

# Revue de presse américaine

**Ambassade de France aux États-Unis**

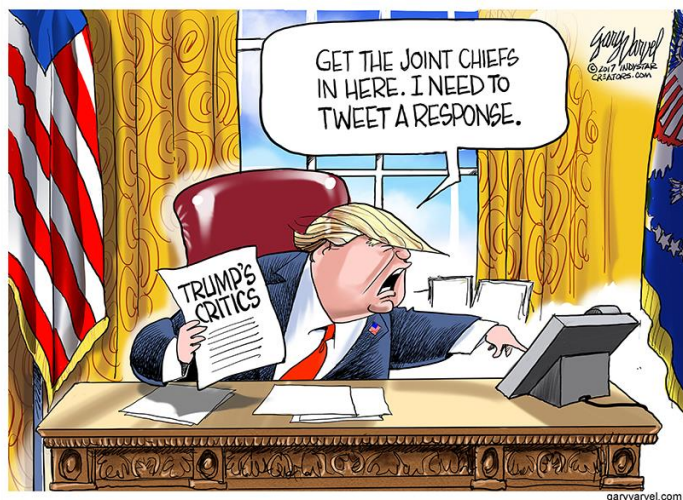
Service de presse et de communication



Liberté • Égalité • Fraternité

RÉPUBLIQUE FRANÇAISE

**Mardi 17 janvier 2017, réalisation : Samuel Tribollet**



For Trump, Three Decades of Chasing Deals in Russia (UNE).....	12
North Korean Defections Swell as Political Elite Look South .....	13
Lankov : It's Time to Talk to North Korea.....	14
China-U.S. Rivalry Spurs Vietnam to Look for New Comrades .....	14
What to Make of the 'Davos Class' in the Trump Era (UNE).....	15
Gillian Tett : Davos Man Has No Clothes .....	16
As Trump Era Arrives, a Sense of Uncertainty Grips the World (UNE).....	17
Editorial : Trump's Antitrade Warriors.....	18
Editorial : Trump's Trade Plan Is a Looming Disaster..	18

<b>FRANCE - EUROPE .....</b>	<b>3</b>
France is the least-trusted country in the world: Edelman survey.....	3
A French Peace Push Meets U.K.-Led Opposition.....	3
European leaders shocked as Trump slams NATO and E.U., raising fears of transatlantic split (UNE).....	3
Trump's Dismissal of EU Brings Call for Unity .....	4
Trump's big foreign policy change: looser ties with Europe .....	5
Theresa May to Seek Clean Brexit From EU .....	6
Brexiters cheer on Donald Trump for promising quick trade deal with the U.K. ....	6
Murray : Why Britain's Health Service Needs Urgent Care .....	7
U.K. Police Look to Young Recruits to Help Shed an Image as 'Male, Pale and Stale' .....	8
Northern Ireland, Forced by Sinn Féin, Sets Early Election in Shadow of 'Brexit' .....	8
Germany Could Cut Corporate Tax Rate, Finance Minister Wolfgang Schäuble Says.....	9
As Support for E.U. Flags Elsewhere, Bulgaria Sees Its Benefits .....	9

<b>INTERNATIONAL.....</b>	<b>10</b>
Obama Misread Putin. Trump Might Not: New Era of Big Sticks, Common Enemies, Mutual Benefit .....	10

<b>ÉTATS-UNIS.....</b>	<b>19</b>
Whitehouse : Trump's Inaugural Speech Might Not Be So Dumb .....	19
Surprisingly, Trump inauguration shapes up to be a relatively low-key affair (UNE) .....	19
Stephens : Trump's Bonfire of Pieties .....	20
Milbank : Trump gets no respect. That's because he hasn't earned it. ....	21
Ryan and Trump set for Medicare showdown .....	22
Trump Health Secretary Pick's Longtime Foes: Big Government and Insurance Companies (UNE).....	22
Editorial : Finding unity on a new health-care law .....	24
Silvers : The G.O.P.'s Health Care Death Spiral .....	24
Fear Spurs Support for Health Law as Republicans Work to Repeal It .....	24
Donald Trump Warns on House Republican Tax Plan ..	25
Summers : The economy under Trump: Plan for the worst.....	26
Editorial : House Arms Itself for Witch Hunts .....	27
'Never Trump' national-security Republicans fear they have been blacklisted (UNE) .....	27
The Alt-Right Comes to Washington.....	28
U.S. border officials are illegally turning away asylum seekers, critics say (UNE) .....	33
Samuelson : What Obama deserves credit for — and doesn't.....	34
Editorial : Obama's last chance to give some deserving people a second one .....	35

Fund and von Spakovsky : Obama's 'Scandal-Free Administration' Is a Myth.....	35
--	----

Leonhardt : The Most Successful Democrat Since F.D.R.....	36
Editorial : Mr. Obama, Pick Up Your Pardon Pen.....	36

# FRANCE - EUROPE

## CNBC : France is the least-trusted country in the world: Edelman survey

Gemma Acton

France has claimed the position of the country least trusted by its people, according to an influential survey by the world's largest public relations firm.

A thumping 72 percent of the French population agree that the institutional system is failing them, placing the country in joint last position alongside

neighboring Italy, according to the 2017 Edelman Trust Barometer.

Immigration, globalization and eroding social values are highlighted as underpinning the negative results, revealing a disheartening sentiment ahead of this spring's French presidential election.

The research warns of the consequences playing out in both

France and other countries where public disillusion is heightened.

"Countries that combine a lack of faith in the system with deep societal fears, such as France, Italy, South Africa, the U.S. and Mexico, are electing or moving towards populist candidates," reads the research.

The disappointment also extends beyond the least enfranchised to the

better-off elements of French society. While only a very weak 38 percent of the mass population trust institutions in France, a mere 56 percent of the category described as the 'informed public' still maintains its faith in the same institutions.

### THE WALL STREET JOURNAL

## A French Peace Push Meets U.K.-Led Opposition

Laurence Norman

A French push for the European Union to back the results of Sunday's Paris conference on the Middle East peace process was stymied Monday, with the U.K. leading the opposition.

Britain's decision to oppose the EU statement was U.K. Prime Minister Theresa May's latest move to reposition Britain on some international issues ahead of the inauguration of President-elect [Donald Trump](#).

While British officials had said for days they were skeptical of any fresh EU statement on the Middle East peace process, U.K. Foreign Secretary Boris Johnson's opposition came a day after Mr. Trump had called on Britain to veto resolutions critical of Israel.

The conclusions under discussion would have welcomed Sunday's Paris conference on the Middle East whose conclusions – relayed in a Joint Declaration – reaffirmed the need for a two-state solution to the conflict.

They would also have reiterated the EU's pledge of "unprecedented" help to the two sides if a peace deal can be reached and said the EU

stands "to engage further with its Israeli and Palestinian counterparts...to advance the objectives of the Joint Declaration towards a two-state solution."

The U.K. had over the weekend already distanced itself from the Paris meeting's conclusions.

The government attended only as an observer and the Foreign Office issued a statement saying the government had "particular reservations" about the conference. These included the timing of the meeting before Mr. Trump takes office and the fact that the Israelis and Palestinians did not participate.

However the U.K. reiterated in the weekend statement that they still back a two-state solution to the Middle East peace conference and oppose measures that stand in the way of it.

In discussions between EU ambassadors and then EU foreign ministers in Brussels on Monday, France however again pushed for the bloc to restate their backing for a two-state solution and the Paris conclusions.

According to several diplomats however, Mr. Johnson made it clear during a lunch discussion Britain

opposed a fresh EU statement. Britain's position was backed by Lithuania and Hungary, although one senior EU official said that other foreign ministers were silent on the issue – indicating a broader skepticism about the French push.

Any EU statement must have unanimous backing.

Asked about the discussion, EU foreign policy chief Federica Mogherini acknowledged "there were some exchanges around the table" with foreign ministers taking different positions. But she denied Britain had vetoed the conclusions.

"So no, Boris didn't stop or prevent any decision of the European Union. On the contrary, he participated fully to all points of the agenda," she told reporters.

In an interview over the weekend, Mr. Trump said he hoped the U.K. would bloc any fresh international action pressuring Israel.

"Well, the UK may have another chance to veto if what I'm hearing is true, because you know you have a meeting...this weekend," he said. Mr. Trump said the Paris meeting – and last month's UN Security Council resolution – would harden positions and make it tougher for his

administration to launch new peace talks.

The U.K. is expected to leave the bloc in spring 2019 however Mr. Johnson has repeatedly said Britain will continue co-operating closely on foreign policy issues.

The U.K. also actively backed a resolution of the United Nations Security Council which criticized Israel's settlements policy. That resolution, which passed because the Obama administration abstained, was strongly criticized by Mr. Trump.

Britain's turn-about over the last month from supporting the UN resolution to opposing the French initiatives has caused frustration among some in Brussels. In the past, the U.K. and France, who have clashed on a range of other EU policies, tended to work closely together on foreign policy and security issues.

One diplomat accused Britain of "sacrificing" a longstanding foreign policy position to curry favor with the Trump administration. The U.K. seems prepared "to abandon 10 or 15 years of Middle East policy," the diplomat said.

### The Washington Post

## European leaders shocked as Trump slams NATO and E.U., raising fears of transatlantic split (UNE)

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

(Reuters)

German leader Angela Merkel said Europe's fate is in its own hands, following Donald Trump's comments that the European Union is headed

for a breakup and that NATO is obsolete. Angela Merkel said Europe's fate is in its own hands, following Trump's comments that the European Union is headed for a breakup and that NATO is obsolete. (Reuters)

BRUSSELS — European leaders grappled with the jolting reality of President-elect Donald Trump's skepticism of the European Union on Monday, saying they might have to stand without the United States at their side during the Trump presidency.

The possibility of an unprecedented breach in transatlantic relations came after Trump — who embraced anti-E.U. insurgents during his campaign and following his victory — said in weekend remarks that the 28-nation European Union was bound for a breakup and that he was indifferent to its fate. He also

said NATO's current configuration is "obsolete," even as he professed commitment to Europe's defense.

Trump's attitudes have raised alarm bells across Europe, which is facing [a wave of elections this year](#) in which anti-immigrant, Euroskeptical leaders could gain power. Most mainstream leaders [have committed to working with Trump](#) after his inauguration Friday, even as they have expressed hope that he will moderate his views once he takes office. His continued hard line has created a painful realization in Europe that they may now have to live without the full backing of their oldest, strongest partner. The European Union underpins much of the continent's post-World War II prosperity, but skeptics have attacked it in recent years as a dysfunctional bloc that undermines finances and security.

Please provide a valid email address.

"We will cooperate with him on all levels, of course," German Chancellor Angela Merkel told reporters in Berlin. But she said Europeans will need to take responsibility for themselves.

"We Europeans have our destiny in our own hands," she said.

The full ramifications of a potential breakdown in transatlantic ties are so extensive, they are difficult to total. U.S. guarantees form the backbone of European security. The United States and the 500-million-people-strong European Union are each other's most important trade partners. For decades, European nations and the United States have worked tightly together on issues of war, peace and wealth.

Trump appears skeptical that the European Union matters to American security or economic growth.

"People want their own identity, so if you ask me, others, I believe others will leave," Trump said of the European Union in [a weekend interview](#) with the Times of London and Germany's Bild newspaper. He said he did not care about the E.U.'s future. "I don't think it matters much for the United States," he said.

"You look at the European Union,

and it's Germany. Basically a vehicle for Germany," Trump said, meaning Germany had used the free-trade bloc to sell its goods to the disadvantage of others. He added that Merkel had made a "very catastrophic mistake" in opening Europe's doors to migrants and refugees.

And he offered no special credit to European nations for being long-standing U.S. allies, saying he will trust Merkel and Russian President Vladimir Putin alike at the outset of his presidency.

"I start off trusting both," he said. "But let's see how long that lasts. It may not last long at all."

Trump offered mixed messages about the NATO defense alliance, which is dominated by the United States, calling it "obsolete" and saying it is "very unfair to the United States" that most nations are not meeting their voluntary defense spending commitments. "With that being said, NATO is very important to me," Trump said.

(Sarah Parnass/The Washington Post)

At the confirmation hearing for President-elect Trump's nominee for secretary of defense, retired Marine Gen. James Mattis warned about the threat Russia poses and vowed to stand up to Trump when necessary. At the confirmation hearing for Trump's nominee for defense secretary, Gen. James Mattis warned about Russia and vowed to stand up to Trump when necessary. (Video: Sarah Parnass/Photo: Ricky Carioti/The Washington Post)

The Kremlin embraced Trump's comments, with a spokesman agreeing that NATO is obsolete. British leaders also welcomed Trump's willingness to negotiate a trade deal in the wake of their nation's departure from the E.U.

But among most U.S. allies, Trump's attitudes "caused astonishment and excitement, not just in Brussels," German Foreign Minister Frank-Walter Steinmeier told reporters Monday in Brussels, where he was meeting with other European foreign ministers at a previously scheduled gathering. Coming directly from a meeting with NATO Secretary General Jens Stoltenberg,

Steinmeier said NATO had listened to Trump's comments "with concern."

The incoming U.S. president is the first American leader since World War II not to support European integration. The European Union [has long been considered to be in the U.S. interest](#), since it created a unified market for U.S. businesses, provided a bulwark against communism during the Cold War and helped quell the bloody slaughter that cost U.S. lives, among others, in the first half of the 20th century. After the breakup of the Soviet Union, the European Union expanded eastward into formerly communist nations, a development that leaders there say helped bring rule of law and stability as they modernized their economies.

Steinmeier said Germany is trying to assess what U.S. foreign policy will actually be. For example, James Mattis, the retired Marine general nominated to be Trump's defense secretary, offered straightforward [support for NATO and skepticism of Russia](#) at his confirmation hearing last week.

Other leaders said Europe's future does not rise or fall based on attitudes in the White House.

"What we are looking for is a partnership based on common interests with the United States," E.U. foreign policy chief Federica Mogherini told reporters. "We always like to be in good company, but we determine our policies by ourselves."

Some analysts noted that after Britain's vote last June to leave the European Union, support for the E.U. in other nations increased. They wondered whether Trump's frontal challenge to the bloc might have a similar effect. But one said that if global instability rises as a result of Trump's unpredictable policies, the stress could weigh on the already taxed European Union.

"Over the last decades, the United States has played a huge stabilizing role. And when this stabilizing role of the U.S. around the world falls away, because they're doing transactional deals, that will create lots and lots of messes which will implicate European interests," said Stefan Lehne, a former Austrian

diplomat who now works at Carnegie Europe, a Brussels-based think tank.

One prominent U.S. advocate of European unity was concerned about Europe's ability to weather the Trump tsunami.

As the European Union battles skeptical forces, "U.S. cheerleading and support has been welcomed," outgoing U.S. Ambassador to the E.U. Anthony Gardner [said last week](#). "If there isn't someone like a [Secretary of State John F.] Kerry or an Obama ... reminding people of the importance of the European Union, then there's a vacuum."

French leaders, who face tough presidential elections in April, also appeared to be scrambling to handle the fallout. Trump allies have expressed support for the anti-E.U., anti-immigrant National Front party, whose leader, Marine Le Pen, is doing well in opinion polls. Le Pen [lunched](#) in the basement of Trump Tower last week in the company of a man who has served as an informal conduit for Trump's contacts with Euroskeptical European leaders, although the Trump transition team denied any formal meeting with the French politician.

"The best response is European unity," said French Foreign Minister Jean-Marc Ayrault. "As with the case of Brexit, the best way to defend Europe is to remain united. This is a bit of an invitation that we are making to Mr. Trump. To remain a bloc. Not to forget that the force of Europeans is in their unity."

But the most wishful approach to Trump's declarations may have come from Luxembourg, where the nation's top diplomat said he hoped Trump was still in campaign mode.

"One must hope that the statements of candidate Trump starting Friday will go in a different direction," said Luxembourg's foreign minister, Jean Asselborn. "If the risks are summed up, it would be very destabilizing, which is not in the interest of America."

Stephanie Kirchner in Berlin contributed to this report.

**THE WALL  
STREET  
JOURNAL**

Anton Troianovski in Berlin and Laurence Norman in Brussels

Updated Jan. 16, 2017 3:28 p.m. ET

European leaders called Monday for unity after fresh comments by U.S.

## Trump's Dismissal of EU Brings Call for Unity

President-elect Donald Trump that they feared could herald a break with decades of support from Washington for European integration and the trans-Atlantic alliance.

"We Europeans have our destiny in our own hands," German Chancellor Angela Merkel said at a news conference in Berlin. She said that in the face of an uncertain U.S. policy, the Continent's capitals need to "work together intensively" and look "toward the future."

Ms. Merkel's remarks, and other similar reactions by politicians across Europe, followed a newspaper interview in which Mr. Trump declared the North Atlantic Treaty Organization "obsolete" in its current form and predicted other



countries would follow Britain in leaving the European Union.

Since World War II, Europe has looked to the U.S. to foster security and stability. On Monday, leaders pledged to seek common ground with Mr. Trump. But they said that amid deep differences with Washington on issues ranging from the Iran nuclear deal to trade policy, EU countries would need to be more assertive and self-reliant.

The European Union is confronting challenges on multiple fronts. The U.K.'s vote to leave the group, combined with a eurozone debt crisis and a wave of migration from the Middle East and North Africa that has fueled the rise of nationalist and antiestablishment politics, are testing the bloc's resilience.

On top of that, the Continent is dealing with an assertive Russia that some officials say is intent on undermining Western democracies as well as the threat of Islamist terror, after high-profile attacks in France, Belgium and Germany over the past year and a half.

"Even under the best of circumstances...we would not have the resources and the political capital to fill the vacuum that the U.S. leaves" if it disengages from Europe, said Jan Techau, a foreign-affairs specialist at the American Academy in Berlin.

Mr. Trump's comments in his interview with

Germany's Bild and London's Times, largely restated things he had said before. But they rattled EU foreign ministers gathering Monday in Brussels, who had hoped he would moderate his stance as he prepared to take office.

French Foreign Minister Jean-Marc Ayrault said Mr. Trump's comments underscored the need for Europeans to stand together. "As is the case with Brexit, the best way of defending Europe, which is rather what Mr. Trump has invited us to do, is to remain united," he said.

Politicians who want to weaken or dismantle the EU, on the other hand, applauded Mr. Trump's remarks.

"He can see that Europe no longer works," said Louis Aliot, vice president of France's far-right, anti-immigrant National Front. "All reasonable politicians have realized that we must change the European model and build a Europe of nations and not a federal Europe."

EU officials meanwhile signaled they would resist some of Mr. Trump's policy proposals. In Brussels, EU foreign policy chief Federica Mogherini promised the bloc would "continue to work for the respect and the implementation of" the Iran nuclear agreement—a deal Mr. Trump has called "horrible."

Ms. Mogherini also urged Mr. Trump to consider the "serious consequences" that would ensue if

the U.S. followed through on his election promise to recognize Jerusalem as the capital of Israel and shift the U.S. embassy there from Tel Aviv. She said such a move could be destabilizing.

In an interview with The Wall Street Journal, German Finance Minister Wolfgang Schäuble warned Mr. Trump against protectionist trade policies.

"Whoever wants growth—and I trust this administration will be a growth-friendly one—must be in favor of open markets," said Mr. Schäuble, who spoke before the publication of Mr. Trump's interview with the German and U.K. newspapers. "Protectionism can afford short-term advantages but is almost always damaging in the long term."

In his interview, Mr. Trump singled out German car makers for criticism and threatened 35% tariffs on cars they import into the U.S.

Mr. Schäuble also made a point of thanking U.S. intelligence agencies for raising awareness of Moscow's propaganda activities and other efforts to influence the direction of politics in the West.

"Those who are not committed to democracy had better not manipulate the democratic decisions of countries that are invariably democracies," said Mr. Schäuble. "We will resist this."

Mr. Trump has played down any attempt by Russia to meddle in the

U.S. election, and has dismissed U.S. intelligence agencies' conclusions that the Kremlin was trying to help him win as politically motivated.

Germany has its own national election in September, and Mr. Schäuble said Russia was engaged in a "propaganda war" to influence the political environment in the country.

European officials said it was too early to divine Mr. Trump's precise goals, especially since some of his nominees for top foreign-policy and security posts voiced views in their Senate confirmation hearings that clashed with the president-elect's skepticism of the trans-Atlantic alliance.

In the weekend interview, Mr. Trump welcomed the steps NATO had taken to focus more on terrorism, saying the organization was still important to him.

German Foreign Minister Frank-Walter Steinmeier said Mr. Trump's remarks went "against the statements of the nominated defense secretary a few days ago. We have to see what it will yield in terms of U.S. foreign policy."

*-Bertrand Benoit in Berlin contributed to this article.*



The Christian Science Monitor

## Trump's big foreign policy change: looser ties with Europe

January 16, 2017 —Donald Trump is entering the White House intent on jostling the pillars of American foreign policy, from relations with China and Mexico to US leadership of postwar international institutions.

But perhaps the most significant looming upheaval is a shift away from US support for European integration and a tempering of America's leadership role in Europe's defense and security.

The latest sign that Mr. Trump plans to blaze a new path for US-Europe relations came in a weekend interview he gave the Times of London and Germany's Bild in which he expressed indifference to prospects for the European Union.

Predicting further disintegration of the EU following Britain's vote last summer to leave the 28-nation union, Trump said, "I don't think it matters much for the United States." Moreover, he repeated his campaign assessment that NATO is "obsolete" and criticized Alliance

members that don't pay their share of Europe's defense costs.

Both US leadership of NATO and support for Europe's political and economic integration have been pillars of US transatlantic policy since World War II. President Obama over his tenure expressed mounting frustration with what he called Europe's "free riders" that fail to meet their defense obligations, but he stuck with the conventional internationalist vision of Democrats and Republicans alike that an integrated Europe under the NATO umbrella is good for US security and prosperity.

But European leaders' immediate shock and dismay in response to Trump's latest signs of euroskepticism say more about Europe than the US, some regional analysts say.

"If the Europeans are shocked and horrified at what Trump's saying, all it tells me is that they are terrible analysts who simply refuse to see what's going on," says John Hulsman, a transatlantic affairs expert who heads his own global

risk consulting firm in Germany. "The European elites for whom Europe is a religion thought that Trump the president would adopt the faith and drop the heretical views of Trump the candidate," he adds, "so it's a shock to them that he means what he says."

### Germany astonished

EU foreign ministers gathering in Brussels Monday had little good to say about Trump's comments, with German Foreign Minister Frank-Walter Steinmeier summing up the reaction among his colleagues and in European capitals as one of "astonishment."

The one outlier was Britain's Boris Johnson, who called Trump's comments "very good news." The foreign secretary noted that the incoming US president, who supported "Brexit" (Britain's exit from the EU), said in the interview that he understands people's desire to assert national identity – and that he intends to quickly negotiate a new free-trade accord with Britain following its EU divorce.

EU leaders are accustomed to US presidents who back Europe's integration as good not just for Europe but for the US as well. Mr. Obama made a point of visiting Britain before the Brexit vote last summer to argue against the ultimately successful measure.

This year European leaders face a tough electoral calendar with potentially devastating results for the European project in France, Germany, the Netherlands, and possibly Italy. They worry an anti-Europe cheerleader in Washington could whip up the nationalist, anti-integration wave. Another concern is that Trump could foster better relations with Russia at Europe's expense.

Senior Trump aides including Steve Bannon, the conservative nationalist who will be a senior White House adviser, have worked with some of Europe's top anti-EU and anti-immigrant movements, including in France. France holds presidential elections in April, and a surprise victory by the far-right National Front

would likely spell the EU's doom, analysts say.

Moreover, the incoming Trump team has been pressing European officials for insight into anti-integration forces, according to some officials who have spoken up.

Anthony Gardner, the US ambassador to the EU, told reporters in Brussels Friday that he'd heard that the overriding interest of transition team officials contacting EU officials was "What country is about to leave next after the U.K.?"

Ambassador Gardner, who will be out of a job Friday, along with all of Obama's political ambassadorial appointments, called it "lunacy" for the US to encourage the EU's disintegration. "For us to be the

cheerleaders of Brexit" and to encourage more Brexits on the road ahead "is the height of folly," he said.

#### A more moderate cabinet?

Some Europeans – including some of the foreign ministers responding Monday to Trump's weekend pronouncements – say they are counting on some of Trump's cabinet appointments, some of whom offered more Euro-friendly views in confirmation testimony last week. Trump's nominee for defense secretary, retired Gen. James Mattis, assured senators of his full commitment to the NATO Alliance, for example.

But others say Europeans are kidding themselves if they think they

can rely on Trump's appointments to carry the day on US Europe policy.

Mr. Hulsman says Europeans could demonstrate their commitment to transatlantic relations in the dawning "new era" by first making good on the commitment of all NATO members to spend 2 percent of national GDP on defense – a pledge only a few NATO members meet.

"Europeans are now suddenly clinging to General Mattis like he's going to stave off reality for them, and he's not," Hulsman says. "The way to reconcile the Mattis-Trump positions is for Europe to step up and meet the 2 percent commitment, not to try to hide from it," he adds.

Europeans have grown accustomed to "Wilsonian" American leaders

who left unquestioned America's leadership of the postwar internationalist system, Hulsman says, but he adds that now they must adjust – and quickly – to a "Jacksonian" and more nationalist US worldview promoted by Trump.

"The Europeans hold the solution to their transatlantic problem in their own hands," Hulsman says. "If they do the right things – take actions like meeting the 2 percent NATO commitment or if the EU proves itself to be a viable partner of the US on key issues – then the doubts about NATO and the EU will go away. If they do the practical stuff," he adds, "they'll find the Americans even with a President Trump are ready to work with them, so it's up to them."

## THE WALL STREET JOURNAL

### Theresa May to Seek Clean Brexit From EU

Jenny Gross

Updated Jan. 16,

2017 10:08 p.m. ET

LONDON—Prime Minister Theresa May is set to declare Tuesday that the U.K. wants a clean break from the European Union, in a closely watched speech in which she is expected to lay out her plans for the divorce.

Mrs. May is expected to say that Britain doesn't want "partial membership" in the EU "or anything that leaves us half-in, half-out," according to excerpts of a speech released by her office on Monday.

Previous such comments, interpreted to mean that Britain is heading toward a looser relationship with the EU and could lose access to the bloc's common market, sent the pound tumbling. [The currency dropped](#) to three-month lows against the dollar in European markets Monday.

"We do not seek to hold on to bits of membership as we leave," Mrs. May's prepared remarks said. Instead, Britain will seek a new type

of relationship with the EU, according to the remarks. The prime minister is to deliver the address to a group of diplomats and other officials in London on Tuesday.

The prime minister has repeatedly said London wants to control immigration. EU leaders have said the U.K. can't impose restrictions on EU citizens' ability to live and work in the U.K. and retain its existing economic relationship, which includes unfettered access to the EU's market of 440 million consumers.

The speech excerpts released by her office made no reference to the single market.

Politicians who campaigned for Brexit said the U.K. will be better off once it is outside the single market and can negotiate its own trade deals with countries elsewhere. They say the U.K. will thrive if it is no longer bound to EU regulations and required to abide by the bloc's free movement of people principle.

Tim Farron, leader of the pro-EU Liberal Democrats, said that Mrs.

May is delivering "a destructive, hard Brexit and the consequences will be felt by millions of people through higher prices, greater instability and rising fuel costs."

In recent weeks, Mrs. May has come under increasing pressure to spell out details of her vision for Britain's exit as the country prepares to give formal notice at the end of March that it will leave.

Mrs. May has broadly outlined her priorities. In addition to immigration, she has said she wants to remove the U.K. from the jurisdiction of the European Court of Justice, while maintaining good trading terms with Europe. She hasn't said whether she wants to stay in Europe's single market.

"We want to buy your goods, sell you ours, trade with you as freely as possible, and work with one another to make sure we are all safer, more secure and more prosperous through continued friendship," Mrs. May will say, according to the excerpts. She will also say she wants the U.K. post-Brexit to be "a magnet for international talent."

"I want us to be a truly global Britain—the best friend and neighbor to our European partners, but a country that reaches beyond the borders of Europe too," she is expected to say.

Negotiations between Britain and the remaining 27 EU governments are expected to be lengthy and contentious.

In a boost for Brexit supporters, President-elect Donald Trump said in a weekend interview with the Times of London that the U.S. would work hard to come to a quick trade deal with the U.K. Downing Street welcomed those comments on Monday, saying a U.K.-U.S. trade deal is one of the opportunities of Britain's exit from the EU.

Past trade deals have taken years to complete, and some officials have cast doubt on whether the U.K. can quickly hammer out a quick trade deal with the U.S.

## The Washington Post

### Brexiteers cheer on Donald Trump for promising quick trade deal with the U.K.

By Karla Adam

(Reuters)

In an interview with the Times of London, President-elect Donald Trump said Britain leaving the E.U. will be a "great thing," and promised to work for a speedy trade deal with the U.K. He called the weak British pound "great for business." In an interview with the Times of London, President-elect Donald Trump said Brexit will be a "great thing," and

promised to work for a speedy trade deal. (Reuters)

LONDON — President-elect Donald Trump has given Brexiteers hope that there will be a bilateral trade deal in the offing as British Prime Minister Theresa May prepares to give a speech expected to signal that Britain is ready to make a clean break with the European Union.

In a [wide-ranging](#) interview with the Times of London, Trump praised

Britain's decision to leave the European Union and said that the United States would "very quickly" draw up a trade deal with the United Kingdom once it leaves the bloc.

"I'm a big fan of the U.K., we're going to work very hard to get it done quickly and done properly," Trump said in [an interview](#) with Michael Gove, a Conservative politician and prominent Brexiteer.

