

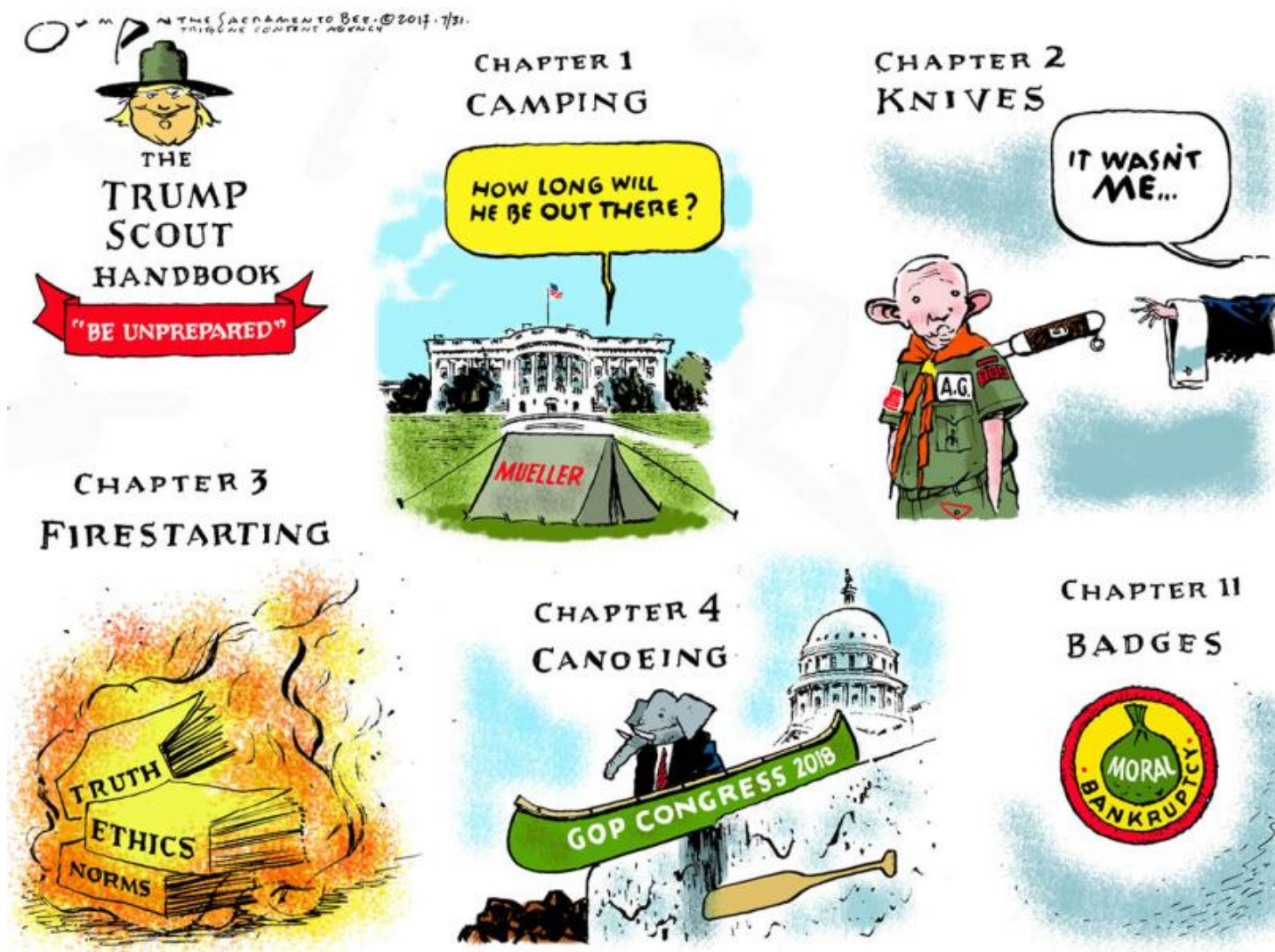
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FRANCE – EUROPE

The
Washington
Post

9-11 minutes

Nearing 100 days in office, Macron starts showing his true ambitions

By James
McAuley

PARIS — Emmanuel Macron is a master of persuasion.

In his youth, he seduced his married high school drama teacher, the woman who is now his wife. In middle age — with no government experience — he cajoled a sitting president into giving him a coveted cabinet position. Then — with no support from any established political party — he dazzled a nation, becoming, at 39, the youngest-ever president of France, a country where tradition is a way of life.

Nearly 100 days into Macron's presidency, there are already indications that the French are increasingly skeptical of their new president. While a majority still approve of him, Macron's initially sky-high approval rating dropped by 10 percent this month, mostly because of his refusal to back down on commitments to slash government spending. He has also come under fire for failing to aid migrants, sparred with France's chief military officer, who later resigned, and pushed to expand the state's powers to fight terrorism in ways that critics fear will permanently curtail civil liberties.

Judging from the new president's calendar, however, the dip in domestic popularity is of little concern, for his roving political eye seems to have identified a new conquest. Macron may be the president of France, but now he seems to be running for a different office altogether: the leader of the free world.

[Thank you, dear Donald: Why Macron invited Trump to France]

French President Macron invited pop star Rihanna to the Elysee

presidential palace in Paris to discuss the singer's charity work. French President Macron invited pop star Rihanna to the Elysee presidential palace in Paris to discuss the singer's charity work. (Reuters)

(Reuters)

Following the election of Donald Trump — who ran on promises of "America First" isolationism — commentators worldwide immediately began referring to German Chancellor Angela Merkel as the de facto defender of the liberal world order. With her famously stoic demeanor, Merkel appeared the natural replacement. Throughout her long career, she has advocated diplomacy and international law, and has defended an embattled European Union.

But in his first three months in office, Macron has dared to tread where Merkel hesitates to go. In keeping with his youthful image, he makes bold statements in defense of global causes such as climate change action, as evidenced in his Twitter campaign to "Make Our Planet Great Again." And in the style of the "French Obama," he hosts international celebrities in the Élysée for "conversations" on hot-button issues — including both Bono and Rihanna this week.

In any case, the major plot points of his young presidency have all featured him in the international spotlight, either attempting to charm or stand up to powerful world leaders, often those unpopular in France.

This is not to say that nothing has happened on the domestic level since his election in May. Macron, a relative political outsider even a year ago, ultimately succeed in carrying out an almost unthinkable overhaul of French political life. The new centrist party he founded, République En Marche (Republic on

the Move), now has an absolute majority in Parliament.

But in subtle and not-so-subtle ways, his principal ambition to date seems to be casting himself as a master negotiator in a new world where all roads somehow lead to Paris.

"To some extent, France is back again," said Pierre Vimont, a former French ambassador to the United States and the E.U., in an interview. "You have France pushing forward its interest, but doing so in a way that makes it take a central position on the world stage, because France likes to lead and likes to be seen as leading."

This defense of French interests has taken forms large and small, including a last-minute move to temporarily nationalize France's largest shipyard on Thursday — to save French jobs from a potential Italian takeover. But so far, it has mostly been the world stage on which Macron has set his sights.

[Macron hosts Netanyahu, condemns anti-Zionism as anti-Semitism]

Last week, for instance, he hosted Libya's two rival leaders for talks in a chateau outside Paris. The mission was tentatively successful: the meeting led to a conditional cease-fire agreement between Faye al-Sarraj, Libya's U.N.-backed prime minister, and Khalifa Haftar, the military leader who controls much of eastern Libya.

For France, the issue of Libya holds particular significance, given the country's past difficulties in negotiating any functioning resolution in the region, as in the joint Franco-British 2011 operation.

"The cause of peace has made great progress today," said Macron at the end of discussions, heralding the "historic courage" of the two leaders he invited.

Likewise, Vimont said, Macron has positioned himself as a similar mediator between Israel and Palestine and even between the United States and Russia.

Macron has hosted — separately — Russian President Vladimir Putin and President Trump, Palestinian Authority President Mahmoud Abbas and Israeli Prime Minister Benjamin Netanyahu.

In each of these meetings, Macron has used his considerable charm to play both sides, even while blasting Putin for Russia's state-owned media being "organs of propaganda." With Abbas, he opposed settlements, calling them "illegal under international law." With Netanyahu, he decried anti-Zionism, which, for Macron, is "the reinvented form of anti-Semitism."

[Macron is the president Trump wishes he could be]

But nowhere was Macron's ability to seduce more on display than in the case of Trump, whom he invited to Paris after the two had a tense first meeting in Brussels in May. The entire affair was dominated by a six-second handshake widely interpreted as a display of Gallic machismo — and that Macron later told a French newspaper was "a moment of truth."

In their second encounter, however, Macron was all smiles, outwardly embracing the Trump, who enjoys an approval rating of just 14 percent in France, according to a recent poll from the Pew Research Center. Even after Trump commented on the "good physical shape" of Macron's 64-year-old wife, Brigitte, the young president referred to his American counterpart as "dear Donald" and flattered him while the cameras were rolling.

But Macron's flattery began long before the visit, Trump revealed in an Oval Office interview with the New York Times this month. Trump

— who has refused to visit Britain until Prime Minister Theresa May can “fix” a warm welcome for him — initially asked Macron whether there would be protests in Paris, he told the Times.

“I said, ‘Do you think it’s a good thing for me?’”

Trump said Macron was quick to say that protests would not be a problem, and that a lavish spectacle of French military pomp would await him on the storied Champs Élysées. Trump arrived, and there were no protests in sight. He now extols his “great relationship” with Macron.

For Dominique Moïsi, a French foreign policy expert at the Paris-based Institut Montaigne, a think tank with ties to the Macron campaign, there is potential danger

in having “put

**The
Washington
Post**

Campaign emails from French President Macron part of latest political leak (online)

By James McAuley

3 minutes

French President Emmanuel Macron gestures as he delivers a speech during a citizenship ceremony in Orleans, France, on July 27, 2017. (Michel Euler / Pool/EPA)

PARIS — WikiLeaks published Monday a cache of more than 70,000 emails related to the recent campaign of French President Emmanuel Macron and other correspondence going back to 2009.

There were no immediate bombshell disclosures in the latest major online dump on leaked material, but the disclosures are certain to bring



WikiLeaks releases Macron French presidential campaign emails

3 minutes

WikiLeaks on Monday released a searchable database stocked with more than 21,000 “verified” emails that the anti-secrecy site claimed originated with the campaign of French president Emmanuel Macron.

Nearly 72,000 emails, including 26,506 attachments, were also released to provide context, WikiLeaks said in

himself in the limelight.”

“At the same time, the devil is in the details,” Moïsi said. “By receiving these leading opposite forces in Paris, he’s taking a risk. What if he fails?”

In Macron’s official presidential portrait — whose heavy symbolism France’s chattering classes have taken to scrutinizing in the manner of a Holbein or a Rembrandt — he appears near a stack of books, one of which is opened on the desk behind him.

Among them is Stendhal’s “The Red and the Black,” Le Monde revealed, a classic 19th-century novel that tells the story of Julien Sorel, a young provincial who, like Macron, comes to Paris to seek his fortune and, as it happens, seduces an older woman along the way.

further scrutiny on online security among political campaign and others.

The documents — ranging from 2009 to April 24, 2017, the day of the French election’s first round — include many routine exchanges such as travel schedules and appointments. But it could be days before all the documents are reviewed.

The data dump ultimately came at a moment when cybersecurity remains a concern in France and in Europe.

Just minutes before campaigning closed in the second and final of the French election in early May, the Macron campaign issued a statement claiming that it had been

a statement. However, the organization cautioned only “21,075 emails have been individually forensically verified” through its Domain Keys Identified Mail system.

WikiLeaks published the messages in a searchable database, similar to the one it created in October for emails alleged to have come from the account of John Podesta, the campaign chair for Democratic presidential nominee Hillary Clinton.

The Macron emails were initially published in May, just two days

In the novel, things do not end particularly well for Julien, but one thing is sure: he is the slave of a staggering ambition, and nothing can stand in his way. Among the novel’s most famous lines: “Each man for himself, in that desert of egoism which is called life.”

Today’s WorldView

What’s most important from where the world meets Washington

Macron’s young presidency has not yet experienced a major domestic crisis or attack. Likewise, none of his major policy proposals have yet been implemented — including his controversial push to liberalize France’s highly regulated labor market. Those reforms are due to be introduced in Parliament this fall, and could inspire massive protests.

With an absolute majority in Parliament — populated with deputies Macron hand-picked, all of whom represent a new political party that bears his own initials — Macron is not yet used to opposition. As he said to French troops, in the midst of a dispute over military budget cuts, “I am your boss. . . . I need no pressure and no commentary.”

For some, Macron’s overt allusion to Stendhal evinces a sense of humor on his part, an ironic self-awareness. For others, it represents a different kind of irony, almost an inadvertent foreshadowing.

As Moïsi put it, “The hard times are yet to come.”

the victim of a major hacking operation in which thousands of emails and other internal communications were thrust into the public domain.

Today’s WorldView

What’s most important from where the world meets Washington

Although that earlier data dump had virtually no effect on the polls — Macron still defeated his opponent, the far-right Marine Le Pen, in a landslide — it nevertheless stoked fears of a Russia-backed cyber attack, given that the Kremlin had openly supported Le Pen in the election.

But in early June, following the results of a French government investigation, Guillaume Poupard, the head of Anssi, France’s official cyber security agency, told the Associated Press that the earlier Macron hack was likely the result of “an isolated individual.”

“The attack was so generic and simple that it could have been practically anyone,” Poupard said.

With the German election coming in September, fears of potential cyber attacks — especially at the hands of those whom Russian President Putin has called “patriotic hackers” — remain high.

before the French people voted in the presidential election. Macron was seen as a frontrunner against his far-right rival Marine Le Pen.

