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# FRANCE – EUROPE



## As Europe braces for the Trump era, a showdown looms over values

<https://www.facebook.com/michael.birnbaum1>

LONDON — With the transatlantic relationship on the line, European leaders are trying to put a brave face on Donald Trump's new world order.

They may hold the American president-elect in profound disdain, a feeling many [haven't bothered to conceal](#). But through gritted teeth, they insist that the ties anchoring the globe since World War II will endure — if not with much warmth, then at least through the sort of transactional relations Trump can understand.

That theory, however, will be put to the test as tweets and interviews turn into policy and action.

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After decades of transatlantic relations based on a shared set of interests and values, Europe is reckoning with what could happen if only one of those remains.

"It's where interests and values intersect where we're going to find problems," said Robin Niblett, director of the London-based think tank Chatham House. "If our values stand for anything, it's open, democratic societies and open markets. If America moves away from those, that's pretty fundamental."

9 foreign policy issues the Trump administration will have to face

Trump supporters would undoubtedly say he is fully committed to democracy and capitalism. But many Europeans view in his tweets and raucous rallies as a fundamental shake-up of the values underpinning the liberal international order.

Analysts and former European officials say the list of potential flash points includes Russia, Iran, Israel and Palestine, climate change, democracy promotion and global trade.

To European leaders, the gap goes beyond mere policy differences.

The president-elect's determination to embrace adversarial autocrats

such as Russian President Vladimir Putin even as he pointedly criticizes allied democrats such as German Chancellor Angela Merkel; his threats to discard internationally agreed deals such as the Paris climate accord or the Iranian nuclear agreement; his indifference to the fate of the European Union and dismissive approach toward NATO; his apparent lack of concern about evidence of Russian interference in the U.S. election; and his oft-repeated jabs at free trade and the media all point to an Atlantic-size gulf between the new U.S. commander in chief and the European establishment.

[\[ Europe's leaders bid goodbye to Obama and look with unease at Trump era \]](#)

Serious tensions have erupted between Europe and Washington before — think the "freedom fries" era, when France and Germany rejected the Bush administration's march to war in Iraq. But rarely have Europeans felt that fundamental values may be so deeply in opposition.

"We're getting into uncharted territory here, where Europeans will have to strike a balance between a transatlantic relationship that remains intense and a deep fundamental disagreement on values and an interpretation of what democracy is about," said Stefano Stefanini, a former senior Italian diplomat who was his nation's ambassador to NATO from 2007 to 2010.

It is difficult to know to what extent Trump will carry through on his foreign policy promises. In confirmation hearings, his cabinet nominees have at times [sharply disagreed](#) with the man who selected them. Analysts also note that Trump's promises are often contradictory.

But European nerves were [set on edge anew](#) this week when Trump told interviewers from a British and a German newspaper that he thought more countries would follow Britain out of the E.U., that NATO was "obsolete" and that Merkel had made "a catastrophic mistake" by welcoming hundreds of thousands of refugees.

The sudden unpredictability of Europe's most important global partner comes as the continent is deep in the throes of its own identity

crisis, reeling from the same populist shocks that brought Trump to power.

[Brexit](#), the fall of Italy's center-left prime minister and the emergence of [strongly nationalistic governments](#) in Eastern Europe are all considered symptoms of the anti-establishment tide washing over the Western world.

Yet unlike in Washington as of Friday, the establishment remains in charge in most European capitals.

But no one knows for how long.

With elections looming this year in the Netherlands, France and Germany, far-right parties are making a concerted push to end the centrist consensus that has prevailed in Western Europe for generations. That dynamic, coupled with Trump's unpredictability, makes it almost impossible to say what contours the U.S.-European relationship will take.

"There's absolutely huge uncertainty over what kind of U.S. administration Europe will find itself dealing with," said Adam Thomson, director of the European Leadership Network and a former British ambassador to NATO. "There's also uncertainty for the Trump administration over what kind of Europe America will be dealing with."

[\[ 'Rhetoric of fascism' is rising in U.S. and Europe, U.N. rights chief says \]](#)

For the most part, European leaders have tried to project confidence that the Trump era will be business as usual, with shared interests in combating terrorism, tamping crises and promoting economic growth overriding any differences.

Britain, with one foot out the door of the E.U., has been particularly keen to cultivate close ties and ensure its "special relationship" with Washington remains intact.

Europe's accommodating response reflects how internally divided it has become, and how little power it has relative to Washington. The United States spends vastly more on defense than Europe — nearly three times as much as all European members of NATO combined.

Trump has demanded that NATO allies pay their own way, while raising questions about whether he would come to members' defense in

the event of an attack. His closest European ally is neither British prime minister Theresa May nor Merkel, but [Nigel Farage](#) — the bomb-throwing Brexit champion who wants Britain's departure to be the trigger event in the E.U.'s ultimate collapse.

"There has never been an American president who did not support European integration. It's a first. A tragedy for Europe," Stefanini said.

Despite European division and weakness, leaders could be left with little choice but to distance themselves from Trump if he follows through on pledges considered antithetical to European values.

A ban on Muslim immigration, a resumption of the use of torture or an end to American participation in the Paris climate accord — all Trump campaign promises — would undoubtedly elicit strongly negative reactions in Europe.

But perhaps most critical will be his handling of two of the West's adversaries: Russia and Iran.

Trump appears determined to improve ties with Putin, just three years after Russian military intervention in Ukraine prompted the United States and Europe to impose sanctions.

In theory, much of Europe would welcome a lowering of tensions between Russia and the West, said Thomson, the former British ambassador. But the details will be critical.

"It's important for Europeans that this is not seen as some kind of sellout to Russia, and that there's not a U.S.-Russia deal done over European heads," Thomson said.

On Iran, too, the maneuvering will be extremely delicate. Trump has repeatedly attacked as "a really, really bad deal" the [nuclear agreement](#) negotiated in 2015 between Iran and six of the world's leading powers — the United States, the United Kingdom, France, Germany, Russia and China.

Any Trump move to unilaterally pull the United States out risks antagonizing every other party to the agreement. Critics say it could also undermine global faith in Washington's commitment to live up to its promises.

[ [After Trump win, Obama warns against taking democracy 'for granted'](#) ]

If Europe is going to effectively counter Trump, however, it will have to stay united. And it is far from clear that it can.

The most powerful voice in Europe belongs to Merkel, who delivered a tough message to Trump after his election win. Her barbed congratulatory note said she looked forward to working together with him based on "common values — democracy, freedom, as well as respect for the rule of law and the dignity of each

and every person."

The declaration was a signal not only to Trump but to her own voters ahead of an election in which she faces the likelihood of a far-right anti-immigrant party capturing seats in the Parliament for the first time.

"A lot of thinking in Berlin is already going into how we will have to reckon with Trump in actions he takes strategically or actions he takes that impact the Western liberal order," said Daniela Schwarzer, head of the German Council on Foreign Relations.

But there are limits to how far Germany can go.

"Even if Germany is willing to take the lead, it needs to work with others. And this is a messy picture," Schwarzer said.

With Britain focused on its E.U. exit, London is unlikely to take a stand against Trump unless it is forced to do so. Europe's other major power, France, has its own struggles as it prepares for spring presidential elections in which a far-right party stands a chance of victory.

Whoever wins, French policy analysts said they feared their country was entering a new era of ties with Washington.

"In many ways, it's not so much what America will do but, in a way, what America has become," said Dominique Moisi, a co-founder of the French Institute for International Relations. "It's essence as much as it's performance. We don't know what the performance is going to be, but we have an inkling that the essence of America has changed."

Birnbaum reported from Brussels and McAuley from Paris.



## Boris Johnson Compared France's President to a World War II Guard

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[TIME World United Kingdom](#)

Sajjad Hussain—AFP/Getty Images British Foreign Secretary, Boris Johnson speaks during the second day of the Raisina Dialogue conference in New Delhi on Jan. 18, 2017.

[A spokeswoman for British Prime Minister Theresa May](#) has defended Boris Johnson after Britain's Foreign Secretary compared French President

François Hollande to a World War Two guard administering "punishment beatings".

The [famously gaffe-prone](#) Johnson was asked, during a trip to India, about a comment made by an aide of Hollande's stating that the U.K. should not expect a better trading relationship with the E.U. after leaving it, the Press Association reports. "If Monsieur Hollande wants to administer punishment beatings to anyone who chooses to escape, rather in the manner of some World War Two movie, then I don't think

that's the way forward," Johnson said.

Opposition figures were quick to object to his choice of language. "We are all aware that the Foreign Secretary has a habit of making wild and inappropriate comments," a Labour Party spokesman said. "Talking about World War Two in that context is another one of those." Johnson has [previously caused controversy](#) by suggesting that President Obama's "part-Kenyan" heritage had led him to remove a

bust of Winston Churchill from the Oval Office.

Guy Verhofstadt, the European Parliament's chief Brexit negotiator, decried Johnson's comments via Twitter and called on Theresa May to condemn them.

May's spokeswoman dismissed the outcry as a "hyped-up media report". "He was in no way suggesting that anyone was a Nazi," she said.

[\[Press Association\]](#)



## U.K.'s Johnson Warns Hollande Not to Act Like a Movie Nazi

@RobDotHutton More stories by Robert Hutton

by

18 janvier 2017 à 09:54 UTC-5 18 janvier 2017 à 10:29 UTC-5

- Says French president shouldn't hand out 'punishment beatings'
- Foreign Secretary risks offending EU before Brexit talks

British Foreign Secretary Boris Johnson

Photographer: Rajat Gupta/EPA

U.K. Foreign Secretary Boris Johnson applied his unique style to the delicate Brexit negotiations by warning French president Francois Hollande against behaving like a Nazi in a World War II movie.

Johnson [made the comments](#) during a foreign-policy conference in India on Wednesday when he was asked if Britain will be made to pay a price for leaving the European Union.

"If Hollande wants to administer punishment beatings to anybody who seeks to escape, in the manner of some World War II movie, I don't think that is the way forward," Johnson said. "It's not in the interests of our friends and partners."

The remarks, about a war that saw France occupied by Germany and citizens who opposed the Nazis tortured and killed, are unlikely to improve relations. In a Twitter post, Guy Verhofstadt, the European Parliament's Brexit negotiator, described them as "yet more abhorrent and deeply unhelpful comments." He called on Prime Minister Theresa May to condemn them.

### Martial Language

It's not the first time Nazi comparisons have got Johnson into trouble. He was criticized by European politicians in 2016 for saying that the EU was an attempt to achieve Adolf Hitler's goal of a united Europe by different means.

World War II and films about it are a [strong cultural reference point](#) for many Brexit supporters. Brexit Secretary David Davis also mentioned the war during an interview on Wednesday and newspapers have reported May's speech on her Brexit strategy in martial language. The Daily Mail portrayed May standing on the white cliffs of Dover with her foot on an EU flag.

In an awkward coincidence, Communities Secretary Sajid Javid on Wednesday called on people to stop making World War II analogies. "We have to push back

when people lazily reach for glib comparisons that belittle what happened, calling those we disagree with 'Nazis,'" he said at an event about the Holocaust.

May's office declined to condemn Johnson's remarks and accused journalists of over-hyping them. "He was talking about punitive deals," the prime minister's spokeswoman, Helen Bower, told reporters in London. "He was making a point about how both sides are approaching the deal. Let's see what the reaction is from the Elysee."

Asked if the prime minister would have used the words, Bower replied: "They've got different styles."

Before it's here, it's on the Bloomberg Terminal.



## Marine Le Pen Centers Presidential Run on Getting France Out of Eurozone

William Horobin

Jan. 18, 2017 5:33 a.m. ET

PARIS—National Front leader Marine Le Pen is seeking to turn [May's presidential election](#) into a referendum on the European Union

by detailing a strategy to pull France from the bloc and its single currency if she wins.

She last ran in 2012 with an initial promise of a sharp and sudden break from the euro, but this time Ms. Le Pen has sought broader

support from a splintered French electorate. She says she would organize an orderly exit rather than crashing out with unpredictable consequences.

If elected, she and top National Front officials say, her administration will spend its first six months negotiating the creation, along with other disappointed euro nations, of a basket of shadow European currencies. A newly reinstated franc, she says, would eventually be pegged to that basket, replacing the euro.

Ms. Le Pen says other countries struggling to meet European rules would be willing to enter into talks on pulling the EU apart. The threat of having to leave the euro, she says, has been used to blackmail Greece and other Southern European countries into implementing austerity programs their people reject.

"The euro has not been used as a currency, but as a weapon—a knife stuck in the ribs of a country to force it to go where the people don't want to go," Ms. Le Pen said this month. "Do you think we accept living under this threat, this tutelage? It's absolutely out of the question."

British Prime Minister Theresa May on Tuesday [laid out more details](#) of her own plans to take the U.K., France's neighbor, out of the European Union and its single market. Brexit has spooked many French voters, particularly since no clear plan to implement it existed when the British people voted in June to leave.

Mrs. May said Tuesday the U.K. doesn't want a "half-in, half-out" relationship with the EU, but would try to negotiate friendly trade ties. She has yet to trigger the formal two-year exit process.

An attempt by France, the eurozone's second-largest economy, to pull out would be far more challenging than Brexit, which doesn't touch on currency questions. A "Frexit" would likely unleash chaos across the currency union and undermine the broader EU in a way Britain's departure wouldn't. No country has attempted to leave the euro, and French polls show that while people want to claw back control from Brussels, a majority wouldn't vote to leave the currency.

The complications of an exit weren't as clear to Ms. Le Pen in 2012, when she garnered only 17.9% of the presidential vote with her push for a clean break with the euro.

"We set off on the idea in 2012 of an immediate exit, slamming the door," said Jean-Richard Sulzer, a senior economic adviser to Ms. Le Pen. "Things were said too quickly, but this time Marine is much more prudent."

The dynamics of the French presidential election are shaping up differently this time, with polls showing Ms. Le Pen would easily qualify for the second round and go head-to-head with a pro-European candidate. The same polls suggest she would likely face—and lose to—François Fillon, a center-right politician who has focused his

candidacy on austerity measures called for by the EU but rejected by Ms. Le Pen.

A recent surge in the popularity of Emmanuel Macron—the former investment banker and economy minister in the Socialist government—could change that duel. But Mr. Macron is running on a pro-European platform of strengthening the EU, which also puts him on a collision course with Ms. Le Pen.

Ms. Le Pen is under pressure to reassure French voters the economy wouldn't go off a cliff by leaving a currency France helped to design. Under her plan, a National Front government would work with other countries wanting to drop the euro to agree on relative values of shadow national currencies. They would become constituents of a currency basket like the European Currency Unit, or ECU, which predated the euro's adoption.

Mr. Sulzer said such a system would provide the stability of a pegged exchange-rate system between the franc and the ECU, while preserving the right of France or any other state using the system to devalue its currency if its national economy needed to become more competitive.

Ms. Le Pen says she would spend her first six months in power negotiating with the EU to claw back control over currency, economic policy and border security. Then she would hold an in-out referendum on the EU and recommend a vote to

stay only if she had achieved her goals.

Ms. Le Pen would likely stumble in negotiations for such monetary sovereignty, critics say, arguing a system for devaluing or defending pegged exchange rates would require difficult negotiations with other governments. The six-month time-frame for talks set out by Ms. Le Pen would be too short for her to reach her broader goals of taking back power from Europe as she would face other European nations hostile to the plans, said Jean-Yves Camus of the Jean Jaurès Foundation, a left-wing think tank.

"It's totally unrealistic," Mr. Camus said. "The U.K. is led by a classic government that is not in open conflict with the EU, and even they are struggling."

For now, markets have remained sanguine in the face of Ms. Le Pen's anti-euro rhetoric, with prices being propped up by the European Central Bank's asset-purchase program and its promise to safeguard the euro. But as the election nears, the prospect of Ms. Le Pen trying to wrest monetary control from the ECB could push investors to move out of French assets, said Wolfgang Kuhn, head of euro fixed income at Aberdeen Asset Management.

"The market isn't worried about it now because [the market] is incredibly shortsighted," said Mr. Kuhn.

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## Le Pen Moves Into Lead in French Race, Le Monde Poll Shows

by Mark Deen  
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More stories by Mark Deen

19 janvier 2017 à 03:20 UTC-5  
19 janvier 2017 à 06:34 UTC-5

- Republican candidate Fillon slips since December survey
- Former Hollande minister Macron in third place, climbing

Marine Le Pen is gaining support in France and has taken the lead in a major survey of voters' intentions for the first round of the presidential election.

The populist leader of the National Front had between 25 percent and 26 percent support compared with 23 percent to 25 percent for Republican candidate François Fillon, according to an Ipsos Sopra Steria poll for Cevipof and [Le Monde](#). In mid December, Fillon led with about 28 percent and Le Pen around 25 percent.

Since the election of Donald Trump as U.S. president on Nov. 8, the French race has been closely-watched as another crucial battle between populist and establishment forces. Under the French electoral system, the two leading candidates face each other in a run-off vote on May 7, presenting a significant

hurdle to Le Pen. The poll didn't include data for the second-round vote.

European Commissioner Pierre Moscovici, a French Socialist, said in Davos Thursday that there's little chance of Le Pen securing the broad support needed for victory.

### 'Not Worried'

"I'm not worried about Madame Le Pen being president," Moscovici said in a Bloomberg Television interview. "I don't want Madame Le Pen in power. Never, ever in my country."

Le Pen has pledged to take France out of the euro if she wins.

Independent candidate Emmanuel Macron is in third position and gaining, the poll showed. His support would exceed 20 percent if Arnaud Montebourg becomes the presidential candidate for the ruling Socialist Party, according to [Le Monde](#). Communist-backed candidate Jean-Luc Mélenchon would win between 14 and 15 percent support.

With 15,921 people interviewed, the Ipsos Sopra Steria poll is roughly 16 times the size of typical French political surveys.

Before it's here, it's on the Bloomberg Terminal.



## Female, Far-right and Proudly Populist: Le Pen Stumps to Be France's Next Leader

SURESNES, FRANCE —

The weather is bone-chilling, best fit for hot chocolate and a sweater.

Even the steam of fresh crepes being flipped at an outdoor market cannot soften its bite.

So it may be no surprise that many shoppers brush past the activists handing out flyers bearing the

smiling face of far-right leader Marine Le Pen.



Municipal councilor Laurent Salles has seen it before. Not so long ago, few French admitted publicly to voting for Le Pen or her National Front (FN) party. Today, things are different, even in this once staunchly Communist suburb, where the Eiffel Tower is etched on the skyline.

Suresnes is now solidly center-right. Salles says he is hoping that growing concerns over immigration, Europe and Islamist extremism will tilt it even further.

City Councilor Laurent Salles (R) talks to a Suresnes resident who says he's fed up with the political system. Salles counters critics who claim the National Front is racist. (L. Bryant/VOA)

"I've seen a change in how the population views us," says Salles, who joined the FN three decades ago at age 16. "It's a lot less conflicted because the fears [about the party] have lessened. They see us in action as elected officials."

#### Going mainstream

The party now wants to go mainstream in a big way, hoping voters will elect 48-year-old Le Pen as France's first female leader.

While the FN has long been a fixture in national politics, Salles is not alone in detecting a growing public acceptance.

"Five or six years ago many voters did not want to tell polling institutes they contemplated voting for the National Front," says far-right expert Jean-Yves Camus. "Today they're more outspoken, although the National Front has not changed much on issues like national identity, immigration and xenophobia."

National Front campaigners are seen in Suresnes. (L. Bryant/VOA)

During a recent interview with foreign media, including VOA, Le Pen outlined presidential priorities that include holding a referendum on leaving the EU, closing French borders and pushing for an alliance with Russia and the United States to fight Islamist extremism.

She also defended populism rising across Europe and the United States.

"Is it those who want to defend the government of, for and on behalf of the people?" asked Le Pen, who was among the first European politicians to congratulate President-

elect Donald Trump on his win. "If that's the case, then I accept being called a populist."

#### Riding voter anger

France's April-May election is among Europe's most closely watched this year, and Le Pen is riding a wave of voter anger over a lackluster economy, rising immigration and militant Islam.

Members of France's Communist party are seen in Suresnes, a former leftist stronghold that is now solidly on the right. (L. Bryant/VOA)

Many predict Le Pen will lead April's first round of voting, but ultimately lose the May runoff, probably to center-right frontrunner Francois Fillon. More recently, she faces a new challenger in former economy minister Emmanuel Macron, who is also capitalizing on his outsider status, along with his youthful, maverick image.

But Le Pen's support remains sizeable, and she has an edge over her European counterparts.

"Usually extreme right parties are led by men," says analyst Camus. "Now we have this woman in her

40s, who appeals as a modern woman and who is not only attracting elderly, white male voters, but younger female ones as well."

At the weekly Suresnes market, computer technician Olivier Nicolas agrees with Le Pen's views on immigration and border control, although he is uncertain whether he will vote for her.

"I don't think she can win," he adds. "There's a real glass ceiling because of the media labeling the FN as far-right, even though its ideas are pretty much the same as the center right's in the 1990s."

Computer technician Olivier Nicolas (L) talks to City Councilor Laurent Salles. Nicolas is thinking about voting for Le Pen but has not yet decided.. (L. Bryant/VOA)

But another shopper, 59-year-old Evelyne Nodex, believes France is ready for change.

"Left, right, it's the same," she says of the mainstream alternatives. "Things are stagnating. We've never had the National Front in power. Why would they be any worse?"



## The English-Speaking, German-Loving, French Politician Europe Has Been Waiting for (blog)

Emmanuel Macron is promising hope and change — for the entire continent.

In some of his many previous lives, 39-year-old Emmanuel Macron has been a philosophy student, an investment banker, and a minister of economy. It is not surprising, then, in his current life as an independent candidate for the French presidency, he does not always speak like other candidates. And it's not only the substance of his language that stands out but also, sometimes, his choice of language. Last week, in a speech at Berlin's Humboldt University, Macron spoke in impeccable English on the imperative of giving Europe a chance.

And of giving the future a chance: Macron's speech offered a powerful and convincing case that he is the last great French hope for a European future based on a common market and a common morality, a single currency and a singular commitment to the continent's core values.

Though his immediate audience was Humboldt's faculty and students, Macron was in fact addressing a far wider audience. He was seeking to mobilize French as well as German youths, and — in a reference to the program that allows EU citizens to

study in other member states — the non-Erasmus as well as the Erasmus generations. Based on the audience's response to his speech, and his surging poll numbers in France, Macron — despite not having the support of an established party, or perhaps *because* he doesn't — is no longer the dark horse but instead the white knight for a growing number of French voters. However, what this particular knight promises, beyond verve and vitality, is not yet clear.

Predictably, the National Front lambasted Macron's choosing to speak English in Berlin. From the extreme far-right party, the tweets came fast and furious. Marine Le Pen, the party's presidential candidate, [announced](#): "The presidential candidate Macron is going to Berlin to speak at a conference in English." With a distinctly Trumpian flourish, she lamented: "*Pauvre France!*" ("Poor France!") Her second-in-command, Florian Philippot, was equally [displeased](#): "It's not only that he [Macron] disrespects our language, but he also doesn't believe in France."

Language matters, of course, in France — especially when the language is not French but English. Fears that the language of Molière and Pierre Corneille — and thus the

place of France — would be swept away by English have long stalked the French. Moreover, Le Pen's ire might have been compounded by her ignorance of English, even though this trait has long been, if not a qualification, then at least not an obstacle to the Élysée. (Most presidents of the Fifth Republic have had an adversarial relationship with English. Indeed, one thing the Socialist François Hollande and Gaullist Nicolas Sarkozy had in common was a Clouseauian grasp of the language.)

At the start of his talk, Macron joked — in French — that since he has always believed the point of speech was to be understood, it made no sense to speak French at a European conference where English was the common tongue. He then segued seamlessly not only into English but into a worldview that would have been thoroughly familiar to the father of the European Union, fellow Frenchman Jean Monnet (whose English was fluent enough to coin the phrase attributed to Franklin D. Roosevelt describing the United States as the "arsenal of democracy"). But this same view is now retreating under the pressure of nationalist parties across Europe, united in their distaste for both the United States of America and the United States of Europe.

Given the ascendancy in the polls of Le Pen and the candidate of the center-right Les Républicains, François Fillon, Macron's approach might seem tantamount to political suicide.

Given the ascendancy in the polls of Le Pen and the candidate of the center-right Les Républicains, François Fillon, Macron's approach might seem tantamount to political suicide. Both Le Pen and Fillon have run not just against immigration and refugees but also against Brussels and Monnet's idea of Europe. Le Pen has, without respite, [railed against immigrants](#) in France, declaring, "Immigration is not an opportunity but instead a burden. We have neither the means, desire, nor energy to treat the unfortunate of the world with more generosity."

Despite his Catholic faith, Fillon is equally unforgiving of those unfortunate enough to be born in failed states. When Fillon unveiled his immigration platform on Jan. 11, the newspaper *Libération* described it as a "[bombshell](#)." Instead of focusing on Fillon's plans to reduce or eliminate state aid to immigrants, the paper instead underscored his intention of introducing immigration quotas from non-EU states. Not only would this mark a rupture in French immigration policy since 1945, but it also marked a divorce with the

French republican tradition that refuses to distinguish among races and religions. As the historian and legal scholar Patrick Weil warned when Sarkozy made a similar proposal in 2008, "If we adopt this law, France — the home of the rights of man — will be shunned by civilized nations."

As for Europe, Fillon is still remembered for having voted against the Maastricht Treaty in 1992, and although he now describes himself as European, he [insists](#) that France "remain sovereign in a Europe that respects nations." Of course, if the EU didn't exist, Le Pen would have had to create it, so useful has it been as a scapegoat in her political rise. (The EU does try to defend its own honor: While Le Pen has been demanding France's withdrawal from the union, the EU has been demanding [more than 300,000 euros](#) it claims she took from Brussels's bank account to pay her National Front staff.)

Finally, both Fillon and Le Pen have repeatedly played the national identity card. This month, Fillon caused a stir by presenting as presidential credentials that he is "[Gaullist and Christian](#)." Rarely frequenting the church, Le Pen instead [anchors her faith](#) in the scripture of classic extreme right-wing (and anti-Semitic) thinkers like Maurice Barrès and Charles Maurras. What unites these otherwise disparate discourses is that they leave precious little room for France's 5 million Muslims.

Macron's erstwhile colleagues in the Socialist Party have done little to set themselves apart from these claims. In particular, their leading candidate, former Prime Minister Manuel Valls, has hammered away at a straight and narrow interpretation of republicanism. He called for the outlawing of the so-called "burkini," an Islam-inspired full-body swimsuit, warning French Muslims to be more "[discreet](#)" in advertising their religious convictions. Valls has been equally unbending on the politics of immigration. During a visit to

Germany last year, he slammed Chancellor Angela Merkel's open-door policy on refugees. Echoing his ostensible foe in Le Pen, he [declared](#): "Europe cannot welcome any more refugees."

Given the widespread appeal of anti-immigration and anti-European politics, Macron's position becomes all the more striking. It reflects not only his political and moral convictions but a strategic conviction as well: The French and the Germans, he believes, can still be rallied to the European project. He first expressed this position when, in early January, he published an editorial in *Le Monde*. Addressing the terrorist attack on a Christmas market in Berlin, he [announced](#): "We are all Berliners, we are all Europeans." In crisp and compelling language, Macron argued for more and not less Europe. The answer was not to "expel refugees from the national community and build barricades between one another" — the solution for which nationalists on both sides of the Rhine clamored — but was instead to galvanize cooperation and compassion among Europeans. Whereas Le Pen and Valls see the refugees as a burden, Macron insisted they represented an "[economic opportunity](#)" for France and Europe.

Significantly, Macron [repeatedly praised](#) Merkel for maintaining, even in the face of terrorism, "our common values and preserving our common dignity by welcoming and lodging refugees in distress." But Macron had not only come to praise Merkel on her refugee policy but to provoke her on her monetary policy. Describing the euro as little more than a "weak Deutsche mark," he urged Germany to adopt a pro-growth and pro-investment strategy, all the while cutting slack to the EU's struggling members. Should Berlin fail to do so, Macron [warned](#), the euro "would be dismantled in 10 years' time." In a clever riff on the concept of sovereignty — which now has totemic significance for Europe's nationalist right — Macron

went on to argue that the euro will be saved only if *Europe*, and not its constituent members, acts like a truly sovereign body.

Not only has he challenged the Gaullist concept of national sovereignty, but Macron is also challenging the Gaullist concept of the state. Rather than maintaining the dirigiste model bequeathed by the concept's namesake,

Macron is an unapologetic liberal.

Macron is an unapologetic liberal. Not surprisingly, the policies he enacted as economy minister remain radioactive among many on the left. The so-called "loi Macron" of 2015 bundled together a number of modest labor reforms, in particular allowing stores to remain open on Sundays, that sparked waves of union demonstrations and a schism within the Socialist Party. But Macron not only had the support of one important union, the CFDT, but also powerful old-guard Socialists like Gérard Collomb, the mayor of Lyon. Several other powerful figures on the left have since gravitated toward his candidacy, including the influential architect and intellectual Roland Castro and Daniel Cohn-Bendit, the former revolutionary of 1968 and current Green Party representative in the European Parliament. (Cohn-Bendit was, in fact, slouching prominently in the front row during Macron's speech at Humboldt, right next to former German Foreign Minister Joschka Fischer.)

Most telling, though, was the enthusiastic legion of students sitting in the auditorium's mezzanine. Macron made a point of directly addressing them during his talk, just as the students made a point of repeatedly cheering both his economic and political stances. What we might call *Macronomie 201* has a swelling enrollment in France as well. In contrast to the staid and sparse crowds at the rallies of his opponents, Macron's campaign events consistently draw thousands of loud and enthusiastic supporters.

Last week, fewer than 300 people attended a speech by Valls in Clermont-Ferrand — the same city where, a week earlier, Macron [drew](#) a standing-room-only crowd of 2,000, with another 500 turned away at the doors. Reflecting Macron's burgeoning popularity, polls now credit him with [20 percent](#) of the vote, placing him in third place behind Le Pen and Fillon. In a [startling poll](#) published last week by French pollster Ifop, Macron would defeat not only Le Pen with 65 percent of the vote, but also Fillon by 52 percent, in the second round of the election.

The obstacles faced by Macron, running without the support of a political party, remain imposing. But as the unflappable and understated political commentator Eric Dupin recently [wrote](#), "something is happening" with Macron's candidacy. There is, he wrote, a kind of "political crystallization" taking place around his candidacy, spurred by Macron's promise to confront ideological shibboleths of the French left no less than the right. In a much-discussed [column](#), he wrote for the French edition of the *Huffington Post*, the crusty leftist Castro gave voice to this crystallization. Following their meeting last November in Paris, when Macron declared his candidacy to more than 10,000 supporters, Castro left deeply impressed. He was certain, he wrote, that Macron was not going to "occupy a centrist position but a central position. This is the proper place for a president of the Republic, one who is not the incarnation of a party but the president of all the French."

As elections and referendums in 2016 remind us, stranger things have happened. But unlike the experiences in Great Britain and the United States, the stranger thing in France would be an immeasurably more hopeful thing, perhaps for all of Europe.

## The Verge : French minors will soon be able to watch real sex scenes in cinemas

Amar Toor

Minors in France will no longer be automatically prohibited from watching movies with non-simulated sex scenes, under new regulations that are set to be announced next month. As French television station [BFM TV reports](#), the forthcoming changes will relax a film ratings system that has repeatedly come under criticism from filmmakers and conservative groups alike.

Under a [law](#) passed in 2003, people under the age of 18 are

automatically barred from seeing films "with non-simulated sex scenes and extreme violence" in French cinemas. A report last year from France's film classification board criticized the law, arguing that the line between real and simulated sex scenes has blurred in recent years. "A scene can be quite explicit on the screen while being simulated during the shooting," the report reads. Filmmakers have also criticized the law on economic grounds, because an under-18 rating — equivalent to an "NC-17"

rating in the US — can keep movies out of major French theater chains.

A more liberal approach

The new law, set to be announced by the beginning of February, eliminates the automatic ban in favor of a more nuanced approach. "The ban on children below the age of 18 will no longer be automatically applied to works containing scenes of non-simulated sex, but reserved for works involving scenes of sex or violence likely to seriously hurt the

sensitivity of minors," the culture ministry tells BFM TV.

Controversy over the rating system erupted last year, after *Love*, an erotic 3D film from Gaspar Noé, was classified with an under-16 rating — the equivalent of an "R" rating in the US. A far-right association called Promouvoir later contested the rating, forcing the classification board to rate it under-18. Promouvoir, which [claims](#) to promote "Judeo-Christian and family values," has also [successfully lobbied](#) for more restrictive ratings



## Safran's \$10 Billion Stitch-Up

Chris Hughes

Politics and meanness are undermining an attempt to create a new French aerospace champion. Safran SA's 9.7 billion euro (\$10.3 billion) offer for industry supplier Zodiac Aerospace is structured in a way that gives the state a better deal than ordinary shareholders.

Safran has secured the agreement of Zodiac's board for a deal that's been circling for months. The structure seems to have been determined to please a handful of dominant Zodiac shareholders, including the government, which wants to stay invested in the combined company. So Safran intends to pay them in its own shares while buying out everyone else for cash.

This shouldn't be too hard a problem. Safran could give shareholders a choice of taking either its shares or cash, with the cash offer being more generous. That way, most independent

investors would probably choose the higher and more certain value of the cash offer, leaving the core shareholders to take the stock alternative. That's what Anheuser-Busch InBev SA/NV did in its first offer for rival brewer SABMiller Plc when faced with a similar issue.

But Safran isn't going down this route. Instead it's using strong-arm tactics to make its independent shareholders play ball.

While there are separate cash and share offers, the share offer is bizarrely the more generous of the two. This is worth 32.99 euros per Zodiac share based on Safran's stock price on Thursday morning. That's a 42 percent premium over where Zodiac closed on Wednesday. The cash offer is at 29.47 euros, a mere 26 percent bump.

Now to the coercion. The tasty share offer will be made only if at least 50 percent of Zodiac's shares are first tendered to the cash offer.

The group of big investors has already said it won't subscribe for that. So about 75 percent of the rest have to accept the cash offer to get any deal at all.

It's not a great choice. If all independent shareholders snub the cash offer in the hope of taking the more valuable share offer, the hurdle won't be passed and Zodiac shares risk falling back to their pre-deal 23.31 euro level. They were trading at 28.40 euros after the tie-up was announced.

Shareholders who value the principle of equal and fair treatment and don't want to be pushed around will consider that a risk worth taking. After all, independent investors in Sika AG have fought valiantly against being disadvantaged relative to family shareholders in Compagnie de Saint-Gobain's attempted takeover of the Swiss chemicals group.

Safran could afford to be more generous. It has excess cash, which

it's planning to pay out in a special dividend to its own shareholders. That could go into the deal instead. What's more, Safran sees the acquisition covering its cost of capital within just three years, based on the expected cost cuts. It reckons those savings are conservative so it could probably have afforded to pay more.

Zodiac's board has capitulated to this deal even though it blatantly treats some investors better than others. But independent shareholders don't have to roll over too.

This column does not necessarily reflect the opinion of Bloomberg LP and its owners.

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THE WALL  
STREET  
JOURNAL

## Safran to Buy Plane-Cabin Specialist Zodiac Aerospace for \$9 Billion

Robert Wall

Updated Jan. 19, 2017 6:47 a.m. ET

LONDON—France's Safran SA said Thursday it had agreed to buy beleaguered cabin-interiors specialist Zodiac Aerospace for €8.5 billion (\$9 billion), in the latest sign of consolidation among suppliers to the world's top plane makers.

