

JEB BUSH, WORSE THAN NEIL?

Via Atrios, people are beginning to wonder whether Jeb Bush was responsible for approving Florida's purchase of a hefty chunk of the shitpile when he was Governor.

A government money market debacle unfolding in Florida is raising questions about former governor and presidential brother Jeb Bush's possible involvement in the mess.

Florida froze withdrawals from a state investment fund earlier this week when local governments withdrew billions of dollars out of concern for the fund's financial stability.

In the past few days, municipalities have withdrawn roughly \$9 billion, nearly a third of the \$28 billion fund (which is similar to a money market fund) controlled by the Florida's State Board of Administration (SBA). The run on the fund was triggered by worry that a percentage of the portfolio contained debt that had defaulted.

A majority of this paper was sold to SBA by **Lehman Brothers** (NYSE: LEH – news – people). Bush, as the state's top elected official, served on a three-member board that oversaw the SBA until he retired as governor in January. In August, Bush was hired as a consultant to the bank. Lehman spokesperson Kerrie Cohen, speaking on behalf of Bush, said they had no comment and would not say when the bank had sold Florida the paper. SBA did not return calls.

Which made me wonder what happened to investigations into Jeb's role in the last piece of shitpile Florida bought: Over \$300 million in

Enron stock, also approved while Bush was in charge of Florida's State Board of Administration.

According to a report by AFSCME Florida Council 79, *Inside the Florida State Board of Administration: Mismanagement Made the Enron Loss Inevitable*, the State Board of Administration (SBA) repeatedly engaged in poor investment practices under the watch of its Board of Trustees, chaired by Gov. Jeb Bush. Despite warnings from inside and outside the SBA, the trustees failed to correct these problems, leading to a stunning loss on Enron stock nearly three times greater than that of any other state retirement fund. The trustees failed to act as Alliance Capital Management, one of the pension fund's money managers, continued to invest in Enron even as its financial instability became public and the Securities and Exchange Commission was investigating the corporation.

Michael Froomkin has a detailed description of what this means for FL [here](#).

The possibility that Jeb presided over not one but two massive transfers of money from Florida's government coffers into the pockets of his friends raises the possibility he'll be remembered as more corrupt than his brother, Neil. I know it's a tough contest, trying to figure out which Bush brother is the most corrupt. But Neil Bush only indirectly stole from taxpayers with his Silverado Savings & Loan. And while it's pretty clear Neil's company was shafting taxpayers to put money in Ignite's bank accounts, I'm not sure if that matches the scale of Jeb's apparent wholesale emptying of Florida's coffers into corrupt and losing business deals.