Gove is also a columnist for the newspaper.

WorldViews newsletter

Important stories from around the world.

Please provide a valid email address.

A speedy U.S.-U.K. trade deal, Trump said, would be good for the United States and the United

Kingdom, and he added that he plans to meet with May shortly after he takes office Friday.

"I will be meeting with [Theresa May] — in fact, if you want, you can see the letter, wherever the letter is, she just sent it. She's requesting a meeting and we'll have a meeting right after I get into the White House and . . . we're gonna get something done very quickly," he said in the interview, conducted at Trump Tower in New York.

His comments were welcomed by Brexit advocates, who stress that the U.K. has a bright future ahead trading more with countries outside the E.U. They were also in sharp contrast to those of President Obama, who said last year that Britain would be at the "back of the queue" when it came to a post-Brexit trade deal.

Britain cannot sign a formal trade deal with the United States while it negotiates to leave the E.U., a process expected to last two years. And trade deals themselves can be extremely

complicated and take several years to finalize.

The prime minister's spokeswoman told reporters that the British government welcomed Trump's "enthusiasm and the energy" for a trade deal, but stressed that Britain would not enter into free-trade agreements while it remains a member of the European Union. However, Britain's E.U. membership does not rule out early "scoping discussions," she said.

Gove told the BBC on Monday that Trump seemed "emotionally and financially invested" in Britain making a success of Brexit and that he wanted to have a deal "signature-ready at the earliest possible opportunity."

Gove also said that Trump's comments would serve as a boost for May as she enters into negotiations with the European Union, which will want to strike a deal that will deter others from leaving the bloc.

"This is another card in the prime minister's hand, another arrow in her quiver because the European Union until now has been assumed to have a better hand to play. But the prime minister we now see has actually cards in her hand," Gove said.

Boris Johnson, Britain's colorful foreign secretary and another prominent Brexiteer, hailed Trump's comments as "very good news."

Trump's comments come on the eve of a highly anticipated speech by May in which she is expected to outline some of her Brexit plans. Until now, she has said relatively little about Britain's withdrawal from the bloc, aside from her catchphrase "Brexit means Brexit," and that she wants to kick off the two-year divorce talks by the end of March.

Brexit is such a divisive issue here that regardless of what she says, she is probably going to upset some people.

"May's position is extremely difficult because she is going to upset a substantial number of people once

she starts revealing her hand," said Tony Travers, a political expert at the London School of Economics.

Over the weekend, several British newspapers speculated that May will signal this week that Britain will opt for a "hard" or "clean" Brexit, meaning that it's ready to walk away from the E.U. single market and customs union. This is seen as the price Britain will have to pay to regain control over E.U. migration and freedom from E.U. law.

Following these reports, the British pound plummeted to its lowest level against the dollar in three months before recovering slightly.

In his interview, Trump said that Britain's weak pound was "great for business."

"The fact that your pound sterling has gone down? Great. Because business is unbelievable in a lot of parts of the U.K., as you know. I think Brexit is going to end up being a great thing," he said.



## Murray : Why Britain's Health Service Needs Urgent Care

Jamie Murray

Source: NHS England, Bloomberg Intelligence

Britain's National Health Service needs urgent treatment. Cuts to the social services budget mean hospital wards are clogged with people who could probably be cared for at lower cost elsewhere, especially the elderly in need of social care rather than medical treatment. Staff are stretched to the limits. The situation is already critical and the government's published plans are for real health spending per person over the next three years to be cut.

Britain's government needs either to fund the NHS properly or cut service provision. Muddling through will end in disaster.

If you visited a major accident and emergency (A&E) department in November, there was a 17.3 percent chance that you were not seen within four hours. That's up from 4.1 percent in November 2010. When it's busy, and it can be, there's a chance you'll spend the night on a trolley bed in a noisy corridor. There are seasonal ups and downs but the number of people waiting more than four hours to be admitted once that decision has been taken has risen significantly:

### The Doctor Won't See You Now

Number of patients waiting more than four hours to be seen after hospital admission

As the spouse of an A&E doctor, I hear a lot about why things are getting worse. The list of problems that medical professionals [routinely](#) cite include the following big three:

**Overcrowding.** There are too few [unoccupied beds](#), leaving little room for a surge in demand, and when that happens, patients get no further than A&E. In part, beds are too full because there is nowhere for patients to go once they are discharged — underfunding of social care is likely to be a significant cause of this.

**Too few staff.** When a doctor is on holiday or sick, the [gap in the roster](#) used to be filled. Now, the gap often remains unplugged, meaning staff who are working are stretched to the limits.

**Demand rising faster than resources.** The population is expanding, it is getting older and patients are presenting with more complicated problems. Visits to A&E are also up because it is not always easy to see a general practitioner.

When queried about these problems, government officials often say they are exaggerated or point to added resources. Health Secretary Jeremy Hunt argues that the NHS now has more doctors, nurses and funding than ever before. It's true that real health spending per person has risen over the past couple of

years. But it's not the only expenditure relevant to the problem. Real spending per person on adult social care -- support for an elderly person with incapacity needs, for example -- has fallen by around 5 percent over the past two years and about 10 percent since 2010.

Mr. Hunt is not alone in calling for spending restraint. Sir Nick Macpherson, former head of the Treasury, has also chipped in, describing the NHS as a bottomless pit.

There is definitely scope for efficiency gains in British health care, but the evidence suggests productivity growth is [always likely](#) to lag behind that of other sectors of the economy. Major reforms also cost money, take time to implement and benefit from a more long-term perspective than is usually on offer. In the meantime, the "bottomless pit" Sir Nick describes is getting bigger because the population is growing and ageing and the government is not going to put in enough money to fill it.

In fact, the government plans to cut, not increase, U.K. [health-care spending](#) per person adjusted for inflation over the next three years -- by around 0.4 percent each year.

That's a time bomb because the NHS is likely to need more doctors, nurses and funding each year just to maintain the same level of care. Older people use more services -- the average annual spend on those

aged between 65 and 79 is almost double what is spent on those aged between 50 and 64. Estimates produced by NHS England suggest that demographic trends are increasing demand for health services by about 1.3 percent a year on average.

That means total U.K. health spending per person -- of which NHS England accounts for about 80 percent -- adjusted for inflation and ageing is going to be cut by 1.7 percent each year on average between the fiscal years 2017 -2018 and 2019-2020 -- as the chart below illustrates:

### Falling Behind

U.K. spending on health care, per person

Source: Office for Budget Responsibility, Bloomberg Intelligence

Unless the NHS experiences a productivity miracle, the growth of spending on health care is likely to fall well short of what's needed for provision to stand still over the next few years. And more so when other, non-demographic cost pressures such as trends towards diseases that cost more to treat and fast-rising drugs costs are taken into account. The government must confront these problems or the winter crisis in the NHS will become a crisis of all seasons.



## U.K. Police Look to Young Recruits to Help Shed an Image as 'Male, Pale and Stale'

Prashant S. Rao

BURNLEY, England — Francesca Wheatley does not seem like a police officer, at least not to those around her.

"People think I'm too nice," Police Constable Wheatley, 21, said, a touch sheepishly. They expect, she said, "a middle-aged man."

But Constable Wheatley, slight of build and with an easy smile, is exactly the kind of officer her superiors want to recruit.

For months, she has been patrolling a neighborhood of Burnley, a northern English town with a history of racial tensions ([riots in 2001](#) left houses and businesses in flames). Like most of Britain's police officers, she is unarmed but clad in a flak jacket, carrying little more than a radio, a nightstick and a set of handcuffs.

Constable Wheatley, who studied social policy at the University of Birmingham, joined the police last summer, one of more than 150 officers farmed out across England as part of an independent initiative financed by the British Home Office that started in 2015.

The program, Police Now, recruits university graduates and assigns them for two years in the country's most troubled areas, where they walk the streets and provide a public face for the police.

With police forces in the United States facing accusations of racial bias over shootings involving officers and unarmed black men, the British initiative focuses in particular on the recruitment of women and minorities, looking to diversify a corps often derided as "male, pale and stale."

In Burnley, Constable Wheatley's supervisor, Inspector Catherine Platt, has seen the changes to the police's composition firsthand.

When she joined the force in 1993, Inspector Platt was required to wear a skirt and stockings and was given a police-issued handbag. (Her baton was smaller than that of male colleagues so it could fit inside.) Her only pair of trousers was for use on

night shifts.

"Seven gents and myself," Inspector Platt, 45, said of her cohort of officers at the time.

"We've still got a way to go," she said. "But we're always making progress."

The diversity initiative, called Police Now — [trumpeted by Prime Minister Theresa May](#) when she was home secretary — is explicitly modeled after Teach First, a British version of Teach for America. As in Teach First, participants have the choice of staying on or leaving after two years.

It is a significant change in a law enforcement tradition that traces its roots to 1829, when the Metropolitan Police, the force responsible for London, was established, thanks in part to Sir Robert Peel, the home secretary at the time.

Police Constable Rhian Samuda, another participant, has no plans to leave.

After joining Police Now in 2015, Constable Samuda, 24, was assigned to Tottenham, among London's most violent boroughs. Knife crime is a persistent threat, and a [police shooting in the area](#) in August 2011 set off riots across the city.

Constable Samuda, however, is familiar with it all: She was born in the neighborhood.

The granddaughter of immigrants from Jamaica, she went to college in Nottingham, a city 100 miles north of London, before returning to live with her parents in the capital.

"I love the fact that I used to live here," she said, sitting in the Tottenham Police Station canteen. "And now I give back to this community."

The program aims to address lingering allegations of excessive violence and complaints that efforts to diversify have not gone far enough.

Around 28 percent of police forces in England and Wales are made up of women, while about 6 percent of officers are members of minority groups, according to [figures](#)

[released in March](#). That is up from 16 percent women and 2 percent minority members [in 1998](#).

Police Now graduates, though a small proportion of overall forces, are more reflective of population statistics. So far, 176 officers have been hired since the program started in summer 2015, and around 250 more are set to join this year. Of those who are already on the beat, 49 percent are women and 18 percent are members of minorities.

Deadly violence at the hands of law enforcement remains [rare in comparison](#) with other major Western countries, particularly the United States. Police Now graduates are encouraged to resolve issues without arrests or violence.

Several challenges remain, though, for police forces and for Police Now.

As Britain has sought to curb government spending in recent years, the [5.3 million pounds](#), or roughly \$6.4 million, guaranteed to the Police Now program over the next two years has been [criticized by police unions](#).

Experts also note that policing has become more complex in recent years, as officers sort through data and evidence from an increasingly wide array of sources. It is too much for anyone to learn in two years, critics of the Police Now program charge.

The program's organizers say that it has attracted a diverse cohort of officers and that many will follow a career in policing, though there are no explicit retention targets. David Spencer, a Police Now founder and program director, added that those who did leave would become "ambassadors" for Britain's police forces in whatever industry they joined.

Having grown up nearby, Constable Wheatley wanted to patrol Burnley. The town, population 87,000, was long centered on a number of cotton mills, but has fallen on harder times: A 2015 government report said it was among the [most deprived areas in Britain](#).

That feeling is not lost in the town itself. As he walked through the

office, one of Constable Wheatley's colleagues jokingly asked when Burnley looked its best. "When you're leaving it."

On a recent patrol, Constable Wheatley was accompanied by Police Constable Mark Bewley, her "mentor" — an experienced officer assigned to team up with her in the early weeks of her career. The pair drove through the areas they are responsible for, and Constable Wheatley sat in as the police representative in a meeting of officials discussing recent episodes at a local care home.

They later walked down a nearby street where three windows had been shattered by bricks. Around the corner, the pair walked by the house of a resident who was suspected of breaking the windows, and briefly stopped to chat with him.

"It's always good to know not just the nice people in the neighborhood, but also the people who might commit crimes," Constable Bewley said.

At the end of the working day, back at the police station, an army veteran approached them. After saying he had been drinking, he added that he was considering overdosing because of his marital problems. The man broke down crying as Constable Wheatley comforted him.

"I can't do this again," he said. "I'm scared."

Constable Wheatley and Constable Bewley drove the man to his brother's house, sat with the men in the living room and calmed the situation. As the officers left, the men thanked them and said they would try to resolve the marital difficulties before approaching law enforcement for help again.

But earlier in the police station, her arm around the man's shoulder, Constable Wheatley had reassured him. "You don't need to be scared, she said. "You coming to us was the best thing you could have done."

## Northern Ireland, Forced by Sinn Fein, Sets Early Election in Shadow of 'Brexit'

Sinead O'Shea

DUBLIN — Voters in [Northern Ireland](#) will go to the polls on March

2 in a snap election that was forced by the main Catholic party, Sinn Fein, after the collapse of a regional

government in which Catholics and Protestants shared power.

The election will be held in the shadow of uncertainty over Britain's planned withdrawal from the



European Union, a move that is broadly unpopular in Northern Ireland. Though a majority of Britons [voted in a June referendum](#) for "Brexit," as the withdrawal is known, the vote in Northern Ireland was 56 to 44 percent against.

Many in the region fear that security and customs checks will be reimposed along the border with Ireland, harming the economy, escalating tensions and threatening a return to sectarian conflict.

Sinn Fein hopes to use the snap election to gain clout and weaken its unionist opponents, especially the Democratic Unionist Party, which holds the most seats in the regional Assembly, with Sinn Fein in second place. The unionists are allied in London with the Conservative Party, which is pursuing Brexit, while Sinn Fein wants Northern Ireland to stay in the European Union and eventually reunite with Ireland.

The political crisis in the North began last week when Sinn Fein's leader, Martin McGuinness, [resigned as deputy first minister](#). Under the 1998 Good Friday Agreement that ended decades of sectarian conflict in the region, if Sinn Fein did not nominate a

replacement for Mr. McGuinness within seven days, a new election would have to be called. The party let that deadline pass on Monday.

The stated reason for his resignation was to protest what he called the mishandling of a regional renewable energy program. The program was set up by the first minister, Arlene Foster, the leader of the Democratic Unionists, and ran hundreds of millions of pounds over budget.

Critics have accused Ms. Foster and her team of corruption and mismanagement of the program, and Sinn Fein has demanded that she step aside while the program is investigated; she has refused.

The current Assembly was elected in early May, about seven weeks before the Brexit referendum; its term was due to run until 2021. The secretary of state for Northern Ireland, James Brokenshire, announced the dissolution of the Assembly and the timing of the election Monday evening.

After Mr. McGuinness resigned last week, the Democratic Unionists tried to persuade Sinn Fein not to force an early election by restoring a government subsidy for study of the Irish language that Sinn Fein

avored. Prime Minister Theresa May also held talks with Ms. Foster and Mr. McGuinness on Monday in hopes of resolving the crisis. But the Sinn Fein leader remained adamant.

"In conversations this morn with the British P.M. and her secretary of state, I said society and I felt badly let down by both the D.U.P. and the British government," Mr. McGuinness [said on Twitter](#).

There is little sign that Northern Ireland has been a significant concern in London as the British government works out its strategy for Brexit. But the political crisis in Belfast may prevent Mrs. May from formally beginning the Brexit process in March, as she intends. The Supreme Court is considering whether she needs the consent of the Northern Ireland Assembly to formally set the process in motion by invoking a European Union treaty provision known as Article 50.

Support is growing in Northern Ireland for political parties that have no sectarian links, but even so, Sinn Fein and the Democratic Unionists are expected to emerge once again as the two leading parties after the election. They will then have three weeks to form a new government —

a process likely to be acrimonious, especially if the Democratic Unionists lose seats, as is widely expected.

Ms. Foster, the Democratic Unionist leader, accused Sinn Fein of putting its partisan interests ahead of the public good.

"They have forced an election that risks Northern Ireland's future and its stability, and suits nobody apart from themselves," she said.

In his announcement, Mr. Brokenshire appealed for calm: "While it is inevitable that debate during an election period will be intense, I would strongly encourage the political parties to conduct this election with a view to the future of Northern Ireland and re-establishing a partnership government at the earliest opportunity after that poll."

The Irish foreign minister, Charlie Flanagan, also called for party leaders in the North to "come together respectfully, in accordance with the principles of the Good Friday Agreement, to deliver solutions for all of the people of Northern Ireland."

## THE WALL STREET JOURNAL

# Germany Could Cut Corporate Tax Rate, Finance Minister Wolfgang Schäuble Says

Bertrand Benoit and Anton Troianovski

Jan. 16, 2017 6:15 a.m. ET

BERLIN—Germany could reduce its corporate tax rate in the wake of similar moves in the U.K. and the U.S., German Finance Minister Wolfgang Schäuble said.

Europe's largest economy should simplify its complex tax system for companies in order to remain competitive internationally, Mr. Schäuble told The Wall Street Journal in an interview.

He also said that while Germany opposed beggar-thy-neighbor tax competition between mature industrial nations, Berlin would also consider cutting tax rates if necessary.

"When one makes tax policy, one must always consider tax rates, as well," Mr. Schäuble said.

"We have room for tax reductions that we would like to take advantage of."

His comments mark a [stark shift in priorities](#) for the minister, who has forged a reputation for iron fiscal discipline in his more than seven years in the job. An outspoken opponent of tax cuts in most of his two terms, he has presided over a budget surplus since 2014.

The tax cuts would only come after [national elections set for](#) September, Mr. Schäuble said, assuming his party wins them. Mr. Schäuble's Christian Democrats, also the party of Chancellor Angela Merkel, currently enjoy a wide lead in the polls.

In past years, leading Western economies with historically high levels of taxes on corporate profits have joined forces to close legal loopholes that allowed large multinational companies to shift ever

bigger portions of their taxable profits into low-tax jurisdictions.

More recently, however, some of these countries have shifted to wooing these large companies by promising their own tax cuts. U.S. President-elect Donald Trump has said he would like to cut the corporate tax rate from 35% to 15% as part of a broader tax overhaul.

In November, U.K. Prime Minister Theresa May said [the main corporate rate there](#) should fall from 20% to 17% by 2020.

These followed announcements about corporate tax-rate cuts by Japan, Canada, Italy and France.

Mr. Schäuble said the possible cuts wouldn't be limited to corporate taxes but would be part of a general lowering of the tax burden for businesses and individuals worth up to €15 billion (\$15.9 billion) a year.

"Now that we have completed our fiscal consolidation, we would like to take bigger steps to limit the tax burden," he said.

Mr. Schäuble said he would continue to push against excessive tax optimization by large international corporations, even making it a focus of this year's German presidency of the Group of 20, the club of the world's largest economies.

One project, he said, would look at tax avoidance by technology companies selling digital goods and services, something he hoped would gain the support of the new U.S. administration.

"If I understood the president-elect right," he said "I assume he will also forge ahead in this direction."

## The New York Times

# As Support for E.U. Flags Elsewhere, Bulgaria Sees Its Benefits

Boryana Dzhambazova

Across much of Western Europe, critics complain of distant and unfeeling technocrats in Brussels who enforce arcane rules to the

letter, with little understanding of local nuances and needs. Britain's vote in June to leave the bloc struck a stinging blow against regional unity at a time when confidence was

already flagging in the European Union.

But Mr. Vassilev and his fellow citizens paint a different picture — one of regional officials who hold domestic authorities to account, set

higher standards and are more trustworthy than their local counterparts.

Bulgaria joined the European Union in 2007, along with Romania. At the time, polling indicated that a slim

majority of its population was in favor of membership, hopeful that it would strengthen the Balkan country's economy and political institutions.

In the years since, Bulgaria has remained the bloc's poorest member state, with a per capita gross domestic product about [half the regional average](#). Still, incomes have risen sharply, billions have been poured into infrastructure and surveys show Bulgarians are still convinced that joining was a step in the right direction.

"Bulgaria has clearly benefited since it joined the European Union," said Ruslan Stefanov, an analyst for the Center for the Study of Democracy, a Sofia-based think tank. "We're richer, with a wider choice in terms of jobs and education across the bloc."

The average Bulgarian now earns 440 euros, or about \$470, a month, twice as much as when the country joined. Trade has increased significantly, as companies have taken advantage of membership in the bloc's single market. Exports to European Union countries have doubled in the years since Bulgaria joined, and sales to other member states now account for two-thirds of all exports.

There have been other benefits. Tens of thousands of Bulgarians are studying elsewhere in the 28-member European Union — a greater proportion of its population than comparably sized member states like Austria, the Czech Republic or Hungary (this is partly a result, however, of the poor quality of Bulgaria's education system).

Even more Bulgarians work and travel throughout the bloc, taking advantage of the region's free movement of labor. That, according to Mr. Stefanov, has helped keep unemployment relatively low at around 8 percent — if Bulgarians cannot find jobs at home, he noted, they look abroad.

The European Union has also pumped in billions of euros in aid to help the country build new highways and roads, develop agriculture and rural areas, and protect the environment. Regular reports published by the [European Commission](#) on corruption and organized crime — persistent problems in Bulgaria — have kept local politicians on their toes (though Sofia has made little progress when it comes to uprooting graft and reforming its judiciary).

"The fact that Bulgaria is an E.U. member and there are a number of reforms on the way makes us believe that Bulgaria is definitely on the right track," said Olivier Marquette, managing director for the Bulgarian operations of AES, a power company with its headquarters in Arlington, Va.

AES began considering projects in Bulgaria in 2000, when the country was still only a candidate to join the European Union. In the years since, it has invested around €1.6 billion in three projects here — a 600-megawatt thermal power plant, a wind farm and a waste disposal center.

It has not always been smooth: It took two years to resolve a dispute with the state-owned utility company, which owed €300 million. Mr. Marquette nevertheless says AES is happy with its bet on the country.

A combination of European Union aid, guidance and oversight has meant that within Bulgaria, trust in the bloc and its institutions remains strong, and markedly higher than in most of the rest of the bloc.

About 49 percent of Bulgarians say they trust the E.U., compared with 33 percent who do not, according to a 2016 survey by Eurobarometer, which carries out polling in the region. That is the third-highest level of trust of any member state (behind Lithuania and Malta), and around twice as much trust as Bulgarians

have in their own government, public institutions or legal system.

"People don't recognize the state as theirs and thus see Brussels as the external power on their side," said Marin Lessenski, director of the European Policies and Civic Participation Program at the Open Society Institute.

The heft of Brussels came into play in 2014.

In June of that year, Corporate Commercial Bank, or K.T.B., experienced mass withdrawals after a feud between a local politician and the lender's largest shareholder. As confidence flagged, a fifth of K.T.B.'s assets were pulled within a week, and the bank was taken into central bank supervision.

The panic soon spread and the next month, Bulgaria's central bank said it would begin bankruptcy proceedings against K.T.B.

Mr. Vassilev was one of many account holders whose lives were thrown into chaos. Lured by the promise of high interest rates, he instead lost access to his savings for months. More than two years on, an investigation into K.T.B.'s collapse continues.

"The mere existence of such a bank indicates some serious deficiencies of regulations and transparency in Bulgaria," said Dimitar Bechev, the director of the European Policy Institute in Sofia.

The European Commission, the bloc's executive arm, and the European Banking Authority, a regional financial watchdog, repeatedly called on Sofia to fulfill a government guarantee on depositors' savings. Both opened investigations into whether Bulgarian authorities had breached regional law by delaying payouts.

Facing the prospect of formal charges, the government finally began paying back account holders

in December 2014 (both inquiries have since been closed).

Businesses also benefit from Brussels's acting as a bulwark against Bulgaria's politicians, as well as being able to gain access to the region's single market, able to export their wares without restriction to the rest of the bloc.

In recent years, several major manufacturers of vehicle components — with clients including Volkswagen, Daimler, Mercedes and Renault — have set up shop in Bulgaria. The number of companies in the auto parts sector has tripled since Bulgaria joined the European Union, now numbering around 120 businesses, and last year the industry accounted for 3.5 percent of the country's economy.

A small start-up community is also being built, and two Sofia-based funds have invested more than €20 million in around 200 companies over the last four years, thanks to a European Union-sponsored initiative.

The businesses that have received funding include an online marketplace connecting small farms with potential customers; a toymaker whose products use energy generated by children playing with them to activate lights and sounds; and a company that has developed image-recognition and organization software.

It is not just fledgling enterprises that see advantages — older ones do, too.

"Since we joined the E.U., the country has become a more stable and less risky place to do business," said Manol Peykov, who manages his family's publishing house in Bulgaria's second-biggest city, Plovdiv.

"If it weren't for E.U. directives and rules, Bulgarian politicians would be untouchable."

## INTERNATIONAL

NATIONAL  
REVIEW  
ONLINE

### Obama Misread Putin. Trump Might Not: New Era of Big Sticks, Common Enemies, Mutual Benefit

For eight years, the Obama administration misjudged Vladimir Putin's Russia, as it misjudged most of the Middle East, China, and the rest of the world as well. Obama got wise to Russia only when Putin imperiled not just U.S. strategic interests and government records but also

supposedly went so far as to tamper with sacrosanct Democratic-party secrets, thereby endangering the legacy of Barack Obama.

Putin was probably bewildered by Obama's media-driven and belated concern, given that the Russians, like the Chinese, had in the past hacked U.S. government

documents that were far more sensitive than the information it may have mined and leaked in 2016 — and they received nothing but an occasional Obama "cut it out" whine. Neurotic passive-aggression doesn't merely bother the Russians; it apparently incites and emboldens them.

Obama's strange approach to Putin since 2009 apparently has run something like the following. Putin surely was understandably angry with the U.S. under the cowboy imperialist George W. Bush, according to the logic of the "reset." After all, Obama by 2009 was criticizing Bush more than he was

Putin for the supposed ills of the world. But Barack Obama was not quite an American nationalist who sought to advance U.S. interests.

Instead, he posed as a new sort of soft-power moralistic politician — not seen since Jimmy Carter — far more interested in rectifying the supposed damage rather than the continuing good that his country has done. If Putin by 2008 was angry at Bush for his belated pushback over Georgia, at least he was not as miffed at Bush as Obama himself was.

Reset-button policy then started with the implicit agreement that Russia and the Obama administration both had legitimate grievances against a prior U.S. president — a bizarre experience for even an old hand like Putin. (Putin probably thought that the occupation and reconstruction of Iraq were a disaster not on ethical or even strategic grounds but because the U.S. had purportedly let the country devolve into something like what Chechnya was before Putin's iron grip.)

In theory, Obama would captivate Putin with his nontraditional background and soaring rhetoric, the same way he had charmed urban progressive elites at home and Western European socialists abroad. One or two more Cairo speeches would assure Putin that a new America was more interested in confessing its past sins to the Islamic world than confronting its terrorism. And Obama would continue to show his bona fides by cancelling out Bush initiatives such as missile defense in Eastern Europe, muting criticism of Russian territorial expansionism, and tabling the updating and expansion of the American nuclear arsenal. All the while, Obama would serve occasional verbal cocktails for Putin's delight — such as the hot-mic promise to be even "more flexible" after his 2012 reelection, the invitation of Russia into the Middle East to get the Obama administration off the hook from enforcing red lines over Syrian WMD use, and the theatrical scorn for Mitt Romney's supposedly ossified Cold War-era worries about Russian aggression.

As Putin was charmed, appeased, and supposedly brought on board, Obama increasingly felt free to enlighten him (as he does almost everyone) about how his new America envisioned a Westernized politically correct world. Russians naturally would not object to U.S. influence if it was reformist and cultural rather than nationalist, economic, and political — and if it sought to advance universal progressive ideals rather than

strictly American agendas. Then, in its own self-interest, a grateful Russia would begin to enact at home something akin to Obama's helpful initiatives: open up its society, with reforms modeled after those of the liberal Western states in Europe.

Putin quickly sized up this naïf. His cynicism and cunning told him that Obama was superficially magnanimous mostly out of a desire to avoid confrontations. And as a Russian, he was revolted by the otherworldly and unsolicited advice from a pampered former American academic. Putin continued to crack down at home and soon dressed up his oppression with a propagandistic anti-American worldview: America's liberal culture reflected not freedom but license; its global capitalism promoted cultural decadence and should not serve as anyone's blueprint.

Putin's cynicism and cunning told him that Obama was superficially magnanimous mostly out of a desire to avoid confrontations.

As the West would pursue atheism, indulgence, and globalism, Putin would return Russia to Orthodoxy, toughness, and fervent nationalism — a czarist appeal that would resonate with other autocracies abroad and mask his own oppressions, crony profiteering, and economic mismanagement at home. Note that despite crashing oil prices and Russian economic crises, Putin believed (much as Mussolini did) that at least for a time, a strong leader in weak country can exercise more global clout than a weak leader in a strong country — and that Russians could for a while longer put up with poverty and lack of freedom if they were at least feared or respected abroad. He also guessed that just as the world was finally nauseated by Woodrow Wilson's six months of moralistic preening at Versailles, so too it would tire of the smug homilies of Barack Obama, Hillary Clinton, and John Kerry.

Putin grew even more surprised at Obama's periodic red lines, deadlines, and step-over lines, whose easy violations might unite global aggressors in the shared belief that America was hopelessly adrift, easy to manipulate, obnoxious in its platitudinous sermonizing, and certainly not the sort of strong-horse power that any aggressors should fear.

Perhaps initially Putin assumed that Obama's lead-from-behind redistributionist foreign policy (the bookend to his "you didn't build that" domestic recalibration) was some sort of clever plot to suggest that a

weak United States could be taken advantage of — and then Obama would strike hard when Putin fell for the bait and overreached. But once Putin realized that Obama was serious in his fantasies, he lost all respect for his benefactor, especially as an increasingly petulant and politically enfeebled Obama compensated by teasing Putin as a macho class cut-up — just as he had often caricatured domestic critics who failed to appreciate his godhead.