The deal would make Safran, with a combined €21 billion in sales, the world's No. 3 aerospace supplier to Airbus SE and Boeing Co.—United Technologies Corp. is the No. 1, ahead of General Electric Co.'s aviation business.

Boeing and Airbus, the world's largest plane makers, are putting increased pressure on their suppliers for discounts, as they seek to win orders from airlines by offering lower prices. That has caused suppliers to seek greater scale to gain efficiencies.

The tie-up comes only three months after Rockwell Collins Inc. agreed to pay \$6.4 billion to buy Zodiac's chief rival, B/E Aerospace Inc., uniting two of the biggest plane-parts suppliers.

But some deals have been opposed by plane makers on concerns that consolidation could go too far.

Honeywell International Inc. pulled the plug on its \$90 billion bid for United Technologies Corp. less than a year ago amid opposition from Airbus and Boeing.

Safran will pay €29.47 a share for Zodiac in a tender offer. If 50% of shares are tendered, the companies will merge based on an exchange ratio of 0.485 a Safran share for each Zodiac share. The structure will allow Zodiac's family shareholders and two institutions to remain investors in the combined company. Including debt, the deal is valued at €9.7 billion.

Safran will also pay a €5.50-a-share special dividend to its shareholders before the deal closes.

Both boards back the deal, which still requires approval from shareholders and regulators.

Safran and Zodiac said the deal would generate at least €200 million in annual pretax savings, half of which would come in the first year.

The deal shouldn't create big layoffs, because of the complementary nature of the businesses, Safran Chief Executive Philippe Petitcolin told reporters.

Safran, which makes everything from plane wiring to aircraft engines, has long been interested in

acquiring the smaller supplier. Zodiac in 2010 rejected a takeover proposal from the company.

This time a sale made more sense for shareholders and employees, Zodiac CEO Olivier Zarrouati said.

Negotiations between the two began late 2016 and moved quickly, Safran Chairman Ross McInnes said. The French government, a Safran shareholder, was aware of the talks and gave its blessing to the deal, he said.

Almost half the combined company's employees would be in France, with a sizable footprint in the U.S.

The takeover plan comes after a turbulent period for Zodiac. The company fell behind on providing seats to airlines for Boeing and Airbus jets, angering customers, delaying plane deliveries and causing some carriers to seek new suppliers. Airbus publicly chastised Zodiac for late delivery of plane toilet components for the European plane maker's new A350 long-range jet.

The companies said Safran would help Zodiac more quickly overcome problems in its seats- and plane-interior business.

Mr. Petitcolin added that resources wouldn't be diverted from a key aircraft engine Safran builds in partnership with General Electric Co. for Airbus and Boeing.

Safran plans to extend its CEO's mandate by three years to help manage the integration of Zodiac and oversee a big jump in plane production.

Shares in Zodiac had declined more than 10% over the past two years, despite record plane deliveries during the period.

Safran said it would finance the transaction from cash, proceeds of already agreed disposals, existing debt facilities and a €4 billion bridge loan. It said it would target an investment-grade profile upon closing and a dividend payout plan of around 40% of adjusted net income.

**Corrections & Amplifications:** Safran and Zodiac will create the world's No. 3 aerospace supplier to Airbus and Boeing, with a combined €21 billion in sales. An earlier version of this article incorrectly stated the combined company would have shares of €21 billion. (Jan. 19, 2017)

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# In Germany, a Far-Right Leader Stirs a Long-Suppressed Nationalism

Amanda Taub  
and Max Fisher

DRESDEN, Germany — At a chandelier-lit beer hall on Tuesday evening, the lean blond man's voice boomed out over a crowd of hundreds — some middle-aged and working-class, but with a contingent of polished young professionals.

"The AfD is the last revolutionary, the last peaceful chance for our fatherland," declared the man, Björn Höcke, referring to the political party Alternative for Germany, and employing a reverential term for [Germany](#), one of several nationalist buzzwords usually shunned in the country's politics.

"Jawohl!" a few shouted. "Yes!"

When Mr. Höcke (pronounced HOOK-ay) lamented that "German history is handled as rotten and made to look ridiculous" — a subtle but clear reference to guilt for the Holocaust and other Nazi war crimes — the crowd responded by chanting, "Deutschland, Deutschland."

His speech at the rally in Dresden on Tuesday touched off a wave of national alarm by challenging Germany's national atonement for the Holocaust and for its Nazi crimes. His comments drew broad criticism for their venom and because Mr. Höcke, a rising star in the AfD, has found growing success with his messages of extreme nationalism.

Shouting to be heard over cheering supporters, many of whom stood, Mr. Höcke challenged the collective national guilt over the war that has restrained German politics for three generations. At times he used language that seemed to hint at lamenting Nazi Germany's defeat.

Germans were "the only people in the world to plant a monument of shame in the heart of its capital," he said, referring to a memorial to murdered Jews in Berlin. He added that Germans had the "mentality of a totally vanquished people."

Mr. Höcke, who began his speech by triumphantly raising his arms over his head, represents the rightward flank of Alternative for Germany, an already far-right party.

But his speech and the crowd's energetic reception of his words offer a glimpse of [the relatively new party's threat to German politics](#). He is on the fringe, but that fringe is growing in numbers and in willingness to defy the usual restraints, to the rising alarm of Germany's establishment leaders,

who on Wednesday denounced his comments.

Sigmar Gabriel, leader of the Social Democrats and the country's vice chancellor, shot back in [a Facebook post](#) showing a banner splashed across an image of Mr. Höcke standing at a lectern, reading: "To remember the millions of victims of the Nazis is no weakness. Baiting the helpless to promote yourself is weakness."

The chairman of the Green Party for the state of Saxony, Jürgen Kasek, on Twitter called for the speech to be checked for possible violations of anti-incitement laws. He accused Mr. Höcke of saying things that violated the spirit of the Constitution "in the style of national socialism."

The Central Council of Jews in Germany, in a statement, called the comments "deeply deplorable and fully unacceptable." Charlotte Knobloch, a former president of the council, told the newspaper Stimme Heilbronner that Mr. Höcke's speech was "unbearable agitation," and she warned that "the AfD is poisoning the political culture and social debate in Germany."

Mr. Höcke's comments even drew a rebuke from the chairwoman of Alternative for Germany, Frauke Petry, who said they were out of line and "straining" the party. Ms. Petry and Mr. Höcke have been locked in a power struggle for months over how far to the right to position the party, which was originally founded on an anti-euro platform.

The party is polling at nearly 15 percent, ahead of some mainstream parties, for this fall's national election. [Its rapid rise](#) demonstrates that German nationalist politics can find a foothold in unexpected places, for example among educated young people like those at Tuesday's rally.

Those 20-somethings, many in coat and tie, looked clean-cut and primly trendy. Most of the men wore their hair buzzed close on the sides and long and floppy on top, separated by a severe side parting that seemed unmistakably evocative of Hitler's.

Mainstream parties in Germany have long eschewed charisma-driven politics — in the style of personality-centered movements — and have avoided shows of overt nationalism. But that leaves an opening: A populist party like Alternative for Germany can indulge those ideas just enough to excite its supporters without scaring off larger groups of voters.

The Alternative for Germany supporters who were gathered in Dresden, the capital of Saxony,

seemed animated in a way that is unusual when it comes to modern politics in Germany. Most Germans rarely feel allowed to get excited about their political beliefs or, just as sensitive an issue, about their national identity.

The atmosphere lent the evening a feeling of thrilling transgression, as if the act of cheering half-forbidden ideas was as important, or perhaps more so, than the ideas themselves.

Mr. Höcke, with his back to the camera, met some supporters who attended the Alternative for Germany rally on Tuesday. Shane Thomas McMillan

Julian M. Wälder, a 21-year-old law student, said he had initially joined the youth league of the Christian Democratic Union, the center-right party to which Chancellor Angela Merkel belongs. But the party did not feel like "real politics," he said.

Alternative for Germany, Mr. Wälder said, finally felt genuine. This is a core part of the party's message: While other parties are all the same, only Alternative for Germany really expresses the popular will.

Mr. Wälder and other young attendees seemed tense — the location of the gathering was kept secret until that morning in a failed attempt to avoid the anti-fascist protesters who often gather outside the semiregular rallies — but they were jovial. The rally on Tuesday felt, if not like a watershed, then a glimpse of a wider, more gradual change.

Calls for asserting a strong national identity are not pernicious on their own — all nations have identities, after all — but they remain somewhat taboo in Germany. And that taboo is precisely the point. Only the fringes would be brazen enough to champion a nationalist identity. But that risks letting those fringes define its contours.

Mr. Höcke, for instance, disavowed a [famous 1985 speech](#) by [Richard von Weizsacker](#), then the president of Germany, that called for the Allied victory to be seen as the liberation of the German people, not as their defeat.

Mr. Höcke called Mr. Weizsacker's address "a speech against his own people, and not for his own people."

Since 2015, when Germany received nearly a million asylum seekers, Alternative for Germany has sought to portray national identity as under threat from migration and multiculturalism.

Establishment parties and other enemies, Mr. Höcke told the crowd,

"are liquidating our beloved German fatherland, like a piece of soap under warm running water. But we, we beloved friends, we patriots, we will close this open tap, and we will win back our Germany, piece by piece."

Yascha Mounk, a lecturer at Harvard and a fellow at the [Transatlantic Academy](#) of the German Marshall Fund, said Germany had a style of government that could leave an especially wide opening for fringe parties. Because the German parties tend to govern in a grand, cross-ideological coalition, voters often see little change when parties shift in and out.

Politics in Germany usually play out in quiet, polite negotiations among members of the coalition, rather than in dramatic, public clashes between competing parties.

The coalition blocks fringe parties like Alternative for Germany, which can then paint mainstream politics as an elite conspiracy to impose unpopular policies and to shut down real debate.

The crowd, at one point, chanted a line Mr. Wälder has also used: "We are the outsiders." It was a jarring moment, as many of the "outsiders" were young, white and wore suits and ties — seemingly the definition of an insider in Germany.

Because these young Germans say that the political establishment has denied them sufficient pride in their national identity, they feel as if they are being oppressed, even though they have every right and live in a country that has one of Europe's best-performing economies.

But young and old supporters of Alternative for Germany seemed to find something at Tuesday's rally that is not common among far-right politics: a sense of impending victory. Not in the sense that they would oust Ms. Merkel's government this fall — she is likely to retain power — but in the belief that their movement would quickly shape and perhaps one day overcome a system that they see as denying them their German pride.

Mr. Mounk said that the rise of extremist voices may have been inevitable, given the failure of mainstream parties to satisfy the desires for national self-esteem and for charismatic politics.

That left an opening for Mr. Höcke to deliver a message "beyond the usual gripes about being too ashamed of being German," Mr. Mounk added, "implying, though

never quite stating outright, that defeat in 1945 was a bad thing."

Mr. Höcke concluded his speech on Tuesday with a rallying call.

## THE WALL STREET JOURNAL

7:20 a.m. ET

ST ALBANS, England—The U.K. economy has performed better than most experts expected since [June's Brexit vote](#), thanks largely to British consumers who confounded predictions that they would cut back on spending.

British officials and most economists thought a vote to quit the European Union would persuade Britons to squirrel away more cash, causing growth in the wider economy to tail off. Some expected [Britain might even tip into recession](#) as uncertainty over the country's future ties to its biggest trading partner paralyzed companies and households.

Instead, consumers embarked on a spending run in the second half of 2016 that underpinned a robust expansion. The International Monetary Fund said Monday it estimates the U.K. grew 2% for all of 2016, comfortably above its 1.6% growth forecast for the U.S.

This consumer resilience was unanticipated by economists, highlighting the difficulty of predicting how big, political surprises affect short-term growth. It suggests investors should be cautious about forecasts of the possible economic effects of high-stakes elections in Europe this year, as well as Donald Trump's presidency in the U.S.

## THE WALL STREET JOURNAL

COMMENTS

The British have been consumed since they voted to leave the European Union last year with whether Brexit should be "hard" or "soft." Theresa May all but ended that debate Tuesday by saying Brexit means a clean and honest break from the EU, and the Prime Minister is smart to do so.

Mrs. May said Britain will forgo membership in the tariff-free common European market and instead seek a new and comprehensive free-trade agreement with the EU. London also is ready to leave Europe's customs union, which provides common external tariffs for EU nations. Mrs.

"Beloved friends, we must do little less than make history, so that there will be for us Germans, us Europeans, a future," he said, as the

audience stood, cheered and chanted his name.

He added, "We can make history, and we are doing it."

# British Consumers Keep Economy Humming Months After Brexit Vote

Jason Douglas

Jan. 18, 2017

It has also bolstered Prime Minister Theresa May, who on Tuesday talked up the economy as [she confirmed the U.K. intends to leave the EU's single market](#) for goods and services and will pursue multiple new trade deals across the globe, including with the EU itself.

British households spent 2.6% more in the third quarter than they did a year earlier, according to the latest official data. On a quarterly basis, their spending rose for the seventh straight quarter, aided by gently rising wages, reduced savings and higher borrowing—behavior sharply at odds with how Britons had been expected to react to a Brexit vote.

They are soon to be tested, though, as a weak pound is propelling inflation higher. Consumer prices rose 1.6% in December, the quickest gain in more than two years. [Bank of England Gov. Mark Carney said Monday](#) that he expects this squeeze on households to intensify, slowing the economy in the coming months.

In St Albans, a commuter town some 20 miles from London, retired printer and Brexit voter Geoffrey Bassill, 74 years old, struck a defiant note. Higher inflation, he said, "is one of the things we are prepared to put up with to get our independence back."

Britons voted 52% to 48% on June 23 to take the U.K. out of the EU, a decision that rocked a political establishment that had mostly

campaigning in favor of remaining a member.

Institutions including the [U.K. Treasury](#), the Bank of England and the IMF, as well as dozens of private-sector economists, had warned that an exit vote would likely trigger a slowdown. A critical assumption underpinning those predictions was that consumers would retrench.

More than two dozen forecasts compiled by the Treasury in July showed that economists expected the economy to stall in the second half of 2016, dragging annual growth down to 1.5%. Growth in 2017 was seen at a paltry 0.5%. The Treasury itself forecast the economy would shrink as the consequence of the "immediate and profound" shock of a leave vote on consumers and businesses.

In the weeks after the referendum, surveys showed there was indeed a shock—but it appeared short-lived. A gauge of consumer confidence published by market research firm GfK Ltd. plunged in July but bounced back in August.

Official data in December confirmed that [growth in the third quarter rose an annualized 2.3%](#), fueled by rising household spending. Early data suggests the economy broadly maintained its momentum in the final three months of the year; official growth figures will be released Jan. 26.

The Bank of England, which [helped support consumer spending by](#)

[cutting interest rates](#) and reviving a crisis-era bond-buying program in August, acknowledged in November that the economy had outperformed expectations and officials said they no longer anticipate cutting borrowing costs again unless the outlook weakens.

Ashoka Mody, a former IMF official who now teaches economics at Princeton University, said he thinks forecasters erred because their gloomy assessment of the long-term costs of Brexit are probably "over the top." That caused them to overestimate the short-term hit, too.

"Consumers don't seem to think they will be poorer tomorrow," Mr. Mody said.

Some shoppers in St Albans nevertheless say they are growing more cautious, especially as price-growth picks up. The pound has fallen roughly 20% against the dollar since the referendum, fueling a surge in prices for gasoline and cars, imported chocolate and the love-it-or-hate-it salty breakfast spread Marmite.

Maira Durkin said she felt the effects of the weak pound on a recent family vacation to Australia and expects her neighbors will feel the pinch soon.

"Reality is going to set in," said the 62-year-old, who voted to remain in the EU.

Write to Jason Douglas at [jason.douglas@wsj.com](mailto:jason.douglas@wsj.com)

## Editorial : Theresa May's Honest Brexit

Jan. 17, 2017

7:36 p.m. ET 46

May said Britain will negotiate its own customs deal with the EU to simplify trade in goods.

This framework sent advocates of softer Brexit options running for the smelling salts, with the pound falling more than 1% against the dollar Monday after the contents of Mrs. May's speech leaked over the weekend. What did they expect? The political reality after June's referendum is that there has to be some form of *exit* in Brexit, and the pound rallied Tuesday.

Staying in the single market would require Britain to continue contributing to the Brussels budget, accept EU economic rules and the jurisdiction of the European Court of Justice, and admit levels of immigration that have become

politically unacceptable. Remainers said these concessions were worth making, but voters disagreed and they must be respected.

Mrs. May's strategy should prevent the EU from hamstringing Britain during negotiations and after Brexit is final. Leaving the single market and customs union is the only way London can negotiate its own trade deals with the rest of the world. President-elect Donald Trump told the Times of London the U.S. would start talks soon over a bilateral trade deal with Britain, and that opportunity can't be missed.

The prospect of a U.S.-British deal might also be useful as leverage with the EU. Some EU voices continue to sound as if they want to punish Britain as a lesson to other

countries that might consider leaving. They want to drive the hardest bargain possible, and the lure of the common market was their best card. Mrs. May has taken it off the table before they could play it.

Both sides can now negotiate what is in their best interests, and the smart play is for both to help the other succeed. Britain is a huge market for European goods, while Britain wants to remain Europe's main financial center. Mrs. May rightly warned in her speech that a punitive EU deal for Britain would be an act of "calamitous self-harm" for the Continent.

The biggest threat to the EU isn't a Britain that succeeds outside the common market. It is an EU that keeps failing to provide the

economic prosperity demanded by its frustrated citizens. What drove Britain from the EU was the Continent's failure on immigration control, fighting terrorism and delivering jobs and rising incomes.

The clean break may also concentrate minds in Britain on the need for more pro-growth reform. The prospect of a Brexit reversal, in toto or by degrees, has caused some Tories to shrink from the bold steps needed to make the U.K. a

mecca for capital and human talent. This means setting tax rates that welcome investors capital and give incentives to new businesses. And it means rethinking the giant welfare state that the EU seems to expect.

To put it another way, Mrs. May is telling Britons they're embarking on another great chapter in self-government. The Brits helped invent the idea, so they know what it takes.

## INTERNATIONAL

THE WALL  
STREET  
JOURNAL

### U.S. Officials Say Sizable Arab Force Identified for Raqqa Campaign

Gordon Lubold  
and Margaret  
Coker

Jan. 18, 2017 3:08 p.m. ET

The U.S.-led coalition in Syria has amassed an Arab force it considers large enough to move the fight against [Islamic State into the city of Raqqa](#), U.S. military officials said, which would represent a significant advance after months of scrambling to find enough fighters for the crucial battle.

The U.S. military now has counted as many as 23,000 men in northern Syria who identify themselves as Arab and say they are willing to fight Islamic State, according to multiple officials familiar with the situation on the ground inside Syria.

Some Arab rebel groups allied with the U.S.-led coalition question the U.S. assessment of the number of Arabs who would be ready to join the fight against Islamic State in Raqqa. U.S. military officials concede that assessing the number of forces on the ground is a challenge, given limited numbers of U.S. special operations forces inside Syria, but repeatedly confirmed the 23,000 figure.

The offensive also may not start soon because of deepening tensions in the relationship between the U.S. and Turkey, which has a long border with Syria. The two governments have been at odds over [Washington's alliance with a Kurdish militia in Syria that Ankara considers an offshoot of an internationally designated terror group](#) in Turkey. Amid this mistrust, a closer relationship has developed between Turkey

and Russia, increasingly a U.S. rival.

Marine Gen. Joseph Dunford, the chairman of the Joint Chiefs of Staff, said on Wednesday that [the military is ready to present the incoming Trump administration with options](#) for how to [pursue the fight against Islamic State](#).

Some of the men who would make up the Arab force have been recruited from camps filled with Syrians displaced from their homes and communities due to the war, U.S. military officials said. They are not considered professionally trained, but are seen as motivated to fight Islamic State. The fighters come from about 15 different tribal groups, according to one of the officials.

One Syrian tribal leader who coordinates between Syrian Arab tribes working with the U.S.-led coalition suggested the U.S. figures were released "merely to create media buzz." He added that these Arab fighters are already part of the Kurdish-dominated Syrian Democratic Forces, or SDF, and they number around 1,200.

Another rebel official, Mahmood Al-Hadi, a political leader with the Raqqa Revolutionaries Front, put the size of an Arab force at 1,500 fighters. "In reality there are not thousands of Arab fighters," said Mr. Hadi, whose faction is one of the largest Arab groups within the anti-Islamic State coalition.

The U.S. has encountered difficulties working with Arab rebels in Syria. In June, a small U.S.-backed group in eastern Syria launched an offensive against

Islamic State only to be surrounded and have many members killed by the militants.

The SDF is the U.S.-backed umbrella force in Syria fighting Islamic State, numbering about 50,000, according to Pentagon officials. Of those, about 27,000 are mostly Kurdish fighters from the YPG, the dominant force within the SDF, they said.

The remaining 23,000 are part of the so-called Syrian Arab Coalition, or SAC, which is comprised mostly of Arab forces but also includes some Kurdish, Christian and other groups, according to U.S. military officials. SAC members haven't all been vetted and trained by the American special operations forces who are in Syria, but the commanders in charge of about 13,000 of the men have been vetted, according to one of the military officials.

The forces with which the U.S. is aligned in Syria have for several months been preparing for an advance into Raqqa by working to isolate the outer rings of the city, according to U.S. officials. SAC fighters are near the Tabqa Dam, which controls much of the water supply in the area, the official said.

Still, operations to enter Raqqa could be months away and won't likely begin until after the U.S. and Turkey iron out their political differences. U.S. military officials have long recognized the need to assemble a force of Arabs to intensify the military campaign to retake Raqqa, Islamic State's de facto capital in Syria.

An Arab force, U.S. officials say, will assuage concerns both in Syria and in Turkey that the Kurdish YPG force won't try to grab and hold territory beyond Syria's traditional Kurdish heartland.

American officials consider the YPG the most effective fighting organization in the area against Islamic State. Turkey believes a significant number of YPG fighters have links with the Kurdistan Workers' Party, known as the PKK, which the U.S., Turkey and others have designated a terrorist organization.

Another issue complicating the U.S.-Turkish dynamic is the Turkish operation to capture the Syrian town of al-Bab as part of an almost five-month-old military campaign to cleanse the Turkish border of Islamic State positions.

The Turkish military and its Syrian militia allies, after clearing a belt of border land extending for more than 60 miles, have been bogged down by entrenched Islamic State fighters holding al-Bab. U.S. and Turkish officials are trying to work out a plan to have a U.S. air surveillance and bombing campaign help break the stalemate, according to two officials familiar with the situation. U.S. airstrikes in the area took place Tuesday, a U.S. military spokesman said, following criticism from Turkey of U.S. inaction.

—Raja Abdulrahim and Noam Raydan contributed to this article.

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The  
New York  
Times

### Iraqi Forces Take Eastern Mosul From Islamic State

Rick Gladstone

American military personnel in Iraq during a battle with Islamic State militants at the University of Mosul on Wednesday. Muhammad Hamed/Reuters

[Iraq's](#) government forces said on Wednesday that they had gained control of the eastern half of Mosul,

three months after they began an assault to retake the northern city from Islamic State militants.

Iraqi forces in action Wednesday against Islamic State militants in the Yarimja district of Mosul. Alaa Al-Marjani/Reuters

The Iraqi advance — the biggest military operation in the years since

the [United States ended its occupation of the country in 2011](#) — was aided by American air support and military advisers. But after weeks of heavy fighting and high casualties in areas of Mosul east of the Tigris River, the older and more densely populated western neighborhoods of the city remain in Islamic State hands.

Mosul, which was Iraq's second-largest city when the [Islamic State seized it in 2014](#), has become a focal point in the broader battle to crush the Islamic State, the Sunni extremist group that claimed to have established a new Islamic caliphate in areas of Iraq and Syria.



Iraqi soldiers worked to drive Islamic State militants from the district of Al Zirai in Mosul on Wednesday. Muhammad Hamed/Reuters

Tens of thousands of Mosul residents have fled since the Iraqi military began the recapturing operation in October, beginning with sparsely populated outer districts. Roughly a million civilians are believed to still be in the city.

Members of Iraq's counterterrorism service were the lead fighters in seizing eastern Mosul, and they faced ferocious resistance from Islamic State defenders who had planted booby traps and sent suicide bombers to stop them. American warplanes sought to block the Islamic State from reinforcing fighters in the

east by bombing the Tigris bridges linking it to the western side.

The aftermath of a car bombing in the district of Al Andalus in Mosul on Monday. Muhammad Hamed/Reuters

Lt. Gen. Talib Shaghati of the Iraqi Army said on Wednesday that his forces had effectively taken control of the eastern side, declaring that "important lines and important areas are finished." He spoke at a news conference in Bartella, a town east of Mosul.

Prime Minister Haider al-Abadi of Iraq, in a statement posted on his Twitter account, extolled what he described as "the efforts of our brave forces" to retake Mosul.

It remains unclear how long it may take to clear the western half, which

is characterized by narrow streets that could make the fight against entrenched Islamic State fighters even more treacherous.

The triumphal moment on Wednesday was tempered by growing exasperation in the western city of Falluja, where Iraqi forces and allied militias routed Islamic State fighters more than six months ago. Many neighborhoods were destroyed in that battle, and residents have increasingly complained that much of the city remains uninhabitable.

The remains of a building last month in Falluja, Iraq. Sabah Arar/Agence France-Presse — Getty Images

In a dispatch from the Sunni-dominated Falluja, Agence France-

Presse quoted civilians as saying the lack of reconstruction, services and jobs threatened to rekindle the resentment toward the Shiite-led government in Baghdad that had helped incubate support for the Islamic State among some members of the Sunni Arab minority.

The oil fields in Basra, Iraq, on Tuesday. Essam Al-Sudani/Reuters

Iraqi officials have said they lack money for reconstruction, hobbled by the country's overreliance on its [oil industry](#), which has been repeatedly disrupted by war and depressed by low prices.

## THE WALL STREET JOURNAL

# Military Ready to Present Trump Team with Options to Fight Islamic State

Julian E. Barnes

Updated Jan. 18, 2017 12:16 p.m. ET

BRUSSELS—America's top uniformed officer said the military is ready to present options to the new administration in the fight against Islamic State.

Marine Gen. Joseph Dunford, the chairman of the Joint Chiefs of Staff, on Wednesday said he would "present options to accelerate the campaign" against Islamic State to James Mattis, the incoming Trump administration's nominee for defense secretary.

"My job is to share options the next leadership team can choose and identify the risks and opportunities associated with those options," Gen. Dunford told reporters in Brussels.

President-elect Donald Trump has said intensifying the fight against Islamic State is a priority of his administration and said he wants a plan for a stepped-up military

campaign within 30 days.

Gen. Dunford said he met last Thursday with the president-elect, Vice President-elect Mike Pence and the new national-security team. He also participated in a transition-planning exercise with the incoming administration's nominees.

He said the military was "singularly focused on getting after" Islamic State, Nusra Front, al Qaeda and other extremist groups in Syria that threaten the U.S. and its allies.

The challenge for the new administration, he said, will be to insure that Syria isn't a sanctuary for Islamic State to continue attacks into Iraq after Mosul falls to government forces. A key priority, he said, was to make sure that Islamic State fighters can't move between Iraq and Syria to reinforce positions.

The Pentagon has been drawing up [proposals for weeks that would move tactical authority](#) from the White House back to the military and easing restrictions on the

number of troops used in specific missions, military officials have said.

Military officials on Monday said the options wouldn't include deploying any large U.S. ground combat force to Syria or Iraq. Gen. Dunford declined to discuss his specific recommendations.

"What is really important is first that we have a conversation about what we are doing today, why we are doing it, and what other things might be done and why we haven't done it to date," Gen. Dunford said.

Gen. Dunford was in Brussels this week for meetings with his counterparts at the North Atlantic Treaty Organization. On Monday, he met in Paris with military officers involved in the campaign against Islamic State. Gen. Dunford said military leaders want to improve intelligence sharing against terror groups and foreign fighters. "The big thing we want to do is establish an information [and] intelligence network as wide as we can," he said.

As chairman of the Joint Chiefs of Staff and the top uniformed officer, Gen. Dunford is one of the few senior officials who will remain after Mr. Trump is sworn in Friday. Deputy Secretary of Defense Bob Work, the Pentagon's No. 2 official, will also remain in his post to provide continuity, military and transition-team officials said.

Gen. Dunford said his discussions with the transition team about the national military strategy and the anti-Islamic State campaign began six weeks ago.

The three-hour transition exercise included current cabinet members and Mr. Trump's nominees, Gen. Dunford said. The current and incoming officials reviewed potential crisis scenarios including domestic terrorism, weather disaster or pandemic.

"You look at a series of things that could happen to the administration in the early days," Gen. Dunford said.

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## Barack Obama Was a Foreign-Policy Failure

Paul McLeary | 56 mins ago

I began writing this column (originally in the form of a blog) in 2009, at the very beginning of Barack Obama's presidency. His election filled me with both hope and trepidation: I admired his eloquence and visible intelligence, and I shared some of his foreign-policy instincts, but my early columns also expressed misgivings

about his overly ambitious foreign-policy agenda.

Now, in his final week in office, it's only natural to take a look back and offer an assessment. And when it comes to foreign policy, I regret to say my verdict is not particularly favorable.

Let's start with the positive side of the ledger. Here one must begin by recalling the dire circumstances when Obama took office. The world economy was in the worst financial

crisis since the Great Depression, and the United States was teetering on the brink of a complete economic meltdown. Unemployment was soaring, and millions of Americans were losing their homes to foreclosures. The United States was mired in two unwinnable wars, Osama bin Laden was still at large, and America's image in many parts of the world was at historic lows.

What has happened since? Here at home, the U.S. economy recovered

faster than any of the other major industrial democracies, we're now at full employment, and the deficits that resulted from the 2009 bailouts and stimulus package have shrunk dramatically. Wall Street was at near-record levels even before the recent post-election surge. More than 20 million Americans who lacked health care coverage now have it (for the moment), and we have seen important progress on civil rights for gay Americans and some other minorities. Moreover,

Obama managed these important economic and social achievements in the face of extraordinary opposition from the Republican Party, which seemed more interested in thwarting Obama than in doing anything to help the American people.

In foreign policy, the Obama administration successfully negotiated a deal that halted Iran's progress toward a nuclear weapon. He fulfilled the George W. Bush administration's plan to get U.S. troops out of Iraq and significantly reduced the U.S. role in Afghanistan. Bin Laden was found and eliminated on his watch. The Paris agreement was an important step forward on climate change, and the pivot to Asia began a much-needed reorientation of America's strategic focus. Ending the spiteful and counterproductive ostracism of Cuba was equally overdue and will do more for the Cuban people than our lame-brained embargo ever did.

In both foreign and domestic policy, therefore, this administration notched some genuine wins. And throughout his presidency, Obama conducted himself with the same dignity, humor, grace, intelligence, forbearance, respect for American values and traditions, and above all *class* that were on display in his [farewell speech](#). Contrast that with the tone of Donald Trump's first post-election press conference, held the day after Obama's speech, which was bombastic, deceptive, abusive, defiant, contemptuous of traditional norms — and entirely consistent with Trump's campaign and business career. (If you think Jan. 20 isn't a watershed moment for political leadership, think again.) No matter how petty or two-faced his opponents were, Obama rarely paid them back in kind. One suspects Americans will appreciate these qualities even more as Trump's egomaniacal circus act wears thin and his plutocratic policies leave his working-class supporters out in the cold.

Yet Obama's presidency is in other respects a tragedy — and especially when it comes to foreign policy.

Yet Obama's presidency is in other respects a tragedy — and especially when it comes to foreign policy. It is a tragedy because Obama had the opportunity to refashion America's role in the world, and at times he seemed to want to do just that. The crisis of 2008-2009 was the ideal moment to abandon the failed strategy of liberal hegemony that the United States had been pursuing since the end of the Cold War, but in the end Obama never broke with that familiar but failed approach. The

result was a legacy of foreign-policy missteps that helped propel Donald Trump into the White House.

For starters, Obama was persuaded to escalate the war in Afghanistan in 2009, in a pointless "surge" that was doomed to fail and did. Instead of acknowledging that U.S. interests were minimal and the war was unwinnable, his policies prolonged U.S. involvement to no good purpose and ate up a lot of his time and attention. He also decided to embrace and expand many aspects of the Bush administration's approach to the "war on terror," especially the use of drones and special operations forces to chase down suspected terrorists all over the world. He rightly banned torture — which is both ineffective and illegal — but otherwise let U.S. intelligence agencies off the hook for their past excesses and did little to rein them in when they overstepped on his watch, as the CIA did when it repeatedly tried to interfere with Senate investigations of the so-called torture regime. Meanwhile, his administration prosecuted whistleblowers and journalists with more vigor than any of his predecessors. The result? The United States is conducting counterterrorism operations in more places than ever before, albeit without apparent success, and Donald Trump has inherited a set of tools he can use to suppress honest reporting if he wishes. [Any bets on what he's likely to do?](#)

Second, Obama and his team misread and mishandled the Arab Spring. As Joshua Landis [explains](#) in a remarkable, must-read interview, the U.S. response to these events — and especially Syria — was ill-conceived from the very start. In particular, Obama and his team mistakenly viewed the Arab Spring as a large-scale, grass-roots uprising clamoring for liberal democracy and embraced it too quickly. They also underestimated the ability of violent extremists to exploit power vacuums in failed states and the resilience of authoritarian regimes in places like Syria or Egypt. These misunderstandings led to Obama's disastrous intervention in Libya, his inept diplomatic interference in Yemen, and the premature demand that "Assad must go" in Syria. As regular readers know, I think Obama made the right call when he decided not to wade deeper into the Syrian quagmire, but his handling of this admittedly turbulent and difficult-to-read process can hardly be considered a success.

Regarding Israel-Palestine, Obama took office vowing to achieve a two-state solution by the end of his first term, and he and his second-term secretary of state, John Kerry,

devoted endless hours to this quixotic quest. Unfortunately, they followed the standard "peace process" playbook and got the same results their predecessors did. A two-state solution is further away than ever and probably impossible, in part because Obama never seemed to grasp that relying on pro-Israel advisors with a long track record of *not* producing an agreement was a pretty good way to guarantee failure again. Nor did Obama and Kerry ever realize that Israeli Prime Minister Benjamin Netanyahu was not interested in a genuine two-state solution and that Israel was never going to cut a deal unless the United States made it clear that failing to do so would lead to dramatic reductions in U.S. military aid and diplomatic protection. Obama's offer of ever larger bribes of U.S. military aid proved inadequate to the task, as Netanyahu quite sensibly pocketed the offer and dug in his heels, even flying to Washington to dis the president in public. I understand why Obama felt he had to tolerate this sort of abuse from a dependent client state (after all, I [wrote a book about it](#)), but if he was unwilling to play hardball, he shouldn't have promised to deliver a solution and shouldn't have wasted any time or energy on it.

Obama's handling of Russia deserves no plaudits either. The early attempt at a "reset" made sense, but Obama and his advisors never understood that what they regarded as innocent and legitimate efforts to strengthen democracy in Eastern Europe or in Russia itself were not going to be viewed as benign by Moscow. Even worse, the White House appears to have been asleep at the switch in the months preceding the crisis in Ukraine and ended up blindsided by Russian President Vladimir Putin's decision to annex Crimea. Moscow's actions are regrettable on many levels, but Obama and the people in charge of U.S. policy in Eastern Europe should not have been surprised. Great powers are always sensitive to events near their borders, and Moscow had made it clear, at least since 2008, that it would not let Ukraine or Georgia drift toward NATO without a fight. It was also abundantly clear that Putin saw U.S. and EU efforts to draw Ukraine to the West as a step toward bringing them into NATO, and he had both the motivation and the ability to stop it. And he did.

