



All Hat, No Cattle George W. Bush, the GOP's empty suit By PAUL ALEXANDER

## Great expectations

George W. Bush was head cheerleader in prep school, a hard-partying frat rat and mediocre student at Yale. After skirting the draft in 1968, he failed at business three times, got bailed out by powerful friends, made a fortune at taxpayer expense and became the popular but weak governor of Texas, an evangelical Christian who preaches morality but ducks questions about his own past. And now he might be president?

As of early July, all indicators seemed to confirm that Texas Gov. George Walker Bush had wrapped up the Republican presidential nomination -- a full eight months before votes will be cast in the first primary, in New Hampshire. After months of buildup, the oldest son of former president George Bush left his home in Austin -- in a campaign plane he'd named Great Expectations -- and set out to take his message of compassionate conservatism to America.

With a Bible in one hand and a cell phone -- on which he speaks regularly to Christian Coalition leader turned political consultant Ralph Reed -- in the other, Bush sounded more like a Southern minister than a presidential contender. In Iowa, at the announcement of his candidacy, he boasted, "Some people think it is inappropriate to draw a moral line in the sand. Not me." He preached abstinence to Christian students in South Carolina. "The twin epidemics of teen pregnancy and sexually transmitted disease are a major problem for the future of America," he warned. "It is hard for the American dream to touch a life if you've had a baby out of wedlock." Later that week, he appeared with his brother Jeb, the governor of Florida, at a church-run school in Tampa.

At these first few appearances, audiences loved George W. Bush, just as Texans have for the past four years. Much of his success lies in his ability to connect with people: He is, simply put, a masterful retail politician. "George W. has finally found his place," says Georgette Mosbacher, a longtime friend of the Bush family, whose former husband, Robert, served in the Bush Cabinet. "Even though he's Harvard-Yale, he has a real folksy quality that lets him connect with people. He's a people's politician."

No one, however, predicted that George W. Bush would ever be in this position. Until his fortieth birthday, he appeared to be a feckless rich kid, the first-born son of a powerful father. "The whole key to understanding George W.," his cousin John Ellis told *Time*, "is his relationship with his father," a onetime Texas oilman whose twenty-plus years of political networking landed him in the Oval Office. "Bushes had to be winners," one Bush Sr. biographer wrote.

That emphasis on winning, combined with his father's reserved and emotionally distant personality -- "We don't air our psychological laundry," Jeb once told a reporter -- made George W. the person he is today. Charming, shrewd and quick-tempered, he sometimes seems driven by the fact that, for years, he saw himself as the "Bush family black sheep" -- a phrase he's used to describe himself. "Can you imagine what it's been like to be the son of the man who has built the most impressive political resume of the twentieth century?" Mosbacher says. "No wonder it took G.W. some time to find out who he is. What about the sons of powerful men who never find their way? That could have happened to him."

But questions linger about Bush. Is it enough that the only political post he's held is governor of Texas -- a state whose constitution renders its governor a virtual figurehead with no real power? Will he be hurt by the wishy-washy stands

he's taken on abortion, hate-crime legislation and Kosovo? Will he be sunk by persistent rumors of illegal drug use and carousing in his past? When one examines the fullness of his life -- and for this article, *Rolling Stone* interviewed some 100 people who know Bush -- a more disturbing problem emerges. What Bush is saying now, with its overtones of evangelical Christianity and a moral one-upmanship, has almost nothing to do with the way he has actually lived most of his life. Is Bush being hypocritical? Or is he, as his supporters claim, a man who has recognized the error of his ways -- the one politician who can point the country in the right moral direction?

The forty-sixth governor of Texas was born on July 6th, 1946, in New Haven, Connecticut, where his father, then a young World War II veteran, was rushing through Yale in just two and a half years. By 1948, after George Herbert Walker Bush had graduated Phi Beta Kappa from Yale, he and his wife, Barbara, and their young son moved to Texas, to stake their claim in the oil business. The Bushes would move around some over the next few years before settling in Midland, Texas, a dusty piece of oil patch where George W. passed much of his youth.

In 1953, while Bush was creating Zapata Petroleum with his friends John Overbey and Hugh and Bill Liedtke, Georgie's younger sister, Robin, was diagnosed with leukemia; she died at Memorial Sloan-Kettering Hospital in New York that October. During the months when Robin was sick, George and Barbara never revealed her illness to Georgie, then six and attending Sam Houston Elementary School. Following Robin's death, Georgie tried to ease his mother's grief. "One lovely breezy day, I was in our bedroom when I heard Georgie talking to a neighbor child who wanted him to come over and play," Barbara Bush later wrote in her autobiography. "Georgie said he wanted to, but he couldn't leave his mother. She needed him. That started my cure."

In 1959, after Georgie graduated to San Jacinto Junior High, Bush and his partners split up Zapata, and Bush took its offshore drilling subsidiary. Because he needed to be near the Gulf of Mexico, where Zapata's drilling took place, he relocated his family -- by then there were five kids: George, Jeb, Marvin, Neil and Dorothy -- to Houston and enrolled Georgie at the Kinkaid School, a private academy favored by Houston's wealthiest families. Two years later, George W. transferred to the Phillips Academy in Andover, Massachusetts, the school his father and grandfather had attended. "He was not a goody-two-shoes," classmate Tom Seligson said, recalling a spring-break trip they took to Fort Lauderdale. "He partied as much as anybody. I don't ever remember him being depressed." Indeed, at Andover, where his nicknames were "Lip" and "Tweeds," Bush was known as an "unexceptional student," as another classmate would later remember, who "played a lot of sports, none of them particularly well." In his senior year, he became head cheerleader.