Putin offered America's enemies and fence-sitting opportunists a worldview that was antithetical to Obama's. Lead-from-behind foreign policy was just provocative enough to discombobulate a few things overseas but never strong or confident enough to stay on to fix them. When China, Iran, North Korea, ISIS, or other provocateurs challenged the U.S., Putin was at best either indifferent and at worst supportive of our enemies, on the general theory that anything the U.S. sought to achieve, Russia would be wise to oppose.

Putin soon seemed to argue that the former Soviet Republics had approximately the same relation to Russia as the Caribbean, Puerto Rico, and the Virgin Islands have to the United States. Russia was simply defining and protecting its legitimate sphere of influence, as the post-colonial U.S. had done (albeit without the historic costs in blood and treasure).

Russia had once lost a million civilians at the siege of Leningrad when Hitler's Army Group North raced through the Baltic States (picking up volunteers as it went) and met up with the Finns. At Sevastopol, General Erich von Manstein's Eleventh Army may well have inflicted 100,000 Russian Crimean casualties in a successful but nihilistic effort to take and nearly destroy the fortress. The Kiev Pocket and destruction of the Southwestern Front of the Red Army in the Ukraine in September 1941 (700,000 Russians killed, captured, or missing) may have been the largest encirclement and mass destruction of an army in military history.

For Putin, these are not ancient events but rather proof of why former Soviet bloodlands were as much Russian as Puerto Rico was considered American. We find such reasoning tortured, given Ukrainian and Crimean desires to be free; Putin insists that Russian ghosts still flitter over such hallowed ground.

Reconstruction of Putin's mindset is not justification for his domestic thuggery or foreign expansionism at the expense of free peoples. But it

does remind us that he is particularly ill-suited to listen to pat lectures from American sermonizers whose unwillingness to rely on force to back up their sanctimony is as extreme as their military assets are overwhelming. Putin would probably be less provoked by a warning from someone deemed strong than he would be by obsequious outreach from someone considered weak.

There were areas where Obama might have sought out Putin in ways advantageous to the U.S., such as wooing him away from Iran or playing him off against China or lining him up against North Korea. But ironically, Obama was probably more interested in inflating the Persian and Shiite regional profile than was Putin himself.

Putin would probably be less provoked by a warning from someone deemed strong than he would be by obsequious outreach from someone considered weak.

If Obama wished to invite Putin into the Middle East, then at least he might have made an effort to align him with Israel, the Gulf States, Egypt, and Jordan, in pursuit of their shared goal of wiping out radical Islamic terrorism. In the process, these powers might have grown increasingly hostile to Syria, Hezbollah, and Iran. But Obama was probably more anti-Israeli than Putin, and he also disliked the moderate Sunni autocracies more than Putin himself did. As far as China, Putin was delighted that Obama treated Chinese aggression in the Spratly Islands as Obama had treated his own in Ukraine: creased-brow angst about bad behavior followed by indifference.

The irony of the failed reset was that in comparative terms the U.S. — given its newfound fossil-fuel wealth and energy independence, the rapid implosion of the European Union, and its continuing technological superiority — should have been in an unusually strong position as the leader of the West. Unhinged nuclear proliferation, such as in Pakistan and North Korea and soon in Iran, is always more of a long-term threat to a proximate Russia than to a distant America. And Russia's unassimilated and much larger Muslim population is always a far more existential threat to Moscow than even radical Islamic terrorism is at home to the U.S.

In other words, there were realist avenues for cooperation that hinged on a strong and nationalist U.S. clearly delineating areas where cooperation benefitted both countries (and the world). Other spheres in which there could be no American-Russian consensus



could by default have been left to sort themselves out in a may-the-best-man-win fashion, hopefully peaceably.

Such détente would have worked only if Obama had forgone all the arc-of-history speechifying and the adolescent putdowns, meant to project strength

in the absence of quiet toughness.

Let us hope that Donald Trump, Rex Tillerson, and Jim Mattis know this and thus keep mostly silent, remind Putin privately (without trashing a former president) that the aberrant age of Obama is over, carry huge sticks, work with Putin where and when it is in our interest,

acknowledge his help, seek to thwart common enemies — and quietly find ways to utilize overwhelming American military and economic strength to discourage him from doing something unwise for both countries.

— *NRO contributor Victor Davis Hanson is a senior fellow at the*

*Hoover Institution and the author, most recently, of [The Savior Generals](#).*

## The New York Times

Megan Twohey and Steve Eder

Mr. Trump repeatedly sought business in Russia as far back as 1987, when he traveled there to explore building a hotel. He applied for his trademark in the country as early as 1996. And his children and associates have appeared in Moscow over and over in search of joint ventures, meeting with developers and government officials.

During a trip in 2006, Mr. Sater and two of Mr. Trump's children, Donald Jr. and Ivanka, stayed at the historic Hotel National Moscow opposite the Kremlin, connecting with potential partners over the course of several days.

As recently as 2013, Mr. Trump himself was in Moscow. He had sold Russian real estate developers the right to host his Miss Universe pageant that year, and he used the visit as a chance to discuss development deals, writing on Twitter at the time: "TRUMP TOWER-MOSCOW is next."

### Mr. Trump's Hopes for Moscow Deals Fail to Break Ground

Donald J. Trump has made repeated efforts over 30 years to build or invest in hotels and luxury housing in Moscow. It never quite happened.

July 1987

Mr. Trump travels to Moscow with his wife, Ivana. They stay in the Lenin Suite at the National Hotel and tour potential construction sites.

Dec. 1988

Mr. Trump says that the Moscow hotel project fizzled because "in the Soviet Union, you don't own anything. It's hard to conjure up spending hundreds of millions of dollars on something and not own it."

July 1991

Boris N. Yeltsin takes office as the first president of the Russian Federation.

Nov. 1996

At a news conference, Mr. Trump announces plans to invest \$250 million in Russia and to put his

name on two luxury residential buildings, a Trump International and a Trump Tower, in Moscow. Neither building was constructed.

Feb. 1998

The Moscow Times quotes Norma Foerderer, Mr. Trump's personal assistant, about his Moscow plans: "That's way on the back, back, back burner. We haven't thought about Moscow for some time."

Feb. 1998

The Russian news media reports that further negotiations never occurred with Mr. Trump about the Moscow hotel. A German company ends up winning the contract.

May 2000

Vladimir V. Putin takes office as president of Russia.

Mid-2000s

A New York development company working with Mr. Trump explores the possibility of constructing a Moscow Trump Tower on the Moscow River, but the project fails to move forward.

2007

Mr. Trump speaks highly of real estate prospects in Russia in a deposition, saying, "We will be in Moscow at some point." Mr. Trump acknowledges meeting with Russian investors at Trump Tower to explore a Moscow development deal, and says his son Donald Trump Jr. is working to get a separate deal there off the ground.

May 2008

Dmitry A. Medvedev takes office as the president of Russia.

June 2008

At a "Real Estate in Russia" conference, Donald Trump Jr. says that the Trump Organization wants to build luxury housing and hotels in Moscow, St. Petersburg and Sochi.

May 2012

Vladimir V. Putin begins his second nonconsecutive term as the president of Russia.

Sept. 2013

During a visit to Moscow for the Miss Universe pageant, which he co-owned, Mr. Trump said, "I have plans for the establishment of business in Russia. Now, I am in talks with several Russian companies to establish this skyscraper."

As the Russian market opened up in the post-Soviet era, Mr. Trump and his partners pursued Russians who were newly flush with cash to buy apartments in Trump Towers in New York and Florida, sales that he boasted about in a 2014 interview. "I know the Russians better than anybody," Mr. Trump told Michael D'Antonio, a Trump [biographer](#) who shared unpublished interview transcripts with The New York Times.

Seeking deals in Russia became part of a broader strategy to expand the Trump brand worldwide. By the mid-2000s, Mr. Trump was transitioning to mostly licensing his name to hotel, condominium and commercial towers rather than building or investing in real estate himself. He discovered that his name was especially attractive in developing countries where the rising rich aspired to the type of ritzy glamour he personified.

While he nailed down ventures in the Philippines, India and elsewhere, closing deals in Russia proved challenging. In 2008, Donald Trump Jr. praised the opportunities in Russia, but also called it a "scary place" to do business because of corruption and legal complications.

Mr. Sater said that American hotel chains that had moved into Russia did so with straightforward agreements to manage hotels that other partners owned. Mr. Trump, by contrast, was pursuing developments that included residential or commercial offerings in which he would take a cut of sales, terms that Russians were reluctant to embrace.

Even so, Mr. Trump said his efforts put him in contact with powerful people there. "I called it my weekend in Moscow," Mr. Trump said of his 2013 trip to Moscow during a September 2015 interview on "The Hugh Hewitt Show." He added: "I was with the top-level people, both oligarchs and

generals, and top of the government people. I can't go further than that, but I will tell you that I met the top people, and the relationship was extraordinary."

When asked about Mr. Trump's claim that he had "stayed away" from Russia, Alan Garten, general counsel for the Trump Organization, said it was a fair characterization given that none of the development opportunities ever materialized. Mr. Trump's interest in Russia, he said, was no different from his attraction to other emerging markets in which he investigated possible ventures. Mr. Garten did not respond to questions about whom Mr. Trump met with in Moscow in 2013 and what was discussed.

### Stalking Deals

Ted Liebman, an architect based in New York, got the call in 1996. Mr. Trump and Liggett-Ducat, an American tobacco company that owned property in Moscow, wanted to build a high-end residential development near an old Russian Olympic stadium. As they prepared to meet with officials in Moscow, they needed sketches of the Trump tower they envisioned.

The architect scrambled to meet the request, handing over plans to Mr. Trump at his Manhattan office. "I hope we can do this," Mr. Liebman recalled Mr. Trump telling him.

Soon after, Mr. Trump was in Russia, promoting the proposal and singing the praises of the Russian market.

"I've seen cities all over the world. Some I've liked, some I haven't," Mr. Trump said at a news conference in Moscow in 1996, according to The Moscow Times. But he added that he didn't think he had ever been "as impressed with the potential of a city as I have been with Moscow."

Mr. Trump had been eyeing the potential for nearly a decade, expressing interest to government officials ranging from the Soviet leader Mikhail S. Gorbachev (they first met in Washington in 1987) to the military figure Alexander Lebed.

The 1996 project never materialized, but by then Mr. Trump was already well known in Russia.

Moscow was in the midst of a construction boom, which transformed the capital from a drab, post-Soviet expanse into a sparkly modern city.

Yuri M. Luzhkov, Moscow's mayor at the time, said in an interview that he had met with Mr. Trump and showed him plans for a massive underground shopping mall just outside the Kremlin gates. Mr. Trump suggested connecting it to the Metro, "a very important observation," Mr. Luzhkov said. Today, visitors to the Okhotny Ryad shopping center can go straight from the Metro to the Calvin Klein store without venturing into the cold.

In the following years, Mr. Trump's pursuit of Russia was strengthened by a growing circle of partners and associates in Canada and the United States who had roots in the region. Among them were Tevfik Arif, a former Soviet-era commerce official originally from Kazakhstan who founded a development company called the Bayrock Group, and Mr. Sater, a partner in the firm, who had moved to New York from Russia as a child.

Bayrock was in Trump Tower, two floors below the Trump Organization. While working to take Trump-branded towers to Arizona, Florida and New York's SoHo neighborhood, Bayrock also began scouting for deals in Russia and other countries.

"We looked at some very, very large properties in Russia," Mr. Sater said. "Think of a large Vegas high-rise."

When Mr. Sater traveled to Moscow with Ivanka and Donald Trump Jr. to meet with developers in 2006, he

said their attitude could be summarized as "nice, big city, great. Let's do a deal here."

Mr. Trump continued to work with Mr. Sater even after his role in a huge stock manipulation scheme involving Mafia figures and Russian criminals was revealed; Mr. Sater pleaded guilty and served as a government informant.

In 2007, Mr. Trump discussed a deal for a Trump International Hotel and Tower in Moscow that Bayrock had lined up with Russian investors.

"It would be a nonexclusive deal, so it would not have precluded me from doing other deals in Moscow, which was very important to me," Mr. Trump said in a deposition in an unsuccessful libel suit he brought against Tim O'Brien, a journalist.

He claimed the development had fallen apart after Mr. O'Brien wrote a book saying that Mr. Trump was worth far less than he claimed. But Mr. Trump said he was close to striking another real estate deal in Moscow.

"We're going to do one fairly soon," he said. Moscow, he insisted "will be one of the cities where we will be."

#### Making a Mark

The Trump brand did appear in Russia, but not quite as the grand edifice the real estate mogul had envisioned.

Trump Super Premium Vodka, with the shine of bottles glazed with 24-karat gold, was presented at the Millionaire's Fair in Moscow in 2007, and large orders for the spirits followed. The vodka was sold in Russia as late as 2009, but

eventually fizzled out. In a news release, Mr. Trump heralded it as a "tremendous achievement."

He tried — and failed — to start a reality show in St. Petersburg in 2008 starring a Russian [mixed martial arts](#) fighter.

But real estate developments remained a constant goal. From 2006 to 2008, his company applied for several trademarks in Russia, including Trump, Trump Tower, Trump International Hotel and Tower, and Trump Home, according to a record search by Sojuzpatent, a Russian intellectual property firm.

Donald Trump Jr. became a regular presence in Russia. Speaking at a 2008 Manhattan real estate conference, he confessed to fears of doing business in Russia, saying there is "an issue of 'Will I ever see my money back out of that deal or can I actually trust the person I am doing the deal with?'" according to coverage of [his remarks](#) in eTurboNews.

But he told the Manhattan audience that "I really prefer Moscow over all cities in the world" and that he had visited Russia a half-dozen times in 18 months.

In 2011, he was still at it. "Heading to the airport to go to Moscow for business," he tweeted that year.

Mr. Trump himself was back in Moscow in 2013, attending the Miss Universe pageant, which he owned with NBC.

Earlier that year, at the Miss USA pageant in Las Vegas, he had announced that Aras and Emin Agalarov, father and son real estate developers in Russia, would host the worldwide competition.

Erin Brady, that year's Miss USA winner, who watched the announcement from backstage of the auditorium at Planet Hollywood Resort and Casino, said the news was a surprise. She was expecting one of the Latin American countries where beauty pageants are widely celebrated.

"I was like, 'Wow, Russia, I never thought of that,'" she said.

#### Got a confidential news tip?

The New York Times would like to hear from readers who want to share messages and materials with our journalists.

Phil Ruffin, Mr. Trump's partner in the Trump International Hotel and Tower in Las Vegas, said he was happy to lend him his new Global 5000 private plane for the trip. He and his wife met Mr. Trump in Moscow, also checking into the Ritz-Carlton. Mr. Ruffin said he and Mr. Trump had lunch at the hotel with the Agalarovs.

The Agalarovs also reportedly hosted a dinner for Mr. Trump the night of the pageant, along with Herman Gref, a former Russian economy minister who serves as chief executive of the state-controlled Sberbank PJSC, according to Bloomberg News.

Talk of development deals swirled around the visit, and Mr. Trump sent out his tweet, promising that Trump Tower Moscow was coming.

But the tower never appeared on the skyline.

## THE WALL STREET JOURNAL

Jonathan Cheng  
Updated Jan. 17, 2017 2:46 a.m. ET

SEOUL—More North Koreans are fleeing their country for political reasons, rather than economic reasons, and an increase in defections by Pyongyang's elite will ultimately weaken Kim Jong Un's regime, South Korea's unification minister said in an interview.

Hong Yong-pyo, who heads the Ministry of Unification, [expects to see more defectors](#) like Thae Yong Ho, the North Korean deputy ambassador in London, whose defection to Seoul last year was the most high-profile in nearly two decades. The support of North Korea's top government officials is crucial to ensuring Mr. Kim's continued rule.

## North Korean Defections Swell as Political Elite Look South

A crippling famine triggered the first major wave of defectors from North Korea about 20 years ago, but many now say that they are leaving the country "not just because they are starving, but for a better life, and for freedom and for their children's education," Mr. Hong said.

The cumulative number of defectors has swelled to more than 30,000, making them a sizable and growing community in the South. Last year, South Korea's President Park Geun-hye urged North Koreans to defect to the south to seek a better life—an unprecedented call for any South Korean leader.

A looming change in government in Seoul could derail that approach. Ms. Park [was recently impeached](#) over an influence-peddling scandal and polls show a candidate supportive of warmer North-South

ties is likely to take power soon. The progressive administrations that governed South Korea between 1998 and 2008 tended to take a more conciliatory view toward Pyongyang, and de-emphasized support for defectors.

But Mr. Hong said the political divide over support for defectors is long gone. "Whoever becomes the president, whichever party has the power, by and large we have a consensus that we should assist and support defectors as they enter South Korean society," Mr. Hong said.

Mr. Hong said that even a government that seeks friendlier ties with Pyongyang would be constrained in part by a string of United Nations sanctions in response to the North's recent

nuclear tests. Those sanctions bar flows of money to North Korea.

"People for political purposes can talk about the necessity of economic cooperation with North Korea, but the reality is quite different," Mr. Hong said.

Mr. Hong acknowledged that many who flee North Korea fall between the cracks in hypercompetitive South Korea, and vowed new measures to better integrate the new arrivals from the North. Mr. Hong's time to introduce such measures is limited, however, as a new government will take power within the next year, and possibly sooner [if Ms. Park is removed from office](#).

The number of defectors from North Korea rose to 1,417 people last year, according to Unification Ministry data, after several years of

falling numbers that South Korean officials attributed to heightened border security by the North. "We need to wait and see the trend more, but security in the border region didn't get weaker, so it's clear that people's desire for a better life has increased," Mr. Hong said.

Mr. Thae, the North's former deputy ambassador to the U.K., defected not for economic reasons, but "for his son's education," Mr. Hong said. The rising number of elite defectors, including more than a dozen workers at [North Korea's overseas restaurants](#) who arrived in South Korea last year, "shows how

unsettled the Kim Jong Un system is internally," Mr. Hong said.

"Kim Jong Un is obsessed with developing nuclear, but because of sanctions, they are suffering from a shortage of foreign currency, and Pyongyang is pressuring those in foreign countries to bring in more money," Mr. Hong said.

Despite the increase in defections, the political leadership in North Korea appears to be on firmer footing than it has in recent years, says Kevin Gray, a professor in international relations and an expert on inter-Korean relations at the University of Sussex in the U.K.

"I would be very wary about placing too much emphasis on what these elite defections mean for the stability of the leadership," says Mr. Gray. "The number has increased but the numbers are quite small. It's not like what we were seeing in Eastern Europe [during the Cold War], when people were literally abandoning the regime."

Because more information is flowing into the isolated North through cellphones, thumb drives and the Internet, Mr. Hong says North Koreans have a greater understanding than ever about conditions in the South before they leave.

A survey of 36 North Koreans inside the country conducted on behalf of the Washington-based Center for Strategic and International Studies found that roughly nine in 10 read foreign media at least once a month, despite rigid controls on North Koreans' access to outside information.

"Many North Koreans decide to come to South Korea because of what they see through the media, but life on television is very different from reality," Mr. Hong said.



## Lankov : It's Time to Talk to North Korea

Andrei Lankov

U.S. President-elect Donald Trump sounds awfully certain about one thing. After North Korean leader Kim Jong Un declared on New Year's Day that his country was on the verge of testing an intercontinental ballistic missile capable of reaching the U.S., Trump condescendingly [tweeted](#), "It won't happen!"

As a matter of fact, it will happen -- unless a Trump administration radically rethinks U.S. policy toward the North.

### QuickTake North Korea's Nukes

The most generous interpretation of Trump's bluster is that the incoming U.S. President doesn't believe North Korea will be able to develop a functioning, nuclear-tipped ICBM. Such faith is unwarranted. To the surprise of foreign observers, the North has in recent years steadily and successfully conducted a series of nuclear and ballistic missile tests, [including one](#) from a submarine. Most experts believe that sometime within the span of Trump's first term, the U.S. intelligence community will notify him that North Korea has successfully tested an ICBM and will in the near future deploy a significant ICBM and SLBM force capable of striking the continental U.S. This would make North Korea the world's third country, after China and Russia (and leaving out, for obvious reasons, the U.K. and France), capable of wiping out San Francisco.

The other way to interpret Trump's comment is as a threat, a pledge to stop any progress toward a working ICBM. None of the current strategies for doing so, however, are going to work.

Trump himself seems to believe that China ["can strangle"](#) North Korea easily. Yet it's clear now that China will never put enough pressure on the North to halt its weapons programs. This shouldn't come as any surprise. During my frequent trips to Beijing, Chinese experts and diplomats have never tired of reminding me that while China strongly dislikes North Korea's nuclear adventurism, it prefers the status quo to all other alternatives -- and won't take any steps that might destabilize North Korea.

Threatening China on other fronts -- [on Taiwan](#), say, or trade -- is likely only to increase resistance in Beijing. Even so-called secondary sanctions that target Chinese banks and companies doing business with the North are unlikely to be effective. Chinese leaders have many ways to respond to such pressure -- for instance, by establishing a separate bank to deal exclusively with North Korea, as they did to get around sanctions against Iran.

Indeed, given the prospects for a swift deterioration in U.S.-China ties under a President Trump, it's more likely that China will weaken rather than enforce existing sanctions against the North. Since China accounts for over 90 percent of North Korea's foreign trade, that

would virtually guarantee their failure.

It's also important that the market-oriented reforms initiated by Kim are working. According to international estimates, the 2016 harvest was 7 percent above the 2015 level; rice production increased an impressive 23 percent. The North Korean economy, driven by an unofficially tolerated [private sector](#), is growing at close to three to four percent. Remarkably, this recovery began soon after the sanctions were introduced -- further proof of their ineffectiveness.

This reality has, in certain circles, revived the once-taboo idea of a [preemptive strike](#) to take out North Korea's nuclear program. Yet while a successful air-and-missile campaign might set the North Korean program back a few years, there are good reasons such a strategy hasn't been on the table until now. The North would almost certainly retaliate by shelling Seoul, home to 24 million people. And even if not, a strike would likely destroy the U.S.-Korea alliance. Many South Koreans would view preemptive American action as criminally selfish -- addressing a distant threat to the U.S. at the cost of creating a much more immediate threat to South Korea.

Finally, some observers seem to hold out hope that Trump, a self-described "great" dealmaker, might be able to talk Kim out of his nukes in direct negotiations. This, too, is a futile idea. U.S. and North Korean

interests are fundamentally incompatible. North Korean leaders fear that giving up their nukes would leave them dangerously vulnerable; they only too well remember what happened to Moammar Qaddafi after he negotiated away his nuclear program.

The truth is that for more than a decade, there's been no real chance of fully eliminating the North's nuclear program. Even now, though, the U.S. could negotiate something better than the current situation: a [verifiable freeze](#) on nuclear and missile testing, *before* North Korea develops an ICBM.

Of course, Kim isn't going to restrain himself for free. In return, he will demand many things -- a hefty aid package, above all, but also political concessions, including a formal peace treaty. No doubt his regime will probably try to cheat.

The opponents of such a compromise will describe it as a terrible precedent, even blackmail -- and they may be right. Unlike Iran, North Korea will remain a nuclear power even after signing such a deal. But the alternatives -- either a major war that drags in the U.S. and China, or a fully armed North with the proven capacity to attack the U.S. mainland -- are worse. As long as there's still a chance of striking such a compromise, the new U.S. President should be doing everything he can to seize it.



## China-U.S. Rivalry Spurs Vietnam to Look for New Comrades

James Hookway

Updated Jan. 17,

2017 7:34 a.m. ET

Vietnam is using new security and trade partnerships to shore up its

ties around Asia and beyond, as it seeks to avoid getting caught up in [growing tensions between the U.S. and China](#), which look set to intensify as President-elect Donald Trump takes office.

The maneuvering is a sign of how countries in Asia are having to adjust their policies on the fly following the [collapse of President Barack Obama's Pacific trade deal](#) and lack of clarity over the direction the U.S. will take toward the region.

After visits from the [leaders of France](#) and India in recent months, on Monday Japan's Prime Minister Shinzo Abe met with top Vietnamese leaders to discuss business and security.



"I think the need to get serious about developing multiple strategic relationships was driven home by the election of Donald Trump," said Jonathan London, an expert on Vietnam and a professor at Leiden University in the Netherlands. "He's an unknown quantity."

Vietnamese officials say their strategy now is to place Hanoi at the center of as many trade pacts and security arrangements as feasible, while also smoothing over the country's relationship with China when possible. The two countries fought a brief border war in 1979 and continue to contest each other's claims to a swath of the South China Sea along Vietnam's long, snaking coastline.

"Vietnam will continue pursuing a policy of befriending all countries, multilateralizing and diversifying relations on the basis of independence, self-reliance and international law," Foreign Minister Pham Binh Minh said in a statement earlier this month.

This need to find additional partners is especially acute for Vietnam. In recent decades, the communist-run state has reinvented itself as a trading nation and is heavily dependent on the free navigation of the South China Sea. Economists held it up as one of the biggest potential beneficiaries of the stalled Trans-Pacific Partnership, which would have provided better access to the American market, already its largest.

For the U.S., Vietnam is a fast-growing economic partner and an important ally in ensuring that the busy shipping lanes off the Southeast Asian country's coast remain unimpeded by China's growing commercial and [military influence](#).

In July 2015, Nguyen Phu Trong became the first general secretary of the Communist Party of Vietnam [to visit the White House](#) where he met with Mr. Obama. Last May, Mr. Obama visited the country and [dropped a decades-old arms embargo](#), seen as an effort to definitively move the two countries beyond their Vietnam War past. Not long after, two U.S. Navy warships docked at the strategically-placed South China Sea port at Cam Ranh Bay for the first time since the end of the Vietnam War.

The incoming administration could take a more hawkish approach in its China policy, which might be a positive for Vietnam. Mr. Trump's pick for Secretary of State Rex Tillerson said during a confirmation hearing that China should be barred access to its new artificial islands in the South China Sea. But the new administration's stance on boosting domestic manufacturing could hurt the country.

Vietnamese officials have privately said they are uncertain about what to expect. An intricate web of security and trade alliances to bring in more foreign navies and help keep the busy waters open for trade,

increasingly looks like the best option.

In Hanoi Monday, Mr. Abe said that Japan would supply Vietnam with six new coastal patrol boats in addition to the six it earlier provided, saying they would improve Vietnam's ability to police its own waters. He also provided over a series of investment and joint-venture signings, including [Mitsubishi](#) Corp.'s investment in a thermal-power plant.

"The peace and prosperity of this region depends on whether these seas will be kept open to free navigation. We will work with Vietnam so that the basic rules of maritime conduct — freedom of navigation, rule of law and peaceful resolution of conflict — will become firmly established," Mr. Abe said. In a sign that Japan may be pursuing a similar approach to Vietnam, Mr. Abe has also visited the Philippines, Australia and Indonesia this month.

Earlier, Indian Prime Minister Narendra Modi [visited Vietnam in September](#), sparking a new security arrangement that has seen India agree to train Vietnamese fighter pilots. India has also been negotiating to sell missile systems to Vietnam, which relies heavily on Russia for its military hardware. Last week Indian media reported that the two countries were now in talks on selling India's Akash surface-to-air missile system to Hanoi.

French President François Hollande also arrived in September to discuss trade, with Vietnam's free-trade agreement with the European Union due to take effect early next year.

It is a strategy that risks annoying China. An [opinion piece in the nationalist-leaning Global Times](#) newspaper in Beijing expressed concern that a missile deal between India and Vietnam might be "stealthily aimed at China," and could create disturbances in the region. "China will hardly sit with its arms crossed," it said.

Carlyle Thayer, professor emeritus at the Australian Defence Force Academy in Canberra, says ultimately Vietnam's goal is to avoid having to choose sides between the U.S. and China.

"Vietnam's web of strategic partnerships serves to insulate Vietnam from Sino-U. S. competition and provide Vietnam with the means to maneuver among the major powers in order to protect its independence," says Mr. Thayer.

Still, the new strategy doesn't mean that Vietnam has been neglecting China, its largest trade partner. Indeed, when outgoing U.S. Secretary of State John Kerry visited the country last week as part of his final overseas tour, Mr. Trong, Vietnam's most senior leader, was visiting China's leaders in Beijing.

## The New York Times

### What to Make of the 'Davos Class' in the Trump Era (UNE)

Andrew Ross  
Sorkin

And yet missing from these high-minded conversations have been meaningful challengers or critics of the underlying theme that was seemingly stipulated from the birth of this event 46 years ago: Globalization has the potential to benefit everyone.

"Trump's election victory is a clear indication that the majority of people are not interested in a world government, but want to return to a classical, local democracy," John Mauldin, an economic researcher and author, recently wrote. "Strange as it may seem to the Davos men, most people tend to love their 'patria,' the land of their fathers."

Dissenting voices like those of Mr. Trump and Mr. Farage have rarely been part of the discussion — though perhaps that will change. Theresa May, Britain's new prime minister, will attend this year, as will some of Mr. Trump's advisers.

But the victories of Mr. Trump and the Brexit campaign can be viewed as a rebuke of "Davos Man," a name that Samuel Huntington, the Harvard political scientist, gave attendees in 2004, describing them as "transnationalists" who "have little need for national loyalty, view national boundaries as obstacles that thankfully are vanishing, and see national governments as residues from the past whose only useful function is to facilitate the elite's global operations."

The middle class in the United States and Britain — and perhaps in France if Marine Le Pen, the far-right presidential candidate who has also never been invited to Davos, wins this spring — clearly haven't felt the benefits of the border-free world encouraged by multinational corporations that allows both immigration and commerce to take place without friction.

