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FRANCE – EUROPE



Katz: An American in Paris? Non, It's the French President

Eliora Katz
 5-6 minutes

July 2, 2017 5:11 p.m. ET

Paris

"Seeking the American Macron!" the Weekly Standard's Bill Kristol tweeted the other day, expressing his disdain for Republicans and Democrats. To hear the French philosopher Alain Finkielkraut tell it, Mr. Kristol should look in Paris.

Like the anti-Trump Mr. Kristol, Mr. Finkielkraut didn't care for either choice in his country's recent

presidential election. He has no truck with the xenophobic nationalism of Marine Le Pen's National Front. As for President Emmanuel Macron, he is far too American for Mr. Finkielkraut's taste.

The new leader's official presidential portrait photo was unveiled last week, and the French media noted its striking resemblance to Barack Obama's from 2012. Mr. Macron sent supporters to knock on voters' doors, a campaign practice that is familiar to Americans but was unheard of here. When the president sings "La Marseillaise," the French national anthem, he closes his eyes and holds his hand over his heart. "This is not our

tradition," Mr. Finkielkraut, 67, told me in a recent interview at his book-lined apartment near Jardin du Luxembourg.

Mr. Finkielkraut himself is a distinctly French type, a celebrity intellectual à la Régis Debray, Pascal Bruckner or Bernard-Henri Lévy. His complaints about Mr. Macron—and America—run deeper than political symbolism and ritual. He argues that France faces a "civilizational" crisis, a degeneration of social bonds whose symptoms include a decaying language, an inability to integrate immigrants, a contempt for French history, and a rise in terrorism, which he calls "the new ambient music of Europe."

Much of this he blames on multiculturalism, which he sees as a worldview made in America. "France is an old civilization; it has the right to preserve itself," he says. "The multicultural society is a multi-conflicted society." In particular, large waves of Muslim immigrants have failed to adopt the values of the secular republic, known as *laïcité*. Candidate Macron celebrated France's cultural disunity, proclaiming: "There is no such thing as a single French culture." To Mr. Finkielkraut, multiculturalism is a form of American "imperialism"—one that, by denying a country like France its right to maintain its

particular identity, belies its claim to celebrate diverse cultures.

"We willingly accept the replacement of the French language by 'Globish,'" Mr. Finkelkraut laments. To illustrate, he cites the English-language slogan of Paris's 2024 Olympic bid: "Made for sharing." Originally used in a Cadbury chocolate commercial, the slogan was later adapted by Burger King for its wedge-sliced Pizza Burger.

Then there is the new president's economic program. "Emmanuel Macron's philosophy is that of *homo economicus*," Mr. Finkelkraut

explains, referring to the theory that man's motivations come down to rational self-interest. Mr. Macron, a former investment banker, often sounds less like de Gaulle than Zuckerberg. Last month he proclaimed in English: "I want France to be a nation that thinks and moves like a startup." He promised the French state would be a "platform and not a constraint" and added: "Entrepreneurship is the new France."

The new France sounds a lot like the old America, but Mr. Finkelkraut isn't alone in thinking the country

already resembles the U.S. in its social problems. One of the most popular books in Paris is Christophe Guilluy's "The Peripheral France," which cites growing inequality between big cities like Paris and Lyon, which benefit from globalization, and the left-behind rest of the country.

Never known as a cheery people, the French are now the most pessimistic on earth. One 2016 global poll found 88% of Frenchmen felt their country was heading in the wrong direction—the highest rate of gloom among all nations surveyed.

To be sure, France's sclerotic welfare and regulatory state has stymied growth. But Mr. Finkelkraut argues that what his country needs isn't a Silicon Valley on the Seine, but a *raison d'être*—a sense of confidence in its purpose and way of life.

Mr. Macron ran on the slogan, "En Marche!"—"Forward!" or "On the Move!" That's also the name of his new party. It begs the question: *En marche où? Where to?*

Ms. Katz is a Robert L. Bartley Fellow at The Wall Street Journal.



Macron to make US-style State of the Union address

By Melissa Bell, CNN

Updated 4:42 AM ET, Mon July 3, 2017

- Macron to make Versailles speech Monday
- French President to address both houses of parliament

Paris (CNN) Emmanuel Macron will return to the birthplace of French democracy Monday in his latest attempt to reshape the nature of the French presidency.

Amid the spectacular beauty and opulence of the Palace of Versailles, the French president will address leaders of both houses of parliament in a US-style State of the Union address.

The palace has already played host to Macron's chastising of Russia's President Putin, but now it appears set to welcome yet another episode in the new president's charm offensive.

Choreographed appearances

But it is not just the majestic setting of the palace that makes Macron's decision to speak at Versailles so intriguing, but the symbolism too.

It was there in 1789, in the Real Tennis Room built by Louis XIV, that French revolutionaries gathered to form the first national assembly, vowing to stick together until a constitution was granted.

On Monday, France's newly elected national assembly members and its senators will be meeting in the Palace of Versailles itself to hear Macron, deliver something new to French democracy: its first US-style

State of the Union address.

It won't be the first time the joint houses of parliament have gathered in Versailles in recent times. Nicolas Sarkozy gathered them there in 2009 to consider constitutional changes and Francois Hollande did the same immediately after the terror attacks of November 2015 to announce a state of emergency.

But such events are rare and driven by particular circumstances. Macron has decided to make what was the exception in French politics, one of its new rules.

Russian President Vladimir Putin looks around as he walks alongside Macron in the Galerie des Batailles.

Read: Trump and Macron, friends or foes on Bastille Day?

It will be good to hear from him. The French have not heard much from him since his election on May 7. Apart from one interview given to several European newspapers on the question of Europe, the new French president has been remarkably silent and intentionally so.

The answer to Trump's handshake, a bear hug 02:00

His appearances have been infrequent, carefully choreographed, and his contacts with journalists limited and so tightly controlled that the Élysée has handpicked the journalists allowed on foreign presidential trips.

And last week the Élysée went even further, announcing that Macron would break with tradition on Bastille Day this year by not giving the traditional televised interview.

The reason given by the Élysée to the French media? That the president's thought process is simply too "complex" to lend itself to

the "game" of questions and answers with journalists. Besides, say those around him, he will have made clear his plans for the country in Monday's address.

Strategy designed to avoid mistakes

It is typical of Macron's communications strategy so far. A strategy dictated by the desire to avoid the mistakes made by the overly talkative Hollande whose openness with journalists so spectacularly backfired.

It led to an image problem that made him the most unpopular president in the history of the Fifth Republic. The French public never forgave him for not being "un homme d'etat," a man who could be the embodiment of all the power that is invested in the French presidency.

The role was reinvented at the founding of the Fifth Republic to fix the instabilities caused by an overly powerful parliament in the Third and Fourth Republic.

French deputies and senators attend a special congress of both houses of Parliament at the Versailles Palace.

Read: Macron, the 39-year-old strongman Europe needs

It is considered the most powerful position in the Western world. A position created by Charles de Gaulle for Charles de Gaulle and until now, one that has often represented a struggle for the successors who have sought to live up to its potential.

But Macron has taken it one step further. His improbable presidential campaign all but eliminated the mainstream political parties and therefore any hope of a credible

opposition for the foreseeable future.

Historic majority

June's parliamentary elections handed him an absolute and historic parliamentary majority. With both the executive and legislature in his hands, Macron is an incredibly powerful man. The danger now is that he becomes unaccountable.

Macron slams Russian news as Putin watches 00:56

Already there has been much grumbling within the French press about the president's lack of openness and proximity.

On Monday, he will be speaking to the French public not through journalists but addressing parliamentarians -- most of them his own.

Read: Macron's party wins majority in French parliament

He will be doing so not from the Élysée but from Versailles, which may be the birthplace of French democracy, but is a far more powerful symbol of what democracy replaced.

Its scale, its carefully manicured gardens, its gilt corridors and mirrored banquet rooms are all reminders of what unchecked power can bring.

Macron has the right to speak there and the power to make his speech an annual event. The danger is that by choosing as a backdrop the ultimate symbol of absolute power, he will be drawing attention to the very thing that many in France feel he may have too much of.



Macron to give speech at special French parliament session (online)

By Associated Press

1-2 minutes

By Associated Press July 3 at 5:21 AM

VERSAILLES, France — French President Emmanuel Macron will lay out his political, security and diplomatic priorities at an extraordinary joint session of parliament at the



3-4 minutes

BAMAKO, Mali — President Emmanuel Macron of France on Sunday promised strong support for a new multinational military force to combat extremists in parts of West Africa, saying the “terrorists, thugs and assassins” needed to be eradicated.

Meeting in Mali with leaders from the five countries that make up the Sahel region, Mr. Macron said France would provide military support for antiterrorism operations and 70 tactical vehicles, communications, and operational and protective equipment.

The 5,000-strong force will be deployed by September, Mr. Macron said at a news conference in the

chateau of Versailles.

Critics who fear Macron is trying to amass too much power are staging protests over Monday’s event. After his new centrist party dominated parliamentary elections and split the opposition, political rivals are

France Pledges to Bolster African Antiterrorism Force

The Associated Press

Malian capital, Bamako, by which time the force’s funding is expected to be finalized.

The leaders of Mali, Mauritania, Niger, Burkina Faso and Chad — the countries of the Sahel region known as the G5 — must clarify their roles and contributions for the force to attract more support from outside countries, Mr. Macron added. “We cannot hide behind words, and must take actions,” he said.

The new antiterrorism force will operate in the region along with 12,000 United Nations peacekeepers in Mali, one of the most dangerous peacekeeping missions in the world, and an existing French force of 5,000, the country’s largest overseas mission. The new force is not meant to replace those missions, Mr. Macron said. “It’s a force that fights against

comparing Macron to Napoleon, or the Roman king-of-the-gods Jupiter.

They are especially angry that he wants to strip worker protections through a decree-like procedure, allowing little parliamentary debate.

terrorism, and the trafficking of drugs and humans.”

President Ibrahim Boubacar Keita of Mali said that each of the Sahel countries would contribute 10 million euros, or \$11 million, toward the force’s €423 million (\$480 million) budget.

The European Union has already pledged about €50 million (\$57 million) in support of the Sahel force. In June, the United Nations Security Council unanimously approved a resolution endorsing the new force. The United Nations, however, will not contribute financially.

The meeting with Mr. Macron and the Sahel leaders on Sunday came a day after the recently formed extremist group Nusrat al-Islam wal Muslimeen, based in Mali, released a video showing six foreign hostages seized in the region in recent years. The video claimed that

Macron is also breaking with tradition in convening the Versailles parliament session before his prime minister has won his first confidence vote in parliament. Monday’s event is similar to a state of the union speech, and meant to set the tone for his five-year presidency.

“no genuine negotiations have begun to rescue your children.”

Mr. Macron said he welcomed the first sign of life for several months from the French hostage in the video, Sophie Petronin. “They are terrorists, thugs and assassins,” Mr. Macron said of the extremists. “And we will put all of our energies into eradicating them.”

The threat in the region has been growing for years. A French-led intervention drove out Islamic extremists from strongholds in northern Mali in 2013, but the extremists have continued targeting peacekeepers and other forces. In March, the extremist groups Ansar Dine, Al-Mourabitoun and Al Qaeda in the Islamic Maghreb declared that they had merged into Nusrat al-Islam wal Muslimeen.



Macron Affirms French Support for West African Counter-Terrorism Force

VOA News

2-3 minutes

West Africa and France must work together to eradicate terrorism, French President Emmanuel Macron said Sunday, opening a summit in Bamako, Mali on forming a regional anti-jihadist force.

“Every day we face these terrorists, thugs, assassins whose names and faces we must forget but whom we must steadfastly and with determination eradicate together, and eradicate them because they

are doing it today, in the name of dividing people, in the name of a religion that is yours, and that you have rightly saluted, Mr. President, but which they distort to give it the face of ignorance and hatred,” Macron said, addressing his Malian counterpart, Ibrahim Boubacar Keita.

Macron said that France would provide military support, as well as 70 tactical vehicles, for a new multinational force dedicated to fighting terrorists in the region.

Mali, Burkina Faso, Chad, Mauritania and Niger — the so-

called G5 Sahel — have said they are coming together to provide troops to combat rising insecurity and jihadist attacks affecting their countries.

The G-5 Sahel troops would bolster the 4,000 French troops and the 11,000 UN peacekeepers already operating in the region.

As the six leaders addressed the rising threat of jihadist attacks in their countries, an al-Qaida affiliated group, Nusrat al-Islam wal Muslimeen, released a “proof of life” video showing six Western hostages it has taken over the past few years.

One of the hostages seen in the video clip released Saturday is Frenchwoman Sophie Petronin, who was kidnapped from the Malian city of Gao in December.

The French leader said France would “put all our energy towards eradicating” those responsible for kidnapping Petronin.

Macron visited Gao in northern Mali in May, his first trip outside Europe as president, and said French troops would remain “until the day there is no more Islamic terrorism in the region.”



French terror suspect wanted to attack Macron, minorities

Associated Press

2 minutes

2017, as part of his visit to Mali. (Photo: CHRISTOPHE ARCHAMBAULT, AFP/Getty Images)

PARIS - French authorities say a man has been given preliminary terrorism charges for plotting a possible attack on President Emmanuel Macron or minority groups.

Paris prosecutor’s office spokeswoman Agnes Thibault-Lecuire said Monday that the 23-year-old suspect’s plans were vague and not yet finalized, and that he appeared to be acting alone.

She said the man was arrested in the Argenteuil suburb Thursday, and told police of a possible plan to attack Macron on Bastille Day on July 14 and expressed nationalist

views. The man was given preliminary charges Saturday of individual terrorist activity.

Macron will oversee a military parade in Paris on Bastille Day alongside President Donald Trump. Macron then heads to Nice to mark the anniversary of the Islamic extremist truck attack that killed 86 people in the southeastern city.

Published 5:08 a.m. ET July 3, 2017 | Updated 5:08 a.m. ET July 3, 2017

French president Emmanuel Macron addresses members of the French community in Mali at the French residence in Bamako, on July 2,

Eight injured after gunmen open fire at French mosque

By Max Jaeger

1-2 minutes

Two gunmen injured eight people after opening fire on a group of Muslims outside of a French mosque Sunday.

The group was exiting the house of worship in the

southern French city of Avignon at about 10:30 p.m. when the gunmen, who were reportedly wearing masks, opened fire.

Two of the eight wounded were hospitalized after the incident, according to the source, who also said that worshipers leaving the mosque had not been the intended target.

Sources told Reuters the gunmen were trying to settle a score with someone else, and a judicial source told the La Provence regional newspaper that officials are "not at all treating it as terrorist related" and instead suspect it stemmed from a dispute between youths.

Four people were wounded outside the mosque while a family of four in

their apartment about 50 yards away took shrapnel, La Provence said.

Police arrested a man in the Paris suburb of Creteil last week after he tried to drive car into a crowd in front of a mosque.



Avignon Shooting: Eight Wounded in Shooting Outside Mosque

Joseph Hincks

1-2 minutes

Eight people have been wounded with two hospitalized in a shooting outside a mosque in the southern French city of Avignon on Sunday night.

Citing French daily *La Provence*, the BBC reports that two hooded gunmen opened fire on a crowd that included worshipers leaving the city's Arrahma mosque at 10:30 p.m. local time. Four people were injured outside the mosque and a family of four — including a seven-year-old girl — also reportedly suffered shrapnel wounds inside a nearby apartment.

Local officials said the shooting likely stemmed from a dispute between youths and was not being treated as a terrorist attack.

"The fact that it happened in the street of the religious establishment was unconnected with it," the prosecutor said.

On Thursday, a man was arrested in a Paris suburb after attempting to drive a car into worshipers outside a mosque there. On June 19, nine people were injured in a similar vehicular attack outside a mosque in North London.

[BBC]



Policiers Like Your Favorite Crime Show, but French (online)

Mike Hale

6-7 minutes

Clémence Poésy in "The Tunnel." Kudos Film & Television Ltd.

How can you tell you're watching a French television detective? There are moments when it's obvious, as when Commissaire Magellan, hero of the long-running "Magellan," uncovers a clandestine affair and tells his sergeant: "At last, a little sex. About time." I don't think we've heard that on "NCIS" lately.

Going by three French or partly French crime dramas now airing in the United States, though, the similarities outweigh the differences. In the international TV marketplace, a cop show is a cop show (or a spy show is a spy show), and English-speaking viewers checking out "The Bureau," "Magellan" or "The Tunnel" will quickly feel at home.

One note: While a plethora of foreign series of all types are available for bingeing, these shows, even the ones on streaming services, are being released weekly — each is two to four episodes into its season, a perfect time to sample.

'The Bureau'

SundanceNow, new episodes on Thursdays. Substitute for "Homeland."

A critical and ratings hit in France, "Le Bureau des Légendes" — the original title refers to the elaborate fake identities created for undercover agents — is set in the

French equivalent of the C.I.A., and much of the action takes place in the Middle East.

The parallels to "Homeland" extend to the troubled psyche of the main character, an agent with the code name Malotru (played by Mathieu Kassovitz of "Amélie"). His problems are caused not by brain chemistry but by the six years he spent in deep cover in Syria. In Season 3, the consequences of his time there are still playing out. He's been captured by the Islamic State, and he spends a fair bit of the first two episodes in a wooden box.

Mathieu Kassovitz as Malotru in "The Bureau." Canal+

"The Bureau" is clearly shot on a smaller budget than "Homeland" — even though it uses Moroccan locations, the Middle Eastern scenes can have a bargain-basement look. But it has the immediacy, tight pacing and sufficiently believable plot complications a show of its type requires; it may not deliver the action (and acting) highs of "Homeland," but moment to moment it can be more psychologically and politically credible.

With Malotru in a box, Season 3 gives more space to other characters, especially women: the handler Marie-Jeanne (Florence Loiret-Caille), the spy Marina (Sara Giraudeau), the Syrian scholar Nadia (Zineb Triki). Four or five separate plot lines have developed in the early episodes, connected to attempts to free Malotru but deftly tied in to larger questions about

bureau politics and the future of Syria.

'Magellan'

MHz Choice, new episodes on Tuesdays. Substitute for "Midsomer Murders."

"Magellan" is new to the streaming service MHz Choice, but it's been around: Its six seasons ran in France from 2009 to 2016. The polar opposite of "The Bureau," it's a cozy-mystery cop show set in a bucolic provincial town, and its similarities to the long-running British series "Midsomer Murders" are legion. If you're not afraid to admit you're a "Midsomer" fan, you should start watching "Magellan" immediately.

Jacques Spiesser, left, as the title character in "Magellan," with Bernard Alane. Bernard Fau/JLA

MHz is working its way through the first season, which introduces Simon Magellan (Jacques Spiesser), a detective in the fictitious Saignac (filmed in and around Lille, in northern France), a sleepy, picturesque town with a surprisingly high murder rate. Magellan, a widower with two daughters, is curmudgeonly but sneaky-hip in the vein of Tom Barnaby, the original "Midsomer" detective. Unlike the married Barnaby, Magellan can date — he has an on-again, off-again liaison with a reporter — and his daughters can get up to mischief, like placing a personals ad without his knowledge.

The conventions are in plain view — the pompous provincials who make

Magellan's life difficult; the eager sergeant who's practically a member of the family — but if they're to your taste, you won't find them better executed.

'The Tunnel'

PBS, check local listings. Substitute for "Broadchurch."

Titled "The Tunnel: Sabotage" in its second season, this angsty series set on either side of the Channel Tunnel is a British-French production, with about 25 percent of the action shot in France. PBS has shown three of the season's eight episodes (streaming at pbs.org), and they've been top-notch — tense and complicated but with less of the over-the-top shock value that characterized Season 1.

Comparing the series to "Broadchurch" might seem superfluous when it's already a remake of another popular drama, the Danish-Swedish show "The Bridge." But for Americans, the pairing of Stephen Dillane as the empathetic British detective and Clémence Poésy as his decidedly nonempathetic French counterpart will recall how essential the interplay of David Tennant and Olivia Colman is to "Broadchurch."

Mr. Dillane and Ms. Poésy are both very good, this time in a story involving terrorism and airplanes. With "Broadchurch" apparently finished after its current season, our appetite for odd-couple buddy-cop humor will have to be satisfied in the future by the third and final season

of "The Tunnel," scheduled for next year.



French Energy Giant to Invest \$1 Billion on Iran Gas Field (online)

Thomas Erdbrink
3-4 minutes

An Iranian worker on a platform of the oil facility on Khark Island, in the Persian Gulf. Total will take a 50 percent stake in the development of the South Pars gas field. Atta Kenare/Agence France-Presse — Getty Images

TEHRAN — The French energy giant Total has agreed to invest \$1 billion in Iran to develop a huge offshore gas field, Iranian news media reported on Sunday.

The agreement, the largest by a Western energy company in Iran since the 2015 deal to curb Tehran's nuclear program,

had been delayed in February as Total waited to see how the Trump administration's policy toward Iran would proceed.

President Trump has spoken out against the multilateral nuclear agreement, and his antipathy toward the pact and talk of further sanctions has raised concerns among foreign energy firms looking to invest in Iran. But the administration has approved sanction waivers allowing deals under the nuclear agreement.

Total will take a 50 percent stake in the development of the 11th phase of the South Pars gas field, investing \$1 billion into the \$4.8 billion project, the semi-official Tasnim news agency reported on Sunday. The other partners are the China

National Petroleum Corporation and the Iranian company Petropars.

The offshore South Pars gas field, which is shared by Iran and Qatar, was first developed in the early 1990s.

Total is the first Western energy company to invest in a large infrastructure project in Iran since the nuclear agreement, and analysts say they expect other European companies to follow. Royal Dutch Shell, another energy giant, has signed several memorandums of understanding for projects in Iran, as have dozens of other companies.

"We are proud and honored to be the first international company to sign" one of Iran's new oil and gas

contracts, a Total spokesman said in an email.

Several multibillion-dollar airplane deals between the American plane maker Boeing and its European competitor Airbus had been part of the nuclear agreement. And the French carmaker PSA has committed \$320 million to manufacture Citroen cars in Iran.

The Trump administration is undertaking a 90-day review of its policies toward Iran. At a meeting on Saturday in Paris, the former American ambassador to the United Nations, John Bolton, said he was certain the Trump administration would make a change in the leadership in Tehran a priority of its Iran policy.



13-17 minutes

We Didn't Kick Britain's Ass to Be This Kind of Country

Paul McLeary | 1 hour ago

Kagan in his history of American foreign policy, *Dangerous Nation*, had "unwittingly invented a new foreign policy founded upon the universalist ideology that the Revolution spawned." As Thomas Jefferson said, "We are pointing out the way to struggling nations who wish, like us, to emerge from their tyrannies."

Admittedly, America's devotion to its ideals has always been incomplete and imperfect; in its early years it tolerated slavery and in more recent times it has done deals with dictators. Nor have our ideals always translated into foreign policy success; sometimes, as in Vietnam or Iraq, they have led us astray. But, on the whole, the United States has been more generous and less self-interested than any other great power in history — and that approach has made it the most successful nation in the world over the past two centuries.

Yet now the very foundations of American foreign policy are being undermined by President Donald Trump. The president has pulled out of the Trans-Pacific Partnership and the Paris climate accords and called into question the future of the North American Free Trade Agreement and NATO. He has quarreled with democratic allies, from Mayor Sadiq Khan of London to Chancellor Angela Merkel of Germany, while lavishing praise on dictators. Trump has called Abdel Fattah al-Sisi of Egypt a "fantastic guy," Kim Jong Un of North Korea a "smart cookie," and Xi Jinping of China "a very good man" who "loves the people of China." Trump has told Rodrigo Duterte of the Philippines, who has killed at least 7,000 people without

benefit of trial, that he is doing an "unbelievable job on the drug problem," and he has praised Recep Tayyip Erdogan of Turkey for his victory in a rigged referendum that was widely seen as the death knell of Turkish democracy.

If Trump has any concern for democracy or human rights, he has not revealed it — except as a cudgel with which to beat the communist regime in Havana and secure Cuban-American votes. When asked to condemn Vladimir Putin's murders of dissidents, Trump refused to do so, saying, "What, you think our country's so innocent?"

The president's senior national security and economic advisors, H.R. McMaster and Gary D. Cohn, wrote in the *Wall Street Journal* on May 30 that Trump believes "that the world is not a 'global community' but an arena where nations, nongovernmental actors and businesses engage and compete for advantage.... Rather than deny this elemental nature of international affairs, we embrace it." In other words, this administration rejects the Enlightenment ideals of the Founders and instead embraces a Hobbesian view of the world in which the natural state of mankind is a "perpetual war of every man against his neighbor."

It is worth briefly reviewing the importance of American values in American foreign relations to make clear what a profound and unwise break Trump is making with American traditions.

Initially Americans, as citizens of a small, vulnerable country on the eastern seaboard of North America,

were conscious of the limitations of their powers and did not at first go "abroad, in search of monsters to destroy," in John Quincy Adams's famous phrase from 1821. But they did provide moral and material support to freedom-seekers such as the Greeks revolting against the Ottomans in the 1820s and the Hungarians revolting against the Habsburgs in 1848-1849. In 1898 the United States went further. Enraged by colonial oppression in Cuba and blaming Spain for the mysterious explosion of a U.S. naval ship in Havana Harbor, the United States went to war. The Spanish-American War could be seen primarily as a humanitarian intervention, designed, in the words of Sen. John Sherman of Ohio, "to put an end to crimes... almost beyond description."

America's first involvement in a European war also was guided in large part by ideals that could trace back to the Declaration of Independence, although German U-boat attacks on American shipping and attempts to entice Mexico into the conflict were the immediate casus belli. In 1917, Woodrow Wilson won a declaration of war against Germany with this message to Congress: "The right is more precious than peace, and we shall fight for the things which we have always carried nearest our hearts — for democracy, for the right of those who submit to authority to have a voice in their own governments, for the rights and liberties of small nations, for a universal dominion of right by such a concert of free peoples as shall bring peace and safety to all nations and make the world itself at last free."