George W. may not have been as academically inclined as his father, but, according to Tom Craddick, a state representative from Midland who has known the Bushes for years, "George was strong and opinionated, like his mother. She's more of a forceful person than George W.'s father is. George W. says he got his mother's mouth." A prominent Republican is less kind: "Barbara Bush is an exceedingly vindictive, nasty individual with a very high opinion of herself. She's always been that way." Cocky, boisterous, flippant -- these were the traits George W. was developing as a young man. They were anathema to his formal father. To crush George W., his father merely had to say he was "disappointed." "Dad was shy," George W. said years later. "We never had 'the talk.' He never told me to wear a raincoat [condom] or anything. I never had any sense of what his ambitions were for me." But he and his father did have a real affection for each other. "I know George respected his father a lot," says John Kidde, a roommate of George W.'s at Andover. "I remember whenever he greeted his father, he always gave him a hug or grabbed him around the waist."

Despite his modest grades, George W. was accepted at Yale, his father's other alma mater. "He was not accepted because he was a legacy, either," says Henry Chauncey Jr., Bush's adviser at Yale's Davenport College. "It was a time in Yale's history when the admissions office was not being favorable to alumni children, since the school was trying to broaden its base. Some alumni got angry because they didn't think the school was accepting enough legacy students." Clearly, Yale was in transition -- and not just concerning admissions. More profound changes were taking place, many of them caused by the Vietnam War. "Yale was on the cusp of change," says Lanny Davis, the former special counsel to Bill Clinton, who was one year ahead of Bush at Yale. "By the end of my time at Yale, there was a light-year of change because of the antiwar and countercultural movements -- movements many Yale students joined."

George W. steered clear of the famous anti-war protests there. He majored in history, but he couldn't match his father's Phi Beta Kappa performance. One friend comments that he "didn't set the place on fire" but fell into "that broad middle." Actually, Bush was too busy partying to study. Later, more than one friend would compare him to Otter in Animal House. Not only did he join Delta Kappa Epsilon, but he was elected president. Naturally, he wasn't averse to drinking. "Let's just say, liquor was permitted in the fraternity house," says Donald Ensenat, one of Bush's friends at Yale, "and George W. had a good time." Lanny Davis concurs: "We were fraternity brothers, so we went to parties frequently. In all of the times I saw George partying -- and we were not known for bashful parties -- he was always just drinking and dancing and having lots of fun. I never saw him lose control."

Not surprisingly, Bush had the minor brushes with authority to be expected of a rambunctious frat boy. One Christmas, New Haven police arrested Bush for stealing a wreath from a fraternity house. On another occasion, Princeton University campus police seized Bush along with other Yale students -- "all of them well-lubricated," says one eyewitness -- when they rushed the football field and tore down the goal posts after Princeton defeated Yale in the Ivy League championship game. "George W. was detained out of the crowd with a few others," Ensenat recalls. "Who knows why they picked him. I have a vivid memory of him walking down the length of the football field with a campus policeman on each side, grabbing him by the arms."

After running unsuccessfully for the U.S. Senate in 1964, George W.'s father decided to get serious about politics. He sold his share of Zapata and ran for a House seat in 1966, in a state dominated by a Democratic Party that had a president, Lyndon Johnson, in the White House. Bush won, making him one of the few Republican congressmen from Texas. Then, just weeks after his father was elected to Congress, George W. saw his name in the paper. On Sunday, January 1st, 1967, the *Houston Chronicle* ran a wedding announcement: "Congressman's Son to Wed Cathy Wolfman." The item identified Bush as a Yale junior and Delta Kappa Epsilon president, while Wolfman was a Rice University junior -- and a member of the Elizabeth Baldwin Literary Society -- who had previously attended Smith College. In the accompanying picture, George W. is young and handsome, his hair cropped in a neat crew cut; his bride-to-be is smiling and cheerful. That year, though, the engagement was postponed.

In the late Sixties, as the United States remained mired in the Vietnam War, any young man in his twenties was at risk of being drafted. While his grandfather had served with distinction in Europe during World War I and his father had been nothing short of a war hero in the South Pacific during World War II, George W. received academic deferments. After Yale, he needed an additional deferment to avoid military service -- and Vietnam. As it happened, when he graduated, in 1968, Bush joined the National Guard, which drastically reduced the odds that he would ever see active duty. That summer, Bush and Wolfman ended their relationship for good. "We were very young," Wolfman says. "It just kind of died."

How Bush got into the Guard when its nationwide waiting list had 100,000 names is a story that illustrates his privileged position in life. Although the likelihood of his being accepted through standard channels was remote, Bush applied to the Guard during his last semester at Yale and was immediately admitted to the 147th Fighter Group of the Texas Air National Guard at Ellington Air Force Base in Houston, near the congressional district then represented by his father. He enlisted in May and was commissioned in September. Later, Bush's commanding officer, Brig. Gen. Walter Staudt, insisted that congressman Bush did nothing to get his son into the Guard, but this is contradicted by a source close to Ben Barnes, the speaker of the House in Texas in 1968, who was elected lieutenant governor that same year. According to the source, George Bush telephoned Barnes and asked him to make a phone call to facilitate George W.'s acceptance into the Texas Air National Guard. Barnes made the call.

In 1968, Houston, the business hub of the oil industry in Texas, was growing so fast, it barely resembled the cow town it had once been. As Big Oil boomed, skyscrapers appeared as if from nowhere, while sprawling two-story brick-and-shingle apartment complexes sprung up throughout a city whose limits grew to be sixty miles wide. When Bush arrived in Houston for his Guard duty, he rented an apartment in one of those complexes -- in a fashionable new "singles" building called Chateau Dijon. Advertised as "the place to live," it was described by residents as having a wild side and a sedate side, each configured around a swimming pool. Except for training periods in Georgia, Bush spent all of his time in Houston. He flew fighter jets for the Guard, but mostly he zipped around town in his sporty Triumph and partied. At the Chateau Dijon, he chose to live on the wild side. Though he never ran into her, his future wife, Laura Welch, a second-grade teacher at John F. Kennedy Elementary School, lived there, too -- on the sedate side.

