrats are sitting ducks if the Republican Party would just get up to speed on this. The people don't care about the war in Iraq; it's gasoline prices right now and everything flows from that: food, travel, leisure time dollars, to and from work, all of that. So the president's answers today just illustrate a tremendous opportunity the Republicans have to crush liberalism if they really chose to. This is not the Democrats' year unless the Republicans hand it to them.

RUSH: I have two sound bites from President Bush and his press conference today that I want to play for you, giving a lesson to the Drive-By Media and the press corps acting today like a bunch of second graders. An unidentified reporter said, "Mr. President, do you think the oil companies are investing capital to find more reserves with the price at \$140 a barrel?" Do you think that they're investing capital to find more reserves? That's their business! What a question. At 140 bucks, you bet they are. Here's the president's answer.

THE PRESIDENT: Absolutely. Take an offshore exploration company. First of all costs a lot of money to buy the lease. They tie up capital. Secondly, it takes a lot of money to, you know, do the geophysics to determine what the structure may or may not look like. That ties up capital. Then they put the rig out there. Now, first of all, in a federal offshore lease if you're not exploring during a set period of time you lose your bonus. You lose the amount of money that you paid to get the lease in the first place. And once you explore, do your first exploratory, if you happen to find oil or gas you'll find yourself in a position where a lot of capital is tied up, and it becomes -- and your interests, your economic interests will continue to explore so as to reduce the capital

costs of the project on a per barrel basis. So I think they're exploring.

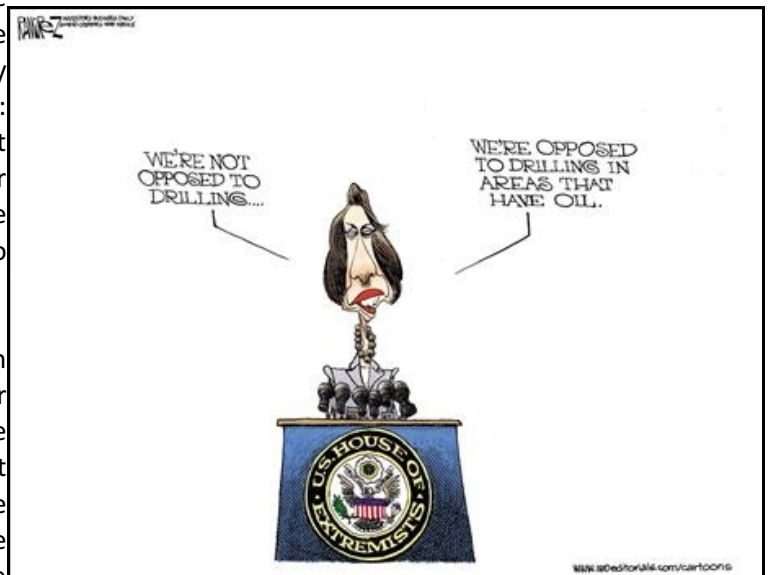
RUSH: He couldn't believe the question. Are they exploring? That would be like a reporter saying, "Mr. President, Mr. President, with the price of gasoline what it is, is General Motors still making automobiles?" Next question... There wasn't another question. The president just added this to it.

THE PRESIDENT: The people say, "What about the speculators?" Now, I think you can't help but notice there's some volatility in price in the marketplace, which obviously there's some people buying and selling on a daily basis. On the other hand, the fundamentals are what's really driving the long-term price of oil, and that is: demand for oil has increased, and supply has not kept up with it. And so part of our strategy in our country has gotta be to say, "Okay, here's some suspected reserved," and that we ought to go after them, in a environmentally friendly way.