Needless to say, the “war to end all wars” and effort to “make the world safe for democracy” accomplished neither of those objectives, and little more than two decades later another world war broke out. On January 6, 1941, before the United States had even entered the conflict, President Franklin D. Roosevelt made clear that he would back embattled democracies. “In the future days, which we seek to make secure,” he told Congress, “we look forward to a world founded upon four essential human freedoms” — freedom of speech, freedom of religion, “freedom from want,” and “freedom from fear.” “Freedom,” he made clear, “means the supremacy of human rights everywhere. Our support goes to those who struggle to gain those rights and keep them.”

FDR’s idealistic commitment, carried forward by his successors, led to the creation after the war of the international institutions — the United Nations, the International Monetary Fund, the World Bank, the General Agreement on Tariffs and Trade (later the World Trade Organization), NATO — that Trump now treats with hostility. In keeping with the spirit of the “four freedoms,” the United States did not impose a Carthaginian peace on the Axis states of the kind that Trump advocated when he called for stealing Iraq’s oil. Instead, the United States offered the Marshall Plan to rebuild shattered societies and turn foes into friends.

Of course, FDR had to make certain concessions to reality — hence his decision to ally with Joseph Stalin’s murderous regime and to accept, at Yalta, that the Soviet Union would exercise predominant influence in Eastern Europe. But the United States never stopped resisting communism’s spread. In 1947, Roosevelt’s vice president and successor announced the Truman Doctrine, which would provide assistance to Greece and Turkey, with these words: “We are committed to the proposition that principles of morality and considerations for our own security will never permit us to acquiesce in a peace dictated by aggressors and sponsored by appeasers. We know that enduring peace cannot be bought at the cost of other people’s

freedom.”

The U.S. record in the Cold War was hardly one of unsullied support for freedom fighters. The United States helped to overthrow leftist but democratically elected leaders such as Mohammad Mosaddeh in Iran and Salvador Allende in Chile, while making common cause with strongmen from Mobutu Sese Seko in Zaire to Fulgencio Batista in Cuba because they were seen as the lesser evil. But the United States also implanted democracy in Germany, Italy, and Japan, and positioned its troops on the frontlines of freedom. From the Demilitarized Zone in Korea to the Fulda Gap in Germany, the United States risked nuclear war in defense of its allies without demanding anything in return. America also used its information organs, such as the Voice of America and Radio Free Europe/Radio Liberty, to keep the hope of freedom alive behind the Iron Curtain.

The major exception to the embrace of idealism as a critical component of foreign policy occurred in the Nixon administration.

The major exception to the embrace of idealism as a critical component of foreign policy occurred in the Nixon administration. Both Richard Nixon and his chief foreign-policy strategist, Henry Kissinger, did not allow sentimental considerations to impede the promotion of U.S. interests as they saw them. But the Nixon-Kissinger approach was not nearly as successful as it has been portrayed: The opening to China, for example, did not dissuade Beijing from supporting North Vietnam’s 1975 invasion of America’s ally, South Vietnam.

With U.S. power waning in the mid-1970s, both Republicans and Democrats sought to strengthen America’s moral leadership. I would not be sitting in New York writing these words had not Congress passed the Jackson-Vanik amendment in 1974 tying U.S. trade with the Soviet Union to Jewish emigration; two years later, my family moved from Moscow to Los Angeles. That very year — the bicentennial — Jimmy Carter won the presidency by promising to reinvent American “principles

and values” at home and abroad. Although criticized for naiveté, Carter helped to undermine Soviet rule in Eastern Europe by championing human rights.

He was succeeded by Ronald Reagan, who did a masterly job of fusing might and right. In his seminal 1982 address at the Palace of Westminster, Reagan vowed “to foster the infrastructure of democracy, the system of a free press, unions, political parties, universities, which allows a people to choose their own way to develop their own culture, to reconcile their own differences through peaceful means.” In fulfillment of this pledge, he created the National Endowment for Democracy, embraced dissidents behind the Iron Curtain, and funded “freedom fighters” from Afghanistan to Nicaragua (some of whom turned out to be extremists). He even called on Mikhail Gorbachev to tear down the Berlin Wall. These actions helped to hasten the end of the Cold War. It’s easy, of course, to oppose oppression by one’s enemies. But Reagan showed he was sincere in his commitment to freedom by championing democratic transitions in U.S. allies such as El Salvador, Taiwan, the Philippines, and South Korea.

Human rights concerns would continue to play a major role in American foreign policy after the end of the Cold War, leading to interventions in, inter alia, Somalia, Haiti, Bosnia, and Kosovo. Idealism in U.S. foreign policy reached a high water mark after 9/11. After having undertaken the liberation of Iraq and Afghanistan, George W. Bush proclaimed in his second inaugural address that “it is the policy of the United States to seek and support the growth of democratic movements and institutions in every nation and culture, with the ultimate goal of ending tyranny in our world.”

It’s been downhill ever since, because democratization has become associated with the costly conflict in Iraq and the failures of the Arab Spring. Freedom House reports that global freedom has been in decline for 11 consecutive years.

This was not all, or even mainly, America’s doing, but there is little doubt that

President Obama placed less emphasis on democracy promotion than did his predecessor.

President Obama placed less emphasis on democracy promotion than did his predecessor. While helping to overthrow Muammar al-Qaddafi in Libya, Obama pulled out of Iraq, ignored the “Green Movement” in Iran, and did not intervene to stop the greatest human rights disaster of the 21st century: the Syrian civil war. But Donald Trump makes Barack Obama look like Woodrow Wilson by comparison. He does not even pay rhetorical tribute to the spread of liberty. What Trump does not appreciate is that the “spirit of ‘76” has been a crucial factor in America’s rise to global preeminence.

Every previous would-be hegemon — Spain under Philip II, France under Louis XIV and Napoleon, Germany under Kaiser Wilhelm and Adolf Hitler, the Soviet Union under Joseph Stalin and his successors — inspired decisive opposition from other states. The United States, by contrast, has aroused less opposition than any previous great power, for the simple reason that most countries are not afraid of us. They know that we are not motivated by purely selfish considerations. While the United States has always sought to promote its national interests, it has interpreted those interests broadly enough to include the defense of freedom around the world.

Trump threatens that understanding with his “America First” policy. He thinks he is protecting U.S. interests, but, in reality, he is destroying the “secret sauce” that is responsible for America’s greatness. If the United States pursues a me-first policy, every other country will follow suit, and the law of the jungle will prevail. Such a development will endanger the hard-won achievements of more than 200 years of U.S. foreign policy rooted in the ideals of the Declaration of Independence.

Bloomberg

Editorial : How to Clear the First Brexit Hurdle

by The Editors
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Jasper

The Editors

4-5 minutes

Britain and Europe: speaking the same language?

The first task for the Brexit negotiators is to agree on the rights of European Union citizens in Britain, and of U.K. citizens in the EU. In a rational world, this would be straightforward. In the real world, it

will be a problem if one side or the other chooses to make it one.

Roughly 3.2 million EU citizens live in Britain, and 1.2 million U.K. citizens live in Europe. Brexit casts doubt on their residency status and future rights, including access to health care and other services. The fairest and least disruptive solution

is reciprocity: EU citizens in the U.K. and U.K. citizens in the EU should have the same rights.

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Granted, getting to such a deal is a bit more complicated than you'd think. The EU wants its citizens living in the U.K. to have the rights they would enjoy elsewhere in the EU -- but some of those rights are more extensive than the rights of British citizens in their own country. In particular, a U.K. citizen cannot bring a non-EU spouse to live in Britain without meeting a minimum-income test of £18,600 (\$23,765) a year. After Brexit, that would diminish the rights of EU citizens living in Britain.

A fair agreement would either require Britain to dispense with the income test for the spouses of EU citizens, or the EU to narrow the rights of U.K.

**The
New York
Times**

3-4 minutes

Sally Deng

With summer's warmer weather and calmer seas, tens of thousands of desperate migrants are setting out for Europe from Libya, once again overwhelming the capacity of rescue efforts on the Mediterranean and straining the ability of Italy to cope. Between Jan. 1 and June 21, some 72,000 migrants arrived in Italy from Libya. More than 2,000 other people died while on the way.

The conditions in Africa — deadly conflicts, despotic rulers and extreme poverty — that send people across the Sahara and into the chaos of Libya

**The
Washington
Post**

Opinion A column or article in the Opinions section (in print, this is known as the Editorial Pages).

July 2 at 7:02 PM

POPE FRANCIS, who pledged a policy of "zero tolerance" for sexually abusive clergy in the Catholic Church, has turned out to be all too tolerant. On Thursday, Australian police brought criminal charges against Cardinal George Pell, a top Vatican official and kitchen-cabinet adviser to the pope, for multiple alleged incidents of sexual assault.

The charges against Cardinal Pell, the Vatican's finance chief and the pope's hand-picked agent of administrative reform, shook the Holy See, notwithstanding long-standing allegations that he ignored, dismissed and excused cases of

citizens living in Europe. Either outcome ought to be acceptable. It would be a scandalous failure of leadership on both sides if disagreements as trivial as this were to block further progress in the talks.

A more fundamental worry has centered on the jurisdiction of the European Court of Justice. Throughout, the British government has emphasized the need to recover sovereignty from EU institutions, and especially from the ECJ; the EU has seemed equally determined to preserve the full sway of the court in matters relating to its citizens.

This may be changing. Bloomberg reported this week that the EU could be willing to let a new arbitration

are only getting worse. In Libya, human traffickers await to enslave, beat, torture and rape the migrants before sending them out to sea. It would be unconscionable for the United States to cut humanitarian aid to Africa now, as the Trump administration is threatening.

Meanwhile, Italy has effectively been turned into a holding pen for migrants by the European Union's Dublin Regulation, which requires asylum seekers to file their claims and await the outcome in the European country where they first arrive. Fewer than 21,000 of the 160,000 people already in Italy and Greece whom other European Union nations agreed to take in 2015 have been relocated. Hungary, Poland and the Czech Republic are flatly refusing to participate, despite a threat of fines.

sexual misconduct during his pre-Vatican years as a priest and church official in Australia. That included the crimes of a notorious pedophile priest with whom Cardinal Pell shared a house for two years in the 1970s.

In fact, while Cardinal Pell is the rare Vatican princeling to be charged with sexual misconduct, he was one of two members of the Vatican's nine-member Council of Cardinals alleged to have turned a blind eye to child sex abuse undertaken by priests once under his jurisdiction. The other is Cardinal Javier Errázuriz, formerly the archbishop of Santiago, Chile. Both men were elevated to the council by Pope Francis.

body protect the future rights of EU citizens in Britain. Prime Minister Theresa May and David Davis, the minister in charge of the Brexit talks, have previously suggested a similar compromise.

Good: The benefits of flexibility and open-mindedness on such issues would be enormous. EU citizens keep Britain's National Health Service running and are conspicuously essential in many other parts of the economy; Europe's businesses rely on British professionals, and British expats (notably in Spain) fuel demand and pay taxes.

Whatever happens, Brexit will be a severe blow, especially to Britain --

but there's no need to make a bad situation worse. Failing to reach agreement at the outset, and on an issue where the mutual interests are so plain, would be absurd.

--Editors: Therese Raphael, Clive Crook

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After at least 11,000 and possibly many more people reached Italy's shores in the past week, the government said it was considering blocking the country's ports to foreign-flagged ships carrying migrants. Europe's migration commissioner, Dimitris Avramopoulos, responded that it was time for member countries to step up to this human crisis: "Now is the moment to deliver, and we will hold them to this."

The fact is, Europe has no other option. As Federico Soda, an official of the International Organization for Migration, observed: "Africa and Europe are always going to be neighbors. Movement of people between the two is just a reality of the coming decade."

People who try to push on from Italy into France face police officers wielding tear gas at the border. Those who do make it across find a country unprepared for their arrival: Nearly 1,200 are now sleeping on bare ground in the neighborhood of La Chapelle on the northern edge of Paris, where temporary shelters for migrants are full. Hundreds of others, intent on reaching Britain, live in squalor in Calais, where the infamous migrant camp known as "the Jungle" was razed last year.

Last Monday, a French court ruled that local officials must provide drinking water for migrants, though it declined to order that they provide shelter. The government of President Emmanuel Macron promises a comprehensive plan on migrants in the next two weeks. It cannot come soon enough.

Politics newsletter

The big stories and commentary shaping the day.

Cardinal Pell, 76, who denied the sexual assault charges, was granted a leave of absence to return to Australia, where he said he would contest the charges.

Whatever the resolution to his case, the cardinal has long been notorious, even by Vatican standards, for the callousness of his attitude toward the abuse scandal that has bedeviled the church for most of this century. Speaking of one infamous priest widely known as a serial abuser in Australia in the early 1990s, when Cardinal Pell was a high-ranking church official in Melbourne, he said, "It's a sad story and [the extent to which it was publicly known] wasn't of much

interest to me." Peter Saunders, a highly respected survivor of sexual abuse who served on the Vatican's commission on abuse, said Cardinal Pell was "almost sociopathic" in his indifference toward victims.

Pope Francis has achieved some important reforms, notably in steering the church toward a more enlightened view of homosexuals. But by now it's clear that a muscular, unequivocal and truly "zero tolerance" stance against pedophile priests and their enablers is not a priority for him. He announced with fanfare a tribunal to hold bishops accountable for enabling abusive priests, then said it was unneeded. He reduced the punishments of a number of priests disgraced by abuse scandals.

Church officials continue to fight laws in the United States that would enable victims of clergy abuse to seek justice in court. And prelates and other senior church figures

continue implicitly to minimize overwhelming evidence of systematic abuse by characterizing the church as no better or worse on the issue than society at large — a

morally bankrupt position unsupported by evidence.

Again and again, the pope's deeds on clergy sex abuse have not matched his words, and real accountability throughout the church

has been lacking. By his tolerance, Pope Francis ensures that the disgrace of clergy sex abuse will continue to be a stain on the Catholic Church.

INTERNATIONAL

With ISIS on the Run, an Unexpected Leader Emerges in Iraq (UNE)

Ben Kesling
13-16 minutes

July 2, 2017 7:16 p.m. ET

MOSUL, Iraq—Three years ago, Abu Bakr al-Baghdadi proclaimed the existence of an Islamic State caliphate and proceeded to sweep his forces through northern Iraq and toward Baghdad, threatening the viability of the fragile country.

Today, the leader declaring an end to the caliphate is someone few would have imagined in the position, Iraqi Prime Minister Haider al-Abadi. A man seen as the favorite of none but acceptable to all, the 65-year-old former electrical engineer has managed to turn that tepid sentiment into a defining strength.

Over nearly three years in office, Mr. Abadi has narrowed gaps between Iraq's warring Shiite and Sunni politicians. He balanced competing interests among geopolitical rivals Iran and the U.S., and spearheaded an overhaul of Iraqi security forces, who had fled advancing Islamic State fighters. Iraq is close to retaking Mosul, Islamic State's psychologically important stronghold.

"Abadi has magnificently shifted between leading and balancing," said Jon Alterman, director of the Middle East program at the Center for Strategic and International Studies in Washington. "If he led too much then there'd be too many alienated people, and if he balanced too much there would be no forward progress."

Today, Iraq's security forces are on the verge of defeating Islamic State, the key requirement if the nation wants to enjoy a stable and cohesive future, despite daunting challenges that remain. Sectarian anger still simmers, and the country's economy and infrastructure have been devastated by years of fighting.

"Abadi is riding high," said one U.S. official in Washington. "But the government needs to show that it can act to make people's lives better, and probably the window for

that is pretty limited. If it doesn't, all that goodwill Abadi built up will diminish."

There wasn't always such a sense of possibility in Iraq. Before Islamic State swept to power in 2014, the country was at its most-fractious since the fall of Saddam Hussein. Mr. Abadi's predecessor, Nouri al-Maliki, was a polarizing figure, accused of fueling sectarian conflict and packing ministries with loyalists.

Transparency International ranked the country near the bottom at 171 of 177 countries world-wide for corruption, with such pervasive problems that the country has only moved up a few positions after years of attempted overhauls. Mr. Maliki didn't respond to a request for comment, but Sunday released a public statement praising the military and militias.

When the festering Syrian civil war next door bled across the border, Iraq's military crumbled. In June of 2014, militants exploited Iraq's problems to blitz into Mosul—grabbing nearby land, stores of weapons and oil fields. In Islamic State's advance, millions of civilians came to live under the Sunni extremist group's rule.

Some Sunnis initially welcomed the militants as an alternative to the predominantly Shiite government of Mr. Maliki. The implementation of Shariah law followed, where people could be jailed for smoking or executed for unauthorized use of a cellphone.

Amid the turmoil, the conciliatory Mr. Abadi was tapped to become prime minister, an antidote to Mr. Maliki's divisive rule. He faced growing alarm among Iraq's allies.

Iran, the world's biggest Shiite-majority country, couldn't countenance its neighbor falling to a Sunni extremist group. In 2014 Grand Ayatollah Ali al-Sistani, the pre-eminent Shiite cleric in Iraq, called on fellow countrymen to rise up to help protect the country; Shiite militias formed that Mr. Abadi has both empowered and theoretically kept under central government control. Iran's Islamic Revolutionary Guard Corps's elite Quds Force

decided to fund and train many of them.

Ayatollah Sistani, who typically makes public statements via a representative at Friday prayers, didn't respond to a request for comment.

For Iran, forging such a partnership offered a way to cultivate a new proxy in Iraq and also to nurture others. Iran could revive overland supply routes through Iraq and its other ally, Syria, to Lebanon, where the Shiite political and militant group Hezbollah is based.

For Mr. Abadi, the relationship provided a backstop to a buckling Iraqi military. It also offered a skilled battlefield partner in Qasem Soleimani, the commander of the Revolutionary Guards. Iran's heavy involvement in Iraq also exposed Mr. Abadi to accusations that he was turning his country into an Iranian pawn.

An official in the office of Iran's United Nations representative didn't return a request for comment on Iran's relationship with Mr. Abadi.

U.S. State Department officials mostly sidestep the thorny issue of Iran's involvement in Iraq's war against Islamic State, saying Baghdad was ultimately in charge of the powerful Shiite militias. As part of this balancing act, Mr. Abadi courted the U.S. military for assistance, too, just years after the Americans pulled troops out of the country.

In 2014, the U.S. military started a gradual increase of troops with the launch of Operation Inherent Resolve. By the end of Barack Obama's presidency, more than 5,000 Americans were deployed to Iraq with hundreds close to the front lines of combat. Support has increased under President Donald Trump.

Iraq has benefited from a more than billion-dollar investment by the U.S. to train and equip conventional army troops and special operations forces, and fund U.S. troops in the country. Mr. Abadi also fired generals from the Maliki era and demanded that top officers eschew sectarianism. Those steps brought

increased assistance from the U.S., including advanced weapons and air support.

Comparing the current force to that of just a decade ago, when U.S. forces were still leading many operations, Lt. Col. James Downing, a U.S. Army adviser who is near the front lines in Mosul, said, "they are infinitely more capable."

As the war with Islamic State heated up, Iraq became a tinderbox of crisscrossing rivalries and sectarian tensions. Christian and Sunni minorities in Iraq grew wary of Iran's growing influence, with those groups forming some of their own militias.

Some Iran-friendly Shiite forces, meanwhile, became openly hostile to U.S. troops. In late 2015, multiple militias pledged to fight U.S. troops if they deployed to Iraq and established bases in the country, harking back to their efforts against Americans during the Iraq war.

Mr. Abadi sought to keep everyone on the same side, largely by lauding the benefits of a unified Iraq, adding Kurdish and Sunni elements to his cabinet and reaching out to Sunni leaders for dialogue.

From the beginning of his tenure, the Iraqi prime minister reached out to Sunni Arab countries in the region while maintaining his ties with Iran. In 2015, the Saudi government reopened its embassy in Baghdad, which had been shuttered decades before in response to Saddam Hussein's invasion of Kuwait.

Inside Iraq, Mr. Abadi began to win over the country's minority Sunnis.

"This government led by Abadi has not met desired levels of ambitions, but if you compare it with the previous government, you will find a big difference," said Ahmed al-Masari, head of the Sunni political bloc in federal parliament. "Now there are reforms and progress, while during the previous government several provinces fell to terrorism."

Renad Mansour, a fellow at Chatham House, a London-based internationally focused think tank,

said Sunni leaders came to realize a flexible Shiite leader may be their least bad option, especially if they hoped to exercise some power as a minority group in a democratic Iraq. "The Sunnis are past their denial of reality," he said. "They realize that they're going to be a minority."

Mr. Abadi didn't neglect the country's Shiite majority either. By 2015, Ayatollah Sistani, arguably the most revered figure in the country, voiced strong support for Mr. Abadi and worked to ensure the militias remained by law ultimately under Iraqi government control. Mr. Abadi in turn has praised the cleric, even this week saying his call to form militias was a crucial move to save the country from Islamic State dominance.

In marshaling foreign and domestic support, Mr. Abadi's government began racking up wins. In mid-2015 Iraqi forces took back Tikrit from Islamic State, their first major territorial victory. In November 2015, Kurdish Peshmerga forces pushed into the northern town of Sinjar, and the Iraqi military soon declared the Anbar hub of Ramadi free from militant control. The city of Fallujah fell months later.

In Mosul, where an offensive began last fall, Islamic State didn't retreat but dug in deeper. Even as Iraqi forces surrounded the city and advanced, the militants used hundreds of thousands of civilians as human shields while stockpiling munitions and setting up snipers' nests in the warrens of the old city.

Today, Iraqi forces are fighting scattered pockets of Islamic State fighters.

In east Mosul, shops selling mobile phones or fashionable jeans have reopened next to restaurants slicing up kebabs. Patrons smoked openly, even during the holy month of Ramadan—a display unthinkable under Islamic State control.

Still, seeds of new conflicts are just below the surface.

Iraqi soldiers are accused of beating and summarily executing unarmed men and boys fleeing fighting in the heart of Mosul. The most recent allegations come from a Human Rights Watch report released Friday. Because the military is seen as a Shiite institution and Mosul is predominantly Sunni, such abuses, real or even rumored, threaten to fan sectarian tensions.

The Iraqi government will investigate any credible cases of abuse, according to Saad al-Hadithi, a spokesman for Mr. Abadi, but he said those allegations must be based on evidence and not hearsay. Mr. Abadi has said he wouldn't tolerate any human-rights abuses by troops.

In Anbar Province, tribal officials have exiled families of Islamic State members. In the city of Mosul, the city council recently passed a resolution declaring the same. Mr. Abadi has signaled he will use his federal authority to prevent the local government from taking such actions.

Mosul mobile-phone salesman Forat Latif said the environment is ripe for another antigovernment group to lure Sunnis into more fighting.

"We will go back to the same environment that created Daesh," he said. "It's the same cloud that brought all this rain."

Iraqi officials recently released a 10-year \$100 billion reconstruction plan. The government doesn't have the money, and the World Bank and the International Monetary Fund haven't come forward with funds. Last year, the IMF provided a \$5.3 billion dollar emergency loan to help stabilize the country—a sizable contribution at the time but a fraction of what is needed now. Large sections of major cities like Ramadi and Mosul have been destroyed, with buildings, bridges and water mains turned to rubble.

During his tenure, Prime Minister Abadi has overseen an increase in oil production, which helped boost the country's GDP last year by 11%, according to the IMF. Yet low oil prices have complicated Iraq's efforts to pay government workers, who have sporadically taken to the streets to protest, and the non-oil sector of the economy is still reeling.

One of the biggest challenges for Mr. Abadi is the pressure from different Iraqi minorities for more autonomy. The Kurdish north, led by President Masoud Barzani, has been angling for independence for years, and last month announced it will hold a referendum on the issue in September.

Federal elections are scheduled for April, and Mr. Abadi may face rivals for his position. He has managed to remain on good terms with both Iran and the U.S.—with U.S. Secretary of State Rex Tillerson praising the prime minister publicly in March.

But as the relationship between the U.S. and Iran deteriorates, there is a risk that Iran will back a challenger to the prime minister more clearly in Tehran's camp. Mr. Maliki has remained a constant presence in the political realm.

Mr. Abadi may face his biggest test when Iraq and its foreign allies no longer share a common foe.

On Thursday, as he declared the end of the caliphate, Mr. Abadi stayed focused on defeating Islamic State. "We will continue to fight Daesh until every last one of them is killed or brought to justice."

On the same day, though, brownouts in Baghdad left millions without power, showing the government's limited capacity to provide public services to its people. Four improvised bombs, meanwhile, detonated in different areas of Baghdad, killing a handful of people. Such attacks are a reminder that the war against Islamic State is moving beyond the battlefield and into the daily lives of Iraqis, something they had hoped a prime minister would prevent.

—Ghassan Adnan in Baghdad, Asa Fitch and Ali A. Nabhan in Erbil, Iraq, and Dion Nissenbaum in Washington contributed to this article.

Corrections & Amplifications
An earlier version of this article incorrectly referred to Secretary of State Rex Tillerson as Defense Secretary. (July 2, 2017)

Appeared in the July 3, 2017, print edition as 'ISIS Setback Lifts Iraq Leader.'

the Atlantic How ISIS Survives the Fall of Mosul

Charlie Winter

5-7 minutes

Eight and a half months into the coalition-backed campaign to liberate Mosul, Iraq's second city looks like it is finally on the brink of freedom. After launching the last phase of the battle in mid-June, the Iraqi security forces slowly but surely penetrated the Old City, one of the final ISIS redoubts in Mosul. And, on Thursday, just after recapturing the Nuri Mosque—at which ISIS leader Abu Bakr al-Baghdadi accepted his role as "caliph" in June 2014, and which ISIS demolished one week ago—the Iraqi Prime Minister Haider al-Abadi declared the "end of the Daesh [ISIS] state of falsehood."

While this is indisputably good news, we must rein in our optimism.

The truth is, ISIS has been planning for defeat in Mosul for months, if not years. Losing the city has long been part of its global plan. And even though the loss of its self-declared Iraqi capital will be a genuine blow to the group's territorial pretensions, ISIS is not going to evaporate just because it has fallen.

Since October 2016, when the campaign to retake Mosul was first launched, ISIS has been putting up an immensely stiff resistance: thousands of its fighters have been killed by coalition forces, and hundreds more blown up in suicide operations. But no matter how fiercely it fought, the group was never realistically going to repel the onslaught. The few thousand fighters that ISIS had holed up in the city faced about ten times as many members of a reconstituted and determined Iraqi security forces that was backed by U.S. air power.