Bush would call the years he spent in Houston his "nomadic period." "He's said he did some things that are bad, but what's bad? Heroin?" says a friend who has known Bush since college. "He didn't do heroin. Grass is not a big deal anymore -- is it?" But at the time, some people close to Bush believed his indulgent lifestyle was a big deal, among them his father. Sensing that his son had lost perspective in his life, Bush arranged for George W. to volunteer at an inner-city community group called Project PULL, an organization founded by former Houston Oiler John White to keep urban teenagers off the streets. "George W. volunteered to assist in the gym and the recreation area," says Otha White, White's widow. "John knew George Bush's father very well. They wanted to build his character at the time." Ernie Ladd, a former professional football player involved with the group, recalls Bush fondly: "Kids in the black community had a lot of fear of the police. George helped bridge that gap."

In 1970, at Richard Nixon's urging, Bush Sr. left the House to run against Lloyd Bentsen for the Senate. When Bush lost, Nixon named him ambassador to the United Nations, a post he held for two years before becoming chairman of the Republican National Committee. Meanwhile, George W. continued his nomadic existence -- an attempt, he later admitted, to "reconcile who I was and who my dad was, to establish my own identity in my own way." As his father realized one triumph after another, George W. suffered under what one friend calls "the overwhelming weight of being

who he was": Bush's first son. Normally, Bush Sr. was understanding of George W., but one night in 1973, their relationship reached a low point. Visiting his family in Washington, where they lived while Bush chaired the RNC, George W. took his fifteen-year-old brother, Marvin, out drinking. As George W. drove home drunk, he smashed into a neighbor's trash cans, causing a loud commotion. Once the boys got inside and Bush Sr. discovered that both sons were drunk, he confronted George W., who challenged him physically. "You wanna go mano a mano right here?" George W. said to his father. It was ugly and unpleasant, the kind of confrontation with a family member Bush Sr. avoided at all costs. The scene ended peacefully, but this much was clear: George W. did not have the full respect of the man he admired most.

When his National Guard commitment ended just as the Vietnam War did in 1973, George W. was free to do whatever he wanted. Applying to graduate schools, he was rejected from the University of Texas Law School but accepted at the Harvard Business School -- a recognition, some speculated, of his father's growing success in the business and political worlds. Following his graduation from Harvard in May 1975, George W. decided to return to Midland, which had become so prosperous because of the sustained oil boom that Rolls-Royce had opened a dealership there. Midland did not have the cosmopolitan sheen of Houston; the place still had a rough, unsophisticated edge. The "in" spot to go for dinner was the Petroleum Club, a hangout for nouveau riche wildcatters, not Ivy League MBAs. "We didn't have a lot of Yale and Harvard graduates in Midland-Odessa," says Bob Barnes, a businessman who became friends with George W. "Yet he fit into the crowd. He was as down-home as you could get, which was refreshing coming from his background. Compared to his dad, he was certainly a Texan." Bush paid the rent on his garage apartment by working as a land-rights consultant.

"When George moved back to Midland," Tom Craddick said, "he bummed an office, he bummed golf clubs, bummed shoes. You were lucky if you saw him in a fresh shirt." Another friend recalled, "In the Seventies, while everyone was wearing boots and bluejeans, George was walking around town in these flimsy black Chinese slippers" -- no doubt a gift from his father, who now served as Gerald Ford's envoy to China. At the Midland Country Club, where Bush was a member, the management started to give out the George W. Bush Dress Award, a tongue-in-cheek honor presented to the club's worst-dressed golfer.

During the spring of 1977, George W. Bush, thirty years old, took stock of his life. Besides earning two Ivy League degrees with so-so academic performances, George W. had achieved little. Now he wanted to add some legitimacy to his life. So he decided to run for the House of Representatives from Midland. But there was a problem: He had no profession, no family, no home -- none of the traditional trappings every candidate has. He had to change that.

By fall, he had. In June, at a barbecue in Midland, Joe O'Neill, a childhood friend, reintroduced him to Laura Welch, "a very pretty woman" (as George W. would describe her) with whom he'd grown up in Midland in the Fifties and who had lived in the same Houston apartment complex in the late Sixties and early Seventies. After earning a bachelor's in education at Southern Methodist University and a master's in library science at the University of Texas, Laura, the only daughter of a prosperous Midland home builder, now worked in Austin as a librarian. George W. and Laura couldn't have been more different; that's why she told O'Neill, when he had tried to fix them up once before, that she "wasn't interested" because Bush was "real political." This time, however, she agreed, and they started dating right away. "I guess," Laura said, "it was because we were the only two people from that era in Midland who were still single." Barbara Bush put it more romantically: "George W. fell madly in love with her."

Bush also got busy on the job front. On June 24th, 1977, using \$17,000 from his education trust fund, Bush incorporated Arbusto Energy (arbusto is Spanish for bush). Next, he bought a house and announced he would run for Congress. By November, he concluded what Laura described as their "whirlwind romance" by marrying her. Now he had everything he needed for a political career: a business, a home, a wife.

