

Killer Cuts

Let there be no mistake: These are killer cuts. For example, Schwarzenegger is demanding an end to CalWORKS, the state welfare agency that maintains families while providing job training, to move them off welfare. CalWORKS, which has been praised for its success, presently serves some 525,000 families per month, providing around \$650/month to each family. According to the County Welfare Directors Association, eliminating CalWORKS will force thousands of families into homelessness. If Schwarzenegger gets his way, California will be the only state which will have eliminated *all aid to dependent children*. Its executive director, Frank Mecca, told the *Sacramento Bee* that this would eliminate the safety net for poor families. “There really is no fallback, especially given the financial condition that most counties are in.”

Schwarzenegger has also demanded an end to the state’s main health insurance plan for poor children, threatening to *leave nearly 1 million children with no health care*, at a time when emergency rooms in public hospitals are being closed. Supplemental funds paid to the disabled, poor, and elderly will also be eliminated. Cuts in home health-care spending will condemn more than 395,000 elderly and/or disabled to shortened lives, including those with Alzheimer’s disease, people who are paralyzed, or are simply too weak to care for themselves.

Karen Bass, the Democratic Speaker of the Assembly, in reviewing the coming devastation if these cuts go through, said, in a characteristic understatement, “Some of these cuts could result in people losing their lives.”

That peoples’ lives are at stake means little to Arnie, whose statement about his concern over the pain inflicted by his actions is little more than a throw-away line of a script from one of his bad movies. More in character with the tough guys he played was his conclusion, in which he told legislators that this crisis “will test our will, our resolve and our leadership. . . . In the coming days and weeks, the entire nation will be watching how we react and respond.”

It is likely, as one veteran California Democrat told *EIR*, that the Obama Administration refused any bailout funds to the state, to see if its citizens would revolt against the fascist austerity demanded by the Governor. For the sake of the future of our nation, the source said, “I hope the people of California won’t take it lying down.”

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Soros Crowd Behind Smears Against Murtha

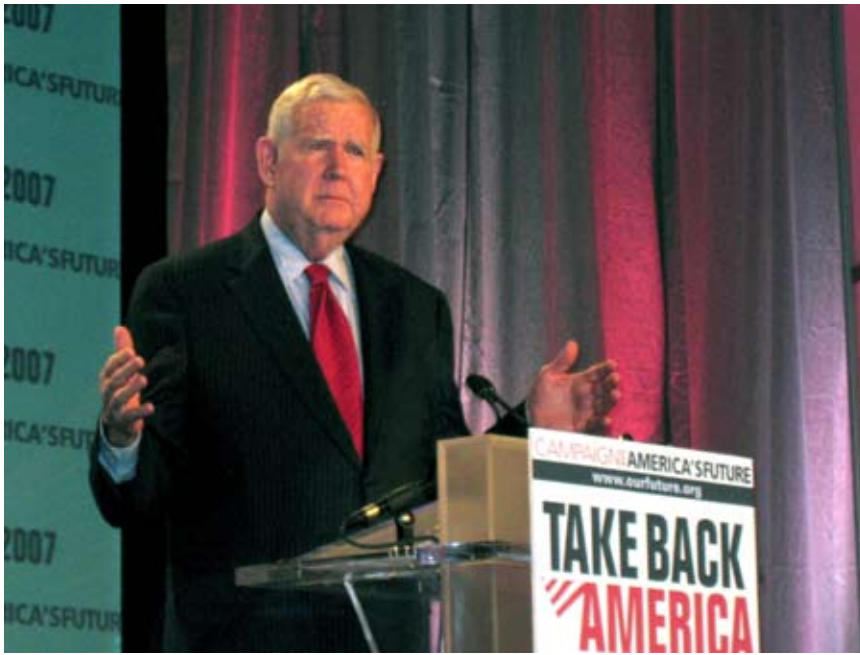
by Anita Gallagher and Jeffrey Steinberg