Macron confirmed the hack then, saying in a statement through his political party: “The En Marche! Movement has been the victim of a massive and coordinated hack this evening which has given rise to the diffusion on social media of various internal information.”

The emails were posted on a profile called EMLEAKS to Pastebin,

according to Reuters. It was unclear who was responsible for the leaks, the head of France’s cybersecurity agency ANSSI saying in June that “it could be anyone.”

The leaks proved to have little impact on the French election. Macron beat Le Pen in a landslide.

WikiLeaks said its DKIM system is able to sift through the emails to independently to authenticate the content and sender.

**The
New York
Times**

Editorial : Hounding Migrants in France (online)

The Editorial Board

3-4 minutes

A refugee looking on as “the Jungle” burned in Calais, France, in 2016.

Mauricio Lima for The New York Times

Nine months after the razing of a squalid migrant camp in Calais, France, known as “the Jungle,” where between 6,000 and 10,000

people were living, local authorities and President Emmanuel Macron's government are determined to prevent a new camp from springing up. A new report charges that the police in Calais have abused some 500 migrants — nearly half of them minors — and harassed aid workers trying to help them. "There's nowhere else that I can think of where I've encountered to this extent the use of pepper spray on people who were sleeping and especially on sleeping children," said Michael Bochenek of Human Rights Watch.

After France's ombudsman for human rights, Jacques Toubon, demanded authorities end "violations of the

most elementary fundamental rights" of migrants in Calais last month, the government of Mr. Macron instructed the local authorities to show "more humanity" and promised a new plan on migration. Part of the plan, presented by Prime Minister Edouard Philippe on July 12, is welcome: accelerating asylum determination and providing more help to approved refugees. But this is twinned with an aggressive effort to deport economic migrants ineligible for asylum and return asylum seekers — as is the European Union rule — to the first European country they entered.

In practice, this means Italy, where most of the migrants arriving in Europe via Libya first land. Italy is

not happy, all the more so as it was excluded from Mr. Macron's peace summit between the leaders of Libya's main warring factions on Tuesday.

Mr. Macron also promised on Thursday "new accommodation centers everywhere" for migrants. Never mind that sufficient funds have not been allocated, that there is stiff local resistance to new centers and that the migrants in Calais, those crossing the Italian border into southern France, or those sleeping outside an overloaded migrant center on the edge of Paris will probably not be eligible.

The rapporteur of France's highest court recommended on Friday that the court reject the city of Calais's and the French interior ministry's appalling refusal to provide even water and toilets for migrants. Mr. Macron needs immediately to instruct local authorities to allow aid workers to do their jobs and to tell the interior minister, Gérard Collomb — who ordered fresh units of riot police officers to Calais last month to treat the "abscess" of migrants threatening to settle down — that migrants are not an infection to be cleansed, but human beings who have a right to be treated with dignity and humanity.

**The
New York
Times**

18-23 minutes

London's New Subway Symbolized the Future. Then Came Brexit. (UNE)

Michael
Kimmelman

A new shopping mall under construction in King's Cross. Andrew Testa for The New York Times

LONDON — Up an alley, beyond some hoarding, through what can feel like Harry Potter's secret portal, the underworld of an unfinished Crossrail station sprawls beneath the traffic and commotion of Tottenham Court Road. Escalator banks descend through a sleek, silent black ticket hall where towering, empty, white-tiled passageways snake toward the new, vaulted train platform, curving like a half moon into the subterranean darkness.

Crossrail is not your average subway. London's \$20 billion high-speed train line, which plans to start taking passengers late next year, is Europe's biggest infrastructure project.

It will be so fast that crucial travel times across the city should be cut by more than half. The length of two soccer pitches, with a capacity for 1,500 people, its trains will be able to carry twice the number of passengers as an ordinary London subway. While Londoners love to moan about their public transit network, by comparison New York has barely managed to construct four subway stops in about a half-century and its aged, rapidly collapsing subway system now threatens to bring the city to a halt.

But standing one recent morning on that empty Crossrail platform, where construction workers in orange gear and hard hats hauled shiny metal panels to line the walls, I still couldn't help wondering whether the new train leads toward another glorious era for this city, or signals the end of one.

Before Britain voted last summer to leave the European Union, Crossrail was conceived for a London open to the world and speeding into the future. Now, with Brexit, the nightmare scenario is that this massive project, to provide more trains moving more people more quickly through a growing city, ends up moving fewer people more quickly through a shrinking city.

Crossrail was built by a Britain whose strength grew, for better and worse, out of a longstanding, stodgy but reliable confidence that the country knew itself and where it hoped to go in the century ahead. It is no longer even certain that Prime Minister Theresa May will survive the year.

It was an especially unpromising sign this spring when Mrs. May's Conservative government, as if fearing exactly what anti-Brexiteers predicted about an economic downturn, issued a campaign manifesto that conspicuously omitted funding for Crossrail 2, the long-planned, \$39 billion critical north-south sequel to Crossrail's east-west line.

Since then, the government's transport secretary has endorsed the project — provided that the city pay half the whopping cost, upfront. The semi-reversal suggested a grudging acknowledgment that, whatever the political fallout or economic prospects, Britain ultimately needs a thriving London all the more after Brexit.

During the past three decades, London has been transfigured by wild growth, much of it the consequence of government-sustained megaprojects: Along with Crossrail, there have been the

stupendous renovations to King's Cross and St. Pancras Stations, the wholesale invention of Canary Wharf, the addition of the Jubilee subway line, the Olympic makeover at Stratford in East London and the expansion of Heathrow Airport.

These megaprojects, in different ways, helped remake London into the great global city-state of Europe, a 21st-century melting pot and Sybaris of culture and free-market prosperity — at the same time that they clearly exacerbated underlying urban inefficiencies and stirred resentment elsewhere in England toward the city.

Abbey Wood, on the historically neglected southeast side of the Thames River. Andrew Testa for The New York Times

Crossrail was intended as a kind of democratizing corrective, at once shrinking the city and expanding on a vision of London as a great, inclusive metropolis. While it will whisk bankers at new speeds from their office towers and multimillion-dollar aeries to Heathrow, it will also help millions of now-marginalized, lower-income workers, unable to afford runaway home prices in and around the center of the city, to live in cheaper neighborhoods often far from their jobs.

But what if the flow of incoming bankers slows, if immigrants look elsewhere, if the excesses of European money and human capital that helped drive growth begin to dry up? As Brexit skeptics warned, the pound has lost value and inflation is starting to rise. Some companies are already making plans to move employees out of London.

And as London goes, so goes Britain.

Heathrow Airport, Britain's busiest airport, will be served by Crossrail.

Andrew Testa for The New York Times

A New Spine for an Old City

I spent a few days traveling the Crossrail route, trying to decipher what it might mean for London. In one respect, the train underscores and extends the city's centuries-old, traditional identity as a sprawling, horizontal capital, an agglomeration of disparate, far-flung villages.

Extending roughly 70 miles, it is built to speed about 200 million passengers a year in a kind of Y from far to the west of the city, in the county of Berkshire, through Heathrow, to the heart of London, forking east to Shenfield in Essex and to the neighborhood called Abbey Wood, on the historically neglected southeast side of the Thames River. Linked with the existing Underground subway network, it will be rechristened the Elizabeth Line, inserting what is in effect a new steel-and-wheels spine into Britain's capital.

"Crossrail is a culmination of years of serious thinking by experts and public officials about what London needs, the imbalance of east and west and how to unite the city," said Ricky Burdett, an architect, city adviser and director of LSE Cities at the London School of Economics.

London, Mr. Burdett noted, is historically poor in the east, rich in the west and along the periphery, although that east-west distinction has eroded as gentrification has seeped outward. Underserved and long-disconnected East London neighborhoods like Shoreditch and Whitechapel in recent years have become chic and largely unaffordable to many Londoners. The city has added light-rail lines to help some of those areas, but only Crossrail is capable of "tying together many of the developments

that have transformed London," Mr. Burdett said.

Once an underserved East London neighborhood, Shoreditch in recent years has become chic and largely unaffordable to many Londoners. Andrew Testa for The New York Times

No development on the west end of the Crossrail line is more ambitious than Heathrow. John Holland-Kaye, the airport's chief executive officer, met me one morning in an empty conference room near the airport and instantly ticked off some figures.

The Elizabeth Line will link Heathrow Airport with central London and East End neighborhoods. It will begin running in December 2018, and will be fully open by late 2019.

Heathrow is not only Britain's busiest airport. It is hoped that the airport's expansion, based on the prospect of a new runway, might generate up to 180,000 new jobs across Britain, roughly 40,000 of them in London. Crossrail now promises to bring six million people and 80 percent of London's corporations within an hour's commute of the airport, up from three million and 50 percent today.

"When Crossrail is done, our employees could just as easily come from East London as from our local community," Mr. Holland-Kaye said. "The train effectively opens up the whole of the city."

Transit as Economic Engine

But Brexit threatens Heathrow's economy with more restrictive customs and immigration rules. Mr. Holland-Kaye acknowledged the threat but framed Crossrail as a kind of hedge against Brexit. He cited as a precedent the area around King's Cross, once notorious for drugs and prostitution, metamorphosed after the renovation of the decrepit King's Cross station and its neighbor St. Pancras, now serving the Eurostar express train to Paris and other cities in Europe.

King's Cross today is home to an art school, The Guardian, a cluster of high-tech medical research centers and Google's future European headquarters. The point: Major, long-term infrastructure projects support game-changing investments. Crossrail proves Britain's continuing commitment to this steel and concrete approach, Mr. Holland-Kaye said.

Office blocks in King's Cross, an area once known for prostitution and drugs that has been transformed by big infrastructure projects. Andrew Testa for The New York Times

From Heathrow, riders will need just over a half-hour via Crossrail to travel east to Canary Wharf, the defunct docklands turned world financial hub, which today employs more than 112,000 people. When the site opened in the late 1980s, the aptly named Narrow Street was its only real access road. Canary Wharf went belly up. Then London broke ground for the Jubilee subway line, linking Canary Wharf by mass transit to the heart of the city, and international banks started moving in.

This is one reason George Iacobescu, Canary Wharf's longtime chairman, helped lead the push for Crossrail. "London's future prosperity depends on it," he said. He summoned me into a big, bright white office where he stood behind a giant tabletop display of London (think Goldfinger's model of Fort Knox). Mr. Iacobescu flicked switches on the table. One by one, they lit up various rail lines that today serve Canary Wharf, each line coinciding with increases in jobs and revenues. Theatrically, he paused before the last switch.

It illuminated Crossrail.

"We are home to many of the world's great financial institutions," Mr. Iacobescu said, pointing on the model to where Foster & Partners, the celebrated London-based architecture firm, has designed Canary Wharf's Crossrail Station, a spectacular glass and timber tubular structure, docked like a giant cruise ship beside the firm's HSBC tower. Nearby, Canary Wharf plans to build thousands of new luxury (and some affordable) homes and other developments by high-end architects like Herzog & de Meuron to turn Canary Wharf into more of a neighborhood. "We expect to create thousands more jobs," Mr. Iacobescu said.

"The danger with Brexit," he added, "is that if Britain gets out of the European Union and doesn't keep the U.K. an attractive place for financial institutions, they will think twice about growing here. The issue isn't banks leaving Canary Wharf. Most of them have long-term leases. The issue will be the pace of growth."

Canary Wharf, once an abandoned docklands, is now a major financial center. Andrew Testa for The New York Times

But that's not quite true. Because of Brexit worries, construction plans for several of Canary Wharf's new buildings have already been put on hold. And long-term leases can always be broken.

Crossrail: Monetizing Time

A new super-subway is coming to London. Crossrail opens next year, but it is already transforming neighborhoods.

By STEPHEN FARRELL on July 27, 2017. Photo by Stephen Farrell/The New York Times. Watch in Times Video »

"The bottom line is that nobody has the faintest idea yet what the Brexit effect will be," Tony Travers, a veteran urban policy expert, told me. "Investments from the European Union may shrink. But why would investors from India or Canada or the United States be put off? If anything, Brexit may make Britain more likely to give them what they want."

Lately, the Leadenhall Building, otherwise known as the Cheesegrater, the tallest tower in the old, central financial district called the City of London, designed by Rogers Stirk Harbour & Partners, sold to a Chinese property tycoon for \$1.5 billion, the second-highest sale of a building in Britain. Qataris were behind the Shard, the Renzo Piano-designed tower that is London's sleekest skyscraper. Malaysians are developing the former Battersea Power Station, where Apple is an anchor tenant.

"The trajectory of real estate investment here is not only based on Europeans," Mr. Burdett stressed.

Social housing towers in Thamesmead. Andrew Testa for The New York Times

So, Crossrail or Brexit?

Connectivity is destiny in the farthest reaches of East London. Thamesmead, a social housing development from the 1960s, lies a half-hour or so by bus beyond the train's final stop and its ripple effects. Equivalent in area to all of central London, it is home to just 50,000 residents, once nearly all of them white and working-class, but today, increasingly, Nigerians. Peabody, a nonprofit housing organization, has announced plans to build hundreds more apartments in Thamesmead. Some lovely, neatly tended homes already exist alongside Brutalist blocks, rundown but now stylish (this is where "A Clockwork Orange" was filmed). That said, with the lowest average income in London, Thamesmead has few stores, little street life and an abundance of sewage treatment plants and prisons. It suffers from its isolation.

"Thamesmead was built on a promise of transit connectivity that never happened," Teresa Pearce, a member of Parliament who

represents the district, told me. "You see the results."

Crossrail construction in Abbey Wood, which will be the southeast fork's final stop. Andrew Testa for The New York Times

By comparison, the final stop on that southeast spur of Crossrail is Abbey Wood, where Sainsbury's, the chain store and a bellwether of gentrification and commercial investment, has lately opened a shop in anticipation of the train. Streets here are lined with terrace houses now occupied by plasterers and truck drivers. Record numbers of landlords in the area have been filing applications for renovations, believing that Crossrail will attract bankers and lawyers. Property values are expected to rise on average 10 percent around all future stations along the Crossrail route.

