

# Bob's



# quarterly Update

BOB DREIZLER, CHARTERED FINANCIAL CONSULTANT

*Specializing in socially conscious investors*



**My website [www.bobdreizler.com](http://www.bobdreizler.com) is regularly updated with new commentaries, art, photos and resources. Please check it out.**

## Starving the Beast

If you haven't heard this phrase before, you're not hanging out with neo-conservatives. Neo-cons would like to starve the federal government, that awful "beast" that uses our tax dollars to fund FEMA, FDA, national parks and Social Security, among other things.

The neo-cons who dominate Washington and much of mainstream media are not "old-fashioned" Goldwater Republicans. These are Big Government Conservatives; balanced budgets and keeping government out of the private lives of individuals are **not** their priorities.

Their long-term goal is to kill the New Deal programs that regulate powerful corporations and assist the less fortunate. The Bush administration's indifference to massive deficit spending seems to be part of a long-term strategy. Generous tax cuts for the ultra-rich combined with unrestrained spending on an unjustified war are bankrupting America.

What follows are some excerpts from a partisan, incisive article written by Ed Kilgore explaining the neo-con's fiscal goals and strategies. Grover Norquist, the current guru of this philosophy, is mentioned frequently. This appeared in the June 30, 2003 issue of Blueprint Magazine, a publication of the Democratic Leadership Council. <http://www.dlc.org/print.cfm?contentid=251788>

*Norquist is the man who compared any and all recipients of government funds -- presumably excluding the Defense Department -- to cockroaches. He also famously announced that he and his brethren in the anti-government movement wanted to reduce the federal government to a size so small "that it could be drowned in a bathtub."*

*For conservatives, a government that's not mortgaged to the hilt poses too great a threat of social activism. That's why, in 2001 and again this year [2003], the Bush administration has launched pre-emptive attacks on the national treasury designed to leave the U.S. government so deep in debt it poses no threat to the conservative status quo. Its motto is: Stop government before it can help again.*

*Tax cuts are good in themselves because they will ultimately force shrinkage of government -- without the pain or controversy of identifying specific cuts in popular government programs. Limiting government in the long run, moreover, justifies such immediate negative effects as large budget deficits, burgeoning public debt, higher long-term interest rates, and the inability of government to deal with national challenges.*

*A recent New Yorker profile of [Karl] Rove suggested another argument for forcing a reduction of government through tax cuts: It would damage the public-service unions that represent a key funding source for Democratic candidates.*

*It's clear the "starve the beast" theory offers Republicans the political equivalent of a bottomless crack pipe. Tax cuts no longer have to be rationalized by any particular theory of economic growth, efficiency, consistency, or fairness. Politicians are free to defend or extend corporate or other narrow tax subsidies; free to target tax cuts to their*

*Continued on page 3*

# FREE YEARLY CREDIT REPORTS, or HOW I LEARNED TO LOVE A GOOD CREDIT RATING

With so much talk lately about identity theft, I thought I should follow experts' advice on how to guard my identity from theft. (See "Protect Your Good Name" in the last Newsletter.) First on the list is "Check your credit reports." It's also important to be aware of which accounts are still considered "open" (although possibly not used for years), and what key factors the credit bureaus use to judge your credit rating.

The good news is that the process to obtain your free yearly credit reports has been simplified. You can now access all three of the main credit bureaus (Equifax, Experian, and TransUnion) at a "one-stop System" through the internet at: [www.annualcreditreport.com](http://www.annualcreditreport.com) Just be aware that your credit reports may be free, but to be informed of your credit score, you will have to pay \$6.95 to learn your Fair Isaac Corporation (FICO) score, including "what your FICO score means to you," and factors that impact your score.

Your FICO score is the credit score used most often by lenders. However, the credit file and credit scoring model used by some lenders may be different. In fact, TransUnion actually uses a scale (maximum of 925) different from the FICO scale (maximum of 850).

If you use the "one-stop System" listed above, make sure you return to the home page before proceeding to the next credit bureau site, or you might get "logged out" from the home page. Each bureau tells you how you can dispute inaccuracies in your report. IMPORTANT NOTE: Cancel department store cards that you aren't using. Lenders see them as potential financial liability. When you request a retailer to close your open, in-good-standing account, make sure you have the company note in your file "account closed at consumer's request," and to send you a letter to that effect, or it could send up a red flag to your potential future lenders.

## YES ON PROPOSITION 77

I know that Arnold and most Republicans (except Congressman John Doolittle) are for it. I know that most Democrats oppose it, but I'm still voting for 77. I'm a reapportionment geek; my master's thesis was about gerrymandering. Both sides are looking at the short-term implications of this proposition, but in the long run I believe that this will be good for government by making more legislative districts competitive. Few are currently. Call me if you have questions.

Your can get your free yearly credit report by accessing the "one-stop System" on the internet at [www.annualcreditreport.com](http://www.annualcreditreport.com) ; toll-free phone (877-322-8228); or by mail: Annual Credit Report Request Service, PO Box 105281, Atlanta, GA 30348-5281. Be sure to include your full name, current and previous addresses, your social security number, and your birth date. I first tried to access the System by phone, but the computer could not recognize the "G" that I spoke for my address as a "G," so I eventually gave up.

