



December 3, 2014

Letter from Washington

Normally the two deadest times of the year in Washington are August, when everyone who is able goes somewhere with a more benign climate, and the period from Thanksgiving to New Years, when thoughts are on holidays and the Congress rushes to adjourn and get home.

Untrue to form, this has been an eventful several weeks in Washington, and December will be as well.

- The President and the Democrat Party suffered a huge repudiation in the early November Congressional elections, losing control of the Senate by larger than predicted numbers. The Party understands this but the President apparently does not.
- Beset by clear indications that a major shake-up of his national security team was long overdue, the President sacked his Secretary of Defense, leaving the Department in for an extended period of ineffective leadership.
- The President exercised his executive authority to grant a de facto amnesty to several categories of illegal immigrants through selective enforcement of deportation laws. This sets in motion a struggle between the Congress and the President over the perceived overreach and usurpation of Congress' constitutional law-making powers.
- The Continuing Resolution (CR) funding government operations will expire on December 11th. Before the extent of the Republican victory became apparent, both party leaders had indicated they would support a bill to fund the government through the remainder of the fiscal year. With the President's immigration executive action, Republicans are unlikely to go along, and will want to use the power of the appropriations purse to rollback the executive order.
- Following the decision by a grand jury in Missouri not to bring an indictment against a police officer for shooting an unarmed black youth, the area exploded with looting and riots for several nights. Civil disobedience has spread nationally with protesters disrupting rush hour traffic in major cities.

The simplified version of American politics is that the electorate is fairly evenly divided with 40% hard core Democrats and 40% hard core Republican. Most elections are fought over the 20% in the middle, who swing either way depending on the economy and the issues in play. When a President's popularity sinks into the upper 30 per cent region, as has Obama's for a prolonged time, he has effectively lost the middle and is struggling to retain the base. The across-the-board defeat of those Senate candidates who based their campaigns on loyally supporting the President's policies was a clear warning bell to the remaining Democrats.

For the next two years, as the President's popularity erodes within his own base, Democrats up for election in 2016 will not want to provide their Republican opponents with a ready-made campaign slogan. As a result, the President will be hard pressed to get his own Party to take any controversial stand in support of policies that have already proven massively unpopular.

One of the major reasons for the President's unpopularity has been the slow slide back into major combat in the Middle East, without an apparent strategy for victory. Americans may be fatigued by almost ten years of continuous combat operations, but they do see the clear and present danger that ISIS represents and are supportive of a more aggressive approach.

The President, after admitting out loud that the administration didn't have a strategy for ISIS, has been drawn reluctantly back into committing forces in a piece-meal fashion. Promising numerous times that there would be no "boots on the ground", the directionless downward spiral has been obvious.

The necessary human sacrifice for the lack of strategic direction has been the Secretary of Defense, the hapless Chuck Hagel. Hagel had been selected by Obama to preside over the devolution of Afghanistan, to administer the reduction in military budgets and manpower, and to effect the integration of gays into the force and women into combat roles. Unluckily for Hagel, ISIS changed all of that, and the President decided he had the wrong guy after Hagel had publicly questioned the lack of coherent policy.

Three things are apparent in throwing Hagel off the back of the sled:

1. George W. Bush fired Donald Rumsfeld in 2006 after a mid-term electoral defeat, but he did so to bring about a radical course change in the conduct of the Iraq war. Rumsfeld represented the status quo, and Robert Gates was the change agent brought in to implement the surge that Rumsfeld resisted. In this case, Obama is doubling down on the team that has brought us to this point, and Hagel was sacked because he had wandered off the reservation too many times.
2. Bush fired Rumsfeld and announced Gates nomination in the same event. Clearly Team Obama hadn't thought that one through and fired Hagel without a nominee vetted and ready to go. As a result, a series

of trial balloon nominees have been floated, with most of those people hastily taking themselves out of consideration. It's clear that most people qualified for the job do not want it, and that the centralization of decision-making in the White House makes the position a losing proposition.