Change is even more acute one stop before Abbey Wood, in Woolwich. The Berkeley Group, a big British real estate company, is building 5,000 sleek, mostly high-end apartments around the future Crossrail station, which the developer paid millions to help construct.

Hugging the Thames River, Woolwich is the former site of the Royal Arsenal and Henry VIII's dockyard, where Charles Darwin's Beagle was built. Historically working-class, it, too, used to be all white but has come to attract Caribbean and Asian immigrants, with nearly 40 percent of residents today living in social housing. Berkeley's development and the Woolwich Crossrail station are separated from the rest of Woolwich by a highway called Plumstead Road. On one side of the road, old Woolwich is a warren of modest shops and aged social housing.

A new development by the Berkeley Group in Woolwich. Andrew Testa for The New York Times

On the other, baristas now dispense macchiatos on leafy patios. Signs advertise luxury apartments. A single, 31-year-old corporate lawyer employed in the City, Calum Docherty, who is hunting for a home, was intrigued by the Berkeley development. "But I'm still looking," he told me. "Woolwich wasn't anywhere on my radar before Crossrail. The train has expanded my concept of London."

"That said, it's a bit of a mental jump to commit to borrowing half a million pounds," he added. "With Brexit and all."

Editorial : Britain Joins the Shift to Electric Cars

The Editorial Board

4-5 minutes

Electric cars plugged into a recharging point in London. Stefan Wermuth/Reuters

The drive to switch to electric cars went a mile further last Wednesday when Britain joined France in pledging to end the sale of new gas and diesel cars by 2040. Norway and India have also said they want to get rid of gas and diesel cars, and at least 10 other countries have set targets for electric cars. All that is good news for the planet and for human health, even if caveats and challenges abound.

Cars powered by gasoline or diesel are major polluters. The Volkswagen emissions scandal in the United States put to rest the longstanding European faith in diesel as a more

environmentally friendly fuel, not least because it generates large quantities of health-threatening nitrogen oxides. VW's extensive efforts to conceal the true extent of that pollution has now turned consumers against the fuel.

Still, attractive as it sounds, switching from petroleum to electricity for cars is a formidable task. Plug-in electric vehicles are still a tiny market centered in only 10 industrially advanced countries, and even there the infrastructure is small. A huge increase in electric cars would require many thousands of new charging points, an upgrade in generating capacity, improved batteries and new sources of government income to replace lucrative fuel taxes.

Much depends, too, on where the electricity comes from. If it comes from coal-fired plants, there could be a net increase in the greenhouse gases that are warming the planet; if

from natural gas plants, a modest net decrease; if from carbon-free sources like wind and solar power, a huge net benefit. President Trump's antagonism to the Paris climate accord and his affinity for fossil fuels demonstrate the difficulty of making this shift; and despite Volvo's exciting announcement that it will make only electric or hybrid cars as of 2019, many manufacturers may well resist abandoning the engines they have spent the past century perfecting.

Yet electric cars — notably those made by Tesla, which unveiled its new, mass-market Model 3 sedans on Friday — have demonstrated that they can be every bit as comfortable, powerful and fun to drive as gasoline-powered cars. The targets set by Britain, France and others are bound to spur further innovation that will lower prices and address the greatest weaknesses of plug-in cars: relatively limited range and long charging times.

In addition, putting more electric cars onto the streets is arguably a good way to raise public consciousness about steps people can take to clean the air they breathe while also reducing greenhouse gases. Most people do not spend a lot of time thinking about how their electricity is generated, but they are likely to notice a plugged-in car on their street and, eventually, improvements in air quality. Once people are aware of that, they could well support shifts to cleaner fuels in other forms of transport, like planes and trains.

Bringing people around is a big challenge in the fight against climate change. That's one reason the announcements by Britain, France, India and Norway are important, and the more governments that follow suit, the better.

EU Takes Action Against Poland Over Judiciary Overhaul

Laurence Norman
4 minutes

Updated July 29, 2017 11:33 a.m. ET

BRUSSELS—The European Union on Saturday launched legal action against Poland over part of the government's planned overhaul of its court system, a move that could result in the government being fined and taken to the bloc's top courts.

The EU's executive arm, the European Commission, sent a letter to the Warsaw government formally raising concerns after a new law on the organization of the Polish court system was formally adopted on Friday.

The law is part of a package of measures pushed by Poland's nationalist government that would have allowed the government to restaff the judicial bench, from the Supreme Court down to small, local courts.

On Wednesday, Brussels warned that the democratic rule of law remains at risk in Poland, even after President Andrzej Duda vetoed government-pushed legislation that would have retired every high court judge.

Poland and the EU are in an extraordinary standoff over whether the former communist country can put virtually the entire judiciary under the control of the justice minister and remain a full-fledged member of the union.

Brussels could seek broader, unprecedented sanctions against Poland, although it is unlikely that would win sufficient backing from all EU member states.

While Mr. Duda vetoed the government's effort to restaff the Supreme Court, he allowed through legislation that affects who sits in lower courts.

The commission said Saturday that this law breaches EU rules since it sets different retirement ages

for male and female judges. More broadly, by giving the government the power to pick whose terms can be extended beyond retirement age, "the independence of Polish courts will be undermined," it said in a statement.

Poland has a month to respond to recommendations that would bring Polish law back in line with EU norms. Failing that, the commission would move to the second of a three-stage infringement process that would end with Poland being taken to court.

A spokeswoman for the Polish Foreign Ministry didn't respond to a request for comment Saturday.

European Commission First Vice President Frans Timmermans also wrote to the Polish government on Friday, inviting the foreign and justice ministers to Brussels to discuss the situation. In recent weeks, Warsaw has brushed off such requests.

The EU has limited room to maneuver in its broader rule-of-law

showdown with Poland. The governing Law and Justice party says the reforms are needed to purge officials who entered public service during the tainted communist era. Previous warnings have done little to sway the government from its efforts.

The bloc's most severe punishment—stripping a member country's EU voting rights—requires unanimous backing from all member countries. But this is unlikely given Hungary's support for the Polish government.

The fight is part of broader tensions between Brussels and some of the bloc's newer members in Eastern Europe, which have increasingly chafed at the bloc's policies and oversight. The EU has also raised a host of worries over legislation passed by Hungarian Prime Minister Viktor Orban.

—Drew Hinshaw and Emre Peker contributed to this article.

Write to Laurence Norman at laurence.norman@wsj.com

INTERNATIONAL

U.S. displays military firepower after Pyongyang's latest ICBM test (UNE)

By Carol Morello

8-10 minutes

The United States said, July 30, it shot down a medium-range target ballistic missile in its latest test of the country's THAAD missile

defense program, designed to protect against threats from countries such as North Korea and Iran. The United States said, July 30, it shot down a medium-range target ballistic missile in its latest test of the country's THAAD missile defense program (Reuters)

(Reuters)

The United States pointedly showed off its military prowess over the Pacific and the Korean Peninsula on Sunday in response to North Korea's launch Friday of a missile capable of reaching the U.S. mainland, a test Pyongyang said was a "stern warning" for Washington to back off from threats and more sanctions.

In a sign that tensions are spiraling upward rapidly, the United States flew two supersonic B-1 bombers over the Korean Peninsula as part of a joint exercise with Japan and South Korea. And U.S. forces conducted a successful missile defense test over the Pacific Ocean, sending aloft from Alaska a medium-range ballistic missile that it detected, tracked and intercepted using the Terminal High Altitude Area Defense System.

[As North Korea intensifies missile program, U.S. opens \$11 billion base in the South]

The sense that time is running out in the confrontation with North Korea was reinforced as the day wore on. Nikki Haley, the U.S. ambassador to the United Nations, batted down rumors that the United States would seek an emergency meeting of the U.N. Security Council. It was pointless, she said, as long as China wouldn't commit to increasing the pressure on North Korea's leader, Kim Jong Un.

"In fact, it is worse than nothing, because it sends the message to the North Korean dictator that the international community is unwilling to seriously challenge him," said Haley, who earlier retweeted a photo of the bombers on their mission over the Korean Peninsula. "China must decide whether it is finally willing to take this vital step. The time for talk is over."

Two B1-B bombers flew over the Korean peninsula on July 29, a day after North Korea's latest ballistic missile test. The U.S. has used similar tactics in the past in

response to Pyongyang's aggressions. Two B1-B bombers fly over the Korean peninsula on July 29, a day after North Korea's latest ballistic missile test. (Reuters)

(Reuters)

The basic dilemma for the United States is that North Korea's missile technology has leapt forward faster than predicted, leaving few realistic options for a resolution, which can take time to negotiate.

"Kim Jong Un is not going to negotiate in good faith," said Cliff Kupchan, chairman of the Eurasia Group, a political risk consulting firm. "He sees acquisition of a nuclear deterrent as critical to his country's security. The U.S. is on the verge of a binary choice: either accept North Korea into the nuclear club, or conduct a military strike that would entail enormous civilian casualties."

Amid the show of force by the United States and its allies, North Korea said it would respond with a "resolute act of justice" if it were provoked either militarily or economically.

"In case the U.S. fails to come to its own senses and continues to resort to military adventure and 'tough sanctions,' the DPRK will respond with its resolute act of justice," the state-run Korean Central News Agency quoted a Foreign Ministry spokesman saying, using the acronym for the North's official name, the Democratic People's Republic of Korea.

The spokesman said the United States should "wake up from the foolish dream of doing any harm to the DPRK," and warned Washington against a preemptive nuclear strike.

"If the Yankees... dare brandish the nuclear stick on this land again... the DPRK will clearly teach them manners with the nuclear strategic force," the spokesman said.

The Trump administration's frustration has grown exponentially in recent days, since Pyongyang on Friday conducted its second successful test of an intercontinental ballistic missile. Though it landed off the Japanese coast, experts said if the missile had flown in a lower arc it could have

reached the U.S. mainland. A U.S. Air Force B-1B Lancer (top) assigned to the 9th Expeditionary Bomb Squadron, being joined by Republic of Korea air force F-15s, during a mission into Japanese airspace and over the Korean Peninsula. American forces on July 30 successfully tried out a missile interception system the U.S. hopes to set up on the Korean peninsula. (Kamaile Casillas/Air Force via AFP/Getty Images)

U.S. officials have been trying to get China, North Korea's main trading partner and economic lifeline, to exert pressure on its neighbor. Secretary of State Rex Tillerson has called Beijing and Moscow the "principal economic enablers" of Pyongyang. Though China voted last year for harsh U.N. sanctions against the country's leaders and state-tied companies, it fears that a destabilized regime would send refugees flooding across the border and has urged dialogue as the only pragmatic approach.

President Trump on Saturday berated China, tweeting that "they do NOTHING for us with North Korea, just talk. We will no longer allow this to continue." And Vice President Pence, traveling Sunday in Estonia, told reporters that "all options are on the table."

"The continued provocations by the rogue regime in North Korea are unacceptable, and the United States of America is going to continue to marshal the support of nations across the region and across the world to further isolate North Korea economically and diplomatically," Pence said.

North Korea tested its first nuclear weapon in 2006 and has been burdened with six sets of U.N. sanctions since then. The North claims its weapons are for defensive purposes. But a series of missile launches and tests conducted since Kim came to power more than five years ago have increased concern that North Korea may be closing in on the ability to fit a nuclear weapon on a missile's nose cone.

The North Korean leader himself had openly boasted that more missile tests would be coming. In late March, he vowed to send a "bigger gift package to the Yankees," state-run media reported.

"People have been warning about the North Korean ICBM for 20 years," Joseph Cirincione, president of the Ploughshares Fund, said Sunday on ABC's "This Week." "But the wolf is at the door. This is a very real threat to the United States."

Sen. Dianne Feinstein (D-Calif.), speaking on CBS's "Face the Nation," called North Korea a "clear and present danger" that must be taken seriously.

"I'm convinced that North Korea has never moved at the speed that this leader has to develop an ICBM to put solid fuel, to have an interesting launch device, and to have a trajectory which, as of the latest analysis, would enable it to go about 6,000 miles and maybe even hit as far east as Chicago," she said. "We can't have that."

Feinstein said she hoped John F. Kelly, the incoming White House chief of staff who starts his new position Monday, would be able to begin negotiations with Pyongyang that would eventually end its nuclear program.

Checkpoint newsletter

Military, defense and security at home and abroad.

For now, however, worried capitals are focusing on bulking up their militaries. South Korea announced Saturday that it will start talks with the White House about building more powerful ballistic missiles capable of striking the North.

[South Korea, in a shift, wants more military firepower against the North]

And the U.S. military was blunt in its assessment of the threat posed by North Korea. In a statement accompanying the departure of the two B-1 bombers from Guam to the Korean Peninsula, the Pacific Air Forces commander, Gen. Terrence J. O'Shaughnessy, called the country the "most urgent threat to regional stability."

"If called upon, we are ready to respond with rapid, lethal, and overwhelming force at a time and place of our choosing," he said.

Ashley Parker and Madhumita Murgia contributed to this report.



4-6 minutes

North Korea's New ICBM Launch Is Latest Challenge for Trump

Paul McLeary | 1 hour ago

Just three weeks after North Korea first demonstrated that it can launch an intercontinental ballistic missile, the defiant regime did it again on Friday, marking the country's second ICBM test this month.

The Pentagon confirmed Friday afternoon that the missile was launched from Mupyong-ni in the country's northwest, near the Chinese border. The launch occurred at about 10:45 a.m. EST and traveled about 1,000 km. before

splashing down in the Sea of Japan according to Pentagon officials.

The ICBM test "was expected," Pentagon spokesman Capt. Jeff Davis said Friday. "We are working with our interagency partners on a

more detailed assessment," he added.

