

Ever since the announced bankruptcy of Enron, Wall Street has had a schizophrenic personality, not knowing whether it wants to be bull or bear. Some wonder what needs to be done to stabilize the stock market. Congress signed into law a bill “reforming” the system, but if there’s one thing we’ve learned over the years it’s that any attempt by the Federal Government to fix a problem will create ten new ones down the road. (Let’s not forget that the groundwork for the current corporate scandals was laid by Congress in the early ‘90’s when they started taxing CEO bonuses, forcing companies to offer stock options instead).

My advice to Congress on fixing the problem is simple: do nothing. We need no new legislation (we’re in trouble because the laws that were already on the books were broken during the ‘90’s). New laws will only create new ways to get around them. One of the beauties of our economic system is its ability to correct itself, which it will in due time. However, it is imperative to crack down on the offending parties. A capitalist society only works as well as the justice administered in it.

CHENEY AND HALLIBURTON

Another scandal in the making is Vice President Dick Cheney selling his stock in Halliburton in 2000. What you probably don’t remember is that the same voices being used to criticize the Vice President for selling right now (namely The New York Times) were urging him to do so during the Presidential Campaign. And I quote: “Mr. Cheney needs to summon all of his gravitas and do the right thing. That means he should just say no to any options that would vest after he is in office.” Mr. Cheney sold his stock options because he was pressured to do so by the media, not for any sort of illegal financial gain. I wonder where the Times is when DNC Chairman Terry McAulliffe made \$18 million out of a \$100,000 investment in Global Crossing.

REMEMBER ENRON?

Remember when Enron was supposed to be George W. Bush’s Whitewater? Wonder why nothing is moving in Sen. Joseph Lieberman’s committee on the matter? Well, perhaps it has something to do with what Time Magazine recently reported: that Enron had much closer ties to the Clinton administration than the current Bush administration. Curiously absent from any of the proceedings in Mr. Lieberman’s committee is Clinton Secretary of Treasury Robert Rubin who was offered a spot on the Enron board of directors and lobbied the Bush White House for a bailout on behalf of the now-bankrupt company. What is really sad though is that the people that were really hurt will not see justice done because of political games.

SPEAKING OF COOKING THE BOOKS. . .

Robert Novak recently brought to light the Clinton Commerce Department’s gross exaggeration of the state of our economy in 1999 and 2000 leading up to the Presidential Election. During those years the estimated before-tax profits differed with the recently revised numbers by at least 10 percent and were off by as much as 30 percent in 2000, giving the impression of a rising profits while they actually reached their pinnacle in

1998. Of course all accusations are firmly denied, but even in the absence of any wrongdoing, it is disconcerting that the government's figures were that off and those responsible should be held accountable for incompetence if not for corruption.