"They have witnessed the rise of the Davos class, a hyper-connected network of banking and tech billionaires, elected leaders who are awfully cozy with those interests,

and Hollywood celebrities who make the whole thing seem unbearably glamorous," Naomi Klein, a columnist for The Guardian, wrote in a searing analysis of the American election in November. She described the failure of "elite neoliberalism" to address the economic challenges of the masses.

"Success," she wrote, continuing to describe the middle class, "is a party to which they were not invited, and they know in their hearts that this rising wealth and power is somehow directly connected to their growing debts and powerlessness."

The Davos Man has either failed to properly articulate the benefits of open trade — or the reality of open trade is more complicated than previously imagined.

In a nod to this new reality, the World Economic Forum has put together an index of what it calls inclusive growth and development, which measures 109 countries according to their progress on economic growth and reducing income inequality and breaks out

subsets of those countries to compare with different data sets. According to the index, median income actually declined by 2.4 percent between 2008 and 2013 across the 26 advanced economies where data is available, which may help explain the shifting political winds.

"It's our response to how capitalism has failed us — and how we need to fix it," said Adrian Monck, a member of the forum's executive committee.

The United States ranked 23rd out of 30 advanced economies. In terms of wage and nonwage compensation, it ranked last; in social protection, it came in 25th. It also came in 25th on "intermediation of business investment" — in other words, the amount of money that goes into productive investments, such as research and development and infrastructure as opposed to share buybacks. (Norway ranked No. 1. Living standards there rose by 10.6 percent from 2008 to 2013 while the economy grew only 0.5 percent.)

Mr. Monck defended the idea of a globalist approach. "The benefits of globalization are there to see, in jobs in China, India and many emerging markets," he said. "Billions of people owe better lives to it."

He invoked Klaus Schwab, the founder of the World Economic Forum. "What hasn't been listened to in Davos is persistent warnings from people like Klaus that the benefits need to be shared, and that you can't have winner-take-all capitalism," Mr. Monck said.

Still, he acknowledged that the invitation list of insiders is by design.

"We always want the most comprehensive political attendance in Davos, to help support public-private cooperation, which is what we do," he said. "That inevitably means current, serving political figures. There are politicians in office now — and coming to Davos — who reflect this emergent agenda that you've seen in the U.S."

For example, he said, leaders from Poland, Finland, Portugal and even Switzerland — where the Swiss People's Party was an early example of the shift in the political landscape — will be on hand this week.

A bevy of Mr. Trump's advisers and members of his business council are expected to attend, including Anthony Scaramucci, who joined the president-elect's White House staff as an adviser and public liaison to government agencies and businesses. He will be joined by Stephen Schwarzman, chairman of the Blackstone Group and also of Mr. Trump's President's Strategic and Policy Forum.

Four Trump cabinet nominees have been to Davos in years past: [Rick Perry](#) (energy) once; [Rex Tillerson](#) (state) three times; [Robert Lighthizer](#) (trade) 15 times; and [Elaine Chao](#) (transportation) four times.

A few people who were once anti-establishment crusaders — like Ms. May of Britain — are now insiders. And, depending how the political winds shift, more people of her ideological ilk may join the Davos class in 2018.

This is not the first time that the World Economic Forum has come under fire from critics about its globalist, free-trade message. In 2000, [a group of more than 1,000 demonstrators carrying signs](#) that said "Against the New World Order" smashed the windows of a McDonald's franchise here in Davos just down the road from the

conference, protesting open trade policies espoused by then-President Bill Clinton, who was speaking at the event.

Many of today's policy makers and executives gathering here are expected to speak about the rise of populism and the need to adjust economic incentives. Hamdi Ulukaya, the chief executive of Chobani, the yogurt company, is expected to encourage business leaders to do more to address wealth building among employees; he provided shares in his company to every full-time employee, making many of them millionaires.

The question, of course, is whether those discussions can ever get beyond the theoretical for a group that is seen by many middle-class voters as out of touch with the real economic challenges that people face. Conversations about income inequality, for example, have long had a tinge of class envy as opposed to a real appreciation for the basic jobs and wages that people are seeking.

Still, with the word "Davos" being tossed around as an epithet, some politicians are staying away from the Alps this year. Ms. Merkel, for example, has passed on attending now for two years in a row, in the

face of continued criticism among German voters that she is too much of a globalist.

So why do so many policy makers and executives still covet an invitation? Because Davos remains the world's one-stop shop to meet leaders from all corners of the globe. And despite the critiques of the gathering, a remarkable amount of business — both political and corporate — takes place behind the scenes.

One thing is sure: The predictions made here — known as the Davos consensus — have a tendency to be wrong. Mr. Trump, with very few exceptions, was largely written off last year as a bad joke.

"If you bother to read some of the serious analysis of Trump's support, you realize that it's a very fragile thing and highly unlikely to deliver what he needs in the crucial first phase of the primaries," Niall Ferguson, the historian, predicted at Davos in 2016, [according to Bloomberg News](#). "By the time we get to March-April, it's all over. I think there's going to be a wonderful catharsis, I'm really looking forward to it: Trump's humiliation. Bring it on."



## Gillian Tett : Davos Man Has No Clothes

Paul McLeary | 38 mins ago

This month, Davos Man will come out to play. January is when the World Economic Forum (WEF) holds its annual conference at a Swiss mountain resort to "improve the state of the world." More than a business meeting for 2,500-plus globetrotting academics, executives, politicians, and lobbyists, it is a tribal celebration for leaders who worship a holy trinity of ideas: capitalism, globalization, and innovation. In a 2004 essay, Samuel Huntington, who popularized the term "Davos Man," described this breed of humans as "view[ing] national boundaries as obstacles that thankfully are vanishing." (And, yes, more than 80 percent of attendees at the WEF conference are male.)

This year, though, something extraordinary is happening. While previous reports of Davos Man's death have been greatly exaggerated, a revolution is now brewing against his rosy ideals — a revolt that is likely to spread in 2017 and send shock waves through the global economy.

One portent, ironically, is in the annual survey of global experts that the WEF conducts. Traditionally, when participants have been asked

to cite the biggest risks to global stability, they've pointed to dangers like climate change and fiscal crises. In recent years, however, the issues topping the worry list have been income inequality, migration, and interstate conflict. Those answers partly reflect tangible facts; income inequality has risen in many Western countries, and geopolitical tensions are high. However, the results also expose an existential problem for Davos Man: Trust in the elite is crumbling fast.

Take a look at a different survey that Edelman, the public relations group, releases every year. It asks people around the world which institutions they trust. In the immediate aftermath of the 2008 financial crisis, overall trust in business and government declined. The number has gone back up, yet last year, only 53 percent of people said they trusted business. A mere 43 percent said the same of government.

Most striking and important is the gap between informed and mass populations. Four years ago, it was just nine percentage points. In 2016, the disparity was 12, the highest ever recorded by the survey. Informed groups were bullish, but mass populations reported trust levels below 50 percent. They also said they were more likely to trust

people like themselves than a CEO. When 2017 results are released, I suspect the gap will have widened even more.

For other signals of revolution, look no further than the ballot box. Despite numerous exhortations from the likes of International Monetary Fund officials and U.S. President Barack Obama, voters in the United Kingdom could not be persuaded to reject Brexit. "Today, too many people in positions of power behave as though they have more in common with international elites than with the people down the road, the people they employ, the people they pass on the street," Theresa May, the new British prime minister, declared a few months after the vote in what rings as a recrimination of Davos Man. "But if you believe you are a citizen of the world, you are a citizen of nowhere. You don't understand what citizenship means."

Then came the U.S. presidential election. Elites were so sure Hillary Clinton would win that PaddyPower, a betting platform, paid out "winnings" to people who had gambled on the former secretary of state's future before ballots were even cast. The confidence was driven partly by Clinton's polling numbers, but it also reflected a collective disbelief that voters would

ever choose the crude nationalism displayed by Donald Trump's campaign.

Of course, voters did. And while Trump is nominally a Republican and certainly ranks in the wealthy set, his worldview has proved directly opposed to that of Davos Man: The president-elect wants to erect trade barriers, reduce immigration, and meddle in corporate decisions. He does not just want to "Make America Great Again." He wants to put America, himself, and his allies first.

Similar ideas are spreading across continental Europe. In December, 59 percent of Italian voters rejected a set of constitutional reforms proposed by Prime Minister Matteo Renzi, forcing him to resign; as with Brexit, this seemed to represent a howl of rage against globalization. When voters went to the polls in Austria the same day that Italians did, they chose between a right-wing populist and a former Green Party chief. Centrists, who had dominated the country's politics in the recent past, were knocked out in an earlier vote. The Netherlands has Geert Wilders. France has Marine Le Pen. Nationalists are getting louder and more popular in Germany, too.



What could send the pendulum swinging back toward the surety of progress — toward everything Davos Man represents?

What could send the pendulum swinging back toward the surety of progress — toward everything Davos Man represents? It would require slashing income inequality; making governments more transparent, deft, and accountable; curbing migration flows; boosting economic growth and employment; making corporate giants and banks less powerful; and narrowing the

information gap between elites and everyone else. That's a wildly tall order, though. Don't bet on it happening anytime soon — not when the Middle East is slipping deeper into conflict, advancing technology continues to wipe out swaths of middle-class jobs, people keep being uprooted by disasters and shrinking opportunities, and aging populations make it hard to unleash dynamic growth.

At the very least, the elites who fall under the banner of Davos Man can take a small collective step by

showing more humility: a recognition that they do not have exclusive rights to — nor are they always right about — the future. As Tony Blair, former prime minister of the United Kingdom, noted during a December conference in Washington, D.C., leaders must take seriously the unease of their citizens. "People are insecure and anxious," Blair said. "They see their communities and societies around them changing."

Turkeys do not vote for Christmas, as they say, and elites are never going to reject the promise of

globalization, in 2017 or any other year. But to stop the trust gap from widening and the ballot-box revolt from spreading and getting nastier, they need to use their resources, including their swanky gathering in the Swiss Alps, to talk hard truths. Otherwise, Davos Man may face a frosty death.

In the meantime, he should brace for a turbulent year. We all should.

## The New York Times As Trump Era Arrives, a Sense of Uncertainty Grips the World (UNE)

Steven Erlanger

Mr. Trump also said Germany's chancellor, [Angela Merkel](#), had made a "catastrophic mistake" in allowing refugees to pour into Europe.

The [barrage of inflammatory comments](#) in joint interviews published Sunday and Monday in Britain and Germany elicited alarm and outrage in Europe, even as Ms. Merkel dryly characterized Mr. Trump's positions as nothing new.

"They have been known for a while — my positions are also known," Ms. Merkel said Monday in Berlin. "I think we Europeans have control of our destiny."

Her clipped response came as officials and analysts struggled with how to interpret Mr. Trump's remarks, as well as how to react to them.

Some argued that the president-elect's words should be regarded as tactical, intended merely to keep his options open. But nearly everyone agreed that Mr. Trump had made trouble, especially in criticizing Ms. Merkel, given her importance as a figure of stability in Europe and her campaign for re-election later this year.

For good measure, Mr. Trump had also infuriated China by using an interview on Friday with The Wall Street Journal to again question China's longstanding One China policy. It holds that Taiwan is an inalienable part of the mainland.

On Monday, China's foreign ministry spokeswoman, Hua Chunying, said that anyone trying to use the status of Taiwan for negotiations would be "smashing their feet by lifting a rock" and would face broad and strong opposition from the Chinese government and people, as well as the international community. She added that "not everything in the world can be bargained or traded off."

The English-language China Daily accused Mr. Trump on Monday of

"playing with fire," saying that if Taiwan became up for negotiation, as Mr. Trump suggested to The Journal, "Beijing will have no choice but to take off the gloves."

Mr. Trump's interviews in Europe have placed him right in the middle of the Continent's most contentious issues. His critique of German dominance over the European Union is hardly a novel thought; many Europeans share the same complaints. But what is startling is how an incoming American president would make such a statement about a key ally and, in doing so, give succor to populist parties seeking to shatter the European political establishment.

In the interview published Monday in the German newspaper Bild and The Times of London, Mr. Trump also equated his trust of Ms. Merkel with his trust for Mr. Putin.

"I start off trusting both," he said during the joint interview, which was conducted inside his office in Trump Tower in New York, "but let's see how long that lasts. It may not last long at all."

Certainly, Mr. Trump knows how to give a provocative interview. He repeated past criticisms that NATO is "obsolete" for supposedly not confronting terrorism, only to quickly add that "with that being said, NATO is very important to me."

Mr. Trump's comments "are a direct assault on the liberal order we've built since 1945 and a repudiation of the idea that the United States should lead the West," said R. Nicholas Burns, a former senior State Department official and ambassador to NATO, who also advised the presidential campaign of Hillary Clinton.

"To say that NATO is obsolete, openly support the disintegration of the E.U. and then denigrate Merkel and put her on a par with Putin is a fundamental break with 70 years of American policy and strategic thought supported by Republicans from Eisenhower to now," said Mr.

Burns, who has served presidents of both parties. "NATO is the great power differential between the United States and Russia, as our Asian alliances are the power differential between us and China."

Mr. Trump's remarks almost certainly rankled Europe's two most powerful leaders, Ms. Merkel and Prime Minister Theresa May of Britain. Mr. Trump's enthusiasm for Britain's vote to leave the European Union, or Brexit — if welcomed by British officials, in general terms — has put considerably more pressure on Mrs. May. She is preparing to [give a major speech on Tuesday](#) about her Brexit plans, even as Mr. Trump promised to give Britain a quick and fair trade deal outside the European Union — a deal that cannot take place for at least two years until Britain leaves the bloc.

Awkwardly for her, one of the interviewers was Michael Gove, who strongly supported Brexit and ran for the Conservative leadership against Mrs. May, who immediately fired him from the cabinet. Mr. Trump's first meeting with a British politician was with another May adversary, Nigel Farage, the former leader of the anti-Europe U.K. Independence Party, or UKIP.

Ms. Merkel, who is known for her sang-froid and pragmatism, shrugged off Mr. Trump's latest criticism, saying that what matters is what he does in office. "I am waiting for the president to be sworn into office. That is the way it is done," she said. "And then, of course, I will work with him together."

The German foreign minister, Frank-Walter Steinmeier, was not so sanguine. Mr. Trump's comments had "caused astonishment and commotion, and I'm sure not just in Brussels," where he spoke on Monday before a monthly meeting of European Union foreign ministers.

Mr. Steinmeier said that he had just seen the NATO secretary general, Jens Stoltenberg, and that there was continuing concern inside the military alliance.

"First, it goes against the statements of the nominated defense secretary a few days ago," Mr. Steinmeier said. "We have to see what it will yield in terms of U.S. foreign policy. The same goes for the statements on trade policy. We count on the U.S. to stick to its international obligations, including in the World Trade Organization."

Others cautioned against taking Mr. Trump's words literally, at least for now. "I take all of this with a pinch of salt," said Robin Niblett, the director of Chatham House, the London-based research institution. "I think Trump is trying to keep his options open and not be cornered by simply standing up for existing policy positions."

Mr. Trump's transition team will try to begin to smooth over some of the tensions on Tuesday in Washington, where the group planning his inauguration will host a black-tie dinner for members of the foreign diplomatic corps to mingle with prospective cabinet members, leaders of Congress and Vice President-elect Mike Pence.

President Obama's departing ambassador to Germany, John B. Emerson, has used a series of exit interviews and speeches in recent days to urge the Germans to stay calm, not to overinterpret Twitter posts or view them as finished foreign policy. Mr. Emerson underscored that, while more clarity was needed, there were signs that Mr. Trump did value NATO and the promise of United States protection for European allies.

"It's a very crucial issue, not just for European security, but for American security," Mr. Emerson said. He noted that Mr. Trump "authorized President Obama when he came here on his trip shortly after the two of them met to reassure European partners of the full commitment to NATO. Now, we need to see what that means."

Yet [Europe is staring at a potentially transformative political year](#), with elections coming in the Netherlands,



France and Germany, and possibly in Italy. Victories by populist parties could destabilize the European Union, and many European officials worry that Mr. Trump's attacks are damaging.

Martin Schäfer, a spokesman for Mr. Steinmeier and the German Foreign Ministry, flatly rejected Mr. Trump's comment in the interview that the European Union "is basically a

vehicle for Germany."

"Perhaps in times such as these, when order is crumbling, it is more important than ever that we want to, and must, stand together," Mr. Schäfer said, underlining the post-[World War II](#) German stance that only through the country's role in a larger European alliance are peace and prosperity guaranteed.

Foreign Minister Jean-Marc Ayrault of France said Mr. Trump's comments were an invitation to the bloc to stand united. "As is the case with Brexit," he said, "the best way of defending Europe, and that is the invitation Mr. Trump has given to us, is to remain united as a bloc, not forgetting that the strength of Europeans lies in their unity."

The British foreign secretary, Boris Johnson, who supported Brexit,

emphasized Mr. Trump's warm comments on the Anglo-American relationship. "I think it's very good news that the U.S.A. wants to do a good free trade deal with us and wants to do it very fast," he said. "Clearly it will have to be a deal that's very much in the interests of both sides, but I have no doubt it will be."

## THE WALL STREET JOURNAL

ET 93 COMMENTS

### Editorial : Trump's Antitrade Warriors

Updated Jan. 16, 2017 7:09 p.m.

Financial markets since Donald Trump's election have been floating on the promise of tax reform and deregulation, but a major question lingers over his economic agenda. To wit, the President-elect has assembled the most antitrade team of presidential policy advisers since the 1920s.

We wish we could say this is an exaggeration. But markets may be underestimating the fervor of Mr. Trump's antitrade warriors and his determination to use tariffs and other import barriers against China in particular but even against friendly trading partners like Japan and Mexico.

Most modern Presidents, Democrat or Republican, have had a mix of free-traders and trade enforcers in their senior ranks. Mr. Trump's economic team is striking for not having a single clear-throated free-trader anywhere in the senior economic team—even in the slots where trade promotion has long been part of the job description.

The Commerce Department is usually the destination for business lobbies that want relief from competition, and Mr. Trump's choice as secretary, Wilbur Ross, fits that protectionist billet. He's spent his business career investing in such industries as steel and textiles that have been hurt by foreign competition.

He seems to believe that trade is a

zero-sum game, not an exchange of mutual benefit, and that running a trade surplus is by definition a sign of economic success. Never mind that the U.S. ran trade deficits throughout the high-growth years of the 1980s and 1990s.

Commerce is offset in most administrations by the U.S. Trade Representative, typically a free-trade voice. But Mr. Trump has nominated Robert Lighthizer, a lawyer for the steel and other industries seeking government protection behind high tariff walls. At USTR in the Reagan years, he argued for government-led industrial policy to defeat what he saw as Japan's inevitable economic dominance. We know what happened to Japan, but Mr. Lighthizer is back with a new target: China.

Then there's Peter Navarro, whom Mr. Trump has selected to run a new National Trade Council inside the White House. Trade is typically one of the issues handled in the White House by the National Economic Council, but Mr. Navarro's separate brief suggests a diminished role on trade by the NEC that will be run by [Goldman Sachs](#) veteran Gary Cohn.

Mr. Navarro, an economics professor at the University of California Irvine, is the author of "Death by China" and "The Coming China Wars." He and Mr. Ross wrote a white paper in September for the Trump campaign that called China "the biggest trade cheater in the world." China deserves to be challenged on its intellectual-

property theft and nontariff barriers, but Mr. Navarro appears to want the U.S. to fight China's mercantilist policies by imitating them.

One problem is that there aren't any obvious free-trade voices to counter this protectionist triumvirate. Mr. Cohn's views aren't apparent and he isn't as close to Mr. Trump as the trade warriors are. Treasury and State would typically make the case for open trade relations, but Rex Tillerson will have Russia and the Mideast to worry about. Even if he's confirmed, Steve Mnuchin may not have much clout as Treasury Secretary.

The trade warriors haven't said how they plan to proceed, and perhaps the White House intends mostly bluster and brinksmanship. But Mr. Trump's public comments suggest that renegotiating trade deals around the world will be an early priority. And he has many tools available to do it without going to Congress. He can declare that China is a currency manipulator, for example, even though China has spent \$1 trillion in reserves in two years trying to *prop up* the yuan amid capital flight.

We hear the White House may also press Congress to start moving a trade bill to give Mr. Trump new tariff powers while he negotiates. The threat of legislation would be used as leverage in the talks. The danger is that trade bills can easily become a stampede. Most Democrats are already protectionist, especially in the House, and Republican free-traders could break under presidential pressure.

House Republicans are also pushing a tax reform with a "border adjustability" provision that would exempt U.S. exports from corporate tax while taxing imports. They hoped this might satisfy Mr. Trump's protectionist urges, but the Trump White House may oppose that provision because it prefers outright tariffs. The border fee would raise more than \$1 trillion over 10 years to pay for lower tax rates, so the Trump tax reform could also turn out to be less pro-growth than advertised.

\*\*\*

All of this suggests that investors and businesses with an interest in open trade need to start paying attention. The same goes for Senators and Congressmen from trading states like Louisiana, California and the Farm Belt.

Mr. Trump has a pro-growth agenda on taxes, regulation, energy and much else. But the potential Achilles' heel is trade policy. Too many Republican administrations with otherwise sensible policies have been undermined by one or two bad economic blunders: Bush 43 (monetary and housing policy), Bush 41 (taxes), Nixon (monetary policy and regulation), and Hoover (trade, etc.). Republicans in Congress need to be alert lest bad trade policy destroy their entire reform agenda.

## Bloomberg

### Editorial : Trump's Trade Plan Is a Looming Disaster

The Editors

Even by his standards, President-elect Donald Trump's [statements on trade](#) have been stunning in their recklessness. His proposals essentially amount to the repudiation of a system that has fostered global stability and lifted hundreds of millions of people out of poverty over the last several decades -- and if he actually intends

to execute his radical agenda, there's little to stop him.

In other areas of economic policy, such as budget matters, Congress will make the crucial choices. On trade, the White House has wide discretion. The stakes could hardly be higher.

During the campaign Trump threatened to rip up existing trade pacts, withdraw from the North

American Free Trade Agreement, and put punitive tariffs on imports from Mexico and China. He's called the World Trade Organization, which promotes liberal trade and adjudicates disputes, "a disaster," and he has said the U.S. might "[pull out](#)." Congratulating Britain on its decision to quit the European Union, he [says](#) the U.K. and the U.S. can design a new trade deal -- but that it makes no difference to the U.S.

whether the EU, "a vehicle for Germany," stays together or falls apart.

[QuickTake Free Trade and Its Foes](#)

Trump's nominee for commerce secretary, meanwhile, appears to believe in the top-down management of trade: "We should treat ourselves as the world's biggest customer and treat nations that are selling to us as suppliers to

us," Wilbur Ross [told](#) the Financial Times. The global economy, according to this thinking, is not about myriad firms competing across borders to give consumers everywhere the best products at the lowest cost; it's a zero-sum battle between two monolithic collectives: us and them.

Trump's other trade appointments aren't reassuring. Peter Navarro, named as head of the new National Trade Council, [seems opposed to imports on principle](#). He says they subtract from economic growth, [which is nonsense](#). The nominee for U.S. trade representative, Robert Lighthizer, brings his experience as an advocate for [restrictions](#) on imports of cars and steel -- restrictions that made U.S. [consumers worse off](#) and impeded

the ability of U.S. manufacturers to compete.

Congress wouldn't be able to do much to restrain the new team's trade measures, especially in the short term. Laws authorizing existing trade agreements, as well as other statutes delegating authority to the president in times of emergency, grant the president [wide powers](#) to take unilateral action such as terminating previous commitments and imposing tariffs, quotas or other restraints. Such moves would surely face a legal challenge, but before the cases were resolved, President Trump could very well kill or cripple Nafta, the WTO and any prospect of orderly market-driven trade arrangements.

Americans have legitimate [concerns over trade, jobs and living standards](#). But they should be addressed in the same way as the threat from automation and other kinds of technological advancement -- forces that are likely to be more disruptive in the future than trade. And the record of nations trying to resist trade and innovation speaks for itself: It leads to economic stagnation.

The [right approach](#) is to focus on competitiveness, opportunity and effective social insurance. Education reform, tax reform, deregulation, and investment in the right kind of infrastructure could raise the long-term rate of growth and spread the benefits to more workers. Trump deserves some credit for taking up some of these points. Doing more to

help workers retrain and move to new jobs would also relieve the stress, as would more effective unemployment and health insurance.

If Trump follows through on trade, it won't be long before he and his supporters regret it. Declaring a trade war on the world can only lead to collapsing confidence and recession. Yet if the system of international commerce, painstakingly put together over decades, is carelessly torn down, rebuilding it won't be easy or quick -- however much a chastened Trump administration might wish to.

Mr. President-elect: Just don't do it.

## ETATS-UNIS



### Whitehouse : Trump's Inaugural Speech Might Not Be So Dumb

Mark Whitehouse

Donald Trump's knack for keeping his message simple -- some would say dumbing it down -- will likely be on display this week when he addresses the nation as its 45th president. If so, he'll fit right in with his predecessors.

Since the days of George Washington, the inaugural address has provided an opportunity for presidents to set a tone and lay out goals for the coming term. In its use of language, it can also indicate the level at which the speaker is trying to connect with the electorate.

To get a sense of the linguistic precedent that

Trump's predecessors have set, I ran more than two centuries of inaugural speeches through an online [evaluator](#), which considers such variables as vocabulary and sentence length and spits out the estimated grade level required to comprehend the text. Anything above 12 indicates college-level complexity. Above 18 or so the reader would need a graduate degree.

While some presidents stand out -- George Washington and John Adams had the highest scores, George H.W. Bush had the lowest -- the long-term trend was by far the most striking. From the late 18<sup>th</sup> century, the estimated grade level

required to understand inaugural addresses declined more or less steadily, from far beyond graduate school to about 10<sup>th</sup> grade. Here's how that looks:

Reading Grade Level of Inaugural Addresses

Source: Readability-score.com

To be sure, the trend might have something to do with the ability of 21st-century algorithms to deal with 18th-century turns of phrase. That said, it's also consistent with the way presidential communication has changed in the ages of radio, television and Twitter. Although this undoubtedly indicates some dumbing down, it also suggests that

the country's leaders have gotten better at reaching a population that, for the most part, lacks a college degree.

Judging from Trump's past speeches, his inaugural address probably won't score too differently from those of recent presidents. The evaluator assessed his acceptance speech at the Republican National Convention, for example, as accessible to a 10th grader.

Factually and ethically challenged as Trump may be, he knows how to connect.



### Surprisingly, Trump inauguration shapes up to be a relatively low-key affair (UNE)

<https://www.facebook.com/pages/Karen-Tumulty/1410916925870676>

President Obama's first inaugural festivities stretched over five days. Donald Trump is spending barely three on his.

Bill Clinton hit 14 official balls on the day he was sworn in. Trump plans appearances at three.

And while other presidents have staged parades that lasted more than four hours, Trump's trip down Pennsylvania Avenue is expected to clock in at 90 minutes -- making it among the shortest on record.

In a word, the 45th president's inaugural activities will be

"workmanlike," said Boris Epshteyn, communications director for the Presidential Inaugural Committee, a pop-up staff of about 350 people scrambling to put together the proceedings from the second floor of a nondescript government building just south of the Mall.

The notion of a relatively low-key inaugural bereft of many A-list entertainers may come as a surprise, given the president-elect's flair for showmanship and his credentials as a reality TV star. Epshteyn said that Trump settled on a less flashy approach, however, including keeping the ticket prices for the inaugural balls at \$50 apiece so that working-class Americans

who helped fuel Trump's victory can take part.

(Claritza Jimenez, Danielle Kunitz, Julio Negron/The Washington Post)

President-elect Donald Trump will be sworn into office during the 58th inauguration on Jan. 20. Here's a look at what we know about the planned inaugural activities and a look back at how the tradition has evolved. President-elect Donald Trump will be sworn into office during the 58th inauguration on Jan. 20. Here's a look at what we know about the inaugural activities. (Claritza Jimenez, Danielle Kunitz, Julio Negron/The Washington Post)

Organizers are also expecting an unusually high number of protesters, given how divisive Trump's victory over Democratic nominee Hillary Clinton was. And as of Monday afternoon, nearly three dozen Democratic lawmakers had said they plan to skip the festivities, after revelations of Russia's alleged interference in the election and Trump's rebuke of Rep. John Lewis (D-Ga.), a civil rights icon, on Saturday.

"These inaugurations tend to reflect the character, personality and aspirations of the person preparing to occupy 1600 Pennsylvania Avenue," said Timothy Naftali, a presidential historian at New York

University. "It would be un-Trumpian for there not to be some spectacle."

Early on, there was talk of something much flashier. Trump reportedly huddled with Mark Burnett, producer of his former hit show, "The Apprentice," about parading down Fifth Avenue in Manhattan, where Trump Tower is located, then traveling by helicopter to Washington with the nation glued to TV screens. Others suggested other flourishes, such as a grand unfurling of ceremonial flags as Trump passes by his hotel on Pennsylvania Avenue NW during the parade.

Past presidents have sought to set a tone for their presidency with their inaugurations. John F. Kennedy's was a high point of style and elegance, a declaration that glamour had returned after the plain-Jane years of President Dwight D. Eisenhower.

Jimmy Carter, on the other hand, pressed the notion of a "people's inauguration," noting at one point that the new first lady had opted to wear the same blue satin gown she had at his gubernatorial inauguration in Georgia six years earlier.

Ronald Reagan, a Hollywood actor, amped up the glamour and pizzazz. Bill Clinton embraced his baby-boomer status, throwing a free concert that included an array of stars and a reformed Fleetwood Mac to perform its hit "Don't Stop," which had become his campaign anthem.

