



D.C. Confidential

Washington Scandals from Grant to Obama

The American people have always been fascinated by the seductive scent of a scandal. Newsstands periodically blossom with scandal tabloids that provide titillating examples of man's fallen nature. In order to exploit the human penchant for sin *Confidential* magazine began publication in 1953. Its founder was scandal pioneer Robert Harrison, who said he was inspired while watching the Senate hearings on organized crime conducted by Tennessee Senator Estes Kefauver in the early 1950s.

Business as Usual

While *Confidential's* main focus was Hollywood, scandal and Washington, D.C., have been inseparable since Ulysses S. Grant was president. Though a war hero, as a president Ulysses S. Grant was no match for Washington politics, where corruption was standard fare. In 1872 two Congressional investigations uncovered a corruption ring set up under two Grant appointments to the New York Custom House, Moses H. Grinnell and Thomas Murphy.

Grant's most famous scandal involved a construction company, Credit Mobilier, which was the exclusive builder of the Union Pacific Railroad. Because of its virtual monopoly and propensity to bribe congressmen and also Vice President Schuyler Colfax, it was able to fraudulently bill the federal government for its work.

In 1875 Secretary of the Interior Columbus Delano was forced to resign because he also had taken bribes for fraudulent land grants. That same year Treasury Secretary Benjamin H. Bristow and journalist Myron Colony exposed the Whiskey Ring, involving diversion of tax revenues in a conspiracy among government agents, politicians, whiskey distillers and distributors, including Grant's personal secretary General Orville E. Babcock.

While not as scandal-ridden as Grant's presidency, the administration of President Warren Harding created an

impressive *yellow sheet* during his three years in office. Most of his scandals centered on his appointment of his former campaign manager Harry M. Daugherty as Attorney General. Daugherty's notorious *Ohio Gang* had already tainted his credibility as the nation's chief legal officer. Because of their unpopularity, Prohibition laws were a perfect venue for Daugherty's illicit maneuvers. Pharmacies received permits to sell alcohol for medicinal purposes. Bootleggers easily got their hands on many of these permits. In another scandal, Charles R. Forbes, Harding's Director of the Veterans Bureau lined his own pockets with funds designated for wounded veterans.

Harding's most famous scandal was Teapot Dome. Albert Fall, the Secretary of the Interior, had unilaterally leased the rights to the oil reserves in Teapot Dome, Wyoming and other locations to Harry Sinclair of the Consolidated Oil Corp. for over \$400,000. When Harding died of a stroke in 1923, his vice president, Calvin Coolidge, who possessed a Puritan backbone, was able to return honesty to the White House.

A Plumbing Problem

While bribes, kickbacks and fraud dominated most of Washington's early scandals, political power and sexual improprieties have monopolized the D.C. scandal headlines since then. No Washington scandal has had a greater impact on U.S. political history than Richard M. Nixon's Watergate. It began quietly as a *third-rate break-in* to the Democratic headquarters of Chairman Lawrence O'Brien in the Watergate building by five operatives from Nixon's re-election team on June 17, 1972.

Although Nixon had not been initially involved, his fear of media scorn prompted his participation in a cover-up that eventually destroyed his presidency and wreaked short-term political havoc on his party. His

political burglars, the notorious *Plumbers*, were enlisted to find the political leaks in the Republican hierarchy that Nixon thought jeopardized his re-election chance.

Despite his landslide victory over Democratic challenger Senator George McGovern in the 1972 election, Watergate prevented Nixon from enjoying the fruits of his victory. The dam of silence that had protected his inner sanctum ironically sprang its own leaks, eventually drowning his presidency.

Reading the handwriting on the wall, Republican leaders such as Barry Goldwater beseeched Nixon to do the honorable thing and resign so as not to put the country through the ordeal of impeachment proceedings and his certain removal from office. Nixon heeded their sage advice and resigned on August 9, 1974. His successor, Gerald Ford, then pardoned him of any criminal guilt, ensuring a Democratic victory in 1976.

A Phoenix Rising

Scandal was nothing new to President William Jefferson Clinton. With the exception of his Whitewater real estate misdeeds, most of his moral indiscretions involved his libido. His most damaging sexual scandal was the Monica Lewinsky affair, which became front-page news in January 1998. The 22-year-old Lewinsky had become a White House intern in 1995. It was not long before they began an intimate relationship or as Clinton later put it, an *improper physical relationship*.

As a political scandal *Monica-gate* had its origins in the sexual harassment lawsuit former Arkansas state employee Paula Jones brought against Clinton in May 1994. In her suit Jones alleged that on May 8, 1991, a member of Governor Clinton's security detail, state trooper Danny Ferguson, told her that the governor wanted to see her in his suite at the Excelsior Hotel in Little Rock during a state-sponsored management conference. When Jones went to his room the governor exposed himself to her and asked her to perform a sexual act. After an investigation by Independent Counsel Kenneth Starr, the Clinton affair resulted in charges of perjury and obstruction of justice, dating back to 1997.