Throughout 1978, Bush campaigned, often with the help of his family. His manager was his younger brother Neil. In the primary, Bush took conservative positions on touchstone issues -- he believed the Equal Rights Amendment was "unnecessary"; he opposed the use of federal funds for abortions; he said he had "done nothing to promote homosexuality in our society" -- and he reminded Republicans that they should run him in November because he had "proven [he] can raise money." He also demonstrated that he was remarkably adept at retail politics, though his youth worked against him. "When he goes canvassing door-to-door," a *New York Times* reporter noted, "his boyish appearance suggests less a go-getter businessman than a nice young fellow next door, offering to help bring the grocery bags in." Despite the fact that his opponent in the Republican primary was endorsed by national GOP heavyweights like Utah Sen. Orrin Hatch and former California Gov. Ronald Reagan, Bush won his party's nomination, by a razor-thin margin. In November, Democrat Kent Hance beat him by calling him an East Coast carpetbagger.

After that failed run for Congress, Bush decided to make a serious foray into the oil business. In March 1979, he drilled his first well and thereby turned Arbusto, which up till then had existed only on paper, into a real company. "The first

well I ever drilled in which I had a participatory interest was dry," he said. "And I'll never forget the feeling. Kind of, 'Oops. This is not quite as easy as we all thought it was going to be.' " That was the beginning of a string of dry wells. "I lucked out," Tom Craddick says. "I didn't get into any of George's wells." Indeed, Bush was so unlucky, friends like Craddick joked that Arbusto should have been called El Busto. "It's hard to believe George couldn't hit one well," says a Bush observer. "After all, the Oil Patch was so rich with oil -- and Midland was in the middle of the Oil Patch -- you could smell oil on the wind."

Because federal tax laws made oil companies good tax shelters, Bush had no trouble getting investors for Arbusto. Of course, he was helped by the fact that as 1979 passed, it became clear that his father was going to run for president. That year, George W. raised \$565,000, based on a lackluster drilling record. He sold five percent of Arbusto for \$50,000 to James R. Bath -- a friend from the Guard who, after going into business in Houston, ended up with numerous dealings that involved the Bank of Credit and Commerce International, an institution that would soon become caught up in a worldwide criminal investigation so serious that by 1991 BCCI was the very symbol of corporate corruption. Not only did James Bath have BCCI connections, but one of his clients, Sheik Khalid bin Mahfouz, the banker for the Saudi Arabian royal family, would even be indicted in the scandal. For his part, Bush would later contend that he "had never heard of BCCI" at the time.

Most of Arbusto's investors were friends and associates of George W.'s father, whose attempt to win the Republican presidential nomination in 1980 ended with Ronald Reagan putting him on the ticket as his vice president. One Bush friend was Philip Uzielli -- a New York businessman and friend of Bush Sr. political ally James Baker III -- who invested an undisclosed sum in Arbusto, betting on spec wells Bush was drilling in New Mexico that, not surprisingly, came up dry. In late 1981, Bush was planning to offer a public drilling partnership, something many independent oil companies were doing, but Arbusto had less than \$50,000 in cash, with debts that included nearly \$300,000 in bank loans and \$120,000 owed to creditors. So in January 1982, Uzielli arranged for Bush to get an influx of cash when his Executive Resources bought 400 shares of Arbusto stock for \$1 million in exchange for ten percent ownership of the company and a seat on its board. It has never been made clear why the sales prices of two minority positions in Arbusto -- \$50,000 for five percent to Bath, \$1 million for ten percent to Executive Resources -- could have varied so drastically.

In May 1982, Bush changed Arbusto's name to Bush Exploration Oil Co., a marketing move clearly intended to play off the name of his father, now vice president. Despite the new name, the public offering failed. According to Securities and Exchange Commission documents, Bush intended to raise \$6 million but brought in just \$1.3 million. To make matters worse, the wells he drilled either were dry or produced little oil, and investors lost seventy-five percent of their money. During one quarter, Bush Exploration operated sixteen wells that produced less than 50,000 barrels of oil, ranking it 993rd among oil companies in Texas. Bush's continued failure was offset by the fact that he was now a new father. In November 1981, Laura had given birth to twin girls, who were named for their grandmothers, Jenna and Barbara.

In 1984, Uzielli tried to keep Bush Exploration solvent by buying another 400 shares of stock, this time for \$150,000 (it's hard to understand the logic of how the sales price was established.) Bush Exploration needed to merge with a profitable company, so Bush found Spectrum 7, a Cincinnati-based oil company owned by William DeWitt Jr. and Mercer Reynolds III, two GOP contributors who, in 1988, would be major donors to his father's presidential campaign. DeWitt and Reynolds named Bush CEO of Spectrum 7 Exploration, a subsidiary of Spectrum 7, with a \$75,000 salary. At Bush's urging, Spectrum sank \$1 million into stripper wells in Texas in 1985, just when oil prices started to drop. Indeed, Spectrum's financial performance proved to be as dismal as that of Bush's previous two companies. Finally, in January 1986, the world oil market collapsed. In a six-month period, Spectrum lost \$400,000. The company's plight had become so bad that Bush and his partners were considering bankruptcy. "I never saw him depressed over the failures," says a Bush confidant. "What he became was angry."

If it hadn't been for his father's friends, in fact, Bush would have been out of business by then. In July of that year, George W. reached a turning point when he and Laura traveled with friends to Colorado Springs to celebrate his fortieth birthday. The group was staying at the Broadmoor Hotel, and on the night of his birthday, over dinner, George W., who "was not a quiet drunk," according to one friend, had too much to drink and became obnoxious. "It was a party," said Joe O'Neill. "We were all sort of loud, and George gets louder than most. You know, we were that loud table in the corner of the restaurant. And I think in my heart that it dawned on him, or Laura said to him, that he could end up doing something to embarrass his father, and that just did it."