You also can contact each of the credit bureaus separately:  
Equifax - [www.equifax.com](http://www.equifax.com) or (800) 685-1111  
Experian - [www.experian.com](http://www.experian.com) or (888) 397-3742  
TransUnion - [www.transunion.com](http://www.transunion.com) or (800) 888-4213

Another way to order your FICO scores online: [www.myfico.com](http://www.myfico.com) The cost is \$14.95 for 1 credit report and 1 FICO score from one of the three main credit bureaus, or \$44.95 for all three reports and all 3 scores.

For more information from the Federal Trade Commission about the Fair and Accurate Credit Transaction Act, go to: [www.ftc.gov/bcp/conline/pubs/credit/free-reports.htm](http://www.ftc.gov/bcp/conline/pubs/credit/free-reports.htm)

--Vickie Valine, Bob's Office Manager (with credit to Lyn Brenner, "How to Guard Your Identity," Parade, July 31, 2005).



## **RESOURCES ARTICLES**

Former Senator Bill Bradley theorizes on how Republicans have taken power in recent years and why Democrats seem to be so ineffective.

[http://www.commondreams.org/  
views05/0330-26.htm](http://www.commondreams.org/views05/0330-26.htm)

Bill Moyers interviews Grover Norquist.

[http://www.pbs.org/now/transcript/  
transcript\\_norquist.html](http://www.pbs.org/now/transcript/transcript_norquist.html)

## **WEBSITES**

Center for Cooperative Research shows timetables of articles and first-hand accounts from a variety of reliable sources. It allows you to draw your own conclusions. Topics include 9/11 (before and after), the decision to invade Iraq, the coming confrontation with Iran and Bush's environmental record. [http://  
www.cooperativeresearch.org/index.jsp](http://www.cooperativeresearch.org/index.jsp)

National Priorities Project's site shows a running total of the cost of the Iraq War. [http://nationalpriorities.org/index.php?option=com\\_wrapper&Itemid=182](http://nationalpriorities.org/index.php?option=com_wrapper&Itemid=182)

This site also shows how tax dollars are spent.

[http://nationalpriorities.org/index.  
php?option=com\\_content&task=view&i  
d=37&Itemid=110](http://nationalpriorities.org/index.php?option=com_content&task=view&id=37&Itemid=110)

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*favored constituencies; and entirely free from the constraints normally supplied by budgetary arithmetic.*

A variety of factors don't bode well for the future solvency of the United States:

- Rising interest rates can rapidly absorb a large portion of federal government expenditures, even if the debt level is not increasing.
- The Iraq War is incredibly expensive--\$200,000 per minute (see websites link on page 3). Funding is poorly monitored and there seems to be no end in sight.
- Incompetence and cronyism in the Bush II administration reinforce the perception that government's duties should be privatized.
- Recent natural disasters will require enormous expenditures.

When the size of the federal debt threatens our national security, there are only three alternatives:

- Raise taxes significantly.
- Limit government expenditures to national defense, social programs with large constituencies like Social Security, and interest on the federal debt.
- Default on the government bonds and create a worldwide economic catastrophe.

What would Barry Goldwater, an outspoken fiscal conservative, think of George W. Bush's callous disregard for America's future?

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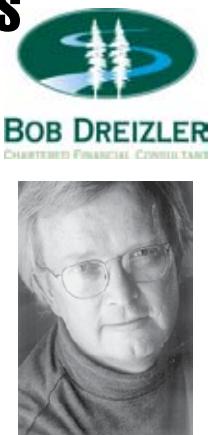
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## **NEW ORLEANS, SAN FRANCISCO, NEW YORK AND BAGHDAD**

While in San Francisco two weeks after Hurricane Katrina slammed into New Orleans, I pondered the mystical connection between these two cities. Both cities are major ports, tourist magnets and party towns where you need to keep your guard up. I wondered if New Orleans would ever return to its former glory, and I grieved for a unique city and its residents.

In 1975, Stacey and I visited New Orleans while traveling around the US and Canada. More recently we visited The Big Easy again. This time our budget did not constrain us, but these experiences were not that different. New Orleans and other great cities of the world can be fully experienced just by walking through their streets.

Back in my hotel room I read, "A Municipal Report," by O. Henry. This short story, written in the early 1900s, starts by quoting Frank Norris. "There are just three big cities in the United States that are 'story cities'—New York, of course, New Orleans, and, best of the lot, San Francisco." Later, O. Henry writes that San Franciscans, "picture the city of the Golden Gate as the Bagdad of the New World."

Today, New Orleans is recovering from the forces of nature and man. New York was attacked, but survived. San Francisco was rebuilt after an earthquake devastated the city four years before O. Henry died.

Baghdad, founded in 762, sits on the banks of the Tigris River, near the "cradle of civilization." Today it is a scarred and scared city. Hopefully, Baghdad will someday reemerge as the city that was so revered by San Franciscans a century ago.