The effects of Clinton's scandal, not unlike the Watergate break-in, were more far-reaching than could be originally imagined. As with Nixon it was the cover-up that impacted Clinton's presidency. Rather than resign, Clinton and the Democrats circled the wagons and fought it out in the media, which had

always loved its rogue president. The Lewinsky affair eventually led to Clinton's impeachment in the House, but Democratic solidarity thwarted his conviction in the Senate.

But in contrast to Watergate, there were no Democratic Senators beckoning him to resign for the good of the country. There were no investigative reporters like Bob Woodward and Carl Bernstein to expose the scandals. Like a phoenix rising, Clinton and the Democrats rebounded to win the 1998 elections. Clinton's presidency regained the power and prestige he had lost for one brief moment.

Chicago South

Even for the casual observer, it is easy to notice that scandal is endemic to the Obama administration. Michelle Malkin's 2009 book *Culture of Corruption: Obama and his Team of Tax Cheats, Crooks and Cronies* was an advance warning that most Americans would feel the *boot of the Obama administration and its goons on their necks*. The United States has now become *Chicago South* while the Obama administration has been in full *thuggery mode* since 2011.

It appears that the Obama administration's web of deceit is unraveling strand by strand. Some reporters have had the temerity to ask Obama the *Nixon Question* – implying parallels between Obama's scandals and Watergate – when they should have been asking the *Clinton Question* – raising parallels to Clinton's refusal to resign amid legal charges and abuses of executive power.

While not legion, Obama's scandals run to the core of his government. First there was Benghazi, where four American officials were assassinated in bloody terrorist attacks. This was followed by the exposure of a scandal involving the Internal Revenue Service and its corrupt practices of singling out and seriously thwarting conservative groups by denying them tax-exempt status. Last was the exposure of the Justice Department's intimidating tactics leveled against the media, especially the Fox News Network.

Obama's response to his administration's chain of scandals has been a callous indifference. He has promised heads would roll. So far only a few officials have been put on paid administrative. Susan Rice, a key player in the Benghazi scandal, was promoted to Chief of National Security. This is her reward for adding a few more stones to the walls of *Fortress Obama*.

Murders in Benghazi

From the beginning it was apparent that the assaults that killed four Americans, including the American Ambassador to Libya, Chris Stevens, in Benghazi on September 11, 2012 were organized terrorist attacks and not some spontaneous reaction to a video critical of Islam. A clearer picture later emerged that underscored the fact that Stevens and his aides were virtual sitting ducks for such an attack. The ambassador had made many personal requests for increased security for the Benghazi outpost. In the face of these real threats, the State Department had inexplicably reduced the embassy's security, leaving the legation in greater jeopardy.

Stevens's chief deputy Gregory Hicks later told congressional investigators that a team of Special Forces was prepared to fly from Tripoli to Benghazi during the attacks but was told to stand down by U.S. Special Operations Command South Africa. His testimony was in stark contrast to assertions from the Obama administration that denied anybody was ever told to stand down and averred that all available resources were utilized. Their denials do not hide the fact that no help ever materialized to save the besieged embassy.

Before their bodies were even cold, the administration had adopted a high defense posture. President Obama, Secretary of State Clinton and Ambassador to the U.N. Susan Rice used every available venue to publicly blame the attacks on some innocuous video that had angered Muslims. Their suppliant denials of any responsibility for the video amounted to an American apology in the aftermath of the murders in Benghazi.

A New Tea Tax

In May 2013, the Internal Revenue Service revealed that it had targeted conservative groups applying for tax-exempt status, based on their names or political themes. This led to a loud public outcry against the agency, which triggered several investigations. Despite the Obama administration's quick reflex to blame this new scandal on rogue agents, it quickly became evident that at least the IRS's upper management had engineered the punitive scheme.

The Inspector General of the U.S. Treasury issued a report that indicated that the IRS had singularly discriminated against conservative organizations. The subsequent investigation eventually led to the IRS's Exempt Organizations Division. Its director Lois Lerner was the first one who publicly admitted in

response to a *planted question* at an American Bar Association meeting that between 2010 and 2012 the IRS had *improperly scrutinized conservative nonprofit groups*.

Her admission, a few days before the Inspector General's report went public, represented an attempt to capture the high ground. Lerner later revealed that then-acting IRS Commissioner Steve Miller had contrived this scheme, which in effect had threatened and dissuaded several conservative and pro-life groups from being active in the 2012 campaign. Subsequent testimony also pointed to the office of the Chief Counsel to the IRS, one of the only two political appointees to the agency.

DOJ Injustice

Since first becoming Attorney General in 2009 Eric Holder has adopted a siege mentality. First there was his refusal to prosecute Black Panthers who harassed white voters in Pennsylvania. Then there was the Department of Justice's infamous *Fast and Furious* policy, which resulted in the death of at least one border patrol member. The Bureau of Alcohol, Tobacco and Firearms deliberately sent guns into Mexico apparently with the hope they would end up at Mexican crime scenes, implicating American gun dealers. When the plan failed, the DOJ blamed U.S. attorneys and *rogue* ATF agents.