George W. went cold turkey the next morning. "I just quit," he said. "I had had enough. And it's the best thing I've ever done in terms of seeking a more meaningful life." Naturally, Laura was elated. "I think he had been thinking for probably a couple of years before that that he was drinking too much and it was interfering with his life," Laura said. Over time, Bush replaced his drinking with a near-addiction to jogging and a new devotion to Laura's Methodist religion -- a faith much more evangelical than the Episcopal Church he'd grown up in.

In late 1986, again in need of a financial savior, Bush merged Spectrum with Harken Oil and Gas, a company headed by Alan Quasha, whose family was a major supporter of the Republican Party. Bush received 212,152 shares of Harken stock, valued at \$530,130; he was not given a management position, but he was made a director and a consultant, the latter position paying him \$120,000 a year. Now Bush's ability to raise money got a kickstart. In 1987, Jackson Stephens, an Arkansas investment banker and a major Bush Sr. fund-raiser, sold about five percent of Harken to Union Bank of Switzerland for \$25 million. Harken officials -- including Bush, who attended a meeting in Little Rock at which this sale was discussed -- would later deny they knew that Union Bank's partner in a Geneva bank was BCCI. According to congressional hearings that were eventually held, Union Bank was even helping BCCI avoid money-laundering laws in Panama by flying cash out of that country in jets. In time, Swiss banking rules forced Union to divest its Harken stock, so Stephens sold Union's shares to Abdullah Bakhsh, a Saudi Arabian investor with his own BCCI connections -- he was a co-investor in various deals with BCCI frontman Ghaiith Pharaon and used Khalid bin Mahfouz, a principal BCCI shareholder, to handle his investments. As for whether it was odd for a Texas businessman to have BCCI connections, "it's not that unusual," says Peter Truell, the author of *False Profits: The Inside Story of BCCI, the World's Most Corrupt Financial Empire*, since there was frequent overlap between "big Saudi oil money and big Texas oil money."

In mid-1987, Bush moved to Washington to work for his father's presidential campaign. By this time, George's brother Jeb, seven years his junior, was already the secretary of commerce in Florida. Now, Bush Sr., not entirely happy with the way George W. had lived his life, was giving him a chance to prove himself. "Mrs. Bush didn't trust Lee Atwater [Bush's brilliant but erratic campaign manager] as much as the president did, so they brought in G.W. to watch Lee," says Ed Rollins, who worked as White House political director from 1981 until 1986. "Of course, Lee needed watching. He needed adult supervision, and G.W. provided that supervision. It was awkward for G.W. being first son, but in the end people came to respect his judgment and political instincts." Republican adviser Roger Stone says that "G.W. didn't have a title, but he was listened to because he was the candidate's son. He was a hothead with a very short fuse who was always looking for a fight, but ultimately G.W. and Atwater got along well."

Following the election, which ended in Bush's victory over Michael Dukakis, George W. stayed on in Washington "long enough," Stone says, "to make sure the people who were for Bush got rewarded and the people who were against him got fucked." Another Bush intimate says, "They did this by rewarding their supporters through patronage and freezing out people who didn't support Bush. The Bushes have long memories, and they keep lists."

Finally, George W. got something out of the campaign he might not have expected. "He earned his spurs in that campaign," Rollins says. "His father certainly had greater respect for him afterward. My sense is, he grew in stature and became one of the intimates to his father. He was now more than just a son."

In December 1988, Bush returned to Texas, settling in Dallas, and encouraged by the role he had played in the campaign, set his sights on trying politics again himself by running for the Texas governorship. Bush needed one significant business achievement, so, with the help of Bill DeWitt (whose family had owned the Cincinnati Reds), he started to assemble an investor group to buy the Texas Rangers, the baseball team located in Arlington.

Since baseball commissioner Peter Ueberroth insisted that the new owners be from Texas, Bush's group decided he'd be a managing partner, to increase public awareness that a Texan was buying the Rangers -- even though Bush could afford to invest only \$606,000, which gave him a mere 1.8 percent of the team. Ueberroth thought that Bush's investor group needed more Texans, so he approached Richard Rainwater, a man who had become wealthy as the financial adviser to the Bass family of Fort Worth. Suspicious of Bush's lousy business reputation, Rainwater agreed to invest only if the club made his friend Edward "Rusty" Rose a managing partner along with Bush. When this was agreed to, the Bush-DeWitt-Rainwater group bought the Rangers, on April 21st, 1989, for \$86 million. When Barbara nixed George W.'s plans to run for governor in 1990 because she thought it would be unseemly for the son of a president to run for such a conspicuous public office, Bush became a Rangers managing partner, for which he was paid \$200,000 a year.

At once, the new owners told the city of Arlington they wanted a new stadium or they would move the team to another Texas city. Under this threat, Arlington officials devised a plan. They would give the owners not only a new stadium but a facility that included parks, restaurants, shopping malls, an amphitheater, a learning center and a Little League baseball field. The cost of what became known as the Ballpark at Arlington was \$191 million, out of which the owners would contribute \$30 million, which would be raised through a loan and a "seat option bond" (a one-time fee that box-seat season-ticket holders would pay to keep their tickets). The other \$161 million would be raised by implementing a half-cent sales tax in Arlington.

As if this deal wasn't good enough, the owners could buy the Ballpark at Arlington from the city for \$60 million by applying their \$5 million annual rent to the purchase price. In twelve years, then, the Rangers organization could own the stadium and never have to produce any upfront money. (In the end, to avoid paying property taxes, the owners

deferred outright purchase of the stadium, though the option remains open.) George W. had found himself a deal that was unquestionably good for him and his partners, if not the taxpayers of Arlington. "You might call this politics as usual," says Smith College economist Andrew Zimbalist, a leading expert on public financing in the sports industry. "You might call this politics as usual with an exclamation point. But it doesn't appear that anything expressly illegal happened."