RUSH: Oh, yeah, of course go after them in an environmentally friendly way. I liked what the Air Force does, what the Navy does. Just dump the gas! (laughing) By the way, Colonel Hasara sent me another note last night about one of the funniest events that happened during the Balkans. Kosovo or Balkans war or whatever. I've gotta find that. I'm not even going to try to paraphrase this, but the bottom line is that I think it was some country we had sold a bunch of F/A-18 Hornets to, and one of these flight crews on a bomb run, the bomb wouldn't drop off. It got hung. This happens now and then, and when the bomb hangs, you can't land with the bomb on the plane so you gotta drop it somewhere. So they try to find a target or they try to find somewhere where there's nobody around.

This crew decided they were going to fly out to the Adriatic Sea and drop it there. Well, everybody was listening. There were 17 coalition Navy ships out there in the Adriatic Sea. There

were 17 navies out there, ships from 17 different countries that were out there listening to the frequency, and they all said, "No, you're not dropping that bomb in the water. We're down here!" So they directed the crew to a Navy frigate that was removed. They said, "Look it, don't make the frigate your target, but drop it around there somewhere." So they did and they jiggled it off and the bomb went down -- and it blew up, and the frigate guys got on the horn and they started thanking the Hornet crew because gobs and gobs of dead fish had floated up to the surface and they had dinner for a week because of that bomb.



## Pelosi and Boxer on Oil

CALLER: Listen, the reason I'm calling is that I heard Nancy Pelosi and the Democrats speaking yesterday, and they were introducing their plan to save the gas and things like that, and their plan was like to take the oil out of the strategic oil reserve.

RUSH: Yeah.

CALLER: Well, my question is this. How would that help us in ten years?

RUSH: It won't help us, period, because as the president said yesterday, it doesn't get to the fundamental problem.

CALLER: That's what I was thinking. Just taking oil out is no plan for the future. It's not going to help us in ten years. It seems to me if the Democrats were serious about this gas problem, they would try to compromise with the president.

RUSH: Let me tell you something. Vickie, the Democrats have exactly what they want. They have been touting all this BS about conservation. They have been hoping for higher prices for a long time, to try to affect people's behavior. They don't like the way people behave with affordable gasoline, they don't like it. They want to control people's behavior as much as possible. The dirty little secret is they like you being unhappy with the gas price, they like you being on edge, they like you being ready to blow your top every time you pull in there to the gas station to fill up. They want you mad. They want you blaming it on Bush. They want you blaming it on the Republicans. They want you suffering. They want you in the frame of mind that you're in. That's why Pelosi's out calling the drilling a distraction, it's a hoax, it ain't going to happen for ten years. It's not even ten years. You know, that's another myth about this. Where did this get started, takes ten years, that's another one of these Drive-By Media figures like there were three million homeless when there never were, probably get this done in four or five years in certain places. But that's not the point. They don't want to drill for anything. They don't want a bigger supply. As it turns out they're going to get one anyway because people are using less. Here was Pelosi yesterday, she had a press conference in Washington, a portion here of what she said.

PELOSI: It's the economy, Mr. President. It's the economy. It's about jobs and people not having them. It's about their standard of living and purchasing power, their income going down

because of the increase in the price of gasoline and groceries and health care and education, as others have mentioned. This economy needs the president's attention, and he doesn't need to have any diversionary tactics about drilling offshore, what did he say the other day, if we could only drill offshore, the economy would be better. That is a poor excuse from a president of the United States.

RUSH: She's not irrelevant because she's Speaker of the House, but frankly it's embarrassing to me to have somebody this willing to sound this naive. I don't know how naive she is. I don't even know how stupid she is. I don't know her personally. But she's willing to sound dumb, if she isn't dumb. She's willing to sound ignorant, if she's not ignorant. She's willing to sound obtuse, if she's not. I think this woman is so partisan politically that it clouds her perception and view of reality at all costs. I think this woman is 100% total politics, and the political prism through which she looks through everything is destroying President Bush and Republicans, which is fine, by the way, if that's what you say, that's politics as it is. But these people hide behind the notion that what they really want to do is help you, what they really want to do is elevate you. They're standing in the way of every opportunity they get. They're the ones that like you suffering. I know that sounds brazen, and I know it sounds a little harsh, but they do.