What, then, were the strategic objectives of ISIS's doomed resistance these last few months? While its leaders persistently proclaimed that victory was just around the corner, and while the rank-and-file were probably fighting under the pretense that they might actually win, something more abstract seems to have been driving the battle. At its heart has been a compulsive obsession, not so much with defense as with narrative—the caliphate has been doing all it can to make sure it could be *seen* to be putting up a fight. In that sense, much of what has happened since late 2016 can be seen as an exercise in propaganda—expensive, wasteful propaganda, but propaganda all the same.

ISIS has almost certainly been planning for this moment since 2014. By seizing as much territory as it did back then, its leaders were

violating one of the key principles of non-state on state irregular warfare: Act scarce, and never present an obvious target. Given their proven insurgent pedigree, they will almost certainly have been aware of this. Nevertheless, by taking over Mosul—a city of some 2 million people—they laid the foundations for the apparent catastrophe that their organization now faces.

But what if this "catastrophe" is what ISIS wants? The group has been counter-intuitive in the past, so why not now?

If statehood was indeed the Islamic State's aim, it has resoundingly failed. However, if it really hoped to establish a lasting, viable administration, it would not have raped, murdered, and terrorized its way across the Middle East and North Africa in the way it did, let alone systematically provoked the

international community into forming a coalition to destroy it.

What if, more than anything else including territory, the group just wants permanence, to be the ideological hegemon of global jihadism? In this pursuit, the realization of ideological aspirations is far more important than the permanent administration of any piece of land, even if it comes at great material cost.

Viewed through this lens, ISIS's most counter-intuitive acts become intuitive, if not ingenious, parts of a narrative-led strategy, one that prioritizes conceptual longevity over

anything else.

For example, while the beheadings and war crimes that provoked the international intervention in Iraq and Syria may have materially hurt it, they also allowed it to wrest control of the global jihadist mantle, and claim to be singlehandedly taking the fight to the "Crusader enemy." So too did its capture of Mosul and caliphate declaration in June 2014, even though neither made insurgent "sense."

The fact is that, although ISIS's audacious ultraviolence ultimately set the scene for its material undoing, it also meant that it could

work towards creating the world it wanted to inhabit—a polarized, turbulent place that accommodated the jihadist ideology uncannily well.

For ISIS, this is what success looks like and, as short-lived as it was, the group has already gotten a good deal of what it wanted from the Mosul experiment. Seizing and administering the city for over a thousand days was more than enough for the group to make its mark as caliphate, and will be sufficient for it to boast in years to come of the jihadist utopia that once was. It alone will be enough to keep the true believers in its ranks in tow,

even once it has lost everything else.

Long after the city has fallen back into the hands of the Iraqi government, it will continue to be a prop for ISIS, although an altogether different one. No longer will it be a paragon of jihadist governance. Instead, it will be a prototype for insurgency. ISIS will continue to propagandize through Mosul and, provided it can use it as a baton of instability with which to hit the Iraqi government (and the rest of the world too), the self-proclaimed caliphate is not going anywhere anytime soon.

**The
New York
Times**

U.S.-Backed Forces Close to Trapping ISIS Holdouts in Raqqa

Michael R.
Gordon

6-8 minutes

AYN ISSA, Syria — Forces backed by the United States have nearly sealed off the northern Syrian city of Raqqa, trying to trap as many as 2,500 hard-core Islamic State militants defending the capital of their self-proclaimed caliphate.

The fighters, known as the Syrian Democratic Forces, are made up of Syrian Kurds and Arabs, and they have received crucial support from the American-led coalition fighting the Islamic State in Syria and Iraq. The coalition has already destroyed the two bridges that lead south from Raqqa, which is on the northern bank of the Euphrates River. The coalition also helped the forces establish control of two nearby dams.

"And we shoot every boat we find," said Lt. Gen. Stephen J. Townsend, the American commander of the coalition force fighting the militants. "If you want to get out of Raqqa right now, you've got to build a poncho raft."

As Iraqi forces are mopping up the last pockets of Islamic State resistance in the Iraqi city of Mosul, the battle for Raqqa gives the American-led coalition — and the Trump administration — an opportunity to deliver a blow to the Islamic State, also known as ISIS or ISIL, by capturing its most visible territorial claim to a caliphate.

Still, the Kurdish and Arab fighters trained and equipped by the American-led coalition are just now carrying out the first push in what promises to be a bloody and difficult operation.

Most Islamic State leaders and personnel responsible for administering the caliphate and plotting attacks have evacuated the city. They have relocated to Mayadin, a Syrian town east of Raqqa on the Euphrates River, according to coalition officials who are familiar with intelligence reports.

And ISIS militants are still defending strongholds in other towns in the Euphrates River valley, which stretches from Deir al-Zour in Syria to Rawah in Iraq, as well as the Iraqi towns of Tal Afar and Huwajja.

For now, Raqqa is the focus, and General Townsend met on Wednesday near Ayn Issa, Syria, with the commander of the Kurdish and Arab fighters to discuss the next phase of the fight.

Coalition officials said that the city was virtually surrounded, and that the one gap remaining along the river could be easily observed from the air. It is estimated that more than 1,100 militants have been killed in the past month. Of those who remain, almost a third are believed to be foreign fighters recruited by ISIS.

About 50,000 civilians also remain in the city, and military officials said the militants planned to use many as human shields.

American commanders and leaders of the Syrian Democratic Forces have sought to ensure that at least three-quarters of their roughly 6,000 fighters in and around Raqqa are Arab. The inclusion of the Syrian Kurds — generally regarded as the most battle-hardened fighters — in the offensive has outraged Turkey, a NATO ally whose relations with the United States have become increasingly fraught.

But General Townsend acknowledged the importance of the Kurdish fighters in strengthening the Arab forces trying to rout ISIS from Raqqa.

"That's their role: to buttress, to help them do the hard stuff," he said.

The United States is providing much of the firepower in support of the Arab and Kurdish forces, using artillery, Himars satellite-guided rockets, Apache attack helicopters, armed drones and warplanes.

Fierce resistance is nonetheless expected by militants holed up in a cluster of tall buildings in northern Raqqa, redoubts that provide cover for ISIS snipers and that will be hard for coalition-backed forces to clear.

"Mosul has got some big buildings, but they are spread out over the city," General Townsend said of the city where Iraqi forces are battling ISIS militants. "Here there are a cluster of tall, dominant type of buildings. They are hard for any army on the planet."

One complication for the Raqqa operation, however, has been defused, at least for now. Escalating tensions between the United States and Russia over the scope of American and coalition airstrikes over Syria seem to have eased.

After a United States F/A-18 shot down a Syrian SU-22 that was dropping bombs near American-backed fighters two weeks ago, the Russian Defense Ministry warned that it might "target" any American and allied aircraft that flew west of the Euphrates.

Making the Euphrates a boundary for coalition air and ground operations would have interfered with the Raqqa campaign.

Even as Moscow was issuing dire warnings, however, General Townsend was speaking with his Russian counterpart, Col. Gen. Sergei Surovikin, to reach an agreement to separate the Syrian government's ground forces, and the Iranian militias that fight with them, from the fighters backed by the American-led coalition.

The line that the two commanders agreed upon runs in an arc from the southern shore of Lake Assad to a small town east of Raqqa. It establishes a roughly 12-mile buffer between Raqqa, where the coalition airstrikes are crucial to the Syrian fighters battling ISIS, and the area where Syrian government forces and their Iranian allies are permitted to operate.

So far, the line has been respected, but that has not always been the case. Last month, General Townsend thought a buffer had been established only to see Syrian government forces attack fighters supported by the American coalition in the hamlet of Ja-Din, south of Tabqa.

That led to a phone conversation with General Surovikin in which the two commanders agreed on a slightly modified line. But no sooner was that discussion concluded than a Syrian SU-22 warplane appeared.

"My guess is that we had agreement on the phone," General Townsend said of his conversation with General Surovikin. "But decisions and actions take a while to stop. It's like a train."

After dropping bombs north of the line, the SU-22 warplane was shot down and crashed south of the boundary. The pilot was seen parachuting from the plane, but the Americans do not know if he survived.



Chafets : Team Trump's Hardcore Stance on Middle East Peace

by Zev Chafets More stories by Zev Chafets

8-10 minutes

Middle East

After years of trying to play neutral arbiter, the U.S. is now firmly behind Israel.

3 juillet 2017 à 05:00 UTC-4

Best of friends.

Photographer: Amos Ben Gershom/GPO via Getty Images

Since the Six-Day War 50 years ago, American presidents and their envoys have tried, with varying degrees of obsession, to broker a final peace deal between Israel and the Palestinian Arabs.

They are a collective zero-for-eight.

Coming into office, President Donald Trump thought he might do better. So he recently dispatched his son-in-law, Jared Kushner; his consigliere, Jason Greenblatt; and his ambassador to Israel, David Friedman to find out.

QuickTake Israeli Settlements

They held two meetings. The first was with Israeli Prime Minister Benjamin Netanyahu. Netanyahu and Kushner embraced in an awkward display of fondness -- they have been friends for years -- while Greenblatt and Friedman looked on, kvelling like uncles at a bar mitzvah.

The Americans asked Netanyahu what it would take to make a peace deal. He responded with a list of short-term conditions: stop giving cash subsidies to the families of convicted terrorists and using official media to incite hatred of Israel. Undoubtedly, they discussed longer-term issues: the Palestinians recognizing Israel as the state of the Jewish people with Jerusalem as its

indivisible capital, agreeing to Israeli settlement in designated areas of the West Bank, and expecting no more than a demilitarized state.

Kushner and Greenblatt took these conditions to Ramallah, the West Bank capital of the Palestinian Authority. Friedman was absent, having been declared persona non grata by President Mahmoud Abbas. The Israeli press attributed this to the ambassador's financial and moral support of Beit El, a settlement located 10 minutes by car from Abbas's office. Palestinians explained the ban by noting their longstanding policy of avoiding all American ambassadors and dealing only with the U.S. consul in East Jerusalem.

Either way, Kushner let it be known that he did not appreciate the snub.

From that rocky start, the meeting went downhill. When Kushner presented the Israeli positions, he encountered anger and dismay. The Palestinian leader adamantly denied that he was allowing incitement and refused to cut subsidies to the families of men the Palestinian public considers martyrs and heroes. One assumes he also demanded a freeze on Israeli settlements in the West Bank.

Certainly, Abbas had a right to be disconcerted. He has grown accustomed to American administrations that accept State Department gospel: The Palestinian issue is the key to Middle Eastern stability and an Israeli withdrawal from territory captured in the Six-Day War is the only solution. Abbas is also used to dealing with a certain kind of American envoy.

For many years, through the administrations of Bill Clinton, George W. Bush and Barack Obama, diplomats such as Dennis Ross, Martin Indyk, Aaron David Miller and James Steinberg were at the center of America's Israeli-

Palestinian policy making and implementation. They were a talented group, politically liberal, academically outstanding, obsessively intent on making peace -- and Jewish.

Early on, this was a concern for Palestinian officials. In the Middle East, people stick up for their own tribe. Ross and Indyk had ties to the American Israel Public Affairs Committee, the Israel lobby in Washington. Indyk spoke Hebrew (although not as well as many of his Palestinian interlocutors, who learned the language during long prison sentences in Israel). Miller, although not orthodox, once halted negotiations to recite his daily prayers.

Yet for the Palestinians, the American Jewish peace negotiators proved to be a pleasant surprise. They were friendly, polite and receptive. Some Palestinians regarded this as a trick. But eventually Abbas (and before him, Yasser Arafat), concluded that there was an advantage to dealing with diplomats who went to great lengths to display their objectivity.

In Kushner and Greenblatt, Abbas encountered a new kind of American Jewish envoy. They (and the absent Ambassador Friedman) are religious Zionists, sympathetic to the ideology of Netanyahu's Likud Party, and unburdened by the need to demonstrate neutrality. They feel that previous diplomats wasted years of their lives making incremental steps along a path to nowhere, and they had no intention of making the same mistake.

Even more importantly, Kushner and Greenblatt came to Ramallah as freelance scouts for a president untethered to State Department pieties and obsolete views of the Middle East. The question they had was simple: Is there a deal to be made?

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The minutes of that meeting are unpublished, but clearly there was no "When Jared Met Mahmoud" moment in Ramallah. A State Department spokeswoman helpfully conceded that "some meetings are more difficult than others." Following the meeting, a "senior Palestinian official" complained that the envoys sounded like Netanyahu's advisers, not fair minded arbiters. This was a veiled way of accusing Kushner and Greenblatt of dual loyalty. But when applied to the president's son-in-law or his consigliere, that trick doesn't work.

The envoys returned to Washington and shared their impressions with Trump. I doubt he was surprised or dismayed. Despite his hyperbolic pledge to work for "the ultimate deal" in the Holy Land, the president is stuck with problems far more pressing than altering the status quo west of the Jordan River.

As for Kushner, at 36 he is perhaps young enough to someday witness a peace treaty between Israel and Palestinian Arabs. I hope so. Anything is possible. But as he learned in Jerusalem and Ramallah, it just isn't possible now.

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

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**THE WALL
STREET
JOURNAL**

Saudi Arabia Moves to Silence Deposed Prince, Dissidents

Justin Scheck and Shane Harris

6-8 minutes

July 2, 2017 6:30 p.m. ET

The new heir to Saudi Arabia's throne has launched a crackdown on dissent in recent weeks, attempting to silence activists and critical clerics as well as his deposed predecessor, according to U.S. and Saudi officials familiar with the events.

King Salman upended Saudi Arabia's succession order last month by naming his 31-year-old

son, Mohammed bin Salman, crown prince and next in line to the throne, and sidelining his nephew and heir apparent, Mohammed bin Nayef, who has deep ties to U.S. intelligence and is widely viewed by U.S. officials as a stabilizing force in the region.

The newly elevated crown prince has limited the movements of Mohammed bin Nayef, the officials said. He has also replaced Mohammed bin Nayef's guards with ones loyal to the royal court, they said, in a bid to ensure that Mohammed bin Nayef doesn't take any steps to rally support.

"They want to make sure nothing is being plotted," one of these people said.

Referring to Mohammed bin Nayef, a representative of the Saudi royal court said in a text message that there were "no restrictions on his movement whatsoever, either in or outside of Saudi Arabia." The prince has hosted guests since the leadership change, the representative wrote in an emailed statement.

U.S. and Saudi officials said the royal court's efforts to stifle dissent within the kingdom include monitoring and in some cases

infiltrating the social media accounts of some activists and bloggers.

Some activists and religious figures viewed as stirring protest on social media have also been summoned in person to meet with interior ministry officials, and at least one of those people was told by officials to quiet down or face jail time, according to people familiar with the matter.

The royal court official didn't respond to questions about the broader attempt to stifle dissent that the people familiar with the situation described.

Political parties are banned in Saudi Arabia as are protests, unions are

illegal, the press is controlled and criticism of the royal family can lead to prison. Since the 2011 Arab Spring, the kingdom has stepped up efforts to curb dissent with tough laws, sentencing offenders to prison terms for Web posts deemed insulting to rulers or threatening to public order.

The recent crackdown follows the royal power shuffle and a move earlier in June by the kingdom to lead an economic blockade of neighboring Qatar, and is raising concerns among U.S. officials and observers that more political upheaval may be on the way, since the aging King Salman consolidated power in the hands of Mohammed bin Salman.

The Qatar blockade was championed by Mohammed bin Salman, while Mohammed bin Nayef favored a more tempered approach through diplomatic channels. That difference of opinions contributed to the timing of the power shuffle, The Wall Street Journal has reported.

The elevation of a new crown prince who backs a newly aggressive foreign-policy approach has concerned career U.S. officials who have long looked to Saudi Arabia as

a source of stability in the Middle East.

Mohammed bin Nayef was a trusted contact for those officials. U.S. President Donald Trump has appeared to embrace Mohammed bin Salman by meeting with him in both Riyadh and Washington, D.C., before his elevation to the crown prince role.

The White House didn't respond to requests for comment.

Mohammed bin Nayef "and his U.S. counterparts tended to see eye to eye on things," said Steven Simon, who worked on Middle East security issues as a senior director at the National Security Council during the Clinton and Obama administrations.

One former diplomat said of the sidelined prince that in Saudi Arabia and the U.S., "the whole security apparatus has been dependent on him."

Complaints about the escalating clash with Qatar led Saudi officials to boost efforts to monitor dissident communications and halt public criticism last month, in the weeks leading up to the power shuffle. Officials working for Mohammed bin Salman used technology from Hacking Team, an Italian company

that provides surveillance tools to governments, according to people familiar with the matter.

Hacking Team didn't return a call and emails seeking comment.

Some critics have left social media. Cleric Bader al-Amer told his followers on June 14 that he will stop posting on Twitter and other social media indefinitely. His announcement came after he tweeted that several clerics and intellectuals believe Qatar's claim that it doesn't sponsor terrorism.

Ibrahim al-Modaimegh, a former legal adviser to the government, said on June 27 that he was leaving Twitter temporarily for health reasons and hoped the new Saudi leadership would free people imprisoned for their political views.

A key official in the effort to quell social-media protest, according to activists and journalists, is an employee of the new crown prince named Saud al Qahtani. Mr. Qahtani, an adviser to the royal court who gained the title of minister in 2015, launched a vocal Twitter campaign against Qatar at the time of the June 4 blockade, accusing Qatar of having plotted years ago to kill the late King Abdullah. Mr.

Qahtani couldn't be reached for comment.

Officials at the kingdom's ministry of the interior have also been directly involved in the effort to suppress dissenting voices. A few weeks ago, they began summoning journalists, activists, preachers and others who were viewed as being publicly critical to meetings in which they were told to stop expressing these views, according to people familiar with these meetings.

The crackdown continued as the end of Ramadan approached, and then, on June 21, the leadership shift promoting his young son and sidelining his nephew.

The shuffle followed a series of moves that built up the power base of the younger Mohammed bin Salman, who is leading a plan to overhaul the economy that includes selling shares in the state-owned oil company on a public exchange in 2018.

Write to Justin Scheck at justin.scheck@wsj.com and Shane Harris at shane.harris@wsj.com

Appeared in the July 3, 2017, print edition as 'Saudi Heir Aims to Silence Deposed Prince.'



Qatar, Defying Deadline, Faces New Threats by Neighbors

Nicolas Parasie
5-7 minutes

Updated July 2, 2017 10:25 p.m. ET

DUBAI—Qatar faces a potential volley of new punitive measures by Saudi Arabia and other Gulf Arab states, which extended a deadline for it to meet its demands by 48 hours after a request by Kuwait's emir.

A joint statement issued early Monday on behalf of Bahrain, Egypt, Saudi Arabia and the United Arab Emirates said it expected Qatar to respond to their demands on Monday, amid the worst regional diplomatic crisis in years..

The kingdom, the U.A.E., Bahrain and Egypt have cut diplomatic ties and imposed a transport ban against Qatar, accusing Doha of supporting extremist groups and meddling in their domestic affairs, allegations Qatar denies. On June 22, they gave Qatar 10 days to give in to 13 demands that include closing down state broadcaster Al Jazeera, curbing ties with Iran and ending Turkey's military presence on its soil.

Qatar has indicated that it won't meet the demands, which would amount to a radical policy overhaul.

Qatar's economy has been resilient so far, but could suffer deeply if the transport ban remains and other economic sanctions are imposed.

The Arab states, on issuing the demands, didn't specify what they would do if Qatar doesn't comply, but have since floated publicly and privately a number of possible measures aimed at deepening Qatar's isolation and hurting its economy.

Commercial restrictions could be put into place to raise the pressure, Reem al-Hashimi, the U.A.E.'s minister of state for international cooperation, said in June. Qatar's opponents are considering telling allies to sever commercial ties with Qatar or else lose business ties with them, a person familiar with the matter said.

U.A.E. Minister of State for Foreign Affairs Anwar Gargash said on June 24 that Qatar could be expelled from the Gulf Cooperation Council, a six-member political and economic bloc that includes Saudi Arabia, the U.A.E., Bahrain, Qatar, Kuwait and Oman.

Qatar's stock market, which resumed trading after a weeklong religious holiday, fell Sunday as investors worried about the crisis' impact on the country's economy. The benchmark QE Index closed

down 2.3% at 8822.15, pulled lower by consumer-goods stocks.

Doha has remained defiant and is likely to reject the demands. Qatar's foreign minister, Sheikh Mohammed bin Abdulrahman Al-Thani, said on Saturday that the 13 demands "were meant to be rejected" and that the country continues to favor dialogue to put an end to the diplomatic dust-up, according to a statement from the country's Ministry of Foreign Affairs. He also reiterated earlier comments that said the ultimatum was focused "on undermining and infringing on the sovereignty of Qatar."

Doha is seeking help from the U.S. to resolve the dispute, while Abu Dhabi and Riyadh want the U.S. to back their efforts to isolate their neighbor.

Secretary of State Rex Tillerson has appealed for calm and reconciliation, urging the two sides to use the list of demands as a starting point for negotiations.

Qatar's rejection of the demands will likely escalate the crisis, unless the U.S. pushes for a negotiated settlement, according to political-risk advisory firm Eurasia Group.

The country, whose wealth is largely derived from its natural-gas resources, has been the strongest

economic performer in the region, according to data from FocusEconomics.

Qatar has tried to cushion the economic blow by establishing new shipping routes via Oman or by rerouting flights of flag-carrier Qatar Airways. Doha has also turned to Turkey and Iran to preserve its food imports.

Qatar's Central Bank on Friday sought to assuage fears that the domestic currency, which is pegged to the U.S. dollar, is under pressure.

"The exchange rate of the Qatari riyal to the U.S. dollar is completely stable, and its conversion inside Qatar and abroad is guaranteed at any given point at the official price," the bank said.

Some British banks have stopped trading Qatari riyals, putting pressure on the currency. "This currency is no longer available for sale or buyback across our high street banks," said a spokesperson for Lloyds Banking Group, which includes Lloyds Bank, Bank of Scotland and Halifax. This is because the third-party supplier that fulfills the bank's foreign-exchange service has stopped trading in riyals, the spokesperson said on Friday.

Qatar's economy, thanks to its large foreign reserves, is able to withstand a period of relative isolation at least for now, according to London-based research and

strategy firm Arabia Monitor.

"The short-to-medium term economic impact of the Qatar rift will be expensive for Doha but bearable," Arabia Monitor said. "Qatar's reserves can defend the

currency, even though the pressure on it could rise further," it said.

—Asa Fitch in Dubai and Max Colchester in London contributed to this article.

Write to Nicolas Parasio at nicolas.parasio@wsj.com

Appeared in the July 3, 2017, print edition as 'Defiant Qatar Faces New Threats From Its Neighbors.'

The New York Times Wealthy Qatar Weathers Siege, but Personal and Political Costs Grow (UNE)

Declan Walsh

9-12 minutes

A Qatari woman in Doha, the capital. Several Arab nations have blockaded the country's airspace and shipping channels in a bid to force it to drop its maverick foreign policy and shutter its influential TV station, Al Jazeera. Kamran Jebreili/Associated Press

DOHA, Qatar — A young business executive had to cancel a \$150,000 family vacation in Saudi Arabia. Another woman grumbled that deliveries of designer fashions from the internet store Net-a-Porter were taking several days longer to arrive.

Others said they disliked the taste of the new Turkish milk in stores, preferring the old Saudi variety, but a tycoon offered a solution: He intends to fly 4,000 cows to Qatar, in what may be the biggest ever bovine airlift.

Qatar has been under a siege of sorts for the past month, but the immensely wealthy Persian Gulf nation is, so far, feeling little pain.

When four Arab nations blockaded Qatar's airspace and shipping channels last month in a bid to force it to drop its maverick foreign policy and shutter its influential TV station, Al Jazeera, there was an initial burst of panic as some supermarket shelves emptied. But that quickly subsided, and since then the gas-rich nation has deployed its formidable treasury to keep its 300,000 people in the luxurious comfort to which they are accustomed.

A small thumb-shaped country that protrudes into the Persian Gulf, Qatar depends on Saudi Arabia for its only land border, which is now closed. Camels and migrant workers caught on the wrong side of the frontier when the crisis erupted have found themselves stranded.

Qatar Airways, whose flights have been forced to leave the region through Iranian airspace, is running up to eight extra cargo flights every day to bring fresh supplies of fruit, meat and vegetables to Doha, the capital. Executives have ordered new cargo planes, and at the company's vast, air-conditioned

cargo facility at the airport in Doha on Sunday, employees said they anticipated little difficulty in handling the increased freight.

A \$7 billion port, which started operations in December, is expected to pick up the rest of the slack with shipments from new suppliers in Iran, India and elsewhere. Qatar's government is footing the bill.

"We can cover the financial aspect without even tapping into our investments," said Sheikh Saif bin Ahmed al-Thani, a member of the ruling clan and a senior communications official in the government. "It's not a problem."

For the countries leading the blockade — Saudi Arabia, the United Arab Emirates, Egypt and Bahrain — it illuminates the challenge of laying economic siege to the world's richest country per capita.

On June 22, the four countries issued a list of 13 demands against Qatar, including cutting its alleged ties to terrorist organizations, shutting down Al Jazeera and closing a small Turkish military base. Qatar said the ultimatums amounted to a demand that it surrender its sovereignty.

Shut out by Arab neighbors, Qatar must rely on shipments from countries like Iran and India through the recently opened Hamad Port. Naseem Zeitoun/Reuters

The original deadline for meeting those demands was midnight on Sunday. But Qatar — which sits on a vast, lucrative gas field — indicated that it did not intend to give an inch. "We are prepared to face whatever consequences," the foreign minister, Sheikh Mohammed bin Abdulrahman al-Thani, said in Rome on Saturday.

The four countries agreed to a request by Kuwait, which has been acting as a mediator in the dispute, to extend by 48 hours the deadline for Doha to comply, according to a joint statement published by the Saudi state news agency SPA.

Yet even if they appear to be winning the economic standoff so far, the Qataris are feeling the pinch in other ways. And the deepening crisis is having worrisome effects

that are rippling across the gulf and battering political unity. Experts warn that the crisis could destabilize the broader region if it persists for months, or longer, as many fear.