Obama's desire to "rebalance" U.S. attention toward Asia was sound, and his administration did make important progress toward that goal. But the failure to set clearer priorities or liquidate losing positions faster undermined the effort.

Managing relations in Asia is complex, challenging, and time-consuming, and the United States will not be able to manage its Asian alliances and counter a rising China if it is constantly being distracted by events in places of far less strategic importance. The administration also blundered when it decided not to participate in China's new Asian Infrastructure Investment Bank and then found that even close allies like Britain and Israel were ignoring U.S. pressure and eager to join.

As [I argued several years ago](#), the days when the United States could create security and maintain order in nearly every part of the world are behind it, and U.S. leaders must do a better job of deciding which places matter most and which can be left to run themselves. To a large extent, Obama never made that choice.

What explains these various failures? Two things, primarily. First, although Obama took office intending to re-engineer America's relationship with the world, he was quickly co-opted by the existing national security establishment and bought into its mantra that the United States as the "indispensable power" must take the lead in promoting a rules-based world order centered on free markets, democracy, and human rights. Here Obama did face a real dilemma: The Democratic Party's foreign-policy apparatus was dominated by dedicated liberal crusaders, which meant there was hardly anyone Obama could appoint who agreed wholeheartedly with his foreign-policy instincts. Once he selected people like Hillary Clinton, Jim Steinberg, Susan Rice, Tom Donilon, Samantha Power, and Anne-Marie Slaughter — along with veteran insiders like Robert Gates, John Brennan, and Dennis Ross — the die was cast. This group had plenty of disagreements, to be sure, but they were all ardent believers in U.S. "global leadership," and they rarely saw an international issue they didn't think the United States should play a major role in solving.

Like Bill Clinton, Obama tried to address a vast array of global problems as cheaply as possible (and without "boots on the ground"), but he never told the American people what their vital interests actually were. Equally important, this most eloquent of presidents never gave voters a simple template to help them distinguish between the places where the United States should stand ready to fight and regions it could safely leave to others. Instead, almost any part of the world could suddenly become a "vital interest" for which Washington was supposed to have a solution, and failure to act immediately in a



crisis anywhere exposed him to charges that he was squandering U.S. credibility or leaving the country vulnerable to some shadowy danger. "He who defends everything defends nothing," warned Frederick the Great, and Obama's inability to develop a clear set of strategic priorities hurt him throughout his presidency.

Second, in both domestic and foreign policy, Obama failed to appreciate that his opponents were not as reasonable, rational, cool, or unselfish as he was. If a central theme runs through Obama's approach to politics, it is his conviction that people with differing views can come together, discuss, debate, share information, and gradually come to a mutual understanding that satisfies both sides and that will advance the public interest. This quality made him a great law review editor and a successful community organizer, but it hamstrung him as president in today's highly polarized political environment.

## THE WALL STREET JOURNAL

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*Stare decisis* ought to apply to foreign policy. In legal circles, that phrase—Latin for "let it stand"—means that judges and courts emphasize precedent and allow existing decisions to prevail unless there is strong reason to overturn them. The idea is to discourage individual courts from doing their own thing, which could create a dysfunctional patchwork of rulings. The notion reflects an understanding that the integrity, reputation and legitimacy of the legal system would suffer were the law to shift too frequently.

There is much to be said for a foreign policy equivalent of *stare decisis*. To say so isn't to argue against all change: Every policy should be reviewed regularly and revised as circumstances warrant. Fresh opportunities arise, as do new threats. But wholesale, frequent reversals of foreign policy run the risk of unnerving friends and emboldening adversaries.

The U.S. should be especially wary of sudden or sharp departures in what it undertakes abroad. Consistency and reliability are essential attributes for a great power. Allies who depend on Washington for their security need to know that this dependence is well placed. Serious doubt about America would inevitably give rise to a very different and much less orderly world.

When dealing with Netanyahu, for example, Obama (and Kerry) thought it obvious that "two states for two peoples" was in Israel's interest and that Netanyahu could be persuaded to see this once he was assured of continued U.S. support. They did not consider that Netanyahu might be personally wedded to the Likud party's dream of a "Greater Israel" or worried that cutting a deal would cost him his job, and therefore no amount of cajoling or coddling would ever win him over. In Putin, Obama saw the leader of a declining power whose best course was to liberalize further and reform the lagging Russian economy. In this view, Putin just needed to be told that the United States was only trying to help his Eastern European neighbors prosper and not seeking to hurt Russia or topple him. Putin had different priorities, however, and in any case was not going to accept verbal assurances as he watched NATO creep ever eastward. Back at home, Obama seemed to think that he could win over Republicans by

reaching out to them — as he did when he nominated a highly qualified and decidedly moderate candidate for the Supreme Court — never quite realizing that John Boehner, Paul Ryan, Mitch McConnell, Ted Cruz, and the entire tea party cared more about Obama failing than they did about America succeeding.

Barack Obama is an intelligent, disciplined, eloquent, upright, patriotic, and wholly admirable man, and in many ways he was an inspirational president

Barack Obama is an intelligent, disciplined, eloquent, upright, patriotic, and wholly admirable man, and in many ways he was an inspirational president. It is no accident that his approval ratings are vastly higher than the man who will succeed him or that he may be [the most popular politician in the world at large](#). He took office at a time when the United States faced genuine perils, and he safely steered the country away from the brink. Had he governed in a more

tranquil era, and with a spirited but constructive party opposing him, he might have achieved even more.

But in foreign policy Obama's record was mostly one of failure. Neither the state of the world nor America's position in it is stronger today than they were when he took office. The outcome in Iraq and Afghanistan may not be his fault, as those wars were failures even before he took office, but some of his decisions compounded the mistakes he inherited.

But as I said in [my column earlier this month](#), just because things look grim today does not mean they cannot get worse. And if they do, Obama's presidency, despite the missteps and missed opportunities, will seem like an era of honor and decency that Americans willfully cast aside and may never fully regain.

## Haas: Don't Make Any Sudden Moves, Mr. Trump

Richard Haass

Updated Jan. 18,

There would be two reactions. First, "self-help" would increase, as countries take matters into their own hands in ways inconsistent with American interests—including by developing their own nuclear weapons. Second, many countries could fall under the sway of stronger regional states, undermining the balance of power. This is a prescription for instability.

As soon as President-elect Trump is inaugurated, he will face many difficult challenges: from an unraveling Middle East to an uncertain Europe to a blustering North Korea. Rushing to reverse longstanding American policies could generate new challenges and make existing ones harder to resolve.

A few items already in the news suggest precisely what the new administration should not do. The first would be to discard the "one China" policy. For 4½ decades, Washington and Beijing have successfully finessed the difference between the mainland's claims to Taiwan and America's commitment to the principle that any change in the island's status can only come about peacefully and voluntarily. Central to this successful maneuver is the idea that there is only one China and Taiwan is part of it.

The formula has not only allowed Taiwan to flourish economically and become a thriving democracy, it has enabled the U.S. and China to develop important economic ties and cooperate on a range of

regional and global challenges. Continuing to finesse the issue is far preferable to abandoning "one China." The latter course risks triggering armed conflict with Beijing, ruling out any possibility of cooperation on North Korea, and poisoning what will be the most important bilateral relationship of this century.

A second error would be to "tear up," or not to comply in any way with, the 2015 nuclear pact with Iran. The agreement isn't ideal: The U.S. arguably paid too much for too little. But undermining it now—or being perceived as doing so—would isolate Washington, not Tehran. Reconstituting the world-wide regime of sanctions that existed before the agreement would prove impossible. The U.S. would quickly face the unpalatable choice between watching Iran cross the nuclear threshold or starting a war in an effort to stop it.

The Trump administration would be wiser to focus on ensuring that Iran complies with the existing accord. At the same time, though, the U.S. and its partners should develop a strategy to deal with Tehran's push for regional primacy. It could include bolstering Sunni states and groups, aiding Kurdish forces, and imposing new sanctions on Iran. The U.S. could also begin planning a follow-on pact that would constrain Tehran's nuclear options once important aspects of the current deal expire.

A third mistake would be to immediately move the U.S. Embassy in Israel to Jerusalem from Tel Aviv. This might at first seem like a sensible proposal, even an obvious one. Jerusalem is the capital of Israel and where most government officials reside and work. But moving the embassy comes with real downsides, only some of which relate to the diplomacy—going nowhere slowly—intended to resolve the Israeli-Palestinian conflict.

The bigger argument is that moving the embassy risks making Jerusalem an even greater magnet for protest, violence and terrorism. The move could take a conflict that has lost more than a little salience in the Muslim world and transform it into a crisis, increasing the threat to American embassies and personnel world-wide.

American foreign policy could stand some change, but it should be introduced only when the probable benefits outweigh the risks and costs. The new administration should proceed with caution: It is inheriting a global situation that can only be described as daunting. This is no time to make conditions worse.

*Mr. Haass, president of the Council on Foreign Relations, is the author of "A World in Disarray: American Foreign Policy and the Crisis of the Old Order," just out from Penguin Press.*



## McFaul : Dear Trump: Defending democracy is no vice

<http://www.facebook.com/amb.mcfaul>

For decades, American presidents have used their inaugural addresses to celebrate the values of freedom. In his second inaugural address in 2005, President George W. Bush declared, "The best hope for peace in our world is the expansion of freedom in all the world." Sixteen years earlier, his father had asserted, "We know what works: Freedom works. We know what's right: Freedom is right." President Ronald Reagan said the same at his second inauguration, declaring, "America must remain freedom's staunchest friend, for freedom is our best ally."

At his inauguration on Friday, President Donald Trump will take to the podium to declare his aims for his next four years in office. Will he have anything to say about the importance of freedom? Will he depart from decades of Republican Party tradition — and American tradition — by declining to embrace America's role as the leader of the free world? As a presidential candidate, Trump had almost nothing to say on this score. If he persists in ignoring the United States' special relationship with these ideals, he risks undermining democrats around the world and damaging American national interests.

The collapse of communism a quarter of a century ago seemed to affirm the triumph of democracy as the only legitimate system. But then, in the 21st century, the wars in Afghanistan and Iraq, followed by conflicts in Libya and Syria, tarnished democracy's standing, while non-democratic powers — China, Russia and Iran — asserted their regional power and global ambitions. Now the latest challenge to democracy is emerging where we had so long assumed it could not —

in Europe and the United States, where democratic institutions suddenly look vulnerable.

Despite recent setbacks, there remain compelling moral reasons to support democracy and human rights around the world. Democracies offer the most accountable system of government, the only tonic for illegitimacy and the best way to offer political participation to the disenfranchised. Democracies are also better at protecting basic human rights, representing the will of the people and checking egregious uses of power. Democratic governments do not commit genocide, do not barrel-bomb their own citizens, do not create refugees and do not starve their people. They also are more stable than other forms of government because they offer a peaceful, institutionalized mechanism for transferring power.

Democracies also provide more prosperity for their citizens than other systems of government. It is more than coincidence that the vast majority of the richest per capita countries in the world, excluding oil exporters, are democracies. On average, democracies have performed just as well as autocracies in generating economic growth over the last half-century in the developing world. China's recent experience of economic expansion is one of the rare exceptions. Far more often, dictators produce economic basket cases — just see the Soviet Union under Leonid Brezhnev, Cambodia under Pol Pot, Zimbabwe under Robert Mugabe, or China under Mao Zedong.

For these reasons and others, [public opinion polls](#) around the world consistently show that majorities of people in almost every country prefer democratic systems to dictatorships, absolute monarchies or theocracies.

Yet even if Trump cares little about the preferences and well-being of others abroad, Americans have selfish reasons for wanting to see democracy in the world survive and expand. More democracy makes Americans more secure and more prosperous.

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First, our closest and most enduring allies have been and are today democracies. Democracies are the allies who go to war with us, vote with us in the United Nations, support international treaties and norms that serve our interests. Democratic allies are those most willing to provide for our common defense, be it [providing support for our missile defenses](#) against a possible North Korean attack, sharing intelligence with us to fight terrorist organizations, or [implementing sanctions](#) with us against Iran or Russia to advance our shared security objectives.

Second, our enemies are and have been dictatorships or political movements espousing anti-democratic ideas. In the 20th century, dictatorships in Germany, Japan and the Soviet Union directly threatened American national security. Every war we have fought has been against autocracies — Germany, Italy, Japan, North Korea, North Vietnam, Iraq, Yugoslavia, Afghanistan and Libya. Never has a democracy attacked us. Today, not all dictatorships threaten the United States, but every entity threatening the United States is a dictatorship or a movement — such as the Islamic State, Al Qaeda or the Taliban — committed to anti-democratic ideas.

Third, the consolidation of democracy after the fall of

autocracy enhances American security. The construction of democracies in Germany, Japan and Italy after World War II firmly entrenched our alliances with all of these countries. During the Cold War, the United States partnered with autocrats to contain communism. Yet transitions to democracy in Portugal, Spain, Taiwan, the Philippines, South Korea, Chile and South Africa did not, as predicted, hurt American strategic interests, but instead served to nurture deeper, more lasting relationships. After the collapse of communism, new democracies in Europe have made [vital contributions to NATO's mission in Afghanistan](#) and missile defenses against a possible Iranian attack.

Fourth, the U.S. economy also benefits from successful democratization abroad. Aside from China, democracies are our most important trading and investment partners. The collapse of command economies in the former communist world added billions of dollars' worth of trade to the world economic system, while also offering new frontiers for American investment. The expansion of a rule-based, market-driven world economy is good for the new entrants and beneficial for the largest economy in this system, the American economy.

If Trump persists in denying the centrality of democratic values, it will be up to the rest of us — members of Congress, nongovernment organizations, private foundations and activists — to fill the vacuum in the pursuit of both our values and interests. We cannot and should not allow this moment of doubt about democracy's promise to become more than a passing trend.

## NATO Skeptical About Direct Counterterror Role

Julian E. Barnes

Jan. 18, 2017

11:02 a.m. ET

BRUSSELS—The North Atlantic Treaty Organization's top generals expressed reservations about how much the alliance could bolster its counterterror efforts in the face of calls from U.S. President-elect Donald Trump for a shift in its focus.

Mr. Trump, in weekend interviews, [reiterated comments that NATO was obsolete](#), said the alliance must concentrate more on counterterror

and told European member countries they must spend more on defense. He has also called on the U.S. to work more closely with Russia on fighting Islamic State and other extremist groups.

In a round-table discussion with reporters on Wednesday, Marine Gen. Joseph Dunford, the chairman of the U.S. Joint Chiefs of Staff, said that while there was room for the alliance to expand its work on training local forces, he was skeptical about a broader military counterterror role.

"The most effective role, in my view, that NATO can play is in the defense capacity building with those nations that are most at risk," Gen. Dunford said.

U.S. Army Gen. Curtis Scaparrotti, NATO's top military commander, said at a news conference that the alliance could do more to improve intelligence sharing. "That is a powerful part of counterterrorism," he said.

Unusually for a presidential candidate or president-elect, Mr. Trump has spoken regularly about

NATO, thrusting the alliance into discussions about its role, its counterterrorism work and its stance on Russia. He has repeatedly praised NATO's move to create a new intelligence-chief post and suggested a fully fledged counterterror division.

Many European allies have expressed doubts over the prospect of a greater role in fighting terrorism for NATO. Some think that could militarize a problem better handled by law enforcement or impose a complicated decision-making

mechanism on problems better managed by individual governments.

Czech Gen. Petr Pavel, the chairman of NATO's military committee, said the alliance is continuing to adapt.

"I am strongly convinced NATO is as relevant today as it was before," Gen. Pavel said. "We can obviously argue about the scope, the depth or

path of adaptation but I think the relevance of NATO is not in question."

At the [World Economic Forum in Davos](#), Switzerland, German Defense Minister Ursula von der Leyen defended her country's moves to boost military spending, noting that the German defense budget has risen faster than other areas. Germany remains well below the spending goal of 2% of gross

domestic product, according to NATO officials.

"Europe has to take a fair share of the burden," she said. "It is not at the point right now. We have to invest more in defense."

But Ms. von der Leyen said the alliance can overcome differences if it remembers its common purpose.

"We are fighting for something," she said. "We are not fighting against something. We are fighting for democracy, we are fighting for open society, for the rule of law, for human rights—this is what unites us in the trans-Atlantic alliance."

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## THE WALL STREET JOURNAL

### Biden Lashes Out at Trump Over Comments on NATO

Anton Troianovski

Updated Jan. 18, 2017 11:33 a.m. ET

U.S. Vice President Joe Biden warned against European disintegration and called out Russian President Vladimir Putin for seeking to fracture the liberal international order—delivering a final counterpoint to President-elect Donald Trump two days before the new administration takes power.

Mr. Biden, speaking at the World Economic Forum in Davos, Switzerland, defended the trans-Atlantic alliance, international institutions and the European Union. While he didn't name Mr. Trump, the comments came in contrast to opinions expressed by the president-elect, who [in an interview over the weekend](#) described the North Atlantic Treaty Organization as obsolete and dismissed the significance of the EU.

While Mr. Trump has praised Mr. Putin, the

departing vice president described Russia as "working with every tool available to them to whittle away at the edges of the European project, test the fault lines among Western nations, and return to a politics defined by spheres of influence."

"Defending the liberal international order requires that we resist the forces of European disintegration and maintain our longstanding insistence on a Europe whole, free, and at peace," Mr. Biden said. "The EU has been an indispensable partner of the United States."

Mr. Trump's recent comments have heightened concern in European capitals that the U.S.'s decadeslong commitment to European integration and security was wearing thin.

Mr. Biden said cooperation between the U.S. and Europe formed "the bedrock of the success the world enjoyed in the second half of the 20th century."

"Strengthening these values—values that served our community of nations so well for so long—is

paramount to retaining the position of leadership that Western nations enjoy," Mr. Biden said.

Mr. Biden also leveled sharp criticism at Mr. Putin, whom Mr. Trump has praised and with whom he said he would seek to cooperate. A movement seeking to fracture the liberal international order, Mr. Biden said, "is principally led by Russia."

Mr. Putin's goal, Mr. Biden said, was "to return to a world where the strong impose [their] will through military might, corruption, and criminality, while weaker nations have to fall into line."

European leaders have promised to resist any attempts by Mr. Trump to weaken international institutions and called for unity in the EU. Some European officials said they believe Messrs. Putin and Trump want to weaken the 28-nation bloc.

Mr. Trump said in his weekend interview with Germany's Bild and Britain's Times that more nations were likely to exit the EU after the U.K., and that the bloc had become "a vehicle for Germany." Meanwhile,

Western officials warn that Russia may seek to interfere in this year's elections in France, Germany and the Netherlands.

"With many countries in Europe slated to hold elections this year, we should expect further attempts by Russia to meddle in the democratic process," Mr. Biden said. "It will occur again, I promise you, and again the purpose is clear: to collapse the liberal international order."

U.S. intelligence agencies have said Mr. Putin [ordered a campaign to influence](#) the outcome of the 2016 U.S. presidential election, and that Mr. Putin aspired to help Mr. Trump to victory as part of a broader ambition to undermine Western liberalism. The Russian government has denied involvement in the operation.

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## THE WALL STREET JOURNAL

### Russian and Turkish Jets Strike Islamic State Positions in Northern Syria

Thomas Grove

Updated Jan. 18, 2017 4:34 p.m. ET

ISTANBUL—Russian and Turkish jets carried out coordinated airstrikes against Islamic State targets in the northern Syrian city of al-Bab Wednesday, in what Russia's defense ministry described as the first such air operation between the two countries.

"Everything was agreed ahead of time via the General Staffs and commanders of the aviation groups of the two countries," said Russian Lt. Gen. Sergei Rudskoy in a statement.

The two countries have worked in greater cooperation since Moscow and Ankara brokered a cease-fire that largely ended hostilities in Aleppo between forces loyal to

Syrian President Bashar al-Assad and the rebel groups fighting him.

The Russian statement Wednesday said that the countries had signed a Jan. 12 memorandum to prevent "incidents" in the crowded skies above Syria.

"The document was created to carry out joint operations...in Syria to destroy international terrorist groups," the statement said.

Lt. Gen. Rudskoy said nine Russian warplanes and eight Turkey aircraft destroyed 36 Islamic State targets.

A statement from the Turkish defense ministry said Russia carried out strikes in southern al-Bab as a part of that agreement but didn't note its own role in strikes.

Turkey's Defense Ministry declined to provide details.

The Turkish statement said U.S. drones also struck Islamic State positions around al-Bab. The U.S.-led coalition said it carried out two strikes on targets around the city.

Turkish armed forces and allied Syrian rebels have been fighting for nearly two months to take the city of al-Bab, less than 30 miles east of Aleppo and less than 20 miles south of Syria's border with Turkey.

Turkey is a member of the North Atlantic Treaty Organization, which has been building up forces in Eastern Europe to counter Russia's military buildup. "NATO is not directly involved in the conflict in Syria," a NATO official said. "Allies consult regularly on matters of importance to their common security, including the fight against ISIL (Islamic State)."

Turkey and Russia have been at loggerheads throughout the Syrian conflict as they opposed different sides, but Alexander Vasiliev, who follows Russian and Turkish relations at Moscow's Institute for Oriental Studies, said Ankara and Moscow have worked to improve their relationship over Syria.

Mr. Vasiliev said the agreement between Russia and Turkey on cooperation in Syria extended to military coordination against Islamic State in parts of Syria. He said the agreement was the product of intense talks that began in September between the two countries' military chiefs.

The fragile cease-fire negotiated by the two countries and implemented in Aleppo at the end of last year bolstered ties. That cease-fire is the basis for talks in Astana,

Kazakhstan, on Jan. 23 on the political future of Syria.

The agreement all but froze the U.S. out of the peace process, but Russian Foreign Minister Sergei Lavrov said Tuesday that the incoming administration of president-elect Donald Trump [should be invited to the talks](#).

Mr. Vasiliev said Ankara and Russia will be looking to see what Mr.

Trump will bring to the negotiating table and Turkish President Recep Tayyip Erdogan particularly has hopes that Mr. Trump will offer more than the Obama administration.

Ankara is especially eager to work out a [longer term strategy with the U.S.](#) on its Euphrates Shield operation that has been directed against Islamic State and Kurdish groups that Ankara says are

extensions of the Kurdistan Workers' Party, which is outlawed in Turkey. Ankara also wants to see those Kurdish groups frozen out of negotiations on the future of Syria, he said.

The future of Moscow's cooperation with Ankara, however, has its limits that rest in part with the fraught relationship the two countries had

following Turkey's downing of a Russian jet fighter in 2015.

"For Russia, Erdogan remains an unpredictable person, and Russians have learned to expect anything from him," said Mr. Vasiliev.

—Julian Barnes contributed to this article.

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## Syria's war creates myriad problems for Turkey

<https://www.facebook.com/erinmichelcunningham>

how to solve the myriad conflicts at home or in the region.

[\[How the Syrian revolt went so horribly, tragically wrong\]](#)

Turkey was one of the first countries affected by the Syrian conflict, taking in nearly 3 million refugees and leading calls for an international safe zone for civilians.

Turkey initially urged President Bashar al-Assad to refrain from cracking down on peaceful protests in 2011. But Assad's heavy-handed response to the demonstrations prompted Turkish President Recep Tayyip Erdogan, who was prime minister at the time, to [cut ties](#) with the regime, and he soon threw his weight behind the Syrian opposition.

His decision further polarized Turkey, with his Sunni Muslim base rallying to the cause of the rebellion. His left-wing opponents objected to what they said was an adventurist foreign policy and called on Erdogan and his ruling Justice and Development Party to halt support for Syria's Islamist rebels.

"Our position on Bashar al-Assad is clear: We don't believe that a united and peaceful Syria is possible with him," said a Turkish official, speaking on the condition of anonymity to discuss government matters.

But years later, Assad is still in power and Turkey is a regional outlier, spurned for its bullish diplomacy and alleged support for Syrian Islamic militants — a claim Turkish officials have strongly denied.

"The war in Syria has become Turkey's greatest foreign policy challenge since the end of the Cold War," said Soner Cagaptay, director of the Turkish Research Program at the Washington Institute for Near East Policy. "As a result of its failed attempt to oust the Assad regime, Ankara has the distinction of being hated by all major parties in the Syrian conflict, from the Kurds to [the Islamic State] to the Assad regime."

[\[Slain partiers came to Istanbul from near and far to celebrate the New Year\]](#)

In an attempt to break its isolation, Turkey has recently softened its rhetoric on Syria, and is now partnered with Russia — Assad's ally — to restart peace talks and maintain a cease-fire.

"Turkey, in cooperation with Russia, brokered the evacuation of eastern Aleppo and a cease-fire in Syria," the Turkish official said.

The planned peace talks, which will be held in the Kazakh capital, Astana, "are intended to make progress toward a political solution in the country," the official said. "Turkey will attend the talks as a guarantor."

But in a rare public admission, Deputy Prime Minister Numan Kurtulmus told the Turkish newspaper Hurriyet Daily News that Turkey should "correct its mistakes in Syria."

"I am one of those who believes our policy on Syria made big mistakes," Kurtulmus said in the interview this month.

While Turkey has pledged to roll back some of its more hard-line policies, its relations with the United States remain fraught with tension over Syria.

Turkey has openly opposed U.S. cooperation with Syrian-Kurdish militias in the fight against the Islamic State. The Syrian-Kurdish People's Protection Units, or YPG, have carved out territory in northern Syria for a future Kurdish state, alarming Turkey, which is worried about the aspirations of its own Kurdish population.

Turkish officials say the YPG is indistinguishable from the Kurdish groups launching attacks inside Turkey, and to which security forces have responded with a devastating crackdown. The United States says the YPG is the most effective fighting force against the Islamist militants.

"We are your NATO ally," Erdogan said, addressing the United States

in a [speech](#) last month. "How on earth can you support terrorist organizations and not us?"

[\[U.S. military aid is fueling big ambitions for Syria's leftist Kurdish militia\]](#)

Turkey and the United States are NATO allies and strategic partners, the Turkish official said, but there are two sticking points. First, the two countries disagree over the extradition of Muslim cleric Fethullah Gulen to Turkey, where he is suspected of having masterminded a failed coup attempt last summer.

"The second issue is Washington's support for YPG, the PKK's Syrian franchise," the official said. The PKK, or Kurdistan Workers' Party, has been locked in a decades-long conflict with Turkey and has recently stepped up its attacks.

The shaky relations with the United States will probably force Turkey "to transition to a new model of security," said Selim Koru, analyst at the Economic Policy Research Foundation of Turkey, an Ankara-based think tank. "Such a transition cannot be smooth."

Turkey's security has for decades been anchored in its alliance with NATO. But today, Turkey's military, which helped the country weather previous national crises "is weakening," Cagaptay said.

In the failed coup last summer, a faction in the military "tried to overthrow Erdogan, suggesting that even the military cannot be trusted as a unifying national institution in the current crisis," he said.

In August, Turkish troops launched an offensive on the Islamic State-held town of Jarabulus in Syria. That offensive, named Operation Euphrates Shield, was backed by the United States. But Turkey has since moved unilaterally to battle the Islamic militants in the border town of al-Bab, where Turkish troops have met stiff resistance and scores of soldiers have been killed.

Turkey's occupation of al-Bab would break the Islamic State presence on Turkey's border but would also cut

m

ISTANBUL — The attacks in Turkey came in rapid succession: twin bombs at a stadium, a Russian diplomat's murder and then, just a few days later, a mass shooting at an Istanbul nightclub on New Year's Eve.

The assaults, carried out over a three-week period beginning in December, were a stark reminder of Turkey's dangerous proximity to the war next door in Syria, and the ways in which that conflict has steadily consumed Turkish domestic and foreign affairs.

Kurdish separatists attacked the Istanbul stadium, while the Islamic State asserted responsibility for the [nightclub massacre](#), warning Turkey against military action in Syria. In Ankara, a police officer invoking the carnage in the Syrian city of Aleppo — but apparently working alone — [gunned down the Russian ambassador](#) on Dec. 19.

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The turmoil in Syria has deepened Turkey's political and social fault lines, brought violence to its cities and isolated it from traditional allies. Turkish troops are fighting and dying in battles with the Islamic State in Syria, and its relations with a number of countries, including the United States, are noticeably strained.

"Any efforts to address the conflict in Syria will boomerang back into Turkey's domestic politics," said Aaron Stein, senior resident fellow at the Atlantic Council's Rafik Hariri Center for the Middle East.

Turkey shares a 500-mile-long [border](#) with Syria.

But the absence of any political solution "means we're in for more cycles of violence," he said, adding that "Turkey has no answers" for



through territory claimed by Syrian Kurds.

"Operation Euphrates Shield is a milestone in [Turkey's] foreign

policy," Koru said, adding that Turkey has only rarely occupied and held territory on its own.

But in al-Bab, "my understanding is that [the Islamic State] was better prepared for Turkish tanks than planners in Ankara expected," he said.

## The New York Times Russia Extends Edward Snowden's Asylum

Andrew E. Kramer

Edward J. Snowden speaking to an audience in Massachusetts during a live video webcast in 2016. Kayana Szymczak for The New York Times

MOSCOW — A day after [President Obama commuted the sentence of Chelsea Manning](#), the Russian government clarified on Wednesday the fate of Edward J. Snowden, the other main source of secrets about United States surveillance in recent years.

Mr. Snowden, a former [National Security Agency](#) contractor who was [granted asylum in Russia in 2013](#), will be allowed to remain in the country for "a couple more years," Maria Zakharova, a spokeswoman for the Russian Foreign Ministry, [said on Facebook](#).

He and his supporters have been campaigning for [a pardon from Mr. Obama](#), but the chances of clemency appear to be vanishingly small given that his name did not appear on [a list of pardons](#) on Tuesday.

Mr. Snowden found himself essentially stranded in Moscow four years ago after he was thwarted in

his attempts to fly to Latin America following the publication of articles in The Guardian and The Washington Post, based on information he provided, revealing extensive surveillance and data collection programs operated by the N.S.A.

In response to a question about why Mr. Snowden and Ms. Manning were being treated differently, Josh Earnest, the White House press secretary, said on Tuesday that the documents leaked by the former N.S.A. contractor were "far more serious and far more dangerous" than those Ms. Manning had disclosed.

Ms. Zakharova described her Facebook post as a rejection of an idea presented in a [recent article in The Cipher Brief](#) by a former acting director of the Central Intelligence Agency, Michael J. Morell. He suggested that [Russia](#) should extradite Mr. Snowden to the United States as a signal of good will to the incoming Trump administration.

Ms. Zakharova said that Mr. Morell's suggestion of turning over Mr. Snowden would amount to "a gift" for the new American leader.

That is apparently a gesture that Russia is not prepared to make, however, even though [President-elect Donald J. Trump has spoken admiringly of Russia](#) and its president, Vladimir V. Putin.

"The funniest thing is that the former deputy director of the C.I.A. !!! does not know that Snowden's residence permit in Russia was just extended for a couple more years," Ms. Zakharova wrote.

"And seriously, the essence of what the C.I.A. agent is suggesting is an ideology of betrayal," she wrote. "You spoke, Mr. Morrell, and now it's clear to everybody that in your office, it's normal to bring gifts in the form of people, and to hand over those who seek defense."

[In an interview with The Guardian in September](#), Mr. Snowden argued that his revelations about government surveillance were not only morally right but that they also led to an overhaul of secrecy laws that benefited Americans.

"I think when people look at the calculations of benefit, it is clear that in the wake of 2013, the laws of our nation changed," Mr. Snowden said. "Congress, the courts and the

president all changed their policies as a result of these disclosures."

The Foreign Ministry did not specify how long Mr. Snowden's residence permit had been extended. But his lawyer, Anatoly G. Kucherena, told the state-run RIA news agency that it was valid until 2020.

Mr. Kucherena said that Mr. Snowden would be eligible to apply for Russian citizenship next year, after having spent five years in the country, but he did not say if his client would apply.

Mr. Snowden is accused of violating the Espionage Act in the United States and would face at least 30 years in prison if convicted.

Some privacy advocates have lionized Mr. Snowden as a whistleblower, while his opponents and government officials have cast him as a defector, particularly in light of his seeking asylum in Russia.

Mr. Snowden has taken pains to portray his exile as comfortable. He spends time with his girlfriend, Lindsay Mills, according to posts on social media, and he recently took a break from posting on Twitter for what he described as a vacation, presumably in Russia.

## The New York Times Crimes Nikki Haley, at Confirmation Hearing, Says Russia Is Guilty of War

Mark Landler

Haley's Confirmation Hearing as U.N. Ambassador

At her Senate hearing, Nikki R. Haley, the governor of South Carolina and Donald J. Trump's choice for United States ambassador to the United Nations, said she would take an "outsider's look" at the world body.

By REUTERS. Photo by Gabriella Demczuk for The New York Times. [Watch in Times Video »](#)

WASHINGTON — Gov. [Nikki R. Haley](#) of South Carolina on Wednesday became the latest cabinet nominee to show daylight with President-elect [Donald J. Trump](#), declaring that Russia was guilty of war crimes in Syria and that it should also be subject to additional sanctions for its incursions into Ukraine.

Speaking to the Senate Foreign Relations Committee during her

confirmation hearing as ambassador to the [United Nations](#), Ms. Haley said: "Russia is trying to show their muscle right now. It's what they do." She added: "I don't think we can trust them. We have to continue to be very strong back, and show them what this new administration is going to be."

Ms. Haley said she believed the Russians were guilty of war crimes in bombing the Syrian city of Aleppo. At his hearing last week, Rex W. Tillerson, Mr. Trump's nominee for secretary of state, declined to call President Vladimir V. Putin of Russia a war criminal for ordering the bombing of civilians there or in Chechnya.

Ms. Haley, a rising star in Republican politics and the daughter of Indian immigrants, fared better with senators than Mr. Tillerson did. While both were grilled on topics including Russia and the banning of Muslim immigrants, Ms. Haley showed flashes of humor,

seemed well prepared and parted company with Mr. Trump diplomatically.

Asked if she favored establishing a registry for Muslims in the United States — an idea Mr. Trump proposed during the presidential campaign — she said no, but then suggested that no longer reflected his views either. "This administration and I do not think there should be any registry," she said.

Ms. Haley staked her strongest position on an issue of central concern to Republicans and many Democrats, and one on which she and Mr. Trump are aligned: the United Nations' stormy relationship with Israel.

"Any honest assessment also finds an institution that is often at odds with U.S. interests," Ms. Haley said, noting the 20 United Nations resolutions critical of Israel — more than against Syria, Iran or North

Korea. "This cannot continue," she said, also criticizing the Obama administration's abstention from the latest United Nations Security Council resolution condemning Israel's settlement construction.

"I will never abstain when the United Nations takes any action that comes in direct conflict with the interests and values of the United States," she said. Also, noting the United States' large financial contributions to the United Nations, she asked, "Are we getting what we pay for?"

In her opening statement, Ms. Haley acknowledged she was a newcomer to the rituals of international diplomacy and the mechanics of the United Nations. But she said she was steeped in diplomacy because she practiced it every day in the governor's mansion in South Carolina, whether in attracting foreign manufacturers to open factories in her state or leading the fight to remove a Confederate battle flag from statehouse property after

the deadly church shooting in Charleston in 2015.

Senator Benjamin L. Cardin, Democrat of Maryland and the ranking Democrat on the committee, praised Ms. Haley for the latter decision, even as he told her, "I am concerned with your lack of foreign policy experience."