June 6—The *Washington Post*, the *New York Times* and the Capitol Hill leak-sheet *Politico* all used the occasion of the 19th annual “Showcase for Commerce” in Johnstown, Pa. as the occasion to escalate their slander campaign against leading House Democrat, and longtime New Deal advocate, Rep. John Murtha (Pa.). While the mainstream media paid no attention for 18 years to the annual Johnstown industrial exposition, which highlights defense, machine-tool, and biotech companies that have led a remarkable industrial recovery in the central Pennsylvania district, following the collapse of the steel and coal industries in the 1970s and ’80s, this year’s event saw *Washington Post* and other reporters literally stalking Representative Murtha, as he toured the hundreds of expo booths on the floor of the Johnstown hockey stadium. And not one word of Murtha’s stunning call for a Federal government-led industrial revival, in the spirit of Franklin Roosevelt’s New Deal, made it onto the pages of the *Washington Post*.

Instead, the *Post* and the other newspapers spewed out a tirade of unfounded charges of kickbacks and corruption, almost all based on the work of a George Soros front group that was created specifically to target FDR advocates on Capitol Hill, and make Congress safe for proponents of dope legalization, offshore unregulated speculation, and euthanasia—all favorite Soros policies.

Obama and Pelosi

Sources close to the Obama Administration have told *EIR* that Speaker of the House Nancy Pelosi (D-Calif.) has made a backroom deal to save her job, following her recent confrontation with the CIA over briefings its officials had delivered to her and her top staff, on the Bush-Cheney torture policies—policies she claims she knew nothing about, and never endorsed. Pelosi was caught lying in public; her job was on the line, and she reportedly went to the White House to save her hide. According to the sources, one



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Rep. John Murtha is being skewered by “corruption” scandals—but don’t believe what you hear from the Soros press sewer. His “crime” is to be a Democrat in the FDR tradition, and a defender of his district’s industrial base.

of the demands imposed by Team Obama was that she turn her back on her longtime ally, as the “Get Murtha” campaign, part of a broader targeting of traditional constituency-based Congressmen and Senators, moved in for the kill.

The recent decision by Attorney General Eric Holder to drop the case against former Sen. Ted Stevens (R-Ak.), because of massive prosecutorial misconduct, originally seemed to signal a broader crackdown against this kind of Department of Justice and FBI corruption. But the Attorney General, as the result of President Obama’s decision to shut down the holding facility at Guantanamo Bay, Cuba, has been forced to devote a great deal of his time to developing a game-plan for dealing with those prisoners, and this has stymied more concentrated effort on shutting down the Federal gestapo.

That gestapo apparatus has had it out for John Murtha for a decade, because of his co-sponsorship, with former Rep. Joseph McDade (R-Pa.), of the 1998 McDade-Murtha Bill, which imposed criminal penalties on prosecutors and FBI agents who engaged in judicial frameups.

According to well-placed sources in the Democratic Party, the White House has its own reasons for wanting

to dump Murtha, the Defense Appropriations chairman from the House leadership—which can only be done through scandal-mongering and media slanders, and, ultimately, a bogus criminal indictment.

“The Obama team wants to consolidate absolute power over the party, especially on Capitol Hill,” one source candidly explained. “They don’t want any more powerful families and elder statesmen standing in the way of their policy agenda. No more Rockefellers, or Kennedys, or Cuomos. John Murtha has a powerful base of support within the military industries, and that translates into significant financial support for Democratic candidates. The White House wants their people to control all the money.”

That report conforms to *EIR*’s own investigation into the apparatus behind the attacks on Murtha, as well as on other powerful Congressional leaders.

Ultimately, all roads lead back to the hedge fund manager and self-confessed wartime Nazi collaborator, George Soros—a major early backer of the President’s electoral campaigns.

The Soros CREW

It is George Soros, through the Open Society Institute and the Democracy Alliance, who is funding CREW (Citizens for Responsibility and Ethics in Washington), which has made ousting Murtha one of its ten top projects since 2005, and has recently gone into high gear.