The feud over Qatar has already extended beyond the gulf, sucking in Turkey, which is backing Doha, and Russia, which is trying to steer a middle course in the dispute. President Vladimir V. Putin of Russia said on Saturday that he had spoken with the leaders of Qatar and Bahrain in a bid to stimulate dialogue.

Normally, the United States might be counted on to help resolve the crisis, given that it considers itself a close ally of all the sparring countries. Qatar is home to a huge American air base with 10,000 American service personnel and warplanes that carry out daily attacks on the Islamic State in Syria and Iraq.

But American policy on the dispute has had an inconstant quality of late, with the State Department offering sharp criticism of the Saudi and Emirati demands — which it called the product of an old grudge — while President Trump has sided firmly with the countries leading the blockade.

"We're having a dispute with Qatar," Mr. Trump said at a closed-door fund-raiser in Washington on Wednesday, according to an audio recording leaked to the news site The Intercept. After mocking what he called the country's preferred pronunciation of its name, he said, "I prefer that they don't fund terrorism."

Some American officials say Mr. Trump's policy is being driven by two advisers, Stephen K. Bannon and Sebastian Gorka, who are firmly in the Saudi camp, and who see harsh punishment of Qatar as a warning to any country accused of indulging Islamists.

Qatar has been at odds with its neighbors for years over its stubbornly independent foreign policy and its sponsorship of Al Jazeera, hugely popular across the Arabic-speaking world. The last spat, in 2014, led Saudi Arabia and the United Arab Emirates to withdraw their ambassadors from Doha in protest for seven months.

Qatar's rulers have deep tribal ties to Saudi Arabia and have spent much of the last two decades trying to shake loose from their neighbor's influence.

But this time, citizens on both sides have become mired in the fight, and it feels more bitter and personal.

Every night, people flock to a giant billboard in a Doha suburb to sign their names on a sketched image of the emir, Sheikh Tamim bin Hamad al-Thani. After going viral in the early days of the blockade, the image, drawn by a local artist, has become an icon of Qatari resistance, adorning skyscrapers, car windows and cellphones across the capital.

Given the uncertain supply of cows in Doha, a tycoon has plans to fly 4,000 cattle into the country. Tom Finn/Reuters

Such displays of nationalism are unusual in Qatar, but the artist, Ahmed Almaadheed, said he had been visited by Sheikha al Mayassa bint Hamad bin Khalifa al-Thani, a senior royal and a titan in the global art market, who offered her approval. One Qatari offered him \$5 million for the original image, he said, but it was not for sale. "It's a piece of history," he said.

On Friday night, men in white robes and black-clad women waited in line to be carried, one by one, on a cherry-picker so they could find a space to sign atop the 120-square-foot billboard.

Among them was Umm Hassan, a government employee, 40, on her third visit. "The people have become like one heart," she said.

But the crisis has also been a source of great sadness, she said. Her family has been shattered — a relative just died in Bahrain, and nobody could attend the funeral. Then there is her cousin, married to an Emirati, who recently had to send her 1-year-old daughter to the United Arab Emirates to live with her husband. Under the law in most Middle Eastern countries, a child inherits the nationality of the father, and after the siege started, the United Arab Emirates insisted that all of its citizens leave Qatar.

"The cost of this crisis is human," a distraught Ms. Hassan said. "It's

between governments, but it's about people."

For others, the crisis is playing out on social media. Some Saudis on Twitter have delighted in mocking the Turkish milk being drunk in Qatar, terming it "donkey milk," while young Qataris have turned to Snapchat for humorous, doggedly partisan takes on the crisis. Many place the blame squarely on Prince Mohammed bin Salman, Saudi Arabia's defense minister, who

recently became the country's crown prince.

"Everyone's a politician now," said Hessa, an investment analyst with the Qatar Investment Authority, which manages much of the country's wealth in the West. "I feel this has been building for years, and I will never be able to forget it. I feel so naïve. Why didn't I see it coming?"

With the belligerents so heavily dug in, most analysts say the crisis will get worse before it improves.

In recent weeks, hackers, apparently on Qatar's side, have sent journalists covering the crisis copies of emails written by senior Emirati officials in an apparent attempt to discredit them.

Qatari officials, in turn, say they have been targeted by covert Emirati efforts to hurt the country's currency.

Mr. Thani, the Qatari communications official, said the crisis was likely to escalate, but he vowed that Qatar's adversaries would suffer just as much. "Whatever they lose, we lose," he said.

He added: "We have a drop in air transit; so do they. We have no problem in this continuing — internally, financially or politically."

**The
Washington
Post**

Editorial : What Trump should say when he meets Putin for the first time

Opinion

A column or article in the Opinions section (in print, this is known as the Editorial Pages).

July 2 at 7:05 PM

ALTHOUGH PRESIDENT TRUMP likes to rely on his instincts, this week's meeting with Russian President Vladimir Putin in Hamburg, Germany, calls for careful preparation and straight talk. Mr. Trump's national security adviser, H.R. McMaster, told reporters that "we have no specific agenda" and "it's whatever the president wants to talk about." This is far too casual and risky.

While Mr. Putin's actions at home and abroad are often objectionable, an exchange in person with him can help avoid mistrust and misperceptions, of which there are plenty. Mr. Trump should set aside his stated admiration for Mr. Putin's

strongman tendencies and instead confront the Russian president with difficult questions. This meeting is not about being friends but about urgent business. The agenda is rather full.

Mr. Trump simply cannot fail to admonish Mr. Putin for Russia's attempts to meddle in the 2016 presidential election. He must make clear the United States will not tolerate it, period. Naturally, this is a difficult issue for Mr. Trump, who reaped the benefit of Russia's intervention and now faces a special counsel's investigation, but nonetheless, in his first session with Mr. Putin, the president must not hesitate to be blunt. He should not be overeager to give back the two Russian compounds used for espionage that were seized by the United States in December in President Barack Obama's belated response to the election meddling.

On Ukraine, Mr. Trump must also display determination. Russia fomented an armed uprising and seized Crimea in violation of international norms, and it continues to instigate violence in the Donbas. Mr. Trump ought to make it unmistakably clear to Mr. Putin that the United States will not retreat from the sanctions imposed over Ukraine until the conditions of peace agreements are met.

The leaders ought to discuss the Syrian conflict with an eye toward avoiding direct hostilities, even as Washington and Moscow pursue dramatically different military goals. Mr. Trump should at least try to persuade Mr. Putin to acknowledge the need for a government not headed by Bashar al-Assad and a region not dominated by Iran. Mr. Trump might also fruitfully bring up an idea floated recently by former Democratic senator Sam Nunn and

former Russian foreign minister Igor Ivanov, among others, to restart broader Russian-American military-to-military communication. It would also be in the interest of both countries to resume cooperation on nuclear nonproliferation and to resolve the standoff over the Intermediate-Range Nuclear Forces Treaty.

Even in the darkest days of the Cold War, the United States and the Soviet Union communicated with each other, and the need is no less today. A meeting will probably satisfy Mr. Putin's desire to be seen as a global leader, and he will be probing Mr. Trump for signs of weakness. Mr. Putin suffers from long-standing misunderstandings about the West and the United States, and it can only help to speak to him directly, if the message is carefully prepared.

**THE WALL
STREET
JOURNAL**

U.S. Navy Patrols Near Disputed Island in South China Sea (UNE)

Gordon Lubold in Washington and Jeremy Page in Beijing

7-9 minutes

Updated July 3, 2017 12:48 a.m. ET

The U.S. conducted a naval patrol close to a China-controlled island in the South China Sea on Sunday—the second such operation confirmed by American officials in less than six weeks—following several recent moves that appear to signal Washington's displeasure with Beijing.

The U.S. Navy on Sunday sent the guided-missile destroyer USS Stethem near Triton Island in the Parcel Island chain in the South China Sea, according to U.S. officials. The warship came to within 12 nautical miles of Triton, indicating the patrol was meant as a freedom-of-navigation operation and represented a challenge to

what the U.S. sees as excessive maritime claims.

China, Taiwan and Vietnam all lay claim to the island, which is smaller than a square mile and serves as a Chinese outpost. Beijing has controlled it since seizing the Parcels from Vietnamese forces in 1974.

U.S. military officials said operations such as that on Sunday are typically planned weeks, if not months, ahead of time and that the patrol wasn't linked to the other recent actions taken by Washington.

The timing of the operation, nonetheless, is likely to cause concern in Beijing. It comes days before President Donald Trump is expected to meet Chinese President Xi Jinping at a Group of 20 summit in Hamburg, Germany.

Mr. Trump spoke by phone with Mr. Xi and Japanese Prime Minister Shinzo Abe on Sunday night, the White House said. During the calls,

Mr. Trump reaffirmed the U.S. commitment to a denuclearized Korean Peninsula with China and America's willingness to stand with Japan to respond to any threat from North Korea, the White House said.

The administration said that "a range" of other issues of mutual interest had been discussed with each man, though the naval operation wasn't explicitly described as a topic of either conversation.

The White House said "a range" of other issues of mutual interest had been discussed with Mr. Xi and Mr. Abe, though the naval operation wasn't explicitly described as a topic of either conversation.

State-run China Central Television also avoided mentioning the sea patrol in its report on Mr. Xi's telephone call with President Trump, although it said the Chinese leader had discussed some "negative factors" in relations.

CCTV said that the two leaders had discussed the Korean Peninsula and that Mr. Trump had reaffirmed his commitment to the "one China" policy, whereby Washington forgoes formal diplomatic relations with Taiwan. It also said the two men agreed to meet in Hamburg.

The operation comes after signals emerged of mounting White House impatience with Beijing after Mr. Trump had pushed Mr. Xi to pressure North Korea's on its missile and nuclear programs. The U.S. no longer seems willing to placate China to get it to do so.

That suggestion was seemingly made clear with a June 20 tweet from Mr. Trump.

"While I greatly appreciate the efforts of President Xi & China to help with North Korea it has not worked out. At least I know China tried!"

On Thursday, the White House approved a \$1.42 billion arms sale

to Taiwan, including radar, missiles and torpedoes. That angered Beijing, which claims Taiwan as its own territory. Also on Thursday, the White House announced sanctions on four Chinese entities over dealings with North Korea. The entities included a bank the Treasury Department alleged provided access to the U.S. financial system for companies connected to North Korea's weapons program.

Earlier last week, China registered concerns about a bill approved by a U.S. Senate panel that would allow U.S. warships to make regular port visits to Taiwan.

The moves contrasted with the approach toward Beijing earlier in Mr. Trump's tenure, when he indicated he wanted to engage with Beijing even after criticizing China during the presidential campaign on trade and other issues. Less than three months after taking office, Mr. Trump met with Mr. Xi at his waterfront estate in Palm Beach, Fla., and Mr. Trump held off naming China a currency manipulator in part because he wanted China's help on pressuring North Korea.

THE WALL STREET JOURNAL

COMMENTS

3-4 minutes

The Trump Administration is losing patience with China's failure to stop North Korea's nuclear program, and two signals last week were new U.S. sanctions on Chinese aiding the North and a \$1.4 billion arms sale to Taiwan. Beijing may be miscalculating that this U.S. government will behave like every other.

The arms sale includes such sorely needed equipment as antiship missiles and torpedoes, though that doesn't make up for two decades of neglect by past U.S. administrations. Washington is obligated under the Taiwan Relations Act to help the island if it comes under

The New York Times

6-8 minutes

Anthony Freda

SAN FRANCISCO — The attack had the hallmarks of something

operation Sunday is the second to be publicly confirmed since Mr. Trump took office in January. The Navy destroyer the USS Dewey conducted an operation May 24 around Mischief Reef in the South China Sea's Spratly archipelago, according to U.S. officials. That one came to within 12 miles of Mischief.

Under international maritime law, territorial waters extend 12 nautical miles from nations' coastlines.

Bonnie Glaser, a senior adviser on Asia for the Center for Strategic and International Studies, a think tank in Washington, said she thought the "back-to-back" naval operations were significant because it showed the Trump administration is willing to be more assertive in the South China Sea.

Under former President Barack Obama, the U.S. undertook such freedom-of-navigation missions only after weeks or months of multiple policy reviews, defense officials have said.

"It does suggest that the Trump administration is willing to give the Pacific Command a little more leeway," she said.

After the U.S. patrol near the Spratlys, Beijing vowed to build up

The freedom-of-navigation

Editorial : Trump's Signals to China

July 2, 2017 5:15 p.m. ET 27

attack, so the smart policy is to ensure that Taiwan can defend itself and deter a Beijing invasion.

Twenty years ago military experts derided the idea of a Chinese invasion as a "million man swim," since the People's Liberation Army lacked even the amphibious landing capability to move its forces across the 110-mile Taiwan Strait. Today China has landing craft, advanced fighters, ships and submarines. Shore-based missiles make it dangerous for the U.S. Navy to enter the Taiwan Strait in a crisis.

Taiwan's air force still flies some F-5 fighters bought in 1985, and its navy's two deployable submarines date from the same era. A 2016 report from the RAND Corporation estimated that Taiwan needs to spend \$25.3 billion on new weapons over the next 20 years to create a credible deterrent against Chinese attack. The most critical need is for more F-16 fighters so

its military capabilities and accused the U.S. of destabilizing the region. China also protested after a similar U.S. operation near Triton in January 2016.

After the Stethem's operation near Triton Island on Sunday, China's foreign ministry issued a written statement saying the destroyer "trespassed China's territorial islands."

China dispatched military ships and fighter aircraft in response to "warn off the U.S. vessel," Foreign Ministry spokesperson Lu Kang said in the statement, which used the Chinese name for the Paracel Islands.

"The Xisha Islands are an inherent part of the Chinese territory," the statement said noting that the U.S. had conducted the operation without first getting approval from Beijing.

"The U.S., who deliberately stirs up troubles in the South China Sea, is running in the opposite direction from countries in the region who aspire for stability, cooperation and development," the statement said.

The Paracels are considered less of a potential flashpoint than the Spratlys, where China has built

seven fortified artificial islands in the last three years or so. China has also conducted substantial upgrades of military infrastructure in the Paracels, including a helipad on Triton Island, according to the Center for Strategic and International Studies.

Over the course of fiscal 2016, the U.S. conducted freedom-of-navigation operations challenging excessive maritime claims of 22 coastal states, including allies and partners, said Lt. Cmdr. Matt Knight, a spokesman for the Pacific Fleet.

"We conduct routine and regular [freedom-of-navigation operations], as we have done in the past and will continue to do in the future."

—Chieko Tsuneoka in Tokyo contributed to this article.

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Appeared in the July 3, 2017, print edition as 'U.S. Navy Patrols Close to Islands Claimed by China.'

Taiwan's air force isn't overwhelmed in the early days of a conflict, as would be the case now.

Taiwan deserves some blame for failing to spend enough on its own defense, but President Tsai Ing-wen is committed to buying more U.S. arms and reinvigorating the domestic arms industry. The island began a project to build its own submarines earlier this year, but it will need American help and the Trump Administration can move with dispatch to provide it.

Meanwhile, the U.S. Treasury last week announced new sanctions to reduce the flow of money through China to North Korea. Treasury said it will cut off the China-based Bank of Dandong from the U.S. financial system for "facilitating millions of dollars of transactions for companies involved in North Korea's WMD and ballistic missile programs." Treasury also sanctioned Dalian Global Unity

Shipping Co., and two Chinese citizens, Sun Wei and Li Hong Ri.

These sanctions against Chinese entities dealing with the North are long overdue, and we've advocated turning the financial screws against any Chinese doing business with the North if China's government won't rein in its client regime. Beijing loudly protested the new sanctions and the Taiwan arms sales, but it should understand that the U.S. can escalate on both fronts and there is pressure from both parties in the U.S. Congress to do so.

After his friendly visit to Mar-a-Lago in April, Chinese President Xi Jinping may have concluded he can take a few token steps on North Korea and resume business as usual. But as the North's threat to the U.S. and its allies increases, China's malign neglect is untenable.

Hackers Find 'Ideal Testing Ground' for Attacks: Developing Countries

Sheera Frenkel

researchers had dreaded for years: malicious software using artificial intelligence that could lead to a new digital arms race in which A.I.-driven defenses battled A.I.-driven offenses while humans watched from the sidelines.

But what was not as widely predicted was that one of the earliest instances of that sort of malware was found in India, not in a sophisticated British banking system or a government network in the United States.

Security researchers are increasingly looking in countries outside the West to discover the newest, most creative and potentially most dangerous types of cyberattacks being deployed.

As developing economies rush to go online, they provide a fertile

testing ground for hackers trying their skills in an environment where they can evade detection before deploying them against a company or state that has more advanced defenses.

The cyberattack in India used malware that could learn as it was spreading, and altered its methods to stay in the system for as long as possible. Those were “early indicators” of A.I., according to the cybersecurity company Darktrace. Essentially, the malware could figure out its surroundings and mimic the behavior of the system’s users, though Darktrace said the firm had found the program before it could do any damage.

“India is a place where newer A.I. attacks might be seen for the first time, simply because it is an ideal testing ground for those sorts of attacks,” said Nicole Eagan, the chief executive of Darktrace.

At times, these attacks are simply targeting more susceptible victims. While companies in the United States will often employ half a dozen security firms’ products as defensive measures, a similar company elsewhere may have just one line of defense — if any.

In the case of attacks carried out by a nation-state, companies in the United States can hope to receive a warning or assistance from the federal government, while companies elsewhere will often be left to fend for themselves.

Cybersecurity experts now speculate that a February 2016

attack on the central bank of Bangladesh, believed to have been carried out by hackers linked to North Korea, was a precursor to similar attacks on banks in Vietnam and Ecuador.

That hackers managed to steal \$81 million from the Bangladesh Bank generated headlines because of the size of the heist. But what interested cybersecurity experts was that attackers had taken advantage of a previously unexplored weakness in the bank’s computers by undermining its accounts on Swift, the international money transfer system that banks use to move billions of dollars among themselves each day.

It was an unprecedented form of cyberattack. But since then, the cybersecurity firm Symantec has found the method used against banks in 31 countries.

The malware discovered by Darktrace researchers stopped short of being a full-fledged A.I.-driven piece of software. It did, however, learn while it was in the system, trying to copy the actions of the network in order to blend in.

“What was concerning was that this attack, once it got into the network, used A.I. techniques, like trying to learn the behaviors of employees on the network, to remain undetected for as long as possible,” Ms. Eagan said. She said she saw a future in which countries raced against one another to hire people skilled in developing complex algorithms that could be used to run such malware.

Ms. Eagan’s company, which has headquarters in Cambridge, England, and San Francisco, has increasingly found hacking incidents in India since it expanded there.

As other cybersecurity companies enter Southeast Asia, Africa and other parts of the world where they have not had much presence, they will continue to discover new types of malware being tested in those markets, said Allan Liska, a senior threat intelligence analyst at Recorded Future, a cybersecurity firm based in Somerville, Mass.

“For several years, Taiwan and South Korea have been proven testing grounds for some of the more advanced groups in China,” Mr. Liska said. “Those countries have high-speed internet, widespread internet penetration and not a lot of security infrastructure in place.”

He added: “We see a pattern among the attackers. They test something, make improvements, and then six weeks later test again before launching it at their true targets.”

As internet use has expanded in Africa, Mr. Liska said, his company has noticed an increase in so-called spear-phishing attacks in which hackers appear to be testing their skills in English- and French-speaking African countries. Spear phishing employs messages that appear innocuous but contain dangerous malware. They are one of the most popular forms of cyberattacks, though they largely depend on the attackers’ ability to

hone a message that can fool a victim into opening a link or attachment.

He said that in the spear-phishing tests his company had found, attackers appeared to be testing their language, but did not include the actual malware in the link, what he described as the payload.

“They save that payload for when they are going to actually launch their attack in whatever French- or English-speaking country they are after,” Mr. Liska said.

Countries across Southeast Asia and the Middle East that have come online over the last decade have been tempting targets for hackers, said Chris Rock, an Australian security researcher and chief executive of the cybersecurity firm Kustodian.

“They are a testing ground for different kinds of environments,” he said. “For hackers, they can be low-hanging fruit.”

Doing tests in a country that presumably has fewer defenses is a double-edged sword, Mr. Rock said. On one hand, attackers can hone their skills. On the other hand, they risk being discovered. Once a cybersecurity firm has the signature of an attack, it can build defenses against it, and spread those defenses among its clients.

Mr. Rock said that if one target “has, actually, installed a good defense and you get caught, then you have wasted your time.”



‘They are not treated like humans’: Inside Libya’s thriving migrant trade (UNE)

<https://www.facebook.com/profile.php?id=100009511926129>

12-15 minutes

ZAWIYAH, Libya — The doors of the detention center were bolted shut. Hundreds of migrants were locked inside, with as many as 20 crammed into each cell. Scrawny and barefoot, the men peered through the small, square openings in the metal doors as the stench of urine and body odor hung in the stale air.

“I’ve eaten only a piece of bread today,” an Algerian man whispered. “I beg you, can you help me?”

Yet for these migrants, mostly Africans fleeing poverty, war or persecution, the worst part of their experience in Libya began before they reached this crowded facility.

Many were bought and sold by smugglers who operate freely in the lawless areas of the country.

“They flogged me, they slapped me, they beat me while I was on the phone with my mother so she could hear me cry,” said Ishmael Konte, a 25-year-old from Sierra Leone, recounting his time in southern Libya.

Libya, the biggest jumping-off point for migrants trying to reach Europe, is home to a thriving trade in humans. Unable to pay exorbitant smuggling fees or swindled by traffickers, some of the world’s most desperate people are being held as slaves, tortured or forced into prostitution.

Their worsening plight raises questions about European Union agreements to stem the flow of migrants. Under these deals, Libya was promised more than

\$225 million to enforce stricter border controls and maintain migrant assistance centers that respect “international humanitarian standards.” Last week, Libya’s Western-backed government asked European leaders in Brussels for more money to cope with the crisis.

But instead of getting better treatment, migrants found at sea are being returned to Libya to face more exploitation and violence.

Meanwhile, the number of migrants departing from Libya is surging, with more than 70,000 arriving in Italy so far this year, a 28 percent increase over the same period last year. More than 2,000 have drowned crossing the Mediterranean Sea, and the summer peak season for sea crossings is just starting.

To report this article, The Washington Post visited two main government-run detention centers in

Tripoli, as well as a third in the coastal city of Zawiyah that is controlled by a militia allegedly involved in human trafficking, according to U.N. investigators. Although the migrants’ accounts corroborate recent reports by human rights groups and aid agencies, they also reveal how much more systematic and clandestine the trade in migrants has become.

“They are not treated like humans,” said Ahmed Tabawi Wardako, a Libyan tribal leader and community activist in the southern city of Sabha. “They are treated like merchandise.”

E.U. officials are working with international organizations and the Libyan government to address the concerns, spokeswoman Catherine Ray said. “We are aware of the unacceptable conditions in which some migrants are treated in

detention or reception centers in Libya," she said. "And we do not turn a blind eye to it."

The desert

For decades, African migrants flocked to this oil-producing country in search of work. Reports of abuse, including slavery-like conditions, by Libyan employers abounded. But the situation worsened after the 2011 Arab Spring uprising and the toppling of dictator Moammar Gaddafi.

Awash with weapons, the state collapsed. In the chaos, borders and coastlines were left unpatrolled, and crime and trafficking by well-armed militias along migrant routes grew.

Now, human trafficking is a multibillion-dollar business involving countless militias and influential tribes, activists and security officials say. The Western-backed government exerts little authority outside the capital, Tripoli, and infighting is rampant within some of its ministries. It competes with two other governments, and none has real authority in the southern part of the country, through which most migrants are smuggled.

"No one even thinks about making arrests in the south," Wardako said. "The human traffickers have lots of money. They buy off people, including the police and local officials."

In March, Mack Williams left his home in Ivory Coast's commercial capital of Abidjan. He was 29 and unemployed. With money borrowed from relatives, he traveled several days and hundreds of miles by bus to the smuggling town of Agadez in central Niger, on the edge of the Sahara Desert.

A recruiter introduced him to a "connection man," one of the many middlemen on the migrant pipeline to Europe.

For about \$600, Williams was transported across the border, through Sabha and the town of Bani Walid, and then to Tripoli. At each stop, another connection man was expected to guide him along — if he survived.

A migrant who says he was wounded by a smuggler is pictured in a cell at the al-Nasr detention center for migrants on May 25 in Zawiyah. (Lorenzo Tugnoli/For The Washington Post)

Migrants rest at the Tajora detention center on May 23 in Tripoli. The night before, the group was rescued at sea by the Libyan coast guard after the small engine on their rubber boat ran out of gas. (Lorenzo Tugnoli/For The Washington Post)

"It's the road of death," Williams said, referring to the 1,400-mile stretch between Agadez and Sabha, typically a week-long drive through intense desert heat.

The deaths of migrants along the land route seldom draw much attention. In a rare instance, the International Organization for Migration (IOM) reported in June that 44 migrants, including five children, died of thirst when their vehicle broke down in the Saharan desert. A few weeks later, 51 more were presumed dead after smugglers abandoned them, the agency said.

Other migrants said that when someone fell off a truck, the drivers often left them behind to die in the desert.

Williams, who is tall and slender, was packed into a Toyota pickup with two dozen other migrants, "stuck like a piece of fish in the back," he recalled. Food and water were in short supply. Breaks were infrequent. If the migrants took too long to urinate on the side of the road, the driver and his companion would beat them with a stick and prod them like cattle back into the truck.

Three days into the journey, as they neared the Libyan border, the traffickers spotted a convoy of troops from Niger and were worried about being caught. They veered off the road and ordered the migrants to get out of the truck and get down — and then sped away.

"They left us in the desert with no water or food," Williams said.

Two days later, as some of the migrants approached death, another Toyota pickup arrived with a different group of traffickers. None had the same name or contact information Williams was given in Agadez. He understood what had happened.

"If your connection man doesn't come, it means you've been sold," he said. "Anyone can sell you to another group."

The connection house

When Ishmael Konte arrived in Sabha, nearly 500 miles south of Tripoli, the traffickers drove directly to a warehouse and sold him to a Libyan.