Folks, it isn't me saying this. They've said it themselves over the years. Back in, I guess, the early 2000s, when Dick Gephardt was still around, he was all excited the stock market was plunging. He said that every ten point drop or every hundred point drop in the stock market, we pick up another seat in the House. They were looking happily at the misery that some Americans were experiencing. She sits there and calls it a hoax or she calls it a distraction. Barbara Boxer's out there contradicting her, saying we want to drill, too. Here's Mitch McConnell. He was on Fox & Friends today, and he got a quick question, "How

long can they afford to sit and not approve drilling and not reverse the ban, the Democrats?" This is what he said. Well, we don't have time to play it now, number 14. I was going to squeeze this in, but we're not going to get there before the break. So when we come back I'll play Boxer and that follows Pelosi and McConnell answering these two 'cause it's a pretty good answer.

BREAK TRANSCRIPT

RUSH: All right, here's Barbara Boxer, ladies and gentlemen, last night on Hardball with Chris Matthews, and he said to her, "Senator Boxer, do we need to start drilling in places we haven't wanted to drill before?"

BOXER: I maintain that when you have two oilmen in the White House for eight long years and you see gas prices go up 300%, to turn around to blame the Democrats in Congress just...doesn't...wash. The oil companies have gotten everything they want. It's time to say, "Use it or lose it." Of course there are places we can drill, but I want you to know something. There are a lot of jobs that also come out of a beautiful, pristine coast, in certain areas of our country. In my own state, for example. In Washington State. In... Off the shores of New Jersey, for example, and many other places. North Carolina. I could go on. The fact is that is a \$70 billion coastal economy, two million jobs. So of course we want to drill.

RUSH: Oh! Of course you want to drill! How did I miss that? Of course Pelosi wants to drill, and "two oilmen in the White House for eight long years as the gas price goes up 300%"? We didn't see gas prices go up for six long years, Senator Boxer, we saw gas prices skyrocket when your bud, Pelosi, took over the House of Representatives. I mean, them's the facts, ma'am. Here's Mitch McConnell. He was on Fox & Friends this morning. The question: "Senator, Nancy Pelosi was talking about the Strategic Petroleum Reserve yesterday, releasing ten percent would barely affect the price of gas. The

approval rate you mentioned of Congress 18%, so how long can they afford to sit and not approve drilling and not reverse that ban?"

MCCONNELL: That silly proposal to open up 10% of the SPRO, strategic reserve, that's about three and a half days' worth of oil. (laughing) They also said we ought to prohibit American exports of oil. You know how much oil we export every year? It all goes to Puerto Rico, by the way, an American territory, and it's about a half a day's use of oil in the country. (laughs) I mean, this is absurd. Nobody's going to believe that any of these proposals they're talking about are real.

RUSH: Okay. McConnell's right. Why did they make them, then? Why does Pelosi say get 10% of the strategic reserve? And why does Pelosi say we need to stop exporting oil? Is it because they're stupid? No. It's because they know (or they think) that most of their voters are stupid. So they will say what they think most of their voters will believe. So Pelosi says, "Well, release from the strategic reserve. Why, there's no reason for the government to hoard that oil," and she has visions in her head of stupid, idiotic Democrats and liberals out there cheering, going, "Yeah, yeah, yeah," and you throw in the, you know, "eight years of two oilmen in the White House." They're counting on the stupidity of their own voters. Look, these are liberals, folks. They look condescendingly and arrogantly at people.

So it's not that they're necessarily stupid, although the jury is still out on Pelosi -- well, and Boxer, too. But it's they know that their voters are stupid. And they think more than just their voters are stupid. Stop exporting oil from America? (laughing) What they realize is that their dolt voters will hear that and go, "What? We're exporting oil while we've got gas prices this high," and that will make 'em even madder. 'Cause they know they're not going to follow up and listen to Mitch McConnell hours later with the truth. So this is how they operate, and this is



precisely because they want you mad. They want you upset; they want you suffering. They want you so ticked off that you can't wait to go into a voting booth in November and just literally scratch out every Republican name you see. That's their objective.

