During the 1980 presidential campaign, Republicans latched onto a theory that enjoyed virtually no support among professional economists: so-called "supply-side" economics. Its promoters were a discredited economist named Arthur Laffer and a self-described "wild man" editorialist at the Wall Street Journal named Jude Wanniski. Laffer had drawn up the doctrine on the back of a napkin, and Wanniski promoted it in the Journal’s editorial pages before selling it to Jack Kemp, who made it a condition of his withdrawal from the Republican race that the nominee, Ronald Reagan, embrace it as well. Other than in a few Journal editorials, the only discussion of this notion occurred in two pieces published in the neoconservative policy journal The Public Interest, co-edited by Irving Kristol; one was by Wanniski, the other by Kemp aide Paul Craig Roberts. Before Wanniski’s "The Mundell-Laffer Hypothesis: A New View of the World Economy" appeared there, neither Laffer nor Robert Mundell, a Canadian economist who had influenced Laffer, was even aware that they had fashioned a "hypothesis" together. Next thing you knew, Reagan was president, supply-side was in place and government deficits took off for outer space.

The supply-side experience taught conservatives they could create their own reality. They never admitted that their fly-by-night doctrine had anything to do with the deficits it created and continued to pummel liberals as fiscally irresponsible. Even after David Stockman revealed to William Greider that the entire exercise had been a hoax designed to cut taxes on the wealthy and spending for the poor and the middle class, the charade continued uninterrupted. (The Reagan administration even concocted a separate lie--that story about the president taking Stockman to "the woodshed" when the first lie was discovered--and that worked just as well.) Journalists, imprisoned by their attachment to consensus, national narrative, the appearance of objectivity--to say nothing of their ignorance of economics--were more than happy to go along for the ride, professing admiration for a conservative president's "bold leadership," however reckless and destructive the results (see also "Iraq, Invasion of").

Now recall that in 1980, there was no conservative counter-establishment to ease the path of this ideologically based nonsense into the mainstream. Today, however, thanks to the likes of Limbaugh, O’Reilly and the New York Times's William Kristol, etc., who will call it round one day and square the next, depending on the needs of their team, the Bush administration has felt empowered to cater exclusively to its increasingly narrow base of
wealthy corporations, Christian fundamentalists and neocon adventurers to the exclusion of the rest of us, real-world results be damned. The administration’s guiding ideology was explained by the famous but anonymous Bush aide who informed reporter Ron Suskind of the impotence of the "reality-based community"--defined by said aide as individuals who "believe that solutions emerge from your judicious study of discernible reality." "That's not the way the world really works anymore," he explained. "We're an empire now, and when we act, we create our own reality. And while you're studying that reality--judiciously, as you will--we'll act again, creating other new realities, which you can study too, and that's how things will sort out. We're history's actors...and you, all of you, will be left to just study what we do." The net consequences of this philosophy can be seen in Iraq, Afghanistan, New Orleans, the Justice Department, the budget deficit, the housing crisis, the banking crisis, etc. And yet it retains a certain salience in the Alice in Wonderland atmosphere of our political system--particularly with what remains of the Republican base.

The McCain campaign is doubling down on this bet. Each new day brings a revelation that the candidate has lied, flip-flopped, appeared dazed and confused or has hypocritically contradicted himself from the day before, and the campaign's response is always the same: "Liberalmedia, liberalmedia, liberalmedia." When questioned by Politico.com about the naked lies the campaign has been peddling, spokesman Brian Rogers was explicit: "We're running a campaign to win. And we're not too concerned about what the media filter tries to say about it." GOP strategist John Feehery was no less reticent about his disrespect for reporters and for reality: "The more the New York Times and the Washington Post go after Sarah Palin, the better off she is, because there's a bigger truth out there and the bigger truths are she's new, she's popular in Alaska and she is an insurgent.... As long as those are out there, these little facts don't really matter."

The Republicans have put their money where their mouths are. McCain announces that he approves of advertisements he knows to be dishonest, unconcerned that he is destroying the reputation he spent decades building. Campaign manager Rick Davis, continuing the campaign of contempt, explains that he will refuse to "throw Sarah Palin into a cycle of piranhas called the news media...until at which point in time we feel like the news media is going to treat her with some level of respect and deference." And it almost works...

McCain and Palin are losing to Obama and Biden, thank God. But even the possibility that the most powerful nation on earth is in danger of electing yet another president characterized by dishonesty, belligerence, ideological obsession and personal recklessness--coupled with a vice president whose life experience makes her more appropriate for a casting session of Desperate Housewives than a cabinet meeting--gives one pause when considering the future of this country, regardless of whether we manage to avoid this catastrophe on election day. If providence smiles upon us, and working-class whites in Ohio, Michigan and Virginia are willing to help elect America's first nonwhite president--a brilliant and inspiring one at that--then perhaps we can skip the tragedy this time around. Lord knows, we are already living the farce.

About Eric Alterman
Eric Alterman is a Distinguished Professor of English, Brooklyn College, City University of New York, and Professor of Journalism at the CUNY Graduate School of Journalism. He is also "The Liberal Media" columnist for The Nation, a senior fellow and "Altercation" weblogger for Media Matters for America,
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