It was one of numerous "connection houses" where migrants wait while they are moved through the smuggling pipeline.

Konte and the 20 other migrants in the truck with him were put in a tiny cell, where guards — mostly from Niger — beat them with pipes and electric cables for the slightest infraction. Every two days, they

were given a bowl of gruel. Other food had to be bought from the guards, Konte said, but most of the migrants had no money.

"We had to drink the water in the toilet," said Alassana Bah, 34, a soft-voiced teacher from Gambia who lost his left arm in an accident years ago. "Every day, they beat me on the soles of my feet."

The men were incarcerated for different reasons. Some still owed money for their journey, others had traveled on credit and were now the property of the smugglers. Most, like Konte, said they had paid in full but were tricked by their drivers and sold to the prison's Libyan owner for as little as \$50.

Every morning, the guards would force the migrants to call their relatives back home.

Four days after he arrived, Konte called his mother. As he spoke, a guard whipped him with a thick cable. She could hear his cries.

"People have caught me," he recalled telling her. "They want \$400."

"Where can I get such money?" she replied. Konte could hear her weeping.

"You have to," he said. "These people will kill me."

The threat of death was real. Osama Quaita, 28, a slim, muscular man from Mali, spent three months in another prison in Sabha. Several migrants in his cell died, he said, after beatings or from poor health and a lack of food.

"All the time, they killed people," he said.

It took Konte's mother a month to raise the money. She wired it to an associate of the traffickers in Agadez, and Konte was released. For the next few weeks, he worked in Sabha to earn enough to pay for his trip to Tripoli.

Traffickers drove Mohamed Jalloh and 26 others from village to village on the way to Tripoli. Jalloh, a 25-year-old from Guinea, said the group he was in was forced to work on farms and houses for several weeks at a time without pay.

"They were renting us out," Jalloh said, shaking his head.

Beauty Oriri, 25, was forced to drink her urine after she ran out of water in the desert. Then she was "sold" to a connection house in Tripoli.

What Oriri saw there terrified her.

"They are forcing girls to have sex with men against their will," the Nigerian hairdresser said. "If you don't do it, they can kill you. They

can lock you up for days. If you don't do it, you will not eat."

There are dozens of connection houses in Tripoli, some windowless to prevent detection, security officials say. In most cases, the government "doesn't know anything about them," said Capt. Wajdi Muntassar, a police officer who runs a detention center. Migrant boys taken to the houses are forced to sell drugs, he added, and girls are forced into prostitution.

Oriri said the connection men told her she would be forced into prostitution if she couldn't pay \$500. She frantically called her family and friends in Nigeria. Eight days later, the smugglers had the money and she was released, she said.

Most of the other migrant girls and women who traveled with her couldn't afford to pay. So they had no choice, Oriri said. They received a small cut of what the customers paid, and it would take months to afford the boat fare to Italy.

The detention center

The Libyan coast guard and local fishermen have stopped more than 10,000 migrants this year and sent them back to Libya, according to IOM data. Most have ended up in one of Libya's 29 official detention centers, which international aid and medical charities visit.

All are woefully underfunded, in part because of militia and government rivalries. Funding has been frozen and bills to feed migrants haven't been paid in months, Muntassar and two other officials said.

Abdulrazag Shneeti, a spokesman for the government's Department for Combating Illegal Migration, did not respond to repeated calls for comment.

The Zawiyah facility — known as the al-Nasr detention center — was set up by the al-Nasr Brigade, a militia involved in oil and human smuggling that has links to the coast guard, U.N. investigators said in a report released in June. Christine Petre, an IOM spokeswoman, said the facility is now being run by the Western-backed government, but migrants and coast guard members said the militia and its tribesmen are still in charge.

Migrants sleep and eat on the dirty floors. Lunch is a six-inch loaf of bread. Dinner is a plate of macaroni.

On a recent day, the mattresses had been taken away from a group in a cell as "punishment" for fighting, said Fathi al-Far, the center's director. Last year, he said, four

migrants were killed and a guard was injured in clashes.

Two migrants died of treatable problems in the past two years, Far said. He has been awaiting a water purifier for months. Nearby, an Algerian migrant lay on the floor against a wall, clutching his stomach and writhing in pain. But there was no doctor to help him.

Guards are quick to give beatings, several migrants said.

"It happens," Far said.

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In their report, U.N. investigators described Far as a former army colonel and said that the center is used to sell migrants to other smugglers.

Far acknowledged that smugglers come to the center to take migrants

but said he is unable to stop them. Guards or militia members call the migrants' families to extort cash — if they pay, the migrant is released and put back on a boat to Europe.

"The guards can do anything," Far said. "They have the keys to the cells."

**The
New York
Times**

Central Americans, 'Scared of What's Happening' in U.S., Stay Put (UNE)

Kirk Semple

13-16 minutes

CHOLOMA, Honduras — His bags were packed, and the smuggler was ready. If all went well, Eswin Josué Fuentes figured he and his 10-year-old daughter would slip into the United States within days.

Then, the night before he planned to leave, he had a phone conversation with a Honduran friend living illegally in New York. Under President Trump, the friend warned, the United States was no longer a place for undocumented migrants.

Shaken, Mr. Fuentes abruptly ditched his plans in May and decided to stay here in Honduras, despite its unrelenting violence and poverty. He even passed up the \$12,000 in smuggler fees that his sister in the United States had lined up for the journey.

"I got scared of what's happening there," Mr. Fuentes said.

While some of Mr. Trump's most ambitious plans to tighten the border are still a long way off, particularly his campaign pledge to build a massive wall, his hard-line approach to immigration already seems to have led to sharp declines in the flow of migrants from Central America bound for the United States.

From February through May, the number of undocumented immigrants stopped or caught along the southwest border of the United States fell 60 percent from the same period last year, according to United States Customs and Border Protection — evidence that far fewer migrants are heading north, officials on both sides of the border say.

Residents in a poor neighborhood of San Pedro Sula, Honduras, which has gang activity and is one of the most violent cities in the world. Adriana Zehbrauskas for The New York Times

Inside the United States, the Trump administration has cast a broader

enforcement net, including reversing Obama-era rules that put a priority on arresting serious criminals and mostly left other undocumented immigrants alone. Arrests of immigrants living illegally in the United States have soared, with the biggest increase coming among those migrants with no criminal records.

The shift has sown a new sense of fear among undocumented immigrants in the United States. In turn, they have sent a warning back to relatives and friends in their homelands: Don't come.

The message is loud and clear here in Honduras. Manuel de Jesús Ríos Reyes, 55, stood in the unforgiving sun outside a reception center for deportees from the United States. His wife, who tried to cross the American border illegally in March, was on an incoming flight.

Families waiting for loved ones outside a reception center for deportees flown from the United States to San Pedro Sula. Adriana Zehbrauskas for The New York Times

Mindful of the warnings from the United States, Mr. Ríos had urged her not to go. "She didn't pay attention," he recalled. "Now she's here. Thank God, she's alive."

If his wife talks about trying to cross again, he said, he will redouble his pleas. "Ah, my love," he planned to tell her. "Stay here."

Many in the Central American countries known as the Northern Triangle — El Salvador, Guatemala and Honduras — appear to be doing just that. Those nations have accounted for many of the undocumented immigrants who have tried to cross the American border in recent years. Now the wariness about Mr. Trump's immigration policies is palpable, the impact visible.

Migrant smugglers in Honduras say their business has dried up since Mr. Trump took office. Fewer buses have been leaving the northern Honduran city of San Pedro Sula bound for the border with

Guatemala, the usual route for Honduran migrants heading overland to the United States. In hotels and shelters along the migrant trail, once-occupied beds go empty night after night.

A smuggler's bedroom in a small town about 18 miles from San Pedro Sula. Adriana Zehbrauskas for The New York Times

Marcos, a migrant smuggler based near San Pedro Sula, said that last year he had taken one or two groups each month from Honduras to the United States border. Since Mr. Trump's inauguration, however, he has had only one client. He blames Mr. Trump.

"People think he's going to kick everyone out of the country," Marcos said, asking that his full name not be published because of the illegal nature of his work. "Almost nobody's going."

Instead, many potential migrants in the Northern Triangle are choosing to sit tight and endure the poverty and violence that have driven hundreds of thousands to seek work and sanctuary in the United States in recent years.

Juan Ángel Pérez, 31, an unemployed factory worker in the northern Honduran city of Villanueva, had planned to head overland to the United States in June and had lined up a smuggler for \$8,500. But after speaking with his sister, an undocumented immigrant in North Carolina, he decided against it.

"She said, 'Think about it very carefully because the situation is getting more difficult,'" Mr. Pérez recalled last week. "I was scared of losing the money."

"If I stay here, life is complicated," he said, "and if I go there, it's complicated. I'm between the sword and the wall."

Instead of going to the United States, some are migrating within their own countries in search of opportunity and safety, or they are seeking to move elsewhere in Latin

America and even to Europe or Asia.

A neighborhood in San Pedro Sula, where fewer buses have been leaving for the border with Guatemala, the usual route for Honduran migrants heading overland to the United States. Adriana Zehbrauskas for The New York Times

Around midnight, Roberto, 24, sat on the grimy steps outside the main bus station in San Pedro Sula, waiting for a night bus bound for Guatemala City. His intended destination was Mexico — at least for now. In time, he hoped to press on to the United States, but now was not the moment — "because of the current policies" under Mr. Trump, he said.

"Every day, it's on the news" here in Honduras, Roberto said, asking that his last name not be used because he planned to sneak into Mexico illegally. "People are being deported every day."

Eswin Josué Fuentes and his daughter, Andrea Belen, in their one-room house in Choloma, Honduras. He said he had canceled plans to have a smuggler get them into the United States. Adriana Zehbrauskas for The New York Times

He chuckled uncomfortably at the thought of paying a lot of money to a smuggler to reach the United States, only to be detained and deported once he got there. "Imagine paying and losing everything," he said.

Experts in the region warn that the decline in migration could put additional pressure on Central American countries, increasing competition for work, which is already in short supply, and potentially driving more people into the criminal gangs that have terrorized the region.

The wait at San Pedro Sula's bus terminal for the 1:30 a.m. bus to Guatemala. Adriana Zehbrauskas for The New York Times

Mr. Trump is also proposing to cut American assistance for the sorts of economic and social development programs that seek to alleviate the poverty and violence that have compelled so many people to flee their homes.

The president's proposed budget for the 2018 fiscal year would slash economic assistance to Central America by 42 percent from 2016 levels, according to an analysis by the Washington Office on Latin America, a research group.

"The effect on judicial reform, job creation and violence prevention efforts would be severe," the organization said.

Since abandoning his plan to migrate with his daughter to the United States, Mr. Fuentes, a widower, has not found work here in the violent northern city of Choloma or in nearby San Pedro Sula.

Every morning he awakes with his daughter, Andrea Belen, at dawn in their one-room cinder block house. He walks Andrea to a friend's house, where she waits until it is time to go to school, then he heads into the city and spends the day knocking on doors and asking for a job.

Members of a street gang inside their safe house in a poor neighborhood in San Pedro Sula. Adriana Zehbrauskas for The New York Times

As tough as their life is, though, he does not regret canceling the journey to the United States.

"I have to think about my daughter," he said. "You don't want to make a mistake."

Because much of the migration to the United States from the Northern Triangle is illegal and undocumented, its precise volume is hard to pin down.

But the decline in migrants heading north has been registered at many points along the way. The Mexican authorities recorded a 56 percent drop in the number of undocumented immigrants detained in their country — many of them presumably on their way to the United States — in the first four months of the Trump administration, compared with the same period last year.

The drop was stark among Hondurans. Nearly 9,000 were detained in Mexico from February to May, compared with more than 18,600 during the same period last year.

"Fewer Hondurans are being detained because fewer are leaving," Maria Andrea Matamoros, vice minister for foreign relations in Honduras, told reporters last month.

San Pedro Sula at dawn. President Trump's hard-line approach to immigration seems to have led to sharp declines in the flow of migrants from Central America

bound for the United States. Adriana Zehbrauskas for The New York Times

That said, the two general populations of migrants — those principally fleeing poverty and those principally fleeing violence — seem to be responding in different ways.

Honduras has one of the highest homicide rates in the world, and many people fleeing the violence continue to leave Honduras in significant numbers, experts say.

"There isn't an institution in the country that can protect them," said Sister Lidia Mara Silva de Souza, national coordinator of the Human Mobility Pastoral in Honduras and a member of the Scalabrinian missionary order.

According to the United Nations, more people from the Northern Triangle filed for asylum through the Department of Homeland Security in the first three months of this year than during the same period last year.

An increasing number of Northern Triangle residents have also filed for asylum in other countries, particularly Mexico, migration experts said. Some who might have sought sanctuary in the United States have gone elsewhere, citing Mr. Trump's policies.

The stream of Central American migrants like Mr. Fuentes, who are principally fleeing poverty, has

dropped significantly, immigrants' advocates say.

For generations, the migration of people from Central America seeking work elsewhere has served as a safety valve for the region, relieving pressure on the labor market and public services. Now, community leaders in Honduras fear that with fewer people migrating in search of opportunities in the United States, poverty will worsen and criminal gangs will find new recruits.

"People don't have an opportunity to work in this country," said Daniel Pacheco, an evangelical pastor in a gang-controlled sector of San Pedro Sula, one of the most violent cities in the world. "We're very worried."

Still, many here do not think the decrease in migration will endure for too long. The hardships of life in Honduras are too many, the government's solutions are too few — and the allure of the United States is too great.

"The smoke of fear will drop, the migration will return," said Sister Valdete Wilemann, who runs a center at the San Pedro Sula airport where Honduran migrants are processed after being deported from the United States.

The dream of going to the United States is "the culture," she said. "You're not going to rid Hondurans of that."

THE WALL STREET JOURNAL

U.S. Pushes Foreign Airports to Install Explosives Scanners Within 21 Days

Susan Carey

4-5 minutes

July 1, 2017 4:02 p.m. ET

The 280 airports that send direct flights to the U.S. must have explosives-detecting scanners within 21 days, one step the Department of Homeland Security has mandated to avoid a broader ban on laptops aboard flights.

U.S. officials are giving 180 affected domestic and international airlines four months to make other security enhancements including more intensive passenger screening and monitoring of planes on the ground, according to a memo the International Air Transport Association sent to its member carriers after the DHS announced new security measures on Wednesday.

The memo, which hasn't been made public, was reviewed by The

Wall Street Journal and earlier reported by the New York Times .

IATA also said foreign airports that fail to install explosive-trace detection scanners along with procedures to use them to scan carry-on bags at random could face a ban on carrying laptops into the cabin or a suspension of flights to the U.S.

An IATA spokesman declined to comment. The trade body's leader, Alexandre de Juniac, said last week that the "aggressive implementation timeline will...be challenging."

Homeland Security Secretary John Kelly has warned for months that terrorists are aiming to take down a plane with explosives hidden in a laptop. In March, he banned personal electronic devices in the cabins of planes flying to the U.S. from 10 airports in the Middle East and North Africa. That prohibition could be lifted if those airports and airlines meet the new edits.

Mr. Kelly later suggested widening the ban as drastically as to cover all foreign flights in and out of the U.S. After consulting airlines and foreign aviation officials, he settled on the mandates laid out on Wednesday, which affect about 325,000 passengers a day flying from airports in 105 nations.

A DHS official declined to confirm the timeline laid out in the IATA memo, saying that doing so could compromise aviation security. "We don't want to tell our adversaries what we're doing," the official said.

The official confirmed that DHS intends to work with airlines that may not be able to install the machines promptly. Interim steps could shore up security while airlines work toward compliance, the official said. Carriers that don't comply or agree to a plan to do so could face fines, a ban on laptops in the cabin and the cargo hold, or a ban on flying to the U.S., the official added.

"We're going to be reasonable with them," he said.

The global airports trade group couldn't be immediately reached for comment, nor could the leading Asian airline trade association.

The DHS official said many of the affected airports already have the scanners, which measure for traces of explosives by analyzing a swab taken from a flier's luggage or hand. Such machines also are used to check for narcotics. Manufacturers say the test takes about 30 seconds and that the machines cost between \$25,000 and \$50,000.

The DHS required U.S. airports and airlines to use the scanners in 2010. The European Union mandated them in 2014, but allowed the industry more than a year to comply. Some Asian nations also are widely using the technology, said Norbert Kloepper, chief of the explosive-trace detection unit of Bruker Corp. , the smallest of the four global manufacturers of the machines.

Mr. Kloepper estimated 3,000 to 5,000 new machines will be needed to meet the DHS rules. His company sells up to 400 a year. He said more machines would need to be produced and operators would

need to be trained to meet the tight deadline.

Stephen Esposito, a vice president at U.K.-based market leader Smiths Detection, anticipated a surge in orders because of the new

requirement. He said the company, part of Smiths Group PLC, has 10,000 scanners deployed worldwide today and would be able to meet demand from the new mandate.

Write to Susan Carey at susan.carey@wsj.com

Appeared in the July 3, 2017, print edition as 'Overseas Airports Must Get Scanners.'

ETATS-UNIS



Trump: GOP Voters Blame Congress For Lack of Progress

Steve Peoples and Thomas Beaumont / AP

6-7 minutes

(NEW YORK) — In firm control of the federal government, President Donald Trump and his Republican Party have so far failed to deliver on core campaign promises on health care, taxes and infrastructure. But in New York's Trump Tower cafe, the Gentry family blames Congress, not the president.

Like many Trump voters across America, the Alabama couple, vacationing last week with their three children, says they are deeply frustrated with the president's GOP allies, faulting them for derailing Trump's plans. As the family of five lunched in Trump Tower, Sheila Gentry offered a pointed message to those concerned with the GOP's ability to govern five months into the Trump presidency.

"Shut up. Get on board. And let's give President Trump the benefit of the doubt. It takes a while," said the 46-year-old nursing educator from Section, Alabama.

"They just need a good whoopin'," said her husband, Travis Gentry, a 48-year-old engineer, likening congressional infighting to unruly kids in the back seat of the car.

Related

As Washington Republicans decry Trump's latest round of Twitter attacks, Republicans on the ground from New York to Louisiana to Iowa continue to stand by the president and his unorthodox leadership style. For now at least, rank-and-file Republicans are far more willing to blame the GOP-led Congress for their party's lack of progress, sending an early warning sign as

the GOP looks to preserve its House and Senate majorities in next year's midterm elections.

Inside and outside the Beltway surrounding the nation's capital, Republicans worry their party could pay a steep political price unless they show significant progress on their years-long promise to repeal and replace Democrat Barack Obama's health care law. Even more disturbing, some say, is the Republican Party's nascent struggle to overhaul the nation's tax system, never mind Trump's unfulfilled vows to repair roads and bridges across America and build a massive border wall.

"It's a problem for Republicans, who were put in place to fix this stuff. If you can't fix it, I need someone who can," said Ernie Rudolph, a 72-year-old cybersecurity executive from suburban Des Moines, Iowa.

There is no easy path forward for the Republican Party.

The nonpartisan Congressional Budget Office predicts that health care legislation backed by House and Senate Republican leaders — and favored by Trump — would ultimately leave more than 20 million additional Americans without health care, while enacting deep cuts to Medicaid and other programs that address the opioid epidemic. In some cases, the plans would most hurt Trump's most passionate supporters.

Just 17% of Americans support the Senate's health care plan, according to a poll released last week, making it one of the least popular major legislative proposals in history.

The president on Friday injected new uncertainty into the debate by urging congressional Republicans

simply to repeal Obama's health care law "immediately" while crafting a replacement plan later, which would leave tens of millions of Americans without health care with no clear solution.

That shift came a day after several Republicans in Congress condemned Trump's personal Twitter attack against MSNBC hosts Mika Brzezinski and Joe Scarborough, which was viewed across Washington as an unwanted distraction in the midst of a sensitive policy debate.

Trump's nationwide approval rating hovered below 40% in Gallup's weekly tracking survey, even before the tweet. At the same time, just one in four voters approve of Republicans in Congress, Quinnipiac University found.

Democrats, meanwhile, report sustained energy on the ground in swing districts where Republicans face tough re-election challenges. Democrats need to flip 24 seats to win the House majority next fall, a goal that operatives in both parties see as increasingly possible as the GOP struggles to govern.

A former Obama administration national security aide, Andy Kim, is among a large class of fresh Democratic recruits.

"People are fired up," said Kim, who's challenging Rep. Tom MacArthur, R-N.J. "It's not just about the health care bill. It's not just about Trump. ... They're concerned about the ability of this government to put together any credible legislation going forward."

Republicans are also concerned.

In Iowa's Adair County, GOP Chairman Ryan Frederick fears that Republican voters will begin to lose

confidence in their party's plans for taxes, infrastructure and immigration should the health care overhaul fail.

"Everyone I know looks at trying to get Obamacare repealed and says, 'If we're making this much of a pig's breakfast out of that, what are we going to do with tax reform?'" Frederick said.

"We've dreamed of killing Obamacare for seven years. And we have the House, the Senate and the presidency, and we can't do it?" he continued. "What's the deal, guys?"

Louisiana Republican Party Chairman Roger Villere bemoans "factionalism" in his party. Intraparty divisions are holding up health care, he says, which in turn keeps the GOP-led government from tackling other priorities.

He's looking to Trump for leadership.

"He's the ultimate negotiator," Villere said. "We'll see how good he is."

Back in Trump Tower, Sheila Gentry conceded that Trump's tweets sometimes make her cringe, but she still has confidence in her president. She can't say the same for congressional Republicans.

"The Republicans who are in there now that aren't being very supportive, they're going to find themselves without a job soon if they don't step it up," she said.

Associated Press writers Bill Barrow in Atlanta and Julie Carr Smyth in Columbus, Ohio contributed to this report.



Republican Senators Face Pushback From Governors on the Health Bill (UNE)

Kristina Peterson and Michelle Hackman

7-9 minutes

Updated July 2, 2017 7:22 p.m. ET
Republican senators back home on recess this week are hearing from some influential critics of their

health-law effort: GOP governors, many of whom are urging them to push back on the legislation because it would cut Medicaid funding.

Governors of states including Ohio, Nevada and Arkansas, which stand to lose billions of dollars in Medicaid funding under the Senate bill, want senators to keep as much of that

money as possible. That pressure reflects a risk taken by Senate Majority Leader Mitch McConnell (R., Ky.), perhaps unavoidably, in deciding to delay a vote on the GOP health-care bill until after lawmakers return to Washington the week of July 10.

Most vocal are governors of states that expanded their Medicaid eligibility under the Affordable Care Act. The bill would phase out that expansion and transform the state-federal safety-net program into one in which the federal government's share would be capped. In all, the bill would cut \$772 billion in funding for the program over a decade.

"It's a pretty big deal, because in most cases these states have had bitter battles inside the state legislature and [with the] governor about [Medicaid], and it's been settled in favor of expansion," said Stewart Verdery, a former GOP Senate aide and founder of Monument Policy Group, a lobbying and public-affairs firm.

For any Republican senator "to blow that up from afar is really dicey," Mr. Verdery said.

In Nevada, Republican Sen. Dean Heller, who faces a tough re-election fight next year, appeared with GOP Gov. Brian Sandoval at a news conference recently and said he opposes the health bill. Republican Gov. John Kasich of Ohio has said the bill's opioid-addiction measures don't go far enough, and he said he has conveyed his worries to the state's GOP senator, Rob Portman. Arkansas Republican Gov. Asa Hutchinson said he has spoken to his state's GOP senators, Tom Cotton and John Boozman, almost daily about his concerns with the bill.

All Democrats are expected to oppose the measure, which means Mr. McConnell can afford to lose no more than two GOP votes to pass the health bill, with Vice President Mike Pence breaking a 50-50 tie if

necessary. That means Republican leaders must flip at least seven of the nine GOP senators who have already said publicly they oppose the bill, a challenge compounded by the recess.

"The further you get away from this place, the more pushback you'll get," Sen. Lindsey Graham (R., S.C.), who has said he prefers the Senate bill to the ACA, said in the Capitol last week. In a recent Wall Street Journal/NBC News poll, 16% of respondents said the version of the bill passed by the House, which also included deep cuts to Medicaid, was a good idea.

A White House official on Sunday said Republicans "are getting close" to achieving their goals on health-care policy. The official, Marc Short, the White House legislative affairs director, said the president is calling members of Congress this weekend to help get the Senate bill across the finish line.

He suggested if an overhaul isn't achievable lawmakers should focus on repealing the ACA and then work on a replacement law. "If the replacement part is too difficult for Republicans to come together, then let's go back and take a first step and repeal," Mr. Short said in a Fox interview.

Friday, Mr. McConnell indicated he would stick with the current plan to repeal and replace much of the law in a single vote, a strategy supported by many Senate Republicans.

The 50 governors have varying views of the Senate bill, which would roll back many provisions of the ACA in addition to the Medicaid changes. The bill would also cut taxes cumulatively by more than \$500 billion over a decade, according to the Congressional Budget Office, including repealing taxes on health industries and high-income households.

Some governors agree with Senate GOP leaders the Medicaid program

should be trimmed back, freeing up money that could be spent elsewhere or used for tax cuts. But governors in the 31 states that expanded the program generally say the bill's cuts go too far, and 20 Senate Republicans represent such states. Medicaid, the safety-net program for the disabled and low-income women and children, covers roughly one in five Americans, or more than 70 million people.

"I know that they're trying to save money, and they rightfully should," said Mr. Hutchinson, whose state expanded Medicaid eligibility. "I just want to be able to also not undo some really significant reform that we're trying to accomplish in Arkansas."

Mr. Hutchinson has advocated the health bill either maintain higher levels of funding or exempt elderly and disabled people from caps on Medicaid spending. Without the extra federal help, he said, he would be forced to end the Medicaid expansion immediately.

In Ohio, Mr. Kasich has said some of the tweaks under discussion wouldn't make up for the amount of the Medicaid cuts. Adding money for opioid treatment would be like "spitting in the ocean," he said.

Alaska's governor, independent Bill Walker, said the state could be "sorely damaged" by Medicaid cuts in GOP legislation. Alaska's two GOP senators, Lisa Murkowski and Dan Sullivan, have said the current bill doesn't do enough to address their state's high cost of health care. They haven't said whether they would support the legislation.