Building on his campaign theme of "hope and change," Obama's first inauguration set a record for attendance, as officials used the full length of the Mall for the swearing-in ceremony.

(Jorge Ribas/The Washington Post)

Charlie Brotman has announced every inauguration parade since President Dwight D. Eisenhower's second term in 1957. Last week he received an email from the Trump team telling him his services were no longer needed. Not ready to retire, the 89-year-old already has a new job lined up for this year's festivities. Charlie Brotman has announced every inauguration parade since President Dwight D. Eisenhower's

second term in 1957. Last week he received an email from the Trump team telling him his services were no longer needed. Not ready to retire, the 89-year-old already has a new job lined up for this year's festivities. (Jorge Ribas/The Washington Post)

At his news conference last week, [Trump promised](#) an inauguration that would be "very, very special, very beautiful," and predicted "massive crowds."

The signals are mixed. Many of the unofficial parties being thrown by state delegations and other entities sold out weeks ago. Hotel bookings appear to be on pace with Obama's 2013 inauguration (but shy of 2009), according to Robin McClain, vice president of Destination DC.

Meanwhile, city officials have indicated that far more charter buses have sought parking permits in the city's biggest lot on Saturday, when a protest Women's March on Washington is scheduled, than for the inauguration the day before.

Thomas J. Barrack Jr., an international financier who is leading Trump's inaugural committee, told reporters last week that the president-elect is seeking to avoid a "circuslike atmosphere" with his festivities.

The participants haven't been entirely of his choosing. For weeks, Trump has been dogged by headlines about A-list entertainers turning down offers to join the celebration. Until Friday, the only acts that had been announced were the Mormon Tabernacle Choir and the Radio City Rockettes — both veterans of previous inaugurals — and [Jackie Evancho](#), a classical singer who was runner-up on NBC's "America's Got Talent" in 2010.

On Friday, Trump announced a handful of entertainers who are to participate in a "Make America Great Again! Welcome Celebration" on Thursday night. They include country stars Toby Keith and Lee Greenwood and rockers 3 Doors Down.

Another artist announced Friday — Broadway performer Jennifer Holliday — dropped out Saturday, saying she had heard concerns from the gay community about the message her participation would

send. Holliday joined a long list of celebrities who have said publicly that they turned down invitations, including Elton John, Celine Dion and the rock band Kiss.

Epshteyn played down reports of such rejections, offering an analogy: "For some of them, that's like me saying, 'I'm not going to be playing point guard for the Washington Wizards.' Well, I was never asked."

One thing the Trump inaugural committee has done particularly well is raise money. The committee says it has brought in more than \$90 million in private money for the festivities, far more than the \$53 million that Obama raised in 2009 for his first inauguration. Contributions were solicited through personal outreach to corporations and wealthy donors, who were asked to give between \$25,000 and \$1 million, with tailored rewards for each level.

Roy Bailey, a Texas financier who is co-chairing the fundraising efforts, said a substantial number gave at the highest tier, shelling out \$1 million or more. At that level, donors will get special perks during the inauguration weekend, including eight tickets to a "candlelight dinner" that will feature "special appearances" by Trump and his wife, Melania, and Vice President-elect Mike Pence and his wife, Karen, according to a donor brochure obtained by The Washington Post.

Still, it's unclear how the inaugural committee will spend all that it has taken in.

"With a pared-down inaugural, I don't know what they could possibly use \$90 million on," said Steve Kerrigan, chief executive of Obama's inaugural committee in 2013 and chief of staff of the committee in 2009.

A significant share of the cost of festivities — including the swearing-in ceremony and parade — are covered by Congress and the military. Balls and other extras have traditionally been underwritten by private funds.

The extras include the likes of hundreds of thermal blankets emblazoned with the presidential seal and the date of Trump's inauguration, ordered for distribution

to ambassadors and those on the dais at the swearing-in ceremony. It's unclear how much use the blankets will get: A high in the 50s is predicted for Friday.

Trump aides have said little about what he will say in his remarks after he is sworn in. It's a speech that could largely set the tone for a president who is entering office with historically low approval ratings. Late last month, Trump told several visitors to his Mar-a-Lago resort in Florida that he is looking to both Reagan and Kennedy for inspiration.

Nearly 250,000 tickets are being distributed for the swearing-in ceremony by members of Congress, while the Mall can accommodate hundreds of thousands more spectators.

#### National News Alerts

Major national and political news as it breaks.

Please provide a valid email address.

After a luncheon at the Capitol, Trump is scheduled to take part in a traditional inaugural parade — albeit a shorter one than usual.

The participants announced so far include an array of high school and college marching bands and bands from all branches of the military. But the short scheduled time of 90 minutes and lack of more hoopla has surprised some observers, including Charlie Brotman, who has served as the announcer at every inaugural parade since Eisenhower's second one in 1957. Brotman, 89, has been relieved of his announcer duties this year despite continued interest in serving.

"The parade is actually an extension of the president's personality," Brotman said, saying he thought Trump might have "super-duper bands and marching units."

"I thought it would be a spectacular, like a Macy's Thanksgiving Day Parade," he said.

Perry Stein, Tom Hamburger, Matea Gold and Robert Costa contributed to this report.

## THE WALL STREET JOURNAL

### Stephens : Trump's Bonfire of Pieties

Bret Stephens

This column has previously [observed](#) that few things are as dangerous to democracy as a demagogue with a half-valid argument. The president-elect has offered at least a half-dozen such

arguments, and that's merely in the last week.

First we had Donald Trump's press conference attack on CNN's Jim "You Are Fake News" Acosta. Then a salvo against the pharmaceutical industry, which, he said, is "getting

away with murder." Mr. Trump also accused intelligence agencies of leaking a smear against him, asking in a tweet: "Are we living in Nazi Germany?"

This was followed by an interview with British and German

newspapers, in which Mr. Trump called NATO "obsolete," dismissed the European Union as "basically a vehicle for Germany," and threatened to slap a 35% tariff on [BMW](#) for wanting to build a plant in Mexico.



Oh, and the feud with John Lewis. The congressman from Georgia had [accused](#) Mr. Trump of being illegitimately elected on account of Russian meddling. Mr. Trump fired back on [Twitter](#) that Mr. Lewis should spend his time fixing his "[crime infested](#)," "[falling apart](#)" district in Atlanta.

Say this for Mr. Trump: He has no use for pieties. Mr. Lewis is routinely described in the press as a "civil rights icon." The next president could not care less. Wall Street Journal Republicans believe that business decisions should be left to business. As of Friday those businesses will do as Mr. Trump says. NATO? Too old. The EU? Not salvageable. The fourth estate? A fraud. The folks at Langley? A new Gestapo.

All this baits Mr. Trump's critics (this columnist not least) into fits of moral outrage, which is probably his intention: Nobody in life or literature is more tedious than the prig yelling, "Is nothing sacred anymore?" Liberals intent on spending the next four years in a state of high-decibel indignation and constant panic are paving the way to Mr. Trump's re-election.

But the main reason the president-elect's attacks stick is that they each have their quotient of truth.

Mr. Trump is not wrong that NATO's European members don't carry their weight. He isn't wrong that the EU is in deep trouble no matter what he says. He isn't wrong that Mr. Lewis's attack on the legitimacy of his election was out of line, or that the congressman's courage in the 1960s should not insulate him from criticism today. He isn't wrong that drug companies price-gouge.

Nor is he wrong to be infuriated by BuzzFeed's publication of an unverified opposition dossier regarding his Russia ties. He isn't wrong, either, to suspect that outgoing CIA Director John Brennan may have leaked that the president-elect had been briefed on the contents of the dossier. In his previous incarnation as President Obama's top counterterrorism aide, Mr. Brennan developed a reputation as a [leaker](#) and [spinner](#) of the first rank.

But the opposite of not wrong isn't necessarily right. There's a distinction between "unverified" and "fake." There's a difference between BuzzFeed's unethical decision to

publish the unredacted dossier and CNN's appropriate efforts to report on what Mr. Trump knew about it. To complain that our European allies don't spend enough on defense is one thing. To conclude that NATO is obsolete is a non sequitur, reminiscent of the old joke about lousy food and small portions.

These aren't just ordinary fallacies. They are a systematic effort to discredit a broad set of foundational institutions, at home and abroad. The aim is not reform. It's revolt.

Do mainstream journalists tend to have a liberal political bias? Sure. But when Mr. Trump tags them as "the disgusting and corrupt media," he is making a different point: Down with the whole lot of them. Was Angela Merkel foolhardy to open Germany's arms to a million refugees in a year? She was, but with Mr. Trump it has become a pretext to predict, and cheer, the end of the liberal order in Europe. It might be possible to dismiss Mr. Trump's "Nazi" smear of the intelligence community as another case of rhetorical excess. Except that he has already made plain his indifference for intelligence briefings and his disdain for judgments that

don't square with his policy goals or his personal vanity.

For supporters of the president-elect, all this may be a refreshing turn away from the stale certainties of the Obama years. When things need shaking up, there usually isn't a nice way of doing it. A good result might be worth a hurtful word.

The optimistic scenario: Mr. Trump's blasts will get NATO to spend real money on weapons. Maybe they will also get intelligence officials to reconsider leaks against their civilian masters, get companies to think harder about the social effects of their decisions, and get editors to raise publication standards.

I fear another scenario. Mr. Trump's genius for tearing things down will not be matched by an ability to build things up. Half-valid points will not be made whole. In the bonfire of discarded truisms and broken institutions will lie more than the failure of one man's presidency.



## Milbank : Trump gets no respect. That's because he hasn't earned it.

"We got no forbearance. We got nothing. We got no respect," the Trump strategist told CNN's Anderson Cooper last week, complaining about media coverage of her boss. "This man is president of the United States!"

Conway raises a fair question: Why hasn't the president-elect been given more respect?

Read These Comments

The best conversations at The Washington Post

Please provide a valid email address.

Here's a fair answer: He hasn't earned any.

To Trump's many self-assigned superlatives, he can now add another: the sorest winner. With charity for none and with malice toward all but his supporters, he has in the past two months set a new standard for gracelessness in victory.

(Sarah Parnass/The Washington Post)

For the first time since he was elected, President-elect Donald Trump held a news conference Jan. 11. Here are key revelations from his question-and-answer session

with reporters in New York. Key moments from President-elect Donald Trump's question-and-answer session with reporters (Video: Sarah Parnass/Photo: Jabin Botsford/The Washington Post)

Instead of brushing off criticism, as a president-elect can afford to do, Trump in recent days marked Martin Luther King weekend by telling off civil rights icon John Lewis (a King acolyte) and his "falling apart" and "crime infested" congressional district. He bemoaned "Saturday Night Live" spoofs as a "hit job" and used the words "crap" and "sleazebag" in his public statements. He called the top Democrat in the land the "head clown" and accused the American intelligence community of acting like Nazis.

He responded to criticism from Meryl Streep by calling her an "over-rated" actress and a "Hillary flunky who lost big." He likewise cheered that his "Celebrity Apprentice" replacement Arnold Schwarzenegger got "swamped" in ratings compared with "the ratings machine, DJT. ... But who cares, he supported Kasich & Hillary." Trump said the Russian hacking of the Democratic National Committee is discussed only because "the loss by the Dems was so big that they are totally embarrassed!"

At a news conference last week, Trump continued to gloat about the "beautiful scene on November 8th," and he invoked his vanquished opponent five times, portrayed Hillary Clinton as weak. This campaign-style news conference followed Trump's "thank you" tour of campaign-style rallies in states that he won and preceded the disclosure that the incoming administration was weighing punishment for the press — upending more than a century of precedent and evicting journalists from the White House.

The losers often have hard feelings after elections. But this much enmity from the winner is extraordinary. Trump, after his election-night promise to "bind the wounds of division" and be a "president for all Americans," never attempted reconciliation. A day later, he falsely condemned "professional protesters, incited by the media," and at year end he taunted opponents via Twitter: "Happy New Year to all, including to my many enemies and those who have fought me and lost so badly they just don't know what to do. Love!"

This explains Trump's short honeymoon. His favorability rating jumped from 34 percent during the campaign to 44 percent in late November in a Quinnipiac University poll as Americans gave their new leader the benefit of the

doubt. But that same poll showed his favorability back down to 37 percent. Views about his honesty, leadership and ability to unite the country dropped similarly.

His behavior during this time has not been what one typically calls presidential. He has echoed both Vladimir Putin and WikiLeaks' Julian Assange on Twitter and blasted away in all caps. He attacked Vanity Fair magazine editor Graydon Carter after an unfavorable review of a Trump Tower restaurant. His attack on a local steelworkers union president resulted in death threats.

Trump has used Twitter to attack everything from the "Hamilton" musical to the Chinese government, and, in one tweet, he appeared to commit the United States to attacking North Korea to prevent it from developing a nuclear weapon capable of reaching the United States.

Above all, Trump has continued to taunt his former opponents: "President Obama campaigned hard (and personally) in the very important swing states, and lost. ... Vladimir Putin said today about Hillary and Dems: 'In my opinion, it is humiliating. One must be able to lose with dignity.' So true! ... I spent FAR LESS MONEY on the win than Hillary on the loss! ... In addition to winning the Electoral College in a landslide, I won the

popular vote if you deduct the millions of people who voted illegally."

In a typical stop on his victory tour, during which supporters revived the "Lock her up" chant, Trump remarked in Cincinnati that "we did

have a lot of fun fighting Hillary." He blasted the "dishonest press" at length and said he "trounced" his opponents.

"I love this stuff. Should I go on with this just a little bit longer?" he asked. He did, mocking those who

said that "there's no way that Donald Trump can break the blue wall, right? We didn't break it — we shattered that sucker. . . . That poor wall is busted up."

Yep, he shattered that sucker. And now he's shattering any chance of

earning the respect his office deserves.

## POLITICO Ryan and Trump set for Medicare showdown

By Rachael Bade

Since the election, Paul Ryan has accommodated and deferred to Donald Trump on all sorts of issues they don't see eye-to-eye on. But when it comes to Ryan's career-defining cause — overhauling Medicare and other entitlements — the speaker has held his ground.

The clashing philosophies between the GOP's two top pols — Trump once called Ryan's doctrine "political suicide" — is about to come to a head. Left unresolved, it threatens to sink tax reform, a top priority for both men.

Story Continued Below

Reality will set in when House Republicans roll out their 2018 budget this spring. The blueprint would unlock a fast-track procedural tool that leadership wants to use to squeeze a tax bill through Congress on party lines.

But if Ryan sides with Trump and doesn't include his proposal to turn Medicare into a voucher program in the budget, it may never pass. That's because most House Republicans won't vote for budget that doesn't "balance" in 10 years — and Ryan can't get there without taking on entitlements, including Medicare.

"There is no way to balance the budget without entitlement reform," said House Budget Committee member Tom Cole, who expects Ryan to include his Medicare reform proposal in the budget this year. "It's just simply mathematically

impossible, and I think the most important thing for us is not to lose sight of that under pressure. We should write a budget that includes genuine entitlement reform."

Republicans realize the dispute could make for real friction between the White House and GOP Congress early in Trump's administration. Rep. Chris Collins (R-N.Y.), a top ally of the president-elect, said he doesn't envy Ryan's task ahead.

"We have a Republican administration with their own opinion, and we don't want to get crosswise with them, and Donald Trump is still the head of the Republican party. But we still have our Freedom Caucus," he said, referring to the group of fiscal hardliners. Collins added, seemingly in jest: "Who in the world would want to be speaker?"

It's not just Freedom Caucus members whom leadership has to worry about. A host of more establishment Republicans told POLITICO they're crossing their fingers that Ryan can get Trump to come around on entitlement reform — or at least get him to turn a blind eye to their upcoming budget. The main drivers of the nearly \$19 trillion debt, they note, are these mandatory spending programs, not the annual discretionary spending they Congress directly controls.

"Because he's a businessman, and he knows how to read a balance sheet, he's going to be able to see what the problem is, long term,

regarding out debt," said Rep. Todd Rokita (R-Ind.), vice chairman of the Budget Committee. "So I'm going to rely on that acumen to be able to have a truthful conversation about it." Reducing the debt, he added, is "going to have to include entitlement programs: Medicare, Medicaid, Social Security."

Ryan rolled out his Medicare proposal in 2008. It made him a hero of small-government conservatives and led to his choice as Mitt Romney's vice presidential pick at 42 years old, even as he was vilified by the left.

Trump, at the time, sided with Ryan's critics, calling the ex-Budget Committee chairman's plan "political suicide" because of its proposed changes to Medicare. The incoming president-elect hasn't changed his tune since.

Trump said on the campaign trail he had no interest in entitlement reform. And in an interview with CBS earlier this month, Trump's incoming chief of staff, Reince Priebus, reiterated that the incoming commander-in-chief doesn't want to "meddle" with entitlement reforms.

"He made a promise during the campaign that that was something he didn't want to do. But what he wants to do is grow the economy, help shore up Medicare and Social Security for future generations," said Priebus, a friend of Ryan and fellow Wisconsinite.

On Thursday, however, Ryan struck the opposite tone during a town hall.

He delivered an impassioned defense of his Medicare reform plan.

"More than half of the money going to Medicare right now is the money we borrow; Medicare goes bankrupt in the next decade," he said. "But if we want this program to succeed, we have to save it from the insolvency, the bankruptcy that's coming."

Still, Ryan has deflected questions about whether he'll push for entitlement reform this year as part of the budget.

"Right now we have [a fiscal 2017] budget with a tool for [Obamacare] repeal. The traditional budget will occur this spring," Ryan told reporters when asked whether entitlement changes will be included in the fiscal 2018 budget. "We will get a new budget sent to us from the administration and the budget committee will dispose of it then. So we're getting ahead of ourselves as to what the budget is going to look like."

Last week, Congress passed a fiscal 2017 budget that didn't balance. Conservatives weren't pleased, but most of them went along because the legislation set in motion the party's plans to repeal Obamacare, and they didn't want to be blamed for holding up a top Trump priority.

But as they cast their "yea" votes, several GOP lawmakers vowed: It won't be so easy next time.

## The New York Times Trump Health Secretary Pick's Longtime Foes: Big Government and Insurance Companies (UNE)

Abby Goodnough

Many who knew Mr. Price as a doctor here in Atlanta's affluent northern suburbs praise his commitment to his patients. But his legislative record shows that over eight years in the Georgia Senate and 12 years in Congress, he has advocated at least as much for physician groups and health care companies — seeking to limit damages in malpractice cases, for instance, and voting against legislation that would have required the government to negotiate lower

drug prices for [Medicare](#) beneficiaries.

Mr. Price has routinely argued that patients are the driving force behind his efforts. Still, his positions have often coincided with the financial interests of groups whose donations have helped advance his political career.

Doctors themselves are sharply divided over his nomination, and some are particularly galled by Mr. Price's enmity for the Affordable Care Act and opposition to [abortion](#) rights. Some of his positions even

clash with those of Mr. Trump, who wants to pressure pharmaceutical companies on drug prices, for example, and has pledged to largely leave Medicare alone.

If confirmed, Mr. Price, 62, will soon have [far more power](#) to influence the nation's vast health care system than he ever did as a lawmaker. One of his first tasks would be to help Mr. Trump and Republicans in Congress determine how to eviscerate and replace the health law, [a goal he has held](#) since the law's passage in 2010. But as leader of the agency that oversees

Medicare, [Medicaid](#), the Food and Drug Administration and the Centers for Disease Control and Prevention, Mr. Price would also hold considerable regulatory power, with the ability to influence everything from how applications to market new drugs are reviewed to how doctors are compensated for treating elderly and poor patients.

As Mr. Price prepares for two confirmation hearings — the first of which is scheduled for Wednesday — his past efforts on behalf of health-related companies, which have donated generously to his



campaigns, are under scrutiny. So, too, is Mr. Price's history of [trading](#) in biomedical, [pharmaceutical](#) and [health insurance](#) stocks while serving on the health subcommittee of the House Ways and Means Committee. Democrats have called for investigations into whether he traded stock based on information he gleaned as a congressman.

Last year, Mr. Price bought stock in a company that makes orthopedic implants shortly before introducing legislation that could have protected the company, Zimmer Biomet, from financial losses due to a new federal regulation. The regulation sought to rein in spending on joint replacements for Medicare patients; Mr. Price's legislation would have delayed its implementation. After he introduced it, Zimmer's political action committee contributed to his re-election campaign; the string of events was first reported Monday by CNN.

Phillip J. Blando, a spokesman for the Trump transition team, said Mr. Price "had no knowledge or input into the purchase" of the Zimmer stock, which he said was made by a broker. Asked why Mr. Price had not directed his broker to avoid buying health-related stocks while he wrote and voted on health legislation, Mr. Blando said, "We know that other members of Congress, including Democrats, have holdings in health care stocks and vote on health-related legislation."

In a letter to an ethics lawyer at the [Department of Health and Human Services](#) last week Mr. Price said he would divest himself of holdings in 43 health-related and other stocks to avoid conflicts of interest. Noting that the Office of Government Ethics had completed an "exhaustive review" of Mr. Price's financial holdings, Mr. Blando said last week that Mr. Price "takes his obligation to uphold the public trust very seriously."

Although not among the billionaires whom Mr. Trump has tapped for his cabinet, Mr. Price has profited from medicine, both as a doctor and as an active investor in health care-related companies including Aetna, Bristol-Myers Squibb and Zimmer Biomet, which makes artificial joints and other medical devices. He has an estimated net worth of \$13.6 million, according to the Center for Responsive Politics, with assets that include real estate. He has also been an effective fund-raiser: Even in his first run for office in 1996, his war chest of \$173,000, much of which came from doctors and medical companies, led his poorly financed Democratic opponent to call him "Dr. Dollar."

A brisk, hyper-focused workaholic who relishes the granular details of legislative proposals and process, Mr. Price expressed concern last year about Mr. Trump's grasp of the issues. Taking questions from a student group at Emory University, he said he had voted for Marco Rubio in the Republican primary and called Mr. Trump an "empty policy vessel" who was "dangerous for politics and the economy," [according to the student newspaper](#).

Mr. Price, who declined to be interviewed, was engaged in a number of pitched partisan battles even before coming to Washington in 2005. In the Georgia Legislature, he voted against a new state flag that minimized the Confederate battle cross and supported a constitutional amendment banning [same-sex marriage](#). In Congress, he has taken stances seen as antithetical to public health, opposing regulating tobacco as a drug and favoring legislation that would make it easier to sell bullets that can pierce armor.

He has also written a fairly detailed plan for replacing the Affordable Care Act. It would repeal the law's expansion of Medicaid and provide tax credits to help with the cost of coverage based on age instead of income, with older people getting higher credits.

Mr. Price grew up in Dearborn, Mich., the son and grandson of doctors who heavily influenced his career choice. He has publicly recalled making house calls with his grandfather, who practiced medicine into his 90s. After medical school at the University of Michigan, he moved to Georgia, completing his residency at Emory and setting up practice in Roswell, a relatively affluent, conservative suburb of Atlanta.

In the 1990s, his practice, Compass Orthopedics, was among seven in the Atlanta area that merged into a large group that became known as Resurgens Orthopaedics. It became the largest orthopedic practice in Georgia, and now has 100 doctors and 1,000 employees spread over 21 locations.

Dr. Steven B. Wertheim, another founding partner of Resurgens, said one goal of the consolidation was to gain bargaining power with insurance companies and to provide M.R.I.s, [physical therapy](#) and even certain outpatient operations in-house rather than referring patients to other providers or operating at hospitals. More leverage with insurers often allows doctors to extract higher rates.

"His overall gist was, 'Look, if all we did was practice good medicine,

we'd be broke by tomorrow,'" Dr. Wertheim said of Mr. Price. "He understood the need to run a business."

As a physician, Mr. Price was constantly frustrated by having to seek insurance companies' approval for his patients to get an expensive diagnostic test or physical therapy — a common complaint among specialists. Similarly, he resented when federal health regulators intervened in something he and his partners thought they were already doing well, like using electronic medical records.

"Those are the things that drove him crazy," Dr. Wertheim said.

His resentment of government intervention in medicine drove Mr. Price to become involved in the Medical Association of Georgia early in his career, and his work there led him to run for office in 1995, when the House seat in his district opened up. But by 2002, as his legislative duties increased, he traded his suburban practice for a job at Grady Memorial Hospital, a vast, chaotic, aging complex, just a few blocks from the State Capitol.

For the next two years, Mr. Price was the medical director of Grady's orthopedic clinic, seeing a vastly different population than the well-off, privately insured patients he was used to. Most of Grady's patients are poor and black, and many lack any form of insurance. Long waits for care are the norm, and trauma, including gunshot wounds, is a big part of the caseload.

"He called me and asked if there was a position," said Dr. James R. Roberson, the chairman of the orthopedics department at Emory University School of Medicine, whose residents train at Grady. "He needed some flexibility — that was most of his impetus to want to return to Grady, because he was really very interested in pursuing a political career."

Dr. Roberson said that Mr. Price played a "unique role" at the clinic, training residents and overseeing patient care but also seeking to address inefficiencies — long wait times, for example — and representing the clinic at hospital administrative meetings. Although he saw patients, he did not perform surgery or need to be on call at night — an unusual arrangement, Dr. Roberson said.

In the Legislature, Mr. Price spent his first six years in the powerless minority, although he quickly rose to the position of minority whip.

His fortunes changed in 2003, after Sonny Perdue became the first

Republican governor since Reconstruction and persuaded enough Democrats to switch parties to put the Senate into Republican hands.

As the majority leader, Mr. Price's intimate knowledge of procedural rules and maneuvers, gleaned from assiduous research, helped advance his party's agenda.

In the state Legislature, he was the leader who delivered bad news, the no-nonsense tactician to some of his Southern-born colleagues' more backslapping style. His sense of humor, when he used it, was dry. Colleagues often wondered if he slept.

"He's a machine," said Russell K. Paul, a Republican who served in the State Senate with Mr. Price.

During his two years in the majority, Mr. Price's top priority was curbing the rising cost of [medical malpractice](#) insurance, which he said was forcing hospitals and [nursing homes](#) to close and forcing doctors to limit which procedures they performed.

"He was very bright, articulate, and smart enough to be able to see the different sides," said Tom Bordeaux, a former Democratic state lawmaker and trial lawyer who negotiated with Mr. Price over a package of bills Mr. Price introduced to limit doctors' liability in malpractice cases. "But he was just totally unwilling. He was very gracious and he was completely inflexible."

Ultimately, Mr. Price failed to persuade even his Republican colleagues to accept a provision that would have capped pain-and-suffering damages for malpractice victims at \$250,000.

Mr. Paul, now the mayor of Sandy Springs, Ga., said Mr. Price had become more partisan during his last few years in the Legislature, when the Republicans saw an opportunity to tip the balance of power in their favor for the first time since Reconstruction.

"There was not a lot of bipartisan collegiality when it came to trying to control the government in Georgia," Mr. Paul said, "and that environment was the crucible that began to turn Tom into a hardened political warrior."

In Congress, Mr. Price has made frequent speeches to health industry and physician groups, and has occasionally introduced legislation on their behalf. Last year, for example, [he sponsored a bill](#) fighting new lower Medicare payment rates for "durable medical equipment" like wheelchairs and canes. A few months later, he spoke at a conference for



companies that supply such equipment, which held a \$100-a-head fund-raiser on his behalf that same day.

Mr. Price has also supported proposals to overhaul Medicare —



## Editorial : Finding unity on a new health-care law

The Christian Science Monitor

January 16, 2017 —When he first ran for president, Barack Obama promised universal access to health care insurance — without forcing people to buy it. His campaign position sought to balance personal choice in health with a guarantee of care. Now the next president, Donald Trump, promises a similar path. “We’re going to have insurance for everybody,” Mr. Trump said last week, while praising popular aspects of the 2010 Affordable Care Act (aka Obamacare).

His statement is a signal that perhaps Congress might yet find a bipartisan way to fix a law that both Democrats and Republicans agree needs some degree of change.

The GOP hopes to pass a health-care bill by spring

potentially putting him at odds with his new boss, Mr. Trump, who has pledged not to “touch” the program. Speaking to a student group at the University of Michigan in 2015, Mr. Price expressed concern that Mr.

Trump would not listen to others, including Congress, if elected.

“When I hear Trump saying things like, ‘I’ll just do XYZ,’ without seemingly any regard for the legislative branch,” Mr. Price [told](#)

the group, “it gives me some thought.”

— although it will need Democratic votes in the Senate to do so. The two parties still differ on many details about a fix, such as whether states should be allowed to customize health care to local needs. But the political momentum exists to offer more freedom in health care and to offer more affordability in how people find healing.

For millions of Americans without employer-based care or for those not eligible for Medicare and Medicaid, the various GOP ideas rely on the use of tax credits and special savings accounts to purchase insurance. This market-based approach is similar to the 2003 Medicare Modernization Act. Congress passed that law with bipartisan approval — and it has indeed expanded access to care while helping to restrain rising costs.

The proposed reforms in the new Congress would end one of Obamacare’s most controversial aspects: the onerous mandate for individuals to buy a private insurance policy or face a stiff penalty. Millions of Americans have tried to avoid that rule, sending a strong signal for choice in health care. One alternative to the mandate is to offer positive incentives for people to maintain insurance coverage, even during periods when they are healthy.

Whatever Congress does in fixing the current law, it must keep an eye on how the Supreme Court might rule on any new law. In two key decisions that upheld aspects of Obamacare, Chief Justice John Roberts made a point of bowing to the intent of the legislative branch while also upholding basic liberties. The Constitution only allows government to “encourage”

individuals to purchase health insurance, not coerce them into doing so. And both states and the insurance markets deserve certain freedoms in providing care.