[Mr. Trump's choice of Ms. Haley](#) was mildly surprising, and not just because of her background. In 2016, delivering the Republican response to President Obama's [State of the Union address](#), she criticized Mr. Trump's campaign. Later in the primary, she was a frequent critic of Mr. Trump and

supported one of his opponents, Senator Marco Rubio of Florida.

Some of Ms. Haley's toughest questioning on Wednesday came from Senator Tim Kaine, Democrat of Virginia and Hillary Clinton's running mate. He told Ms. Haley her interpretation of the Iran nuclear deal was "completely inaccurate"

and encouraged her to "read the agreement."

"What we all need to remember is that a nuclear Iran is very dangerous for the entire world," she replied.



## Editorial : Is Xi Jinping the new champion of globalization? Far from it.

<https://www.facebook.com/washingtonpostopinions>

XI JINPING took a stab at seizing the mantle of global economic leadership on Tuesday, delivering a lengthy defense of free trade and globalization at the annual World Economic Forum in Davos, Switzerland. To some extent, it worked: Many in the elite crowd of business leaders, government ministers and journalists seemed thrilled to hear the Chinese president, in his first appearance at the swishy forum, [proclaim that there was](#) "no point in blaming economic globalization for the world's problems" — particularly as he spoke on a day when [British Prime Minister Theresa May](#) was outlining a "hard exit" from the European Union and European newspapers were quoting President-elect Donald Trump on his plans for [punitive tariffs](#).

Mr. Xi certainly was shrewd to position himself as the alternative to Mr. Trump, and the eager response

to him was a demonstration of the vacuum of U.S. leadership the incoming president may soon create. But before China's ruler is crowned the new champion "[Davos man](#)," it ought to be pointed out that his regime is, in most respects, far less liberal or embracing of globalization than the Trump administration will be even if the worst fears of its critics come true.

For example, [Mr. Xi declared that](#) "we must remain committed to developing global free trade and investment, promote trade and investment liberalization . . . and say no to protectionism." Yet his own regime has sharply tightened the flows of capital and investment across China's borders. Imagine a Trump administration placing controls on the transfer of more than \$5 million out of the United States, [as the Xi regime just did in China](#). Foreign companies that wish to invest in the country often still are forced to partner with local companies and hand over their technology. Major U.S. Internet companies, [including Facebook and](#)

[Twitter](#), remain locked out of the market.

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Inconveniently for Mr. Xi, the American Chamber of Commerce in China [released a report](#) on Wednesday showing that [81 percent of 462 surveyed companies said they felt less welcomed in the country](#) than before, and a quarter were reducing their operations or planning to do so. "It is becoming apparent that the benefits of globalization are being taken for granted or even forgotten" by Beijing, said a statement by AmCham China Chairman [William Zarit](#).

That's not to speak of the side of globalization conspicuously omitted by Mr. Xi, who carefully used the modifier "economic." Since he took power in 2012, flows of information

inside China as well as across its borders have been radically curtailed. [Independent civil society](#) has been virtually shut down, and [critical journalists](#) and academics silenced; even lawyers who defend them have been persecuted and imprisoned. While China barrages U.S. satellite viewers and newspaper readers with state-produced propaganda, the New York Times is banned in China, Google is censored, and critical journalists and academics are not allowed into the country.

None of this justifies a mercantilist response from Mr. Trump; Mr. Xi was right in saying that "no one will emerge as a winner in a trade war." But if the Chinese regime really wishes to assume global economic leadership — or, for that matter, avoid endless conflict with the new U.S. administration — it would do well to follow up its speeches with genuine liberalization.



## Armed Insurgency in Myanmar Heralds Shift for Rohingya

Richard C. Paddock, Ellen Barry and Mike Ives

BANGKOK — The insurgent group announced its existence with a predawn attack on three [Myanmar](#) border guard posts. Hundreds of Rohingya militants, armed mainly with knives and slingshots, killed nine police officers and seized weapons and ammunition.

It was about time, Naing Lin, 28, said of the October attack near his village, Kyee Kan Pyin.

"The government is torturing us," he said by phone this week. "The aim of the group is to protect our rights. That's all. They are doing what they should do."

The beginning of an armed resistance is just one of several developments that are reshaping the conflict over Myanmar's persecuted Rohingya minority with potentially far-reaching consequences.

The group that attacked the border posts, Harakah al-Yaqin, is believed

to have several hundred recruits, substantial popular support and ties to Saudi Arabia and Pakistan, according to a [report](#) by the International Crisis Group. Separately, there has been a surge of international humanitarian and political support for the Rohingya cause, mainly from Muslim countries that have cast the Rohingya as the [Palestinians](#) of Southeast Asia.

The combination threatens to internationalize and escalate a long-simmering conflict. The Myanmar government has responded to the attacks with [a sweeping counterinsurgency campaign](#) that [witnesses](#) and [human rights groups](#) say has included the killing of hundreds of civilians, the [burning of villages](#) and the systematic rape of women and girls.

In addition, some analysts fear that turning the Rohingya into a transnational Muslim cause could draw foreign jihadists of varying stripes to Myanmar, adding terrorism to an already combustible mix and giving the Myanmar military

a convenient excuse for a draconian response.

But after decades of persecution and violence, to which the rest of the world largely responded with a shrug, some Rohingya say an armed response is overdue.

Border guards in Rakhine State, Myanmar, in December. Rohingya militants attacked border posts in October, killing nine officers. Nyien Chan Naing/European Pressphoto Agency

"They are doing good things," Mr. Naing Lin said of the insurgents. "They are protecting our rights. If it's needed, I might join them."

The attack on the border posts in Rakhine State was a "game changer," according to the International Crisis Group report.

Harakah al-Yaqin, Arabic for "Faith Movement," is directed by about 20 Rohingya émigrés in Saudi Arabia and led on the field by another 20 or so Rohingya with international training and experience in guerrilla warfare, the report said. It is well

connected in Pakistan and [Bangladesh](#) and appears to be attracting financial backing from the Rohingya diaspora and major private donors in Saudi Arabia and the Middle East, the report said.

The militia enjoys growing support from many Rohingya in Myanmar who see it as the only alternative to government repression, the International Crisis Group said. The organization warned that a continued heavy-handed approach by the military would backfire, leading more Rohingya to back the militants and possibly inspiring foreign Islamic groups to join the conflict.

There have already been signs of interest by the Islamic State, or ISIS. In November, Indonesian authorities [arrested three men](#) who claimed allegiance to the Islamic State and were accused of planning to bomb prominent sites across Jakarta, including the Myanmar Embassy.

This month, Malaysian authorities detained a man who the

government said was an Islamic State follower heading to Myanmar to carry out attacks.

"All this clearly demonstrates I.S. slowly and steadily making inroads to influence the Rohingya issue," said Rohan Gunaratna, a professor of security studies at the S. Rajaratnam School of International Studies in Singapore. "You can even say it's an attempt to hijack the Rohingya agenda."

A rally in Dhaka, Bangladesh, in November against Myanmar's actions toward the Rohingya. Rajib Dhar/Agence France-Presse — Getty Images

The Myanmar government has [largely denied](#) allegations of human rights abuses, and it says it is responding to the situation according to the rule of law.

The government has barred journalists and aid workers from entering the conflict area, in northern Rakhine State just over the Naf River from Bangladesh, and accusations that the military is carrying out a campaign of murder, rape and arson have not been independently verified.

But the reports and images of violence there have fueled the concern of other countries in the region, especially Bangladesh and Malaysia.

On Thursday, the Organization of Islamic Cooperation, a coalition of 56 countries, will hold an [emergency session in Kuala Lumpur](#), Malaysia, where it is expected to call for an immediate halt to military operations in Rakhine State, an independent investigation into accusations of human rights abuses, and humanitarian aid to the affected areas.

At the same time, countries in the region are wary of escalating violence in their backyards.

Bangladesh, struggling to contain the spread of Islamist extremist networks within its own borders, is concerned about the rise of an insurgency next

door and the prospect of Rohingya militants using Bangladesh as a base to carry out attacks in Myanmar.

Refugees fleeing the crackdown in Myanmar have been "pouring over the border" into makeshift settlements, said Shafqat Munir, a research fellow at the Bangladesh Institute of Peace and Security Studies. "If there is a risk of potentially radicalized people coming in, that presents quite a challenge."

Still, in contrast to previous crises, there has been little effort to stem the flow by sending refugees back to Myanmar. About 65,000 Rohingya are believed to have arrived in Bangladesh since October, joining about a half-million already living in the refugee camps near Cox's Bazar.

Rohingya refugees at a protest against Myanmar in Kuala Lumpur, Malaysia, in November. Manan Vatsyayana/Agence France-Presse — Getty Images

Islamist organizations, including the powerful Hefazat-e-Islam, organized large rallies in Dhaka, the Bangladeshi capital, in November and December, urging the government to give the Rohingya shelter.

Madrasa students have journeyed to the refugee camps from far-flung cities to help build temporary shelters. Others travel halfway across the country from Dhaka and beyond to hand small gifts of cash to the once-reviled Rohingya.

Mohammad Yunus, 26, whose family fled to Bangladesh in 1992, is astonished by the change.

"Bangladeshis once had hatred for us," he said. "They would call us names. They used to say we were Burmese, with a bad tone, and swear at us in different ways. But now they have the idea that we are persecuted."

Bangladeshi television is broadcasting sympathetic news coverage of Rohingya suffering in Myanmar, and images purported to

be of atrocities carried out by the Myanmar military are circulating on social media, including on WhatsApp and Facebook.

Mohammad Imam Hussein, whose mosque near the Myanmar border provides aid to hundreds of refugees, said the videos have brought the conflict home for Bangladeshis.

"They're seeing with their own eyes what is happening to them," he said. "Earlier, there was no interaction between us, and I didn't have the same feeling. But now I have seen it with my own eyes. I have seen people being killed."

That Malaysia is taking a leading role in promoting the Rohingya cause is not entirely unexpected, given that it is the largest officially Muslim nation in Southeast Asia and that it has taken in tens of thousands of Rohingya refugees.

The de facto leader of Myanmar, Daw Aung San Suu Kyi, in Yangon in July. Malaysia's prime minister, Najib Razak, has criticized her, saying she has not done enough to prevent bloodshed. Soe Zeya Tun/Reuters

But a rally led by Prime Minister Najib Razak in Kuala Lumpur in December to protest Myanmar's military crackdown was extraordinary in a region where leaders rarely criticize each other and countries largely mind their own business.

Mr. Najib called the military campaign "genocide" and called out Myanmar's de facto leader, [Daw Aung San Suu Kyi](#), a Nobel laureate, for not doing enough to prevent the bloodshed. "Does she really have a Nobel Peace Prize?" he asked.

While his motives may have been less than pure — critics said he was trying to distract attention from allegations that he stole \$1 billion in government funds and to rally voters in Malaysia's Muslim heartland ahead of coming elections — his voice has been strong.

Malaysia, along with Saudi Arabia, is also home to Rohingya Vision, a satellite broadcaster and advocacy group that has helped circulate videos and news from Rakhine State.

Muhammad Noor, its Saudi-born managing director, says the station has 30 paid citizen journalists in Myanmar and is financed by Rohingya donors from across Southeast Asia and the Middle East. He says the station reaches at least 150,000 viewers with its app, social media channels and websites in English, Arabic and Burmese.

"We're trying to tell the story to the world that the amount of persecution is in a very extreme level," he said.

Another Malaysian group, the Malaysian Consultative Council for Islamic Organization, is trying to organize an aid flotilla along the lines of the ill-fated one that tried to break an Israeli blockade of Gaza in 2010. The group, hoping to draw attention to the Rohingyas' plight, says it will set sail early next month.

Whether the confluence of international attention and militarization ratchets up the pressure on Myanmar is hard to fathom. Despite her dual roles as state counselor and foreign minister, Ms. Aung San Suu Kyi has little authority over the military under the power-sharing detailed in Myanmar's military-imposed Constitution. But she has so far [resisted international pressure](#) to use her position to criticize the violence, speak out for the Rohingya or even call for an independent investigation of the allegations of atrocities in Rakhine State.

Chris Lewa, director of the Arakan Project, a Rohingya rights organization, says that increased international attention may attract extremists but could also pressure the government to seek a long-term solution.

"Without pressure," she said, "nothing will happen."

**THE WALL  
STREET  
JOURNAL**

## Last Year Was Warmest on Record, Climate Experts Say

Robert Lee Hotz

Updated Jan. 18, 2017 1:50 p.m. ET

Rising global temperatures in 2016 set a record for the third year in a row, as federal climate experts rated it the warmest year world-wide since modern record keeping began.

In a new federal climate report, researchers from the National

Aeronautics and Space Administration and the National Oceanic and Atmospheric Administration, which independently track annual climate trends for the federal government, said Wednesday that global land and sea surface temperatures were boosted by a powerful El Niño current in the Pacific and by rising concentrations of heat-trapping greenhouse gases in the atmosphere.

During 2016, the average temperature across global land and ocean surfaces was 1.69°F (0.94°C) above the 20th-century average, the scientists said. This was the highest among the 137 years [since records began in 1880](#).

The new report echoes three other independent assessments of the year's global warming trend.

The Japan Meteorological Agency, which uses slightly different methods in its calculations, last month also ranked 2016 as the warmest in its modern record. This month, researchers at the University of Alabama in Huntsville, who use satellite data to track global atmospheric temperatures, concluded that by a very small statistical margin, 2016 was the warmest year in 38 years of orbital monitoring.



And on Wednesday, scientists at the U.K.'s Met Office Hadley Centre and the University of East Anglia's Climatic Research Unit reported that by their analysis 2016 was fractionally warmer than any other year in its record keeping, barely edging out 2015.

"These data sets are all singing the same song, even though the notes are slightly different," said Deke Arndt, chief of the global monitoring branch at NOAA's National Centers

for Environmental Information, Asheville, N.C. "These methods all have their strengths and weakness, but are capturing the same signal in the long term."

Some researchers have argued that the rise in global temperatures peaked during the very strong El Niño year of 1998 and has stalled since. NOAA scientists and other research groups, however, re-examined the data and reported in several studies over the past two

years that the apparent slowdown was due to measurement errors that, when corrected, show that global temperatures have risen steadily.

All told, the World Meteorological Organization says that 16 of the 17 hottest years on record have occurred in this century.

In the 48 states of the continental U.S., 2016 was the second-hottest year in record keeping, marking 20 years in a row when temperatures

were above average, according to scientists from NOAA's National Centers for Environmental Information.

Now that the El Niño phenomenon has waned, many experts say they expect that global temperatures in 2017 will be lower.

Write to Robert Lee Hotz at [sciencejournal@wsj.com](mailto:sciencejournal@wsj.com)

**The  
New York  
Times**

## Earth Sets a Temperature Record for the Third Straight Year

Justin Gillis

Marking another milestone for a changing planet, scientists reported on Wednesday that the [Earth](#) reached its highest temperature on record in 2016, trouncing a record set only a year earlier, which beat one set in 2014. It is the first time in the modern era of [global warming](#) data that temperatures have blown past the previous record three years in a row.

The findings come two days before the inauguration of an American president who has called global warming a Chinese plot and vowed to roll back his predecessor's efforts to cut emissions of heat-trapping gases.

In reality, the Earth is heating up, a point long beyond serious scientific dispute, but one becoming more evident as the records keep falling. Temperatures are heading toward levels that many experts believe will pose a profound threat to both the natural world and to human civilization.

In 2015 and 2016, the planetary warming was intensified by the weather pattern known as El Niño, in which the Pacific Ocean released a huge burst of energy and water vapor into the atmosphere. But the bigger factor in setting the records was the long-term trend of rising temperatures, which scientists say is being driven by increasing levels of carbon dioxide and other greenhouse gases.

"A single warm year is something of a curiosity," said Deke Arndt, chief of global climate monitoring for the [National Oceanic and Atmospheric Administration](#). "It's really the trend, and the fact that we're punching at the ceiling every year now, that is the real indicator that we're undergoing big changes."

The heat extremes were especially pervasive in the Arctic, with temperatures in the fall running 20 to 30 degrees Fahrenheit above normal across large stretches of the Arctic Ocean. Sea ice in that region

has been in precipitous decline for years, and Arctic communities are already wrestling with enormous problems, such as [rapid coastal erosion](#), caused by the changing climate.

"What's going on in the Arctic is really very impressive; this year was ridiculously off the chart," said Gavin A. Schmidt, head of the [Goddard Institute for Space Studies](#) in Manhattan, a unit of the National Aeronautics and Space Administration that tracks global temperatures.

But Arctic people were hardly alone in feeling the heat. Drought and starvation [afflicted Africa](#). On May 19, the people in the town of Phalodi lived through the [hottest day](#) in the recorded history of India, 123.8 degrees Fahrenheit.

El Niño has now ended, and climate scientists almost universally expect 2017 to be cooler than the year before. But the scale of the heat burst has been startling to many of the experts, and some of them fear an accelerated era of global warming could be at hand over the next few years.

Even at current temperatures, billions of tons of land ice are melting or sliding into the ocean. The sea is also absorbing most of the heat trapped by human emissions. Those factors are causing the ocean to rise at what appears to be an accelerating pace, and coastal communities in the United States are beginning to spend billions to fight [increased tidal flooding](#). Their pleas for help from Congress have largely been ignored.

The finding that a record had been set for the third year in a row was released on Wednesday by three government agencies, two of them American and one British, that track measurements made by ships, buoys and land-based weather stations. They analyze the figures to correct for known problems, producing an annual average temperature for the surface of the Earth. The national meteorological

agency of Japan confirmed the findings in a preliminary analysis.

In the British data set, 2016 set a record by only a small amount; the margin was larger in the NOAA data set and larger still in NASA's. NASA does more work than the other groups to take full account of Arctic temperatures, and several scientists said they believed the NASA record to be the most accurate for 2016 for that reason.

NASA's calculations suggested that the planet had warmed by well over a half-degree Fahrenheit from 2013 to 2016. That is a huge change for the surface of an entire planet to undergo in just three years, and it appears to be the largest temperature increase over a three-year period in the NASA record, which begins in 1880.

The findings about a record-warm year were also confirmed by the [Berkeley Earth surface temperature](#) project, a nonprofit California group set up to provide a temperature analysis independent of governments. That group, however, did not find that three records had been set in a row; in its analysis, 2010 was slightly warmer than 2014.

In addition to the surface measurements, satellites are used to measure the temperature of the atmosphere within a few miles of the surface. Two groups that analyze these figures showed a record-warm 2016 in data going back to 1978, though in one data set it was a record by only a small margin.

Since 1880, NOAA's records show only one other instance when global temperature records were set three years in a row: in 1939, 1940 and 1941. The Earth has warmed so much in recent decades, however, that 1941 now ranks as only the 37th-warmest year on record.

The modern era of global warming began around 1970, after a long stretch of relatively flat temperatures, and the past three years mark the first time in that

period that three records were set in a row. Of the 17 hottest years on record, 16 have now occurred since 2000.

Two of the agencies that issued Wednesday's figures, NOAA and NASA, will soon report to cabinet secretaries appointed by President-elect Donald J. Trump, who has expressed doubt about the findings of climate science. In 2012, Mr. Trump wrote on Twitter, "The concept of global warming was created by and for the Chinese in order to make U.S. manufacturing noncompetitive."

Fear has erupted within the agencies about whether their data will now be subject to political manipulation. Mr. Trump and his cabinet nominees have given no detailed indication of what their broad climate policies are likely to be, much less how they will manage the scientific enterprise of monitoring the climate.

### More Reporting on Climate Change

Since he was elected president, Mr. Trump has [acknowledged](#) there may be "some connectivity" between human activity and climate change, and he promised to keep an open mind on the subject.

On Wednesday, in questioning before the Senate Environment and Public Works Committee, Mr. Trump's nominee to lead the Environmental Protection Agency, Scott Pruitt, said, "[I do not believe that climate change is a hoax](#)." He did not, however, say whether he believed that Mr. Trump was wrong on climate change.

The three record-setting years in a row undercut longstanding claims by a handful of contrarian scientists that global warming stopped after 1998. That argument was never backed by good statistical evidence, but it was highlighted repeatedly in Congress and on the presidential campaign trail in 2016.

When the heat buildup in the ocean is taken into account, global temperatures are rising relentlessly.

Scientists have calculated that the heat accumulating throughout the Earth because of human emissions is roughly equal to the energy that would be released by 400,000 Hiroshima atomic bombs exploding across the planet every day.

It is true that at the Earth's surface, the warming seems to be

proceeding in fits and starts. "The arc of global warming will be variously steep and less steep," said Richard Seager, a climate scientist at the [Lamont-Doherty Earth Observatory of Columbia University](#). "It never stopped."

In fact, the rate over time has been reasonably close to predictions that

scientists first offered decades ago. Those same scientists have long warned that humanity is courting disaster by failing to bring fossil-fuel emissions under control.

For example, many experts on sea level believe that a rise of 15 or 20 feet has already become inevitable, though they cannot say how fast it

will happen. A rise that large would drown most of the world's coastal cities without heroic efforts to fortify them.

## ETATS-UNIS

### POLITICO Distrust and empty desks could stunt Trump's government

By Josh Dawsey and Andrew Restuccia

Just days before he ascends to the presidency, there are lingering questions about whether President-elect Donald Trump's team is fully prepared to take over the sprawling federal government, according to more than two dozen interviews with Trump and Obama administration officials, lobbyists, experts and others close to the process.

A deep distrust has taken hold between Trump's transition officials and Obama's political appointees at a number of federal agencies, slowing down the handover of agency responsibilities on everything from meat inspections to drug pricing. There's confusion over policy on several major agenda items, as Trump gives conflicting signals and often disagrees with his Cabinet nominees. And a number of federal agencies are far from having the staff they need to run on Day One, people close to the transition say.

Story Continued Below

While every transition has a feeling of disarray to it, some observers — Obama and Trump loyalists alike as well as others who are more neutral — say this transition is more drama-filled and inconsistent across federal agencies than some of its predecessors. And the disorder could have a real impact on Trump's ability to quickly deliver on his ambitious agenda in the opening weeks of his administration.

"They look like they are designed for chaos," said Stephen Hess, an expert on transitions at the Brookings Institution. "It's just, there is no other word for it, weird for those of us who have been involved in government for decades."

Trump transition officials insist that they are prepared. They say they have written detailed action plans for every major agency, adding

they've even been charting a path forward at more obscure subagencies and departments. They note that securing the confirmation of their nominees is the most important near-term task and that they will soon announce hundreds of hires.

After a rocky start — both because Trump's team didn't expect to win and because of missteps by Gov. Chris Christie of New Jersey, who was ousted as the head of the transition in November — they are now on a far quicker path, Trump transition aides say. Before Trump won, many establishment Republicans showed little interest in joining the transition and raising money, meaning the team started far behind previous ones, according to people involved and close to the transition.

Those people say Rick Dearborn, the former chief of staff to Sen. Jeff Sessions who is running the D.C.-based transition operation, has since instilled a discipline in the process, and Jared Kushner, Trump's son-in-law, is something of a troubleshooter.

Trump's team is hoping to install its own appointees on Friday who will run the agencies along with the existing career officials until the Senate confirms his nominees. The transition is assembling so-called "beachhead" teams filled with aides who don't require Senate confirmation. Trump's transition has instructed members of the beachhead teams to skip the inauguration and be at their desks the moment Trump takes office, sources close to the transition said.

"I've been through a lot of transitions, and this one is going well. There's obviously a lot of confusion, and a lot of chaos, but that always happens in a transition because you have massive organizations that have to move quickly," said former New York City Mayor Rudy Giuliani, a top Trump surrogate.

But others say that Trump's transition at the agency level is more helter-skelter than those of his predecessors.

Unlike the George W. Bush and Obama transitions, there are few people calling the shots in D.C.; almost every major decision gets made in New York. One person close to several top officials said D.C.-based aides sometimes struggle to connect with their more powerful counterparts up north to discuss policy proposals.

There's also confusion about the path forward on major agenda items. One senior policy official at the conservative Heritage Foundation said it is unclear what policies the transition team favors on issues like infrastructure because several different versions of a plan are circulating — and no one is sure who is empowered to sign off. Trump and his top aides have disagreed on how to move forward on removing Obamacare, causing concern on Capitol Hill and among his GOP allies.

Trump himself isn't involved in much of the hiring below the Cabinet level but will occasionally weigh in, throwing the process awry. Some say the task of building out agency leadership would be going more smoothly if Trump made it a clear priority. One person involved in the transition said he believes the team would be more interested in quickly filling key roles, like assistant attorneys general and a FEMA administrator, for example, if the boss were more interested in those positions.

Trump's team has filled 28 of the 690 most crucial federal government positions that require Senate confirmation, according to the Partnership for Public Service, which has advised the Trump transition throughout the process.

One of the core problems has been the persistent lack of communication between some of the federal agencies and the Trump

transition officials on the so-called "landing teams" tasked with entering the agencies to collect information for Trump's team.

Max Stier — CEO of the Partnership for Public Service, which also advised the Obama administration on its transition — called it "slow-going on that front, though it has varied agency to agency."

"The landing teams going into the federal agencies have been uneven," he said. "Not all of the landing teams have had much connectivity with the agency."

Lindsay Walters, a Trump spokeswoman, pushed back against the idea of a rocky transition for federal agencies. "There is a robust transition operation in place that is ensuring that all teams are prepared and ready for Day One. We look forward to serving our great country," she said.

Despite the feeling of disorder underneath the surface, Obama and Trump aides have been cordial in public, for the most part. Obama was impressed by George W. Bush's commitment to a smooth transition and Obama administration officials say he wanted to create a similarly drama-free process.

The White House organized a meeting last Friday with Obama's Cabinet secretaries and Trump's incoming nominees. The officials discussed contingency plans for crisis scenarios like natural disasters and terrorist attacks. In the aftermath of 9/11, former government officials have warned that the U.S. is uniquely vulnerable to terrorist attacks during the transition. And the government has taken extra precautions to make sure the incoming administration has a national security plan in place on Day One.

But behind the scenes, an undercurrent of distrust has marked many of the interactions between the Obama administration and the

Trump transition, according to officials on both sides. While the meetings have been largely professional, Trump's team has been warned not to share too many details with the Obama administration, having been burned by a series of damaging leaks that made public key transition memos. And they are angry with the Obama team for making a number of major policy moves during the transition.

Some officials have been speaking out.

"It's going pretty smoothly because there's not an enormous amount of it," Secretary of State John Kerry said last week of the contact between the two teams. "There are some people who've been in the building for a period of time, but, you know, quite candidly, I think there has not been a lot of high-level exchange at this point in time."

At the Education Department, one senior level Obama official said Trump's aides made it clear they weren't interested in talking to Obama political appointees. "They were very nice about it," this person said.

Trump's team was livid when federal employees leaked a series of transition documents to the press. One [memo](#) to the Energy Department asked for the names of any employees who have worked on President Barack Obama's climate initiatives. Another [memo](#) to the State Department asked for details of existing programs aimed at promoting gender equality.

For the Obama team, the memos fueled fears that Trump officials will target holdovers from the Obama administration. And for the Trump team, the leaks signaled that Obama loyalists couldn't be trusted.

Asked if there's tension between Trump and Obama transition officials, one person on the Trump transition responded, "You mean other than leaking everyone's requests?"

An Obama administration official countered, "If there is some skepticism on the part of those of us who are here it is because they came in guns blazing. It's because

you have transition teams coming in and looking more like congressional investigators."

"They wanted to know what the politics were before the policy — and they wanted to know where the bodies were buried," the official said.

People involved in the transition say Trump's team is still trying to understand its power. One official at the Department of Energy carefully explained the department's responsibilities to a Trump aide after the aide asked a series of questions that indicated he wasn't quite sure about the department's portfolio, a person familiar with the conversation said.

Trent Lott, a lobbyist close to several people on the transition, said the transition team was relying on lobbyists and others for lists of potential hires and policy recommendations. In some areas, like transportation, he said he was impressed by the hiring. And overall, he said, the team was "working aggressively, like a fruit basket turnover."

But he said the team is still grappling with the sheer volume of work that needs to be completed in the coming months. "I talked to one person at the Pentagon, and he has to hire 400 people alone. They are really digging in fast, but I'm sure some of the agencies are going better than others."

The transition has largely ignored more obscure federal agencies, according to people close to the operation. One senior level Obama administration official said they were encouraging people to stay around and work hard in the upcoming months because Trump's team was going to need the help and had thousands of unfilled jobs. Another official at a less well-known federal agency told POLITICO there has been almost no contact with the transition team, adding that the agency is "operating blind" when it comes to what will happen after Jan. 20.

Even major government entities aren't getting attention. Sources close to the transition [have described](#) Trump's staffing at the

National Security Council and other foreign policy and defense agencies as a "black box," leaving open the question of who will manage major crises.

"It's still unclear how much work they've done on lining up deputy secretaries and other top political appointees within agencies," said Clay Johnson, who oversaw the Bush-Cheney transition and cautioned that having those appointments in place is key to keeping agencies running smoothly.

For example, Trump's delay naming his choice to lead the Department of Agriculture — one of the largest government departments — will put the incoming USDA head at a disadvantage, outgoing Agriculture Secretary Tom Vilsack recently told POLITICO.

Over the past several weeks, Vilsack has been critical of the Trump transition's lack of engagement with USDA, a sprawling department with nearly 90,000 employees that works on everything from meat safety to crop insurance to food assistance for millions of Americans.

"It's hard to start because you don't have all your political appointees," Vilsack said. "It makes it harder. There's a terrific learning curve."

Trump's USDA transition effort got off to a slow start. As of mid-December, there was only one transition volunteer, Brian Klippenstein, showing up at the department — a stark contrast to other departments that had much larger staffs assigned to the job. The landing effort has grown in recent weeks.

"It's increased to the extent that they have four or five people here," Vilsack said. "But it's still not as robust as it was in 2008 to 2009."

At Veterans Affairs, officials were caught off guard by the pick of an Obama administration official, David Shulkin, to head the agency when they were told Trump wanted wholesale change.

Officials didn't move in for several weeks at the Education Department, sources said, and Trump officials were difficult to

reach over the holidays. Yet in a recent interview, John King, Obama's secretary of education, praised two members of Trump's transition team, and Obama officials say they have recently seen a flurry of activity. Some people who worried about the nomination of Betsy DeVos, a conservative and big backer of charter schools, as secretary have been heartened by candidates for other education posts.

At the State Department, people close to the transition say Trump's team has gone out of its way to alienate people who criticized them during the campaign. They have circulated questionnaires that rattled many longtime observers of foreign policy. And they have brought few people into Foggy Bottom, leaving some Obama administration officials scratching their heads.

But Trump officials say they are carefully examining the entire department, and they argue the American people wanted a serious shift in foreign policy. Soon, one person in the transition said, there will be hundreds of hires and a clearer doctrine of policies. "It's going to be a different State Department," this person said. "And that's what the American people voted for."

Obama has been mostly circumspect about the transition, trying to maintain civility with Trump even though he knows the incoming president will reverse many of his policies. In a recent interview on "60 Minutes," Obama said the transition is different because Trump was an "unconventional candidate" who didn't "have the support of many of the establishment in his own party, because he ran sort of an improvisational campaign."

"It's unusual," Obama said. "I'll agree with that. And I suspect the president-elect would agree with that."

*Nancy Cook, Caitlin Emma, Eliana Johnson, Ted Hesson, Maggie Severns and Helena Bottemiller-Evich contributed to this report.*

## THE WALL STREET JOURNAL

2017 2:04 a.m. ET

Donald Trump's cabinet picks took a tough line Wednesday on Chinese trade practices and federal environmental regulations, reflecting the president-elect's antiestablishment agenda.

## Donald Trump's Nominees Stick to His Script

Beth Reinhard

Updated Jan. 19, 2017 2:04 a.m. ET

The president-elect's nominees in last week's confirmation hearings—many chosen for national security posts—took pains to show they could be independent from Mr. Trump on foreign-policy matters. This week, the designees facing senators represented the leading edge of Mr. Trump's push to reverse the domestic policies

advanced by President Barack Obama's administration.

The would-be leaders of agencies overseeing the environment, health care, commerce and education represent Mr. Trump's plans to disrupt the status quo by battling the agencies they hope to lead. Mr. Trump's pick to lead the Environmental Protection Agency,

Scott Pruitt, the Oklahoma attorney general, testified that the agency made its own laws and ignored the role of states in environmental regulation.

"EPA is an administrative body. It is not a legislative body," he said.

Wilbur Ross, Trump's pick for commerce secretary, provided the



deepest view yet of the incoming administration's likely direction on trade in testimony before the committee considering his nomination.

Rep. Tom Price, Trump's pick to run the Department of Health and Human Services, said he purchased stock in an Australian biomedical firm after discussing the company with a fellow congressman who sits on its board.

While chairman of OneWest, Steven Mnuchin tried to persuade regulators to sell him a shaky thrift in late 2009, pushing outside the normal channels of the failed-bank takeover process.

Trump's choice to represent the U.S. at the United Nations, Gov. Nikki Haley, told a Senate panel she sees some benefits to the U.N., but also sees problems.

#### THE TRUMP TRANSITION

Senate Democrats accused the Republican president-elect's nominees of putting special interests before the public welfare.

"This is a swamp cabinet full of bankers and billionaires," said U.S. Sen. Charles Schumer of New York, the Senate's Democratic leader. "Many of them have hard-right views."

Last week's hearings, by contrast, were punctuated by sporadic Democratic praise for nominees who were, at times, out of step with some of Mr. Trump's positions. His chosen border security chief said a wall along the southern border wouldn't alone keep out illegal immigrants, while Mr. Trump's national security picks split with the president-elect on the threats posed by Russia and Iran and the military's use of torture.

Praise from Senate Democrats was scarcer this week, as the latest set of nominees on Capitol Hill were accused of seeking to bulldoze the bureaucracies

they have been tapped to oversee. The tension underscored the main battle lines separating the two political parties.

"Trump was elected because voters saw him as an agent of change, and change is what they're going to get in these cabinet nominees," said Peter Wehner, who worked in the last three Republican administrations.

Many of the nominees drew praise from Republican senators, who see the new administration as bringing a long overdue course-correction in policy.

"Over the last eight years the Obama administration has advanced a radical environmental agenda," Sen. James Inhofe (R., Okla.) said.

Referring to Mr. Pruitt, Mr. Inhofe said, "Scott has proven himself to be an expert at balancing economic growth with environmental stewardship."

Some GOP senators took a more cautious tone during the confirmation hearing of Rep. Tom Price, a Georgia Republican nominated by Mr. Trump to lead the Department of Health and Human Services. Mr. Price has devoted significant time as a lawmaker to writing plans to repeal and replace the Affordable Care Act, known as Obamacare, and he is expected to play a major role in representing the new administration in that effort.

Two Republicans, Lamar Alexander of Tennessee and Susan Collins of Maine, used the confirmation hearing to say they were wary of repealing the law without a firm plan to replace it.

Mr. Price said he was committed to "bipartisan, team-driven policy-making" and didn't provide details on the incoming administration's vision for a new health-care law.

But he addressed the Republicans' intent to replace the current law

when he said: "One of the important things that we need to convey to the American people is that no one is interested in pulling the rug out from anybody."

Democrats, who have little power to block the nominees, used the hearings to flesh out positions that they see as too conservative.

Mr. Pruitt, who as Oklahoma attorney general has repeatedly sued the EPA, drew a tart response from Sen. Bernie Sanders, the independent from Vermont, when he said the climate was changing and human activity has an impact, but his opinion was "immaterial."

"Really?" said Mr. Sanders, who unsuccessfully sought the Democratic presidential nomination last year. "You are going to be the head of the agency to protect the environment, and your personal feelings about whether climate change is caused by human activity and carbon emissions is immaterial?"