Some Democratic governors are hoping the bill's repercussions in their states are enough to dissuade GOP senators from supporting it.

"I think the governors are actually going to be a major force in this in helping us get to a good place," Sen. Tom Carper (D., Del.) said Sunday on NBC. "They have to live with this stuff on a daily basis."

Democratic Gov. John Hickenlooper of Colorado said he has told the state's GOP senator, Cory Gardner, "You're going to force me into an impossible decision." Mr. Gardner hasn't said whether he supports the Senate bill.

Republicans have said they want to give states more flexibility in how they spend federal dollars on Medicaid in hopes they can come up with innovative ways to stretch the money. Some health analysts and lawmakers from both parties say that approach would be overwhelmed by the bill's steep cuts, which would likely force states to limit eligibility or reduce benefits.

"Providing extra flexibility to the governors to design programs which are suited for their particular populations is a good thing," Louisiana Gov. John Bel Edwards, a Democrat, told reporters last week. "But we cannot pretend that giving me all the flexibility in the world will allow me to provide meaningful coverage to the same people who have it today if you give me half as much money."

Other GOP senators are feeling pressure from the opposite direction. In Maine, GOP Gov. Paul LePage has for years castigated the ACA's Medicaid expansion as an irresponsible use of federal funds, and he wrote in a letter to Republican Sen. Susan Collins that "we should do everything we can to prevent it from causing more harm."

Even so, Ms. Collins has cited the bill's rollback of the expansion as a top reason for her opposition.

—Ryan Tracy
contributed to this article.

Write to Kristina Peterson at kristina.peterson@wsj.com and Michelle Hackman at Michelle.Hackman@wsj.com

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POLITICO How the GOP Medicaid overhaul could become the next fiscal cliff

Jennifer
Haber Korn

7-8 minutes

The Senate health care bill, if it becomes law, would set in motion a massive rollback of Medicaid funding beginning in three years. But even some Republican supporters acknowledge the full cuts might never happen.

Instead, they say it could become another Washington fiscal cliff,

where lawmakers go to the brink of radical spending changes only to pull back — or have their successors pull back — just before the point of inflicting real pain in the face of intense pressure.

Story Continued Below

"We all expect that no matter what we do, somebody is going to come back and say they want it plussed up," said Sen. John Cornyn (R-Texas), who believes the cuts are essential. "We're trying to take the only entitlement that we actually

have a realistic chance of putting on a sustainable path ... and taking that opportunity to get that done."

One Congress can't stop its successors from changing the laws it passes. And there's plenty of precedent for postponing pain, especially since one Congress' attempt at fiscal responsibility may become a political liability to the next. One of the most notorious examples was the decade-plus "doc fix" fiasco, in which Congress repeatedly found money to avoid automatic cuts to doctors' Medicare

reimbursements mandated by the 1997 Balanced Budget Act.

Facing other "cliffs," Congress has repeatedly prevented rules that bar many tax breaks from hitting the middle class. Lawmakers also quickly undid military pension cuts that were part of the 2013 bipartisan budget deal.

The Senate bill, if passed into law, would certainly result in political pain — it would reduce federal Medicaid spending by \$772 billion over 10 years, shifting to an even

more frugal spending path over time. It would also for the first time cap, or limit, the federal contribution to Medicaid, starting in 2020. And it would unwind Obamacare's Medicaid expansion.

It is expected that those cuts would create huge gaps in state budgets, and governors would have to make up the money somehow — or else drop people or trim benefits. Those pressures have Republicans openly speculating that a future Congress would face immense political pressure to block or delay the cuts.

But some Republicans think the funding changes are reasonable. Federal spending for many other programs is capped at the rate of inflation — the rate the GOP wants to set for Medicaid starting in 2025, said Sen. Lamar Alexander (R-Tenn.), chairman of the Senate Health, Education, Labor and Pensions Committee.

But even Alexander admitted that could change for Medicaid.

Pegging spending to grow at the regular inflation rate “has been a very sensible, prudent way to do it,” he said. “In the case of defense, we’re going to have to increase defense spending. We could make the same sort of decision about Medicaid if that turned out to be necessary.”

Traditionally, health care spending has grown faster than the rate of

inflation.

The Medicaid portion of the Senate's plan has gotten less attention than the Obamacare repeal. But the Medicaid overhaul would constitute the biggest changes to a program that covers about 74 million people since it was established more than 50 years ago. For decades, Republicans have sought to rein in the program's spending and give states more flexibility.

The bill would both chop Obamacare's enhanced Medicaid payments beginning in 2021 and convert the entire program to a budgeted system based on a flat payment to the state for each patient beginning in 2020.

“It's a program that has got to stop growing so fast so we can have it 10 years from now, 20 years from now, 30 years from now,” said Sen. Roger Wicker (R-Miss.). “So to the extent that we can give states an opportunity to experiment 50 different ways and make it work better for the people, that's a good thing.”

Still, some Republicans admit they may not have the political stomach to go through with the most dramatic changes.

“I don't think it will ever be instituted,” Sen. Dean Heller (R-Nev.) said of the Medicaid cuts before he came out against the Senate bill.

“It's kind of like the Cadillac tax,” he said, referring to an unpopular Obamacare tax on high-cost health care plans that Congress has already delayed as a result of political pressure. Nevada is one of 31 states that expanded Medicaid under the 2010 health care law.

Democrats contend that conservatives are being sold a bill of goods — that the health care bill offers sweeteners such as scaling back Obamacare in the beginning while the bigger cuts to Medicaid happen in the future.

The bill is “a whole lot of short-term spending that is guaranteed to happen, and a whole lot of promised, deeply unpopular, long-term structural reform that Democrats and Republicans would work together to undo before they ever came to pass,” said a senior Democratic aide. “We'll see if conservatives end up willing to once again be the suckers at the end of this backroom deal.”

That said, lawmakers may not have many chances to stop the spending reductions before they begin to take effect in 2020, if a bill passes. President Donald Trump's term doesn't end for four years, so Republicans would still control at least one branch of government. There would be competing pressures: The party's fiscal conservatives have long sought the Medicaid spending rollback that

may make moderates queasy before an election.

On top of that, at least eight states have automatic triggers to unwind their Medicaid expansion programs if federal funding declines below Obamacare levels, many of them immediately. Three million people in those states — Arkansas, Arizona, Illinois, Indiana, Michigan, New Hampshire, New Mexico and Washington state — gained coverage under the expansion.

And Republicans were unable to undo much of Obamacare even after Democrats lost control of the House.

“Once you get something into statute, it's hard to change it,” Wicker said. President Barack Obama lost the House two years after he got elected president and never got it back. And it was still almost impossible to make those substantive statutory changes to Obamacare. It's on the books, and it takes a full action by the House, Senate and signature by the president to get it done.”

Burgess Everett contributed to this report.

Missing out on the latest scoops? Sign up for POLITICO Playbook and get the latest news, every morning — in your inbox.

The Washington Post President largely sidesteps the bully pulpit in pushing health-care bill (UNE)

By John Wagner

11-14 minutes

With the Republican push to revamp the Affordable Care Act stalled again, even some allies of President Trump question whether he has effectively used the bully pulpit afforded by his office and are increasingly frustrated by distractions of his own making.

Trump has spoken out repeatedly during his tenure about the shortcomings of Obamacare, which he brands a “disaster.” But he has made relatively little effort to detail for the public why Republican replacement plans — which fare dismally in public opinion polls — would improve on the former president's signature initiative.

The lackluster sales job, combined with recent controversial tweets and public statements targeting the media, has diminished the focus on the president's leading legislative

priority at a key juncture in the Senate, allies and analysts say.

“It's a mystery,” said Barry Bennett, a Republican operative who advised Trump's campaign last year and remains close to the White House. “I don't know what they're doing.”

In recent days, Trump, who heads to Poland and Germany later this week, has seemed largely preoccupied by other things, including a Twitter feud with multiple news outlets. On Sunday, Trump sent around a video showing him body-slammng a CNN avatar, just days after calling an MSNBC host “dumb as a rock.”

Administration officials and senators from both parties on July 2 reacted to President Trump's suggestion on June 30 that the Senate could replace the Affordable Care Act now and replace it later. Administration officials and senators react to President Trump's suggestion that the Senate could replace the Affordable Care Act now and replace it later. (Video: Bastien

Inzaurrealde/Photo: Jabin Botsford/The Washington Post)

(Bastien Inzaurrealde/The Washington Post)

A top Trump lieutenant, Health and Human Services Secretary Tom Price, was pressed Sunday on whether the media attacks are interfering with the president's push of the unpopular Senate bill.

“The fact of the matter is that he can do more than one thing at a time,” Price said during an exchange with host Chuck Todd on NBC's “Meet the Press” that grew testy at times.

Price argued that Trump has been holding “multiple meetings within the White House itself, with physicians, with small-business groups, with other folks who have been harmed by Obamacare, with patients, individual stakeholders from across this land who tell him and have told us repeatedly that the current system is collapsing.”

Trump's public efforts to dismantle the health-care law, however,

contrast sharply with President Barack Obama's efforts to build support in advance of its 2010 passage. Obama gave a joint address to Congress on health care. He fielded questions at town hall meetings around the country. And he even bantered on live television with hostile lawmakers at a Republican retreat.

Not only has Trump been unsuccessful at swinging public opinion toward the legislation, but also “he hasn't really tried that much,” said George C. Edwards III, a professor of political science at Texas A&M University and author of “On Deaf Ears: The Limits of the Bully Pulpit.”

“He hasn't been out there consistently making a case for the legislation,” Edwards said of Trump.

It's not hard to imagine other things Trump could be doing to try to boost support for the GOP plan among the public and, by extension, on Capitol Hill, Bennett said.

Trump could make much better use of Twitter, urging his 33 million followers to call their senators and ask them to back the GOP bill, Bennett said.

Trump could have visited several states last week, holding events that highlight the sharp rise in premiums under Obamacare, he said. And Trump could mobilize his supporters to come to Washington and rally outside the Capitol, demanding passage of a bill.

Trump's seeming ambivalence about selling the GOP plan may reflect that he has always been more animated about getting rid of Obamacare than he has been about what should replace it.

To the degree he has discussed what the American health-care system should look like, Trump has talked about "insurance for everybody" and coverage that would be "much less expensive and much better" — standards that the bills produced by the House and Senate don't come close to achieving, according to analyses.

Trump's public statements about the bills, at times, have risked doing more harm than help, leading to questions about how dedicated he is to the task at hand — a view bolstered by Trump's head-scratching comments that he considered the House bill "mean" and that it would be unfortunate but "okay" if senators are unable to pass a bill.

Trump further muddied the waters last week by floating the possibility on Twitter that lawmakers could repeal the ACA now and replace it later — a view that Price on Sunday emphasized is not the administration's preference.

White House press secretary Sean Spicer said that there's no reason Trump should follow models used by Obama or other past presidents to build public support.

"You use the model that works for you," Spicer said, noting that Trump has advanced a health-care bill further in the process at this point in his term than Obama. The ACA did not pass until the second year of Obama's first term.

"We've been more efficient," Spicer said.

Marc Rotterman, a GOP consultant based in North Carolina, said Trump needs to be more repetitive when speaking to the public about why the bill should pass.

"When you push a measure, redundancy matters, and these constant tweets against the media distract from the real issue, which is getting health care done," said Rotterman, adding that he'd like to see Trump deliver an Oval Office address on the subject.

To bolster support for their initiatives in Washington, presidents often travel to friendly territory outside the Beltway to make their case. Trump has traveled outside of Washington several times lately, but those events have mostly focused on other issues, and when he has mentioned health care, he hasn't dwelled on it.

During Trump's recent travels to Ohio and Wisconsin, he staged secondary events meant to highlight "victims of Obamacare."

In a mid-June trip to Milwaukee, for example, Trump invited two local families to join him on Air Force One to talk about their struggles to pay for insurance under the ACA. Afterward, Trump and the families spoke briefly to the news media on the tarmac, with Trump telling reporters, "these citizens deserve so much better."

His motorcade then whisked him to a technical college to talk about workforce development and apprenticeships — an event that received the majority of local coverage.

At a Trump rally late last month in Cedar Rapids, Iowa, the president could have made an extended argument about the need for moving forward on health care. But Trump didn't discuss the issue in much detail as he pledged to deliver a bill with "heart."

He made at least as many headlines for pledging to crack down on the use of welfare by immigrants and to use solar panels to help pay for a promised wall on the U.S.-Mexico border.

Ari Fleischer, the press secretary to former president George W. Bush, said Trump to this point deserves "mixed" marks for his use of the bully pulpit on health care.

Fleischer credited Trump with having "kept his foot on the gas" while the House was struggling to pass its version of the bill in early May.

In the Senate, Trump seems to be hindered by his low job-approval ratings, which have undercut his ability to reach out to some

conservative Democrats, in particular, Fleischer said.

If Trump were more popular, Fleischer said, a handful of those Democrats would probably be more willing to support the bill, out of fear of incurring the president's wrath. Instead, they're now worried about drawing a Democratic primary challenger if they work too closely with Trump.

Since the focus turned to the Senate in recent weeks, Trump has also delegated much of the lobbying to Vice President Pence and senior administration officials, who have more extensive knowledge of the bill and a better sense of how to bring senators on board.

Trump is also faced with the prospect of selling a very unpopular product. A Congressional Budget Office analysis of the Senate plan projected that it would lead to 22 million fewer Americans having coverage within a decade.

Only 17 percent of adults nationwide approved of the Senate health-care bill, while 55 percent disapproved, according to an NPR/PBS NewsHour/Marist poll released Wednesday.

Even among Republicans, support was tepid, with 35 percent voicing approval and 21 percent saying they disapprove. Other recent polls have had similar numbers.

Meanwhile, even as Trump has repeatedly railed about shortcomings of the ACA, public support for Obama's initiative has increased, polls have found.

In December, as Trump prepared to take office, 43 percent of American adults viewed the ACA favorably, while 46 percent viewed it unfavorably, according to a Kaiser Health tracking poll.

In the June poll, 51 percent viewed the law favorably, compared with 41 percent unfavorably. That was the best the ACA had fared since Kaiser started its polling in 2010.

The term "bully pulpit" was coined by President Theodore Roosevelt, who used the powers of the office to court reporters and deliver major speeches on legislation related to railroad regulation and food inspection.

Frances Lee, a government and politics professor at the University of Maryland, said presidents traditionally have poor records of changing public opinion when pushing unpopular initiatives, as Trump is attempting to do.

"Use of the bully pulpit is mainly effective when presidents are pushing Congress to do something the public already favors," she said, citing the wide latitude Bush had with Congress after the Sept. 11, 2001, terrorist attacks.

Still, there is no shortage of suggested initiatives Trump could be taking that he has not.

After the House narrowly passed its health-care bill in early May, Aaron Kall, the director of debate at the University of Michigan, penned a piece for the Hill newspaper, urging Trump to give an address to a joint session of Congress to bolster Senate support.

In an interview, Kall said he still thinks that would be helpful to Trump, given the large television audience such an address would command.

If Trump wants legislation to pass at this point, he "really needs to adopt some new tactics," said Kall, editor of "Mr. Speaker, the President of the United States: Addresses to a Joint Session of Congress."

Kall suggested that Trump also make himself available for television interviews focused on health care with outlets beyond the friendly confines of Fox News.

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"I think we've underestimated him sometimes," Kall said. "With a few days' preparation, I think he could withstand an interview on this subject. He has a persuasive story to tell. It just needs to be packaged in the right way."

Others say that Trump would be well-served by putting down his phone.

Asked Sunday whether Trump's tweets made it harder to work on health care, Sen. Bill Cassidy (R-La.) admitted that he gets "frustrated" when the media and lawmakers focus on what the president says on Twitter.

"Our focus cannot be on the tweet," Cassidy said on "Meet the Press." "Our focus has to be on that kitchen-table family paying \$20,000, \$30,000 and \$40,000 for their premiums, wondering how they're going to make ends meet."

Jenna Johnson and Ashley Parker contributed to this report.

Chelsey Dulaney

6-7 minutes

July 2, 2017 7:00 a.m. ET

The dollar suffered through its worst stretch in six years during the first half of 2017, as investors turned more confident that economic recoveries around the world are gaining on or surpassing growth in the U.S.

The currency lost 1% last week against a basket of major peers tracked by The Wall Street Journal, bringing its decline for the year to 5.6%. That is the dollar's largest two-quarter percentage decline since 2011.

The dollar has come under fresh pressure after central-bank officials in Europe and Canada last week offered some of their strongest signals yet that they could soon begin winding down monetary policy measures designed to spur economic growth.

Investors, viewing these statements as a sign of strength and a possible portent of higher interest rates in those countries, rushed to buy the currencies. The euro soared to its highest level against the dollar in more than a year, while sterling and the Canadian dollar both rallied more than 2%.

The developments marked the latest bad news for the dollar, now the worst-performing of the major currencies this year.

Few had expected such a turnabout even six months ago. Investors had driven the dollar to a 14-year-high after the November U.S. presidential election on hopes that Donald Trump's plans for a tax

overhaul, deregulation and fiscal stimulus would accelerate growth while the Federal Reserve also raised interest rates.

Instead, the Trump administration's plans have repeatedly hit political roadblocks while U.S. growth, employment and inflation data have begun to soften.

Even the Federal Reserve continuing to raise U.S. interest rates—one of the few positives for the dollar this year—is no sure thing. Some Fed officials recently have expressed concern about pushing up rates amid weakening inflation. The latest was Federal Reserve Bank of St. Louis President James Bullard, who said on Thursday that he doesn't support raising short-term interest rates again this year.

"I think we have been overly hawkish, especially with regard to our future plans," he told reporters during a London presentation.

Markets are pricing in a roughly 54% chance that the Fed sticks to its projection for at least one more rate increase in 2017, according to fed-funds futures contracts tracked by CME Group. That is down from 62% in March.

Meanwhile, investors are growing more bullish about economic recoveries in Europe and parts of the developing world, even as they fear a U.S. slowdown.

After years in which the U.S. economy outpaced growth in the eurozone, the 19-country currency bloc pulled ahead last year, and recent forecasts have its growth essentially even with that of the U.S. this year and next.

had something Mr. Trump seemed to value more: devotion to the Trump brand. He had already purchased a number of Trump properties and had persuaded his parents, in-laws and a business partner to buy apartments in Mr. Trump's flashy new development, Trump World Tower.

Plus, he had read Mr. Trump's book "The Art of the Deal." Twice.

With Mr. Cohen's help, Mr. Trump regained control of the board, orchestrating a coup that culminated in a standoff between his security detail and private guards hired by the disgruntled owners, according to people who were there. Details of the dispute's resolution are secret because of a confidentiality agreement, but Mr.

Emerging-market economies are expected to expand at the even faster rate of 4.7% this year, more than double the pace of U.S. and Europe, according to J.P. Morgan.

"The rest of the world's tone is improving while the U.S. is decelerating, and the dollar is reflecting that," said Mark McCormick, North American head of foreign-exchange strategy at TD Securities.

Some investors believe the dollar's performance this year could spell the end for the bull market in the greenback. Periods of dollar strength have typically lasted for around seven years.

"We're at this pivotal moment now where we're in the midst of a major turn lower in the dollar," said Bilal Hafeez, head of foreign-exchange strategy for Nomura Securities in London.

Alessio de Longis, a portfolio manager at OppenheimerFunds, entered the year betting on a broadly stronger dollar but now expects the dollar to trade sideways this year.

"The growth momentum in the U.S. is fading," Mr. de Longis said. "Without a reinvigoration of tax reform, which doesn't seem likely this year, the dollar bull market is probably over."

Hedge funds and other speculative investors built up more than \$28 billion in bullish bets on the dollar at the end of last year, according to Commodity Futures Trading Commission data. As of June 27, bullish bets on the dollar had shrunk to a net \$2.7 billion.

Not everyone has lost confidence in a strong dollar: James Athey, a

senior investment manager at Aberdeen Asset Management, still expects the dollar to rise against developed-market currencies such as the yen in the months ahead.

"The dollar has suffered greatly," said Mr. Athey, who thinks dollar investors are too pessimistic about the Fed's interest-rate path.

"We think the U.S. economy is still the most robust," he added.

A weaker U.S. currency could help support the recent recovery in corporate profits, which grew at the fastest pace in nearly six years in the first quarter of the year. A falling dollar makes U.S. multinationals' exports more competitive abroad.

A weaker dollar also would relieve pressure on emerging-market nations by making their dollar-denominated debts easier to service and relieving downward pressure on their currencies. Since many developing countries are also commodities producers, a weaker dollar helps these economies because it makes their materials cheaper for nondollar buyers.

Even in Europe, where exports to the U.S. have become more expensive as a result of the euro's 8.6% rise against the dollar this year, signs of growth slowly picking up could mean European companies are better able to withstand a weakening dollar than in previous years. The benchmark Stoxx Europe 600 index has rallied 5% this year.

Write to Chelsey Dulaney at Chelsey.Dulaney@wsj.com

Appeared in the July 3, 2017, print edition as 'Dollar Is Biggest Loser This Year.'

Trump Foot Soldier Sidelined Under Glare of Russia Inquiry (UNE)

Michael Schwartz, William K. Rashbaum and Danny Hakim

14-17 minutes

Michael D. Cohen in January at Trump Tower in New York. Sam Hodgson for The New York Times

Just over a decade ago, Donald J. Trump was locked in conflict with a group of apartment owners who had taken control of the condominium board at his new glass tower across from the United Nations. Faced with accusations of financial impropriety and an affront to his authority, Mr. Trump turned to Michael D. Cohen, a former personal injury lawyer who helped run a taxi fleet.

Mr. Cohen did not seem to have extensive expertise in the arcana of New York City condo rules. But he

had something Mr. Trump seemed to value more: devotion to the Trump brand. He had already purchased a number of Trump properties and had persuaded his parents, in-laws and a business partner to buy apartments in Mr. Trump's flashy new development, Trump World Tower.

Plus, he had read Mr. Trump's book "The Art of the Deal." Twice.

With Mr. Cohen's help, Mr. Trump regained control of the board, orchestrating a coup that culminated in a standoff between his security detail and private guards hired by the disgruntled owners, according to people who were there. Details of the dispute's resolution are secret because of a confidentiality agreement, but Mr.

Cohen said that his task was "masterfully accomplished."

He went on to serve as a key confidant for Mr. Trump, with an office near the boss at Trump Tower on Fifth Avenue. Officially, his title was special counsel, but he appears to have served more as a kind of personal arm-twister. If anyone crossed Mr. Trump or stood in his way, Mr. Cohen, who was known to sometimes carry a licensed pistol in an ankle holster, would cajole, bully or threaten a lawsuit, according to a half-dozen people who dealt with him over the years.

"If somebody does something Mr. Trump doesn't like, I do everything in my power to resolve it to Mr. Trump's benefit," Mr. Cohen once said during an interview with ABC

News. "If you do something wrong, I'm going to come at you, grab you by the neck, and I'm not going to let you go until I'm finished."

Since Mr. Trump became president, his need for loyal foot soldiers like Mr. Cohen has never been greater. But instead of helping his longtime employer navigate F.B.I. and congressional investigations into whether his campaign colluded with Russia in the 2016 election, Mr. Cohen now appears to be outside the Trump inner circle, a man on the defensive.

With Mr. Cohen's help, Mr. Trump regained control of the board of Trump World Tower, which stands across from the United Nations. Sam Hodgson for The New York Times

The House Intelligence Committee has summoned him for questioning in its inquiry. (Mr. Cohen's lawyer in Washington said his client was cooperating.) He is under scrutiny by the F.B.I., along with other Trump associates, in the Russia investigation. An unverified dossier prepared by a retired British spy and published this year said that Mr. Cohen had met overseas with Kremlin officials and other Russian operatives, which he has denied. (He once posted on Twitter, "The #RussianDossier is WRONG!")

He has also attracted attention for playing a role in a failed effort to open a back channel for peace negotiations between Russia and Ukraine, where his wife's family is from.

After years of loyal service to Mr. Trump, Mr. Cohen, 50, expected to be offered a senior administration post, according to four people who know him, speaking on the condition of anonymity because they feared angering Mr. Cohen.

He was given no such job.

On the networking site LinkedIn, Mr. Cohen refers to himself as the "personal attorney to President Donald J. Trump," but his precise role and current relationship with the president is unclear, and he would not elaborate. The White House did not respond to requests for comment. In recent weeks, another lawyer, Marc E. Kasowitz, seems to have largely taken Mr. Cohen's place as Mr. Trump's personal lawyer.

"Clearly my life has changed since Trump became POTUS and I accepted the role as personal attorney to the president," Mr. Cohen wrote in a text message in response to a question from a New York Times reporter last week. "This change has come with both many pros and cons."

And so Mr. Cohen has found himself increasingly relegated to the role of second-string defender. He has chastised critics, including Snoop Dogg ("There's so much more that Snoop can do for this country") and Johnny Depp ("Way to use your notoriety for good, Captain Jack-Ass!").

In 2011, Mr. Cohen bought 172 Rivington Street, a six-story apartment building on the Lower East Side, for \$2.1 million. He sold it for \$10 million three years later. Sam Hodgson for The New York Times

Like Mr. Trump, he lashes out at critics on Twitter, where he also spends quite a bit of time fighting with anonymous critics, or trolls — calling them "haters" and "idiots,"

sometimes within the comment threads of Mr. Trump's tweets.

In one such exchange last week, a Twitter user named Corvetteman, who has 88 followers and a profile photograph of an orange cat, called Mr. Cohen "a joke." Mr. Cohen replied:

"Reminder...@realDonaldTrump won! Wake up #hater."

Ascent to Trump Tower

Mr. Cohen was already a wealthy man with his own small real estate empire by the time he joined Mr. Trump's orbit. Even so, his ascent from a lawyer handling personal injury cases out of an office shared with his taxi company — first in Manhattan, then in Queens — to the 26th floor of Trump Tower is a remarkable New York story.