“Congress passed the Affordable Care Act to improve health insurance markets, not to destroy them,” the chief justice wrote. “If at all possible, we must interpret the Act in a way that is consistent with the former, and avoids the latter.”

Republicans and Democrats agree on the principle of access to affordable care for all. They also agree that health is a basic and natural good for each individual. If both parties can stop seeking partisan advantage for the next election, they can make sure that good is more available as well as more affordable.



## Silvers : The G.O.P.’s Health Care Death Spiral

J. B. Silvers

After they leave, the damage will spread to doctors and hospitals, whose bad debt will skyrocket when patients miss copays and drop coverage while providers and hospitals still must continue care.

This is not speculation but based on my experience in the industry and as a member of the board of a public hospital that stands to lose substantial Medicaid payments if the state expansions are rolled back.

Let’s go back for a moment to pre-Obamacare days. Why did insurers refuse to cover individuals with pre-existing conditions, cancel policies if customers used them too much, set high premiums for women and old people, and so forth? These tools were the only way to limit risk when insurers didn’t have a ready-made pool of sufficient size to balance the sick and well as employer-sponsored plans do.

Refusing coverage and the like was good business, but it did not serve small businesses, the self-employed or other people unable to get the insurance they wanted. The Obamacare exchanges tried to fix

this by requiring everyone to join the pool, providing premium and cost-sharing subsidies geared to income (the “affordable” in the law’s name) and limiting risk to insurers to entice them to offer policies.

It’s a tricky business to fine-tune a market and encourage buyers and sellers to do the right thing — both providing access to individuals in need and encouraging enough insurers to join to make competition work. But George W. Bush, with some bipartisan support, did it not so long ago with the [Medicare](#) drug plans.

But unfortunately, the A.C.A. law created by Democrats in Congress had several big flaws. Pricing restrictions — which essentially mandated that insurers overcharge younger customers relative to older ones — created the wrong incentives, and so too many older, sicker individuals joined, and younger, healthy people were discouraged.

This was compounded by a Republican Congress that reneged on its promise to help insurers in the first years of the program by limiting risk. Congress allowed only [12 percent](#) of the backup that was

promised to companies when they set their premiums on the Obamacare exchanges. This ramped up their risk dramatically.

If you’re wondering why insurers substantially increased premiums for this year, even far beyond the underlying health care inflation rate — now at around 4 percent — this shell game with risk is your answer.

Ultimately, if the risk is too high, exit is inevitable. That is what my top-rated plan, Qualchoice, did in Ohio in the late 1990s to stem multimillion-dollar losses from its participation in the Medicaid Advantage managed care program. It’s also what United Healthcare did and most others will do this spring when faced with the uncertainty of delay.

Finally, none of the participants, in government or business, want to recognize that in many parts of the country, only one insurer or a highly consolidated health system dominates, which eliminates meaningful competition and choice.

Since 2010, Republicans have made political hay by demonizing the mandate to buy insurance, subsidies to make it affordable and

taxes on employers, suppliers, insurers and especially the wealthy to finance it. But now they own the problem and must fix it or do something better.

Obamacare, or any plan that replaces it that is reliant on private insurers and individual enrollment, will succeed only under the following conditions: a meaningful incentive to purchase insurance (the individual mandate or equivalent); help to make it affordable; risk reduction for insurers to stabilize premiums; and enough funding to pay for it all.

If any replacement plan doesn’t include these elements, private insurance will revert to the chaos of the pre-A.C.A. market. In business, managing risk is important; in insurance, it is everything. Whoever plays games with it — knowingly or inadvertently — is playing with fire.

If we manage this risk badly through repeal and delay, the damage to insurers, individuals, hospitals and professionals will be profound.



## Fear Spurs Support for Health Law as Republicans Work to Repeal It

Robert Pear

And progressive groups are planning a two-month cross-country bus tour to fight the repeal effort, starting Tuesday.

With their quick strike on the law in the first days of the new Congress, Republicans had hoped to begin the repeal process before a backlash could develop or opposition could be organized. But congressional Republicans are at risk of losing the message war, especially since they are fighting on two fronts.

On one side, the president-elect has repeatedly lobbied disruptive demands at them, such as his [insistence that they prepare a replacement](#) health bill almost immediately. To that, he added a new promise over the weekend: that the Republican version would provide ["insurance for everybody."](#)

On the other front, Democratic lawmakers have taken to quoting grateful constituents to personalize what can be an arcane legislative fight: Bryce in Seattle; Randy in Rhinelander, Wis.; Nicole in Hockessin, Del.; and many more. The focus of public attention appears to be shifting from the well-documented defects of the health care law to the plaintive pleas of people terrified of losing insurance if the law is repealed.

"I want to thank President Obama from the bottom of my heart because I would be dead if it weren't for him," Jeff Jeans, a small-business man from Sedona, Ariz., who described himself as a lifelong Republican, [told Speaker Paul D. Ryan](#) on Thursday at a town-hall-style meeting televised on CNN.

Republicans acknowledge their constituents' concerns, but they say supporters of the health law are manufacturing them. Representative Rob Woodall, Republican of Georgia, blamed Democrats for "amping up anxiety" with "fear mongering."

"The anxiety is real," Mr. Woodall said, "but it's real based on the failures of the president's health care law."

Republicans will soon face a new challenge: maintaining anger at "Obamacare" without Mr. Obama in the White House to stir their passions.

Regardless of its provenance, the law's support has until now received less attention. Appearing on the NBC News program "Meet the Press" five days after Mr. Obama signed the Affordable Care Act in 2010, Senator Chuck Schumer, Democrat of New York, predicted that as people learned about the law, "it's going to become more and more popular."

Around 20 million Americans have gained coverage through the Affordable Care Act's online insurance marketplaces or through its expansion of [Medicaid](#), and enrollment has continued to grow. [About 11.5 million people](#) have signed up for marketplace plans or had their coverage automatically renewed for this year, nearly 300,000 more than at this time last year, the Obama administration said this month.

But the popularity bounce never came. Public opinion remains deeply divided, with the law no more popular today than when it was passed. In December, according to a monthly tracking poll by the Kaiser Family Foundation, 46 percent of Americans had unfavorable views of the law, up from 40 percent in April 2010. The share with favorable views slipped to 43 percent, from 46 percent in April 2010.

"In the short term, the A.C.A. has been a political disaster for President Obama and the Democrats," Dr. Ezekiel J. Emanuel, a health policy adviser in the Obama White House from 2009 to 2011, said in a 2014 book.

As Congress took a first step last week toward rolling back Mr. Obama's signature domestic achievement, Mr. Trump celebrated. "The 'Unaffordable' Care Act will soon be history!" [he said on Twitter](#).

Some Democrats distanced themselves from the Obama administration after HealthCare.gov crashed on its debut in 2013. More recently, with premiums soaring and insurers defecting from the Affordable Care Act marketplace in many states, Democrats were hard put to defend the law, which was passed without any Republican votes.

But as Mr. Trump and congressional Republicans race to

repeal the law, Democrats are taking a more aggressive stance.

Senator Debbie Stabenow, Democrat of Michigan, told the story of Sonja L. Podjan, a 55-year-old blueberry farmer in Watervliet, Mich., who was in pain for several years until she got insurance under the Affordable Care Act, which covered the cost of surgery to repair a severe tear in the [meniscus](#) of her right knee.

In an interview, Ms. Podjan said she "started freaking out" after the election and sent an email to Ms. Stabenow. She said she was "flabbergasted" when she heard back from the senator's office.

Ms. Podjan said that the premium for an insurance policy covering her and her husband was about \$1,000 a month, but that they paid just \$62 after receiving government subsidies provided under the law.

"I am scared to death we will lose our insurance, and what happens then?" said Ms. Podjan, who reported that she and her husband had medical expenses totaling \$41,000 in the past two years.

Senator Tom Udall, Democrat of New Mexico, told the story of a constituent, Kevin Kargacin, whose daughter Amber takes drugs costing more than \$60,000 a year for [multiple sclerosis](#). "Kevin is scared because the cost of treating Amber's disease is so high," Mr. Udall said.

In an interview, Mr. Kargacin said he wrote to Mr. Udall because "we are terrified that without the Affordable Care Act, Amber could be denied insurance or run into lifetime caps on expenditures for her treatment."

Senator Amy Klobuchar, Democrat of Minnesota, said: "Many Minnesotans have contacted me in the last few months, frightened about the future of their health care coverage. I heard from a man in Orono. His wife was diagnosed with [cancer](#) this year. On top of everything his family is now dealing with, he is terrified that his family will lose coverage if there is a repeal."

Whether such concerns reflect a change in public opinion is difficult to say. Over the past six years, Republicans have collected stories

from hundreds of constituents complaining that their insurance policies were canceled, their premiums have shot up and their deductibles are so high that the insurance is nearly worthless.

"Scott from Hickory has had his [health insurance](#) canceled three times now, disrupting his continuity of care," said Representative Virginia Foxx, Republican of North Carolina. "Patricia from Kernersville now has a whopping \$6,550 deductible."

Representative Pat Tiberi, Republican of Ohio, reported that a constituent named Kimberly had difficulty obtaining treatment for a [brain tumor](#) because, she said, "virtually no doctors take the marketplace insurance."

The differing accounts are not necessarily in contradiction. Some people have benefited from the law while others have seen their coverage disrupted.

Republicans said the Obama administration had been slow to recognize and acknowledge problems with the Affordable Care Act. Administration officials said insurance rate increases of 25 percent or more were not a significant problem because low-income people could get subsidies to help defray the cost — even though millions of people buying insurance on their own do not receive subsidies.

The administration insisted that insurance markets were "stable and vibrant" even as large insurers pulled out of Affordable Care Act exchanges where they were losing hundreds of millions of dollars. In 2015, the administration said that "claims data show healthier consumers" in the exchanges, but some insurers disputed that assessment, saying they had not seen an influx of healthy people to help cover the costs of sick people.

#### Correction: January 16, 2017

Because of an editing error, an earlier version of this article misstated the day on which the town-hall-style meeting with Speaker Paul D. Ryan was held. It was Thursday, not Friday.

THE WALL  
STREET  
JOURNAL  
Nicholas

Updated Jan. 16, 2017 11:47 p.m.  
ET

## Donald Trump Warns on House Republican Tax Plan

Richard Rubin  
and Peter

President-elect Donald Trump criticized a cornerstone of House Republicans' corporate-tax plan, which they had pitched as an alternative to his proposed import tariffs, creating another point of

contention between the incoming president and congressional allies.

The measure, known as border adjustment, would tax imports and exempt exports as part of a broader plan to encourage companies to locate jobs and production in the

U.S. But Mr. Trump, in his first comments on the subject, called it "too complicated."

"Anytime I hear border adjustment, I don't love it," Mr. Trump said in an interview with The Wall Street Journal on Friday. "Because usually

it means we're going to get adjusted into a bad deal. That's what happens."

Retailers and oil refiners have lined up against the measure, warning it would drive up their tax bills and force them to raise prices because they rely so heavily on imported goods.

Koch Industries Inc., a conglomerate run by billionaire brothers active in Republican politics, last month [said the border-adjustment measure could have "devastating" long-term consequences](#) for the economy and the American consumer.

Independent analyses of the Republican tax plan say it would lead the dollar to appreciate further—which would lower the cost of imported goods, offsetting the effects of the tax on retailers and others.

In his interview with the Journal on Friday, Mr. Trump said the U.S. dollar was already "too strong" in part because China holds down its currency, the yuan. "Our companies can't compete with them now because our currency is too strong. And it's killing us."

The yuan is "dropping like a rock," Mr. Trump said, dismissing [recent Chinese actions to support it](#) as done simply "because they don't want us to get angry."

Mr. Trump appears to be breaking with a recent tradition of presidents refraining from comments on the dollar's level. The dollar is up 4% [against a broad basket of currencies since he was elected](#), and roughly 25% since mid-2014.

The dollar and border adjustment tax are both central issues as Mr. Trump moves to strengthen U.S. standing in the global economy.

The apparent divide between the incoming president and congressional allies underscores the challenge Mr. Trump will face

advancing his agenda, and in particular his planned tax cuts. The transition team and House leaders have been talking but they clearly have some details and agreements to work out.

"Speaker Ryan is in frequent communication with the president-elect and his team about reforming our tax code to save American jobs and keep the promises we've made," said AshLee Strong, a spokeswoman for House Speaker Paul Ryan (R., Wis.) "Changing the way we tax imports and exports is a big part of that, and we're very confident we'll get it done."

Mr. Trump and Republican lawmakers have also butted heads over strategies for repeal of the Affordable Care Act, President Barack Obama's signature domestic policy advancement. Mr. Trump wants to repeal and replace the law at the same time, but congressional Republicans are struggling to figure out the sequencing and content of bills to replace the 2010 law.

The border adjustment is a core piece of the House GOP tax plan released last June. It would generate about \$1 trillion over a decade, significantly offsetting the cost of cutting the corporate tax rate from 35% to 20%, according to several independent analyses. Mr. Trump's plan calls for a 15% corporate-tax rate.

"If you take out the border adjustment, you have to really think about an entirely different reform," said Kyle Pomerleau, director of federal projects at the Tax Foundation, a conservative leaning group in Washington.

House Republicans are banking on the border adjustment to solve several policy goals. By basing taxation on the location of final sales—not where a company has its investment, intellectual property or headquarters—they aim to curb corporate tax-avoidance techniques

such as inversions and shifting of income to offshore tax havens.

Under the plan, companies wouldn't be able to deduct the cost of goods they import, but wouldn't have to include the revenue from exports when calculating their income.

Companies have been trying to figure out since the election how the border adjustment would affect them. The more they rely on imports—either parts or finished goods—the more vulnerable they are if the dollar doesn't appreciate as smoothly as the economists project.

In the long run, Republicans say, their plan would give companies incentives to locate jobs and production in the U.S. as a way to avoid foreign corporate income taxes.

"That goes a long way toward solving the problem our new president wants to solve," Rep. Kevin Brady (R., Texas), the plan's chief author and chairman of the House Ways and Means Committee, told reporters last week.

Republicans have been promoting their tax plan as an alternative to the "big border tax" that Mr. Trump proposes, which he has described as a 35% levy on goods made by companies that shift production out of the U.S. and then sell back in. Unlike the border adjustment, Mr. Trump's suggested levy would only affect imports.

It isn't clear whether such a levy could raise anywhere near the \$1 trillion that several independent analyses say the House Republican plan would generate.

On the campaign trail last year, Mr. Trump proposed lowering the corporate tax rate to 15% and in the interview with the Journal on Friday, he seemed to suggest that rate cuts were his preferred mechanism for improving the corporate tax system.

"Under the border adjustment concept, if somebody is making a motorcycle or a plane in our country, they're getting a credit for the plane they make before they send it over to wherever it's going," Mr. Trump said. "And you don't need that plus lower taxes and everything else. And it's too complicated. They get credit on some parts and not other parts. Where was the part made? I don't want that. I just want it nice and simple."

In some ways, the House plan would be simpler than the current system because complex rules about defining foreign income would vanish.

"Unfortunately our current tax code is not only complex, it favors Chinese steel over American steel, Mexican beef and autos over American beef and autos, and foreign oil over American oil," Mr. Brady said in a statement Monday. "It's time to tax imports and exports equally in America, and end the 'Made in America' tax."

Rate cuts would reduce the incentive for companies to shift profits out of the U.S., the Tax Foundation's Mr. Pomerleau said. But that still would require rules to prevent companies from putting profits in tax havens and won't generate enough economic growth to pay for the rate cuts.

If Republicans jettison border adjustment, they need some other way to prevent companies from booking their income outside the U.S., said Warren Payne, a former GOP policy aide at the Ways and Means Committee.

"Tax reform as a whole is complicated," said Mr. Payne, now an adviser at Mayer Brown LLP. "There are lots of moving pieces and lots of really hard design questions you have to answer."

—Greg Ip contributed to this article.



## Summers : The economy under Trump: Plan for the worst

By Lawrence Summers

*Lawrence Summers is a professor at and past president of Harvard University. He was treasury secretary from 1999 to 2001 and an economic adviser to President Obama from 2009 through 2010.*

An ironic contradiction is likely to define the global economic community's convocation [in Davos this week](#) as it awaits Donald Trump's inauguration. There has not been so much anxiety about U.S. global leadership or about the

sustainability of market-oriented democracy at any time in the past half-century. Yet with markets not only failing to swoon as predicted, but actually rallying strongly after both the Brexit vote and Trump's victory, the animal spirits of business are running hot.

Many chief executives are coming to believe that, whatever the president-elect's infirmities, the strongly pro-business attitude of his administration, combined with Republican control of Congress, will lead to a new era of support for business, along with much lower

taxes and regulatory burdens. This in turn, it is argued, will drive major increases in investment and hiring, setting off a virtuous circle of economic growth and rising confidence.

[\[Trump is being handed a great economy. What happens when it goes south?\]](#)

Read These Comments

The best conversations at The Washington Post

Please provide a valid email address.

While it has to be admitted that such a scenario looks more plausible today than it did on Election Day, I believe that it is very much odds-off. More likely is that the current run of happy markets and favorable sentiment will be seen, with the benefit of hindsight, as a sugar high. John Maynard Keynes was right to emphasize the great importance of animal spirits, but other economists have also been right to emphasize that it is political and economic fundamentals that dominate in the medium and long terms. History is replete with examples of populist



authoritarian policies that produced short-run benefits but poor long-run outcomes.

The new U.S. president will be operating on a weak political foundation, is unlikely to be able to deliver the results he has promised to key constituencies and seems likely to take dangerous gambles in the international arena. This makes it probable that a cycle of growing disillusion, disappointment and disapproval will set in within a year.

Trump will likely be [the first modern U.S. president](#) to come into office with [more public disapproval than approval](#). No outsider can know the validity of allegations regarding his campaign's involvement with Russia, but the shadow of possible scandal is far more present in the pre-inaugural press than it was even before Richard Nixon's second term in the White House. And the Trump family's continued operation

of his business interests offers potential for at least the allegation of serious misconduct.

Nor is Trump likely to be able to keep his promises to key middle-class constituencies. The consequence of the weak Mexican peso that has been a consequence of his rhetoric is more Mexican immigration to the United States and more businesses choosing Mexico over Ohio as a location for production.

[\[Paul Waldman: Republicans say they'll protect you if you have a preexisting condition. Don't believe them.\]](#)

Moreover, it is not possible to repeal Obamacare without taking health insurance away from millions of Americans and placing new burdens on those with preexisting conditions. If Trump follows through on proposed increases in tariffs, the

result will be lower real wages and incomes as prices rise faster than wages. All in Congress agree that tax reform will not happen in a few months, and it is impossible to reconcile the president-elect's stated goals of major reductions in corporate and top rates, a fair distribution of the benefits of tax cuts and preventing a huge increase in federal debt.

Finally, Trump will be taking some major risks. Seeking to use the one-China policy as a lever for extracting trade concessions from China risks major confrontation and will complicate cooperation on critical issues such as North Korean nuclear proliferation. Questioning the [value of the European Union and NATO](#) risks undermining our principal democratic allies at a time when they are already politically fragile. Unilateral imposition of tariffs or enactment of a tax system

that subsidizes exports and penalizes imports risks both retaliatory protectionism and a spiking dollar, with potentially grave consequences for the global economy. And threatening businesses, as happened with the attack on the pharmaceutical industry [during Trump's last news conference](#), risks major increases in uncertainty and even questions about the rule of law.

Animal spirits are as fickle as they are important. Right now they certainly are an impetus to economic growth. The speed with which they changed after the Brexit vote and after the U.S. election should be cautionary. They can easily change again. If ever there were a time to hope for the best but plan for the worst, it is now.

**The  
New York  
Times**

## Editorial : House Arms Itself for Witch Hunts

Early this month, House Republicans ditched a plan to gut an independent congressional ethics agency after their attempt set off a burst of outrage. Unfortunately, other procedural rule changes intended to reduce transparency and accountability in the House, introduced along with the ethics plan, were approved without much notice.

[The changes](#) expand the ability of House committees to compel people to give depositions under oath, which will make it easier to intimidate opponents. Republicans also restored a provision originally created in 1876 that allows Congress to fire employees in the federal bureaucracy by eliminating positions and cutting salaries of individual workers to a negligible amount. This obscure authority,

known as the Holman Rule, is certain to frighten career civil servants who have worked on politically fraught issues like climate change.

The Republicans also made it easier to fine and censure House members who use smartphones to stream sessions from the floor, a clear rebuke of [a tactic Democrats used last year](#) to broadcast a protest they staged to force a vote on gun control measures.

The most troubling change is the [expanded deposition authority](#). In the past, a member of Congress had to be present for depositions unless the person being questioned waived that requirement. Because House members have busy schedules, the requirement limited the number and length of depositions. The new rule gives the Republican heads of 19 permanent

committees — all but two — the authority to issue subpoenas to depose people without a lawmaker present. People who are summoned for depositions often rack up thousands of dollars in legal fees and are seldom reimbursed for travel expenses.

If the Republican-led House had a record of conducting judicious, purposeful investigations into wrongdoing, this authority might be justifiable. But the recent [crusade against Planned Parenthood](#) and the work of the [Benghazi Committee](#) — a costly yearslong exercise to malign former Secretary of State Hillary Clinton that found nothing — have made clear that congressional investigators need greater constraints, not broader authority.

Representative Louise Slaughter of New York, the ranking Democrat on

the Rules Committee, called the set of measures disturbing and unconstitutional. It invites "a new era of political witch hunts," she said, while it "muzzles the minority and gives staffers investigative powers that belong in the hands of members of Congress."

Representative Jason Chaffetz, the head of the House Oversight and Government Reform Committee, last week showed where the investigative priorities of House Republicans lie as President-elect Donald Trump and his myriad conflicts of interest prepare to move to the White House. On Thursday, he sent a letter summoning the head of the federal Office of Government Ethics for questioning, suggesting that the agency and its budget are ripe for review.

**The  
Washington  
Post**

## 'Never Trump' national-security Republicans fear they have been blacklisted (UNE)

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

They are some of the biggest names in the Republican national security firmament, veterans of past GOP administrations who say, if called upon by President-elect Donald Trump, they stand ready to serve their country again.

But their phones aren't ringing. Their entreaties to Trump Tower in New York have mostly gone unanswered. In Trump world, these establishment all-stars say they are "PNG" — personae non gratae.

Their transgression was signing one or both of two public "Never Trump" letters during the campaign, declaring they would not vote for Trump and calling his candidacy a danger to the nation.

One letter, with 122 names, was [published by War on the Rocks](#), a website devoted to national security commentary, during the primary season in March. The other, with 50 names, including some repeat signatories, was [published by the New York Times](#) during the general-election campaign in August.

Now, just days before Trump is sworn in as the nation's 45th president, the letter signers fear they have been added to another document, this one private — a purported blacklist compiled by Trump's political advisers.

(The Washington Post)

During a Jan. 10 speech at the Institute of Peace, President-elect Donald Trump's national security advisor Lt. Gen. Michael Flynn spoke of the need for "peace through strength" and the potential to "rebaseline" global relationships. Lt. Gen. Michael Flynn spoke of the

need for "peace through strength" and the potential to "rebaseline" global relationships. (The Washington Post)

"Before he won, the conversation was, 'We really would love for you to change your mind and join us,'" Peter Feaver, a National Security Council special adviser under President George W. Bush, said of informal talks with Trump aides. Feaver, who signed both letters, added that, "Since he won ... the conversation is, 'There likely will be a blacklist of people who signed the letters who won't themselves be eligible for a post.'"

Trump transition aides did not respond to a request for comment for this article.

[\[From March: Trump 'fundamentally dishonest,' say national security leaders\]](#)

The president-elect has virtually no experience in national security and foreign policy, and his transition team could presumably benefit from the broadest pool of applicants for the influential appointive positions in the State Department, Pentagon and Department of Homeland Security.

But the purportedly blacklisted figures report to their jobs at Washington law firms and think tanks in a state of indefinite limbo as their colleagues, some working in the same offices, are flirting with potential administration jobs.

Last week, the Trump transition held a private briefing for secretary-of-state nominee Rex Tillerson to prepare him for his Senate confirmation hearing. One former Bush national security official who works at a Washington think tank said that some of his younger staff assistants were invited to participate but that he was not. He assumes it was because he signed the letter.

"It's hostile," said this person, who spoke on the condition of anonymity for fear of further retribution. "It's not just that we're frozen out. . . . I was told they said there was an enemies list."

(Peter Stevenson/The Washington Post)

Rex Tillerson, President-elect Trump's nominee for secretary of state, had a rocky first day facing members of the Senate during his confirmation hearing on Jan. 11 at the Capitol. The most important moments from Rex Tillerson's Senate confirmation hearing (Video: Peter Stevenson/Photo: Melina Mara/The Washington Post/The Washington Post)

Among those who signed at least one of the letters are Tom Ridge and Michael Chertoff, the first two secretaries of the Department of Homeland Security; two former U.S. trade ambassadors, Carla Hills and Robert Zoellick; two former heads of U.S. intelligence agencies, John Negroponte and retired Air Force Gen. Michael V. Hayden; a former ambassador to NATO; and several former deputy secretaries of various U.S. government agencies.

Not everyone who signed the letters wants a job, and some remain vocal critics of Trump. But many stand ready to serve or offer guidance if asked.

The letters were explicit in their denunciations of Trump's professed support for torture of terrorism suspects, his pledge to build a wall along the border with Mexico, his anti-Muslim rhetoric and his admiration for Russian President Vladimir Putin.

The letters also attacked Trump's character and temperament, asserting that he "lacks self-control and acts impetuously," has demonstrated "erratic behavior" and is "fundamentally dishonest."

Former Bush administration lawyer John Bellinger III, who organized the letter published in the Times, said that many have not given up and are trying to help from the outside.

"They're seeing how it goes and trying to provide advice, counsel, support to our friends who go into the administration," said Bellinger, who has served as legal counsel at the State Department and the National Security Council.

The scenario was set up by Trump's unorthodox candidacy and then his upset victory. The threat the New York business mogul's populist campaign posed to the establishment of his party caused some of the Republicans' leading lights to oppose him, even after he had clinched the nomination.

The question after Election Day was how quickly Trump loyalists and the onetime GOP resistance would reconcile.

In some cases, the process has gone fairly smoothly. Congressional leaders who had been lukewarm toward Trump's campaign have made nice with the president-elect, and they have vowed to work together on a conservative policy agenda.

In other cases, it has been painfully awkward, as with Trump's flirtation with Mitt Romney for secretary of state. Romney had called Trump a "phony" and a "fraud" last March, but the 2012 GOP presidential nominee called to congratulate Trump on his election victory. After a courtship that included a dinner of frog legs and lamb chops in New York, Romney was passed over for Tillerson, the head of ExxonMobil.

During [a national security forum](#) last week at the U.S. Institute of Peace in Washington, K.T. McFarland, who was named Trump's deputy national security adviser, opened her remarks by referring to the "elephant in the room."

"Most of the people in this room didn't support Donald Trump — maybe not at first or maybe ever," she said. "And I suspect most of the people in this room didn't think he'd win. But he has."

Some of the "Never Trump" letters signers fear they are at the bottom of the pecking order, below those who expressed verbal opposition to Trump's campaign but did not sign either of the letters.

The conflict was exacerbated shortly after the election when Eliot Cohen, a State Department counselor during the Bush administration who had helped organize the War on the Rocks letter, aired new criticism of the Trump transition. In [an opinion column](#) for The Washington Post in November, Cohen said that a friend on the transition team had asked him to provide names of potential job candidates — with the stipulation that he include no one who signed either of the letters.

Cohen wrote that he became convinced there were "pent-up resentments" among members of the Trump team, and he warned young policy experts against working for the administration. Cohen has had no further communications with the transition team.

"Believe me — my phone is not ringing," he said in a recent interview.

Other letter signers said Cohen had misinterpreted emails from the transition official and overreacted, and some of them expressed a sense of regret.

Mary Beth Long, who served as assistant secretary of defense in the Bush administration, signed the War on the Rocks letter. But, she said, her opinion of Trump improved as he began to moderate his rhetoric and selected Indiana Gov. Mike Pence as his running mate.

Long attended a Pence rally in Charlotte in October, during which, she said, a local GOP official announced that a "Never Trump" letter signer in the audience had changed her mind and was now

supporting Trump. The crowd cheered.

But her about-face hasn't thawed the ice. Long said her inquiries to the Trump transition team to get clarity on some of his foreign policy positions have gone unanswered. She said that she has spoken with retired Army Lt. Gen. Michael T. Flynn, Trump's designee for national security adviser, whom she knows from the Pentagon, but that she isn't expecting a job.

"If I were asked to sign a letter like that again, I would be much more careful about the verbiage that related to the candidate himself," she said.

Some letter signers said the Trump transition might be overwhelmed and could reach out more broadly in the coming weeks. Some hoped that Cabinet nominees, such as retired Marine Gen. James N. Mattis, Trump's pick to head the Pentagon, could potentially have the freedom to hire them. Many jobs below the Cabinet level remain unfilled.

#### Local Politics Alerts

Breaking news about local government in D.C., Md., Va.

Please provide a valid email address.

But others are resigned to waiting until some of Trump's initial appointees begin leaving his administration.

Frances Townsend, a former Bush homeland security adviser who signed the War on the Rocks letter, is friendly with Flynn. A few weeks after the election, she received an email from the transition team inviting her to meet with the president-elect.

Ahead of the meeting, she thought over how to explain her past actions if Trump raised the letter — but he did not, she said.

"I took that as a sign of maturity and graciousness," said Townsend, who has not taken a job with the administration and declined to say whether she was offered one.