Mr. Obama sought to make climate change part of his legacy through tighter rules on coal plants and automobile emissions. Mr. Trump has criticized the federal government for excessive environmental regulation, a view shared by Mr. Pruitt.

The appropriate role of government was also debated in Mr. Price's confirmation hearing.

Sen. Elizabeth Warren of Massachusetts, who like Mr. Sanders is a leader of the Democratic Party's liberal wing, pressed Mr. Price to heed Mr. Trump's pledge not to cut the Medicare or Medicaid programs. The congressman declined, saying it would depend on the quality of health-care coverage.

"You might want to print out President-elect Trump's statement and post that above your desk in

your new office, because Americans will be watching," Ms. Warren said.

Another one of Mr. Trump nominees who Democrats say is at odds with the mission of the agency she has been asked to lead is Betsy DeVos, Mr. Trump's choice to head the Department of Education. Mrs. DeVos is a prominent advocate for charter schools and private-school vouchers, which critics say siphon money from public schools.

"Do you commit to us tonight that you will not work to privatize public schools or cut a single penny from public education?" asked Sen. Patty Murray (D., Wash.).

Mrs. DeVos thanked the senator for the question but said, "Not all schools are working for the students that are assigned to them, and I am hopeful that we can work together to find common ground in ways that we can solve those issues and empower parents to make choices on behalf of their children."

Wilbur Ross, a billionaire investor who is Mr. Trump's nominee to lead the Commerce Department, echoed Mr. Trump's criticism of free trade deals.

"I am not antitrade, I'm pro-trade," he said Wednesday. "But I'm pro-sensible trade."

The mood was more cordial in Wednesday's hearings for Mr. Ross and South Carolina Gov. Nikki Haley, tapped to be ambassador to the United Nations.

"You have comported yourself quite well. You have been very detailed and non-evasive in your answers, and that is appreciated," Sen. Bill Nelson, a Florida Democrat, told Mr. Ross. "Let me assure you that this hearing is a piece of cake compared to some of the other nominees that are going through the process."

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## Trump Cabinet nominees meet growing ethical questions

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(Peter Stevenson/The Washington Post)

Rep. Tom Price (R-Ga.), President-elect Trump's nominee for secretary of health and human services, repeatedly came under fire from Democrats questioning his financial dealings, during a hearing on Jan. 18 at the Capitol. Rep. Tom Price's financial dealings repeatedly questioned in Senate hearing

(Video: Peter Stevenson/Photo: Bill O'Leary/The Washington Post)

Three of Donald Trump's Cabinet picks came under growing fire Wednesday on ethical issues, potentially jeopardizing their nominations.

The most serious concerns surround personal investments by Trump's health and human services nominee, Rep. Tom Price (R-Ga.), in health-care firms that benefited from legislation that he was pushing at the time.

Additionally, Rep. Mick Mulvaney (R-S.C.), Trump's choice to head the Office of Management and Budget, has acknowledged during his confirmation process that he **failed to pay more than \$15,000** in state and federal employment taxes for a household employee.

And Commerce Department nominee Wilbur Ross revealed that one of the "dozen or so" housekeepers he has hired since 2009 was undocumented, which he said he discovered only recently. The employee was fired as a result, he added.

All of those are the kinds of problems that have torpedoed nominees in the past. But it is far from certain — or even likely — that any of Trump's nominees will buckle under the political pressure.

That is in part because the president-elect himself has broken so many norms — notably, by flouting the convention of major-party presidential candidates making their tax returns public and by refusing to sever himself from his financial interests while he is in the White House.

Critics say that Trump's actions and those of his nominees suggest that an incoming administration that promised to "drain the swamp" of Washington has instead brought in a new, lower set of standards.

"This is a swamp Cabinet," said Senate Minority Leader Charles E. Schumer (D-N.Y.).

[Trump recruits army of chief executives to battle with the system in Washington](#)

Schumer recalled that former senator Tom Daschle (D-S.D.) withdrew his nomination to become President Obama's health and human services secretary in 2009 when a controversy arose over Daschle's failure to pay taxes for, among other things, the perquisite of having a car and driver. As with Mulvaney, Daschle blamed his lapse on an oversight.

"If failure to pay taxes was disqualifying for Democratic nominees, then the same should be true for Republican nominees," Schumer said.

When Daschle's nomination collapsed, Obama said: "Ultimately it's important for this administration to send a message that there aren't two sets of rules — you know, one for prominent people and one for ordinary folks who have to pay their taxes."

Thomas Mann, a senior fellow at the Brookings Institution, said that the vetting process for Cabinet nominees had been tightened considerably since the days of the Clinton administration, when problems arose that were similar to those facing Trump's nominees.

"From what we can tell, that process has not been vigorously applied by this transition team," Mann said. "If Donald Trump

can blow away all considerations of conflicts of interest, it's a little hard to be insistent on these other matters. Trump is a category all by himself."

One factor making it easier for Trump's nominees to prevail in the GOP-controlled Senate is a 2013 rule change — ironically, one that was engineered over Republican objections by the Democrats who were then in the majority. It ended the ability of senators to filibuster Cabinet nominees, which means that nominees can be confirmed with 51 votes. There are 52 Republicans in the chamber.

"What's different now is that [blocking a nominee] is going to require Republicans to stand up to their own president," said Jim Manley, a longtime aide to former minority leader Harry M. Reid (D-Nev.). "I'm not sure that's going to happen. So far, it seems like everyone is afraid of getting on the wrong side of a tweet storm."

In several instances, when controversy has erupted around Trump's appointees, the initial reaction of the president-elect and his team has been to counterattack.

That was the case when plagiarism charges surfaced against conservative pundit Monica Crowley, whom Trump had named senior director of strategic communications at the National Security Council.

"Any attempt to discredit Monica is nothing more than a politically motivated attack that seeks to distract from the real issues facing the country," the presidential transition team said in a statement.

But more evidence accumulated until Crowley announced Monday

that she would relinquish the post "after much reflection."

"The team thought itself immune from the political laws of gravity," said Timothy Naftali, a presidential historian at New York University. "The Crowley case showed they're not immune. We'll see what happens with these other cases."

Questions are growing most rapidly around Price, whose investments, Schumer said, appear to show "a clear and troubling pattern."

Democrats are also complaining that Senate GOP leaders are trying to rush hearings for some nominees, including a rare evening hearing on Tuesday for Betsy DeVos, Trump's choice for education secretary.

Schumer noted that some hearings have had very little seating for the general public and that others have been held before a nominee's required ethics background check was completed.

Incoming White House press secretary Sean Spicer told reporters Wednesday: "A lot of this is Senate Democrats doing what they can to find stall tactics."

Trump's nominees are also coming under criticism for lacking a depth in their knowledge of the policy areas that are the purview of the Cabinet departments they will run.

Billionaire school choice activist DeVos, for instance, was widely ridiculed for answering a Democratic question about whether it is proper to have guns in school by saying firearms may be needed in places like Wyoming to protect against grizzly bears.

[Six astonishing things Betsy DeVos said — and refused to say — at her confirmation hearing](#)

She also argued that states should have the right to decide whether to enforce the Individuals with Disabilities Education Act, which requires public schools to provide free and appropriate education to all students with disabilities. When told that the act is a federal civil rights law, DeVos said: "I may have confused it."

Oklahoma Attorney General [Scott Pruitt](#), Trump's nominee to head the Environmental Protection Agency, was asked what level of lead consumption would be acceptable for children — a question related to the water crisis in Flint, Mich.

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"That's something I have not reviewed nor know about. I would be concerned about any level of lead going into the drinking water, or obviously human consumption," Pruitt said. "But I have not looked at the scientific research."

Public health officials have long said there is no safe level of lead, especially for children.

During an appearance on Fox News Channel on Wednesday morning, Trump adviser Kellyanne Conway defended the performance of Trump's nominees and accused Democrats of attempting to score political points.

"The idea of humiliating and trying to embarrass qualified men and women who just wish to serve this nation is reprehensible," Conway said.

Valerie Strauss contributed to this report.



## Trump's National Security Team Is Missing in Action

Trump's train wreck of a transition stumbles into office with key vacancies in top positions and wracked by infighting.

President-elect Donald Trump will enter the White House Friday with most national security positions still vacant, after a disorganized transition that has stunned and disheartened career government officials.

Instead of hitting the ground running, the Trump team emerged from the election ill-prepared for the daunting task of assembling a new administration and has yet to fill an array of crucial top jobs overseeing the country's national security and

diplomacy, fueling uncertainty across the federal government.

"I've never seen anything like this," one career government official told Foreign Policy.

The delays and dysfunction threaten to cripple the incoming administration from the outset and raise the risk the White House will present confused or contradictory policies to the outside world. Without his team in place, the new president will likely be unprepared should an early-term crisis erupt abroad, or an adversary test the new administration's mettle, said former officials who served in both Republican and Democratic administrations.

The positions still to be filled include senior management and policy

posts that oversee diplomacy, military budgets, nuclear weapons, counterterrorism, and media relations, said Obama administration officials, congressional staffers and people familiar with the transition.

The Trump team has not yet named senior deputies for the State or Homeland Security departments. Meanwhile, dozens of important posts at the Defense Department remain vacant in part because of a growing feud between Trump's advisors and James Mattis, the retired general picked to serve as the next defense secretary. As for the White House, the Trump team has yet to name a national security advisor for Vice President-elect Mike Pence and other key posts, officials told FP.

The absence of a national security advisor for Pence is all the more significant given the prominent role he appears to be playing in the new administration, including receiving a highly classified daily presidential intelligence briefing. Trump has chosen to receive the briefing about once a week.

The Trump team has either failed to fill key jobs or put forward people who lack the experience or appropriate expertise to do the job. More than one administration official called the transition effort "anemic." Previous administrations, including Barack Obama's and George W. Bush's, were much further along this close to the inauguration.

The troubled transition has stunned career civil servants and former

officials who say no previous administration in recent decades has proceeded in such an incoherent way.

A recent poll found that more than half of Americans disapprove of Trump's handling of the presidential transition. His team, however, said the process is moving with remarkable efficiency.

"This will become the gold standard going forward," Trump spokesman Sean Spicer told reporters on Wednesday. He added that the Trump team was poised to announce a slew of senior deputy positions at various departments but declined to give a timeline.

At the State Department, senior diplomats said there is little clarity on whether several top career officials will be expected to stay in their positions beyond Friday, when Trump will be sworn in as president. That's a contrast to the Pentagon, where at least six senior officials have been asked to remain during the Trump administration's opening weeks.

"There's a lot of uncertainty, and if the transition team has a plan for maintaining continuity in key roles, they haven't made that widely known," said one senior administration official, who spoke on condition of anonymity.

The key officials whose roles remain unclear include Tom Shannon, the undersecretary for political affairs and the No. 3 official at the department; Pat Kennedy, the undersecretary for management and resources; Tom Countryman, the undersecretary for arms control; Kristie Kenney, the department's counselor; and Joe Macmanus, the executive secretary.

"People are assuming that Tom Shannon will carry on and be the senior official for the department as the transition continues, but, again, that's an assumption," said the official.

Trump's choice for national security

advisor, Michael Flynn, has handpicked some former associates for White House and other administration positions who share his background in military intelligence and special operations forces but who are not versed in the essence of the job: formulating policy inside the White House out of a host of competing government agencies and agendas.

"They don't understand the basics of how decision-making works at this level," another senior administration official said. The outgoing Obama administration officials refer to the new arrivals as "Flynnstones" for their connection to the next national security advisor.

Underlying much of the delay and confusion in the transition is a persistent question about who truly speaks for the president-elect.

In a number of cases, one transition "landing team" at a department has arrived asking for briefings, often on sensitive topics involving classified information, only to be followed by an entirely different transition team asking for the same briefings again.

"It's difficult to know how much connection or communication they have with New York," said the senior administration official.

And as different transition "landing teams" have come and gone, the president-elect has alarmed European and Asian allies with provocative tweets while his own cabinet nominees repeatedly contradicted his positions on Russia and other issues at Senate confirmation hearings. On Wednesday, Trump's nominee for U.N. ambassador, Nikki Haley, broke ranks with the president-elect on a litany of topics, backing sanctions on Moscow and defending the importance of the NATO alliance.

Foreign diplomats from friendly capitals have come away confused by the transition and puzzled about who they should speak to. "We are never sure whether we are meeting

with the right people," one Western diplomat said.

At the Defense Department, a struggle for power and influence has virtually halted the transition in its tracks, former officials and congressional staffers said. Mattis, the pick for defense secretary, was confirmed by the Senate Armed Services Committee by a 26-1 vote Wednesday afternoon and is expected to be easily confirmed within days by the full Senate. But he has been at loggerheads with Trump's advisors over who should be appointed to senior policy jobs at the Pentagon.

Mattis has opposed prospective appointees pushed by Trump's inner circle in New York, which includes Steve Bannon, named as a senior White House strategist, and Jared Kushner, Trump's son-in-law and prospective White House advisor. At the same time, candidates the general wants for Pentagon posts — including Republican experts who signed "Never Trump" letters last year — have been rejected or obstructed. As a result, not a single second-tier position has been named, and concern is growing among Mattis's Republican supporters in Congress, who see him as a seasoned and moderating influence in a White House led by an inexperienced commander in chief.

The Trump team also apparently has given little or no priority to how it will communicate the administration's policies and stances to the public. The incoming team has not held any handover briefings with press secretaries at the State, Defense, or Homeland Security departments or at the media office of the White House National Security Council (NSC), officials said.

And the Trump team has yet to name anyone to serve as spokesperson for those departments, which typically answer media queries virtually around the clock. Monica Crowley was selected

to oversee communications at the NSC, but she withdrew her name amid revelations she had plagiarized numerous passages in her book and her Ph.D. dissertation at Columbia University.

Even the confirmation process for Trump's cabinet picks has run into trouble, with some nominees failing to file necessary paperwork for ethics reviews and background checks. Trump looks poised to begin his term with the lowest number of confirmed cabinet members of any president in more than a quarter century.

Polls show a majority of Americans disapprove of how Trump is managing his move to the White House, a response that stands in sharp contrast to previous presidents — including Obama — who all received high marks for how they managed their transition. In a *Washington Post*-ABC News poll, 54 percent disapproved of Trump's handling of the transition. About eight in 10 Americans approved of the way Obama managed his transition.

Former officials and civil servants say Trump appears to take little interest in following the established model for White House decision-making that evolved over decades under presidents from both parties.

"Unlike State, which can rely on its bureaucracy, the NSC has to be ready on day one as most of its old team leaves," said Philip Gordon, who served on the NSC in Obama's and Bill Clinton's administrations. "In a normal world, even before a single presidential phone call or meeting or decision, the NSC team would prepare background, points, facts, etc. They will not have a team ready to do that," Gordon told *Politico*.

"But it's not clear Trump operates that way or would use any of the stuff anyway."

## THE WALL STREET JOURNAL

# Commerce Secretary Nominee Wilbur Ross Offers Preview of Trade Policy

William Mauldin and Ben Leubsdorf

Updated Jan. 18, 2017 7:08 p.m. ET

WASHINGTON—A top Trump trade adviser on Wednesday emphasized tougher enforcement of existing rules as a way to confront China and other countries, reassuring some lawmakers worried by President-elect Donald Trump's talk of broad tariffs on U.S. imports.

Wilbur Ross, Mr. Trump's pick for commerce secretary, provided the deepest view yet of the incoming administration's likely direction on trade in testimony before the Senate Commerce Committee, which is considering his nomination.

Mr. Ross's testimony on Wednesday covered a dizzying array of topics over four hours, reflecting the Commerce Department's myriad mandates. In addition to its role in trade matters,

the agency is responsible for monitoring the weather, overseeing fisheries, issuing patents and conducting the decennial census.

Mr. Ross, 79 years old, mentioned tariffs several times in the hearing, which repeatedly returned to the topic of trade, a campaign issue that defined the 2016 presidential election and has ruffled feathers in the business community.

"I think tariffs play a role both as a negotiating tool and if necessary to punish offenders who don't play by the rules," Mr. Ross said.

The billionaire private-equity investor didn't threaten the unilateral, pre-emptive tariffs on U.S. imports from China and Mexico that Mr. Trump repeatedly warned of during the election.

Such duties would weigh on retailers and boost consumer



prices, economists say. Mr. Trump has played down talk of broad tariffs since the election, instead focusing on more targeted penalties on companies that move production offshore. His aides have said warnings about the possibility of big tariffs are part of negotiations to get better terms for U.S. exports.

Mr. Ross didn't rule out the use of broad tariffs, but focused his testimony on the rapid processing of cases against foreign companies accused of benefiting from subsidies or dumping products on the U.S. market below their fair value.

The Trump administration would seek to "self-initiate" such cases, Mr. Ross said, which often lead to punitive tariffs on particular companies or industries, when it makes sense, rather than waiting for the affected industries to bring cases against rivals in China or other countries.

"One of the things that we do need very careful attention to is more tariff activity, the anti-dumping requirements that we should impose on the steel industry and on the aluminum industry as well," he said, blaming China for excess metals capacity.

Mr. Ross's approach to trade appeared to reassure Republican lawmakers who have backed freer trade.

"I was comfortable with the way he addressed those issues today," said Sen. John Thune (R., S.D.), the chairman of the committee considering Mr. Ross's confirmation and a member of the Finance Committee, which oversees trade policy. Sen. Thune said he had been "concerned based on some of the rhetoric that has come out throughout the course of the campaign and from the incoming administration on trade issues," including [talk about a broad 35% tariff](#).

To be sure, Mr. Ross is only one of Mr. Trump's key trade advisers. His picks for U.S. trade representative—trade lawyer [Robert Lighthizer](#)—and the head of a new White House council on trade—economist Peter Navarro—have expressed more hawkish views on breaking with global trade rules to confront Beijing.

And Mr. Trump's decadeslong criticism of trade policy means he is likely to play a commanding role from the White House. "The biggest problem we have is China is so horribly imbalanced in trade with us," Mr. Trump said in an interview last week. "Everything is under negotiation. Everything."

Still, Mr. Ross, a business leader and investor seen as close to Mr. Trump, is set to play a leading role in trade policy that goes beyond the more limited role commerce secretaries have traditionally played, advisers say.

Mr. Trump has boasted that the \$2.2 trillion in merchandise the U.S. imports every year gives him leverage to change the behavior of trading partners by restricting trade.

But Mr. Ross described the U.S. trade relationship more subtly to Congress: "My mind-set will be that of the world's largest customer dealing with his vendors," he said in the hearing. "I view these other countries that we have trade deficits as our vendors."

The softer message on trade shows how Mr. Trump's team may be shifting from fiery campaign rhetoric to a more measured position on key issues, including tariffs, where bold moves from Washington could lead to politically damaging retaliation from China and other major trading partners, including through cases at the World Trade Organization.

The new administration's goal will be to strike more attractive bilateral trade agreements—rather than the

multilateral affairs Mr. Obama pursued—and update the North American Trade Agreement, or Nafta. "I think all aspects of Nafta will be on the table," he said.

Mr. Trump has repeatedly vowed to pull the U.S. out of a proposed Pacific trading bloc that the Obama administration negotiated with Japan, Canada, Mexico and eight other countries around the Pacific.

Mr. Ross said Wednesday he initially approved of the Trans-Pacific Partnership, concluded in October 2015 in Atlanta, but has since found unacceptable language in the TPP agreement's thousands of pages.

For example, Mr. Ross wants more enforceability of trade agreements and stricter standards for the auto industry, meaning that trading partners would have to source more components for vehicles within the bloc to get duty-free trade. The so-called rules of origin may be a focus of Nafta talks in the Trump administration.

Mr. Ross's [extensive business ties and investment holdings](#)—Forbes magazine has estimated his net worth at \$2.5 billion—present a complicated web of potential conflicts of interest in his new position. To avoid any impropriety, Mr. Ross has pledged to resign dozens of positions and divest most of his financial interests upon confirmation.

A formal ethics agreement released this week set forth timetables for selling various assets, some of which were described as illiquid and so could take months to unload. Mr. Ross wrote in the document that he would act "as promptly as is reasonably practicable" and ensure all proceeds are reinvested in bland assets such as Treasury notes.

Mr. Ross's plan won praise Wednesday from Sen. Bill Nelson of Florida, the Senate Commerce

Committee's top Democrat. Agreeing to "divest the vast majority of your personal holdings" and resign from boards is "the right thing to do, and it tells me that you are committed to doing the job the right way by placing the public's interests ahead of your own," Mr. Nelson said.

Asked about investments he plans to retain and [potential conflicts](#) with his duties as commerce secretary, Mr. Ross said, "I intend to be quite scrupulous about recusal in any topic where there's the slightest scintilla of doubt."

The outgoing commerce secretary, Penny Pritzker, also is a billionaire; her family founded the Hyatt hotel chain. The Senate easily confirmed her for the job in 2013.

Mr. Nelson said the hearing went smoothly, and Mr. Thune said he hopes the Senate can move swiftly to confirm Mr. Ross for the cabinet post.

One revelation at Wednesday's hearing: One of Mr. Ross's household employees had provided a seemingly valid Social Security card and driver's license when hired in 2009, but was terminated recently when Mr. Ross had information for former and current employees rechecked in preparation for the confirmation process.

"We did the best that we thought we could do in order to verify the legality of the employment, and it turns out that was incorrect," Mr. Ross said. Mr. Thune said Mr. Ross was forthcoming with the committee and had paid all relevant taxes for the employee.

—Ian Talley contributed to this article.

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THE WALL  
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Louise Radnofsky

Updated Jan. 18, 2017 11:01 p.m. ET

A hearing on President-elect Donald Trump's choice for health secretary became an arena Wednesday for key Republicans to stress their opposition to overturning the current health law without a clear replacement.

The panel was considering the selection of Rep. Tom Price (R., Ga.), but much of the session focused on GOP plans for undoing

## Key Republicans at Tom Price Hearing Still Wary on Health Law Repeal

Stephanie Armour and Louise Radnofsky

the health law. Sens. Lamar Alexander (R., Tenn.) and Susan Collins (R., Me.) pointedly told Mr. Price their concerns about an initial Republican strategy of repealing the law without an agreed alternative in hand.

Mr. Alexander, who chairs the Senate Health, Education, Labor and Pensions Committee, warned that the fragile insurance market in his state means he cannot support anything that would trigger further disruption. He finished on a similar note, telling Mr. Price he was confident he had secured his agreement.

"What I heard from you, I believe I'm correct about this, is that while we intend to repair the damage of Obamacare and that will eventually mean repealing parts of it—major parts of it—that won't become effective until there are practical, concrete alternatives in place to give Americans access to health care," he said.

"Eventually" and "parts of it" represent a change in tone from years of Republican declarations that the ACA should be repealed immediately and completely. A growing anxiety among some in Republican ranks reflects the

challenges in unwinding a law that's been in effect for almost seven years and which affects the insurance of millions of people, however flawed GOP lawmakers believe it has been.

Mr. Alexander said after the hearing his priority is to shore up the individual health insurance market, and to work out legislation to do so that could win over the votes of 60 senators, which would be needed to pass at least parts of the measure.

Mr. Price, without committing to a particular timetable or plan, sought to reassure the senators. "One of

the important things that we need to convey to the American people is that no one is interested in pulling the rug out from anybody," he said.

Ms. Collins, a centrist, said she couldn't support simply repealing the law, or even repealing it and delaying its replacement. "I think most people reject that idea," she told Mr. Price. "As you said, we don't want to pull the rug out from people who are relying on the insurance that is provided for."

During the hearing, Ms. Collins engaged in a friendly private conversation with Sen. Bill Cassidy (R., La.), with whom she is co-sponsoring a bill to turn over much of the decision-making over the ACA's future to the states. Sen. Johnny Isakson, a Georgia Republican and an advocate for Mr. Price as he is considered for the health secretary position, said he has signed on too.

Mr. Cassidy said after the hearing that he was trying to come up with a plan that GOP senators could broadly support. "That's what I'm shooting for," he said. "The way you structure your repeal is part of your replace."

But any move to delay repealing the law while an alternative is crafted is likely to anger conservative lawmakers and the most fervent Republican voters. "We need to move expeditiously on repealing Obamacare and I believe that's exactly what we're going to do," Sen. Ted Cruz (R., Texas) said Wednesday.

The cautious position voiced by Sens. Collins and Alexander has received several boosts recently, including on Wednesday from the influential U.S. Conference of Catholic Bishops.

"A repeal of key provisions of the Affordable Care Act ought not be undertaken without the concurrent passage of a replacement plan that ensures access to adequate health care for the millions of people who now rely upon it for their well-being," wrote the Most Rev. Frank J. Dewane, Bishop of Venice in Florida, in a letter sent to lawmakers on the Conference's behalf.

The bishops ultimately withheld support from the ACA in 2010 out of concern that it didn't sufficiently shield taxpayers from funding abortion, but were torn because of their commitment to caring for the poor. Catholic hospitals provide a significant portion of health care in the U.S., and since the passage of the law they have taken an active role in signing up people for coverage and campaigning for states to expand their Medicaid programs.

A Wall Street Journal/ NBC News poll published Tuesday also offered a sign of the risks for Republicans as they try to push ahead.

Some 50% of adults in the survey said they had "very little confidence" or "no confidence at all" that Republicans could replace the health care law with one that would make things better. That was greater than the 26% of people who

said they had "quite a bit" or "a great deal of confidence" that Republicans do accomplish this, and the 23% who said they had "just some" confidence.

Democrats have used the lack of GOP consensus to try to highlight the fears that Republicans have no real plan for replacing the ACA should they succeed in undoing it.

"Congressional Republicans have had seven years to come up with fixes for the Affordable Care Act," Sen. Bob Casey (D., Pa.) said Wednesday. "If I were a betting man, I would think not even the best private investigator in the world could find their replacement plan—because frankly I don't believe it exists."

An increasingly important question is how much influence President-elect Donald Trump will exert over the legislative process. Mr. Trump said recently he was nearly finished with a plan that would seek to provide "insurance for everybody," although Mr. Price on Wednesday referred to a plan that assured "access" rather than covering all Americans.

Sen. John Cornyn of Texas, the second-ranking Senate Republican, said he had not yet been briefed or seen any details of the plan that Mr. Trump said at his press conference he intended to submit once his Health and Human Services Secretary is confirmed.

"I understand they're working on a plan, and we're eager to see it," Mr. Cornyn said.

Sen. Tim Scott (R., S.C.), said he had heard from transition team members that they were interested in adding new ideas about employer-sponsored health insurance and health-savings accounts.

But such adjustments may not be enough to assuage concerns over eliminating the health law without a full replacement ready, said Sen. Corker, another senator who's expressed concern.

"Those are nice things, ok, but they do not solve the health care issue we have," Mr. Corker told reporters Wednesday. "Health savings accounts, those kinds of things that create competition—all of those are nice, but they don't really create the ability for especially lower-income Americans to have health care."

The GOP-controlled Senate and House have taken their first procedural steps toward repealing the ACA, passing a budget that directs lawmakers to start drafting legislation to dismantle much of the law. But Republicans' 52-48 Senate majority offers little room for defections as they move ahead.

—Kristina Peterson and Stephanie Armour contributed to this article.

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ET 53 COMMENTS

## Editorial : Tom Price's Trading Days

Democratic opposition to Donald Trump and his cabinet nominees is consistently shrill, but the inability—or unwillingness—to make distinctions may backfire. Not everything deserves emergency footing, and eventually people tune out. Witness the meltdown over Tom Price's investment portfolio.

The Georgia Republican and orthopedic surgeon is on deck to lead the Health and Human Services Department, and at Wednesday's Senate hearing and in the Democratic trade press he stands accused of abusing his office for personal profit. Mr. Price's net worth includes about \$300,000 of stock in health-care-related companies, and over the years he's sponsored legislation, sent letters or otherwise taken policy positions that reporters are now flyspecking for evidence of insider trading.

To take the latest non-bombshell at face value, Mr. Price took a position in 2015 in a company called Zimmer Biomet that makes hip, knee and other replacements. The same year, HHS proposed changing how Medicare pays for such devices. In a letter Mr. Price cosigned, he warned that the new system "could have a negative impact on patient choice, access and quality," and he asked HHS to delay the project. In 2016 he cosponsored legislation to do so.

According to the daisy-chain allegations, the HHS proposal would reduce reimbursements for joint replacements, and therefore harm Zimmer Biomet's profits, and therefore Mr. Price intervened. But the rule went forward in 2016 despite Mr. Price's criticism, and he has been consistent as someone with health-care expertise in scrutinizing all HHS regulations he believes undermine patient care.

About 5,000 bills are introduced in every Congress and far more "dear

colleague" letters are posted. This background noise is rarely market-moving, and Members of Congress are not prohibited from trading. Politicians aren't insiders in the classic definition, meaning they don't work for companies and owe a fiduciary duty to shareholders. Many Democrats on the Senate Finance Committee, such as Tom Carper and Mark Warner, also hold health-care shares.

In any case, the Zimmer Biomet purchase was made by Mr. Price's [Morgan Stanley](#) broker and became known to him only for financial-disclosure compliance. The broker bought 26 shares whose total value has risen by about \$300 in the months since. If Mr. Price really is self-dealing, he's doing a lousy job.

The larger question is whether politicians, or any nonprofessional investor for that matter, should hold individual securities. As a matter of financial literacy, most small investors should opt for index funds, eliminating the familiar day-trading

peril of buying high and selling low, with low transaction costs to boot.

The political danger is the appearance of conflicts of interest, which is why Members would be wise to not actively trade, whatever the law allows. Chief Justice John Roberts recently had to recuse himself from a patent case because he discovered after oral argument that the petitioner was a subsidiary of a company whose stock he owned, which means the outcome could flip in favor of the Supreme Court's judicial liberals. Why public officials think they can beat the markets is a mystery, even if such trades don't interfere with or compromise their public duties.

If Democrats were praising index funds and divesting their own portfolios, they'd be more credible critics. Inflating Mr. Price's boring investments into scandals guarantees that when something does merit outrage, fewer people will believe it.

## Donald Trump to Nominate Sonny Perdue as Agriculture Secretary

Jesse Newman  
and Peter

Updated Jan. 18, 2017 10:02 p.m.  
ET

President-elect Donald Trump will nominate former Georgia Gov. Sonny Perdue to serve as Agriculture Secretary, two transition officials said Wednesday, completing his cabinet appointments as he prepares for his inauguration on Friday.

The announcement ends a search that played out in public view, with Mr. Trump interviewing a raft of candidates before settling on Mr. Perdue, a Republican who served on his campaign's agricultural advisory committee.

Among the candidates he considered were Democratic Sen. Heidi Heitkamp of North Dakota, former California Lieutenant Gov. Abel Maldonado, and former Texas A&M University President Elsa Murano.

If he is confirmed by the Senate, Mr. Perdue would take over one of the largest U.S. government agencies, with a 2016 budget of \$164 billion and a mandate that touches on nearly all aspects of food in America.

The president-elect's cabinet choices at this week's confirmation hearings represented the leading edge of Donald Trump's push to

reverse the domestic policies advanced by President Barack Obama's administration.

Wilbur Ross, Trump's pick for commerce secretary, provided the deepest view yet of the incoming administration's likely direction on trade in testimony before the committee considering his nomination.

Rep. Tom Price, Trump's pick to run the Department of Health and Human Services, said he purchased stock in an Australian biomedical firm after discussing the company with a fellow congressman who sits on its board.

While chairman of OneWest, Steven Mnuchin tried to persuade regulators to sell him a shaky thrift in late 2009, pushing outside the normal channels of the failed-bank takeover process.

Trump's choice to represent the U.S. at the United Nations, Gov. Nikki Haley, told a Senate panel she sees some benefits to the U.N., but also sees problems.

### THE TRUMP TRANSITION

The Agriculture Department insures farmers' crops, promotes agricultural exports, inspects meat-processing plants and regulates genetically engineered seeds. The agency also helps set U.S. dietary guidelines and oversees the Supplemental Nutrition Assistance

Program, or SNAP, formerly known as the Food Stamp Program.

Mr. Trump's pick comes as U.S. farmers are navigating a multiyear slump in the farm economy brought on by bumper harvests in the American Midwest that have reduced crop prices, land values and profits. Growers last year brought in their biggest-ever haul of corn and soybeans, according to the USDA, a generous bounty that followed three previous years of huge harvests and piled on top of record crop supplies globally.

The glut has hit growers and companies involved in every stage of the agricultural industry.

The prices of corn, the nation's No. 1 crop by volume, and wheat have dropped by more than half from their peaks in 2012. Soybeans have fallen about 40% during the same period. Huge meat supplies this year also have sent prices tumbling.

As a result, farm incomes have fallen by nearly half since hitting record highs in 2013, last year sliding to the lowest level since 2009, according to federal estimates. Land values also have declined across the Farm Belt as growers' savings drain and debts mount, curbing their once voracious appetite for new ground.

To weather the downturn, growers have scrambled to cut costs, putting off machinery purchases, opting for cheaper seeds to plant and

switching to generic versions of key pesticides. [That has caused trouble for tractor-maker Deere & Co.](#) and sparked a wave of consolidation among the world's top seed and pesticide dealers. [Bayer AG](#) in September agreed to buy [Monsanto Co.](#), [forming a giant agrochemical firm.](#) [DuPont Co.](#) and [Dow Chemical Co.](#) [plan to merge](#), while China National Chemical Corp. is buying [Syngenta AG](#).

Farm groups are hopeful the new agriculture secretary will preside over a period of improved prosperity for rural communities, including relief to growers and companies from what they see as burdensome regulation on issues ranging from water to worker safety.

They are also paying close attention to developments on trade, a key issue for farmers who rely on overseas buyers. Many in the Farm Belt say they are taking a wait-and-see approach, though concerns linger that the Trump administration could usher in an era of protectionism and look askance at trade deals seen as critical to the competitiveness of U.S. farm exports ranging from meat to grains to dairy.

—Jacob Bunge contributed to this article.

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5:30 a.m. ET

## Trump Voters Harbor Mixed Feelings Ahead of Inauguration

Janet Hook

Jan. 18, 2017

President-elect Donald Trump owes his election in 2016 in part to voters like Deborah Forster, an independent in Michigan who had deeply mixed feelings about the Republican nominee.

Ms. Forster, a 52-year-old attorney, voted for Mr. Trump mostly because she didn't want Democrat Hillary Clinton to win. Now she is nervously watching as he prepares to enter the White House. She likes some of his cabinet picks, but isn't pleased with his penchant for sending harsh tweets about everything from the [U.S. intelligence community](#) to actress Meryl Streep.

"I am hoping that Trump begins to speak and act like the intelligent businessman that I'm sure he is," she said. "I'm hoping he stops tweeting like a 13-year-old boy and starts acting like an adult."

Ms. Forster is one of a pivotal bloc of voters who harbored reservations about Mr. Trump but helped put him in the Oval Office. According to exit polls, 18% of voters had a negative view of both major party candidates, and nearly half of them voted for Mr. Trump.

Their evolving view of Mr. Trump—whether their qualms are relieved or exacerbated by his performance—could tip the balance of public opinion, affecting how much leverage Mr. Trump will have with Congress and his prospects for uniting the country.

The Wall Street Journal identified a pool of these voters, people who said last fall in Journal/NBC News surveys that they preferred Mr. Trump but with some reservations and concerns about his temperament. They will be interviewed periodically through the Trump presidency as a window into whether he is winning converts or losing support.

Despite complaints from supporters, Mr. Trump shows no sign of giving up his use of [Twitter](#). In a weekend interview with the Times of London, Mr. Trump said, "the tweeting, I thought I'd do less of it, but I'm covered so dishonestly by the press, so dishonestly, that I can put out [on] Twitter" a fast response that is viewed by millions.