Mr. Cohen comes from a long line of doctors and lawyers. His father survived the Holocaust in Poland and went on to become a physician on Long Island. An uncle close to the Cohen family, Morton W. Levine, is a doctor and businessman. He ran summer weight-loss and fitness camps for children decades ago and has long owned a Brooklyn catering hall, El Caribe, a popular site for weddings and retirement parties that was a meeting spot in the 1980s and 1990s for Italian and Russian mobsters. (Dr. Levine was never charged with any wrongdoing.)

In an interview, Mr. Cohen said he became a lawyer to appease one of his grandmothers, who threatened to leave him out of her will if he did not. "You don't really have any money," he said he replied, "to which she slapped me across my face."

He saw himself as an entrepreneurial risk taker from an early age.

While a student at American University in Washington, he said he imported luxury cars into the United States. He also invested in a casino boat that went bust and helped his family organize an ethanol business in Ukraine that failed.

Mr. Cohen's taxi business, Yellow Cab Management Corporation, in the Long Island City section of Queens. Mr. Cohen also ran his law practice out of the building for a number of years. Sam Hodgson for The New York Times

In 1992, he began working as a personal injury lawyer in New York and eventually opened his own practice. He and his family also began buying taxi medallions, purchased through companies with names like Sir Michael Hacking Corp and Mad Dog Cab Corp. He

and his wife, Laura, acquired more than 30 New York City taxi medallions, once worth millions of dollars, and he owned 22 more in Chicago, according to public records.

He also once had his own political ambitions. He ran for the New York City Council as a Republican in 2003 and lost, and later flirted briefly with running for the New York State Senate, but dropped out after a month.

Several of the men he associated with in business dealings over the years faced legal problems of one sort or another. His boss at his first law firm, a personal injury practice, pleaded guilty to bribery in an insurance scheme. His father-in-law, who once also owned taxi medallions, pleaded guilty to tax-related charges more than two decades ago. Two of his partners in the taxi business have paid hundreds of thousands of dollars in fines and settlements for various violations. Mr. Cohen, though, has avoided legal troubles.

From 2011 to 2014, he purchased four small apartment buildings in Manhattan and sold them for a total of \$32 million. In 2015, he paid \$58 million for a seven-story apartment building on the Upper East Side.

Those who have known him for years said Mr. Cohen had a penchant for luxury, like Mr. Trump. Mr. Cohen was married at the Pierre, a legacy luxury hotel overlooking Central Park, drove a Porsche in college and at one point owned a Bentley.

It was his purchase of blocks of apartments in Trump buildings starting around 2001 that seems to have caught Mr. Trump's eye. At the time of the 2006 board dispute, Mr. Cohen was overseeing the finishing touches on his new apartment at Trump Park Avenue. Not long after the dispute was resolved, Mr. Cohen said, he was summoned to Trump Tower and offered a job.

Mr. Cohen, behind Donald J. Trump on the left, at a campaign stop last September in Cleveland. Eric Thayer for The New York Times

At the time, he was a partner at the Phillips Nizer LLP law firm. He said that he immediately accepted Mr. Trump's offer and never returned to his old office, where he had worked for about a year. Instead, he moved into an office previously used by Mr. Trump's daughter Ivanka Trump.

Explaining his relationship with Mr. Trump, Mr. Cohen said in an interview last month with The Times, "When he finds someone who he considers capable, does a great job and accomplishes the

task, he tends to go back to that person again and again." He added, "He's comfortable with people who he deems worthy."

The scope of Mr. Cohen's job with Mr. Trump is not clear. After a decade of working for the Trump Organization, he has left little public record of his accomplishments. An effort to develop Trump-branded golf communities in New Jersey and in Fresno, Calif., floundered, along with a mixed martial arts venture with a Russian fighter as the headliner. Mr. Cohen did some scouting and groundwork for possible Trump condominium towers in the former Soviet republics of Georgia and Kazakhstan, but those deals never materialized.

He has declined to discuss the details of what he did at the company, and the Trump Organization did not respond to requests for comment. Some people who worked with him also declined to describe Mr. Cohen's tenure, with several of them saying they feared being sued.

Mr. Cohen's younger brother, Bryan Cohen, said he was a different person than his public appearances might suggest, describing him more as a father figure growing up in the Five Towns section of Long Island.

The man he became, Bryan Cohen surmised, would have made a good contestant on Mr. Trump's reality show "The Apprentice."

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"I believe that my brother represents the type of person that the show depicted that Trump liked and appreciated," Bryan Cohen said. "He had a combination of smarts, street smarts, and those things are not mutually exclusive. He's successful, aggressive. That seemingly was a winning combination on the early seasons of 'The Apprentice.'"

Throughout it all, Michael Cohen has clearly idolized his boss.

He has described Mr. Trump as "our patriarch" and "the greatest deal maker of this century." He has said that he patterned his life after "The Art of the Deal," and he shares Mr. Trump's taste for boxy suits and long silk ties. He even sounds a bit like Mr. Trump, with a punchy edge to his New York accent.

Life on the Outside

Mr. Cohen said in January that he planned to leave his job with the Trump Organization to avoid any

perception of a conflict of interest as one of Mr. Trump's lawyers.

He has recently been spending time in Washington. The Republican National Committee named him to its finance leadership team this year, and in April, the international law firm and Washington lobbying powerhouse Squire Patton Boggs formed a "strategic alliance" with Mr. Cohen's law practice.

Several people with knowledge of Mr. Cohen's involvement with Squire Patton Boggs said he had

been brought on as a sort of rainmaker because of his business contacts in the United States and abroad. He will operate out of the firm's New York office and will be able to take advantage of its global reach to help his own clients.

He is also conferring with his lawyer, Stephen M. Ryan, of the firm McDermott, Will & Emery, to prepare for his appearance before the House committee. Its Senate counterpart is conducting its own Russia inquiry, with which Mr. Cohen is cooperating, the lawyer

said, but that panel has not called Mr. Cohen for questioning.

Mr. Cohen is still working hard for Mr. Trump. In recent weeks, he was soliciting donations for the president's victory fund, a joint fundraising effort between Mr. Trump and the Republican National Committee. "Proud to say I raised over \$500K today," he said in a recent text message. He later said preliminary figures indicated that he had brought in about \$2 million.

At a \$35,000-a-plate fund-raiser last week at the Trump International Hotel in Washington, Mr. Trump acknowledged the efforts of his former employee, whom he said he had not seen in a month.

"Michael is a great lawyer, loyal, a wonderful person, talented, loves being on television," Mr. Trump said, according to an audio recording of the event. "I miss you, man," he added.



Editorial : On Independence Day, U.S. elections remain vulnerable

The Editorial Board, USA

TODAY

4-5 minutes

Russian hackers will be back, but America has done little to defend voting systems: Our view

Voting in Atlanta on Nov. 8, 2016. (Photo: John Spink, The Atlanta Journal-Constitution, via AP)

As Americans celebrate Independence Day, it's worth remembering that the right to vote in free and fair elections stands at the heart of that independence — and that this cherished right is under attack by a hostile foreign power.

New revelations of Russian interference in the 2016 presidential election arrive regularly. Last month came news that Russian hackers had probed the voting networks in 21 states and had executed a cyberattack on a contractor that supplies voting software to states. "They will be back," former FBI director James Comey warned in congressional testimony.

In the face of this threat, the nation's leaders, at the federal and state levels, have done little to harden defenses against future attacks.

For the most part, President Trump has been in denial about Russian meddling, as if acknowledging the problem threatens the legitimacy of his election, and has focused instead on unproven allegations of extensive voter fraud.

While the Senate Intelligence Committee is working to get to the bottom of Russian interference, Congress has done nothing to encourage states or provide money to shore up election security. A smattering of measures has been introduced by House Democrats, but without bipartisan support they've gone nowhere.

OPPOSING VIEW:

Even in states where election officials warn that voting equipment is dangerously out of date, legislators refuse to act. In January, the North Dakota House rejected, 78-12, a request for \$9 million to upgrade voting machines that election officials warned are on the brink of failing. In Arkansas, a Senate panel rejected using surplus funds to buy new machines. And in Georgia, where researchers discovered a gaping hole in election security last fall, it's unclear what has been done to plug it. Georgia Secretary of State Brian Kemp has argued vehemently against replacing the state's voting

machines, which are susceptible to sabotage because they lack a paper record of votes.

Now, in yet another distraction from protecting elections from this Russian assault, a White House commission, created after Trump's spurious claim that he lost the popular vote only because of millions of fraudulent voters, made a sweeping request for information. Last week, election officials in more than 20 states rejected the commission's request for voters' information.

Meanwhile, states could make voting systems less vulnerable by taking several actions identified in a report released last week by the Brennan Center:

- Replace aging voting machines that are costly to maintain, many of which were bought after the 2000 *Bush v. Gore* election fiasco. Parts for many are no longer even sold.
- Eliminate machines, still used in 14 states, that lack a paper trail. The best systems marry new digital technology with paper records, so voters can verify that their

ballots are accurate and states can check for accuracy.

- Upgrade voter registration databases to prevent cyberattacks that could wreak havoc on Election Day if registered voters' names were tampered with or removed.

Improvements require money and is often low priority for cash-strapped states. A push from Congress, perhaps in the form of matching grants with short deadlines, would energize states to do what's needed.

None of this is a partisan issue. Russians attacked the very essence of democracy last year and there's every indication they'll try to do so again. Independence Day is the perfect moment to promise that America will be prepared to repel the next assault.

State keep voting systems secure

Brian Kemp Published 6:03 p.m. ET July 2, 2017 | Updated 6:03 p.m. ET July 2, 2017

3 minutes



Kemp : Reporters develop false narratives about Russian hacking: Opposing view

Early voting in Atlanta in October 2016. (Photo: Erik S. Lesser, epa)

As Georgia's secretary of state, I have worked tirelessly to ensure our state's elections are secure, accessible and fair.

For years, we have run our elections with little interest from the press. But during last year's presidential election, everything changed with the news media's obsession with Russian meddling.

Now, we are bombarded with questions about election security from reporters on tight deadlines. Their questions often reflect a complete misunderstanding of voting systems and what safeguards are in place to keep them secure.

As reporters chase stories to feed the 24-hour news cycle, they dilute facts and develop false narratives about Russian hacking and potential vulnerabilities in the system. The prevailing plot line is

that states like Georgia can't provide suitable security for elections.

Many news media elite think federal oversight is the answer. Republican and Democratic secretaries of state disagree. A "critical infrastructure" designation is simply a big government power grab.

OUR VIEW:

Informed, non-partisan experts agree that manipulating a presidential election makes a good

TV storyline but lacks real-world standing. State voting systems are diverse, highly scrutinized and not connected to the Internet. Web-based attacks on voter registration do not affect the vote count. The thing that matters most — your vote — is secure.

Misinformation from the media or disgruntled partisans not only fuels conspiracy theorists but also erodes the first safeguard we have in our elections — the public's trust. Failing to respect this process with

accurate reporting is a disservice to the American people.

To be candid, the most plausible and potentially effective attack on our elections is not by hacking the

vote — it is through the manipulation of the American media machine. With “breaking news” that generates voter confusion, these baseless attacks and inaccurate stories enhance voter apathy and

erode our confidence in the cornerstone of our democracy. That’s the real story.

Are states doing enough to keep our elections secure? Yes.

Anything to the contrary is fake news.



President Trump locks heads with news media in a social media first (UNE)

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

8-11 minutes

BRIDGEWATER, N.J. — President Trump, who has reveled in his confrontational style with the news media, sparked fierce debate Sunday over whether he is inciting violence against journalists by posting a doctored video clip showing him bashing the head of a figure representing CNN.

Trump’s latest provocation in his war with the media brought denunciations from Democrats, and some Republicans, who warned that the president’s conduct could endanger reporters as he seeks to undermine public trust in reporting about his administration.

“Violence & violent imagery to bully the press must be rejected,” House Minority Leader Nancy Pelosi (D-Calif.) wrote in one of the many comments from elected officials posted on Twitter.

Presidential historians suggested that Trump’s social media attacks are lowering the bar on what constitutes appropriate presidential conduct in fighting perceived media enemies. H.W. Brands, a historian at the University of Texas, said Republican President Richard Nixon also felt mistreated, but “Nixon didn’t air his grievances as publicly as Trump does. We’ve never seen anything quite like the ongoing performance of President Trump.”

Meanwhile, White House aides and supporters defended the president’s Twitter post as a pointed but harmless barb at what he sees as a hostile press corps. Some said the reaction demonstrated the inflated self-regard of reporters and their inability to take a joke.

President Trump spoke about the media while at the Celebrate Freedom Concert in Washington D.C. on July 1. President Trump spoke about the media while at the Celebrate Freedom Concert in Washington D.C. on July 1. (The Washington Post)

(The Washington Post)

Trump, from his Bedminster golf resort in northern New Jersey, defended his use of social media,

saying it befitted a “modern day” president.

The latest salvo from Trump came as questions about the political climate for journalists, and their safety, have swirled amid incidents in which politicians have assaulted reporters or had them arrested. During the campaign, some reporters assigned to cover Trump, including ones from CNN, were cursed and threatened by his supporters, who echoed him with chants of “fake news.”

In a statement, the Committee to Protect Journalists said that targeting media outlets “creates a chilling effect and fosters an environment where further harassment or even physical attack is deemed acceptable.”

The organization, which tallies deaths of journalists across the globe, added that the White House’s “charged rhetoric online” makes reporting “more dangerous” and “emboldens autocratic leaders around the world.”

Trump had been combative with the news media throughout his campaign and in the first months of his presidency. But his anger and frustration have mounted in recent weeks amid intensive coverage of an FBI investigation into his campaign’s alleged contact with Russian operatives, who U.S. intelligence agencies determined meddled in the presidential election in hopes of aiding Trump.

White House aides have fretted that the president’s focus on the investigation has distracted him from building political support for his policy agenda, including a legislative rollback of the Affordable Care Act that is now pending in the Senate. And some of his public statements have embroiled him more deeply in legal questions over his conduct in the probe.

At the same time, the president and his aides believe that his feud with the media, which has included limiting the number of on-camera briefings, has played well with his conservative base. Late Saturday, Trump used a portion of a speech at “Celebrate Freedom” event at the Kennedy Center, in honor of military veterans and religious groups, to taunt the press.

“The fake media is trying to silence us, but we will not let them. The people know the truth,” Trump said. “The fake media tried to stop us from going to the White House, but I’m president and they’re not.”

He drew a standing ovation from the crowd, which waved miniature American flags. On Sunday afternoon, Trump posted a video clip of the moment on Twitter.

Aides defended his tweet of the WWE video on Saturday, arguing that Trump has a right to fight what they say is unfair coverage. They suggested that reporters were overreacting to a video first posted several days ago on the popular social media message board Reddit.

“No one would perceive that as a threat; I hope they don’t,” homeland security adviser Tom Bossert said on ABC’s “This Week.”

Bossert praised Trump’s ability to “genuinely” communicate with the public, and he echoed a line of defense that other Trump surrogates have employed: that when Trump’s policies are attacked in the media, he has a right to counterpunch.

“He’s beaten up, in a way, on the cable platforms,” Bossert said. “He has a right to respond.”

The video clip was taken from a WWE appearance in 2007 during which Trump body-slammed WWE Chairman Vince McMahon as part of the “Battle of the Billionaires.” Trump, a New York real estate developer and promoter, has had a long association with the WWE and was inducted into its Hall of Fame in 2013. At the ceremony, McMahon referred to Trump as “a Wrestlemania institution” and recalled this episode, which culminated with Trump participating in shaving McMahon’s head in the ring.

Trump has appointed McMahon’s wife, Linda, who donated \$6 million to a pro-Trump super PAC, as the head of the federal Small Business Administration.

On Reddit, users on a pro-Trump message board where the wrestling video meme first appeared celebrated their achievement in getting the president to endorse

their work. Some Trump supporters emphasized on social media that the violence in professional wrestling is simulated and that the president was making a symbolic point about “fake news” coverage of him.

But Trump’s critics pointed to Rep. Greg Gianforte (R-Mont.), who body-slammed Ben Jacobs, a reporter for the Guardian, in May — one day before a special election, which he won. Gianforte, who initially denied Jacobs’ account, later apologized to him and was sentenced in court to 40 hours of community service and 20 hours of anger-management classes.

Within seven hours, Trump’s post of the wrestling video had been “liked” 317,000 times and “retweeted” 198,000 by Trump’s 33 million Twitter followers — one of his most viral tweets in months. The president also posted the clip to his official White House account.

In recent days, Trump has leveled deeply personal attacks at morning show hosts from MSNBC who have criticized him. On Saturday, he called CNN “fake news” that produces “garbage journalism.” The president and his aides have lambasted the network in the wake of a retracted story that linked a former Trump transition aide to a Russian bank executive. Three CNN employees resigned over the story, which the network said did not go through proper vetting.

In a statement Sunday, CNN called it “a sad day when the President of the United States encourages violence against reporters.” The network cited Trump’s “juvenile behavior far below the dignity of his office.”

Floyd Abrams, the First Amendment lawyer who argued for the publication of the Pentagon Papers before the Supreme Court, described the president’s tweet Sunday as “merely abhorrent,” but fully protected by the constitution.

“I think it is foul. It is repulsive. But it is not illegal,” Abrams said. “The president has First Amendment rights, too. While he may abuse them sometimes, it takes more than he has done so far to move into the area of illegality.”

David Schulz, another free-speech lawyer, recalled Trump's suggestion during the campaign that "Second Amendment people" might be able to stop Democratic rival Hillary Clinton — a declaration some interpreted as an allusion to gun violence.

Local Politics Alerts

Breaking news about local

**THE WALL
STREET
JOURNAL.**
COMMENTS

5-6 minutes

On the dishonest left and the timid right, the Senate health-care bill boils down to "benefit cuts for the poor to pay for tax cuts for the rich." Some centrist Republicans are spooked and want their colleagues to keep ObamaCare's enormous tax increase on investment income. The pity is that the losers of this political retreat would be American workers with stagnant wages.

ObamaCare created a 3.8-percentage-point surtax on capital gains, dividends, interest and other forms of so-called "unearned income." This tax increase on capital was sold as hitting the rich, but note that it brought the top rate to 23.8% for singles earning as little as \$200,000 and couples \$250,000. That's a middle-class couple. Democrats are weaponizing the income-distribution tables as they always do, because most of the \$172.2 billion in lost revenue over a decade on a static basis would flow to the top 20% of taxpayers.

Support is growing to leave the surtax in place and spend the money on more insurance subsidies for low-income people or something else. Others want to delay repeal, or else defer the debate and deal with the surtax in tax reform. The conceit seems to be that

**THE WALL
STREET
JOURNAL.**
COMMENTS

2 minutes

President Trump is having a hard time getting legislation through Congress, but his Administration is moving fast to roll back Barack Obama's pen-and-a-phone lawmaking. The latest example, which barely registered in the press, is the Environmental Protection

government in D.C., Md., Va.

That was "a lot closer to the line than this childish screenplay," Schulz said.

Timothy Naftali, a presidential historian at New York University, cited the false "Pizzagate" conspiracy theory that last year prompted a North Carolina man to "self-investigate" social media claims that a child-sex ring was

being run out of Comet Ping Pong, a restaurant in Northwest Washington, by Hillary Clinton.

The man fired a gun inside the restaurant; no one was physically hurt but the man was sentenced to four years in prison.

"No president has publicized his hatred for the media in the way Donald Trump has," Naftali said.

"It's not a fake fear. People can be radicalized by things like this."

Wagner and Gregg reported from Washington. Karoun Demirjian in Washington contributed to this report.

Editorial : The Senate's Tax Panic

July 2, 2017 5:18 p.m. ET 337

Democrats and the media will give Republicans credit for surrendering, the controversy will melt away, and everyone will repair to the ideological conformity of the Aspen Ideas Festival.

Best of luck with that one. Democrats will pocket the concession and continue demagoguing tax cuts for the wealthy as the tax debate begins—only more emboldened for having tasted blood. The details are irrelevant to their opposition. GOP Senators also ought to understand that the goal of this left-right assault isn't simply to defeat the health-care bill but to sink pro-growth tax reform too.

Most immediately, delay makes tax reform \$172.2 billion harder, because Republicans would have to find the money in other budget offsets—assuming they really do want to repeal the tax. But in that case, why not do so now? Republicans won't be in a stronger position after they've shown they can't win the class-warfare argument.

The larger progressive ambition is to make it too much trouble to ever again cut marginal tax rates for individuals or businesses to grow the economy, and some conservatives are joining them. They want the GOP to surrender to the neo-Keynesian view that tax rates don't matter to economic growth or individual behavior. A coterie of Beltway conservatives

wants Republicans to repudiate their post-Reagan economic principles and return to their former status as tax collectors for the entitlement state while embracing right-wing income redistribution with child tax credits and family-leave subsidies.

The economic merits don't seem to count in this political fantasia. The reason to repeal the surtax isn't to shower dollars on the affluent, as if anyone truly believes that is the intent. The reason is to increase the stock of capital and improve the incentives for capital formation, which in turn increases labor productivity, wages and job creation.

Cutting the rate on capital income to 20%—it was 15% as recently as 2012—is a major increase in the return on investment and 3.8 points is close to half of the eight-point cut in the Bill Clinton-Newton Gingrich budget deal of 1997. That reform helped propel the 1990s boom, especially in a surge of venture capital in tech and other business startups.

The Tax Foundation estimates that repealing the surtax would increase employment over the decade by 133,000 jobs and increase the size of the economy by 0.7%. After-tax earnings across the bottom 60% of the income distribution would be about 0.65% higher than they would otherwise be. Combined with a successful tax reform, workers could see a big pay raise for the first

time in years, which was President Trump's foundational campaign promise.

The economic literature is extensive that investors are highly sensitive to marginal tax rates, and they decide when to realize capital gains. Tax receipts for the first eight months of fiscal year 2017 are 3% off projections. The Congressional Budget Office attributes this slowdown to taxpayers who "may have shifted more income than projected from 2016 to later years, expecting legislation to reduce tax rates to be enacted this year."

This "lock-in effect" reduces economic efficiency and therefore growth because capital isn't being cashed out to find its highest return. An economic expansion that is already long in the tooth at eight years can't afford a Republican tax rout.

When Republicans campaigned to "repeal and replace" ObamaCare, we don't recall hearing that they meant only some of its tax increases. If they panic on the ObamaCare surtax, they'll give Democrats a major policy victory without having provided a single vote to pass it. Talk about bad politics. Messy compromises are necessary to pass the health bill, but the Senate shouldn't further damage reform with antigrowth political patent medicine.

Editorial : Pruitt's Clean Water Break

July 2, 2017 5:16 p.m. ET 48

Agency's decision last week to rescind the unilateral rewrite of the Clean Water Act.

The Obama EPA in 2015 redefined "waters of the United States" under the Clean Water Act to include any land with a "significant nexus" to a navigable waterway. Several arbitrary thresholds were used to determine significance, such as land within a 100-year floodplain and 1,500 feet of the high-water mark of waters under government jurisdiction. The rule extended the government's writ to prairie

potholes, vernal pools and backyard creeks.

Thirty-one states sued the feds for violating the Administrative Procedure Act, and the Sixth Circuit Court of Appeals enjoined the rule nationwide. Now Administrator Scott Pruitt is putting the rule on ice while the EPA works up a replacement. Supreme Court Justice Anthony Kennedy muddied the waters with his controlling opinion in the 2006 *Rapanos v. U.S.* case that conceived the new "significant nexus" standard, which the Obama

EPA used as a pretext to pursue its water land grab.

Mr. Pruitt said the EPA will propose a new rule "in accordance with Supreme Court decisions, agency guidance, and longstanding practice" that would "return power to the states and provide regulatory certainty." Consider it another lesson in the limits of pen-and-phone rule by decree.

Editorial : Bank Health, Imperiled

The Editorial Board

4-5 minutes

The Federal Reserve building in Washington. Andrew Caballero-Reynolds/Agence France-Presse — Getty Images

In the first systemwide all-clear since the financial crisis, the Federal Reserve announced last week that all of the nation's big banks are healthy.

Hold the applause. The banks are certainly healthier now than they were in 2011, when the Fed began annual "stress tests" to assess their ability to withstand financial and economic downturns. But to the extent they are healthy, credit belongs in large part to banking reforms enacted after the crisis. And it is precisely those reforms that are now in the cross hairs of the Trump administration.

The reforms were aimed at improving

lending standards, restricting trading practices and strengthening capital requirements. Better loan standards and less trading have kept banks away from the reckless practices that precipitated the crash, while more capital helps to ensure that the banks can absorb any losses that may occur.

A more stable financial system and greater protection against economically ruinous booms and busts have resulted.

But these vital measures are all under attack by the Trump administration and the Republican-controlled Congress. The stated rationale, expressed most recently in a report by the Treasury Department, is that regulation has impeded bank lending and, by extension, economic growth.

That's wrong. Bank lending has expanded at a decent pace in recent years; economic growth has suffered largely from Congress's failure to provide fiscal support. What the banks and their enablers in the administration and Congress

want is a return to the days when excessive risk-taking led to outsize profits. They want to turn back the clock by rolling back the rules.

History tells us that things won't end well if that happens. Deregulation led to the financial crash in 2008. It's safe to assume that repeating the mistake will lead to the same result.

Knee-jerk deregulation is not the only threat to financial stability. It's entirely possible that the system is more fragile than the Fed's stress tests indicate. By the Fed's calculations, capital held by the nation's eight largest banks was nearly 14 percent of assets, weighted by risk, at the end of 2016.

Alternative calculations of capital, including those that use international accounting rules rather than American accounting principles, put the capital cushion much lower, at 6.3 percent. The difference is largely attributable to regulators' differing assessment of the risks posed by derivatives, the complex instruments that blew up in

the financial crisis and that still are a major part of the holdings of big American banks.

The passing grades on the Fed's stress tests pave the way for banks to pay their largest dividends in almost a decade. The hands-down winners will be shareholders and bank executives, who could see their stock-based compensation packages expand further.

But without continued bank regulation, and heightened vigilance of derivatives in particular, the good fortune of bank investors and bank executives is all too likely to come at the expense of most Americans, who do not share in bank profits but suffer severe and often irreversible setbacks when deregulation leads to a bust.

It has happened before.

Editorial : Trump launches his opening voter suppression salvo

Opinion A column or article in the Opinions section (in print, this is known as the Editorial Pages).