"As I was leaving, I said I was privileged and humbled to come in and speak to him," she said. "It was a veiled reference [to the letter]. Given the circumstances, I didn't expect to be there."

## POLITICO The Alt-Right Comes to Washington

By Ben Schreckinger

**East Lansing, Michigan—** Lounging at the back of his tour bus in a parking lot behind the Springhill Suites, Milo Yiannopoulos, the

flamboyant right-wing British provocateur known for his bleach-blond frosted tips and relentless campaign against Islam, munched

on a whole cucumber protruding from a paper bowl of raw vegetables and made plans for a party. He had just been asked to

host “DeploraBall,” an unofficial celebration planned for the presidential inauguration weekend. Yiannopoulos described his vision for the event: As guests entered the National Press Club, shirtless Mexican laborers would be building a physical wall around them. Instead of doves, Yiannopoulos would release 500 live frogs in honor of Pepe, the cartoon mascot of pro-Donald Trump internet trolls. The room would be lined with oil portraits in gilt frames, each depicting a celebrity who had vowed to leave the country in the event of Trump’s election. At the end of the night, the portraits would be thrown into a bonfire and burned. Yiannopoulos would send a bill for the party to the Mexican Embassy.

The party is unlikely to proceed in exactly that way, or really anything like it. But the ball is real—a month ahead of the inauguration, the organizers had already booked the room and sold all 1,000 tickets—and it marks a kind of gala debut of a new clique in Washington.

#### Story Continued Below

Known until recently as the “alt-right,” it is a dispersed movement that encompasses a range of right-wing figures who are mostly young, mostly addicted to provocation and mostly have made their names on the internet. On the less extreme end, they include economic nationalists and “Western chauvinists” like Yiannopoulos, who wants to purge Islam from the United States and Europe; the movement also encompasses overt white nationalists, committed fascists and proponents of a host of other ideologies that were thought to have died out in American politics not long after World War II. Over the course of Trump’s campaign, these ideas came back to life in chat rooms, on Twitter and on the fringes of the internet—driven by supporters united by their loathing of progressives and their feeling of alienation from the free market Republican Party as it defined itself before Trump’s takeover.

This “new right” is now enjoying something of a moment. It’s not clear whether the movement helped fuel Trump’s rise or just rode its coattails. But energized by his success, this loose confederacy of meme-generating internet trolls, provocateurs and self-appointed custodians of Trumpism has begun making plans to move into Washington’s corridors of power, or at least shoulder their way into the general vicinity. When they look at Washington—a besuited city that moves to the rhythm of lobbying and legislative calendars and carefully worded statements—they see an opportunity for total

disruption, the kind of overthrow the movement already takes credit for visiting on American politics.

So what, exactly, is the capital in for? In the weeks after the election, I tracked down the movement’s standard-bearers in Washington, New York, California and Michigan to find out what they had in mind for changing the culture of D.C., and from there the rest of the Western world. They don’t lack for grandiose ambition: Disdaining the traditional Washington think tanks as passé, they’re taking aim straight at America’s sense of its own identity, with plans for “culture tanks” to produce movies that make anti-immigrant conservatism look cool, and advocacy arms that resemble BuzzFeed more than The Heritage Foundation. They talk elliptically about internet memes replacing white papers as the currency of the policy realm, pushed out by “social media strike forces” trained in the ways of fourth-generation, insurgency-style warfare. There’s the idea of taking over the Republican Party with a wave of Tea Party-style primary challenges in 2018 that will rely on novel campaign tactics like flash mobs and 24/7 streaming video of candidates’ lives. There’s even a new right-wing hipster fraternal organization started by Vice co-founder Gavin McInnes, the Proud Boys (motto: “The West Is the Best”), which promises to serve as an amateur security force at political events, including the Inauguration.

Of course, coming in from the cold can also bring financial rewards, and some in the movement have a more old-fashioned ambition: that their coziness with the new administration will result in government contracts, and friendly regulators who won’t interfere with planned business ventures like a social media platform for people with high IQs.

For a movement that feeds on outsider energy, its members already enjoy surprising access to the inside of the incoming White House. Yiannopoulos’ official title is technology editor of Breitbart, the website formerly run by top Trump adviser Steve Bannon, with whom both Yiannopoulos and internet troll Charles Johnson say they keep in touch. Yiannopoulos and Johnson also both say they know Trump’s most influential megadonor, Rebekah Mercer. While I was spending time with another movement figure in California, he took a phone call from the son of Trump’s incoming national security adviser. (A shared spokeswoman for Bannon and Mercer did not respond to requests for comment about their relationships with Johnson and Yiannopoulos.)

At a conference he organized in Washington in the days after Trump’s election, attendees erupted in Nazi salutes following a toast in which Richard Spencer declared, “Hail Trump, hail our people, hail victory!” | The Atlantic, via YouTube

But the new young nationalists also have a problem: They need to re-brand, urgently. In the *first* theatrical arrival of the alt-right in Washington, days after Trump’s election, Richard Spencer, the originator of the term “alt-right” and an open white nationalist, held a conference at the Ronald Reagan building, a couple of blocks from the White House. After dinner, once most of the national media had departed, Spencer rose to deliver a speech that crescendoed with him raising his glass in a kind of toast. As he held his arm up, he proclaimed, triumphantly, “Hail Trump, hail our people, hail victory!” In response, several attendees erupted in Nazi salutes, indelibly associating the alt-right with jackbooted white supremacy and provoking an instant schism in the movement. In a [video](#) produced from the conference, the *Atlantic* blurred out attendees’ faces, as if the footage had been smuggled out of a criminal enterprise. Soon, the Associated Press and the *New York Times* issued memos that officially defined alt-righters as white nationalists.

Now, as its members move on Washington, an already fragmented movement is further split between those who embrace Spencer’s racial politics and those who, for reasons of pragmatism or principle, reject the “alt-right” label for its associations. Said Paul Ray Ramsey, a blogger who flirts with white nationalism but found the Nazi associations a bridge too far, even for him: “You don’t want to tie your brand to something that’s ultimate evil.”

**Spencer has become the poster boy of the alt-right**, appearing on NPR and CNN to defend what he calls “European identitarianism,” and what others call, with less varnish, racism. He sports the alt-right’s signature shaved-side haircut—the “fashy,” as in fascist—and leads the benignly named National Policy Institute, a think tank with an office in Arlington, Virginia, to push his vision for “peaceful ethnic cleansing.”

Jared Taylor, at his home in Oakton, Virginia, has been called the “intellectual godfather” of the white nationalist alt-right. | Stephen Voss for Politico Magazine

He isn’t the first American figure to put a fresh face on old-school Klan-style racism, but he’s far more open about his ambitions than the generation that preceded him. I also

visited Jared Taylor, 65, who is publisher of the white nationalist web outlet *American Renaissance* and has been called the “intellectual godfather of the alt-right”; although Taylor welcomed me to his home in Oakton, Virginia, he declined to give any hint of his plans. He cited fear of sabotage, comparing himself to a Soviet dissident. “I won’t even talk about them in the vaguest of terms,” he said, surrounded by framed Confederate bond certificates and a bonsai tree. (Taylor, who was born in Japan to Christian missionaries, can’t precisely be classified a white supremacist: He believes Asians are superior to whites.)

Spencer expressed no such hesitation. In mid-December, he announced he was considering running for Ryan Zinke’s House seat in Montana, where he lives part-time in a ski house owned by his mother. And three days before that, he took a break from scouting a new Washington-area headquarters to eat lunch at Café Milano in Georgetown and lay out his vision in detail. The last time Spencer dined at the restaurant, a decade ago, he found himself the odd man out. He recalled that Martina Hingis was playing one of the Williams sisters in a tennis match on the televisions at the bar, and that everyone else in the restaurant was rooting for the African-American player. Spencer’s loyalties, though, were racial. “I was like, ‘I’m on the side of the German,’” he told me. (Hingis, for the record, is a Swiss citizen from what is now Slovakia.)

A month after Trump’s election, Spencer, in a sweater, collared shirt and newsboy cap, was fitting right in at the tony eatery. He had just returned from Texas A&M, where he delivered a speech that had created a predictable uproar, with protests, state police in riot gear and pro-diversity counterprogramming put on by the university’s president at the school’s football stadium. Spencer is planning a national tour of campuses in 2017 and considering calling it the Dangerous White Heterosexual Tour, a nod to Yiannopoulos’ Dangerous Faggot Tour.

Spencer is now looking for a donor to finance his efforts to push white nationalism out of the shadows of the internet. “We need to enter the world,” he said. “We’ve hit our limit in terms of being a virtual institution.” To that end, midway through lunch, he took a call to arrange his next stop, Old Town Alexandria, where he was touring a prospective location for his new headquarters. Like many on the alt-right, his vision of a political movement blurs the line between



politics, culture and media: In addition to office space, he was looking for a studio to launch a media operation that could field a daily news show, as well as perhaps a morning show that would be more “fun.”

“If we had a studio,” he asked rhetorically, “could we start to enter the world in the way the Young Turks does stuff? In the way Infowars does stuff?”

An open white nationalist, Richard Spencer, above at home in Arlington, Virginia, has become a poster boy of the alt-right. | Stephen Voss for Politico Magazine

Spencer believes the answer is yes, and that the National Policy Institute could occupy a marquee headquarters in downtown Washington within 10 years. “Maybe Cato will go under,” he said, one of many digs at the old free market institutions of the Republican Party. “Maybe we’ll take over that facility.” In the short term, Spencer, 38, plans to capitalize on what he saw as the PR success of the November event with another meeting and news conference in Washington in the first quarter of 2017. If he doesn’t make it to Congress—and if former Ku Klux Klan grand wizard David Duke’s 3 percent showing in Louisiana’s December Senate race is any indication of the electorate’s appetite for undisguised racism, he won’t—Spencer believes he can use publicity to maneuver himself closer to influence.

As he tries, one of his obstacles will be the very movement he helped spawn. Other young figures of the anti-immigrant right have been distancing themselves from Spencer and his hard-core racial ideas; he wasn’t invited to DeploraBall, and the anti-immigration Trump adviser Stephen Miller, who knew Spencer when both were members of the Conservative Union at Duke University a decade ago, has condemned him.

Spencer, for his part, says he still supports the more moderate figures who have disowned him and doesn’t mind that they’re trying to keep their distance. In their popularity, he sees a gateway for new followers to come around to his views, and he doesn’t want his presence to become a distraction. “I want there to be an alt-light,” he said, using a common nickname for the less extreme threads of the new nationalism.

The feeling does not appear to be mutual. Many figures in the movement now disdain the term “alt-right,” refuse to consider themselves “alt-light” and wish

Spencer would just go away. “Not interested in appearing in any piece alongside Spencer et al.,” wrote Yiannopoulos in a text message rebuffing an interview request. “We have nothing in common.”

**Yiannopoulos’ caginess about the interview was not unusual.** For a bunch of media-driven provocateurs, members of the new nationalist right can be highly particular about their interactions with the mainstream press. Longtime bloggers Vox Day and Steve Sailer agreed to answer questions for this story only in writing. Charles Johnson agreed to an interview on the condition that he would also record it, a tactic more commonly employed by prominent politicians. He also declined to be photographed, explaining that only one photographer is allowed to take his picture for publication. After asking some pointed questions about the direction of this article, Yiannopoulos’ publicist said he wouldn’t be participating in it.

But his brand is built on visibility, and Yiannopoulos, who said he was in talks with a number of major production companies about a television project, ultimately yielded when I showed up in Lansing, where he was preparing for an appearance at a lecture hall on the campus of Michigan State University. (Yiannopoulos later canceled a photo shoot for this article after learning that I had called Bannon and Mercer’s spokeswoman to ask if they would like to comment on his work.) I had last seen him at Trump’s election night party at the midtown Hilton, where Yiannopoulos posed for glam shots and paused briefly to harangue a gaggle of reporters about the evils of the mainstream media while they held recording devices up to his face.

In the past, he had identified as a “fellow traveler” of the alt-right, but by the time I showed up at his tour bus—this was two weeks after Salutegate—things had changed. “The small contingent of distasteful people in the alt-right became so territorial about the expression that they scared off moderate right-wingers,” he said. “And that’s what they did to me.”

“The small contingent of distasteful people in the alt-right became so territorial about the expression that they scared off moderate right-wingers,” Yiannopoulos says.

Sporting black nail polish and black sequined pants with a black shawl, Yiannopoulos, 32, huddled at a standing desk with his young roadies, who dressed and looked like college sophomores, to plan the night’s show. On a laptop, the

roadies presented to him a split-screen image to project behind his speech: Istanbul’s Blue Mosque on the left and a missile launcher, its warheads aimed away from the mosque, on the right. This was not what Yiannopoulos had in mind. “It looks like Istanbul is shooting us,” he complained. “And there’s no fucking American flag on it.” By the time Yiannopoulos appeared in the lecture hall that night, a revised image was being projected onto a screen at the front of the room: A bomb with an American flag on it had been superimposed to look like it was falling directly on the mosque.

The atmosphere around the speech reproduced the dynamics of a Trump campaign event in miniature. In the crisp air outside, mostly white attendees in Make America Great Again hats queued up at the door amid a heavy police presence, while mostly nonwhite protesters stood off to the side chanting, “No Trump. No KKK. No racist USA.” Seven arrests were made.

Inside, Yiannopoulos stood between plaster Doric columns and sipped Budweiser through a straw. Wearing black lipstick and a crown of faux gold laurels, he stood before a crowd of a couple hundred college students and painted Islam as a totalitarian political ideology and an existential threat to Western freedoms. A Cambridge University dropout who describes himself as a free speech absolutist, Yiannopoulos is doubly hostile to Muslims because of his homosexuality and Greek heritage. “I have family in Cyprus,” he lamented. “They took our fucking orange groves.”

In front of the crowd, he called Jill Stein a “crazy old cunt” and Lena Dunham a “disgusting fat cunt,” prompting raucous laughter and applause.

The movement known broadly as the “alt-right” has newfound influence in the Trump era, but it is split: Milo Yiannopoulos, for instance, at center, has distanced himself from a more overtly white nationalist alt-right. | Getty Images

Lambasting Islam for the benefit of college students is not new to the Trump era: The Los Angeles-based conservative agitator David Horowitz brought his “Islamofascism awareness” talks to campuses a decade ago. But Yiannopoulos is a different creature, a sort of 21st-century Islamophobic Oscar Wilde. His events are well-attended and entertaining. He believes he has the formula to turn the cultural tide of the West away from progressivism, a mix of erudition, flamboyance and charisma that puts an amusing, unthreatening front on a worldview

that feeds the America-first, Christian-capitalist prejudices of his largely young male college audiences.

Yiannopoulos has retained his title as Breitbart’s tech editor, where his output is [reportedly](#) supplemented by the labors of more than 40 interns, and he views social media platforms as the next battlefield in the culture war. In July, he was banned from Twitter after trashing the work of the African-American comedian Leslie Jones, tweeting that she looked like a man and calling her “barely literate,” in response to a tweet she sent him that contained a typo.

Yiannopoulos, Johnson and a number of white nationalists have switched to an upstart rival called Gab that promises not to ban users for any speech so long as it is legal. Down the road, Yiannopoulos plans to take on what he sees as the liberal biases of other social media networks, but not yet. “I need to be too big to ban before I can start going for the people who have enabled my popularity,” he said. “I will pick that fight when I know I can win it.”

Yiannopoulos has a number of personal ties to the Trump administration: Bannon hired him to work for Breitbart, and his tour bus is Breitbart-branded. He also knows the father-daughter pair of Bob and Rebekah Mercer, Breitbart investors who are Trump’s most influential megadonors and the dominant patrons of the anti-establishment right. He would not reveal who was financing his tour other than to say his funding includes money from Hollywood. When I suggested to Yiannopoulos that the Mercers and Silicon Valley billionaire Peter Thiel—another deep-pocketed figure with ties to both Trump and a number of alt-light figures—might be chipping in, he responded only that Thiel would be more inclined to sponsor a highbrow cultural pursuit, like a literary journal, than a vulgar lecture tour. “Peter’s a snob,” he said. “In a good way.”

Yiannopoulos said he still talks to Bannon, but he declined to say about what. He disavowed any interest in Washington past the inaugural festivities. “Everybody in politics is a cunt,” he said. “They’re boring, untalented, unattractive people.” The real fight, he thinks, is the culture war he’s waging on college campuses. Yiannopoulos said he will leave Washington after Trump’s inauguration weekend with no desire to return.

“I’m like Cincinnatus,” he said, comparing himself to the 5th century B.C. patrician who was appointed dictator of Rome to repel an invasion and promptly returned

to civilian life after the crisis passed. "I want to go do this shit and go back to my fucking farm."

**Blogger Mike Cernovich has no such misgivings** about D.C. Holed up in the living room of his modest home in Orange County, California, on a Monday afternoon in December, he crossed his legs and laid out his immodest vision for taking over the capital.

A former lawyer, Cernovich began blogging about gender dynamics, among other topics, in 2004. A year earlier, he had been charged with raping a woman he knew, but the charge was dropped and a judge instead sentenced him to community service for battery. Ever since, Cernovich, now 39, has preached the gospel of masculinity, teaching readers how to become "a dominant man" through mindset adjustments and bodybuilding. He once tweeted "date rape does not exist" and advised readers, in a blog post about household finance, that "Hot girls are better to rent than buy."

He advocates IQ-testing all immigrants and ending federal funding of universities, and describes himself as an economic nationalist primarily concerned with the welfare of average Americans. He has some economic ideas that veer toward the wonky—he said he would like median GDP to replace GDP growth as the lodestar of economic policy, for instance. As machines displace a greater share of labor, he is intrigued by the possibility of introducing a universal basic income, an idea supported by Martin Luther King Jr., conservative economist Milton Friedman and Bill Clinton's labor secretary, Robert Reich. Cernovich is also an avid consumer and progenitor of conspiracy theories, such as his claim that there was more than one shooter at the Pulse nightclub in Orlando and that the government is covering this up to avoid panic.

Those predilections made him an early Trump supporter, and over the course of the election he shot to internet notoriety by his monomaniacal focus on Hillary Clinton's allegedly failing health and his online feuds with Trump detractors. He has become huge in the world of pro-Trump Twitter, known as #MAGA Twitter, for Make America Great Again. In October, a Finnish publishing house specializing in science fiction and fantasy released his latest book, *MAGA Mindset: Making YOU and America Great Again*.

His new plan is to take his brand of self-help from the home to the House by running the "Big Brother" of congressional bids, renting out a five-bedroom campaign pad, living

in it with his staff and streaming the whole thing 24/7 on YouTube. There are other plans for the campaign—flash mobs, loyal readers with Go-Pros confronting and humiliating his opponents live on Periscope. "The savagery that I would bring to a campaign would be like nothing anyone had ever seen in a congressional election," said Cernovich, the day before the birth of his first child, a girl.

That vision is contingent on Cernovich's congressman, Dana Rohrabacher, vacating his seat to, say, join the Trump administration. If that does not happen, Cernovich still plans to recruit acolytes from across the country to deploy those tactics next year in primary challenges to establishment Republicans, a scheme he has dubbed #Revolution2018. If he can pick off just a handful of incumbents next year, Cernovich believes the entire Republican conference will come to fear, and heed, his movement. "That's what you learn from—" he said, before catching himself. "I'm going to choose my words carefully, because I don't want to call it 'terrorism.'"

A blogger in Laguna Niguel, California, Mike Cernovich uses the label "new right" to describe himself. To refute those who lump him in with white nationalists, he points to his wife, Shauna, a secular Muslim of Persian descent. Their newborn daughter, Cyra (with Cernovich above), was named for the Persian emperor Cyrus. | Sandy Huffaker for Politico Magazine

For a man who until recently was best known for hawking his self-published books and intentionally offending people on the internet, these are grand designs. And Cernovich acknowledges they'll require some maturation. To that end, Cernovich has condemned Richard Spencer and disassociated himself from the "alt-right" label, even though he believes the Nazi saluters at his conference were leftist plants sent to make the alt-right look bad. (Spencer himself, it should be noted, rejects this conspiracy theory, as well as Cernovich's claim that the CIA may be propping him up. "He needs to calm down," Spencer told me.) The hard-core alt-right, in response, has turned on Cernovich and begun calling him "Cuck-ovich," a play on the movement's dreaded "cuckservative" insult.

Cernovich now uses the label "new right" to describe himself. To refute those who lump him in with white nationalists, he pointed to his second wife, Shauna, a secular Muslim of Persian descent, who lounged behind us on a couch and jumped in and out of our

conversation. (The non-European partner, for what it's worth, has become a frequent defense among the more moderate alt-righters: Charles Johnson points to his Asian wife to counter charges of racism; Gavin McInnes points to his Native American wife; Yiannopoulos says he prefers to date black men.) Cernovich's newborn daughter is named Cyra, after the Persian emperor Cyrus (a stocking with her name on it already hung over the fireplace). When a question arose about the birthplace of conspiracy theorist Alex Jones' sidekick Paul Joseph Watson, Cernovich told his wife "Google it." Then he backtracked. "Will you please Google it? I don't just bark orders at you." ("Northern Britain," she chimed in later.)

Cernovich does not view himself as a "troll" per se, because he views trolling as amoral, but instead refers to himself as a "rhetorician"—a provocateur who doesn't literally mean what he says. Whatever he calls it, the rhetoric clearly has real-world consequences. He was a chief pusher of the #pizzagate hashtag on Twitter, the wacky conspiracy theory that Hillary Clinton was part of a child sex trafficking ring being run out of the back of a Washington restaurant called Comet Ping Pong. The scandal began as a rumor on Twitter, jumped to message boards like 4Chan, was pushed by Cernovich and other much higher-profile agitators, and came to be taken quite seriously by some of the internet's more impressionable users, including the North Carolina man who drove to Washington and fired shots with a real assault rifle at the real pizza joint in a misguided attempt to free the nonexistent sex slaves.

"Right now we're going from the underdog to the overdog," Cernovich said. "So I'm still fighting like the underdog. But when I say things, I need to be more careful."

When we sat down in California, it was a day after the incident, and Cernovich conceded that he had learned some lessons from the fiasco. For example, although he does believe there is an active pedophile ring in Washington that needs to be investigated, he never believed it was based out of Comet. He also claimed he did not know "Pizzagate" implied that specifically. "Right now we're going from the underdog to the overdog," he said. "So I'm still fighting like the underdog. But when I say things, I need to be more careful. When I say things like 'Pizzagate,' I need to be more clear."

In the midst of our discussion about Pizzagate, Cernovich's phone rang, and when he picked it up, the voice on the other end belonged to Mike Flynn Jr., the son of Trump's pick for national security adviser. Flynn Jr., who had a transition email address and at one point was up for a national security clearance as part of the presidential transition, was also a Pizzagate conspiracy theorist, explicitly endorsing the idea that Comet could plausibly be the center of a Clinton-connected child sex-trafficking operation. Taking the call from Flynn, Cernovich hurried out onto his back patio, shut the sliding door to the living room and paced around for several minutes out back.

The Flynns, father and son, are also big on #MAGA Twitter, and have become fans of Cernovich's work there. The elder Flynn, who like his son regularly tweets out links to fake news stories, tweeted an endorsement of Cernovich's *Gorilla Mindset* book; he has also called Yiannopoulos "one of the most brave people that I've ever met." Cernovich declined to comment on his relationship with the Flynns, or with almost anyone else. He said he avoids knowing the names of people he communicates with, and tries to forget their names if they tell him, in case he is ever subpoenaed. He consciously models his approach to media and politics on "fourth-generation warfare"—that is, insurgency and counterinsurgency, which includes the use of fluid, ad hoc alliances. "Chuck Johnson doesn't tell me what to do. Milo doesn't tell me what to do," he said. "But we talk, and we're loosely aligned." He has become more inclined to believe in conspiracies, he told me, now that he is part of one himself.

\*\*\*

**If there's a real alt-right conspiracy** in American politics, Charles C. Johnson is an integral part of it. Johnson, a self-described journalist, came up through a series of conservative fellowships and internships as a student at Claremont McKenna College, where he graduated in 2011. From there, he has made a name for himself through a series of controversies as both a debunker and purveyor of false stories.

He contributed to the Daily Caller's since-debunked story alleging that New Jersey Senator Bob Menendez consorted with prostitutes, and has falsely reported that a *New York Times* reporter had posed for *Playgirl*, mistaking a spoof source article for a genuine one. After striking out with his own website, GotNews, he published the full home addresses of two other *Times*

reporters after they published the name of a street that Ferguson, Missouri, police officer Darren Wilson had once lived on. Later, Johnson was among the most prominent skeptics of *Rolling Stone's* since-debunked article about an alleged gang rape at the University of Virginia. In the process of attacking the story, he revealed the supposed identity of the woman who had been the anonymous source for the story. He also published a book, *Why Coolidge Matters*, in 2013. It received favorable blurbs from Bush administration Justice Department official John Yoo, conservative blogger Michelle Malkin and Texas Senator Ted Cruz.

Like a number of alt-righters, Johnson has been banned from Twitter—in this case for soliciting donations to “take out” a Black Lives Matter activist, phrasing he said referred to opposition research but that the platform interpreted as a threat of physical violence.

Charles Johnson, who says he is friendly with members of the new administration, hopes their policies will give him leeway for even more of the internet trolling he has become known for. | Peter Duke

If other alt-right figures are plotting some kind of outside route to Washington influence, Johnson, at 28 years old, is already there. When I had last seen him in person, it was at Trump's election night victory party sometime after 3 a.m., and he was standing about 10 yards from the president-elect. “Chris Christie will not be as powerful as he now appears,” Johnson informed me. Two days later, Christie was demoted from chairman to vice-chairman of the transition, and he has drifted further from the center of Trump's orbit since then.

“It's no secret that I'm friendly with people who are now in the government,” Johnson said back in Midtown three weeks later, on the second floor of the swanky Lambs Club. Johnson had returned to New York from his home in California to testify in his settlement with Gawker, which he has sued for libel over its exploration of a rumor that he once defecated on a floor in college.

He told me he had been performing various unspecified tasks for the Trump transition. He took credit for bringing Bill Clinton's female accusers and Barack Obama's pro-Trump half-brother Malik to the general election debates. (Malik Obama has referred to Johnson as “my friend” on Twitter.) One person close to Trump's transition told me that Johnson had participated in some early transition-related meetings and caused headaches

when he was accused internally of leaking to the news media. “I haven't leaked anything without authorization,” Johnson responded. (Trump transition spokesman Jason Miller wrote in an email that Johnson does not have a role on the transition and has not “been tasked with any projects on the team's behalf.”)

Among his fellow travelers, Johnson is known as a direct line to the donor class. He said he talks to Bannon and knows the Mercers. He knows Thiel. McInnes, the *Vice* co-founder and an acquaintance of Johnson's, said Johnson and Thiel coordinated their legal assaults on Gawker. Johnson declined to discuss the tech billionaire other than to describe their relationship as a mere “passing acquaintance,” and a spokesman for Thiel did not respond when asked whether the pair had coordinated.

Johnson said he is concerned now with making sure Trump's government is stocked with Trumpists rather than establishment Republicans and other “cucks,” and his WeSearchr “information marketplace,” a business he started where people can post bounties for specific pieces of information, provides him with the resources to vet potential appointees independently. In the internal struggle over staffing the administration, this aligns him with Bannon. Johnson told me he is soliciting résumés, recommending job candidates and circulating policy memos, but to whom exactly he wouldn't say.

Johnson conceded that such tactics would need to evolve. “The trolls in some measure have to grow up,” he said. “Government by meme is kind of a scary idea.”

Despite his proximity to the Trump administration, Johnson is far less squeamish than many of his confederates about Richard Spencer. He makes no bones about knowing him, and offered to give me Spencer's phone number. He told me he rejects white nationalism as a political philosophy—“I don't know when something is loving being white and when it's hating other groups,” he mused—but doesn't totally reject the idea of applying the alt-right label to himself.

Johnson has personal goals for Washington as well. Some of these have to do with taking revenge on social media platforms that have relegated his ideas to the margins. Johnson said he would like to use his connections to the incoming administration to push for the invocation of antitrust laws to regulate Twitter and Facebook as utilities, in order to prevent what he

sees as their unfair treatment of conservatives. And he wants to push the government to ensure federal antidiscrimination rules do not interfere with his plans for a social network restricted to people with IQs above 130. “I just don't want the government to persecute my businesses,” he said.

Mostly, he said, he is interested in making money. So he will want a friendly ear at the Commodity Futures Trading Commission when he launches a predictions-market business. He is interested in crowd-sourcing cancer research, which will require a friendly Food and Drug Administration. His plans for a crowd-funding business could depend on his relationship with the Federal Trade Commission.

Johnson defends trolling, his preferred mode of political activism, as a tactic that allows a weaker party to force a stronger party to act—and a pedigreed one at that. “Jesus was a troll,” he said. (Cernovich credits the 4th century B.C. philosopher Diogenes the Cynic—who irritated the citizens of Athens and Corinth with stunts like bringing a live, plucked chicken to Plato's academy to prove a point about taxonomy—as the original troll.) But dissimulation and juvenile humor are not traits that inspire great confidence in leaders, and Johnson conceded that, now that his candidate has won, such tactics would need to evolve. “The trolls in some measure have to grow up,” he said. “Government by meme is kind of a scary idea.”

**It's clear that the alt-right isn't shy** about the sweep of its claims; Yiannopoulos and Spencer, as well as lesser-known figures, tend to talk about their project in world-historical terms, framing it as a civilizational clash, or some kind of new rising tide. What's far less clear is if the alt-right did make a move on Washington, just how many people would show up.