Having had no success in defeating Murtha in dirty campaigns financed by national “Swift Boat” supporters outside his central Pennsylvania district, the same media that never note that George Soros’s conviction on insider trading has been affirmed after two appeals by the highest court in France, spread new dirt on Murtha every day.

CREW cites campaign contributions to Murtha by companies and their employees who get work, as proof that “Representative Murtha has rewarded his campaign donors with earmarks.” The reality is much simpler—Murtha supports industry, defense, and industrial jobs.

CREW's 15-page report on campaign contributions to Murtha is full of items such as: "Since 2000, Windber Research Institute and their families have donated \$21,250 in donations to Murtha." This is not a large amount, nor is it surprising that Northrop Grumman's PAC has donated \$34,500 to Murtha since 2000.

Who's Funding CREW?

What is stunning is who is funding CREW. On July 17, 2006, *Washington Post* reporters Jim VandeHei and Chris Cillizza wrote that a new Democracy Alliance of nearly 100 of the nation's wealthiest donors, had directed more than \$50 million from October 2005 through July 2006 to liberal think tanks and advocacy groups. The Democracy Alliance, they wrote, has decades-long transformational goals for the United States, not merely short-term objectives. "It has lavished millions on groups that have been willing to submit to its extensive screening process and its demands for secrecy." And, further, "The Alliance has required organizations that receive its endorsement to sign agreements shielding the identity of donors. Public interest groups said the Alliance represents a large source of undisclosed and unaccountable political influence."

The same article reports that "a Democracy Alliance blessing effectively jump-started Citizens for Responsibility and Ethics in Washington. It bills itself as a non-partisan watchdog group. . . ." CREW was among 600 liberal Democratic groups screened by a panel of members, donors, and outside experts. Only 40 of these were invited to apply for an endorsement, and CREW, with its targeting of those who practice constituency politics in Congress, was among the 25 groups ultimately chosen. One of CREW's other early targets was Senator Stevens.

Democracy Alliance was formed in 2005 by billionaire George Soros, his son Jonathan, and former Rockefeller Family Fund president Anne Bartley. On May 5, 2009, Soros, David Rockefeller, and Warren Buffett convened a secret meeting of billionaires at Rockefeller University in New York, in which the consensus was the best way to use their wealth in the current financial collapse, would be in efforts to reduce the world's population, according to John Harlow of the *Los Angeles Times*.

As to the Alliance, "Like a lot of elite groups, we fly beneath the radar," said Guy Saperstein, an Oakland lawyer and Alliance donor. To become an Alliance

"partner," as the members call each other, requires a \$25,000 entry fee, plus annual dues of \$30,000 to cover Alliance operations, and some of its contributions to start up liberal groups. Partners also agree to spend at least \$200,000 annually on organizations that have been endorsed by the Alliance. Essentially, the Alliance serves as an accreditation agency for political advocacy groups, the *Post* reported. Many of the "partners" give away "far more than the \$200,000 requirement. Soros and insurance magnate Peter Lewis are among the biggest contributors, but 45% of the 95 partners gave \$300,000 or more in the initial round of grants last October [2005], according to a source familiar with the organization," according to the *Post*. There are also institutional investors like the Service Employees International Union (SEIU), which pay a \$50,000 annual fee, and agree to spend \$1 million of their members' money on Alliance-backed efforts.

So, while CREW points to a level of contributions to Murtha which is ordinary, which cannot exceed \$2,300 per individual, and which are all detailed in public Federal Election Commission (FEC) records, CREW itself is one of the 25 groups which received money it is obligated not to disclose, from the British-empire frontman George Soros's Democracy Alliance.

Even the *Washington Post* admitted, "Unlike election campaigns, which must detail contributions and spending, most of the think tanks and not-for-profit groups funded by the Alliance are exempt from public disclosure laws. 'It is a huge problem,' said Sheila Krumholz, the acting executive director of the nonpartisan Center for Responsive Politics," which tracks contributions.

In 2008, CREW received \$75,000 from the Arca Foundation, founded by the Reynolds-Bagley family. In January 2006, it also received \$100,000 from Soros, to purge pro-FDR Congressmen, by scandal.

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