Japan's Chief Cabinet Secretary Yoshihide Suga said the missile appears to have flown for about 45 minutes, and Japanese Prime Minister Shinzo Abe told Japanese broadcaster NHK that "it possibly landed inside the exclusive economic zone." That zone extends 230 miles from Japan's coast.

The North has made major advances in its ballistic missile program over the past several years, and has conducted missile tests at a faster pace this year than at any other point in its history, presenting the Trump administration with a major test. So far, Washington has responded with increased sanctions and appeals to China to pressure its allies in Pyongyang.

In internal assessments by the Defense Intelligence Agency leaked earlier this week, U.S. analysts concluded North Korea would be able to field a nuclear-capable ICBM by next year, two years

earlier than previously thought.

The July 4 launch, later identified as a Hwasong-14, represented "a new escalation of the threat to the United States, our allies and partners, the region and the world," Secretary of State Rex Tillerson said at the time. That ICBM flew 1,730 miles above earth for 37 minutes before spiraling down into the Sea of Japan.

Although registering a high trajectory, the missile traveled less than 600 miles. But analysts believe it could have traveled as far as 4,200 miles if it had been fired at an angle meant to strike a target, putting all American military bases in the Pacific well within range, as well as Hawaii and Alaska.

Gen. Mark Milley, chief of staff of the U.S. Army, cautioned during a speech on Thursday that "time is running out" for a diplomatic solution to the North Korean crisis, as the Hermit kingdom becomes "more dangerous as the weeks go by."

The Pyongyang regime also claims that the July 4 test helped it master

the technology needed to deploy a nuclear warhead on the missile.

In response to the rapid pace of missile tests this year, the Pentagon shipped a THAAD missile defense system to South Korea, but the deployment has caused some consternation in Seoul, where a new government appears open to trying to improve relations with the North.

The Pentagon's Davis said Friday, however, that "our commitment to the defense of our allies, including the Republic of Korea and Japan, in the face of these threats, remains ironclad. We remain prepared to defend ourselves and our allies from any attack or provocation."

The launch also comes at a difficult time for Japan, with Defense Minister Tomomi Inada announcing Thursday she would resign following allegations of possible wrongdoing regarding the deployment of Japanese troops serving as U.N. peacekeepers in South Sudan, and the increasing unpopularity of the Abe administration.

And despite the global community's condemnation of the North's activities, Trump administration officials and lawmakers are increasingly concerned that Russia is stepping up trade with Pyongyang in defiance of international sanctions, jeopardizing a U.S. effort to pressure Pyongyang over its nuclear and missile programs.

Sen. Deb Fischer, (R-Neb.) chairman of the Senate subcommittee on Strategic Forces, said that Washington should increase missile defenses at home and in the Pacific region, to "put stronger pressure on this dangerous nation, as well as its patrons, China and Russia."

Both of China and Russia have failed to enforce some sanctions the United Nations has sought to put in place. Fischer called for the Trump administration to "take more unilateral measures, particularly secondary sanctions against those who enable the regime. Sitting by and allowing these tests to continue is not an option."

Photo Credit: STR/AFP/Getty Images



North Korea: Missile Can Reach Entire Continental U.S.

Heesu Lee,
Kanga Kong / Bloomberg
6-8 minutes

North Korean leader Kim Jong Un claimed he could strike the entire continental U.S. after test-firing the regime's second intercontinental ballistic missile within a month.

Friday's unusual late-night launch drew condemnation from the U.S. and its allies, with the top American general calling his South Korean counterpart to discuss a potential military response. President Donald Trump said the test was reckless and dangerous, adding in a statement the U.S. "will take all necessary steps" to protect its territory.

"We have demonstrated our ability to fire our intercontinental ballistic rocket at any time and place and that the entire U.S. territory is within our shooting range," the state-run Korean Central News Agency said on Saturday, citing Kim. It said the test was part of the "final verification" of the Hwasong-14 missile's technical capabilities, including its maximum range.

The ICBM test, which follows the first launch on July 4, raises tensions between major powers, with the U.S. accusing China and Russia of providing Kim cover to pursue his nuclear ambitions. Trump has previously expressed

frustration at the pace of China's efforts to rein in its neighbor and ally, which it supports with food and fuel sales.

While U.S. lawmakers have voted to send Trump legislation that would impose new sanctions on North Korea, the United Nations Security Council has struggled to reach agreement on potentially tighter penalties.

Related

"As the principal economic enablers of North Korea's nuclear weapon and ballistic missile development program, China and Russia bear unique and special responsibility for this growing threat to regional and global stability," U.S. Secretary of State Rex Tillerson said in a statement.

While the U.S. seeks a peaceful denuclearization of the Korean Peninsula, Tillerson said, "we will never accept a nuclear-armed North Korea nor abandon our commitment to our allies and partners in the region."

China opposes North Korea's launch and its violations of Security Council resolutions, Foreign Ministry spokesman Geng Shuang said in a Saturday statement in the People's Daily newspaper. He called on all parties to show restraint.

The Pentagon said the latest missile flew 1,000 kilometers, while South

Korea's Joint Chiefs of Staff said it reached an altitude of about 3,700 kilometers -- almost 1,000 kilometers higher than the prior test. Japan said the missile flew for about 45 minutes -- six minutes longer than previously -- and landed in its exclusive economic zone.

The test showed North Korea's progress in developing a missile capable of hitting U.S. cities such as Denver or Chicago, according to Melissa Hanham, a researcher at the James Martin Center for Nonproliferation Studies in California. Initial data suggested that if such a projectile were launched toward the U.S., it could travel about 10,000 kilometers (6,200 miles).

"It's getting close to New York," Hanham said by email.

Re-Entry Capability

After the July 4 ICBM test, South Korea cast doubt on whether Kim had acquired the re-entry capability for the missile to survive the return to Earth's atmosphere.

North Korea insists its nuclear program is designed to prevent an attack by the U.S. or others. Trump rejected those claims, saying it had the "opposite effect."

"By threatening the world, these weapons and tests further isolate North Korea, weaken its economy, and deprive its people," he said.

Military Options

Yonhap reported that Friday's test was the first time North Korea had launched a missile from Jagang, a province north of Pyongyang that shares a border with China.

While Beijing has condemned Kim's actions it has also been cautious about squeezing too hard amid concern it could spark a messy collapse of his regime and a refugee crisis on China's border. It also worries such developments could spur a beefed-up U.S. military presence nearby.

U.S. Marine General Joseph Dunford, chairman of the Joint Chiefs of Staff, discussed "military response options" in a phone call with his South Korean counterpart, his spokesman said in an emailed statement that didn't elaborate.

While Trump hasn't ruled out a military response, Dunford warned in June that an armed conflict with North Korea would leave the millions of residents in Seoul, South Korea's capital, to face casualties "unlike anything we've seen in 60 or 70 years." Still, this month he told a security conference in Colorado that "what's unimaginable to me" is allowing the capability for "a nuclear weapon to land in Denver, Colorado."

Missile Shield

South Korean President Moon Jae-in's office said he'd ordered a show

of force in response to North Korea's actions. Hours later, the U.S. and South Korean militaries said they fired long-range precision-guided tactical missiles into South Korean territorial waters.

Moon also called for talks with the U.S. to consider the deployment of more Thaad missile-defense launchers to South Korea, an apparent shift from a decision to put the program on ice pending an environmental impact study. The defense ministry suggested any

further installation would be temporary.

China on Saturday said it had grave concerns about the possibility of more Thaad launchers in South Korea. It called on the U.S. and South Korea to stop the deployment, saying the launchers hurt the strategic balance in the region.

Pyongyang's actions have undermined Moon's early attempts to engage with North Korea via proposals to meet with Kim and

discuss a peace treaty. Moon instructed his government to now look at potential direct sanctions if necessary, his spokesman Yoon Young-chan said at a briefing.

The UN Security Council is likely to hold an emergency meeting early next week, Yonhap reported Saturday, citing unnamed government officials.

Still, "Pyongyang has once again made it clear that they are operating on their own timetable," Ralph Cossa, president of the Pacific

Forum CSIS in Honolulu, said by email.

"My guess -- and when it comes to North Korea we're all guessing -- is that they are waiting for the next sanctions resolution, which they will then say 'forces' them to accelerate their program and we will finally have our much-anticipated next nuclear test."

THE WALL STREET JOURNAL

Peter Nicholas in Tallinn, Estonia, and Felicia Schwartz in Washington

7-9 minutes

Updated July 30, 2017 11:25 p.m. ET

Trump administration officials urged China and other nations to band together to confront North Korea over its nuclear and ballistic-missile ambitions, with Vice President Mike Pence declaring "all options are on the table" to rein in Pyongyang.

"The continued provocations by the rogue regime in North Korea are unacceptable and the United States of America is going to continue to marshal the support of nations across the region and across the world to further isolate North Korea economically and diplomatically," Mr. Pence told reporters traveling with him in Estonia on Sunday, two days after North Korea's second intercontinental ballistic-missile test. "We believe China should do more."

Speaking at a trade briefing on Monday, China's vice minister of commerce, Qian Keming, said the U.S. and China should separate issues over trade from those over North Korea's missile test, adding that Beijing is willing to work with the U.S. to boost bilateral trade.

Mr. Qian didn't directly address North Korea's latest missile test, but said China remains committed to ridding the Korean Peninsula of nuclear weapons.

At the United Nations, U.S. Ambassador Nikki Haley rejected calls for an emergency session of the Security Council, saying "the time for talk is over" and that a further Security Council resolution that doesn't "significantly increase the international pressure" on North Korea would be "worse than nothing."

Secretary of State Rex Tillerson also singled out Russia on Friday, saying it could do more to blunt

Pyongyang, while Ms. Haley in a tweet on Sunday said Japan and South Korea could step up as well.

Their remarks came as President Donald Trump signaled his chagrin at what he described as China's inaction on North Korea's nuclear and ballistic-missile ambitions.

"I am very disappointed in China. Our foolish past leaders have allowed them to make hundreds of billions of dollars a year in trade, yet they do NOTHING for us with North Korea, just talk," Mr. Trump wrote in a pair of posts on his Twitter account Saturday evening. "We will no longer allow this to continue. China could easily solve this problem!"

After North Korea's first ICBM launch, in early July, Defense Secretary Jim Mattis said the U.S. wasn't closer to war, and said the Trump administration would give diplomacy more time to resolve the crisis.

On Friday, the White House said Mr. Trump would sign a package of sanctions passed last week by Congress designed in part to limit the cash available to North Korea to further its nuclear and missile programs. Yet on Sunday, it wasn't clear the administration's strategic calculus had fundamentally changed with the second missile launch.

"I don't see the test leading to any change of the administration's approach," said Robert Einhorn, a former senior State Department official who worked on North Korea in the Obama and Clinton administrations. "I think they will try to use the test to reinforce what they're doing—maximizing pressure on North Korea."

"I think the Trump people know you have to get China on board, and part of that is to confront the Chinese with real costs if they don't get on board."

For now, Trump administration officials have been making

preparations to act unilaterally, including by drawing up measures targeting Chinese companies and banks that are funneling funds into North Korea's nuclear and weapons programs. That direction has already prompted protests from Beijing.

The U.S. also been demonstrating military force in the region, including by conducting a missile test, sending two American bombers to fly over the Korean Peninsula and testing a sophisticated missile-defense system known as Thaad.

The State Department's acting top Asia diplomat told lawmakers last week before North Korea's second test that the U.S. would soon impose sanctions on additional Chinese entities for violating U.N. sanctions on North Korea.

China's ambassador to the U.S., Cui Tiankai, last week warned against unilateral sanctions by the U.S., calling Washington's targeting of a small Chinese bank in late June that the administration accused of facilitating Pyongyang's weapons program unacceptable.

"We also object to the 'secondary sanctions' imposed by the U.S. on Chinese entities and individuals according to U.S. domestic laws," the ambassador said on Tuesday. "They have severely impaired China-U.S. cooperation on the Korean nuclear issue, and given rise to more questions about the true intention of the U.S."

The increasingly public rancor between Beijing and Washington over the issue threatens to affect other aspects of the relationship, especially trade.

The Trump administration could still do more to penalize Beijing.

There are hundreds more Chinese companies that trade with North Korea and could be targeted by secondary U.S. sanctions.

That would infuriate Beijing, but wouldn't impose sufficient economic

costs to force a change in policy, some analysts and diplomats said.

U.S. officials have privately warned Chinese counterparts that the U.S. could also expand the missile-defense system in Asia if North Korea continues to accelerate its nuclear and ballistic-missile programs.

Washington is also trying to exploit Beijing's fears that a U.S. military strike against Pyongyang could bring a flood of North Korean refugees into northeastern China, and U.S. troops to China's borders.

President Xi Jinping, however, is unlikely to cede much ground in the politically sensitive run-up to the party leadership shuffle this fall.

China's strategy is to maintain sufficient economic support for North Korea to ensure the regime's survival, while pressing the U.S. to resume talks with Pyongyang over freezing its nuclear program. Beijing hopes such talks would result in a downgrading of U.S. military ties with South Korea.

In Estonia, the vice president was adamant China wasn't doing enough.

"While China has taken unprecedented steps to begin to isolate North Korea economically and to bring diplomatic pressure, we believe China has a unique relationship with the regime in North Korea and has a unique ability to influence decisions by that regime," he said, "and we call on China to use that influence along with other nations in the region to encourage North Korea to join the family of nations, to embrace a nuclear-free Korean Peninsula and abandon its provocative actions and its ballistic-missile program."

—Ian Talley in Washington and Jeremy Page and Liyan Qi in Beijing contributed to this article.