July 2 at 7:03 PM

PRESIDENT TRUMP'S claim that 3 million to 5 million undocumented immigrants voted illegally in last fall's elections is as evidence-based as the assertion that space aliens on Saturn are bombarding planet Earth with marshmallows. Nonetheless, Washington being Washington, Mr. Trump's declaration has generated its own politically charged momentum in the form of a presidential commission to investigate voter fraud — a topic that has been endlessly investigated for years, with consistent results: There is no evidence that it is widespread or has materially affected the outcome of any U.S. election.

Now Mr. Trump's Presidential Advisory Commission on Election Integrity is beginning its work under

the guidance of its vice chair, Kansas Secretary of State Kris Kobach, a Republican notorious for his efforts at vote suppression. As an opening salvo, Mr. Kobach has written to state election officials requesting that they hand over voter rolls, including not only names, addresses and dates of birth, but also party affiliation, voting history back to 2006 and the last four digits of Social Security numbers — all of which he says will be made public.

Mr. Kobach's preposterous request — making public millions of partial Social Security numbers: Seriously? — has generated well-founded fears about privacy and data security; more than two dozen states have already announced they will refuse to convey the data he requested. Those same concerns have blocked the compilation until now of any such all-in-one list of every registered voter in the United States. In addition, Mr. Kobach's elaborate past efforts at voter suppression in Kansas, mainly blocked by federal and state courts,

provide ample cause for alarm that the commission's real goal is an aggressive purge of voter rolls — a meat-cleaver approach whose inevitable effect would be widespread disenfranchisement.

The best conversations on The Washington Post

No question, voter lists should be as up-to-date and accurate as possible. In the vast majority of cases where they're not, however, it has nothing to do with fraud — it's because people have died or moved, evidence of nothing more than a mobile society and decentralized election system. (Among those whose names have appeared simultaneously on more than one state's rolls are several people in Mr. Trump's immediate orbit, including Jared Kushner, his son-in-law and senior adviser; Stephen K. Bannon, chief White House strategist; and Tiffany Trump, Mr. Trump's daughter.)

The trouble is that commonplace and often minor inaccuracies on the rolls, along with inconsistencies in data collection and formatting among the states, give rise to the high likelihood of false "matches" from one roll to another, and also that many voters may be purged unfairly, without safeguards or recourse. That would provide Mr. Kobach with a pretext for what Vanita Gupta, former chief of the Justice Department's civil rights division, called "voter suppression, plain [and] simple."

The commission's endgame may be an attack on the 1993 National Voter Registration Act, the so-called "motor voter" law that requires states to offer registration at public service agencies such as motor vehicles departments. That would amount to an assault on American democracy and a damning indictment of the GOP's commitment to free and fair elections.

Hiatt : Trump has wasted the major advantage he had coming into office

https://www.facebook.com/fhiatt1

6-7 minutes

By Fred Hiatt Editorial Page Editor July 2 at 8:05 PM

President Trump is giving outsiders and drain-the-swampers a bad name.

A president who comes to power with little dependence on either party and wins election by running against the special interests, could, in theory, do a lot of good work. He could use his popular support to

push reforms that are in the national interest but have gotten stuck in Washington. Three examples come to mind — none of which has, at least so far, inspired the president to action.

The first, and in some ways most obvious, is a carbon tax linked to infrastructure modernization.

The best conversations on The Washington Post

This would be a win-win-win for the country. The tax would encourage conservation, which would be good for the environment and for slowing climate change. Republicans would have reason to cheer a market-friendly approach, as opposed to government picking energy winners and losers; GOP luminaries such as James A. Baker III and George P. Shultz have endorsed such a tax.

Some of the proceeds could be used to augment the earned-income tax credit, to counter its regressive nature. That would give Democrats reason to cheer.

The rest of the revenue could be distributed to states to spend on infrastructure. The federalism would make Republicans happy. Blue states could spend more on mass transit, making Democrats happy.

This makes such sense that you might think it would pass even without a push from an above-the-fray president, but it won't. Republicans are too bound to their no-tax ideology. Democrats might object to the loss of federal control. Special interests, deserving and

otherwise, from Amtrak to windmill companies, would clamor for a piece of the pie. Presidential leadership would be needed to keep those interests in check and the deal on track.

Then there is immigration reform. This is another case where the shape of a compromise is well-known, but where neither side can say yes without a strong push.

A deal would offer undocumented immigrants a path to legalization, in theory cheering Democrats, while stepping up enforcement to block further illegal immigration, in theory cheering Republicans. Congress could then work out how many legal immigrants, and of what sort, the country should accept in the future. Easy, right?

Well, no. Most undocumented people would welcome such a deal to bring them out of the shadows, but their professional advocates, and therefore many Democrats, would object to anything short of citizenship. Republicans who clamor for strict enforcement would, in many cases, object to the most efficient method: holding employers accountable for hiring undocumented workers.

Again, therefore, you would need presidential leadership. Trump, strange as it may sound, would be

well-positioned to push such a deal. Though he called for deporting the 11 million undocumented people in the United States, he also said that the "good" ones could quickly return. The makings of a deal are there — and could include some segments of his wall.

For tax reform, too, the outlines of a deal are in theory universally admired: cap or abolish the deductions that taxpayers can claim — the "loopholes" — and then lower the rates that everyone must pay.

The universal admiration quickly wanes, however, under special-interest assault. Realtors in every congressional district explain why the mortgage-interest deduction can't be disturbed. Hospitals, churches and universities remind Congress that opposing the charitable deduction is un-American. Folks from financial services recount how the elderly will go hungry without tax-advantaged 401(k) accounts.

Realistically, the best hope would be not to abolish any of these deductions but to cap how much relatively wealthy people could claim in any given year. And to accomplish even such a cap would require the attention of an above-the-swamp president, making a case for the country at large.

You may think the president is on board for this one, because he talks a fair bit about tax reform. But so far, what he seems to have in mind is only tax cuts, which might be popular in the short term but would send the already sky-high national debt into outer space. The only tax benefit that Republicans seem to want to target is, conveniently, the one that blue states depend on: the deduction for state and local taxes.

Which is in keeping with the policy predilections Trump has shown, to the extent he has shown any so far: conventional, down-the-line Republican, from tax cuts for the rich to the far more difficult, and politically fraught, push to repeal, and possibly replace, Obamacare. Meanwhile he leaves on the table the opportunities his unconventional path to the presidency had opened for him.

Is this because he's just not interested in policy? Or because he has a plutocrat's natural inclination toward the Republican playbook? I don't know. I do know he's missing a chance to show the good that a leader un beholden to party orthodoxy really could do in this town.



Blow : The Hijacked American Presidency

Charles M. Blow
6-7 minutes

We must remind ourselves that Trump's very presence in the White House defiles it and the institution of the presidency. Rather than rising to the honor of the office, Trump has lowered the office with his whiny, fragile, vindictive pettiness.

The presidency has been hijacked.

Last week, when Donald Trump attacked two MSNBC hosts, people were aghast. The condemnation came quickly and from all quarters.

But his words shouldn't have shocked. His tweet was just another pebble on a mountain of vulgarities. This act of coarseness was in fact an act of continuity. Trump was being Trump: the grossest of the gross, a profanity against propriety.

This latest episode is simply part of a body of work demonstrating the man's utter contempt for decency. We all know what it will add up to: nothing.

Republicans have bound themselves up with Trump. His fate is their fate. They have surrendered any moral authority to which they once laid claim — rightly or not. If Trump goes down, they all do.

It's all quite odd, this moral impotence, this cowering before the belligerent, would-be king. A madman and his legislative minions are holding America hostage.

There are no new words to express it; there is no new and novel way to catalog it. It is what it is and has been from day one: The most extraordinary and profound electoral mistake America has made in our lifetimes and possibly ever.

We must say without ceasing, and without growing weary by the redundancy, that what we are witnessing is not normal and cannot go unchallenged. We must reaffirm our commitment to resistance. We must always remember that although individual Americans made the choice to vote affirmatively for him or actively withhold their support from his opponent, those decisions were influenced, in ways we cannot calculate, by Russian interference in our election, designed to privilege Trump.

We must remember that we now have a president exerting power to which he may only have access because a foreign power hostile to our interests wanted him installed. We must remember that he has not

only praised that foreign power, he has proven mysteriously averse to condemning it or even acknowledging its meddling.

We must remember that there are multiple investigations ongoing about the degree of that interference in our election — including a criminal investigation — and that those investigations are not constrained to collusion and are far from fake news. These investigations are deadly serious, are about protecting the integrity of our elections and the sovereignty of our country and are about a genuine quest for truth and desire for justice.

Every action by this administration is an effort to push forward the appearance of normality, to squelch scrutiny, to diminish the authority and credibility of the ongoing investigations.

Last week, after a growing list of states publicly refused to hand over sensitive voter information to Trump's ironic and quixotic election integrity commission, White House spokeswoman Sarah Huckabee Sanders blasted the pushback as a "political stunt."

But in fact the commission itself is the political stunt. The committee is searching for an illegal voting problem that doesn't exist. Trump simply lied when he said that he would have won the popular vote were it not for millions of illegal votes. And then he established this bogus commission — using taxpayer money — to search for a truth that doesn't exist, to try to prove right a lie that he should

never have told.

This commission is classic Trump projection: There is a real problem with the integrity of our last election because the Russians helped power his win, but rather than deal with that very real attack on this country, he is instead tilting at windmills concerning in-person voter fraud.

Last week, CNN reported:

“The Trump administration has taken no public steps to punish Russia for its interference in the 2016 election. Multiple senior administration officials said there are few signs the president is devoting his time or attention to the ongoing election-related cyber threat from Russia.”

Donald Trump is depending on people's fatigue. He is banking on your becoming overwhelmed by his

never-ending antics. He is counting on his capacity to wear down the resistance by sheer force.

We must be adamant that that will never come to pass. Trump is an abomination, and a cancer on the country, and none of us can rest until he is no longer holding the reins of power.

the Atlantic

Senator James Lankford: Finding Unity in Washington

James Lankford

5-6 minutes

Several weeks ago, a routine early morning baseball practice for a charity game became the site of an unthinkable attack. Republican members of Congress were shot by a gunman who had made clear his antipathy for their party and the president who leads it.

House Majority Whip Steve Scalise suffered wounds that resulted in an “imminent risk of death,” according to hospital staff. Zach Barth, a congressional staffer, was wounded and Matt Mika, a former congressional staffer, spent days in the hospital. Two U.S. Capitol Police officers, Special Agents Crystal Griner and David Bailey, sustained injuries while saving the lives of everyone on that field. All are recovering, but they, and the nation, will bear the scars.

It was a moment that crystallized the dangers of America's often-divisive political culture. But it also revealed the strength and endurance of the bonds that tie us together. As Speaker of the House Paul Ryan said in the wake of this horrific act: “an attack on one of us is an attack on all of us.” House Minority Leader Nancy Pelosi said, “On days like today, there are no Democrats or Republicans, only Americans united in our hopes and prayers for the wounded.”

Members of the Democratic baseball team knelt in prayer when they learned their colleagues had come under gunfire. Members of Congress and their staffs joined together throughout the Capitol to pray for their colleagues and express gratitude for the heroism of the Capitol Police.

One of the most powerful images came the next day, at the congressional baseball game itself. Before the first pitch was thrown, members of both teams—Democrats and Republicans—joined together in the middle of the field to pray. This prayer prompted varied reactions across the nation, as many Americans were shocked to see Republicans and Democrats praying together. The cynical nation wondered, “how long would it last?” They ask because Congress is seen as uncivil.

In a recent mid-June poll, two-thirds of Americans said they believed the tone and level of civility in politics has gotten worse in recent years. When asked “is the tone of the current political debate encouraging violence?” nearly three quarters said ‘yes.’

This is a problem. But instead of asking how long the post-shooting unity would last, the American people should actually ask: How much stronger will it grow?

On any given day at the Capitol, you could wander around and find bipartisan conversations, Bible studies, prayer times, meals, and

cooperation. You could also find division, conflict, and accusations. It just depends on where you look.

The camera lens is obviously most often focused on the places of conflict and disagreement. This is no condemnation of the media; it is a recognition that we live in a culture that deeply desires progress and cooperation for the common gain of our nation, but which also promotes the blood sport of politics and conflict. Historically, Americans have alternated between the two passions, but in which direction will they demand their leaders move today?

Unity and respect do not require watered-down policy positions and weakness. They require respect for views that are different, and understanding that the people that disagree do not want to destroy the country. Maybe they just have a different view of the world.

Americans, including many politicians, have started believing the political spin that their own party puts out about people with opposing views. Social media is consumed with people sharing “a good burn” rather than engaging in meaningful dialogue. If the national pendulum is ever going to swing, it will require role models in every community who don't just call out for respectful opposition, but practice it.

Unity is not easy. Many families have a hard time deciding what to eat for dinner without a fight; that discussion becomes much louder

when the disagreement is about deficits, economics, healthcare, national defense, environment, and education. The key is not uniform policy views; it is uniform respect for each other and the process. It is disagreement without personal attack.

Even during this heated disagreement about the future of health care and the Affordable Care Act, Americans can and should continue to display civility and unity. We all want people in the safety net to have good health care, we all want to eliminate fraud and waste, we all want to bring down health-care costs—we just differ on how to get there. This nation is not made up of monsters who hate; it is made up of people who care, but disagree.

The simple prayer before the charity baseball game was profound. It resonated with the heart of a nation that craves unity, respect, and progress over noise. A quiet bipartisan prayer before a baseball game helped us all remember that we are “one Nation under God, indivisible, with liberty and justice for all.”

As Americans celebrate the birth of our nation this week, they and their elected representatives in Washington all have the chance to recommit to civility and unity, even while they disagree.

The New York Times

Krugman : Oh! What a Lovely Trade War

Paul Krugman

5-7 minutes

President Trump shaking hands with Leo Gerard, president of United Steelworkers, in the Oval Office in April. Aaron Bernstein/Reuters

Remember when Donald Trump declared that “nobody knew that health care could be so complicated”? It was a rare moment of self-awareness for the tweeter-in-

chief: He may, briefly, have realized that he had no idea what he was doing.

Actually, though, health care isn't all that complicated. And Republican “reform” plans are brutally simple — with the emphasis on “brutally.”

Trump may be the only person in Washington who doesn't grasp their essence: Take health insurance away from tens of millions so you can give the rich a tax cut.

Some policy subjects, on the other hand, really are complicated. One of these subjects is international trade. And the great danger here isn't simply that Trump doesn't understand the issues. Worse, he doesn't know what he doesn't know.

According to the news site Axios, Trump, supported by his inner circle of America Firsters, is “hell-bent” on imposing punitive tariffs on imports of steel and possibly other products, despite opposition from most of his cabinet. After all, claims that other

countries are taking advantage of America were a central theme of his campaign.

And Axios reports that the White House believes that Trump's base “likes the idea” of a trade war, and “will love the fight.”

Yep, that's a great way to make policy.

O.K., so what's complicated about trade policy?

First, a lot of modern trade is in intermediate goods — stuff that is used to make other stuff. A tariff on steel helps steel producers, but it hurts downstream steel consumers like the auto industry. So even the direct impact of protectionism on jobs is unclear.

Then there are the indirect effects, which mean that any job gains in an industry protected by tariffs must be compared with job losses elsewhere. Normally, in fact, trade and trade policy have little if any effect on total employment. They affect what kinds of jobs we have; but the total number, not so much.

Suppose that Trump were to impose tariffs on a wide range of goods — say, the 10 percent across-the-board tariff that was floated before he took office. This would directly benefit industries that compete with imports, but that's not the end of the story.

Even if we ignore the damage to industries that use imported inputs, any direct job creation from new tariffs would be offset by indirect job

destruction. The Federal Reserve, fearing inflationary pressure, would raise interest rates. This would squeeze sectors like housing; it would also strengthen the dollar, hurting U.S. exports.

Claims that protectionism would inevitably cause a recession are overblown, but there's every reason to believe that these indirect effects would eliminate any net job creation.

Then there's the response of other countries. International trade is governed by rules — rules America helped put in place. If we start breaking those rules, others will too, both in retaliation and in simple emulation. That's what people mean when they talk about a trade war.

And it's foolish to imagine that America would “win” such a war. For one thing, we are far from being a dominant superpower in world trade — the European Union is just as big a player, and capable of effective retaliation (as the Bush administration learned when it put tariffs on steel back in 2002).

Anyway, trade isn't about winning and losing: it generally makes both sides of the deal richer, and a trade war usually hurts all the countries involved.

I'm not making a purist case for free trade here. Rapid growth in globalization has hurt some American workers, and an import surge after 2000 disrupted industries and communities. But a Trumpist trade war would only exacerbate the damage, for a couple of reasons.

One is that globalization has already happened, and U.S. industries are now embedded in a web of international transactions. So a trade war would disrupt communities the same way that rising trade did in the past. There's an old joke about a motorist who runs over a pedestrian, then tries to fix the damage by backing up — running over the victim a second time. Trumpist trade policy would be like that.

Also, the tariffs now being proposed would boost capital-intensive

industries that employ relatively few workers per dollar of sales; these tariffs would, if anything, further tilt the distribution of income against labor.

So will Trump actually go through with this? He might. After all, he posed as a populist during the campaign, but his entire economic agenda so far has been standard Republican fare, rewarding corporations and the rich while hurting workers.

So the base might indeed like to see something that sounds more like the guy they thought they were voting for.

But Trump's promises on trade, while unorthodox, were just as fraudulent as his promises on health care. In this area, as in, well, everything, he has no idea what he's talking about. And his ignorance-based policy won't end well.



Samuelson : Everyone is mad at everyone

By Robert J. Samuelson

6-7 minutes

Several people who appear to be supporters of President Trump were removed from an impeachment rally and march on Sunday, July 2. Marches were organized in more than 30 cities across the United States.

Credit: Instagram/jackzbuska via Storyful (Instagram/jackzbuska via Storyful)

(Instagram/jackzbuska via Storyful)

This is the summer of our discontent. As Americans celebrate July 4, they are mad at their leaders, mad at their government and mad at each other. A recent Pew poll finds that “public trust in government remains near historic lows.” Just 20 percent of Americans trust the government to “do the right thing just about always or most of the time.” The comparable figures were 40 percent in 2000 and almost 80 percent in the early 1960s. There has been a long-term loss of trust.

At the same time — as is well-known — political polarization has soared. Republicans and Democrats increasingly harbor dire and even hateful views of each other. Among Republicans, 58 percent have a “very unfavorable” view of Democrats, up from 21 percent in 1994, reports another Pew survey. Democrats' views of Republicans are nearly identical: 55 percent label Republicans as “very

unfavorable,” roughly a tripling since 1994's 17 percent. Poisonous politics strains personal friendships.

Historians will argue for decades over what drained public confidence in government. Any short list would include the war in Vietnam, Watergate, double-digit inflation in the 1970s (13.5 percent in 1980), other economic failures (the 2008-2009 financial crisis and 11 post-World War II recessions), the wars in Iraq and Afghanistan, and the tendency of politicians to promise more than they can deliver. The disenchantment precedes President Trump and the Russia scandal, though they now contribute to it.

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On the other hand, pinpointing responsibility for political polarization is easier. It's the “political class,” including elected officials, political consultants, scholars and pundits (print, cable and digital). Too often, they abandon rhetorical self-restraint for inflammatory verbosity. The bloviation sets the tone of debate, which is the political equivalent of trash talk.

Ironically, the people who are most politically engaged — the people who consider themselves most morally “responsible” — pose the

greatest threat to the political system, weakening its ability to compromise and condemning it to paralysis. The fringes of both parties have acquired political power and, to some extent, disenfranchised the larger and ideologically messier middle.

By Pew's estimate, this messy middle — meaning that its members have a “roughly equal number of liberal and conservative positions” — remained the largest bloc of Americans at about 40 percent of the total in 2014. Here is what Pew says about the anomalous position of people in the middle:

“The majority do not have uniformly conservative or liberal views. Most do not see either party as a threat to the nation. And more believe their representatives in government should meet halfway to resolve contentious disputes rather than hold out for more of what they want.”

“Yet many of those in the center remain on the edges of the political playing field, relatively distant and disengaged, while the most ideologically oriented and politically rancorous Americans make their voices heard through greater participation in every stage of the political process” — voting, contributing, volunteering.

The stabilizing center of U.S. politics is marginalized. Its considerable power is dissipated and silently flows to activists of both parties, who increasingly define themselves by demonizing their

opponents. Cooperation becomes harder, because the gulf between them becomes larger and the contempt of each for the other grows. The activists in both parties are the troublemakers — not all of them, but enough to matter.

Of course, dissent is essential. Democracy without dissent is not democracy. But dissent should be disciplined. It should not indulge in fantasies that make partisans feel good but are profoundly misleading. This inevitable disillusion is where we are today.

To take two familiar examples: The Republican promise to repeal and replace Obamacare while also reducing premiums and expanding coverage was never possible. It was make-believe. Similarly, the Democratic refusal to deal with the escalating costs of Medicare and Social Security is crushing other worthy government programs — a strange position for a pro-government party.

By and large, Americans are optimists. We see ourselves as a “can do” people who generally believe the future will be better than the past. But the fact that many Americans are having second thoughts about their society and its future is concerning.

What's worrisome and not especially recognized is that many members of the political class — again, the pundits, journalists and scholars as well as elected officials, lobbyists and activists — have a

vested interest in the status quo of division. Who they're against defines who they are on both left and right. This protects elected officials against primary challenges

by even greater ideological purists; it generates audiences and incomes for pundits; it makes activists feel morally superior. Who wants to give that up?

Not surprisingly, the system has become self-perpetuating. It feeds on mutual recriminations. On this July 4, the founders — who had deep disagreements, but

compromised — would doubtlessly disapprove.



Rahm Emanuel: In Chicago, the Trains Actually Run on Time

Rahm Emanuel
6-7 minutes

The L, Chicago's mass transit system, operating smoothly on Friday. Joshua Lott for The New York Times

CHICAGO — On Thursday, in the wake of a subway derailment and an epidemic of train delays, Gov. Andrew Cuomo of New York declared a state of emergency for the Metropolitan Transportation Authority, the busiest mass transit system in America. That same day, the nation's third-busiest system — the Washington Metropolitan Area Transit Authority — handed out coupons for free coffee to riders stuck in the second year of slowdowns caused by repairs to prevent chronic fires.

Meanwhile, in Chicago, a recent survey found that 85 percent of passengers are satisfied with service on our transit system, the nation's second most used.

The L, Chicago's system, turned 125 this year. The elevated railway began as four wooden cars powered by coal and steam. Last year, more than 238 million rides were taken on the system, which, unlike the ones in New York and Washington, has not been troubled by systemic failures, breakdowns and delays. Even during a 28-day stretch of arctic temperatures in 2014, the L was never interrupted.

How have we done it? First, we put reliability ahead of expansion. We focused relentlessly on modernizing tracks, signals, switches, stations

and cars before extending lines to new destinations. Unlike New York, which has spent billions to reach Hudson Yards, or Washington, which has concentrated on trying to reach Dulles Airport (both laudable projects), Chicago has improved the existing system.

More than 238 million rides were taken on Chicago's mass transit last year, which, unlike in New York's subway, has not been troubled by systemic failures, breakdowns and delays. Joshua Lott for The New York Times

Today, four of our seven rail lines are being completely rebuilt. By 2019, 40 stations will be reconstructed or brand new, and half of our tracks will be new. Chicago is the largest city in North America to offer 4G wireless throughout its system, and last month we broke ground on a factory that will manufacture the most modern fleet of rail cars in the country, the first cars to be built in Chicago since the historic Pullman factory closed in 1982.

When the L's \$8.5 billion modernization is complete, Chicago will be able to run about 15 more trains every hour on our busiest lines, cut 10 minutes off a trip from downtown to O'Hare Airport and have trains run as fast as 55 m.p.h.

Second, our management structure works. Chicago riders have closer contact with the person whose job it is to make the trains run on time: the mayor. In New York City, it is the governor in Albany. In Washington, it is an agency consisting of officials from the city,

two states and the federal government.

While there is no one-size-fits-all model, I am confident local control is essential to Chicago's transit success. It strengthens accountability, focuses priorities and ensures the people most directly affected by decisions have more of a voice in making those tough decisions.

But even though we're doing our best, Chicago — like every municipal transit authority — needs federal support.

Rather than tweeting about violence in Chicago, President Trump should be looking to Chicago as a model for the infrastructure investments and economic growth he wants to replicate across the country. Instead of embarking on his wrongheaded plan to privatize infrastructure construction, he should expand existing programs that have used local-federal partnerships to build transportation systems.

Chicago has modernized its system thanks in part to the Federal Transit Administration's Core Capacity Improvement Program, which funds upgrades to existing corridors that are at or over capacity today, or will be in five years. Congress should double funding for the program to allow America's busiest mass transit systems to meet rising demand. It should also expand the low-interest federal infrastructure loans that have helped Chicago to rebuild rail lines and airports, and to create the downtown Riverwalk.

And Washington should increase the portion of the Highway Trust Fund that supports mass transit to

25 percent, while also raising the gas tax by 10 cents. Yes, Americans would pay more at the pump, but it is a smarter alternative than the Trump administration's privatization plan, under which we will all pay more in tolls and fees to the private investors who would own our roads and bridges.

Finally, local governments should look to innovative financing mechanisms like special taxing districts, known as TIFs — an idea Chicago borrowed from New York — to use growth in property taxes to finance transit improvements. Today we are using TIFs to match federal resources and modernize Chicago's busiest rail lines.

Cities with reliable, modern mass transit are more economically competitive, have higher productivity, fewer carbon emissions and a better quality of life. And as we have seen in Chicago, mass transit not only connects people to opportunities, it also fuels growth. Modernizing our existing mass transit is one reason Chicago's economy has expanded faster than the economies of New York and Washington, and faster than the national average for the last five years.

When Chicago's elevated train first soared above the streets and between the skyscrapers 125 years ago, it captured the imagination of Americans and visitors from around the world who rode its wooden cars to the 1893 World's Fair. It's a lesson for us all: The only way to keep a city moving is to invest in its future.