A Trump transition team spokeswoman said Mr. Trump "is always going to be clear about his principles, honest with the American people and committed to fighting for American jobs."

As of now, voters generally are giving him the benefit of the doubt. Many are pleased with his cabinet picks, but are uneasy with his attacks on people and broad, often confusing, statements of policy that he circulates on Twitter.

"So far I think he's doing a decent job," said Matt Triplett, 47, a Republican salesman in Dublin, Ohio. "But I sure wish he'd get off

Twitter. The guy is a loose cannon. I'm going to sit back and be entertained by what's going to be transpiring. But it's a little unnerving."

Mr. Trump's high-profile moves to pressure companies such as Carrier Corp., an air conditioning manufacturer, [to keep jobs in the U.S.](#) is speaking to people like Cathy Coats, a former Barack Obama voter in Raleigh, N.C., who has been out of work for three years.

"I am cautiously optimistic," she said. "If he does what we want him to do—on immigration, jobs—then he will be an excellent president."

She worries that he is already easing off his demand that Mexico pay for [building a wall on the southern U.S. border](#) and softening his tone on immigration policy.

"I may be jumping the gun a little myself, but I am wondering why we haven't heard anything about



deportation of illegal aliens," said Ms. Coats, 59, an Army veteran who had worked in marketing.

John Brickner, 78, a Republican former school superintendent in Wilbur, Neb., is eager to see the new administration roll back regulations of the Obama era, but was uneasy about Mr. Trump's [postelection rallies](#). "When he comes on with those damn rallies, I turn the TV off," Mr. Brickner said.

Mr. Trump's decision to nominate Rex Tillerson, former CEO of [Exxon Mobil Corp.](#), [to be secretary of state](#) and Sen. Jeff Sessions of Alabama to [be attorney general](#) eases his concerns. "The more I read about his choices the

better I feel about it," Mr. Brickner said. "These are people who will do what needs to be done. I like it that they are not all career politicians."

Mr. Trump hit it out of the park for Carol Jansson, 54, a former home-school teacher in Acworth, Ga., when he picked as Education Secretary Betsy DeVos, [a noted advocate for school choice](#).

Like many social conservatives, Ms. Jansson supported Mr. Trump because of his abortion policies. And one of her highest hopes for Mr. Trump is that he cut off federal funding for Planned Parenthood, an issue that the president-elect has sent [mixed signals](#) about.

Polls indicate that Mr. Trump on Election Day benefited from some 11th-hour switches from people who had been backing third-party candidates like libertarian Gary Johnson.

One of them is Daniel Gallegos II, 53, of Commerce City, Colo., a post office worker and libertarian who now objects to Mr. Trump's calling out of corporations over moving jobs out of the U.S. and his [threatening to impose tariffs](#).

"Donald Trump appears to be economically ignorant," he said. "I really don't like the strong arm tactics on business."

Mr. Trump's success as president may also hinge on winning over

voters like Beckie Toney, 49, of London, Ohio, an independent who was so turned off that she ended up voting for neither Mrs. Clinton nor Mr. Trump. Still, she is willing to keep her mind open to the new president.

"He is the winner and we have to give him a chance," she said. "You are the president and I will respect it. We need someone who will bring us together. We needed to get an outsider."

—Peter Nicholas contributed to this article.



## How Twitter Can Help Trump Avert Catastrophe

Conor Friedersdorf

Twitter CEO Jack Dorsey can take a simple step that could conceivably save humanity: He can impose an extra "authentication" step when the president tweets.

Donald Trump's inauguration makes this an urgent priority.

Yes, President Obama's Twitter account could've been hacked. But a major shift in policy or an outlandish statement on his feed would have been widely assumed to be the work of hackers. The erratic Trump won't enjoy the benefit of that doubt.

Now imagine the possible consequences of a hacker Tweeting, "Putin you betrayed me, BIG MISTAKE, payback incoming!" Or conjure your own dark scenario. And note that the possibility of Trump getting hacked isn't just hypothetical:

Twitter hacks hardly ended back in 2013 when someone posted rap lyrics to his feed. "In the past year alone, the Twitter accounts of Kylie Jenner, Mark Zuckerberg, Keith

Richards, Sundar Pichai, Drake, Travis Kalanick, the National Football League, and the [foreign minister of Belgium](#) (to name a few) were hacked or accessed by someone who wasn't supposed to have access," Joseph Bernstein [writes](#). "Many of these infiltrations didn't require sophisticated skills or the ability to hack Twitter. Bad actors can often gain access to an account through a third-party app that has permission to post to Twitter, for example. These hacks didn't take the expertise or resources of a nation-state; some of them were [done by a Saudi teenager](#). So who is going to secure the president-elect's account? According to multiple people who have managed the campaign social media accounts of Hillary Clinton and President Obama, as well as the official presidential account, Twitter does not have any special security measures for politicians."

With a president who has trained the world to treat his Twitter feed as the most direct expression of his mind and of the actions he intends to take, that is unacceptable. The

Trump team may have safeguards in mind, or cooperate with whatever the folks at the [White House Communications Agency](#) recommend. But given the government's poor track record with information security, there is no reason to leave the matter entirely in their hands. Twitter's CEO has a responsibility to impose an additional safeguard. And doing so shouldn't be difficult.

Going forward, the @POTUS account and any verified account belonging to the sitting president should lose the ability to post anything instantaneously to the Internet.

Instead, those accounts should post to a queue. Twitter should then send the tweet in question to a designated official, perhaps White House Chief of Staff Reince Priebus, who will be prompted, "Can you verify that POTUS wants to tweet this?" And 10 seconds or 20 minutes or 2 hours later, with that "authentication" process complete, the tweet could be published to the stream as before.

This approach, or a smarter alternative, would impose trivial costs and could have almost incalculable benefits. And the public would almost certainly support the restriction.

A poll conducted by the *Wall Street Journal* just [found](#) that a significant majority of Americans disapprove of the president-elect's Twitter habit, with 69 percent agreeing that it's bad for a president to use Twitter as he does "because in an instant, messages can have unintended major implications without careful review." If there's a slight lag in his ability to send tweets few Americans will object. The imposition of extra security may be uncomfortable for Twitter, especially if the Trump transition team assures its corporate leaders that they've got things covered. But given the stakes the company has a larger responsibility to act. Twitter declined an opportunity to comment for this story, but a spokesperson did note that two-factor authentication is [available as an option](#) for all user accounts.



## Barack Obama, in Final News Conference, Says Donald Trump Deserves Room

Carol E. Lee and Damian Paletta

Updated Jan. 18, 2017 6:25 p.m. ET

WASHINGTON—President Barack Obama said Wednesday that President-elect Donald Trump deserves space to pursue his agenda while also suggesting he tread carefully on certain issues such as immigration and the Israeli-Palestinian conflict.

Mr. Obama, in the final scheduled news conference of his presidency, said it is appropriate for Mr. Trump

"to go forward with his vision and his values" once he takes office. Yet he said his White House has warned Mr. Trump's transition team that the president-elect's planned [move of the U.S. Embassy to Jerusalem](#) would be a provocative shift that could increase volatility in the Middle East.

Mr. Obama also said he would break his planned post-presidency silence, which he has said is intended to give Mr. Trump an unfettered platform, if the next administration begins undoing his

policy that protects from deportation roughly 750,000 immigrants who came to the U.S. illegally as children.

"The notion that we would just arbitrarily or, because of politics, punish those kids, when they didn't do anything wrong themselves, I think would be something that would merit me speaking out," Mr. Obama said.

The president-elect's cabinet choices at this week's confirmation hearings represented the leading

edge of Donald Trump's push to reverse the domestic policies advanced by President Barack Obama's administration.

Wilbur Ross, Trump's pick for commerce secretary, provided the deepest view yet of the incoming administration's likely direction on trade in testimony before the committee considering his nomination.

Rep. Tom Price, Trump's pick to run the Department of Health and Human Services, said he purchased

stock in an Australian biomedical firm after discussing the company with a fellow congressman who sits on its board.

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#### THE TRUMP TRANSITION

Mr. Trump, whom Mr. Obama vigorously campaigned against, has signaled policy shifts on a host of issues.

He has placed moving the U.S. Embassy to Jerusalem from Tel Aviv as a priority, a step that would represent a major reversal of longstanding U.S. policy. Both Israel and the Palestinians have claims to the contested city. Mr. Obama warned that such a move could "have enormous consequences and ramifications."

"Part of what we've tried to indicate to the incoming team in our transition process, is pay attention to this because this is volatile stuff. People feel deeply and passionately about this," said Mr. Obama, a Democrat. "You don't want to do things off the cuff when it comes to an issue this volatile."

Mr. Obama also explained his decision to break with decades of U.S. policy and allow the passage of a [United Nations Security Council resolution](#) saying Israel's construction of settlements is an impediment to achieving a two-state solution to the Israeli-Palestinian conflict. He said his policy reversal last month was intended to be "a wake-up call that this moment may be passing."

Mr. Trump publicly intervened at the time, calling on Mr. Obama not to allow the resolution to pass.

Separately, Mr. Obama indicated he disagrees with Mr. Trump's suggestion in a Wall Street Journal interview this week that he would consider lifting sanctions on Russia if President Vladimir Putin

substantially reduced Moscow's nuclear stockpile.

"The reason we imposed the sanctions, recall, was not because of nuclear-weapons issues," Mr. Obama said, in a reference to Russia's aggression toward Ukraine. He said it would best serve U.S. interests "if we made sure that we don't confuse why these sanctions have been imposed."

Mr. Obama also defended his decision on Tuesday to [commute the prison sentence of Chelsea Manning](#), the former Army intelligence analyst convicted of disclosing classified government information. Critics of the decision have argued it sends the wrong signal about the seriousness of illegally disclosing government secrets.

Mr. Obama said that by serving nearly seven years of her 35-year sentence, Ms. Manning had been in prison for an amount of time akin to others convicted of similar crimes.

"Chelsea Manning has served a tough prison sentence," Mr. Obama said. "So the notion that the average person who was thinking

about disclosing vital classified information would think that it goes unpunished, I don't think [they] would get that impression."

Fielding a series of questions from reporters for his last time as president, Mr. Obama conceded there won't likely be "enormous overlap" between his governing approach and that of Mr. Trump.

Mr. Obama said he had counseled the president-elect to build up a staff that he can trust to prepare him for difficult decisions, saying that even junior aides can play integral roles in helping things run smoothly and preparing a president for different situations.

The president, who has called for unity in the country following a bitter election fight, declined to weigh in on the more than 50 House Democrats boycotting Mr. Trump's Friday inauguration.

"All I know is I'm going to be there," Mr. Obama said.

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## The New York Times

Nicholas Fandos

WASHINGTON

— Law enforcement officials are in the final stages of sealing off a heavily fortified security zone encompassing the Capitol and the historic National Mall here as they prepare for the inauguration on Friday and the substantial protests it is expected to attract.

In addition to [the usual range of threats](#), officials from federal, state and local agencies are preparing this year for what they say could be large-scale protests aimed at disrupting the ceremony and registering disapproval of [Donald J. Trump's](#) presidency at the moment the world is watching his ascension to office. A march planned for Saturday could attract as many as half a million people, one official said, putting additional stress on law enforcement.

The nexus of those threats are making this week's festivities the most difficult security challenge since the inauguration of President Obama in 2009, which drew a record crowd estimated at 1.8 million to the city and prompted at least one [eventually discredited foreign threat](#), officials said.

"We've got to be vigilant, we've got to plan, we've got to prepare," Jeh Johnson, the secretary of homeland security, told reporters during a briefing last week.

## For Inauguration Day, Plans for Heavy Security and Big Protests

Intelligence agencies said they knew of no credible threat to the inauguration or surrounding events, but that had not stopped the security teams from deploying at full capacity.

During a preinaugural dinner in Washington on Tuesday, [Mr. Trump predicted](#) his swearing in ceremony would draw a "record" crowd and praised a group of motorcycle riders he said would protect his celebration from protesters.

Government officials say they see no evidence to support that claim. Instead, they are planning for a crowd of 700,000 to 900,000 people, though officials cautioned that the number could swing up or down depending on the weather.

A crowd within that range would be typical for the swearing-in of a new president, but significantly smaller than the estimated 1.8 million people who gathered in 2009 to watch Mr. Obama take the oath. A relatively small crowd, estimated at 300,000 people, turned out for George W. Bush's 2001 inauguration.

But this time, reflecting the nation's deep and persistent political divisions, those spectators attending the inauguration are expected to be joined in Washington by thousands of others who are [planning demonstrations for and against Mr. Trump](#). Mr.

Johnson said law enforcement officials had tallied 99 groups planning actions for the inaugural period, including 63 on Friday alone.

Washington and National Park Service police have sought to separate the demonstrating groups from one another and from the main inaugural events, wherever possible.

The largest demonstration should come on Saturday, when hundreds of thousands of people are expected to participate in the Women's March on Washington.

Christopher T. Geldart, the director of homeland security for the District of Columbia, said his team was preparing for 400,000 to 500,000 people at the march and expected that smaller protest actions could crop up elsewhere in the city on Saturday, as well.

Those numbers are quite likely to be larger than any seen at an inauguration since at least the Vietnam War era. Mr. Bush's 2001 inauguration attracted [modest protest action](#), the largest in more recent memory, but it was largely disorganized and caused no significant disruptions. Opposition to the Iraq war drew protesters once again in 2005. Very few [demonstrators greeted Mr. Obama](#) in 2009 or in 2013.

For security officials, the presence of protesters — and potential clashes between groups for and against Mr. Trump — will add a layer of concern to the complex plan to safeguard the nation's transfer of power that has been under development for much of the last year and will most likely cost more than \$100 million.

Law enforcement officials patrolled near the White House on Wednesday. Sam Hodgson for The New York Times

Intelligence agencies are carefully scanning for a wide range of new and established potential threats, from cyberattacks to homegrown violent extremism to foreign plots.

Operating from a unified command post, a patchwork of several dozen agencies will command a team of roughly 28,000 security personnel monitoring the capital region from the streets, the air and the two rivers that border the city.

Those forces, which are roughly on par with those 2009, are to include some 7,800 National Guard members, 5,000 police officers from Washington and departments across the country, as well as 10,000 representatives from the [Department of Homeland Security](#), including the United States Coast Guard, Secret Service and Transportation Security Administration.

Mr. Johnson said inaugural planners have been particularly attentive to the threats of self-radicalized, so-called lone wolf terrorists this time, given the evolution of the global terrorism threat in the last four years.

Authorities will begin enforcing a series of “soft” and “hard” perimeters around much of downtown Washington in the early hours of Friday morning. Dump trucks, cement trucks and other heavy objects will be used to erect a barricade along the innermost perimeter to prevent against the possibility of an attack by a large vehicle driven into the crowd, like recent terrorist incidents in Nice, France, and in Berlin.

Five of Washington's largest hospitals — Sibley Memorial, Howard University, George Washington University, MedStar Washington Hospital Center, and Children's National Medical Center — have been put

on alert in case of potential casualties. Medical staffs at each have been asked not to schedule elective surgeries on Friday to keep as many beds open as possible.

The city's subway system, which has been [hobbled by a yearlong maintenance plan](#), will be operating at full capacity on Friday, when officials expect large crowds to choke the system as they travel in and out of central Washington. Aside from a handful of station closures near the Mall, at the convention center and outside the Pentagon, all lines will be running at near rush-hour service levels from 4 a.m. into the evening on Friday. Additional trains will be added Saturday to accommodate marchers.

Roads surrounding the Capitol, the White House, the Mall and sites hosting other inaugural events will progressively be closed beginning early Thursday.

Law enforcement officials said they were preparing for demonstrators to try to test some of those barriers, including the ones along Pennsylvania Avenue, on which the presidential motorcade will travel to the Capitol and the inaugural parade will process.

One of the main umbrella groups planning demonstrations, [#DisruptJ20](#), has seen its numbers swell in recent days as people from all over the country began arriving in Washington. Organizers for the group said on Wednesday that they have planned a series of permitted rallies and other unpermitted “actions” for the coming days.

The most disruptive may well be a series of early morning blockades planned for security checkpoints along the inaugural perimeter, through which all those attending the ceremony will have to pass.

“We intend basically to set the tone of resistance here for the coming

years,” said Lacy MacAuley, a spokeswoman for the group.

Mr. Johnson said authorities were aware of those plans and others, and that “special precautions” would be taken to ensure the inauguration could not be disrupted.

The women's march on Saturday, which will begin with a rally at the base of Capitol Hill, is expected to be less disruptive. Organizers have been working closely with law enforcement, and with the inaugural festivities already over by the time the march begins, Mr. Geldart said the day would present a much simpler security challenge.

“We're basically not going to stand anything down after the inauguration,” Mr. Geldart had said. “We're leaving that stuff in place.”

## NATIONAL REVIEW ONLINE

### Editorial : Trump's Inauguration: Democrats Shouldn't Boycott or Question His Legitimacy

Following the lead of Georgia congressman John Lewis, a flurry of Democrats will not be attending Friday's inauguration of President-elect Donald Trump, on the grounds that Trump, in Lewis's words, “isn't a legitimate president.”

The notion that Trump is not “legitimate” has picked up steam as the extent of Russia's attempt to sway the recent presidential election has become clearer, although exactly how Trump is not legitimate is never explained. Donald Trump was nominated in accord with the rules of the Republican party. He was then elected by more than 270 members of the Electoral College, in accord with rules that have been in place since the 18th century. There is no evidence that electoral fraud or disenfranchisement account for his narrow victories in key states, and

no one forced Hillary Clinton to forgo late-October visits to key swing states.

Nonetheless, a recent poll found that a majority of Democrats believe that Russia not only waged a campaign of misinformation but actually manipulated ballot totals — an allegation for which there is not a shred of proof. This is what happens when Democratic leaders and media partisans recklessly declare that Russia “hacked the election,” preferring to peddle that tale rather than admit that Donald Trump had a more appealing message to American voters.

Donald Trump is no less “legitimate” a president than was Barack Obama in January 2009. That does not mean that he comes into office popular, and no one expects Democrats to withhold criticism. However, there is an obvious

distinction between suggesting that Donald Trump is ill-suited to the presidency and that he is illegally in office.

Unfortunately, Democrats are choosing to make political point-scoring their foremost priority.

Friday's inaugural ceremony is an opportunity for Democrats to acknowledge that difference. Set aside the spectacle that now accompanies it; at the core of the inauguration is a quadrennial reminder that the president is not a monarch, but a public servant subordinate to the Constitution. The duty to “preserve, protect, and defend” America's founding charter applies equally to Republicans and Democrats, or to presidents who won the popular vote and presidents who didn't.

Representative Lewis, who has done so much to advance the Constitution's promise of equality before the law, should be the first to recognize this.

Unfortunately, Democrats are choosing to make political point-scoring their foremost priority. At the same time that they are warning about the threat Trump poses to “norms” and “institutions,” Democrats are setting a precedent for inauguration ceremonies that they see as little more than another opportunity for partisan grandstanding.

Every president-elect has his critics, and Donald Trump more than most. But no one has to celebrate Trump to celebrate America's unique success: 225 years of elections decided by ballots, not bullets.



### Editorial : Five policies Trump might get right

<https://www.facebook.com/washingtonpostopinions>

WE OPPOSED Donald Trump's election and [supported his opponent](#), Hillary Clinton, because we thought she offered better policy solutions and was better-suited by experience and temperament for the job. Since Nov. 8, Mr. Trump has stoked doubts regarding policy, by issuing apologetics for Russia and tariff threats against automakers, American and foreign, among other instances. In a series

of outbursts on Twitter, he also has intensified many Americans' concern about his temperament.

Nevertheless, his election was legitimate, and his inauguration is inevitable. All of us have a duty to oppose Mr. Trump when he is wrong, but also to remain open to supporting him when he and the Republican-majority Congress make worthy proposals.

How often might that be? Well, not never: We can identify a number of areas in which Mr. Trump and his

fellow Republicans have ideas worth taking seriously.

One would be tax reform, specifically of the corporate code. Mr. Trump's campaign proposals on both the corporate and individual side were unjustifiably generous to the well-to-do and destabilizing to federal finances. Nevertheless, he appropriately seeks to encourage corporations to bring billions back to the United States and to discourage them from offshoring income in the first place. Emerging Republican plans in Congress offer intriguing

possibilities for accomplishing those objectives — if appropriately designed not to blow up the deficit or unduly exacerbate inequality.

Then there is education. Mr. Trump's nomination of Michigan school choice advocate Betsy DeVos to be education secretary signals that the incoming administration will be more sympathetic than any in recent memory to giving parents alternatives to traditional public schools, whether publicly funded charter schools or vouchers to help



pay private-school tuition. If reform is targeted to poor families currently with no options other than a failing neighborhood school, it would be a boon.

Mr. Trump and the Republicans are right to emphasize a stronger military defense, after years of budgetary uncertainty exacerbated by the ill-advised sequestration limits. Again, much depends on how they go about boosting military spending and how they propose to pay for it, if at all.

## The New York Times

The Editorial Board

From left, Scott Pruitt; Tom Price; and Betsy DeVos, three of Donald Trump's nominees for his cabinet. From left: Michael Reynolds/European Pressphoto Agency; Al Drago/The New York Times

Viewers have been able to watch live as Senate Republicans indulge, and Democrats cross-examine, Donald Trump's nominees for his cabinet. Within a 24-hour period Tuesday and Wednesday, three of the most controversial and quite possibly the least qualified of these nominees paraded across the screen in a cavalcade of misstatements, lapses of judgment, conflicts of interest and from time to time spectacular displays of ignorance and insensitivity.

Where to begin? Our pick is Betsy DeVos, [the nominee to be education secretary](#), whose energies and considerable family wealth have been devoted to promoting privately run charter schools at the expense of traditional

Yet the basic principle seems sound, given multiple threats: terrorism, China and, yes, Russia. Mr. Trump's insistence that the government get a better deal from defense contractors — as from drug manufacturers — also isn't crazy.

Mr. Trump has expressed interest in expanding infrastructure and deregulating business, and on both counts he has a point — with caveats. If Mr. Trump's idea for the former issue is like that of adviser Stephen K. Bannon — [who has](#)

[said](#), apropos construction spending, "We're just going to throw it up against the wall and see if it sticks" — the results could be disastrous. If Mr. Trump wants to fund a long-term program to maintain and upgrade existing facilities, the productivity enhancements could justify paying for it with borrowed funds. As for regulation, there must be simpler, less costly ways to achieve widely shared goals such as fuel efficiency and financial stability. If Mr. Trump

genuinely pursues them, as opposed to abandoning the goals, he'll deserve a fair hearing.

As full of risk for our democracy as the Trump presidency is, it would be folly to ignore any opportunities for progress it presents, if and when it does.

## Editorial : Donald Trump's Cabinet Choices Stumble By

public schools in her home state, Michigan. She refused multiple times to agree that traditional public and charter schools should be held to the same level of accountability. She seemed unaware of some of the basic functions of the education department. She seemed surprised to learn, when Senator Al Franken brought up the matter, of a long-running debate over whether and to what extent to use test scores to measure student achievement or student growth.

She also won the tin ear award hands down. When Christopher Murphy asked whether she would agree that schools are no place for guns, she did not give the obvious right answer to a Democratic senator whose state suffered the horrendous Sandy Hook massacre ("Senator, there is no place for guns in schools"). Instead she said that localities should decide, and — in a transcendently odd moment — suggested that schools in places like Wyoming might need a gun "to protect from potential grizzlies."

Next up, Scott Pruitt, who as Oklahoma attorney general initiated

endless lawsuits against the Environmental Protection Agency, [which he's been asked to run](#), and who very nearly matched Ms. DeVos in the wrong answer department. One Democrat after another asked whether he would recuse himself in cases involving those lawsuits and cases involving companies that contributed copiously to his campaigns. The obvious response was, "Of course I will!" Instead, Mr. Pruitt would only say that he would do so if the agency ethics officer tells him to. Mr. Pruitt's answer to climate change questions was equally depressing. Nearly all mainstream scientists say that human activities have been largely responsible for the [rise in global atmospheric temperatures](#). Mr. Pruitt's response was that the jury was still out.

Lastly, there was Mr. Trump's [pick to lead the Department of Health and Human Services](#), Tom Price, a representative from Georgia. Mr. Price made the preposterous claim that repealing the Affordable Care Act really wouldn't hurt people as long as they had bare-bones insurance policies that paid for

treatment only in catastrophic circumstances. He couldn't offer any convincing defense of his proposals to strip hundreds of billions of dollars from the budgets of Medicare and Medicaid. In response to questions by Senator Elizabeth Warren, he said that spending on the programs was the "wrong metric" to judge them by and argued that lawmakers should instead focus on the "care of the patients." Quality of care is certainly the most important standard, but why would drastic cuts to those programs magically result in people getting better medical treatment?

Mr. Price also could not explain why he and a broker he hired traded health care stocks when he was proposing and voting for legislation that would affect those companies. He refused to see that even if he didn't violate insider-trading laws, his investments represented a huge conflict of interest.

And so it went on another episode of Mr. Trump's unreality show.

## The Washington Post

<https://www.facebook.com/washingtonpostopinions>

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IN THE first of two hearings on his nomination to head the Department of Health and Human Services, Rep. Tom Price (R-Ga.) on Wednesday [asked](#) members of the Senate Health, Education, Labor and Pensions Committee to put him at the center of the Obamacare repeal-and-replace effort. To a nation increasingly nervous about the many dangers of ripping up the health law, Mr. Price offered some big promises — but scant reassurance.

For years one of Obamacare's lead critics, Mr. Price at least admitted that the Affordable Care Act has succeeded in getting more people health-care coverage. But he protested that some of those people

"have coverage, but they don't have care," criticizing high deductibles and high premiums for some consumers, as well as the effectiveness of the Medicaid program for the poor and near-poor. At one point, Mr. Price even indicated that a GOP replacement plan would cover more people than Obamacare has. "I am committed to making sure every single American has the coverage that they want," [he pledged](#) over and over.

So what is the plan to cover more people, lower premiums, lower deductibles, lower health-care costs, increase consumer choice and improve health-care outcomes? Mr. Price offered little beyond gauzy promises. In fact, none of the major Republican Obamacare replacement plans on the table, including the [proposals](#) Mr. Price introduced, would have done all of

these things. GOP reformers have generally stressed loosening coverage requirements to lower premiums and slimming subsidies in order to cut federal spending. But health-care experts warn that the trade-offs are likely to be higher, not lower, deductibles, fewer needy people finding coverage that meets their needs and fewer people getting insurance at all.

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Similarly, Mr. Price promised to ["make sure nobody falls through the cracks"](#) after repeal and replace. He pointed out that previous Republican reform proposals would have invested in high-risk pools

catering to the sick people who insurance companies won't willingly touch. But experts warn that these GOP plans provided far too little funding for high-risk pools, which have not worked as great backstops for needy people in the past.

Mr. Price also did not eliminate concerns about the [\\$300,000 worth of health-care stock trading](#) he did over the past four years while he was a congressional leader crafting health-care policy. Sen. Al Franken (D-Minn.) homed in on a private deal that allowed Mr. Price to buy one health-care company's stock at a discount. Sen. Elizabeth Warren (D-Mass.) asked why Mr. Price kept advocating certain policies after he found out he owned stock in companies that would benefit from them. Mr. Price's general defense — that his broker was responsible for trading his portfolio and that he

followed House ethics rules — did not settle these questions.

In his next hearing, before the Senate Finance Committee next week, Mr. Price will have to offer

better than unsubstantiated assurances about repeal and replace. Meantime, senators should

continue to scrutinize his ethical history.



## Editorial : Betsy DeVos embarrassed herself and should be rejected by the Senate

The Times  
Editorial Board

[Betsy DeVos](#)' love of private school vouchers didn't disqualify her for the role of U.S. Education secretary, even though vouchers are a bad idea. Nor did her lack of experience in public schools.

What did render her unacceptable was her abysmal performance at her confirmation hearing Tuesday, during which she displayed an astonishing ignorance about basic education issues, an extraordinary lack of thoughtfulness about ongoing debates in the field and an unwillingness to respond to important questions.

She was so unprepared that she sounded like a schoolchild who hadn't done her homework. She frankly embarrassed herself and

should be rejected by the Senate. Better yet, President-elect Donald Trump should withdraw her name and find someone who at least meets the basic qualifications for the post.

The hearing probably will be remembered for the grizzly-bear moment, when DeVos suggested that a public school in Wyoming might need to have guns on campus to protect against trespassing grizzlies. But her important bloopers were on more substantive ground.

DeVos said, reasonably enough, that all kinds of schools — traditional public, charter, private — could expect her support if they did a good job of educating students. But then she contradicted herself by refusing to say that she would hold charter and private schools just as

accountable as conventional public schools. Doing a good job matters only for some schools, apparently.

And how would schools be measured — based on whether they meet a certain standard of proficiency, or how much they improve over time? DeVos floundered trying to address this issue raised by Sen. Al Franken (D-Minn.), clearly unfamiliar with one of the central questions in school reform. As Franken said in a deserved rebuke, "This is a subject that has been debated in the education community for years."

DeVos apparently didn't even realize that there's a federal law protecting the educational rights of students with disabilities, saying it should be up to states to make decisions about disabled students. Told that this was a matter of

federal law, she stumbled yet again, saying, well, then, the law should be followed, and suggesting that she might have been confused earlier. In addition, she was wildly off in her figures on student debt.

Add to this her failure to answer questions about her home state of Michigan's underperforming charter schools, whose growth she advocated; about existing laws to protect adults from predatory for-profit colleges; or whether she would honor the Obama administration's rules regarding sexual abuse on campus.

DeVos is entitled and expected to disagree with Obama administration policies; what disqualifies her is her lack of understanding of existing law and policy, and her inability to address them thoughtfully.



## Elizabeth Warren: Trump, show us you'll stand up for workers

By Elizabeth  
Warren

Updated 9:31 AM ET, Wed January 18, 2017

### Story highlights

- Elizabeth Warren: Obama's executive actions, regulations boosted wages, benefits and workplace protections
- She says Trump has said he'll erase Obama's executive actions, but workers need them

(CNN)Over the past eight years, President Barack Obama has advanced strong executive actions and federal rules that have provided millions of people with better wages, better benefits and stronger protections in the workplace. On Friday, a new president will move into the Oval Office. He will face a stark choice -- expand on those efforts or destroy them.

Elizabeth Warren

[Despite years of flat wages](#) and exploding [fixed costs](#) such as housing, education and health care, Republicans in Congress have long refused even to consider legislation to create new economic opportunity for families. [Initiatives](#) such as raising the federal minimum wage

and guaranteeing paid family leave for workers have languished despite bipartisan, state-level initiatives and broad support for these kinds of policies among Americans of both parties.

Faced with this dereliction of duty, Obama and his Labor Department have done what they can for workers. It hasn't been enough to shore up a crumbling middle class, but it's been a lot.

They acted to improve wages. By expanding overtime pay to more than 4 million Americans, the new labor rules would put as much as \$1.3 billion a year in the pockets of workers. They [bumped up](#) the minimum wage for federal contractors to \$10.10 an hour, providing an estimated 200,000 low-wage workers with a raise.

They [required](#) government contractors to provide workers with up to seven paid sick days per year, which increased this emergency time-off option for more than 1 million workers. They [prohibited](#) federal contractors from denying jobs to otherwise qualified workers based on gender identity or sexual orientation and expanded equality in the workplace. They even finalized [a long-delayed rule](#) to protect workers exposed to silica dust from contracting horrible diseases such as silicosis, lung disease and cancer. These and other actions

over the last several years have made a big difference to families across this country.

Every one of these rules could have been passed by Congress, but because Republicans refused to help, they were accomplished instead by rule making and executive orders. This left industry advocates free to challenge the new provisions in court.

Today, many of these initiatives are in jeopardy. A federal judge in Texas [recently issued a decision](#) at least temporarily blocking new overtime pay requirements for millions of workers -- a legal fight that will drag into the new administration. In fact, every single one of these requirements to help workers could be reversed by the new President.

Paid sick days, a higher minimum wage and discrimination-free hiring for federal contractor employees? Gone. Protections from dying of dangerous silica exposure on the job? Out the window. Getting paid for overtime for the hours you actually work? Promises turned to dust.

Donald Trump doesn't need to reverse these gains. After all, he won the presidency while arguing that he would stand up for workers and promising millions of "high-paying jobs" for working-class Americans. But now he's pulling a

fast reversal. The President-elect [has already promised to](#) "cancel immediately," "eliminate" or "repeal" Obama's executive orders and agency regulations. If he follows through on that promise, many of these worker benefits will be obliterated.

The political campaign is over, and Trump is poised to assume the presidency. When it comes to the economic futures of millions of working families, the stakes could not be higher. Americans will judge the President-elect not by his past promises but by his future actions.

There are Americans busting their tails working full-time jobs and still living in poverty, Americans who log massive hours and depend on overtime payments to put food on the table, Americans who can't take a day off to care for a sick child without getting fired, Americans who've been denied good jobs because of who they are or who they love, Americans who've watched co-workers die horrific deaths from silica exposure.

Now it's time for Donald Trump to show his true colors. Will he stand with working people? Or will he toss them overboard and cozy up with corporate CEOs and congressional Republicans who are peddling the same tired old anti-worker plans?

## Henninger : The Trump Question

Daniel Henninger

Updated Jan. 18,  
2017 7:23 p.m. ET

After the most traumatizing presidential election in memory, conventional wisdom aligned to agree that Donald Trump's victory brings a new political order. But on the eve of Mr. Trump's inauguration, a question remains: Will the Trump presidency produce order or merely more disorder?

It is said that the Trump electorate wanted to blow up the status quo. And so it did. The passed-over truth, however, is that the most destabilizing force in our politics wasn't Donald Trump. It was that political status quo.

The belief that Hillary Clinton would have produced a more reliable presidency is wrong. Mrs. Clinton represented an extension of the administrative state, the century-old idea that elites can devise public policies, administered by centralized public bureaucracies, that deliver the greatest good to the greatest number.

Future Supreme Court Justice Elena Kagan, in a 2001 [article](#) titled "Presidential Administration," justified what soon would become President Obama's broad use of executive authority as promoting "the values of administrative accountability and effectiveness." This has been the lodestar idea of governments here and in Europe since World War II.

Today, that administrative state, like an old dying star, is in destructive

decay. Government failures are causing global political instability. This is the real legitimacy problem and is the reason many national populations are in revolt. Some call that populism. Others would call it a democratic awakening.

Two case studies: Chicago's crime rate and ObamaCare.

After decades of state-administered benefits and services being poured into Chicago's poorest neighborhoods, the Obama administration, in a consent decree, formally blamed the current anarchy on the police. This is a tacit admission of public failure.

ObamaCare is the climactic event in the history of the modern administrative state. It was going to provide health care for millions, delivered through a complex policy labyrinth. Its academic architects say now, as so often in the past, that it would work if given more time. That is what Hillary Clinton said. Time's up.

The result of the clock striking midnight for this idea's long reign is the Trump presidency, Brexit and volatile populations across Europe. In Asia, the reassertion of "one China" represents the most colossal claim ever for centralized elite control, and that region is in anxious ferment.

The idea of placing national purpose in the hands of these elites lasted because it suited the needs of elected politicians. They used the administrative state's goods to mollify myriad constituencies. So

they gave them more. And then more.

The state's carrying capacity has been reached.

In the U.S. and in Europe, the political deterioration that skeptics of the administrative state predicted is evident, most notably backlash against unaccountable accretions of power.