Write to Peter Nicholas at peter.nicholas@wsj.com and Felicia

THE WALL STREET JOURNAL

China Parades New Missile in Warning to Rivals Abroad—and at Home

Jeremy Page
6-8 minutes

July 30, 2017 6:15 a.m. ET

BEIJING—China unveiled a new, more mobile intercontinental ballistic missile at a parade of advanced weaponry and combat troops, in President Xi Jinping's latest display of military—and political—muscle.

State television showed at least 16 DF-31AG missiles in Sunday's parade at the Zhurihe combat-training base in northern China, marking the 90th anniversary of the founding of the force that is now known as the People's Liberation Army.

The DF-31AG is mounted on an all-terrain vehicle so it is harder to track and can be fired from multiple locations, and it could have a longer range than the older DF-31A, which was also displayed and is carried by a vehicle designed mainly for roads, military experts say.

Mr. Xi, wearing combat fatigues and a peaked cap, inspected the troops from an open-top military vehicle before the parade, which featured tanks, helicopters, stealth jet fighters and some 12,000 personnel.

"The world is not peaceful," Mr. Xi in a speech afterward that invoked his signature political idea of a "China Dream" to build the country into a global economic and military power. "Today we are closer than any other period in history to the goal of the great rejuvenation of the Chinese nation and we need more than any period in history to build a strong people's military."

Mr. Xi also ordered troops to obey the Communist Party leadership,

saying: "Wherever the party points, march there."

It is the first time a parade has been held to mark the anniversary since 1949, according to state media, and is the latest in a series of moves that analysts say are designed to boost Mr. Xi's political standing in the run-up to a reshuffle of the party's leadership this year.

The parade also came amid escalating military tensions in the region, with North Korea accelerating its nuclear-weapons program since January through a series of tests, including the launch of an intercontinental ballistic missile Friday.

U.S. President Donald Trump has warned repeatedly that he is weighing military action to halt North Korea's nuclear program, and in recent weeks has become increasingly critical of China, accusing them of failing to rein in Pyongyang. The U.S. Air Force flew two B-1B bombers over the Korean Peninsula on Saturday in direct response to North Korea's latest missile test.

"I am very disappointed in China. Our foolish past leaders have allowed them to make hundreds of billions of dollars a year in trade, yet they do NOTHING for us with North Korea, just talk," Mr. Trump wrote in a pair of posts on his Twitter account. "We will no longer allow this to continue. China could easily solve this problem!"

China's parade would have been planned months in advance, analysts said, and wasn't a direct response to Pyongyang or Washington, but it demonstrated Mr. Xi's efforts to build a military that can respond to external challenges—including on the Korean Peninsula.

Last year, the Chinese leader launched sweeping military reforms—including cutting 300,000 troops—that are designed to overhaul Soviet-modeled command structures and better prepare the armed forces for combat, at home and abroad if needed.

The PLA is training for scenarios that include a conflict over the disputed South China Sea, a blockade of China's oil supplies through the Indian Ocean, and operations to protect its citizens and investments in Africa and the Middle East.

Mr. Xi has also sought to assert his authority over the PLA through an anticorruption campaign that ensnared several current and retired generals, and by assuming the new title of "commander-in-chief" last year.

In June, he inspected PLA troops stationed in Hong Kong in another move to boost his political stature ahead of this fall's 19th Party Congress, where he's expected to try to promote allies to the top leadership.

"By presiding over a landmark parade for a party-loyal PLA growing leaner and meaner by his orders, Xi shows that he is large and in charge in the run-up to the 19th Congress," said Andrew Erickson, an expert on China's military at the U.S. Naval War College. "Debuting publicly such a powerful, penetrating deterrent weapon as the DF-31AG ICBM seeks to demonstrate that China commands heightened respect abroad even as it maintains order at home—both central components of Xi's China Dream."

China hasn't provided any details about the DF-31AG, but a model was displayed for the first time this

month in an exhibition at Beijing's Military Museum. Analysts say the missile's design and name suggest it is an improved version of the DF-31A, but beyond its improved survivability and possibly longer range, it remains unclear what the enhancements are.

China has an estimated 75 to 100 intercontinental ballistic missiles, including the solid-fueled DF-31A, which has a range of more than 7000 miles and can reach most locations in the continental U.S., according to the Pentagon.

Other equipment in the parade included five J-20 stealth jet fighters and several DF-21D antiship ballistic missiles, which experts say are designed to hit approaching U.S. aircraft carriers in a potential conflict.

Chinese state television said more than 40 percent of the equipment in the parade was being displayed for the first time, but didn't provide details of every piece of new weaponry.

Troops in the parade came from the army, navy and air force but also from two new services created about 18 months ago—the rocket force, which controls conventional and nuclear missiles, and the strategic support force, which handles electronic warfare.

Electronic weaponry on display included equipment designed for electromagnetic countermeasures and aerial drones that can be used for radar-jamming, state television said, without providing details.

Write to Jeremy Page at jeremy.page@wsj.com

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The New York Times

China Shows Off Military Might as Xi Jinping Tries to Cement Power (UNE)

Chris Buckley
8-10 minutes

BEIJING — China's president, Xi Jinping, has opened a public campaign to deepen his grip on power in a coming leadership shake-up, using a huge military parade on Sunday, speeches and propaganda, along with a purge in the past week, to warn officials to

back him as the nation's most powerful leader in two decades.

Wearing his mottled green uniform as commander in chief of the People's Liberation Army, Mr. Xi watched as 12,000 troops marched and tanks, long-range missile launchers, jet fighters and other new weapons drove or flew past in impeccable arrays.

Mao famously said political power comes from the barrel of a gun, and Mr. Xi signaled that he, too, was counting on the military to stay ramrod loyal while he chooses a new leading lineup to be unveiled at a Communist Party congress in the autumn.

"Troops across the entire military, you must be unwavering in upholding the bedrock principle of absolute party leadership of the

military," Mr. Xi said at the parade, held on a dusty training base in Inner Mongolia region, 270 miles northwest of Beijing. "Always obey and follow the party. Go and fight wherever the party points."

The ceremony was broadcast across the country.

Officially, the display was to celebrate the 90th anniversary of the creation of the People's

Liberation Army. But it was also the highlight of a week of political theater promoting Mr. Xi as a uniquely qualified politician whose elevated status as China's "core" leader, endorsed by officials last year, should be entrenched at the party congress.

"These military parades could become a regular, institutionalized thing, but this one also has a special meaning this year," said Deng Yuwen, a former editor at a party newspaper in Beijing who writes current affairs commentaries. "It's meant to show that Xi Jinping firmly has the military in his grip, and nobody should have any illusions of challenging him."

The congress will almost certainly give Mr. Xi, 64, a second, five-year term as the party general secretary and chairman of the commission that controls the military, and it will appoint a new team to work under him.

No exact date has been fixed for the congress. An annual legislative meeting early next year will also almost certainly give Mr. Xi five more years as state president.

Some experts have speculated that Mr. Xi may want to retain power after those terms end, although the Constitution says he cannot stay on as president. There are no firm rules for maximum terms as party general secretary.

China holds military parade to mark PLA 90th birthday
直播：庆祝中国人民解放军建军90周年阅兵 Video by New China TV

Mr. Xi has accompanied the demands for unity with a vivid warning to officials who step out of line. In the past week, he oversaw the abrupt purge of Sun Zhengcai, a onetime contender for promotion at the congress. Mr. Sun, 53, had been the party secretary of Chongqing, a city in southwest

China, until his dismissal in mid-July.

The party announced last Monday that he was under investigation for violations of "discipline" — usually a euphemism for corruption — and Mr. Sun has since been pilloried in official media. Provincial leaders, including many with a shot at promotion, have called meetings to denounce Mr. Sun as a "tiger," or corrupt senior official.

"At this point, we can't say for sure he will be the last big tiger to be brought down before the opening of the party congress," said Prof. Ding Xueliang, a political scientist at the Hong Kong University of Science and Technology who studies the Chinese Communist Party. "We don't know; other leaders don't know either."

For now, Mr. Xi appears to be seeking to ensure that his second-term lineup includes younger loyalists who will defend him and his policies for years to come. Several are poised to join the Politburo, a council of 25 senior central, provincial and military leaders. Up to 11 members of the Politburo are likely to retire at the congress, including five members of the Politburo Standing Committee, a more powerful body with seven members.

The negotiations over the new lineup happen in secret. But the burst of propaganda and warnings appears intended to pressure officials and retired leaders to go along with Mr. Xi's wishes over who goes up and who steps down.

Mr. Xi is by the estimate of many observers China's most powerful leader since Deng Xiaoping, who died in 1997. While the military does not have much direct say in politics, its support is essential for Mr. Xi's long-term authority, Professor Ding said.

"Xi Jinping has spent more time on the military than any other leader,"

Professor Ding said by telephone. "He knows clearly that eventually, if he wants to keep in power, if he wants to concentrate power even more, he must make sure the army is with him."

Mr. Xi's recent predecessors as national leader, Jiang Zemin and Hu Jintao, also prepared for leadership turnovers with crescendos of propaganda. But the adulation around Mr. Xi has been strikingly worshipful. More than them, Mr. Xi has made a personal case for power.

On Friday, Study Times, a party newspaper widely read by officials, devoted its front page to an adulatory profile of Mr. Xi that said he was blessed by his "red" upbringing with special leadership mettle. It recounted his tough maturation as the son of a veteran revolutionary who was persecuted by Mao, testing the family's loyalty to the Communist cause, and his seven years working in the dirt-poor countryside during the Cultural Revolution.

The profile has been widely promoted by party newspapers and websites, and its anonymous author was described as "special commentator," a title usually used for articles with high-level endorsement.

"I never saw anything like this for Jiang Zemin or Hu Jintao," said Mr. Deng, the former editor, who used to work for Study Times. "They didn't get this treatment."

Mr. Xi "grew up with an inheritance of red genes, was tempered by harsh setbacks and suffering, and has steeled himself in complicated international struggle," the profile said, referring to his revolutionary background and career.

"The lion of the east has woken," it said, referring to China. "But it faces tremendous risks of being surrounded by tigers and wolves and suffering even more intense

strategic encirclement, clashes and meddling."

The profile also said Mr. Xi personally pushed through difficult and contentious policy changes in his first five years in power, including building artificial islands fitted with military installations in the disputed South China Sea.

"In the South China Sea, he personally decided on building islands and consolidating reefs," the profile said. Mr. Xi had, it said, "built a robust strategic base for ultimately prevailing in the struggle to defend the South China Sea, and has in effect constructed a Great Wall at sea."

Mr. Xi's power has already unsettled critics, including some inside the party, who worry that he has destabilized norms of collective leadership that can slow decision-making but also prevent dangerous overreach.

"This over-concentration of authority can really get you in trouble," Susan L. Shirk, a former State Department deputy assistant secretary for China policy, said in an interview before the parade. "I especially think about foreign and security policy."

As well as endorsing a new leadership, the congress will endorse a report laying out, in the dry jargon of party documents, Mr. Xi's broad goals for his next five years.

He told senior officials at the two-day meeting that ended on Thursday that the report should treat China's next few years as a time of great risk.

"Look to the developments that are bring us risks," he told the officials, according to a report in People's Daily, the official party paper. "Be ready for the worst, and make the fullest preparations for that, while working toward a good outcome and striving for the best."

THE WALL STREET JOURNAL

North Korea's Missiles Push Neighbors to Beef Up Military Muscle

Jonathan Cheng
5-7 minutes

Korea test-launched its first two intercontinental ballistic missiles.

On Sunday, South Korea's defense minister said the country would upgrade its Patriot missile system in response to North Korea's second ICBM test-launch late Friday.

That decision came a day after Mr. Moon said he would weigh further deployment of a separate longer-range missile-defense system, called Terminal High-Altitude Area Defense, or Thaad, in South Korea.

Mr. Moon had suspended Thaad's deployment earlier this year as one

of his first acts in office on concerns that it had been pushed through by his unpopular predecessor without proper public consultation.

While Thaad is meant to defend the Korean Peninsula from shorter-range missiles—not an ICBM that would be capable of reaching the continental U.S.—Mr. Moon's pursuit of beefed-up military capacities reflects broader regional concerns about Washington's commitment to defending its regional allies as the U.S. homeland comes under threat.

China, which strongly opposes the Thaad deployment, warned in a statement Saturday that the deployment of further Thaad components "gravely damages strategic balance in the region and harms the national security interests of countries in the area, including China's."

The North's test launch could add momentum to Japan's push for greater missile-defense capabilities of its own, including a possible Thaad battery or the Aegis Ashore missile-defense system, which would enhance its ability to defend itself against a North Korean attack.

July 30, 2017 7:02 a.m. ET

SEOUL—South Korean President Moon Jae-in was elected in part on promises to extend an olive branch to North Korea and put the brakes on the installation of a controversial U.S. missile-defense system.

But less than three months into office, Mr. Moon has been forced to rethink that approach, after North

Even in Seoul, where Mr. Moon leads a more dovish administration than the conservative government in Tokyo, North Korea's increasing threat to American cities appears to have tipped the political calculus in favor of seeking more domestic military muscle—particularly as concerns rise that the U.S. may put defending its territory ahead of the interests of its allies.

Just hours after North Korea's most recent launch, at about 3 a.m. Saturday in Seoul, Mr. Moon instructed his top security aide to call his U.S. counterpart, Lt. Gen. H.R. McMaster, to seek the revision of an agreement that caps the size and range of South Korea's missiles. The U.S. assented to the request to revise the pact, according to the spokesman for South Korea's presidential Blue House.

Under the bilateral agreement with Washington, Seoul is blocked from putting payloads larger than 500 kilograms (about

half a ton) on any missiles capable of flying further than 800 kilometers (about 500 miles), part of an effort to stem a regional arms race.

The moves to bolster South Korea's military capabilities come even as Mr. Moon's administration continues to leave the door open for more dialogue with North Korea.