### **Give Money to People Who Can't Pay it Back**

RUSH: From the Associated Press, the remaining Drive-By news organization that is a monopoly, the lone remaining Drive-By news organization that is a monopoly, and they just had a policy changed at AP where they are purposely now inserting the opinion of the reporter in stories 'cause they think that opinion is what makes news and money in the media. "Doug Gylfe still can't afford to buy a home in Torrance, Calif., despite a 23 percent drop in prices. And Congress isn't helping." Yes, AP, and just exactly what is Congress supposed to do? In fact, could we not say, ladies and gentlemen, that the problems that we're having in the subprime mortgage area are precisely due to Congress being involved and dictating that lenders lend money to people who couldn't pay it back? In fact, I saw there was a story in the stack yesterday, revolutionary new concept in loaning money. New standards are going to be implemented when making home loans, and one of the things that is going to now be required is that the lenders verify income to make sure that the people borrowing the money can pay it back. What I want to know is -- I haven't borrowed any money in a long time -- when did they let that go lax? Years ago?

Are you telling me that you can walk to a bank and say, "I need \$1,500 bucks," and get it without telling anything about your income? Oh, mortgage brokers, Snedley. Okay. All right. So a revolutionary new concept here in the mortgage broker lending business, and that is going to be that you who borrow money through a mortgage broker are going to have to prove that you can pay it back. Well, shazam! Snedley, I know it's discriminatory. It discriminates against

people who can't pay it back. But I guess we're in so much trouble that we're going to be now doing government-sanctioned discrimination. We're going to go back to discriminating and we're going to require people to prove they can pay it back where some people can't. If people are going to get loans 'cause they can pay 'em back that means other people who can't pay 'em back are not going to get loans, that's government discrimination. Some people have a harder time not verifying it but proving it because they're in the all-cash business, they're under the table. Some of them don't have any income. Some of them don't have any income and they still want to borrow money for a house and in the past they've been able to do that because the government did not want to discriminate against people who didn't have any money. But now we've got a big problem.

We've got a big problem. People that borrowed money, couldn't pay it back, are now being foreclosed on and kicked out of their houses, and that's discriminatory, that's unfair. Now we've got this big housing mess. So the government is going to fix this by making sure that if you borrow money from a mortgage broker to buy a house, you have to be able to prove you can pay it back. I tell you, this government is heartless, isn't it? I warned you people about this. They're just absolutely heartless, coldhearted, cruel SOB's. Can you imagine requiring somebody to prove they can pay the loan back, when everybody knows they're going to get bailed out if they don't pay it back anyway. And now this, poor old Doug Gylfe, still can't afford to buy a house in Torrance, California, despite the fact there's been a 23% drop in home prices out there. And Congress isn't helping? Man, oh, man. "That's the dilemma this week for the nation's lawmakers and millions of Americans who are priced out of homeownership: Any rescue policy to stem foreclosures could artificially prop up home prices and perpetuate the affordability crisis in many major cities coast to coast." How many times can they put the word "crisis" in a sentence?

Worrying about this is what got us into this mess. Here we're in the middle of the mess, we're trying to fix the mess and here comes the AP with a sob story that essentially says we should repeat the steps that got us into the mess. Congress isn't helping poor old Doug Gylfe buy his house, and so lawmakers are grappling with that this week to deal with the millions of Americans who are priced out of home ownership. Isn't that how this all started? We had millions of Americans who were priced out of home ownership. I'm just looking at this and I can't do anything but laugh. This is sheer, utter irresponsibility and stupidity from the Associated Press. The very thing they are advocating here is what led to the circumstances that we are in now, and so, guess what? Congress creates a problem, they give people money to buy a house, people can't pay it back, they get foreclosed on, all of a sudden now there's a crisis 'cause people are getting foreclosed on, and all these mortgage bankers are going belly up because nobody's paying 'em back, and Fannie Mae and Freddie Mac are out of money.