In the election's aftermath, the Democrats have argued that their long policy alliance with the public bureaucracies is fine but their "messaging" and outreach is flawed. They are deluded.

Their claims that a guided economy can meet the needs of the real economy have been undermined most obviously by the intractable grip of unionization on public education. Its leaden inflexibility ensured that the work skills of many voters or their children wouldn't keep pace with the needs of an economy in rapid transition. People who went to schools in the inner city or in the nation's Trumpvilles fell far behind.

Donald Trump's nominations of Scott Pruitt for EPA and Betsy DeVos at Education are a brutal recognition that the previous order has reached a point of decline. Justice Kagan to the contrary, that was also the message of the Obama's administration's multiple losses in federal courts over executive authority.

The Trump presidency is a historic chance to reform and replace an ancient, failed regime.

But will it happen?

A Trump tweet on Sunday said: "For many years our country has been divided, angry and untrusting. Many say it will never change, the hatred is too deep. IT WILL CHANGE!!!"

We are in 2009 again, hoping for change. Even liberals who haven't joined the progressives' resistance mobs hope the Trump presidency succeeds.

People seem both amused and unnerved by Mr. Trump's social-media compulsions. We know that social media disrupts. What else it does at the summit of political power is not clear. One wonders if the hard, daily work by his colleagues to restore world order or a proper constitutional relationship between governing elites and the governed will be hampered by the turbulence of the [Twitter](#) storms.

Perhaps the wisest thing now is not to be distracted by the larger-than-life person in the Oval Office. There is going to be a public Trump presidency for mass consumption and a private Trump doing real work. While we know little about the private side, his cabinet nominees have revealed a relevant attribute, which is that Mr. Trump listens to them. Barack Obama listened to almost no one beyond himself.

Donald Trump is being inaugurated Friday into leadership of an unruly world. If he listens widely, we should be fine.

Write [henninger@wsj.com](mailto:henninger@wsj.com).

## Rove : A Perfect Sign-Off for @realDonaldTrump

Karl Rove

Jan. 18, 2017  
7:05 p.m. ET

Donald J. Trump is about to be sworn in as America's 45th president, after an astonishing victory in an extraordinary election. Mr. Trump's insurgency first prevailed against a broad field of Republican heavyweights. Then the tycoon faced the formidable Clinton machine, with its money, endorsements and backing from both the media and President Obama, who put his prestige on the line for her.

Yet despite expectations to the contrary—including his own on election night—Mr. Trump triumphed. Voters vociferously opposed the status quo, and he was the candidate who promised change. Now, as he comes under considerable pressure to produce,

he faces more challenges than most White House residents.

Mr. Trump is one of only five presidents elected while losing the popular vote. He also enters office with historically low [approval ratings](#), 40% favorable and 58% unfavorable in the Jan. 8 Gallup poll. Although the president-elect dismissed such polls in [a tweet](#) as "rigged," Gallup's numbers are mirrored by other surveys. Mr. Trump will enter the Oval Office with less political capital than any recent president.

Still, he retains important advantages. Attitudes on the economy have brightened since Mr. Trump's election. Gallup's Economic Confidence Index [rose](#) from minus-10 just before the vote to plus-10 this week. That measure is subject to wide swings, but it nonetheless suggests the American

public is feeling upbeat after what Gallup called "nine years of nearly uninterrupted negative economic assessments."

Polling out Wednesday from ABC and the Washington Post also shows that people are generally optimistic Mr. Trump can deliver progress. Americans were asked issue by issue, "what kind of job do you expect Trump to do?" On the economy, 61% of respondents were positive; on creating jobs it was 59%; on helping the middle class it was 50%; and on handling the budget deficit 50%.

To build on this enthusiasm, Mr. Trump needs to notch early policy successes. This coming week he will create a few by rescinding, watering down or delaying some of his predecessor's unpopular executive actions. Republicans in Congress can help by continuing to

move their legislative packages to replace ObamaCare, reform the tax code, and reduce the regulatory burden on the economy.

Mr. Trump could learn a few lessons from earlier presidents. Don't get sidetracked by hot-button issues, especially those unconnected to the economy, jobs and wages. Lower expectations for immediate change: Passing legislation is difficult even when the president's party holds large majorities, which the GOP lacks in the Senate. Act in ways that signal competence rather than chaos. And remember: Success begets political credit, which makes further successes more likely.

Mr. Trump faces an additional challenge: Some of his political opponents claim that his presidency is illegitimate. He is not the only recent president against whom this



charge was made. In 2001 Rep. John Lewis (D., Ga.) did not attend George W. Bush's inauguration. The month before, House Democratic leader Dick Gephardt, appearing on "Meet the Press," twice refused to say whether Mr. Bush was legitimately elected. But this didn't become an issue because Mr. Bush wisely chose not to make a fuss.

Which brings us to Mr. Trump's [Twitter](#) account. What voters tolerated during the campaign now seems inappropriate for a presidential

transition and is likely to be thought unacceptable once Mr. Trump takes office. As a candidate, he could punch down at lesser figures and comment carelessly on foreign leaders. But if President Trump continues this in the Oval Office, he will lessen his stature, move markets, poison relationships, and encourage adversaries to make miscalculations.

On this, at least, Americans agree. Fifty-three percent say Mr. Trump's actions since Election Day have made them "less confident in his ability to serve as president,"

according to a Jan. 15 poll by CNN and ORC. More than eight in 10 respondents in a Dec. 5 survey by the Pew Research Center said President Trump "will need to be more cautious about the kinds of things he says and tweets." Only 15% said that "there is no need for him to change." The message? End the compulsive tweeting and, especially, the Twitter wars.

America is anxious and divided. It needs Mr. Trump to be successful at home and abroad. He can be. At times during his campaign, Mr. Trump demonstrated tenacity,

strength and the ability to connect with people who felt ignored. As a result, millions trusted Mr. Trump with their votes. As president, he must act in ways that merit their trust. The time for theatrics is over. The time for effective governance has begun.

*Mr. Rove helped organize the political-action committee American Crossroads and is the author of "The Triumph of William McKinley" (Simon & Schuster, 2015).*

## The Washington Post

# E. K. Dionne Jr: This is the most ominous Inauguration Day in modern history

<http://www.facebook.com/ejdionne>

Why is this inauguration different from any other?

Let's start with the fact that most Americans are not happy that Donald Trump is about to become president. The Post/ABC News poll this week found that Trump enters the Oval Office with the [lowest favorable ratings](#) since the question has been asked. Only 40 percent view Trump favorably. That compares with 62 percent for George W. Bush as he entered office in 2001 and 79 percent for Barack Obama in 2009.

In the past, presidents facing public doubts of the sort Trump confronts have practiced what you might call self-interested humility. Bush declined to acknowledge the anger so many felt at the time about how the Supreme Court paved the way to his presidency, but in his well-wrought inaugural address he did show how to reach out and reassure those who worried about what he might do with power.

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"Civility is not a tactic or a sentiment," [Bush declared](#). "It is the determined choice of trust over cynicism, of community over chaos."

You might say that since Election Day, Trump has chosen cynicism

over trust, and chaos over community. Far from calming the country down, Trump has reminded everyone who opposed him on Nov. 8 of why they saw him as utterly unfit for the presidency in the first place.

(Peter Stevenson/The Washington Post)

President-elect Donald Trump will take the oath of office on Jan. 20 as the least popular incoming president in at least four decades. Here's what the newest Washington Post-ABC News poll says about Americans' attitudes. What's in the new Washington Post-ABC News poll (Peter Stevenson/The Washington Post)

Presidents about to take office typically speak warmly of their vanquished election foes. Not Trump. He renewed his attacks on Hillary Clinton at [his news conference last week](#) as if the campaign were still in full swing. He has waged [a running war](#) against civil rights icon John Lewis, both on Twitter and in [a Fox News interview](#). Its effect was to incite [a boycott of his inauguration](#) by dozens of House Democrats.

Yet the dread Trump inspires is about far more than obnoxious tweets — and, by the way, the media and everyone else will have to figure out when Trumpian tweets are important and when they are distractions from far more urgent matters.

Trump's disdain for the democratic disposition we like our presidents to

embrace was on display when he [dressed down CNN's Jim Acosta](#) at that news conference last week. Trump's tone, style and sheer rage (whether real or staged) brought to mind authoritarian leaders who brook no dissent.

Speaking of autocrats, Vladimir Putin's engagement in American politics on Trump's behalf continued Tuesday when he called reports that Trump had been compromised by Russian intelligence "[total nonsense](#)" designed to "undermine the legitimacy" of Trump's presidency. Putin accused those spreading the information of being "worse than prostitutes," adding: "They have no moral boundaries."

You know we are entering a strange time when Putin, many of whose enemies wind up dead, is lecturing Americans about "moral boundaries." Then again, Putin must have been grateful when Trump told the Times of London this week that he still considers NATO "[obsolete](#)." Wrecking both NATO and the European Union, which Trump also demeaned, are central Putin objectives.

We still do not know exactly what ties Trump and his enterprises have to various Russian interests because he won't disclose basic financial information, including his tax returns, as his predecessors did.

In the meantime, Trump's refusal to truly separate himself from his businesses means that ethical conflicts could well start on Day One of his presidency. It is not paranoid to wonder whether foreign

leaders will have ways of influencing Trump that we will know nothing about.

It is hardly reassuring that the Republicans who lead Congress are [far more eager](#) to attack those who want more transparency from Trump than to demand it of the man who is about to control our nation's fate.

Lewis stirred controversy when he declared that he did not see Trump as a "[legitimate](#)" president because of the Russians' intervention. [One definition](#) of "legitimate" is "lawful," and here we have, on the one side, Trump legally winning the vote of the electoral college and, on the other, the lawless act of stealing emails.

Another meaning of "legitimate" is "conforming to or in accordance with established rules, standards, principles." So far, Trump has flouted all of these, and that is far more important than a debate about a word.

Whatever Trump may be, he is, for so many of his fellow citizens, legitimately terrifying. This is a terrible way to feel on a day that is supposed to observe, as John F. Kennedy said [in his inaugural address](#) 56 years ago, "not a victory of party but a celebration of freedom."

Read more from [E.J. Dionne's archive](#), [follow him on Twitter](#) or [subscribe to his updates on Facebook](#).

## THE WALL STREET JOURNAL

# DiBacco : An Inaugural Speech Like No Other?

Thomas V. DiBacco

Jan. 18, 2017 7:04 p.m. ET

Since 1789, when George Washington gave the nation's first

inaugural address, dozens have been delivered. There is no legal requirement for such remarks, but Washington felt it proper to air his views about the newly adopted Constitution. The speech became a

precedent, though not necessarily a good one.

Unlike Washington, many presidents have stuffed their inaugurals with platitudes. Because each address is modeled along the

lines of previous ones, the effect over time has been to provide the listener with a sort of compound uninterest.

As a general rule, inaugurals contain three parts: recognition that

the new president is proud and/or humble to be taking office; a few selections from American history (good examples to emulate or bad ones to avoid); and a statement of the incoming administration's direction. Occasionally there are kind words about predecessors—but only occasionally.

There seems to be an inverse correlation between the length of the inaugural and the quality of the presidency. The chief executives most highly rated by historians were taciturn. Washington's second address came in at 135 words. Brevity was also the story for Thomas Jefferson, Andrew Jackson, Theodore Roosevelt, Woodrow Wilson and Franklin Roosevelt. The longest address, nearly 9,000 words, was given on a cold

and rainy day in 1841 by William Henry Harrison, who caught a cold that developed into pneumonia and died a month later.

The frailties of less illustrious presidents are reflected in their speeches. Zachary Taylor, a military man for four decades, was no master of words but proposed for himself a nearly martial standard: "So far as it is possible to be informed, I shall make honesty, capacity, and fidelity indispensable prerequisites to the bestowal of office."

Franklin Pierce began his speech in the same distraught manner he would lead: "My Countrymen, it is a relief to feel that no heart but my own can know the personal regret and bitter sorrow over which I have been borne to a position so suitable

for others rather than desirable for myself."

Then there was Calvin Coolidge, whose 1925 speech was rather elementary: "The essence of a Republic is representative government. Our Congress represents the people and the States. In all legislative affairs it is the natural collaborator with the President."

Some of the better presidents used the inaugural to make courageous stands. Rutherford B. Hayes proposed a constitutional amendment limiting the chief executive to a single six-year term. John F. Kennedy and Grover Cleveland urged self-reliance. "The lessons of paternalism," Cleveland said in 1893, "ought to be unlearned and the better lesson taught that

while the people should patriotically and cheerfully support their Government, its functions do not include the support of the people."

Lackluster as some inaugurals have been, there's a bit of solace in reading them as history: The problems facing the federal government never change, the biggest of which is money. "Our present financial condition," James Buchanan lamented in 1857, "is without parallel in history."

We will see whose example Mr. Trump follows Friday.

*Mr. DiBacco is professor emeritus at American University in Washington.*

## The New York Times

### Berler : Should My Band Play at Trump's Inauguration?

Ron Berler

A worker removing President-elect Donald Trump's chair after a rehearsal for the inauguration. Al Drago/The New York Times

I've been awaiting the phone call for weeks, ever since the president-elect tweeted that he's not interested in "so-called A-list celebrities" performing at his inauguration events — this, despite the fact that his team reportedly reached out to Kiss, Elton John, Garth Brooks, Celine Dion, Andrea Bocelli, Kanye West, Rebecca Ferguson and Charlotte Church to perform, and was kissed off by all.

The president-elect went on to say that he'd rather have "the PEOPLE." I'm not familiar with that musical act, but given his run of misfortune, I wouldn't be surprised if they turned him down as well.

And so I sit here wondering what to do, knowing that sooner or later his staff will troll so deep into the

entertainment sea that they will at last locate me.

For those of you who haven't followed my career, I am the lead singer of Rocky Miller & the Homecoming Queens, a '60s rock-and-soul band that plays once a year, most recently at a suburban Chicago American Legion hall. I know that doesn't sound very substantial. But most of us cut our musical teeth in another Chicago-area band that, for a while, was very big in three local ZIP codes. Larry Lujack, the city's Dick Clark, spun one of our singles on his 50,000-watt AM radio station — once. We're all in our 60s now and are no longer considered relevant in the music industry. But we're still out there, prancing about the stage in our matching Hawaiian shirts and receding hairlines. Last fall we debuted two new oldies — "What Becomes of the Brokenhearted" and "Like a Rolling Stone" — our first fresh material in 30 years.

Now, I suspect, we'll soon have to decide: Should we play the Capitol, or not?

There are several aspects to consider.

For starters, saying yes could potentially resuscitate our career. The pay would be great, the prestige of performing at one of the balls almost certainly would lead to more jobs, and we'd probably have a lot of fun.

Although perhaps not. The last time we played for a major corporate C.E.O., the occasion was his daughter's wedding party. After we had set up our equipment and completed our sound check, the bride approached me. "Would you fellows mind parking cars until you start playing?" she asked. Let's just say I declined.

On the other hand, if we say no to the president-elect, many might point to us as a beacon of dignity. We'd be part of that A-list brotherhood, right there beside

Kiss, Elton John, Garth Brooks and the others. Of course Rocky Miller & the Homecoming Queens would soon be summarily forgotten. But we'd still have the suburban Chicago American Legion hall.

That would probably be for the best. We're not that good. It's entirely possible the president-elect wouldn't even like us. Given his history of not paying independent contractors who disappoint him, we might end up riding a Greyhound back home.

Perhaps I shouldn't fret. There's a chance the president-elect will decide not to seek any additional entertainers for his inauguration. Recently, Vanity Fair magazine asked the Broadway star Idina Menzel whom she thought would ultimately perform.

Maybe, she said, Donald J. Trump will "just have to sing something himself. He probably thinks he has a great voice."

## THE WALL STREET JOURNAL

### Editorial : The Trumped-Up Dollar

Updated Jan. 18, 2017 7:34 p.m.

ET 24 COMMENTS

The Trump Presidency won't be a job, it'll be an adventure. Consider Donald Trump's foray this week into the foreign-exchange markets as he talked down the U.S. dollar—in direct contradiction to his economic policies that have caused the greenback to rise since his election.

The dollar recovered Wednesday after a 1% plunge Tuesday following the President-elect's interview with the Journal in which he said the dollar has become "too

strong" since its post-election run-up. "Our companies can't compete with [China] now because our currency is too strong. And it's killing us," he said. This suggests he is still thinking about the dollar like a mercantilist businessman selling scarves and steaks rather than a policy maker representing larger U.S. economic interests.

Most Presidents stay assiduously away from commenting on the dollar for the obvious reason that they can move markets. They leave dollar talk to the Treasury Secretary, who invariably repeats the mantra that a strong dollar is in

U.S. interests. President Obama's Treasury said this even when his Administration was privately cheering on the Federal Reserve's weak-dollar policy after the financial crisis to spur American exports.

But Mr. Trump won't be hemmed in by convention, though he might want to consider some recent economic history before he embraces weak-dollar economics. To wit, the two recent Presidents with the most successful economic records were Ronald Reagan and Bill Clinton, and both presided over long periods of remarkable dollar strength.

The 1980s and 1990s were eras of rapid U.S. growth—including 4% a year over several years. Foreign capital poured into the U.S. chasing new business opportunities. The strong dollar buoyed U.S. living standards while keeping the price of oil and other commodities low. It isn't far-fetched to think that a gasoline price of 90 cents a gallon helped Mr. Clinton survive impeachment.

Extended dollar strength did hurt some U.S. companies against foreign competition, and the U.S. ran a large trade deficit. Treasury Secretary James Baker negotiated

the Plaza Accord in 1985 to coordinate Western monetary policies and bring about more exchange-rate stability. The boom continued, and except for a shallow recession in the early 1990s the economy sustained a strong dollar and strong growth for many more years. Contrast that with the

economic results of the weak-dollar Presidencies of Nixon, Jimmy Carter, George W. Bush and Barack Obama.

The point for Mr. Trump to keep in mind is that a strong dollar is likely to follow the passage of his pro-growth policies. Tax reform could

bring hundreds of billions of dollars home from overseas. Deregulation will make the U.S. a lower-cost place to do business. Capital will inevitably flow to the U.S.

If U.S. growth rises even to 3% a year from the 2% Obama average, the labor market will tighten and,

especially at the current stage in the economic cycle, wages will take off. The middle-class voters Mr. Trump promised to help will be happy, and they won't much care about the trade deficit. First get the economy growing faster again, Mr. Trump. You can worry about the strong dollar later—or never.

**The  
New York  
Times**

## In Farewell, Obama Sets Red Lines That Would Pull Him Back Into Fray

Michael D. Shear  
and Peter Baker

WASHINGTON — When [President Obama](#) arrived in office eight years ago, the departing President [George W. Bush](#) essentially withdrew from public life, declaring that his successor “[deserves my silence](#).” It was an approach that Mr. Obama greatly appreciated but does not intend to follow.

At the final news conference of his presidency, Mr. Obama made clear on Wednesday that he finds some ideas advanced by President-elect [Donald J. Trump](#) so alarming that he laid out markers that would draw him back into the fray.

“There’s a difference between that normal functioning of politics and certain issues or certain moments where I think our core values may be at stake,” Mr. Obama told reporters in the White House briefing room.

Mr. Obama continued: “I put in that category if I saw systematic discrimination being ratified in some fashion. I put in that category explicit or functional obstacles to people being able to vote, to exercise their franchise. I’d put in that category institutional efforts to silence dissent or the press. And for me at least, I would put in that category efforts to round up kids who have grown up here and for all practical purposes are American kids, and send them someplace else, when they love this country.”

All of his red lines seemed to refer to positions taken in the past by Mr. Trump, foreshadowing the possibility of a periodic clash of ideas over the next four years between current and past presidents. Unlike Mr. Bush, who retreated to Dallas, Mr. Obama plans to move just two miles from the White House after Friday’s inauguration, the first president to stay in Washington after leaving office since Woodrow Wilson.

Mr. Obama did say he was looking forward to some quiet time and does not plan to stay involved in the hurly-burly of politics. He has told advisers and friends that he wants to be careful not to become such a

regular public critic of Mr. Trump that he alienates the mercurial new president.

Since the election, the departing president has tried to forge a relationship of sorts with his successor and hopes to keep lines of communication open to privately influence Mr. Trump to the degree that he can.

Mr. Obama also used his final formal meeting with reporters in the White House to defend his lame-duck decisions to [commute the prison sentence of Chelsea Manning](#) and [rescind a preferential immigration policy for Cubans](#). He sent what he called “a wake-up call” to Israel to make peace with the [Palestinians](#) and warned against lifting sanctions against Russia unless it reversed its intervention in Ukraine. He weighed in one more time on gay rights, race relations and war with the Islamic State.

The encounter had a last-day-of-school feel to it, as history wrapped up one chapter and prepared to open a new one. Reporters packed the White House briefing room, filling every one of the 49 permanent seats and crowding alongside young White House staff members into the aisles, craning to see Mr. Obama present his final thoughts from behind a podium with the presidential seal.

A few of the president’s still-remaining aides sat wistfully on the side of the room, taking a break from packing their belongings and sending out their personal email addresses and cellphone numbers. Most planned to leave the West Wing for good on Thursday afternoon, making way for their successors in the Trump administration.

Mr. Obama faced the cameras and the bright lights for exactly 59 minutes, cracking a small smile occasionally as he methodically worked through his list of reporters and answering their questions one last time with a sense of melancholy. He ignored several reporters who tried to shout out questions, and paid little attention to the inevitable cellphones that interrupted.

Having spent more than a decade pursuing, and then occupying, the White House, Mr. Obama appeared to realize that the spotlight was finally swinging away from him: “I’m looking forward to being an active consumer of your work rather than always the subject of it,” he told the reporters. But he also seemed like a man all too aware that a part of his life was ending — perhaps the most invigorating part.

Mr. Obama leaves with rising approval ratings but an eight-year legacy that is under attack even before Mr. Trump is inaugurated. He declined to comment on the decision of dozens of congressional Democrats to boycott Mr. Trump’s inauguration. “All I know is I’m going to be there,” he said. “So is Michelle.”

Playing to the audience in front of him, Mr. Obama used the occasion to implicitly urge Mr. Trump not to impose harsh new restrictions on the news media.

Mr. Trump has had a volatile relationship with reporters for years, and his aides suggested recently that they might move journalists out of the White House briefing room, but they have backed away from the idea for now.

While needling reporters for their foibles, Mr. Obama said their presence inside the West Wing was important for democracy. “Having you in this building has made this place work better,” he told the reporters. “It keeps us honest.”

Mr. Obama has frequently clashed with news organizations, and he was aggressive in prosecuting leaks of government information. He also regularly sought to communicate with the public by going around the traditional news media, using social media tools and sitting down for interviews with the hosts of YouTube programs.

His clemency for Ms. Manning, the former Army intelligence analyst convicted of leaking American military and diplomatic secrets in 2010, seemed like a late attempt to temper a legacy of pursuing reporters’ sources.

Dismissing concerns that he was sending the wrong message to others who then might divulge classified information, Mr. Obama pointed out that Ms. Manning had already served seven years in prison.

“First of all, let’s be clear,” he said. “Chelsea Manning has served a tough prison sentence. So the notion that the average person who was thinking about disclosing vital classified information would think that it goes unpunished, I don’t think would get that impression from the sentence that Chelsea Manning has served.”

He added: “I feel very comfortable that justice has been served.”

He also defended his decision to end a two-decade-old policy allowing Cubans who make it to the United States without a visa to stay. “That was a carry-over of an old way of thinking that didn’t make sense in this day and age,” he said.

Mr. Obama signaled that he was ready for some time away from the spotlight. He spoke longingly about celebrating his 25th wedding anniversary.

“I want to do some writing,” he said. “I want to be quiet a little bit and not hear myself talk so darn much. I want to spend precious time with my girls. So those are my priorities this year.”

Asked how he had explained Mr. Trump’s election to his daughters, Mr. Obama ruminated about America, good and evil, and the arc of history. He spoke with equanimity about his party’s loss and its future.

“This is not just a matter of no-drama Obama,” he said. “This is what I really believe. It’s true that behind closed doors I curse more than I do publicly, and sometimes I get mad and frustrated like everybody else does. But at my core, I think we’re going to be O.K.”

He seemed to be saying he would be, too.



# Obama Administration Races to Finish Probes, Wring Payouts From Firms

Aruna Viswanatha

Updated Jan. 18, 2017 9:26 p.m. ET

WASHINGTON—The Obama administration rushed to complete a raft of investigations of big business before relinquishing power, reaching settlements worth around \$20 billion in the past week alone with megabanks, auto makers, drug companies and others.

The settlements—involving allegations of wrongdoing ranging from misdeeds during the financial crisis to emissions cheating, from discrimination in lending to squelching competition—are part of the usual scramble to close the books on lingering cases when a presidential administration winds down, especially when transferring control to the opposition party.

But the volume of big settlements occurring just before President Barack Obama's eight years in power ends Friday is unusually high, observers said, reflecting both the events shaping his presidency—which started amid a market meltdown—and the Democrats' attempt to strike a hard line against alleged corporate wrongs.

On Wednesday alone, the Obama administration announced a \$5.3 billion accord with [Credit Suisse Group](#) AG, resolving claims that the Swiss bank misled mortgage-bond investors before the 2008 financial crisis; a \$64.6 million deal with [State Street](#) Corp. to resolve criminal and civil charges that the company charged clients secret commissions; and a \$100 million agreement with Irish drugmaker [Mallinckrodt](#) PLC to settle antitrust allegations that it unlawfully prevented competition for Acthar, a drug that has seen enormous price increases in recent years.

Credit Suisse admitted it had information that showed the loans it was packaging

into securities in the mid-2000s were riskier than it was telling investors they were. The company said in a statement Wednesday it was "pleased to have reached an amicable settlement that allows the bank to put this legacy matter behind it."

State Street admitted wrongdoing under the settlement. A Mallinckrodt spokesman said the company "is pleased with the agreement reached to resolve this legacy matter, although we continue to strongly disagree with allegations."

Bill Baer, the Justice Department's No. 3 official, said the agency "will remain relentless in holding financial institutions accountable for the harm their misconduct inflicted on investors, our economy and American consumers."

The wave of settlements also stems from a desire by companies to wrap up outstanding legal matters before the impending uncertainty surrounding a new president, Donald Trump, who himself has already shown an unusual inclination for a Republican to punish big companies. His choice for attorney general, Sen. Jeff Sessions of Alabama, has a reputation for supporting tough law enforcement, including on white-collar misbehavior.

"The end of an administration poses opportunities for resolutions, and companies also look for finality," said F. Joseph Warin, a white-collar defense lawyer at law firm Gibson, Dunn & Crutcher. "If you are sitting across the table from me and you turn into a pumpkin on Monday...here's your chance."

Some firms, however, are digging in against fresh government charges, essentially gambling that they can reach a better deal once Obama officials leave office. [Navient](#) Corp. on Wednesday blasted federal regulators over civil charges that

accused the nation's largest servicer of student loans of "cheating" borrowers.

"We cannot and will not accept agenda-driven ultimatums designed to get headlines," the firm said in an unusually strongly worded statement, saying it "has a responsibility... to defend itself—publicly and in court."

[J.P. Morgan Chase](#) & Co. also pushed back against a last-minute Labor Department complaint alleging pay discrimination, saying it "looks forward to presenting our evidence to a neutral decision maker."

The bank did, however, agree Wednesday to pay \$55 million to settle a separate Justice Department complaint over alleged discrimination against minority mortgage applicants by independent brokers that the bank used, according to a person familiar with the matter. A J.P. Morgan Chase spokeswoman said the bank denies any wrongdoing.

The eye-popping total for the past week is largely driven by some of the last remaining cases tied to the 2008 financial crisis. In addition to Credit Suisse, [Deutsche Bank](#) AG on Tuesday completed a \$7.2 billion accord to settle civil claims from the Justice Department it also knew the mortgage loans it was bundling into securities in the mid-2000s were more risky than it marketed them to be. Deutsche, like Credit Suisse, admitted it had information showing the loans were riskier than it told investors.

Ratings firm [Moody's](#) Corp. also announced Friday it would pay \$864 million to the U.S. and several states in connection with how it graded such securities in advance of the 2008 collapse.

Moody's said the agreement removed "significant legacy legal risk" and avoided "costs and

uncertainty associated with continued investigations and litigation." The firm said it stands behind the integrity of its ratings and methodologies.

The Credit Suisse and Deutsche accords include a cash penalty paid to the U.S. Treasury and billions of dollars in help to struggling borrowers, paid in the form of reducing mortgage balances and funding low-income housing developments.

"Today's settlement underscores that the Justice Department will hold accountable the institutions responsible for the financial crisis of 2008," Attorney General Loretta Lynch said in announcing the Credit Suisse accord. "These sums reflect the huge breach of public trust committed by financial institutions like Credit Suisse," she added.

The race to close out investigations also touched matters unrelated to the crisis.

[Volkswagen](#) AG last week agreed to pay \$4.3 billion and plead guilty to resolve criminal charges related to emissions cheating. Two days later, Japanese air bag maker [Takata](#) Corp. agreed to a \$1 billion deal in which it pleaded guilty to fraud related defective air bags.

"Companies themselves know that the transition may take months, and if they want a prompt settlement to put a major case behind them they should do so now," said Brandon Garrett, a University of Virginia law professor who studies white-collar crime. "They may also be worried about the policies of the new administration. Companies want certainty, not disruption."

—Emily Glazer contributed to this article.

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## On Economy, Obama Wanted More Change Than Americans Did

Greg Ip

Jan. 18, 2017

12:08 p.m. ET

At the start of his presidency, Barack Obama's most ardent detractors and fans alike saw in him a leader intent on taming capitalism and expanding the role of government in Americans' lives.

He never became the radical some envisioned.

Like Ronald Reagan, another president swept into office by a public demoralized by the status quo, Mr. Obama found the nation less hungry for change than he was. He succeeded in sanding some rough edges off the economy via a more complete safety net and a more redistributive tax code. But his more ambitious efforts to remake finance, technology, energy and labor markets, often via executive fiat, are in doubt, having run up against market forces, an

ambivalent public and a Congress that grew more hostile as he governed.

Mr. Obama's most enduring achievement was to rescue an economy near collapse. Yet it was an achievement largely devoid of ideology. He used tools and talent inherited from President George W. Bush, including the bank-bailout fund and Federal Reserve Chairman Ben Bernanke. His Treasury Secretary, Tim Geithner,

had been Mr. Bernanke's lieutenant. His auto-manufacturer bailout largely mimicked what Mitt Romney, his Republican rival in 2012, [prescribed in 2008](#).

Even Mr. Obama's stimulus wasn't particularly ideological. His 2008 rival in the presidential race, Republican U.S. Sen. John McCain, had plans for a similarly sized boost had he won, though his would have focused on tax cuts. It was when Mr. Obama got past the crisis and

turned to the underlying economy that ideology began to shape his decisions. "The question...is not whether our government is too big or too small, but whether it works," he argued at his first inauguration. Invariably, he concluded it should be bigger.

He set his sights on eliminating the last big hole in the safety net by extending health care to the uninsured. Yet there was a reason the same goal had eluded previous presidents. Most voters already have insurance and don't want to give up benefits or pay more to cover those who don't. Public [approval for the ACA never exceeded 50%](#), whereas for Medicare it was around 80% shortly after its passage in 1965, according to the Kaiser Family Foundation.

Mr. Obama can take comfort he changed the terms of the debate. With 20 million people gaining insurance, mostly through Medicaid,

under the ACA, Republicans now talk of [replacing rather than simply repealing](#) it. But his goal of a thriving national market where anyone can buy affordable insurance foundered on economics: The ACA requires healthy people to overpay for insurance so the sick can underpay, and the healthy have resisted.

Mr. Obama saw taxes not simply as a means to pay for more government but to redress inequality, which he called the "defining challenge of our time." He was happy to let Mr. Bush's tax cuts stay in place—except for the rich. To pay for health care, he imposed new taxes on the wealthy and curbed high earners' tax breaks.

His economists say he did more to reduce inequality than any president since President Lyndon Johnson. Yet as with the size of government, the overall tax system changed little. Today, the top 1% pay an

effective tax rate of 30%, roughly the same as in President Bill Clinton's first term.

Following the crisis, Mr. Obama signed into law the sweeping financial overhaul known as Dodd-Frank, which included a powerful new consumer financial regulator. Yet as the crisis faded, so did the public's attention. Courts, Wall Street's own innovators and soon President-elect Donald Trump and Congress [may hack back the law's reach](#).

Mr. Obama deployed executive authority to regulate for-profit colleges and financial retirement advice, expand overtime pay, and control how internet service providers sell access. They alienated the business community and could be wiped away by the end of Mr. Trump's first term.

Mr. Obama's vision of a carbon-free economy also collided with realities of the market. Electric cars and high

speed rail still can't compete with the cost and convenience of the internal combustion engine. While the falling cost of natural gas, wind and solar power are reducing coal use, his limits on power plant emissions are at the mercy of Mr. Trump [and the courts](#).

On one front, Mr. Obama embraced the status quo: He came to see globalization as inevitable and beneficial, and sought to shape it by expanding immigration and trade agreements that covered not just commerce but intellectual property, labor and the environment.

It turned out much of the public disagreed, and elected Mr. Trump, who believes globalization has come at the expense of the U.S. Mr. Obama's most enduring legacy may be that he was America's last globalist president.

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## THE WALL STREET JOURNAL

Josh Zumbrun

Updated Jan. 18, 2017 6:09 p.m. ET

President Barack Obama took office in the middle of a financial crisis with Corporate America hemorrhaging jobs. He leaves with stocks near record highs and 75 straight months of [job creation](#).

Yet [his economic legacy](#) is marred by a long run of slow wage growth, [low worker productivity](#) and the slowest economic expansion in post-World War II history.

Those crosscurrents will spark debate among economists and historians for decades about whether Mr. Obama deserves credit or blame for his imprint on the economy. How that debate gets resolved will hinge on these aspects of his economic stewardship:

### The Financial Crisis

When Mr. Obama first stepped into the Oval Office, the economy was losing 700,000 jobs a month. The subprime mortgage crisis, which began in 2007, had intensified, already taking down the investment banks Bear Stearns and Lehman Brothers and insurer [American International Group](#), while throwing mortgage giants Freddie Mac and Fannie Mae into government conservatorship. President George W. Bush had initiated a bailout of the banking system but the economy was worsening.

Mr. Obama advanced a nearly \$1 trillion fiscal-stimulus plan while

## Financial Crisis, Regulatory Agenda Shaped Obama's Economic Legacy

dispatching Treasury Secretary Timothy Geithner to use the funds and powers of Mr. Bush's bailout legislation to stabilize the collapsing financial system. Federal Reserve Chairman Ben Bernanke, an appointment of Mr. Bush's, unleashed an unprecedented torrent of monetary support, flooding the financial system with funds to prop up banks. Some combination of forces ended the financial crisis.

One metric for judging the success of the U.S. crisis response comes via Carmen Reinhart, who wrote the book "This Time Is Different" with co-author Kenneth Rogoff, documenting that major financial crises have long hangovers characterized by sluggish growth and high unemployment.

In her latest research being published this quarter, Ms. Reinhart, now a professor at Harvard, studied 63 major banking crises in advanced economies over the last 150 years. She found it took an average of six years for economic output per capita to recover after a crisis and that double-dip recessions occurred in 43% of these episodes.

By this metric, the U.S. recovery in per capita output, at six years, was average in length. The U.S. strongly outperformed much of Europe where more than half the countries that experienced a systemic crisis last decade have yet to recover.

"The most striking fact is that the economy added jobs for 75 straight

months," said Jason Furman, chairman of Mr. Obama's Council of Economic Advisers. "The consistency and steadiness of this jobs recovery has smashed all previous records."