Just days after the North's first ICBM launch earlier this month, Mr. Moon used a high-profile speech in Berlin to propose a meeting with North Korean leader Kim Jong Un—a meeting that he said could happen "at any time, at any place," if the conditions were right.

He reached out again to North Korea two weeks ago, proposing reunions of families separated by the Korean War, while also urging North Korea to work with the South ahead of the Winter Olympics next year, which South Korea will host. North Korea hasn't responded to any of Mr. Moon's invitations.

**THE WALL
STREET
JOURNAL.**

5-6 minutes

July 30, 2017 4:55 p.m. ET

The North Korean crisis is accelerating as dictator Kim Jong Un moves closer to holding U.S. cities hostage to nuclear blackmail. Some in the U.S. intelligence community are admitting they have underestimated the threat, and President Trump again tweeted his frustration with China's refusal to restrain its client state. A new U.S. strategy is needed, so it's notable that CIA Director Mike Pompeo recently suggested that the Trump Administration may be contemplating a goal of regime change in Pyongyang.

"It would be a great thing to denuclearize the peninsula, to get those weapons off of that, but the thing that is most dangerous about it is the character who holds the control over them today," Mr. Pompeo told the Aspen Security Forum 10 days ago. "So from the Administration's perspective, the most important thing we can do is separate those two. Right? Separate capacity and someone who might well have intent and break those two apart."

**THE WALL
STREET
JOURNAL.**

Editorial : The Regime Change Solution in Korea

The Editorial Board

Mr. Pompeo is right. Israel is believed to have nuclear weapons but its arsenal is defensive. Democratic India doesn't threaten its neighbors with a first strike. The nature of the regime matters as much as the weapons, and in North Korea that means the dynastic cult that attributes supernatural powers to its young, reckless leader Kim Jong Un.

The U.S. has no time to waste after the North's latest missile test on Friday that experts say flew far enough to put in jeopardy Los Angeles and Denver. Media reports last week say the Defense Intelligence Agency now believes the North will be able to deploy a nuclear-capable ballistic missile by next year. Thanks for letting us know. For years U.S. intelligence agencies have predicted the North was several years away from posing such a threat.

Mr. Trump blasted China on Saturday for doing "NOTHING FOR us with North Korea, just talk. We will no longer allow this to continue." China continues to preach the illusion of a diplomatic solution even as it abets the North's evasions of international sanctions. The U.S. and its allies need to raise the ante if the world is going to avoid another Korean war.

Mr. Moon has long sought ways to improve relations with North Korea, arguing that closer economic bonds between the two Koreas would pave the way for closer ties. But North Korea's aggressive pursuit of a long-range nuclear-tipped missile has pushed Mr. Moon to tougher action.

As he did after the North's first ICBM test-launch, timed to coincide with Independence Day festivities in the U.S., Mr. Moon ordered a joint U.S.-South Korean missile-firing drill off the country's east coast on Saturday, and sent jet fighters to join a pair of U.S. B-1B bombers that flew to the Korean Peninsula for a show of force.

On Thaad, Mr. Moon's call for a redeployment was something of a surprise, coming just weeks after a suspension of Thaad's deployment pending an environmental assessment that was expected to take a year or more.

After initially saying that Seoul would first weigh further deployment

of the Thaad battery, officials later clarified that South Korea would immediately install four Thaad launchers that had been at the center of a flap between Mr. Moon and his Defense Ministry in May.

The four launchers had already arrived in South Korea but hadn't been deployed. A Thaad battery typically contains six launchers. Two have already been in place since May.

Officials said that the installation of the four additional Thaad launchers would be a temporary measure, and that their long-term status would be determined by the outcome of the environment assessment.

Write to Jonathan Cheng at jonathan.cheng@wsj.com

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stop the North's sprint to obtain an intercontinental missile that could strike the U.S. mainland.

The other audience for this policy is in Beijing. Chinese leaders have long calculated that a nuclear North might serve the strategic purpose of driving the U.S. out of the region. And if the U.S. pursues regime change in the North, Beijing will at first react angrily and blame Washington for destabilizing the region.

But a debate is already underway among Chinese elites about the wisdom of supporting the Kim dynasty. China might decide to manage the process of regime change rather than allow a chaotic collapse or war on the Korean peninsula, perhaps by backing a faction within the army to take power.

A military dictatorship beholden to China is no guarantee of reconciliation between North and South. But it would be preferable to the erratic Kim regime and its strategy of nuclear blackmail. A new government would need to grow the economy to build its legitimacy, and it would need foreign investment.

North Korea has become an urgent threat because U.S. administrations pursued endless accommodation. Let's hope Mr. Pompeo is signaling that this era is over.

Sokolski and Keck : Kim Jong Un Is Going Ballistic in More Ways Than One

July 30, 2017 4:23 p.m. ET

Among the many types of missiles North Korea is perfecting is a short-range system that Kim Jong Un is almost certain to export. Although not as worrisome as the intercontinental ballistic missile Pyongyang tested last Friday, this weapon has a highly accurate front end optimized to knock out overseas U.S. and allied bases, Persian Gulf oil fields, key Israeli assets and eventually even commercial shipping and warships. The good news is there's still time to halt the system's proliferation, but only if we act quickly.

The missile in question is an advanced version of a Scud, a 185- to 620-mile-range missile that has been in use world-wide for decades. What makes the version North Korea just tested so different is that it has a maneuvering re-entry vehicle, or MaRV, which allows the missile's warhead to maneuver late in flight both to evade missile defenses and achieve pinpoint accuracy. China, Russia, the U.S. and South Korea have all tested MaRVs but decided, so far, not to export them. Iran has also tested a MaRV, raising questions about Tehran's possible cooperation with Pyongyang.

The worry now is how far and quickly this technology might spread. Pyongyang has already sold ballistic missiles to seven countries, including Iran, Syria and Saddam Hussein's Iraq. These sales generate precious hard currency for the Kim regime, which is otherwise difficult to come by as Washington continues to ratchet up sanctions.

Pyongyang will have no trouble finding customers. While only Iran or Pakistan might consider purchasing a North Korean ICBM, 15 countries besides North Korea already possess older Scud missile systems they might want to upgrade. Getting a MaRV version would be an affordable way to threaten targets that previously could have been knocked out only by a nuclear warhead or scores of missiles.

If Syria—which previously purchased Scuds from North Korea—were to acquire this missile, it would need only a handful to wipe out the bases the U.S. uses to launch airstrikes within its borders. Rebels in Yemen have repeatedly fired Scuds at Saudi air bases. Most have either missed their targets or been shot down by Saudi forces. A MaRV would ensure a successful strike. If Hezbollah, a North Korean arms customer, got its hands on the new system, it could make good on its threats to take out Israeli chemical plants and the Dimona nuclear reactor. Eventually, if paired

with capable surveillance systems, MaRV Scuds could even be used against moving targets such as warships or oil tankers.

If these missiles spread, hostile nations and terror groups won't need nuclear weapons to threaten America or its allies. They will be able to upgrade their threat level by merely trading up the Scuds they already have.

What should the Trump administration do about this? First, start talking more candidly about the threat. The U.S. Navy has been clear that it's now vulnerable to China's highly precise conventional MaRV missiles. Our government now needs to spotlight the threat North Korea's MaRV Scuds will pose if these systems proliferate globally.

Second, along with developing defenses to cope with this threat, the U.S. needs to double down on blocking illicit missile exports. In 1987 Ronald Reagan worked with the Group of Seven nations to create the international Missile Technology Control Regime, which today urges missile suppliers (including Russia and China) not to export missiles capable of lifting 1,100 pounds for distances over 185 miles—precisely the type that North Korea might sell. The MTCR also serves as the basis for the 105-nation Proliferation Security Initiative, which allows countries to search ships and airplanes carrying proscribed missile technology.

These tools for stifling the illegal trade of missiles have already been developed. It's time to hone and use them.

Finally, America must get serious about restricting missile sales more generally. President Reagan wanted to eliminate what he called "nuclear missiles." His efforts to do so—the MTCR and the Intermediate Nuclear Forces Treaty, which banned an entire class of ground-based nuclear-capable missiles—suggest he was focused on eliminating missiles ideally suited for surprise first strikes. Given that today's missiles are accurate enough to destroy their intended targets with conventional warheads, it's time to update our thinking in this area.

Persuading the world's major powers to sign on to new missile-trade restrictions will be no simple feat. Russia, for one, has already violated the existing INF Treaty. Yet before this violation, Moscow proposed expanding the INF to include other countries, especially China, the world's largest land-based missile power. Bringing all parties to the table in good faith will be a long-term proposition. But given the missile threats that are already emerging, the time to begin is now.

Mr. Sokolski is executive director and Mr. Keck a fellow at the Nonproliferation Policy Education Center.

NATIONAL REVIEW ONLINE

Enjeti : North Korean Nuclear Crisis: We Could Have Stopped This in 1994

4-5 minutes

North Korea's nuclear weapons probably aren't going anywhere.

The test of an intercontinental ballistic missile on Friday is the latest disconcerting development in a decades-long slide toward a nuclear-armed North Korea capable of striking the U.S. homeland and its allies. As past administrations repeatedly failed to make the hard choices, the Trump administration now faces an uphill, if not impossible, battle as it pursues a denuclearized Korean Peninsula.

The U.S. and its partners are no longer preventing North Korea from developing nuclear bombs and long-range missiles; rather, they are attempting to take nuclear weapons away from the regime, a far more daunting task. The cost of conflict at this point would be, in the words of Secretary of Defense James Mattis, "tragic on an unbelievable scale." U.S. Army General Mark Milley

described any potential conflict on the Korean peninsula Thursday as "highly deadly, horrific."

The U.S. had one chance to stop North Korea in its tracks a little over two decades ago. It would have been bloody, but significantly less devastating than a conflict would be now.

North Korea attempted to deceive the global community in 1994, kicked out inspectors, and likely had enough nuclear material for two nuclear weapons. "I was determined to prevent North Korea from developing a nuclear arsenal, even at the risk of war," former President Bill Clinton wrote in his memoirs, revealing that the U.S. was seriously considering surgical strikes on North Korea's nuclear facilities. Clinton held back because he received "a sobering estimate of the staggering losses both sides would suffer if war broke out."

Instead, he opted for diplomacy, which resulted in the Agreed Upon

Framework. North Korea betrayed the pact and covertly developed nuclear weapons while the U.S. provided billions of dollars, potentially subsidizing the program and prolonging the life of the regime.

Before North Korea had nuclear weapons and an arsenal of increasingly reliable missiles, the estimated casualty count for a war with North Korea was in the hundreds of thousands, but that conflict would at least have been definitive and non-nuclear. U.S. military officials were confident at the time that North Korea's Yongbyon reactor could be taken out without spreading radiation.

Now the death toll would be significantly higher, and it will continue to rise as North Korea advances its weapons programs. North Korean missiles are flying farther, bringing new targets in range, and the explosive yield has grown with each nuclear test since 2006. The North is processing more

nuclear material, developing new launch systems, and readying itself for what could be a catastrophic conflict.

A bloody sacrifice in '94 might have been worth it to avoid the situation we now face.

North Korea holds a vast stockpile of chemical weapons as well, and has taken every step to ensure any conflict will exact as much blood as possible. The U.S.'s response, meanwhile, has been limited to sanctions on a regime with little regard for the well-being of its own people.

Each successive nuclear and missile test by the North Korean regime highlights the enduring failure of this approach — and pushes the death toll in a potential conflict higher. If U.S. policymakers could not stomach the death toll in 1994, they are likely less inclined to do so today.

A bloody sacrifice in '94 might have been worth it to avoid the situation we now face — one in which a de-

nuclearized Korean peninsula is unlikely to be seen in our lifetimes.

— Saagar Enjeti is the Pentagon and foreign-affairs correspondent

for the Daily Caller News Foundation in Washington, D.C.

**The
New York
Times**

Putin, Responding to Sanctions, Orders U.S. to Cut Diplomatic Staff by 755 (UNE)

Neil MacFarquhar

8-10 minutes

President Vladimir V. Putin on Sunday in St. Petersburg, Russia. Olga Maltseva/Agence France-Presse — Getty Images

MOSCOW — President Vladimir V. Putin announced Sunday that the American diplomatic mission in Russia must reduce its staff by 755 employees, an aggressive response to new American sanctions that seemed ripped right from the Cold War playbook and sure to increase tensions between the two capitals.

In making the announcement, Mr. Putin said Russia had run out of patience waiting for relations with the United States to improve.

"We waited for quite a long time that, perhaps, something will change for the better, we held out hope that the situation would somehow change," Mr. Putin said in an interview on state-run Rossiya 1 television, which published a Russian-language transcript on its website. "But, judging by everything, if it changes, it will not be soon."

Mr. Putin said the staff reduction was meant to cause real discomfort for Washington and its representatives in Moscow.

"Over 1,000 employees — diplomats and technical workers — worked and continue to work today in Russia; 755 will have to stop this activity," he said.

"That is biting," Mr. Putin added.

The measures were the harshest such diplomatic move since a similar rupture in 1986, in the waning days of the Soviet Union.

It was also a major shift in tone from the beginning of this month, when Mr. Putin first met with President Trump at the G-20 summit meeting in Hamburg, Germany. Mr. Trump had talked during his campaign of improving ties with Russia, praising Mr. Putin, and the Kremlin had anticipated that the face-to-face meeting of two presidents would be the start of a new era. The immediate assessment in Moscow was that the two leaders had set the stage for better relations.

But then, in quick succession, came the expanded sanctions passed by Congress, Mr. Trump's indication

that he would sign them into law and Moscow's forceful retaliation.

Washington's response on Sunday was muted. "This is a regrettable and uncalled-for act," the State Department said in a statement. "We are assessing the impact of such a limitation and how we will respond to it."