Before he was banned from Twitter, Yiannopoulos had 300,000 followers. Spencer had more than 30,000 Twitter followers at publication time, and Cernovich had nearly 190,000. But a social media following isn't the same as votes, or membership, and the numbers question is now tangled in the new ambiguity about who is or isn't part of the alt-right, or the alt-light, or new right. There is a noisy online white nationalist alt-right core that amplifies its voice by frenetically posting on Twitter, Reddit and 4Chan, often using multiple accounts to inflate its perceived size. The alt-right subreddit has more than 13,000 registered users. At Spencer's November conference in Washington, about 200 people

showed up. Johnson and others have the ear of people in Trump's orbit, and their online visibility creates a kind of political cover for slightly more moderate versions of nationalism now represented within the White House. But it's far less clear what kind of political groundswell they could muster if they tried.

Further muddying the waters, the alt-light and alt-right are anti-progressive cultural movements as much as political ones. Many of their members knew the late Andrew Breitbart, and they are fond of citing his maxim that “politics is downstream from culture.” The cultural component pops up in odd places: Members of the sketch comedy group Million Dollar Extreme have been called the “court jesters of the alt-right,” and a show created by the group's leader, Sam Hyde, was canceled in December because Cartoon Network executives deemed it offensive.

In an increasingly image-driven political culture, the alt-righters are doubling down on image. The movement essentially has an official visual chronicler: Peter Duke, the only photographer Johnson allows to take his picture for publication, also shot Cernovich's new softer headshots. Duke has photographed Yiannopoulos, former Breitbart columnist Ben Shapiro, Dilbert creator Scott Adams (a Trump admirer who has feuded with feminists on his blog) and George Zimmerman, the man in Florida who was acquitted in the murder of Trayvon Martin. Duke's aspiration is to create a *Vanity Fair* for the right, to make it more glamorous. “One of the things that the left is really good at it is making people look good, and I mean that literally,” he said. “The right in general needs re-branding.”

Already, a new aesthetic is taking hold among the alt-light: gayer and more avant-garde. In July, Yiannopoulos hosted a “Gays for Trump” party at the Republican National Convention in Cleveland, which included the cognitively dissonant spectacle of anti-Islamic commentator Pamela Geller and far-right Dutch politician Geert Wilders railing against the Muslim threat from a podium flanked by erotic photos of scantily clad young men in “Make America Great Again” hats. In October, Yiannopoulos staged a pro-Trump performance art piece in Manhattan in which he bathed himself in pig's blood to commemorate the victims of Islamic terrorism and crimes committed by undocumented immigrants. At the show, notorious pharma bro Martin Shkreli, an alt-light fellow traveler who is under indictment for alleged securities fraud, exhibited a framed



red-and-blue pill. McInnes, who is white, exhibited a photo of himself as an antebellum slave.

Jeff Giese, above, views himself as a moderating force, arguing that trolling should be used as a tactic but "constructively and ethically." | Stephen Voss for Politico Magazine

This might seem a disorienting new politics and aesthetic for Washington, but the patron behind both events is a figure already in D.C.: Jeff Giese, a little-known entrepreneur. The 41-year-old Giese exudes the air of a West Coast investor; on workdays, he haunts the hip environs of Logan Circle, and he asked to meet me at a coffee house off 14th Street that is very much part of blue, Obama-era

Washington. Giese graduated from Stanford in 1997, a year after Rebekah Mercer, though he said he does not know her. He does know fellow Stanford alumnus Thiel, according to a person familiar with their relationship, and Thiel talked him out of attending law school. Instead, Giese went to work for Thiel Capital Management, the magnate's pre-PayPal investment venture, and then for Koch Industries' public affairs office.

In recent years, Giese says, he has become less of a libertarian and more concerned with the fortunes of Middle America. He says his travels in Europe and his homosexuality have made him concerned about Islamic incursions in the West. In February, he published a paper

titled "It's Time to Embrace Memetic Warfare" in a NATO-sponsored journal, calling for using the tactics of internet trolls to thwart the Islamic State's online propaganda; the ISIS tactics he studied have informed his own virtual pro-Trump insurgency, which he conducted in conjunction with the likes of Cernovich and Johnson, supplementing the uncoordinated efforts of thousands of anonymous pro-Trump Internet trolls.

Giese confers regularly with Cernovich about taking over the Republican Party and remaking it as pro-worker, perhaps with the help of a BuzzFeed-style think tank that distills policy into memes and makes those memes go viral. He views himself as a mentor and

moderating force within the Trumpist movement, and acknowledged that it has some growing up to do. "We need to evolve beyond trolling," he said. The tactic can still be appropriate, but only within certain parameters, he said. "We need to make sure it's used constructively and ethically."

There are other changes in store as well. Giese is an organizer of DeploraBall, and he invited Yiannopoulos' involvement in the party. But his young comrade's vision of shirtless Mexican laborers will not come to pass, and for a very pre-Trump, non-nationalist reason. "I find that offensive," Giese said. "My mother is a Mexican citizen."



## U.S. border officials are illegally turning away asylum seekers, critics say (UNE)

<https://www.facebook.com/josh.partiow1>

Several weeks ago, a former Guatemalan police officer walked up to U.S. private security guards at the border crossing here and asked for asylum in the United States.

"I am fleeing my country," the policeman later recalled telling the guards, explaining that he had survived two attempts on his life. "I am being persecuted in a matter of life and death."

The policeman said he was told he needed to see Mexican immigration authorities, who would put him on a waiting list to make his case to U.S. officials. But Mexican authorities refused to add him to the list, the policeman said, and he has been stuck in northern Mexico.

Today's WorldView

What's most important from where the world meets Washington

Please provide a valid email address.

The Guatemalan is one of hundreds or perhaps thousands of foreigners who have been blocked in recent months from reaching U.S. asylum officials along the border, according to accounts from migrants and immigration lawyers and advocates.

The details of their [cases](#) vary. At the U.S. border crossing between Tijuana and San Diego, numerous asylum seekers from Central America and Mexico have been referred to Mexican authorities for an appointment with U.S. officials — but Mexican authorities often turn them down, according to migrants and immigration lawyers. In other places, migrants have been told by U.S. border agents that the daily

quota for asylum cases has been reached or that a visa is required for asylum seekers, a statement that runs contrary to law, immigration advocates say.

A spokesman for U.S. Customs and Border Protection, Michael Friel, said that there has been "no policy change" affecting asylum procedures, which are based on international law aimed at protecting some of the world's most vulnerable and persecuted people. And "we don't tolerate any kind of abuse" by U.S. border officials, he said.

But the proliferation of problems has raised alarm among advocates for migrants.

"This is happening on a daily basis," said Kathryn Shepherd, a lawyer with the American Immigration Council, a Washington-based advocacy group, who says she has testimony from dozens of asylum seekers denied access to U.S. asylum officials at border crossings in San Diego; Nogales, Ariz.; and Texas cities including Laredo, El Paso and McAllen.

The council and five other organizations filed [a complaint](#) with the Department of Homeland Security's Office for Civil Rights and Civil Liberties on Friday protesting the "systemic denial of entry to asylum seekers." The U.S. border agency — Customs and Border Protection, or CBP — is part of the department.

The surge in complaints comes as migrant advocates [fear](#) a broad crackdown on the border, one of President-elect Donald Trump's main campaign promises.

The United States has long adhered to international laws and conventions allowing people to seek

asylum on grounds that they are being persecuted because of their race, religion, nationality, political beliefs or other factors. If a Border Patrol agent encounters a U.S.-bound migrant without legal papers and the person "expresses fear of being returned to their home country, our officers are required to process them for an interview with an asylum officer," said Friel.

The number of asylum applicants has been soaring. Some 83,000 such requests were [filed](#) at U.S. airports, border crossings and other entry points in 2015, more than double the number in 2011, according to a November report from the Department of Homeland Security.

(Whitney Leaming/The Washington Post)

Border Agent Annjeri Workman has spent the last three years patrolling the busiest stretch of the Texas-Mexico Border. Despite a campaign for a more diverse force, U.S. Customs and Border Patrol has struggled to hire more female agents. Border Agent Annjeri Workman has spent the last three years patrolling the busiest stretch of the Texas-Mexico Border. Despite a campaign for a more diverse force, U.S. Customs and Border Patrol has struggled to hire more female agents. (Whitney Leaming/The Washington Post)

Bureaucratic change

On a rainy morning three days before Christmas, a 34-year-old Honduran woman walked up to the Laredo border crossing with her 6-year-old daughter. The woman, who asked to be identified only by her first name, Xiomara, to protect her safety, said in an interview that she had fled an abusive husband who

beat her and her children with belts and machetes. At the border, a U.S. official told her she needed a visa to cross, the Honduran recalled.

"I told him that I don't have a visa but I want asylum and he told me no, get out of here, and go back to your country," Xiomara said, according to a written declaration she made to her lawyer under penalty of perjury. When she tried to plead her case, a female U.S. border guard "told me they didn't want illegals in her country and to come back if I had a visa," Xiomara said.

Two days later, she said, she swam across the Rio Grande and was picked up by U.S. Border Patrol officers. On Jan. 3, she received a "positive" finding in her interview with an asylum officer, suggesting she has a good probability of winning her asylum case.

Diego Iniguez-Lopez, a law graduate based in Dilley, Tex., who works with detained migrants, said he started hearing about cases of rebuffed migrants after the U.S. presidential election.

Friel, the CBP spokesman, said there is "zero [evidence] to corroborate any kind of change in tone or guidance or policy" since Trump's victory.

In Tijuana, one of the border's busiest crossings, lawyers, migrants and human rights advocates describe a bureaucratic change that appears to have gone awry. Over the past year, at least 16,000 Haitians [descended](#) on the city, many of whom had fled to Brazil after the disastrous 2010 earthquake and then rushed north once the Brazilian recession started to bite.

With migrant shelters filled and Haitians sleeping on the street outside the port of entry, U.S. and Mexican authorities organized a new ticketing system to bring order to the chaos, according to Mexican officials. Under it, U.S. officials would refer Haitian migrants to Mexican authorities to receive a number on a waiting list, then process a limited number per day, currently about 20 to 50 people, officials said.

The problem is that U.S. border authorities have been referring not just Haitians but other Latin American asylum seekers to the Mexican authorities, according to migrants, lawyers and staff at migrant shelters. And the Mexican authorities refuse to issue numbers to those people because the system is designed to handle only Haitians, said the head of Mexico's immigration office in Tijuana, Rodulfo Figueroa.

Some migrants eventually reach a U.S. asylum officer with the help of lawyers; others venture elsewhere along the dangerous border or return home, said migrant advocates and shelter staff.

"We've basically arrived at a place where applying for asylum is not

available to most people," said Ian Philabaum of the [Innovation Law Lab](#), a nonprofit organization that works with immigration lawyers.

Philabaum visited several migrant shelters in Tijuana in early November. He met 35 people, the majority Mexicans, who were "denied or deterred the ability to request asylum," according to a memo he wrote after his investigation.

A spokeswoman for the U.S. border agency in San Diego, Angelica De Cima, declined to provide information about the new ticketing system, beyond saying that the United States "has collaborated with the Mexican authorities to improve the processing and humanitarian assistance of those individuals with no legal status to enter the U.S. This is being done to temporarily house the individuals in a more comfortable location and out of the elements."

'Not going back'

In early December, more than 20 migrant shelters and immigration organizations in northern Mexico sent a letter to senior Mexican officials saying it was illegal for Mexico to act as the gatekeeper for U.S. migration authorities.

"Mexican authorities do not have the ability or training to participate in the process and, when they do so, commit serious errors and violations of migrants' human rights," the letter said.

A 50-year-old Guatemalan woman who said two of her sons were killed by gangs tried on two occasions in November to apply for U.S. asylum at the Tijuana-San Diego crossing. But she was told by Mexican authorities that she would have to return to southern Mexico, where she had entered the country, to obtain legal papers allowing her to transit through Mexico, according to a copy of her personal statement given to The Washington Post by a shelter where she was interviewed. She traveled east to Nogales, but U.S. officials there also referred her to Mexican authorities, who told her she did not have the right to request asylum, according to her statement.

Joanna Williams, director of education and advocacy with the Nogales-based Kino Border Initiative, which helps migrants recently deported from the United States, said U.S. Border Patrol officials in recent months have periodically rejected asylum seekers, claiming they do not have the capacity to process them.

The Guatemalan policeman, who asked to be identified only by his first name, Wilson, because of fear for his safety, said he has been blocked at least four times in Tijuana from speaking with U.S. border officials. On one trip, which was videotaped, the private U.S. security guard told him he needed to go to Mexican immigration authorities. But they told him he could not be put on the waiting list to approach U.S. officials, he said.

In the past two years, he said, he has suffered two assaults — he was shot at, and hit by a truck while on his motorcycle with his 10-year-old nephew. He suffered a broken skull and his nephew was killed in the truck assault, he said. Wilson attributed both attacks to a person in the government who he said has threatened him. He declined to name the person or provide details of the threats.

"This is too much for me," he said. "But I'm not going back to Guatemala for any reason."

Gabriela Martinez contributed to this report.



## Samuelson : What Obama deserves credit for — and doesn't

By Robert J. Samuelson

It is far too early to render final judgment on the Obama presidency. All the chatter about his "legacy" overlooks two obvious realities. The significance of President Obama will depend heavily on events that have not yet happened (for starters, the fate of the Iranian nuclear deal) and comparisons, for better or worse, with his successor. Still, it's possible to make some tentative observations.

As I've [written before](#), the administration's greatest achievement was, in its first year, stabilizing a collapsing economy and arguably avoiding a second Great Depression. Even now, only eight years after the event, many people forget the crash's horrific nature. Unemployment was increasing by roughly 700,000 to 800,000 job losses a month. No one knew when the downward spiral would stop.

In this turbulence, Obama was a model of calm and confidence. The policies he embraced — various economic stimulus packages, support for the Federal Reserve, the rescue of the auto industry, the shoring up of the banking system — were what the economy needed,

though they were not perfect in every detail. Although the subsequent recovery was disappointing, it's not clear that anyone else would have accomplished more.

Read These Comments

The best conversations at The Washington Post

Please provide a valid email address.

If Obama had done nothing else, rescuing the economy would ensure a successful presidency. But he did do other things, and we shouldn't forget the historic significance of having an African American as the nation's leader.

Still, his broader record is mixed. I think he will get credit for Obamacare, regardless of how Donald Trump and the Republicans modify it. The argument will be made, accurately I think, that the expansion of insurance coverage to roughly 20 million Americans would never have occurred if Obama hadn't put it at the top of his agenda.

This does not mean that promoting Obamacare was uniformly wise. It did not solve the problem of high health-care costs, and it aggravated political polarization. It also seems a

product of personal ambition, reflecting Obama's desire to be remembered as the liberal president who finally achieved universal coverage. In reality, even after the 20 million, there were an estimated 28 million uncovered Americans in 2016, says the [National Center for Health Statistics](#).

Some of Obama's biggest setbacks were widely shared. One was coming to grips with an aging society. As I've repeatedly written, the growing population of older people is distorting government priorities, because Social Security, Medicare and Medicaid (which covers nursing home care) increasingly dominate the federal budget, squeezing other programs and enlarging budget deficits.

Obama never dealt aggressively with this problem, because doing so would have offended his liberal political base. His failure made it impossible to secure major concessions from Republicans on raising taxes. Similar failures plagued immigration policy and climate change. Facing political paralysis, Obama resorted to executive orders and regulations. Many will probably be revoked in a Trump administration.

What Obama lacked was the ability to inspire fear as well as respect,

and this also helps explain why his foreign policy often fell short — Syria being the best but not the only example. Few presidents have worshiped their words more than Obama. To take one example: His farewell speech last week ran 50 minutes; the average for seven other post-World War II presidents was 18 minutes, according to [the Wall Street Journal](#).

Not only did he worship his words, but he assigned them more power than they possessed. At times, he seemed to treat the White House as a graduate-school seminar where he was the smartest guy in the room and, therefore, deserved to prevail. At news conferences, he gave long, convoluted responses full of subtleties that may have impressed political and media elites but didn't do much to shift public opinion.

Our government has turned into a quasi-parliamentary system. Controversial proposals are supported and opposed mainly, or exclusively, by one party or the other. This is a bad development. It strengthens fringes in both parties, who hold veto power. It discourages compromise and encourages stalemate. The legislation it produces is often acceptable to partisans but less so to the wider

middle class, undermining public faith in government.

The question historians need to ask is whether Obama contributed to this dysfunctional system or was victimized by it. He was unable to

construct a working relationship with congressional Republicans. Was this because, as the White House has contended, Republicans had been unmovable from partisan positions? Or was Obama complicit,

because his own partisan constraints left little maneuvering room? Maybe both.

In this era of snap judgments, a true verdict on Obama is years away.



## Editorial : Obama's last chance to give some deserving people a second one

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

IN THE final days of his presidency, Barack Obama has an opportunity to give some deserving people a second chance. He has the power to grant executive clemency — pardons and sentence commutations — to those who have been subject to inequities in the justice system, such as unduly long sentences that they would not have received under current guidelines. The president, who has been [accelerating](#) his use of this authority in recent months, should give it his best effort before crossing the finish line.

When properly carried out, the process of pardons and commutations can often be mundane. But Mr. Obama devoted far too little attention to it in his first term and granted mercy to only a handful of people. Then in 2014, halfway through his second term, the administration announced a

[clemency initiative](#) to prioritize applications from inmates serving federal sentences who would have likely received a substantially lower sentence today and who were nonviolent, low-level offenders who had served at least 10 years, among other criteria.

Many drug offenders were given [long sentences under older laws](#), in some cases decades long. When the sentencing law was revised in 2010, these [offenders from earlier years remained incarcerated](#). Among them are prisoners convicted of sale and possession of crack cocaine who were treated more harshly than those with powder cocaine, a distinction without a difference. As Mr. Obama noted in a recent [essay](#) in the Harvard Law Review, the push in recent decades for stricter laws and tougher sentences hit the African American and Hispanic communities disproportionately hard.

[Read These Comments](#)

The best conversations at The Washington Post

Please provide a valid email address.

Mr. Obama seems [determined](#) in the final year to do the right thing. He has now [commuted sentences](#) for 1,176 people, including 231 on a single day in December, and [more are expected this week](#). He has also granted 148 pardons so far and thankfully avoided any embarrassing forgiveness for high-profile donors or cronies. He has denied 14,485 commutation requests and 1,629 pardon requests; 4,242 commutation requests and 505 pardon requests were closed without presidential action. Mr. Obama's [record](#) of commutations is greater than that of any president of the post-World War II era, excepting President Gerald Ford's [1974 clemency program for thousands of Vietnam War-era draft dodgers](#) and military deserters.

The Obama initiative of 2014 has been followed by a [surge](#) of applications; as of Dec. 31, still pending were some 13,568 for commutation and 2,154 for pardon. Had Mr. Obama moved earlier to establish a regular process for executive clemency, many of these might have been dealt with in a more timely fashion. [Justice Department officials say](#) they have worked hard to review thousands of petitions and have sent recommendations to the president. The outlook for clemency in a Trump presidency is not very promising, given the president-elect's law-and-order campaign rhetoric.

Mr. Obama would be wise in his final act to forgive more of those with the unreasonably long sentences that would not be imposed today. Also, he should give Mr. Trump a tip from experience: Set up a process for clemency decisions early on, and stick with it.



## Fund and von Spakovsky : Obama's 'Scandal-Free Administration' Is a Myth

John Fund and Hans von Spakovsky

Jan. 16, 2017 7:06 p.m. ET

You often hear that the Obama administration, whatever its other failings, has been "scandal-free." Valerie Jarrett, the president's closest adviser, has said he "prides himself on the fact that his administration hasn't had a scandal and he hasn't done something to embarrass himself."

Even Trump adviser Peter Thiel seems to agree. When the [New York Times's](#) Maureen Dowd observed during an interview that Mr. Obama's administration was "without any ethical shadiness," Mr. Thiel accepted the premise, saying: "But there's a point where no corruption can be a bad thing. It can mean that things are too boring."

In reality, Mr. Obama has presided over some of the worst scandals of any president in recent decades. Here's a partial list:

- *State Department email.* In an effort to evade federal open-records

laws, Mr. Obama's first secretary of state set up a private server, which she used exclusively to conduct official business, including communications with the president and the transmission of classified material. A federal criminal investigation produced no charges, but FBI Director James Comey reported that the secretary and her colleagues "were extremely careless" in handling national secrets.

- *Operation Fast and Furious.* The Obama Justice Department lost track of thousands of guns it had allowed to pass into the hands of suspected smugglers, in the hope of tracing them to Mexican drug cartels. One of the guns was used in the fatal 2010 shooting of Border Patrol Agent Brian Terry. Congress held then-Attorney General Eric Holder in contempt when he refused to turn over documents about the operation.

- *IRS abuses.* Mr. Obama's Internal Revenue Service did something Richard Nixon only dreamed of doing: It successfully targeted

political opponents. The Justice Department then refused to enforce Congress's contempt citation against the IRS's Lois Lerner, who refused to answer questions about her agency's misconduct.

- *Benghazi.* Ambassador Chris Stevens and three others were killed in the attack on a U.S. diplomatic compound in Libya. With less than two months to go before the 2012 election, the State Department falsely claimed the attack was not a terrorist attack but a reaction to an anti-Muslim film. Emails from the secretary later showed that she knew the attack was terrorism. Justice Department prosecutors even convinced a magistrate judge to jail the filmmaker.

- *Hacking.* Mr. Obama presided over the biggest data breach in the federal government's history, at the Office of Personnel Management. The hack exposed the personnel files of millions of federal employees and may end up being used for everything from identity theft to blackmail and espionage. OPM

Director Katherine Archuleta, the president's former political director, had been warned repeatedly about security deficiencies but took no steps to fix them.

- *Veterans Affairs.* At least 40 U.S. veterans died waiting for appointments at a Phoenix VA facility, many of whom had been on a secret waiting list—part of an effort to conceal that between 1,400 and 1,600 veterans were forced to wait months for appointments. A 2014 internal VA audit found "57,436 newly enrolled veterans facing a minimum 90-day wait for medical care; 63,869 veterans who enrolled over the past decade requesting an appointment that never happened." Even Mr. Obama admitted, in a November 2016 press conference, that "it was scandalous what happened"—though minutes earlier he boasted that "we will—knock on wood—leave this administration without significant scandal."

All of these scandals were accompanied by a lack of transparency so severe that 47 of



Mr. Obama's 73 inspectors general signed an open letter in 2014 decrying the administration's stonewalling of their investigations.

One reason for Mr. Obama's penchant for secrecy is his habit of breaking rules—from not informing Congress of the dubious prisoner swap involving

Sgt. Bowe Bergdahl and the Taliban, to violating restrictions on cash transfers to Iran as part of a hostage-release deal.

The president's journalistic allies are happily echoing the "scandal-free" myth. Time's Joe Klein claims Mr. Obama has had "absolutely no hint of scandal" in his presidency.

The media's failure to cover the Obama administration critically has been a scandal in itself—but at least the president can't be blamed for that one.

*Mr. Fund is a columnist for National Review. Mr. von Spakovsky is a senior legal fellow at the Heritage Foundation. They are co-authors of*

*"Obama's Enforcer: Eric Holder's Justice Department" (Broadside, 2014).*

## The New York Times

### Leonhardt : The Most Successful Democrat Since F.D.R.

David Leonhardt

It wasn't enough because of the depth of the country's problems. Soaring inequality. Unregulated Wall Street. Underperforming schools. Millions lacking health insurance. Climate change.

More than a few times during Obama's presidency, he has seemed to be following the pattern of liberal disappointment. The left would despair that he was [too soft](#), while the right would cast him as either evil or hapless. Just when he seemed to have conquered his critics, the most shocking threat came along: the election of Donald J. Trump.

Three days from now, Trump and congressional Republicans will have the power to begin undoing Obama's presidency. And yet they are going to have a harder time than many people realize.

A clear explanation of why appears in [a new book](#), "Audacity," by Jonathan Chait of New York magazine, one of today's [must-read](#) political journalists. He documents the scale of Obama's domestic policy, [on health care](#), taxes, finance, climate, civil rights and

education. Chait also explains why it won't simply disappear.

While Trump will obviously be able to reverse some policies, he will also face obstacles. First, some of Obama's changes are popular, even if passing them was hard. Look at Obamacare. Republicans promise to repeal it, but have accepted Obama's [terms of the debate](#): They claim that they won't take health insurance away. The baseline has been reset.

Second, Obama's presidency unleashed changes that Washington doesn't control. Many states have become less tolerant of poorly performing schools. Climate policy [helped make](#) clean energy increasingly cost-competitive, on its own.

Third, Senate Democrats still have the ability to filibuster some Republican wishes, including the reversal of financial regulation. "The fatalistic conclusion that Trump can erase Obama's achievements is overstated — perhaps even completely false," Chait writes.

The book is a brave one, because journalists are usually loath to call a politician successful, for fear of

being branded naïve or partisan. We're comfortable calling balls as balls, but prefer to criticize strikes as imperfect. (And all strikes, like all politicians, are indeed imperfect.) As a result, we too often give an overly negative view of current events only [to wax nostalgic](#) about those same events decades later.

In truth, Obama succeeded by taking a rigorous, evidence-based approach to government. He began trying to broker bipartisan deals and, when that failed, governed as a tough Democrat, with crucial help from Nancy Pelosi and Harry Reid. Obama's [mistakes](#), like [Syria](#), were serious, but no president yet has avoided serious errors.

Obama leaves office as the most successful Democrat since Franklin Roosevelt. His effect on the "trajectory of America," to use his benchmark, was certainly smaller than Roosevelt's, but is in the same league as Reagan's. Obama did more while in office, while Reagan better protected his policy changes, thanks to [Republican gains](#) in state and congressional elections — and the victory of his chosen successor.

Obama's glaring failure on that last count leaves his allies needing to

fight, [hard](#), to defend their successes, rather than to make further progress on problems that badly need it, like climate and inequality. But it's a testament to the last eight years that progressives have so much to defend.

"Any large scale of reordering of power and resources in American life will inevitably face resistance, sometimes for decades," Chait writes. It happened after Reconstruction, the New Deal and the civil rights movement. But by continuing to fight, through victory and setback, the advocates of a freer, more broadly prosperous country won many more than they lost.

When future historians look back on today, they're likely to come to a similar conclusion. They are also likely to believe that Obama's vision of America was far superior to Trump's. After all, a [vast majority](#) of Americans born in the last few decades share Obama's vision. And history is ultimately written by the young.

## The New York Times

### Editorial : Mr. Obama, Pick Up Your Pardon Pen

For more than four decades, Sala Udin [lived under the shadow](#) of a federal firearms conviction, the result of a search by the Kentucky police who found an unloaded shotgun in the trunk of his car in 1970.

Mr. Udin, who had been a Freedom Rider during the civil rights era, carried the gun for protection as he drove around the South. After eight months in prison, he lived an exemplary life, serving on the Pittsburgh City Council and playing a role in the city's redevelopment. But when President Obama visited Pittsburgh in 2009, Mr. Udin wasn't allowed to meet him: His criminal record prevented such an encounter.

Last month, Mr. Obama [issued Mr. Udin](#) a pardon — one of just 148 pardons the president has granted during his two terms in office. It is an abysmally low number for a

president who has stressed his commitment to second chances and the importance of helping convicted people re-enter society.

The White House [has been trumpeting](#) Mr. Obama's use of his clemency power in the last two years, especially his nearly 1,200 commutations of prison sentences, more than the last several presidents combined. Most of these inmates were serving outrageously long terms, including life without parole, for nonviolent drug crimes. Commuting those sentences is meaningful progress, even if Mr. Obama could and should have started much earlier and released thousands more deserving people.

But when it comes to the other type of executive clemency — pardons — Mr. Obama hasn't been an improvement over his predecessors. Unlike a commutation, which shortens or ends a prison sentence, [a pardon](#) is

an act of forgiveness granted to someone who has completed a sentence. Pardons remove the stigma of conviction and restore the right to hold office, to vote, to obtain certain business licenses and to own a gun — all activities that can be denied those with criminal records.

For almost everyone with a criminal conviction, a pardon is the only path back to full citizenship. Throughout most of American history, [presidents granted them liberally](#). Mr. Obama is a different story. He took office with more than 800 pending pardon requests. During his presidency he received [almost 3,400 more](#). He denied more than 1,600 and closed 500 others without taking any action. So he will leave office with roughly 2,000 pending requests on his desk — an embarrassing record that isn't excused by the [similarly poor showings](#) of other recent presidents.

The reluctance to grant pardons makes even less sense than a reluctance to give out commutations, since the sentences have already been served and there is no public safety concern.

In both cases, the trouble rests with the people acting as the gatekeepers of mercy. The clemency process is run out of the Justice Department, where career prosecutors have little interest in reversing the work of their colleagues. It's a recipe for intransigence, dysfunction and injustice on a mass scale.

Mr. Obama understands the problem, even if he didn't fix it. As he [wrote in an article](#) published in this month's issue of The Harvard Law Review, the process operates like a lottery, making it hard to tell what distinguishes the few lucky applicants who get clemency from the many deserving ones who don't.

There is a better way. In both liberal and conservative states, from Delaware and Connecticut to Nebraska and Georgia, the pardon process is more predictable and transparent. Some states require independent boards to make pardon recommendations to the governor; others hold regularly scheduled public hearings. All take the executive's job of granting mercy seriously, which makes those grants both more fair and more common.

On Mr. Obama's first Inauguration Day, in 2009, President George W. Bush [gave him](#) a good piece of advice: Pick a pardon policy and stick with it. Perhaps President-elect Donald Trump will learn from Mr. Obama's failure to heed that wisdom.