### The Costs and Benefits of His Regulatory Agenda

By mid-2009, the financial system had stabilized. Mr. Obama's Washington turned to expansive overhauls of the health-care system and financial system and an effort to reduce U.S. carbon emissions. In the process, the cumulative total of pages in the U.S. Code of Federal Regulations climbed to 180,000 from about 160,000 at the end of Mr. Bush's presidency, according to a compilation from Steven Davis of the University of Chicago.

The regulatory agenda came with trade-offs. More Americans gained health insurance, for instance, but premiums rose. The Affordable Care Act's effect on hiring to date is ambiguous. Some critics argue provisions of the law give an incentive to employers to hire part-time workers rather than full-time workers. The number of Americans who have part-time work but want full-time work rose by 4 million to 8.9 million in the two years preceding the law's passage. It kept rising to 9.2 million after passage, but has since receded to 5.6 million, largely because the economy has improved.

Similar trade-offs emerge in the financial sector. Capital ratios at the six largest banks have nearly

doubled since the financial crisis and banking problems plaguing Europe haven't afflicted the U.S., a testament to the benefits of new regulatory burdens on banks. Still, it might have come at the cost of getting credit, particularly to small businesses and borrowers with low credit ratings. A Federal Reserve survey of bank loan officers showed credit standards in 2016 remain tighter than usual for both residential and commercial real estate, as well as for borrowers with lower credit.

"When the administration also controlled Congress, we have to assume we saw their best ideas and top priorities," said Glenn Hubbard, the former chairman of Mr. Bush's Council of Economic Advisers. He argues regulations shaved growth lower at a moment when Mr. Obama should have focused on initiatives that would boost long-term growth.

### The Battle Over Fiscal Policy

In 2010, the Tea Party uprising took away the Democrats' supermajority in the Senate and swept Republicans into control of the House. This began an era of gridlock over fiscal policy, which included a debt-ceiling standoff that led Standard & Poor's to downgrade U.S. Treasury debt, budget cuts known as the sequester, and a government shutdown for several weeks in 2013.

With unemployment still high, Mr. Obama and Congress enacted the opposite fiscal policy from what



most economists recommended: inflicting immediate damage on a weak economy, while doing little to address long-term debt.

An estimate from the Brookings Institution, a Washington think tank, suggested budget cuts subtracted between 1 and 2 percentage points in economic growth each year from 2011 through 2014. Had the economy grown 2 percentage points faster during this period, overall output would be more than \$1 trillion greater today than it is.

The measures also did little to reduce projections of the nation's long-term debt. The Congressional Budget Office estimates the nation's

debt to GDP ratio is on course to rise from 75% in 2016 to 86% in 2026 and 141% in 2046, driven largely by the cost of retirement benefits for an aging population.

"There's a general difficulty or challenge in legislating on anything in an era of highly polarized partisan politics," said Sarah Binder, professor of political science at George Washington University and a senior fellow at Brookings.

#### Work Left Undone

Mr. Obama will leave office with an economy facing long-term challenges. In addition to unaddressed fiscal problems, the linchpins of the U.S. mortgage

system, Fannie Mae and Freddie Mac, remain in the limbo of government conservatorship.

As in many advanced nations, U.S. productivity has stagnated: growing 1.2% for the past 8 years, about half the post-World War II average. Moreover, about 18.5% of Americans in their prime working years are neither working nor looking for work, up from 15% in 2000 and from 17% at the beginning of Mr. Obama's presidency.

"We had a recovery, but not a super one," said Jeffrey Sachs, the Columbia University economist. Though he believes the Affordable

Care Act was an improvement, "every other structural issue we face and every other investment for the future did not occur."

—Ben Leubsdorf and Eric Morath contributed to this article.

#### Corrections & Amplifications:

The Tea Party uprising in the 2010 elections took away the Democrats' supermajority in the Senate and swept Republicans into control of the House. An earlier version of this article incorrectly stated the Republicans took power in both chambers of Congress.

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## The New York Times John Kerry: What We Got Right

John Kerry

This is evident, first of all, in our campaign to defeat the Islamic State, also known by its Arabic acronym, Daesh. Two and a half years ago, these murderers were on the march across Iraq and Syria. Instead of rushing into a unilateral war, we responded by quietly helping Iraq form a new and more inclusive government, and then assembling a 68-member coalition to support a rehabilitated Iraqi military, the Kurdish Peshmerga and other local partners to liberate territory once occupied by Daesh.

We are engaged in a climactic effort to free the largest remaining strongholds in Iraq (Mosul) and Syria (Raqqa). These military steps depended on the diplomatic cooperation we brokered to cut off Daesh's finances, slow its recruiting and rebut its poisonous propaganda on social media and within the region.

President Obama took office with Iran's [nuclear program](#) racing ahead and our nation under mounting pressure to take military action. While making clear we would do whatever it took to prevent Iran from obtaining a nuclear weapon, we started with diplomacy, building the strongest international sanctions regime the world has ever seen, and testing whether Iran would negotiate a deal that could ensure its nuclear program was exclusively peaceful. As a result, without firing a shot or putting troops in harm's way, the United States and our partners reached the [Joint Comprehensive Plan of Action](#), which blocked Iran's pathways to a nuclear weapon and made our nation, our allies and the world safer.

When [Russia](#) invaded Ukraine in 2014, the United States could have responded as we had six years earlier, when Russian intervention

in Georgia was largely met with rhetoric alone. But having repaired diplomatic ties badly damaged by the Iraq war, the Obama administration was able to defy skeptics by working with our [European Union](#) partners to impose sanctions that have isolated Russia and badly damaged its economy. We also bolstered [NATO](#) with a major expansion of our security assistance to allies in the Baltics and Central Europe.

Throughout, we continued to work with Russia when it was in our interest to do so. But because we have stood firm, Russia is now — despite the boasts of its leaders — plagued by dwindling financial reserves, a historically weak ruble and poor international relations.

President Obama has made clear to our allies and potential adversaries in Asia that the United States will remain a major force for stability and prosperity in their region. We have rallied the world behind unprecedented sanctions against a menacing North Korea, increased our naval presence in the Pacific, worked with regional actors to support the rule of law in the South China Sea and forged a strategic partnership with India. We also united key partners behind a landmark, high-standard trade agreement, the Trans-Pacific Partnership, that we still believe should be ratified by Congress — all while maintaining an often mutually beneficial relationship with Beijing.

When President Obama took office, efforts to protect our planet from the catastrophic impacts of [climate change](#) were going nowhere, stymied by decades of division between developed and developing countries. But our outreach to [China](#) led to a series of breakthroughs that made last year the most consequential in the history of climate diplomacy. Building on,

rather than backing away from, that progress would allow a historic shift toward clean energy and a chance of saving the planet from the worst ravages of climate change.

The fruits of this administration's diplomacy can also be seen in our own hemisphere, where we strengthened our position by normalizing relations with Cuba and helped end Colombia's decades-long civil war. In Africa, we gained friends by training young leaders and led a successful global effort to contain [Ebola](#).

Obviously, we haven't solved every problem, particularly in the chronically combustible Middle East. But the United States was absolutely justified in stressing the need for a two-state solution between Israelis and Palestinians.

I also remain convinced that the formula we pursued to end the agonizing conflict in Syria was, and remains, the only one with a realistic chance to end the war — using diplomacy to align key countries behind establishing a nationwide cease-fire, providing humanitarian access, marginalizing terrorists and promoting Syrian-led talks on creating a constitution and democratic government.

The response of the international community to the tragedy in Syria will long be debated. For years, United States officials had those same debates in the Situation Room. Some options, such as an enormous deployment of ground troops, were rightly dismissed. Others, including deploying additional special forces in limited operations, were closer calls. Month after month, we weighed the deteriorating conditions and uncertain benefits of intervention against the very real risks, including deeper involvement in a widening war. While I did not win every argument — no policy maker does

— I can testify that all viable ideas received a fair hearing.

I am not a pacifist. But I learned as a young man who fought in Vietnam that before resorting to war, those in positions of responsibility should do everything in their power to achieve their objectives by other means.

I just returned from Vietnam, where smart and sustained diplomacy has accomplished what a decade of war never could: developing a dynamic capitalist society, opening an American-style university with the promise of academic freedom and, perhaps most improbably, strengthening ties not just between our people, but also between militaries that once saw each other as enemies.

Looking ahead, my hope is that the turbulence still evident in the world does not obscure the extraordinary gains that diplomacy has made on President Obama's watch or lead to the abandonment of approaches that have served our nation well.

Diplomacy requires creativity, patience and commitment to a steady grind, often away from the spotlight. Results are rarely immediate or reducible to 140-character bites. But it has helped build a world our ancestors would envy — a world in which children in most places are more likely than ever before to be born healthy, to receive an education and to live free from extreme poverty.

The new administration will face many challenges, like every administration before it. But it will take office this week armed with enormous advantages in addressing them. America's economy and military are the strongest in the world, and diplomacy has helped put the wind at our back, our adversaries on notice about our resolve and our friends by our side.





## Jennings : Obama should give back his Nobel

Scott Jennings  
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During his final press conference, President Obama explains his decision to commute the sentence of Chelsea Manning. USA TODAY NETWORK

Bradley Manning, now known as Chelsea Manning, in Fort Meade, Md., on July 30, 2013. (Photo: Saul Loeb, AFP/Getty Images)

The last major decision of President Barack Obama was to commute the sentence of a traitor whose most recent accomplishment since giving battlefield secrets to Osama bin Laden was undergoing a taxpayer-funded sex change transition. It was a fitting end to a failed presidency that leaves President-elect Donald Trump mess after mess to clean up on the world stage.

Let's revisit the curious case of Chelsea Manning (born Bradley Edward Manning). He was court martialed in 2013, "three years after Manning was first detained in Iraq for suspicion of having [leaked the video of a 2007 Apache helicopter attack](#) that killed several Iraqi civilians. He was subsequently charged with the leak of 750,000 documents that were a mix of U.S. military battlefield reports from Iraq and Afghanistan and diplomatic cables," according to ABC News.

This was no small leak — news outlets routinely describe Manning's actions as the most "extensive" or "biggest" such breach of military secrets in American history. This person will forever be mentioned in the same breath as Benedict Arnold, John Walker, Robert Hanssen, Edward Snowden and Aldrich Ames.

Manning gave our military secrets to WikiLeaks, which

published it for our enemies. Remember Osama bin Laden? The information Manning stole was [found on the notorious terrorist's computer](#) during the raid that sent him to his everlasting reward, according to evidence submitted by the government during Manning's trial.

Manning helped our enemies by leaking sensitive information to a foreign organization. Period. He was arrested, confessed, and subsequently sentenced to 35 years in a military prison. His actions put America at risk and endangered the lives of ["foreigners in dangerous countries"](#) who were identified as having helped American troops or diplomats," according to *The New York Times*.

Afghans, Syrians, and Iraqis — brave people who continue to live in treacherous places — were put in extreme danger by Manning. These people helped America with the understanding that their actions would be kept secret. Because of Manning, their lives and the lives of their families are forever in peril. In future battles, when our military is looking for allies among local populations, who will trust that America can keep their secrets or can guarantee their safety?

Somewhere along the way, his days of trying to destroy America safely behind him, Brad decided he was Chelsea and demanded the government pay for his conversion from man to woman. And we did, as [taxpayers ponied up \\$50,000](#) for a traitor to receive everything from "counseling to hormone therapy, and...gender reassignment surgery".

Fast forward to Tuesday, when Manning's strange tale ended with Obama commuting his sentence over the [objection of Defense Secretary Ash Carter](#). A "former

intelligence official described being 'shocked' to learn of Obama's decision, adding that the 'entire intelligence community is deflated by this inexplicable use of executive power.' The official said the move was 'deeply hypocritical given Obama's denunciation of WikiLeaks' role in the hacking of the (Democratic National Committee)," a CNN report said.

Obama cultivated a reputation as being critical of those who leak information, as Manning and Snowden did. But whatever anger Obama harbored for those who wish to harm America melted away when presented with the opportunity to strike one more blow for his extreme left-wing social ideology (a worldview which did Hillary Clinton no favors in non-urban areas during the election).

After eight years, Obama's duties as commander in chief were less important to him than making the politically correct decision to deliver the traitor Manning a more comfortable life. Obama, tired of saluting those who serve, slapped them in the face on the way out the door.

Obama has repeatedly destroyed the morale of our troops and weakened American security. His reach for a foreign policy legacy led to the disastrous nuclear deal with Iran, which was sold by an arrogant staff that laughed about lying to reporters who ["literally know nothing"](#) as Obama national advisor Ben Rhodes said to *The New York Times* magazine. Obama has left our alliances with key allies in tatters, the final insult coming when the U.S. [failed to stand up for Israel](#) during a recent vote in the United Nations Security Council.

**POLICING THE USA: A look at race, justice, media**

And, most obscenely, Obama stood idly by and watched the unfolding slaughter of innocent civilians in Syria's Aleppo, a bloodbath that will stain his legacy the way the Rwandan Genocide stains Bill Clinton's. Together, the last two Democratic presidents ineptly looked on as [upwards of 1.5 million people](#) were murdered.

If Obama felt one shred of shame, he would send his 2009 Nobel Peace Prize back with a note of apology to the people of Aleppo.

The necessity and urgency of American leadership and a foreign policy vision unclouded by the extreme liberal ideology demanded by Obama's political base cannot be understated. Trump's work is now more than just moving American foreign policy forward; he must dig out of the deep hole left him by the Obama administration.

America's weakness invited the Russians to attempt to muck around in our election. It invited the Chinese to [snatch our military equipment](#) from the water. It makes our friends question America's ability to know the difference between right and wrong, or to do anything about it.

But hey, at least Chelsea Manning's happy.

*Scott Jennings served as Special Assistant to President George W. Bush from 2005-2007.*

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## Kristof : Missing Barack Obama Already

Nicholas Kristof

Polls suggest that voters are already souring on Donald Trump, in ways that may soon create nostalgia for Obama. Newly elected presidents usually enjoy a honeymoon, but [Gallup says](#) Trump's approval is at the lowest level the pollster has recorded in a presidential transition.

Mostly, I think we journalists overdo the personal and pay insufficient attention to policies — such as those that led Obama's presidency to enjoy the [longest streak](#) of consecutive private-sector job

creation in the 78 years the statistic has been recorded. But while Obama's policy legacy is being whittled away, he also has an important personal legacy that Trump inadvertently burnishes.

A president inevitably is not just commander in chief, but also a role model, a symbol of American values around the world. We won the Cold War not only with American missiles, but also with American "soft power," and one element of our soft power arsenal is a president who commands respect and admiration at home and abroad. We want our children and

the world's to admire our president — and that is where Obama is strongest and Trump weakest.

Trump spews emotional tweets impetuously and vindictively, lacing his venom with misspellings or grammatical mistakes. We'll be craving Obama's prudence, intellect and reserve.

The personal differences between them aren't just that Obama was an African-American son of a single mom, while Trump was the scion of a real estate tycoon. It's more the behaviors they model. Trump has had five children by three wives,

has boasted of his infidelities, has shrugged at conflicts of interest and is a walking scandal.

"He will never, ever, let you down. ... Donald is intensely loyal," we were told at the Republican convention — by his third wife. In contrast, Obama has the most boring personal life imaginable, and is the rare president who got through a second term without significant scandals.

That seems to be because of extreme caution. When Obama won the Nobel Peace Prize, he [solicited](#) a 13-page memo from Justice

Department lawyers verifying that there was absolutely no conflict in accepting it. And then he [donated](#) the money to charities.

Whatever our views of Obama's politics, we should be able to agree that he is a superlative family man. For eight years, this family has made us proud. The graciousness that the Obamas displayed toward the Trumps, even as in private they must have been beating their heads against the wall, exemplified class.

**The  
New York  
Times**

## Editorial : President Obama's Last Chance to Show Mercy

The Editorial Board

Lilli Carré

President Obama did the right thing in [granting clemency](#) to Chelsea Manning, who was sentenced to 35 years in prison for leaking huge amounts of classified information about American diplomatic and military activities in 2010. Ms. Manning, who has served nearly seven years, is to be released on May 17.

Of course, it was Mr. Obama's overly aggressive Justice Department that sought, [and in 2013 won](#), that absurdly long sentence in the first place. The average sentence for those convicted of leaking classified material is one to three years.

The clemency grant, one of 209 sentence commutations and 64 pardons Mr. Obama [issued on Tuesday](#), served as an important counterweight to his administration's insistent pursuit of those who leaked government secrets. Mr. Obama [also pardoned](#) James Cartwright, a retired Marine general who pleaded guilty to lying about

When Obama gave his farewell address in Chicago this month, he was accompanied by Michelle and his older daughter, Malia, but 15-year-old Sasha was missing. Twitter was abuzz, and [#WheresSasha](#) was soon trending. It turned out that she wasn't in a drunken stupor, or staying away in an angry teenage sulk. Rather, it seemed that the Obamas had [Sasha stay home](#) to study for an exam the next morning.

If I were Sasha, I'd be annoyed: "C'mon, Dad! You coulda written me

a note!" But I'm proud of a first family that so values education, and is so averse to asserting privilege.

We can argue about Obama's policies. For my part, I deplored his passivity on Syria. But even on issues that I disagreed with him on, I never doubted his integrity or intelligence, his decency or honor.

Trump may dismantle Obamacare and pull out of the Paris climate accord. But he cannot undo Obama's legacy of dignity and old-

fashioned virtue, and the impression he made on all of us.

And if, as I fear, we see the White House transformed into a bog of scandals flowing from an unprincipled narcissist, we as a nation will be more appreciative of a first family that set an impeccable example for all the world.

conversations with reporters to F.B.I. agents investigating a leak related to Iran's nuclear program.

No similar mercy, so far, for Edward Snowden, the former intelligence contractor who leaked top-secret information about vast government surveillance programs and now lives as a fugitive in Russia. A White House official said the documents Mr. Snowden revealed were "far more serious and far more dangerous" than Ms. Manning's. But like Ms. Manning, Mr. Snowden acted in the spirit of a whistleblower. His disclosures [led to significant debate and reforms](#). He should be offered [at least a plea agreement](#) that would allow him to return home.

Ms. Manning, a low-level Army intelligence analyst who at the time of her conviction was known as Bradley Manning, leaked more than 700,000 classified documents — including diplomatic cables and military incident logs — to WikiLeaks, which shared them with news organizations, including The New York Times. She accepted responsibility for her crimes, pleading guilty in 2013 to some of the charges she faced, exposing

her to 20 years in prison. After her conviction at trial on more serious charges, prosecutors pushed for 60 years, arguing that she had endangered national security and American lives around the world, even though they presented no evidence that anyone had been killed as a result. As a transgender inmate held in the men's military prison at Fort Leavenworth, Kan., Ms. Manning [twice attempted suicide](#) in 2016.

Mr. Obama [also commuted the sentence](#) of Oscar Lopez Rivera, a 74-year-old Puerto Rican nationalist serving 70 years for convictions including seditious conspiracy, a crime that punishes attempts to overthrow the American government. That charge vastly overstated Mr. Lopez Rivera's role in a Marxist group that carried out attacks in American cities in the 1970s and 1980s.

Mr. Obama is not the first president to conclude that Mr. Lopez Rivera's punishment was excessive. President Bill Clinton offered Mr. Lopez Rivera clemency in 1999, but he turned it down, saying he did not want to be released unless all of his fellow defendants were freed. He is

now the only figure from that era who remains behind bars.

Tuesday's clemency grants — which included [hundreds that shortened or ended outrageously long sentences](#) for low-level drug offenders — are bold and commendable decisions.

In his final hours as president, Mr. Obama can show mercy by commuting the life sentence of Leonard Peltier, the Native American activist convicted of killing two F.B.I. agents during a 1975 standoff at the Pine Ridge reservation in South Dakota. Mr. Peltier's trial was deeply flawed; an appeals court found that the government had deliberately withheld key evidence, and prosecutors admitted that they could not prove Mr. Peltier had shot the agents.

This month, the top prosecutor involved in Mr. Peltier's trial made a highly unusual appeal to [Mr. Obama to release him](#), saying it would be "in the best interest of justice." Mr. Obama most likely represents the last chance for Mr. Peltier, who is 72 and in poor health, to live out the remainder of his life as a free man.

**NATIONAL  
REVIEW  
ONLINE**

## Editorial : Chelsea Manning's Sentence Commuted in Unjust Decision by Obama

Barack Obama is nothing if not consistent. He is lenient with American enemies foreign and domestic. Make no mistake, his decision to commute the remainder of Bradley (Chelsea) Manning's jail term sends the message that soldiers can betray their nation — without regard to the lives of their brothers and sisters in arms — yet still expect to receive compassion from their government, so long as they're "whistleblowing" on an unpopular war.

It's important to properly understand Manning's case. Contrary to media framing, this was not a conventional "leak" prosecution. Instead, Manning is responsible for one of the largest security breaches in

American military history. He downloaded, copied, and passed along to WikiLeaks several hundred thousand files that comprehensively detailed American military and diplomatic activities in Iraq, Afghanistan, and beyond.

These files not only disclosed the identities of individuals working with Americans and spotlighted vital and sensitive classified diplomatic efforts, they provided a comprehensive overview of American military operations in both Iraq and Afghanistan — including detailed descriptions of American tactics and strategies, right down to descriptions of the vehicles used in various missions, the purpose of the missions, and the targets of

operations. In other words, to borrow a football analogy, it was like handing the opposition your playbook — except with lives on the line.

During Manning's trial, prosecutors [introduced evidence](#) that al-Qaeda was not only gleeful about the leak (one of its spokesmen said, "By the grace of God, the enemy's interests are today spread all over the place"), Osama bin Laden himself "asked for and received" the "Afghanistan battlefield reports that WikiLeaks published."

Moreover, unlike most leak cases, which involve the dissemination of specific, limited amounts of information, Manning's security

breach was nothing more and nothing less than a document dump. Manning, a low-level soldier, did not and could not comb through his hundreds of thousands of documents to mitigate any possible harm or prevent any possible loss of life. Instead, he transmitted them en masse for publication.

Manning claims he disclosed the documents for the purpose of stimulating "worldwide discussion, debates, and reforms." But that's not his decision to make. He disclosed the nation's secrets without even knowing whether those secrets could hurt or possibly kill the men and women with whom he served or the men and women who worked with American forces.

His actions were worse than reckless. He acted with callous disregard and utter indifference to human life.

No matter how troubled he was during his Iraq deployment, he was fully aware of the laws and regulations that governed his conduct, and he knowingly and deliberately violated those laws.

His defenders like to point out that the prosecution didn't prove that anyone died directly as a result of Manning's security breach. Yet as our own Andrew McCarthy [notes today](#), "in cases involving classified information, the government frequently cannot reveal — let alone prosecute — the damage done." The very act of revealing the extent



TODAY

Chelsea Manning's supporters in London in 2014. (Photo: Facundo Arrizabalaga, epa)

If President Obama felt compelled to commute the sentence of Chelsea Manning, the Army private who was convicted in 2013 of providing an enormous trove of classified documents to WikiLeaks, it would have been more appropriate to let Manning serve at least 10 years.

Under Obama's grant of clemency, announced in the final days of his presidency, Manning will walk free in May, after serving about seven.

[Ten years is the minimum](#) Manning was likely to serve under the maximum 35-year sentence handed down by a military judge in 2013. Inmates must serve at least a third of their sentences, and they get time off for good behavior.

Ten years also happens to be the minimum that

of the damage can disclose more classified information. In fact, the damage is still being done — as the enemy continues to use the information about American tactics to adjust its own operations and methods.

Since his arrest and imprisonment, Manning has disclosed that he is transgender and now goes by the name "Chelsea." This has stirred up considerable sympathy for him from some in the media. The *New York Times* even phrased the commutation as having "rescued" Manning from an "uncertain future as a [transgender woman incarcerated at the men's military prison](#) at Fort Leavenworth."

One does not have to engage in yet another wearying debate about

federal inmates with longer sentences are supposed to serve before seeking a commutation from the president, under a special initiative Obama's [Justice Department outlined in 2014](#) to encourage more inmates to apply for commutations. There's no reason Manning deserved a special exception to this guideline.

At Obama's news conference Wednesday, he explained that Manning "has served a tough prison sentence," and that no one considering such a crime would think "it goes unpunished."

Republicans begged to differ. "It's a dangerous precedent that those who compromise our national security won't be held accountable," said House Speaker Paul Ryan, R-Wis. Other critics pointed to the hypocrisy of Democrats blasting WikiLeaks for publishing hacked emails from Democratic Party operatives during the election, and then having a Democratic president commute the sentence of someone

gender identity to understand that Manning — regardless of his self-identification — betrayed his nation. No matter how troubled he was during his Iraq deployment, he was fully aware of the laws and regulations that governed his conduct, and he knowingly and deliberately violated those laws.

Finally, it is important to understand that Manning had already been treated with considerable mercy before Obama commuted his sentence. Manning was convicted on 17 counts of various violations of the Uniform Code of Military Justice, pled guilty to three, and was acquitted of two. Prosecutors sought a 60-year prison term, but the judge imposed a term of 35 years only, and he would have been eligible for parole after serving ten

who turned over classified documents to WikiLeaks.

The Manning case has always been a thicket of contradictions and complexities.

Manning was tried as Bradley Manning but identifies as a woman and now is known as Chelsea. The case attracted widespread sympathy from privacy and transgender activists who complained Manning couldn't get the help she needed in the military prison in Leavenworth, Kan.

While Manning's leaks *exposed* injustice, they also *did* injustice by revealing the identities of people who put themselves at risk for the U.S. in repressive countries.

Manning copied and released more than [700,000 classified files](#) — not through reporters who would have vetted the material — but through an irresponsible organization, WikiLeaks.

Some of the information, such as a video of a helicopter attack in Baghdad that killed civilians, was

full years. This was itself lenient, but not lenient enough for the Obama administration.

Manning will soon walk free, ultimately serving a sentence no longer than that of a garden-variety domestic felon. In the meantime, across the globe, our enemies better understand our military tactics, friends who've risked their lives to fight jihad live in fear, and diplomatic trust is breached. Manning's commutation was worse than foolish. It was unjust, and it broke faith with America's warriors. The price paid for betrayal proved to be low indeed.

material the public deserved to see to get a fuller portrait of the Iraq War. But Manning's thoughtless dump of so much material, including a quarter million diplomatic cables, may have put real people at risk by exposing U.S. activity abroad that is confidential for good reason.

The military court found Manning not guilty of the most serious charge, aiding the enemy, but convicted the defendant on a long list of lesser crimes, including violating espionage laws.

Obama could have struck a better balance between justice and respect for the intelligence community by setting a commutation date sometime in 2020.

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## California Strikes a Bold Pose as Vanguard of the Resistance

Adam Nagourney

LOS ANGELES

— In the months since the election of [Donald J. Trump](#), California has turned into a laboratory of resistance — championing legal, legislative and political strategies to counter Republican policies while pressing the kind of new Democratic policies that presumably will not be coming out of Washington anytime soon.

The state lieutenant governor, Gavin Newsom, who is running for governor, said California [could use its stringent environmental](#)

[protection law](#) to block Mr. Trump from building a wall along the Mexican border. In Sacramento, Gov. Jerry Brown and lawmakers are pressing bills to expand environmental protections, provide legal assistance for immigrants facing deportation and raise gasoline taxes to pay for highway construction.

"An earned-income tax credit," said Anthony Rendon, the speaker of the Assembly. "Huge infusions for early-childhood education. Those types of things are certainly things that we are interested in doing."

Democratic members of the California delegation to Congress are lining up to announce they will not attend the inauguration of Mr. Trump. And in Los Angeles, Sheila Kuehl, a member of the powerful county board of supervisors, has started what she has called "Operation Monkey Wrench," urging people, including state and federal government workers, to systematically disrupt Trump policies that run counter to California laws and policies.

"I am encouraging people to engage in any way they can to slow down anything that might come from the

federal departments and Congress," she said. "You can't just be dormant when fascism is growing."

It may not be "[Calexit](#)" — the name of a decidedly quixotic campaign for California to withdraw from the union — but it is turning into what is, for all intents and purposes, a slow-motion secession.

California is becoming to Mr. Trump what Texas — [which is as Republican as California is Democratic](#) — was to President Obama: a sea of defiance and a potential source of unending legal and legislative challenges. Texas



sued the federal government more than 40 times in recent years, moving to block an influx of Syrian refugees and to stymie air pollution regulations and Mr. Obama's health care plan. Earlier this month, Democrats in the California state legislature hired Eric H. Holder, the former attorney general, in anticipation of a run of legal battles with the Trump White House.

"We will definitely not sit by idly as the Trump administration tries to deport immigrants, throw people off health care, ignore [climate change](#) and steal our water," said Scott Wiener, a former member of the San Francisco board of supervisors who was just elected to the State Senate. "It's about playing defense to whatever the administration throws at us — but also offense in terms of continuing California's push for progressive social change."

Antonio R. Villaraigosa, the former mayor of Los Angeles who is running for governor, said threatening to actually secede was the wrong response to what he described as policies that could be devastating for this state.

"I hear a lot of talk about Calexit," he said. "The last time a state tried to leave the union there was a civil war. I think it would be a lot more productive for us just to double down on what we do well."

For all the talk of defiance, and political considerations are certainly at play in the early war footing taken by leaders in an overwhelmingly Democratic state, there are great risks to assuming this confrontational stance from the outset.

For one thing, it could invite retribution from Mr. Trump, who has

not seemed inclined to turn the other cheek.

Demonstrators protested for immigrant rights and against President-elect Donald J. Trump during a rally in downtown Los Angeles on Saturday. Mike Nelson/European Pressphoto Agency

For another, California could find itself at the end of the line should Mr. Trump proceed with the extensive infrastructure program he has pledged. It might also find itself in a difficult position in the event of the kind of natural disaster where states need to turn to the federal government for assistance; some Republicans in Congress opposed giving federal aid to New Orleans after [Hurricane Katrina](#).

"You don't want to paint yourself into a corner where you lose your ability to negotiate," said Ted Gaines, a Republican senator who represents a rural district east of Sacramento. "They'd be better off offering an olive branch rather than setting down a pathway that may make it difficult to back off."

"I think it's premature," Mr. Gaines said. "If they want to come out fighting, I think that hurts the relationship in the long term."

Bill Whalen, a research fellow at the Hoover Institution and a former aide to Pete Wilson, a Republican governor, said that he thought Democrats were "playing to the crowd." But he described the approach as a short-term strategy with risky long-term implications.

"Trump likes to bully. He does not like to be bullied. And he likes to have the last word," he said. "There are going to be millions of dollars to

be spent across the country on infrastructure. Why would you want to end up on Donald Trump's blacklist? You could end up on that list anyway. But why pick a fight?"

All of this has unnerved some in the business community.

"This is all based on the president-elect's campaign messaging," said Allan Zaremberg, the chief executive of the California Chamber of Commerce. "We don't know how that is going to manifest in action."

Jimmy Gomez, a Democratic assemblyman running for Congress, said he was not worried about any kind of retribution. "That would be an overreach for one president to punish one state," he said. "When they do political payback not based on policy, but based on whether you are with them or against them, we will use that against them. If California doesn't do well economically, the country doesn't do well economically."

California's economy is the [sixth-largest](#) in the world.

There are parts of this state, however, that showed considerable support for Mr. Trump, and that would applaud efforts, for example, to roll back air pollution regulations.

The San Joaquin Valley Air Pollution Control District — which regulates air quality in one of the dirtiest areas of the nation — is looking to President Trump's transition team to amend the federal [Clean Air Act](#), said Mark Keppler, a professor of public affairs at the California State University in Fresno, noting one example.

And there are limits to what the state can do. Mr. Brown, in a budget

he presented last week, projected a \$1.6 billion shortfall by next summer, which means it will be difficult for California to promote the kind of spending program lawmakers want to make up for cuts in Washington, particularly on health care. The legal efforts being threatened — by Mr. Holder for the legislature and by Xavier Becerra, whom Mr. Brown just tapped to be attorney general — could delay some actions by the Trump White House, but won't necessarily block them.

Still, Democrats overwhelmingly control California, and the thinking about Mr. Trump appears to be uniform: The state is entering rough waters. Mr. Trump could move to cut off funds for so-called sanctuary cities accommodating illegal immigrants, such as San Francisco; sharply cut federal aid that was part of President Obama's health care program; or use regulatory powers to try to halt this state's aggressive policies to reduce carbon emissions.

"The impact of anything coming out of Washington is going to be so difficult for California that we are almost thrown into survival mode," said Ms. Kuehl, who has been in public office since 1994. She said she had urged people — "everyone: local and state governments, staff of federal agencies, nonprofits, neighborhood groups" — to aggressively try to impede any policies pushed by Mr. Trump that undercut California laws or policies.

"I said 'If you have to lie, cheat and steal, do it,'" Ms. Kuehl said. "Take federal money and just tell them you are going to do whatever they want."



## Former president George H.W. Bush hospitalized in Houston; Barbara Bush also under care

By Fred Barbash and Brian Murphy

Former president George H.W. Bush is in an intensive-care unit at a Houston hospital with pneumonia. His wife, former first lady Barbara Bush, also was admitted to the same hospital on Wednesday as a precaution after experiencing fatigue and coughing. (Reuters)

Former president George H.W. Bush is in an intensive-care unit at a Houston hospital with pneumonia. His wife, former first lady Barbara Bush, also was admitted to the same hospital on Wednesday as a precaution after experiencing fatigue and coughing. Former president George H.W. Bush is in an intensive-care unit at a Houston hospital with pneumonia. (Reuters)

Former president George H.W. Bush was under observation at an intensive care unit in Houston on Wednesday after being treated for an "acute respiratory problem stemming from pneumonia," according to a statement from his office.

The update described the 92-year-old Bush as "stable and resting comfortably" at Houston Methodist Hospital, but gave no details on how long the former president could remain under medical attention. At the same hospital, former first lady Barbara Bush was also admitted Wednesday as a "precaution" after experiencing fatigue and coughing, a separate statement said.

The former president was taken to the hospital Saturday for shortness

of breath, and doctors performed a procedure to "protect and clear his airway," the statement said. Bush was under sedation during the medical intervention, it added.

In a tweet, Bush spokesman Jim McGrath wrote that he has "responded very well to treatments." McGrath added: "Hope to have him out soon."

The [Houston Chronicle](#), quoting Jean Becker, Bush's chief of staff, said the former president was "fine" and "doing really well" after falling ill recently. She [told KHOU](#) in Houston that the nation's oldest living former president was in stable condition.

Bush is famously tough and resilient for a man of his age, despite having a form of Parkinson's disease and

having [suffered from Graves' disease, a thyroid ailment](#), during his presidency.

The 41st president fell at his Kennebunkport, Maine, home in July 2015, breaking a bone in his neck. He recovered relatively quickly.

At his final news conference, President Obama expressed concerns about former president George H.W. Bush and his wife, Barbara, who were hospitalized in Houston. (The White House)

At his final news conference, President Obama expressed concerns about former president George H.W. Bush and his wife, Barbara, who were hospitalized in Houston. At his final news

conference, President Obama expresses concerns about former president George H.W. Bush and his wife, Barbara, who are hospitalized in Houston (The White House)

In December 2014, [he was hospitalized](#) after experiencing shortness of breath.

And in 2012, he was admitted for a bronchitis-related cough, [spending](#)

[two months at the hospital, some of it in intensive care.](#)

KHOU said more information would be released later Wednesday.

"Doctors and everyone are very pleased," McGrath also told The Post in an email.

*This post has been updated.*