



November 10, 2014

Letter from Washington

A losing California politician in the early 60's named Dick Tuck started his election night concession speech with "The people have spoken...the bastards". That would be a reasonable way for President Obama to feel at the moment, but you wouldn't know it from his day-after-the-wipeout press conference.

The President deflected any suggestion from the press that the Republican tsunami might have been in any way the result of his policies or leadership deficit. The President and his shrinking inner circle have never seemed more isolated, both internally from his own party and internationally from America's allies. Unfortunately for him, the political and personal narcissism that has made him the focus, the message and the "one we have been waiting for", also makes him singularly responsible for the Democrats' election night disaster.

Obama's day after comments, besides lacking in any graciousness toward the victors, developed the proposition that somehow he represents the majority of the electorate who chose not to exercise the franchise and stayed home. Those voters that did show up and cast ballots for the Republicans are a minority and therefore of no consequence.

Psychologists will have fun for years analyzing the inner workings of the Obama mind, but the one thing that he said in his presser that spells major trouble ahead was that he would act on immigration reform by executive order if the Congress didn't send him a bill that he likes by the end of the year.

Immigration reform is another box that Obama has constructed for himself. He promised the Latinos that he would take some actions absent Congressional legislation. As in other situations, he then dithered and announced that he wouldn't do anything until after the elections, so as not to further energize the Republican base. He is now stuck trying to walk the fine line between not enraging his base with inaction or enraging the Republican base with an executive order.

Any hope of comity and cooperative action will be largely gone if Obama does anything that can be characterized as "amnesty". The word itself is toxic to the Republicans. The President can't change the immigration law without

Congress, but he can, as Chief Executive, direct that enforcement be suspended. Apparently this is what he has in mind.

On the Republican side there have been a number of proposals over the last year that would legalize children brought to the US illegally, and provide some formal status for the people already here. The major divide between the parties is the issue of citizenship, with the Democrats wanting to both legalize the presence of the undocumented 11 million Latinos and provide them a path to citizenship and ultimately voter registration. This is key since the illegal population is a natural constituency for the Democrats, and they could theoretically increase their base by 11 million overnight.

Some Republicans might support a process where the illegals are given legal status and not subject to deportation, but not jump ahead of legal immigrants in the line to citizenship. Anything that could be perceived as amnesty for illegals would be suicidal politically for Republican Senators and Congressmen and guarantee a primary challenge in the next cycle.

The politics of immigration are polarized to such an extent that the only way through it will be to have a committed President leading a national discussion that arrives at a reasonable consensus. An executive order from Obama would be the exact opposite, and will poison the atmosphere for accomplishing anything else in the next two years.

You can make a case for Obama and the Republican leadership having some common needs that might force them to work together. Any hope the President has of salvaging something in the last two years so that his is not remembered by history as a failed Presidency requires some minimum amount of cooperation. Likewise, if the Republicans are anxious to show that they can actually govern and not just filibuster and obstruct, they will need the President to not veto everything they pass.

Obama has shown that his interests and those of the Democrat base are not necessarily the same, and that he has not much hesitation in pursuing his agenda at the expense of the party. The Republicans have a more difficult path to walk, and they will have to keep their rank and file in line and willing to give something in order to get something.

The Republican House has been an unruly group and has publicly embarrassed the Speaker on a number of occasions. They will probably believe that anything Obama might support is by definition bad and should be opposed. In the Senate, the 2016 Presidential candidates are already jockeying for position, and their individual campaign posturing will trump party discipline.

If the Republican leadership and the President can make common cause on any issues they will be limited and small caliber.

DoD is currently operating on a Continuing Resolution that will expire on December 11. The lame duck Congress has to either extend the CR or pass appropriations bills by then or the federal government will shut down.

The new Republican leadership apparently wants to pass an omnibus appropriations bill by December that will fund the entire government through October 2015, and get the issue of government shutdown off the table. They view the election as a victory for the mainline Republican wing, and believe that they need to demonstrate some form of responsible governance in the next two years. There may be some resistance from the rank and file who will want to only pass a CR extension until February so the Republican Congress can rewrite the administration's budget in 2015 and not wait until 2016. One of the possible compromise options is a CR for the remainder of FY-15, which would be a disaster for DoD.

On Defense at least, much of the House-Senate negotiating has been going on in the background during the election season, so the year long CR is not likely, although it would be more favored by the Tea Party wing than a regular appropriation because it would freeze spending levels.

More to follow as the saga continues.