In April 1989, Yousuf Shirawi, the oil minister for the Persian Gulf emirate of Bahrain, called Michael Ameen, a Houston oil consultant who worked as a consultant to the State Department, to ask him to recommend a company for an offshore drilling project in Bahrain. Perhaps because he was friends with Abdullah Bakhsh, the Saudi investor and major Harken shareholder, Ameen picked Harken -- a company that had never drilled a single well offshore, much less overseas. Even so, Bahraini officials were so impressed that the president's son sat on Harken's board that they gave the contract to Harken in January 1990, even after Harken officials admitted they didn't have enough money to finance the project. "[George W.] was the son of a big muckety-muck," says BCCI expert Peter Truell. "They were using the son to cozy up to the dad." With a contract in hand, Harken got the capital from Bass Enterprises Production, a company whose assets were managed by Richard Rainwater, Bush's Rangers partner.

On June 22nd, 1990, when Harken's stock price was unusually strong because of the Bahraini deal, Bush sold 212,140 shares of Harken stock at \$4 a share, for \$848,560. On August 2nd, Iraq invaded Kuwait and Harken's stock dropped to \$3 a share. On June 30th, Harken had released a quarterly report disclosing a \$23.2 million loss for the second quarter, which Bush had known about before he sold his stock, since he was on Harken's audit committee. On news of the loss, Harken's stock dropped to \$2.38 a share. Finally, Bush waited until March 1991 -- eight months later -- to file the required insider-trader forms with the SEC. When he was subsequently accused of insider trading, Bush justified his lateness by saying that the proper paperwork had been filed on time but lost by the SEC. An SEC investigation found Bush guilty of no wrongdoing, but skeptics note that the SEC's chairman had been nominated by Bush's father in August 1989 and that the SEC's general counsel had actually represented George W. in the Texas Rangers negotiations. As it happened, the Bahraini project turned out to be a bust, since every well Harken drilled came up dry. "Can you believe it?" says a Texas political insider. "G.W. goes to the Middle East and he can't even hit oil there! Midas he is not."

While the Harken deal developed in 1991, George W. moved to Washington again, to work as an adviser in his father's re-election campaign. He came out throwing punches. "G.W. played a key role in the ousting of John Sununu," Ed Rollins says. "John was too high-profile to be Bush's chief of staff. He saw himself almost as a deputy president. The reality was, John had to go -- and G.W. knew it. Others in the Bush administration did not want to take on Sununu, even though they shared G.W.'s view. So G.W. became the messenger who told his father this had to happen. I'm sure G.W. volunteered to fire Sununu himself. There's a hard-ass side to G.W. that he enjoys." Because of the Sununu firing, George W. was often asked to do the more unpleasant duties his father wanted to avoid. "That's how he got the nicknames the Hatchetman and the Enforcer," says a Bush White House insider. "George W. was the one who carried out the trash." As a result, when the Bush campaign needed a tough-guy spokesman, George W. was trotted out. It was he, for example, who met with reporters to deny charges that his father had had an affair with longtime Bush staffer Jennifer Fitzgerald, a rumor that had become so widespread that the Washington Post once described Fitzgerald as a government worker "who has served president-elect Bush in a variety of positions," to the great hilarity of the Beltway crowd. The line George W. gave to reporters that day would become infamous: "The answer to the Big A question," he said, "is N-O."

Like other Bush advisers, George W. thought his father was waging a losing campaign in 1992. "Bush Sr. didn't believe the country would throw out the commander of the Gulf War for this cracker governor from Arkansas," Ed Rollins says. "He actually told people that. I'm sure G.W. told his father he was in trouble, but, right up to the closing days of the campaign, the only person in America who didn't know Bush was going down in flames was George Bush." Roger Stone adds, "He simply didn't think voters would turn down a war hero for a draft dodger." They did, of course, and in November 1992, Clinton defeated Bush. Despite the loss, some good came out of the experience for George W. If Bush had been unhappy with periods of George W.'s life in the past, he had grown to respect his son in ways he never did before. Indeed, had he listened to George W.'s warnings, the election might have turned out differently. Beyond this, "The '92 defeat, as hard as it was on George and Jebby," Laura Bush said, "in a lot of ways was the first time in their lives they were liberated from the shadow of their dad." As evidence of this, when George W. moved back to Dallas to resume his job with the Rangers, he started to make plans for something else: a run for governor against Ann Richards in 1994.

The first person Bush called was Karl Rove. A college dropout who had attended five different schools before he finally gave up, a Denver native who moved to his wife's home state of Texas in 1977, Rove was a ruthless political operator in the tradition of his close friend Lee Atwater. During the Eighties and early Nineties, Rove handled so many successful Republican campaigns, one Democrat quips, "Texas didn't become a Republican state, it became a Rove state, and Rove can run Texas as well as anybody." Rove does this through sheer force of will. "He reminds me of [loyal Nixon

aide] Charles Colson," says Tom Pauken, a former Texas Republican Party chairman who worked in the Nixon White House. "Colson would run over his own grandmother to help Nixon. With Rove, you're either on the team or you're on the enemy list. It's very Nixonian. He's a control freak who runs roughshod over anyone in his way."

Rove signed with Bush, who relished the idea of running against Richards, the crusty grandmother turned politician who had hit the big time when, in her keynote address at the Democratic National Convention in 1988, she dismissed George W.'s father by sneering, "Poor George, he was born with a silver foot in his mouth!" Rove put together a winning strategy: Bush would campaign on four issues -- reform of the education, welfare, tort and juvenile-justice systems -- and nothing else. From the start, Bush stuck with these four issues, or at least he did after Rove made it clear to him that he'd lose if he didn't. "Bush almost lost to Richards early on because he was out there saying this incredible shit," says one political observer. "Rove's people woodshedded him. They took him out to Bush's weekend place in Athens for three days. Man, when he came back, he was the most disciplined candidate you'd ever seen. He talked about his four little issues and that was it." The only time he did go off-message was to highlight a personal achievement he felt qualified him to be governor, such as what he claimed was his success as a businessman. He was "an unabashed capitalist," he said at one campaign stop.

