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# Newsweek

## NIGHTMARE ON PENNSYLVANIA AVENUE

THE SCARY CHALLENGES FACING THE NEXT PRESIDENT ON DAY ONE

By Richard N. Haass and Michael R. Bloomberg



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## MCCAIN CAMPAIGN

# Not the Change They Wanted

**T**HE DISCLOSURE THAT THE REPUBLICAN National Committee spent more than \$150,000 on clothing and accessories for vice presidential candidate Sarah Palin and her family set off recriminations among GOP officials—and, more important, party donors. It wasn't just the volume of the purchases—which included new dresses for Palin, suits for husband Todd and outfits for her children—it was the use of swanky stores like Neiman Marcus. One top party fundraiser told NEWSWEEK that, ever since the story broke on Politico.com, he was bombarded with calls from Republican donors who were “furious” that their contributions were used for such purposes. “This has damaged everybody’s credibility,” griped the fundraiser (who asked not to be identified talking about party business). Among those upset was Saul Anuzis, the Michigan Republican Party chairman, still smarting over McCain’s

**Some GOP donors say they are ‘furious’ about this use of their party’s funds.**

decision to pull out of his state. “I have no idea how you spend \$150,000 on clothes,” he says. Lobbyist Andrea McWilliams, a GOP fundraiser in Texas, said the flap undercut the party’s message. Palin’s “transformation from low couture to haute couture isn’t the kind of change that voters had in mind,” she said.

The decision to greenlight the purchases was made after Palin arrived in Minneapolis for the Republican Party convention. Campaign aides quickly concluded that she lacked the necessary wardrobe for two months of

intensive national campaigning. “She didn’t have the fancy pantsuits that Hillary Clinton has,” explained one staffer (who, like most others interviewed for this account, declined to be identified speaking about the episode). The problem was figuring out how to pay for new dresswear: the 2002 McCain-Feingold law, co-authored by the GOP candidate, tightened the rules to ban using campaign funds for personal clothing. While Jeff Larson, a veteran GOP consultant who headed the party’s “host” committee, provided his credit card for the Palin family shopping spree, he was directed to send the bills over to the Republican National Committee (which was not covered by the clothing ban in McCain-Feingold). RNC officials were not happy about it. “We were explicitly directed by the campaign to pay these costs,” said one senior RNC official who also requested anonymity. After at first declining to comment, a McCain spokeswoman said the clothes would be donated to charity after the campaign was over.

Palin said she was getting a bum rap. “If people knew how frugal we are,” she said. She told Fox News that her “favorite” store is an Anchorage consignment shop called Out of the Closet. Still, some of the disgruntled party donors said her claim of frugality was hard to square with the details in campaign spending reports, such as the \$75,062 one-day tab at the Neiman Marcus in Minneapolis, and \$4,902 spent at Atelier New York (a high-end men’s store). One veteran GOP consultant (who also requested anonymity) said the real puzzle among his peers is why Larson didn’t find a way to disguise the expenses, at least until after the election. Larson declined to comment.

—MICHAEL ISIKOFF and SUZANNE SMALLEY



**TUNNEL VISION:** Iran’s bombs are protected by 60-foot-thick walls

## IRAN

# Nukes: Too Deep to Hit

**W**ESTERN INTELLIGENCE experts believe that Iran’s nuclear facilities are so deep underground that it would be difficult for Israel to wipe them out, or even significantly damage them, with a quick airstrike. In order to deal a serious setback to Iran’s nuclear program, at least four key sites inside Iran would have to be hit, said one Western official, who asked for anonymity when discussing sensitive information. The facilities, however, are located in tunnels fortified by barriers more than 60 feet thick. According to this official and other U.S. experts, Israel does not possess conventional weapons capable of knocking out the facilities. Breaking through the thick shell would require, at minimum, several bunker-buster bombs striking precisely the same spot. “These targets would be very hard to destroy,” said former U.N. nuclear expert David Albright. Theoretically, Israel could do a lot more damage with a nuclear strike. But U.S. and other

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