Guess who's been involved intimately with Fannie Mae? Does the name Jamie Gorelick ring a bell? This woman is everywhere, and Jamie Gorelick got a 26 million payout when she left the place. Jamie Gorelick got 26 million to leave, one of Clinton's guys, Franklin Raines, Franklin Raines, he was kicked out after corrupting the place. He left shortly before he was taking it in the shorts, but he got out of there with no penalty whatsoever. What is it with these Clinton people? This is why we don't get any tell-all books on the Clinton administration because they were all set up in these sweetheart deals -- money, money, money, money -- I still can't get over this. Congress is not helping poor old Doug Gylfe, so now we have millions of Americans who are priced out of home ownership, which is how this all started. "Any rescue policy to stem forecloses could artificially prop up home prices and perpetuate the affordability crisis," yet I'll guaran-damn-tee you if government did nothing and home prices

continue to fall then tomorrow the AP would write a story whining and moaning about the lack of asset value for people who still do own their houses. We just can't win with these people.

"Lawmakers, however, appear more focused on the negative economic consequences of falling home prices than the benefits. Congress, in a way, is facing a real estate hydra: The declining home prices, rising foreclosures, tighter lending standards, higher interest rates, and industry layoffs. Yet while trying to protect the economy and honest homeowners who are suckered into bad loans, Congress may cut off one of the serpent's heads only to see two serpent heads grow back." Exactly right! Liberalism. This is what liberal Democrat activist government always does, it's a great way to put it. Okay, so we've got a problem out there with poverty. Fine, have the Great Society. Bam, we cut off that serpent's heads and then three more pop up. We destroy the black family, we destroy work incentive, and we destroy productivity among the people we're trying to help. The Congress didn't get it right the first time. Trying to protect the economy and honest homeowners who were suckered into bad loans? You know what I think that means? It means that somebody didn't define A-R-M for them? Now, who in their right mind does not know what an adjustable rate mortgage is? So now we got the predatory lender, we've got it all wrapped up in this story, and the headline says it all: "At Housing's Bottom, Many Will Be Priced Out." Aw, I am going to start crying. I am going to start crying. People are going to think I'm harsh, people are going to think I'm lacking compassion. At housing's bottom, many will be priced out. What's the alternative? How about we have a housing boom? You can write the same headline: "At Housing's Boom, Many Will Be Priced Out." Hey, can I give you a little hint, AP? At all times, good or bad, in the housing market, some aren't going to be able to afford one, damn it!

<http://www.msnbc.msn.com/id/25694358/>

## How the Press Treats FNMA Exec

RUSH: I was talking about Franklin Raines a moment ago, former Clinton administration official who ended up running Fannie Mae for a while. The Washington Post has a very sympathetic story regarding Mr. Raines, and again I think this falls under the category of why we've never had tell-all books on the Clinton administration from members of that administration, because so many of them got wired into big money deals; and it would threaten those big money deals and appointments if they ever did the tell-all books. "In the four years since he stepped down as Fannie Mae's chief executive under the shadow of a \$6.3 billion accounting scandal, Franklin D. Raines has been quietly constructing a new life for himself. He has shaved eight points off his golf handicap, taken a corner office in Steve Case's DC conglomeration of finance, entertainment and health-care companies and more recently, taken calls from Barack Obama's presidential campaign seeking his advice on mortgage and housing policy matters."

I just want to choke here. This is a guy who presided over a fraudulent accounting setup at Fannie Mae to the tune of \$6.3 billion, and the Obama people are asking him for advice -- and he's taken eight points off his golf handicap, and he has the office with Steve Case. "And he's privately smoldered over the events of the past week, when Fannie Mae and Freddie Mac were portrayed as being on the brink of disaster, prompting steep drops in their stocks and a federal intervention. In his first interview in two years, Raines remained insistent that the mortgage finance giant's problems are not rooted in the company but stem from a time when the Bush administration and the Fed insisted the government-sponsored enterprise carried no explicit federal backing," and it goes on and goes on.