The Obama administration had its own problem with leaks prior to the 2012 elections. Taking a different route than Nixon's Plumbers, it cited the Espionage Act of 1917 when it issued a warrant that named Fox News correspondent James Rosen as a *co-conspirator* in an effort to divulge and publish information concerning the Obama administration. The warrant also approved the tracking of Rosen's movements in and out of the State Department, as well as his communications with his informant, Stephen Kim.

The DOJ later implausibly stated that it did not intend to press any charges against Rosen. Holder told Congress that he had *never been involved in, heard of such a strategy*, despite the fact that his signature is on the warrant. When coupled with the DOJ's reading of the e-mails of hundreds of Associated Press journalists, Holder's *use of Clintonesque verbal gymnastics* seems to prove that the DOJ was involved in a plot to silence or at least influence the nation's news services.

The Cool Factor

Though his popularity has dropped some, recent polls have shown that Obama is still way above the fray when it comes to the direction the country has

taken. Millions still blame Congress or George W. Bush for the burdens of public debt and a stagnant economy. Responsibility for the plague of scandals that has threatened Obama's second term seems to stop just south of the West Wing.

To explain this situation, one might consider the *charisma factor*. Author Laurence Rees explores this concept in his 2013 book *Hitler's Charisma*. While no one is comparing Obama to Adolph Hitler, the parallels are instructive. Like Obama, Hitler utilized modern technology and his seductive elocutionary skills to thoroughly mesmerize a country for 12 years. While he endured many setbacks during the war, Hitler remained above blame, almost until the very end. When it came to Jewish genocide, or millions of war dead, it was always someone else's fault – rogue generals or even Germany itself.

Millions of Obama's adoring fans call his intangible quality his *cool factor*. While Obama's cool demeanor has connected him to American voters, his arrogant detachment and elitist dismissal of geopolitical problems as beneath his dignity or pay grade have seemed more as a clueless disconnect from the historic forces that define national and presidential greatness.

What most Americans have failed to understand about the scandals of Benghazi, the IRS and James

Rosen is that they have one common thread, namely Obama's 2012 re-election. The attacks on the American embassy gave the lie to the linchpin of Obama's Middle Eastern policy - that *Osama was dead and Al Qaeda on the run!* To cover up their tracks until after the election, the administration repeated their electoral mantra about a rogue video entitled *The Innocence of Muslims* having incited the attacks. The IRS scandal was designed to eliminate the Tea Party organizations as players in the election, in much the same way that a linebacker might try to cripple the other team's quarterback to help his team win. Holder's intimidations of the media sent an emphatic message: support the government or suffer the consequences!

Author David Limbaugh points out that the *Obama administration's handling of its multiple scandals paints a picture of those who believe they are above the law*. Obama is transforming America into a private duchy where law is unhinged from accountability. Something will have to give. Now ensconced in a second term, Obama has increasing difficulty hiding behind his stonewalling arrogance, vain promises of accountability, and the standard canard of *just blame Bush!*

~

William A. Borst, Ph.D. can be contacted at BBPROF@sbcglobal.net.

Mindszenty Report Reprints

The Mindszenty Report is published monthly by
Cardinal Mindszenty Foundation
7800 Bonhomme Ave.
St. Louis, MO 63105
Phone 314-727-6279 Fax 314-727-5897

Subscription rate: \$20.00/year, \$36.00/two years.
Outside the U.S.A. \$28.00

The Mindszenty Report is not copyrighted, and
subscribers are invited to have it printed in
their local newspapers.

Contributions to the Cardinal Mindszenty Foundation
are tax deductible as allowed by law.

Eleanor Schlafly, *Publisher*
William A. Borst, Ph.D., *Feature Editor*
e-mail: info@mindszenty.org
web site: www.mindszenty.org
orders.inquiries@mindszenty.org

A PAPAL PARADOX: POPE FRANCIS AND LIBERATION THEOLOGY. Liberation Theology has hidden its Marxist agenda to lift up the world's poor. Its advocates have erroneously adopted Pope Francis for their cause. This issue details why the new Pope could never be a Marxist. Ask for 7/13

A COLLAPSIBLE TENT: THE REPUBLICAN ROOSEVELT AND PROGRESSIVE REFORM. A disturbing analysis of the intellectual lineage of the Republican establishment that dates back to President Theodore Roosevelt. Since then his *RINOs* have undermined most conservative attempts to restore the culture, return the country to economic solvency and re-establish the constitutional government. Ask for 6/13

ENEMIES OF THE CROSS: THE BATTLE BETWEEN THE CITY OF GOD AND THE CITY OF MAN. A warning from St. Paul unsettles the Church 2,000 years later. From Nero through Niccolo Machiavelli to Saul Alinsky, the enemies of the cross have been legion. The battle continues to rage between the City of God and the City of Man. Ask for 5/13

1 copy	\$.75	100 copies	\$23.00
20 copies	\$7.00	500 copies	\$110.00
50 copies	\$12.00	1000 copies	\$210.00