3. The firing of Hagel has been followed by a flood of unflattering comments, all from unattributed "senior administration officials", to the effect that Hagel wasn't up to the job. He may not have been the right man for what the job morphed into, but the snarky anonymous character assassination reflects more on the Obama inner circle than on Hagel. More importantly for the DoD, by not having a replacement ready to go, Hagel has been turned into a lame-duck gelding (mixed metaphor alert) just when the department most needs a forceful and articulate advocate with the Congress.

The President's decision to go with a very expansive executive order on immigration enforcement seems designed to demonstrate his continuing relevance, despite Republican control of the Congress. More to the point, his actions are designed to goad the right wing of the House Republicans into a government shutdown at least, impeachment at best.

A majority of Americans favor some level of immigration reform, and a bare majority favors providing a path to legalize the presence of the undocumented. What the great majority disapproves of is the President's use of an executive order to make changes that should be the domain of the legislature. The President counters by saying that since the legislative branch has not acted he is justified in moving ahead. The other side of that argument is that the American public has voted for divided government, knowing that one of the results would be gridlock on key issues.

The key legislative question to be answered in the next two weeks is whether the Republicans will take the bait and force a government shutdown over immigration. This is a lose-lose for the Republicans, but Obama has put the Democrats in the position of having to support him in an unpopular policy to sustain a veto. This will be a major issue for 2016, and will also force Hillary Clinton into a public position on the executive order, a place she would dearly like to avoid.

The Congress returns from its Thanksgiving recess with a number of major appropriations items pending:

- Obama's immigration action has forced the Republicans to rethink their FY-2015 end game. Rather than supporting an omnibus bill or a CR for the rest of the year, they will want to retain that critical leverage when they assume the majority.
- The CR-omnibus decision aside, there are some critical national security items that need to be addressed:

- The administration has asked for \$5.6B to continue the fight against ISIS beyond December 11th.
- The Congress must also reauthorize the recruitment and training of “moderate “ Syrians, the linchpin of the administration’s effort.
- \$1B is required to fund the additional 1,500 US troops dispatched to Iraq.
- Ebola efforts in West Africa also need to be reauthorized and funded.
- There are a number of policy issues that their sponsors will likely try to append to legislation as amendments in the lack of stand-alone legislation, but will probably fall by the wayside given the brief amount of time available before adjournment.

After the events of the past several months the “post-racial society” that many 2008 Obama voters envisioned in their candidate seems farther away than ever. We have come to a place in American history where race is more pervasive as a differentiator than previously thought. This is in no small part due to the fractured politics of the times, but a significant part of the blame can be laid on to the emphasis on class and race divisions that exist in the media. “Engaging viewers” has become media shorthand for sensationalizing a story either without any facts, or in direct contradiction of the facts.

In the case in point, a mixed race grand jury elected not to indict a white police officer in the shooting death of a young unarmed black man. The “narrative” of the event is that white police kill young black men frequently in violent confrontations. The narrative then takes over the perception of the event so that whether the police officer was the victim of a violent assault and justified in the use of deadly force becomes immaterial. In the final analysis, the forensic evidence is discarded as tainted by having been produced by an unjust system, and the black and white sides of the event become enshrined in their own mythology. Neither side can empathize with the other enough to move beyond the specific bits of evidence that tend to support one theory of the encounter.

The President is in a unique position to play a positive role in articulating the validity of parts of both sides’ perceptions, but has been largely AWOL from the discussion. Viewed through the purely political prism which the White House views everything, engagement on race in an even-handed manner is a loser. If the President appears to support the police he will enrage the core Democratic Party base. If he sides with the looters he will enrage the Republican base. Since he has no hope of ever gaining support from the Republicans no matter what, he will go with trying to hold onto his own base and forgo the opportunity to play a positive role.

Sure is a lot going on in this politically dead period.