The next two paragraphs: "Watching from outside the limelight has been frustrating, said Raines, who has not spoken publicly about Fannie Mae since being charged by federal regulators with manipulating Fannie Mae's earnings in 2006. Rising from the working-class streets of Seattle to the highest levels of political and corporate life, Raines for more than a decade enjoyed a bully pulpit in Washington, first as head of the White House Office of Management and Budget under President Clinton and then as chief executive of Fannie Mae, where he was the first African American chief executive of a Fortune 500 company." This is such pap. Fannie Mae, a Fortune 500 company? It's a government company, a government-run private sector business, which is an oxymoron.

Anyway, I don't want to get distracted by that. Franklin "Raines settled charges brought by the Office of Federal Housing Enterprise Oversight by agreeing this spring to pay \$2 million and forfeiting \$22.7 million in stock and other benefits. And though none of it will come out of his pocket -- the payment was covered by insurance -- he has not emerged unscathed. He and his wife of more than 25 years, Wendy, are separated. Their house, a 1910 colonial in Northwest Washington, is for sale. An old friend, former Time Warner chairman Richard Parsons, describes [Raines] as being 'in strong recovery mode.'" Well, boohoo! Here's a guy forced out, who presided over a \$6.3 billion accounting fraud and we've got a big sob story about how he is going to lose \$2 million and forfeit 22.7 million other dollars, although he won't have to pay personally because it will be "covered by insurance." This guy is no Ken Lay. This guy is no Jeff Skilling. Now he's playing golf, and he's just trying to recover. He's watching this from the sidelines. He's so devastated.

[http://www.washingtonpost.com/wp-dyn/content/article/2008/07/15/AR2008071502827\\_pf.html](http://www.washingtonpost.com/wp-dyn/content/article/2008/07/15/AR2008071502827_pf.html)

## Additional Rush Links

The mistranslation of al-Maliki's statement:

[http://www.americanthinker.com/blog/2008/07/obamas\\_oped\\_on\\_iraq\\_premise\\_un.html](http://www.americanthinker.com/blog/2008/07/obamas_oped_on_iraq_premise_un.html)

Obama Lies (excellent article):

[http://www.spectator.org/dsp\\_article.asp?art\\_id=13526](http://www.spectator.org/dsp_article.asp?art_id=13526)

Obama puts a spin on his bad judgements:

<http://article.nationalreview.com/?q=MmU2N2FmYjA4MDBhNDQ0MjYxZmQwMzlhODYxN2QzN2E=>

The Democratic National Convention wants to get Denver's homeless off the streets for the convention. Their solution: movie tickets for the homeless (this is not a joke)!

<http://www.rockymountainnews.com/news/2008/jul/15/homeless-hey-buddy-can-you-spare-movie-ticket-duri/>

Catfish wander through Florida neighborhood:

<http://www.local6.com/news/16897468/detail.html>



## [PBThinker comments on Pelosi:](#)

Is it possible that any speaker has had a worse 2 years, than Nancy Pelosi, and not had the press calling for their head? Once again, when it comes to the media, we have the silence of the lambs. Here we are, clamoring for oil wells and Nancy is thinking about another "stimulus package" just before the election. Gee, is there anyone in the world that can't see through that one?

If the Democrats want to make this election about oil, I hope the Republicans are prepared to do what it takes. This is a fight they should be able to win. Bring it on Nancy, either way, this could be your legacy.

As an aside, there was an article about Ed Markey putting the fear of global warming into the High School kids. Does anyone remember that Mr. Markey was Nancy's personal choice for the position he has on the energy sub-committee? This guy has no clue what's up with global warming, has no clue where to get the information, and won't ask the pertinent questions. On a question, as important as global warming, should the majority party be stacking the deck against any information coming to light? Seems to me there's something wrong with that, but Nancy seems to believe it's just fine.