Congress passed the new sanctions to punish Russia for interfering in the 2016 election, including releasing hacked emails embarrassing to Hillary Clinton's campaign. Congress is also investigating the possibility of collusion between the Trump campaign and the Russian government, with Mr. Trump's eldest son, Donald J. Trump Jr., recently confirming that he met with a Russian lawyer linked to the government who wanted to discuss removing an earlier round of sanctions.

Mr. Putin has denied any Russian interference in the American election, saying that anti-Russian sentiment in the United States was being used to drive an internal political battle.

He said it was important not to let actions like the new sanctions go unanswered.

Although the reduction in American diplomatic staff had been announced Friday, Mr. Putin's statement on Sunday was the first to confirm the large number of embassy personnel involved.

Despite the sweeping size of the reduction, ordered to take effect by Sept. 1, it seemed that Mr. Putin had not entirely abandoned the idea of better ties with Mr. Trump.

Analysts noted that diplomatic reductions are among the simplest countermeasures possible. And in making the announcement, Mr. Putin noted at length areas where the United States could continue or expand their cooperation, including space rockets, de-escalating the war in Syria and the long history of shared oil projects.

"It is the least painful response that Russia could have come up with," said Vladimir Frolov, a foreign affairs analyst and columnist. "You can scale them up and scale them down."

Analysts also considered the timing of Mr. Putin's action important, coming after Congress adopted

expanded sanctions but before Mr. Trump signed them into law.

The Russian measures were announced at the most "convenient" moment, Alexander Baunov, an analyst at the Carnegie Moscow Center, wrote on Facebook, "immediately after Congress voted in favor of new sanctions but before Trump could sign off on them." So it looks like a response to Congress and not Mr. Trump, he wrote.

Russia does have additional options to pressure American interests, Mr. Putin warned, without going into details. "I hope it will not come to this," he said.

The number of American targets inside Russia for Kremlin retaliation is limited, particularly if Moscow is worried about damaging the investment climate or about other economic fallout just as it recovers from a recession.

Outside its borders, however, is a different matter. Moscow might have shown some restraint in eastern Ukraine or in Syria because of the expectation of more favorable relations with Washington, but now, the Kremlin may be looking for places to challenge the United States.

Although the initial news alerts in Russia said that Mr. Putin had ordered 755 Americans out of the country, he had actually ordered an overall staff reduction. Part of the confusion stemmed from the fact that Mr. Putin used a Russian verb that can mean to "pack up," when referring to his action.

In making the initial announcement on Friday, Russia said that the American diplomatic staff would have to be reduced to 455, matching the number of Russians employed at diplomatic missions in the United States. Russia also seized two diplomatic compounds, a warehouse and a bucolic enclave used for barbecues, which mirrored the United States' seizing of two country estates in December that it said were used for espionage.

Mr. Putin had made no secret of the fact that he hoped Mr. Trump would return the estates as a friendly gesture when the two met in Hamburg, but that did not happen. The American government has said the Russian properties it closed were not just recreational areas, but used for intelligence gathering.

The bulk of the 755 dismissed are likely to be Russian employees of the embassy in Moscow, as well from the American consulates in St. Petersburg, Yekaterinburg and Vladivostok.

The United States Embassy in Moscow has declined to specify the number of people on its payroll in Russia, and the Russian Foreign Ministry has also refused to say how it arrived at its count, but the numbers seemed to indicate that there are around 1,200 people employed.

It is not clear how many Americans could be expelled, if any.

Unlike Russian diplomatic missions in the United States, which tend not to hire Americans, the United States employs hundreds of Russians at the embassy who do tasks like translation, processing visa applications, cooking and driving.

"They will have to fire the Russian citizens," Mr. Frolov said. "It will create an enormous inconvenience for the U.S. Mission here, essentially slowing down the work but not affecting its core functions."

On Friday, the United States Embassy issued a short statement in which the departing American ambassador, John F. Tefft, expressed "his strong disappointment and protest" over the cuts, which mirror one of the largest tit-for-tat expulsions of the Cold War.

In August 1986, the United States arrested Gennadi F. Zakharov, a physicist who was a Soviet employee of the United Nations, on espionage charges. A week later, Nicholas S. Daniloff, a correspondent for U.S. News & World Report, was arrested in Moscow on espionage charges.

That started an intense round of expulsions, with the Russians ordering the American diplomatic missions down to 251 people, the same number they had in the United States at that time.

The strict quota system was abandoned under a new treaty in 1992 after the Soviet Union collapsed.

It remains to be seen whether the expulsions on both sides could escalate or stop at the current figures.

The initial announcement from Russia's Foreign Ministry about the

cuts said that if the United States responded to the latest measure

with any further expulsions, Russia would match them.



Putin orders cut of 755 personnel at U.S. missions (UNE)

<https://www.facebook.com/roth.andrew?fref=ts>

7-9 minutes

The Post's Andrew Roth explains a statement the Russian Foreign Ministry issued July 28, seizing U.S. diplomatic properties and demanding the State Department reduce its staff in Russia. The Post's Andrew Roth explains a statement the Russian Foreign Ministry issued July 28 (Andrew Roth, Sarah Parnass/The Washington Post)

(Andrew Roth, Sarah Parnass/The Washington Post)

MOSCOW — Russian President Vladimir Putin said Sunday that the U.S. diplomatic missions in Moscow and elsewhere in the country will have to reduce their staffs by 755 people, signaling a significant escalation in the Russian response to American sanctions over the Kremlin's intervention in the 2016 presidential election.

The United States and Russia have expelled dozens of each other's diplomats before — but Sunday's statement, made by Putin in an interview with the Rossiya-1 television channel, indicated the single largest forced reduction in embassy staff, comparable only to the closing of the American diplomatic presence in the months following the Communist revolution in 1917.

In the interview, Putin said that the number of American diplomatic and technical personnel will be capped at 455 — equivalent to the number of their Russian counterparts working in the United States. Currently, close to 1,200 employees work at the United States' embassy and consulates in Russia, according to U.S. and Russian data.

"More than a thousand employees — diplomats and technical employees — have worked and are still working in Russia these days," Putin told journalist Vladimir Solovyov on a nationally televised news show

Sunday evening. "Some 755 of them will have to terminate their activity."

Putin's remarks came during a 3½-day trip by Vice President Pence to Eastern Europe to show U.S. support for countries that have chafed at interference from Moscow — Estonia, Georgia and Montenegro.

Russian President Vladimir Putin watched a parade on the Neva River, followed by a short air show and gun salute to celebrate Navy Day on July 30. Russian President Vladimir Putin watches a parade on the Neva River, followed by a short air show and gun salute to celebrate Navy Day on July 30. (Reuters)

(Reuters)

"The president has made it very clear that Russia's destabilizing activities, its support for rogue regimes, its activities in Ukraine are unacceptable," Pence said, when asked by reporters in Tallinn, Estonia, whether he expects Trump to sign the sanctions. "The president made very clear that very soon he will sign the sanctions from the Congress of the United States to reinforce that.

"As we make our intentions clear, we expect Russian behavior to change."

On Sunday night, a senior State Department official, who spoke on the condition of anonymity, said, "The Russian government has demanded the U.S. Mission to Russia limit total Mission staffing to 455 employees by September 1. This is a regrettable and uncalled for act. We are assessing the impact of such a limitation and how we will respond to it."

The Kremlin had said Friday, as the Senate voted to strengthen sanctions on Russia, that some American diplomats would be expelled, but the size of the reduction is dramatic. It covers the main embassy in Moscow, as well as missions in St. Petersburg, Yekaterinburg and Vladivostok.

The U.S. Embassy in Russia has been unable to provide exact

numbers on the number of staff it employs in Russia. But according to a 2013 review by the State Department, of 1,200 employees of the American Mission in Moscow, 333 were U.S. nationals and 867 were foreign nationals, many of them probably local Russian support staff, including drivers, electricians, accountants and security guards. That would suggest that the majority of the 755 who must be cut would not be expelled from the country.

"This is a landmark moment," Andrei Kolesnikov, a journalist for the newspaper Kommersant who regularly travels with Putin and has interviewed him extensively over the past 17 years, told the Post in an interview Friday. "His patience has seriously run out, and everything that he's been putting off in this conflict, he's now going to do."

The Russian government is also seizing two diplomatic properties — a dacha, or country house, in a leafy neighborhood in Moscow and a warehouse — following the decision by the Obama administration in December to take possession of two Russian mansions in the United States.

The move comes as it has become apparent that Russia has abandoned its hopes for better relations with the United States under the Trump administration.

"I think retaliation is long, long overdue," deputy foreign minister Sergei Ryabkov said Sunday on ABC's "This Week with George Stephanopoulos."

"We have a very rich toolbox at our disposal," Ryabkov said. "After the Senate ... voted so overwhelmingly on a completely weird and unacceptable piece of legislation, it was the last drop."

Hours later, Putin said during his evening interview that he expected relations between the United States and Russia to worsen and that Russia was likely to come up with other measures to counter American financial sanctions, which were passed by the House and Senate last week and which

President Trump has said he will sign.

The reduction in U.S. diplomatic and technical staff is a response to President Obama's expulsion of 35 Russian diplomats in December in response to the alleged Russian hacking of the mail servers of the Democratic National Committee. The United States also revoked access to two Russian diplomatic compounds on Maryland's Eastern Shore and on Long Island. American officials said they were used for intelligence collection.

It is not yet clear how the State Department will reduce its staff in Russia. Some of the local staff were hired to help with a significant expansion of the U.S. embassy compound in Moscow.

After the State Department, the next largest agency presence in Moscow in the 2013 review belonged to the Defense Department, which had 26 employees working for the Defense Intelligence Agency (20 of them U.S. nationals) and 10 working for the Defense Threat Reduction Agency (of whom nine were U.S. nationals).

The Library of Congress had two U.S. staff and two foreign staff, and NASA had eight U.S. staff and four foreign staff members.

Act Four newsletter

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There were 24 Marine security guards.

The move increases the likelihood of new, perhaps asymmetrical reprisals by the United States in coming days.

Michael McFaul, former ambassador to Russia, tweeted Sunday: "If these cuts are real, Russians should expect to wait weeks if not months to get visas to come to US."

Ashley Parker in Tallinn, Estonia, and Carol Morello and Madhumita Murgia in Washington contributed to this report.



Putin Says U.S. Must Cut 755 Russia Staff After Sanctions

Bloomberg

2 minutes

Russia has told the U.S. it must cut staff at its embassy and other

facilities in Russia by 755 people by Sept. 1 in retaliation for a new sanctions law passed by the U.S. Congress last week, President Vladimir Putin said.

"We waited for a rather long time, thinking that things might improve, nourished the hope that the situation would change somehow," Putin said in an interview with state television broadcast Sunday, his first comments on the issue since

Russia announced the move on Friday. "But by all indications, if it does change, it won't be soon."

Putin said Russia would refrain from taking further measures for the moment. "If the time comes, we can

consider other options for responding. But I hope it doesn't come to that. As of today, I'm against it."

The cuts represent more than half of the diplomatic and technical personnel at the U.S. embassy in Moscow and consulates elsewhere

in the country. Some involved are Russian nationals and won't be expelled, while diplomats will likely be forced to leave. The Russian move would lower the total staff to 455 -- the same number of diplomatic personnel Russia has in the U.S.

Russia's move came soon after the U.S. Senate on July 27 overwhelmingly passed a plan, already approved by the House, that would prevent President Donald Trump from easing sanctions without getting congressional approval, as well as

open the way to even wider restrictions than the ones currently imposed over the Ukraine crisis. Trump hasn't signed the legislation, but the White House said he plans to.

**The
New York
Times**

Putin's Bet on a Trump Presidency Backfires Spectacularly

David E. Sanger

8-10 minutes

The United States Embassy in Moscow. It was unclear how President Vladimir V. Putin's announcement would affect day-to-day relations. Alexander Zemlianichenko/Associated Press

A little more than a year after the Russian effort to interfere in the American presidential election came to light, the diplomatic fallout — an unraveling of the relationship between Moscow and Washington on a scale not seen in decades — is taking its toll.

President Vladimir V. Putin bet that Donald J. Trump, who had spoken fondly of Russia and its authoritarian leader for years, would treat his nation as Mr. Putin has longed to have it treated by the West. That is, as the superpower it once was, or at least a major force to be reckoned with, from Syria to Europe, and boasting a military revived after two decades of neglect.

That bet has now backfired, spectacularly. If the sanctions overwhelmingly passed by Congress last week sent any message to Moscow, it was that Mr. Trump's hands are now tied in dealing with Moscow, probably for years to come.

Just weeks after the two leaders spent hours in seemingly friendly conversation in Hamburg, Germany, the prospect of the kinds of deals Mr. Trump once mused about in interviews seems more distant than ever. Congress is not ready to forgive the annexation of Crimea, nor allow extensive reinvestment in Russian energy. The new sanctions were passed by a coalition of Democrats who blame Mr. Putin for contributing to Hillary Clinton's defeat and Republicans fearful that their president misunderstands who he is dealing with in Moscow.

So with his decision to order that hundreds of American diplomats and Russians working for the American Embassy leave their posts, Mr. Putin, known as a great tactician but not a great strategist, has changed course again. For now, American officials and outside

experts said on Sunday, he seems to believe his greater leverage lies in escalating the dispute, Cold War-style, rather than subtly trying to manipulate events with a mix of subterfuge, cyberattacks and information warfare.

But it is unclear how much the announcement will affect day-to-day relations. While the Russian news media said 755 diplomats would be barred from working, and presumably expelled, there do not appear to be anything close to 755 American diplomats working in Russia.