Soon, Bush's private life become an issue. In early May 1994, a Houston Chronicle reporter asked Bush whether he'd ever used illegal drugs. "Maybe I did, maybe I didn't," Bush said. "What's the difference?" The day after the Chronicle story broke, Bush held a news conference in Lubbock. "What I did as a kid? I don't think it's relevant," he said. "I just don't . . . don't think it matters. I think what matters is my view on prisons, welfare reform and education."

In the coming weeks, the Ballpark at Arlington opened, and Bush pointed to the stadium as his greatest achievement. In September, Richards challenged Bush's record as a businessman when Caterair, an airline catering company on whose board Bush had sat for five years, announced it was near bankruptcy. "I'm proud of my business record," Bush said. "And what I hope that Ann Richards does is focus on issues that matter to Texans and lay off of personalities." Instead, Richards aired a television commercial charging that the various businesses Bush had been involved in, either as director or owner, had lost \$371.6 million. Richards continued her attack in October in the campaign's one debate, but the exchange that created the biggest dispute that night was Bush's answer to the moderator's question about his National Guard duty. "Putting an F-102 jet in afterburner in a single-seat, single-engine aircraft was a thrill, but it also wasn't trying to avoid duty," Bush said. "Had that engine failed, I could have been killed. So I was at risk." In the days after the debate, veterans groups angrily criticized Bush for comparing the risk he faced flying jets on practice runs over Texas to the risk American soldiers faced in live combat in Vietnam.

In late October, Richards suggested that Bush was guilty of insider trading when he sold his Harken stock -- a criminal act. Now Bush's camp had to fight back in a way that would end the controversy about his business dealings for good. So, only days before the election, Rove fired his big gun: Barbara Bush. "It makes me pretty darn mad," the former first lady said in a speech picked up widely by the press, "to see these ads that just plain aren't true. . . . [George has] been a good, successful, decent, honest businessman. Why doesn't Ann Richards talk about the issues? That's what George is doing. She should be so lucky as to have a son like George."

Texas voters agreed. On November 8th, Bush won with fifty-four percent of the vote. At the time, Richards still had a nearly sixty percent approval rating. On the night of Bush's stunning victory, Jeb lost his gubernatorial race in Florida, so the Old Man, as George W. had taken to calling his father, was tempered when he called from his home in Houston to congratulate George W. in his hotel room in Austin. Even so, George W. knew what he had done. "You've made me proud," Bush reportedly said that night to his son.

"This is what happened," Roger Stone says. "George W. used to be more like his mother, but over time he became more like his father. He matured."

What few outside the state understand about Texas politics is that the governor has little statutory power. "Texas has a restrictive constitution," says Earl Black, political-science professor at Rice University, in Houston, "that has historically made the governor of Texas a weak executive position. The lieutenant governor has the real power, since he presides over the Senate and appoints the legislative committees. The only real strength the governor has is power of the bully pulpit."

In the days following his victory, Bush made a concerted effort to become friends with Pete Laney, the speaker of the House, and Bob Bullock, the lieutenant governor -- both Democrats. (Bullock died this June.) "Mr. Bush, we can make you a good governor," Laney said at the trio's very first meeting, "if you let us." Bush did. In the 1995 session, he also met informally with almost every representative and senator by showing up unannounced at their offices -- something Richards never did during her term as governor. "The ultimate defining moment for me was when he was first elected

governor," says Georgette Mosbacher, "and he was able to bring together his enemies. He did it quickly and quietly. I had never seen that done in Texas politics. It was at that point that I knew he was a winner."

While Bush politicked, he let Laney and Bullock push through previously proposed reform bills on education, crime, welfare and tort -- Bush's "four little issues." Rove had picked those issues, as it turned out, because he knew bills on each were already in the legislature's pipeline. Now Bush could take credit for the bills, even though he had nothing to do with creating them. "Bullock was really the governor during Bush's first term," says Tom Pauken, the former Texas Republican Party chair. Columnist Molly Ivins agrees: Most of the time, "W. was bright enough to do what Bullock told him to do for four years, but as a result we have no evidence W. really knows how to govern."

In June 1995, Bush made one of his most controversial moves as governor. The Patient Protection Act, which was approved by the Texas legislature, would have instituted major HMO reforms by requiring companies to be more open about their benefits, allowing customers dropped from a plan to appeal and instituting reviews by the Texas Department of Insurance. Bush vetoed it. He argued that the act "imposes too much government regulation and unfairly impacts some health-care providers." The Blue Cross and Blue Shield Association released a statement applauding Bush's veto. In the coming years, Bush would receive some \$1 million in campaign contributions from insurance companies for his re-election bid.

In 1997, Bush again broke free of Laney and Bullock, proposing a plan to overhaul Texas' tax system by cutting local property taxes by \$2.8 billion; new business and sales taxes would offset the reduction, so public schools would continue to be fully funded. Laney killed the plan in committee, and the eventual property-tax-reform bill the House passed didn't resemble Bush's. Once that bill left the House, Senate Republicans, who feared it was merely a guise to invent new taxes, voted it down. Instead, the legislature passed a one-time referendum that saved Texas homeowners \$1 billion over two years. "We had a major problem with George the Second's tax bill, which had more than seventy new taxes," Pauken says. "He even wanted to tax haircuts. I led the fight to defeat it, and then we got a billion-dollar property-tax cut. Bush fought against the billion-dollar cut, but eventually he took credit for it." Says Senfronia Thompson, a Democratic state representative from Houston, "The governor has been able to benefit greatly from the hard work of the Texas legislature."

