

## The Awful Truth

By Paul Krugman

People are saying terrible things about George Bush. They say that his officials weren't sincere about pledges to balance the budget. They say that the planning for an invasion of Iraq began seven months before 9/11, that there was never any good evidence that Iraq was a threat and that the war actually undermined the fight against terrorism.

But these irrational Bush haters are body-piercing, Hollywood-loving, left-wing freaks who should go back where they came from: the executive offices of Alcoa, and the halls of the Army War College.

I was one of the few commentators who didn't celebrate Paul O'Neill's appointment as Treasury secretary. And I couldn't understand why, if Mr. O'Neill was the principled man his friends described, he didn't resign early from an administration that was clearly anything but honest.

But now he's showing the courage I missed back then, by giving us an invaluable, scathing insider's picture of the Bush administration.

Ron Suskind's new book "The Price of Loyalty" is based largely on interviews with and materials supplied by Mr. O'Neill. It portrays an administration in which political considerations—satisfying "the base"—trump policy analysis on every issue, from tax cuts to international trade policy and global warming. The money quote may be Dick Cheney's blithe declaration that "Reagan proved deficits don't matter." But there are many other revelations.

One is that Mr. O'Neill and Alan Greenspan knew that it was a mistake to lock in huge tax cuts based on questionable projections of future surpluses. In May 2001 Mr. Greenspan gloomily told Mr. O'Neill that because the first Bush tax cut didn't include triggers—it went forward regardless of how the budget turned out—it was "irresponsible fiscal policy." This was a time when critics of the tax cut were ridiculed for saying exactly the same thing.

Another is that Mr. Bush, who declared in the 2000 campaign that "the vast majority of my tax cuts go to the bottom end of the spectrum," knew that this wasn't true. He worried that eliminating taxes on dividends would benefit only "top-rate people," asking his advisers, "Didn't we already give them a break at the top?"

Most startling of all, Donald Rumsfeld pushed the idea of regime change in Iraq as a way to transform the Middle East at a National Security Council meeting in February 2001.

There's much more in Mr. Suskind's book. All of it will dismay those who still want to believe that our leaders are wise and good.

The question is whether this book will open the eyes of those who think that anyone who criticizes the tax cuts is a wild-eyed leftist, and that anyone who says the administration hyped the threat from Iraq is a conspiracy theorist.

The point is that the credentials of the critics just keep getting better. How can Howard Dean's assertion that the capture of Saddam hasn't made us safer be dismissed as bizarre, when a report published by the Army War College says that the war in Iraq was a "detour" that undermined the fight against terror? How can charges by Wesley Clark and others that the administration was looking for an excuse to invade Iraq be dismissed as paranoid in the light of Mr. O'Neill's revelations?

So far administration officials have attacked Mr. O'Neill's character but haven't refuted any of his facts. They have, however, already opened an investigation into how a picture of a possibly classified document appeared during Mr. O'Neill's TV interview. This alacrity stands in sharp contrast with their evident lack of concern when a senior

administration official, still unknown, blew the cover of a C.I.A. operative because her husband had revealed some politically inconvenient facts.

Some will say that none of this matters because Saddam is in custody, and the economy is growing. Even in the short run, however, these successes may not be all they're cracked up to be. More Americans were killed and wounded in the four weeks after Saddam's capture than in the four weeks before. The drop in the unemployment rate since its peak last summer doesn't reflect a greater availability of jobs, but rather a decline in the share of the population that is even looking for work.

More important, having a few months of good news doesn't excuse a consistent pattern of dishonest, irresponsible leadership. And that pattern keeps getting harder to deny.