When Bush ran for re-election against Gary Mauro in 1998, Laney and Bullock were back on his side. Bullock even endorsed him, despite the fact that he was godfather to one of Mauro's daughters. Other Democrats, among them Lyndon Johnson press secretary George Christian, supported Bush, too. "LBJ would've had a problem with that," Christian admits. "Mrs. Johnson sure did. Liz Carpenter [Lady Bird Johnson's press secretary] jumped all over me." Carpenter says, "G.W. is extremely likable. The Bushes all have good manners and great civility. But they don't have a lot of vision. Anyway, I'm a Bible-thumping, foot-washing, full-immersion Democrat who can never bring myself to vote for a Republican."

With even some major Democrats supporting Bush, Rove had little to do, although controversies did crop up. Bush angered many Christians when he ignored appeals by Pope John Paul II and Pat Robertson to stop the February 1998 execution of pickax murderer Karla Faye Tucker -- she had found religion in prison -- only to commute confessed serial killer Henry Lee Lucas' death sentence six months later. That same year, Bush had to answer the charge that he got rich off the public when Dallas businessman Tom Hicks bought the Texas Rangers and the Ballpark at Arlington, which had been paid for with taxpayers' money, for \$250 million. Bush made \$14.9 million on the sale -- an astonishing profit on an initial investment of \$606,000. That's not the only way Bush made money off the public, either. During much of his first term, he held interest in Crescent Real Estate Equities, a company owned by Richard Rainwater. As governor, Bush approved Crescent Equities' purchase of two office buildings from the state's Teachers Retirement System. The state lost \$44 million on one building, and wrote off \$7 million in principal and \$19.4 million in interest on the other, while Crescent profited handsomely.

The Crescent deal angered some voters, but it was Bush's theme of abstinence before marriage (which continues into his presidential campaign) that made many snicker. Bush proposed spending more than \$9 million on a statewide effort to "encourage young people to save sex for marriage." When reporters asked him about his own behavior before marrying Laura at thirty-one, he said only that he had been "irresponsible." "Do as I say and not as I did," he told his young audiences.

Throughout 1998, Bush also had to deal with claims that he was soft on crime. In 1994, he'd attacked Richards on the issue of criminals being released from prison early, saying Texas was "the third most dangerous state in the nation [because] in the last three years, 7,700 criminals have been released early." But during Bush's first term, more than 60,000 prisoners were released early. One was even involved in the racially motivated dragging death of James Byrd Jr., in Jasper. "That should have been his Willie Horton," says one Democrat, "but the public didn't care." Why? "There's a cult of personality with George W.," says a Republican. "The public loves him." Apparently. On November 3rd, the

night Jeb succeeded in being elected governor of Florida, George W. won, too, getting sixty-nine percent of the vote to Mauro's thirty-one.

After George W. was re-elected governor, he began to take serious steps toward a presidential run, again emulating his father. "It doesn't take a genius to see there's something Freudian going on here," says John Calvin Batchelor, a Republican historian. "Or Shakespearean." Rove started to systematically court potential Bush supporters. Almost every weekday, late in the morning, buses and vans would line up in front of the governor's mansion and state politicians, party officials and businessmen from all over the country would pile out to have lunch with Bush. By having them come to Bush, Rove was able to limit the national press corps' access to the governor. Many of these visitors have ended up contributing money to Bush's campaign, which is one reason why Bush had raised a phenomenal \$36 million by the end of the second quarter of this year. Rove also instituted what became known as the "front porch" strategy, which had Bush ensconced in the relative safety of Austin (where local reporters have been unusually lenient on him), until the biannual legislative session was over at the end of May.

During this time, Bush -- with the help of Rove -- was also honing his theme of compassionate conservatism. He began to mention Myron Magnet, the neoconservative pundit at the Manhattan Institute, as his "guru." In his 1993 book, *The Dream and the Nightmare*, Magnet made an argument that appealed to Bush: It was the overall decline of morals in America, prompted by the counterculture movement and sexual revolution of the 1960s, that had led to the rapid growth of the underclass. This idea fits in neatly with Bush's belief that the "if it feels good, do it" mentality inaugurated in the Sixties had begun a widespread moral decline in this country.

With his party's overwhelming support and his message ready to be sold to the public, Bush finally hit the campaign trail in June, playing to wildly cheering audiences eager to hear his message of moral righteousness and reform. His rhetoric is perfectly tuned to the times -- compassionate conservatism being a finely wrought catch phrase that allows him to come across on the one hand as a rock-ribbed right winger and on the other hand as an everybody-wins pork slopper. But when one looks beyond the slogan and examines the life of the man, George W. Bush seems less like a moral visionary and more like a man who, above all else, knows how to work the inside game -- a consummate opportunist. His entire life has been the pursuit of accommodating himself to power -- to his father, to his father's wealthy and influential friends, and, in his current incarnation as politician, to the Democratic leaders who controlled the Texas state legislature.

In the end, what Bush really seems to stand for is business as usual. His greatest achievements all seem to involve an almost magical ability to position himself in the channels where the money flows, from the oil bailouts of the 1980s to the fortune he made off of the sale of the Texas Rangers and lastly to the staggering amount of money he has already raised for his presidential campaign.

The shadows of his father's successes are never far from George W. What ultimately doomed George Sr.'s presidency was the perception that he had no vision for America and that he broke his promise not to raise taxes. Now comes the son, a man who wants to be president because it will bring him not just more power and prestige but also personal vindication. Should he achieve this goal, he will finally be able to say that he is just as successful as his father.

(Posted Aug 05, 1999)

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