That figure almost certainly includes Russian nationals working at the embassy, usually in nonsensitive jobs. (A 2013 State Department inspector general's report, the last concrete numbers publicly available, said there were 934 "locally employed" staff members at the Moscow Embassy and three consulates, out of 1,279 total staff members. That would leave roughly 345 Americans, many of whom report regular harassment by Russian officials.) And of course there are many nondiplomats working for the United States government in Russia at any given time — experts from departments across the government, from energy to agriculture, and a large station of spies, some working under diplomatic cover.

"One of Putin's greatest goals is to assure Russia is treated as if it was still the Soviet Union, a nuclear power that has to be respected and feared," said Angela Stent, the director of Eurasian, Russian and East European studies at Georgetown University. "And he thought he might get that from Trump," said Ms. Stent, who was the national intelligence officer for Russia and Eurasia during the administration of George W. Bush.

But now, she added, the Russians look at the chaos in the White House "and see a level of unpredictability there, which makes them nervous." The reaction, she said, was to retreat to old habits — and the expulsion of diplomats is, of course, one of the oldest.

Those in the administration who served during the Cold War are also returning to that terminology. Dan Coats, the director of national

intelligence, told a security conference in Aspen, Colo., this month that he had no doubt that the Russians "are trying to undermine Western democracy." His boss has never uttered a similar phrase.

A senior administration official, who spoke on the condition of anonymity on what has become one of the most sensitive diplomatic problems facing the Trump administration, said the White House had not given up hopes for a better relationship. Mr. Putin's interview on Russian television, in which he announced the reduction in staff, was free of bombast, the official noted. Russia seems uncertain about the direction of the relationship, leaving open the possibility of a reversal.

"The Russians would have preferred not to head down this path, but Putin didn't feel he had a choice but to respond in the classic tit-for-tat manner," said Rolf Mowatt-Larsen, who has served in a number of senior intelligence roles for the United States, including in Russia. "We've been in a new Cold War for some time now. Any hope for a short-term improvement in relations is gone."

That downturn accelerated in the last days of the Obama administration, he argued, "when emotions took over the relationship." Now, said Mr. Mowatt-Larsen, who recently became director of intelligence and defense projects at the Belfer Center at Harvard's Kennedy School, "fear has replaced anger in dealing with Russia."

Sergey V. Lavrov, the savvy Russian foreign minister, has struck a measured tone in his conversations with Secretary of State Rex W. Tillerson. In public, he has blamed not Mr. Trump, or the investigation into the Russian influence operation around the election, but Congress. "The latest developments have demonstrated that the U.S. policy turns out to be in the hands of Russophobic forces that are pushing Washington toward confrontation," the Foreign Ministry said on Friday, after the passage of the latest sanctions act.

Forty-eight hours later, Mr. Putin announced the huge reduction in diplomatic staffing. He said the

order would take effect Sept. 1. That leaves time for haggling.

But the fundamental issue will not go away by then. Mr. Putin has now concluded that his central objective — getting relief from the American and European sanctions that followed the annexation of Crimea in 2014 — is years away. Once new sanctions are enshrined in law, like the ones Congress passed and Mr. Trump has reluctantly agreed to sign to avoid an override of his veto, they generally stay on the books for years.

Moreover, Washington is awash in warnings that the attacks on the election system last year are just a beginning. "They are just about their own advantage," James B. Comey, the F.B.I. director, told the Senate Intelligence Committee just before he was fired by Mr. Trump. "And they will be back."

James R. Clapper Jr., the former director of national intelligence and a veteran of the Cold War, echoed that thought recently and mixed in more than a few issues that sounded straight out of the 1980s nuclear competition. "What we don't mention very often is the very aggressive modernization program they're embarked on with their strategic nuclear capability," he said.

And that, in the end, is the real risk. With the exception of Syria — where the militaries of both nations have had sporadic, if mutually suspicious, contact — there is virtually no military-to-military conversation of the kind that took place routinely during the Cold War. And with Russian and American forces both operating near the Baltics, and off the coast of Europe, the chances for accident and miscalculation are high.

This latest plunge in relations comes at the 70th anniversary of "The Sources of Soviet Conduct," an article George Kennan, the architect of Cold War strategy, published in Foreign Affairs in July 1947 under the pseudonym "X."

It defined the strategy that dominated Washington for the next four decades, captured in Mr. Kennan's line that the "United States policy toward the Soviet Union must be that of a long-term,

patient but firm and vigilant containment of Russian expansive

THE WALL STREET JOURNAL

4-5 minutes

July 30, 2017 5:28 p.m. ET

TALLINN, Estonia—U.S. Vice President Mike Pence arrived in Estonia on Sunday for a three-day trip that officials said was aimed at reassuring allies along Russia's border that the Trump administration will back them in resisting Russian aggression.

Mr. Pence's trip comes as President Donald Trump is expected to sign a bill this week that would impose fresh sanctions on Russia.

Mr. Trump had been wary of provisions in the bill that would give Congress a say if he decided to lift sanctions, but agreed to sign it. The bill received overwhelming support in the Republican-controlled Congress.

Following an overnight flight from Washington, D.C., Mr. Pence met for nearly an hour with Estonian Prime Minister Juri Ratas, reinforcing the point that the

tendencies."

administration wants to help Russia's pro-Western neighbors defend themselves against cyberattacks, propaganda and military intimidation, people who attended the meeting said.

In 2007, Estonia fell victim to a large-scale cyberattack that exposed the vulnerabilities of nations in the internet era. In response, the country strengthened its defenses.

"The core message that the vice president delivered is the U.S. is with you," Mariin Ratnik, foreign-policy adviser to Mr. Ratas, said in an interview.

Stopping in Old Town Square after his meeting with the prime minister, Mr. Pence spoke briefly to reporters, telling a Fox News correspondent that "the president has made it very clear that Russia's destabilizing activities, its support for rogue regimes, its activities in Ukraine, are unacceptable."

He added: "We continue to believe that if Russia will change its behavior, our relationship can change for the good and improve

That was not the approach Mr. Trump had in mind a year ago. It

may now be the approach forced upon him.

Pence Reassures Allies Over Russia Concerns During Trip to Estonia

Peter Nicholas

for the interests in both of our countries and the interest of peace and stability in this region and around the world."

On Monday, Mr. Pence will meet with leaders of the three Baltic nations living in Russia's shadow: Estonia, Latvia and Lithuania.

These countries can "look to the West or they can look to Russia. We want to ensure they ... continue to look to the West," a senior White House official said.

Mr. Pence will later make stops in Georgia and Montenegro before flying home on Wednesday.

At times, Mr. Trump has equivocated in his support for the North Atlantic Treaty Organization, an alliance on which Estonia relies. A week before taking office in January, he described NATO as "obsolete." In a meeting in April with NATO's secretary-general, though, he said he had changed his mind and recognized the alliance's value.

"We noticed these messages at the beginning, but his messages have clearly changed. And it's now a very

strong message of the importance of NATO," said Ms. Ratnik.

Mr. Pence made clear that the U.S. is unwavering in its commitment to NATO and its pledge, under Article 5, to come to the defense of allies under attack.

He told reporters that "the policy of our administration is to stand firmly with our NATO allies and to stand firmly behind our Article 5 commitment that an attack on one is an attack on all," adding that, "while our policy is America-first, it's not America-alone."

Estonia, with a population of about 1.3 million, is one of the few countries in the alliance that contributes more than 2% of its gross domestic product to defense. Such spending has put the small Baltic nation in good stead with President Trump, who regularly criticizes other alliance members for failing to pay what he describes as their fair share.

—Paul Sonne contributed to this article.

Write to Peter Nicholas at peter.nicholas@wsj.com

The New York Times

Ivan Nechepurenko

6-7 minutes

President Vladimir V. Putin of Russia arriving at the military parade in St. Petersburg during a Navy Day celebration on Sunday. Pool photo by Maxim Shipenkov

MOSCOW — Russia's global military ambition was on display Sunday when the country celebrated Navy Day with large military parades not only in St. Petersburg, but also off the coast of Syria.

The parades of ships, submarines and aircraft were held at Russian naval bases in Sevastopol, which Russia annexed from Ukraine in 2014, and at Tartus in Syria, where Russia is expanding its military presence.

The main parade took place in St. Petersburg, Russia's second-largest city and home of the navy's headquarters.

Russian sailors standing on the deck of a small rocket ship during the the naval parade in St.

Russia Showcases Global Ambitions With Military Parades, One in Syria

Petersburg, along the Neva River. Alexander Zemlianichenko/Agence France-Presse — Getty Images

Aboard his presidential cutter, Russia's leader, Vladimir V. Putin, greeted crews of five ships and a submarine lined up for him on St. Petersburg's Neva River. Thousands of viewers filled the city's granite embankments.

Later, Mr. Putin disembarked onto the Admiralty Embankment to deliver a speech from a tribune.

"Much is being done today for the development and renovation of the navy," Mr. Putin said. "New ships are being commissioned; the fleet's combat training and readiness are being perfected."

Russian naval sailors at the celebration in Sevastopol, Crimea, on Sunday. The Kremlin paraded its sea power from the Baltic Sea to the shores of Syria. Agence France-Presse — Getty Images

"Today, the navy is not only solving its traditional tasks, but is also nobly responding to new challenges, making a significant contribution to

the fight against terrorism and piracy."

Numerous ships then proceeded in front of the embankment, with new ones showcasing the continued modernization of the Russian fleet. In 2011, Russia began a large-scale overhaul, ordering dozens of new ships and submarines.

Russia Navy Day Parade in St. Petersburg Video by RT

In Syria, seven Russian ships and a submarine took part in their own military parade just off the Russian military installation there. Fighter jets and bombers from the Russian Hmeymim air base flew above.

In 2015, Moscow intervened in the civil war in Syria, citing the need to fight terrorists while they were still far away from its own borders. The emphasis of the Russian effort, however, has been to shore up Syria's president, Bashar al-Assad, one of Moscow's few allies in the Middle East.

Mr. Assad did not attend the parade.

Russian sailors on the Neva River in St. Petersburg on Sunday. Maxim Shipenkov/European Pressphoto Agency

Russia's presence in Syria also created a bargaining chip for the Kremlin in its conflict with the West over the annexation of Crimea in Ukraine and what American intelligence agencies say were its attempts to intervene in the United States presidential election in 2016.

On Thursday, Mr. Putin signed a law ratifying a deal with the Syrian government that allowed Russia to keep Hmeymim air base for almost half a century. The deal cemented Russia's military presence in the region.

In January, Russia also signed a similar agreement over its naval facility in Tartus, where it plans to build a permanent base.

A Russian sniper watching over an area of the Russian Navy Day parade in St. Petersburg, traditionally celebrated on the last Sunday in July. Maxim Shipenkov/European Pressphoto Agency

Large ships and submarines that could not enter the Neva River were lined up in the nearby naval base city of Kronshtadt, which guards the entrance to St. Petersburg from the Gulf of Finland.

In Kronshtadt, two Chinese ships joined the parade to showcase Moscow's strategic cooperation with Beijing. The Chinese ships had traveled thousands of miles to take part in joint war games in the Baltic Sea.

China held its own military showcase on Sunday, with President Xi Jinping, who wore camouflage for the event, opening a public campaign to deepen his grip on power in a coming leadership shake-up.

Mr. Putin, center, with the Russian Defense Minister Sergei Shoigu, left, and the navy's commander-in-chief, Vladimir Korolyov, right, in St. Petersburg on Sunday. Pool photo by Alexei Nikolsky.



Editorial : Congress Finally Shows Some Spine on Russia

by The Editors
More stories by

The Editors

5-6 minutes

Too late to make a deal?

The bill imposing U.S. sanctions against Russia that is moving inexorably toward President Donald Trump's desk is a victory of politics, foreign policy and common sense.

Politically, Congress made just enough changes to a bill the White House had threatened to reject to give the president a plausible excuse to sign it and claim victory. In terms of international relations, the sanctions will put more pressure on the oligarchs and quasi-state-owned companies that are beholden to Russian President Vladimir Putin.

As for common sense: If the U.S. had failed to come up with a direct response to Russia's meddling in the 2016 presidential election, it

would have amounted to tacit acceptance of further manipulation, and signaled that the Trump administration has no intention of increasing pressure on the Kremlin.

The White House has argued that Congress is impeding on the president's ability to conduct foreign and trade policy (the bill explicitly limits the president's ability to modify penalties without lawmakers' approval). In reality, the bill shows the constitutional system of checks and balances can still work: The legislative branch is exercising its oversight function on the executive.

At any rate, the final changes Congress made were mostly improvements. Sanctions against North Korea, which the House had already passed as a stand-alone bill, were added to the package. (It already contained penalties against Iran.) A measure that would have punished U.S. and other Western energy companies for investing in international ventures in which any Russian entity was involved was loosened, allowing for some

Russian involvement and giving the White House flexibility to waive penalties.

There are those who question whether sanctioning Russia is worth it -- after all, Putin hasn't backed off an inch in Ukraine. But if this measure didn't worry the Kremlin, why are the Russians pushing back so hard against it? They have ordered the expulsion of 755 U.S. diplomatic workers and barred access to two U.S. properties near Moscow, a tit-for-tat response to the U.S. confiscation of Russian holdings in Maryland and New York.

The bill isn't perfect. For one, it mandates opposition to the Nord Stream 2, an offshore pipeline project to bring Russian natural gas to Central and Western Europe. Yes, the project has a dubious rationale, but congressional intervention may have less to do with punishing Russia than with promoting U.S. energy exports. (European threats of economic retribution for the Nord Stream measure, however, ring a bit hollow,

as this would require EU unanimity and most Eastern European countries also oppose the pipeline.) Also, because such bills inevitably rely on the executive branch for verification and enforcement, Trump could drag his feet.

Still, the sanctions make sense, as a response not just to Russia's interference in the U.S. election but also to its annexation of Crimea and its complicity in atrocities in Syria. The House and Senate should have no difficulty reconciling their versions and getting the final bill to the president's desk promptly. The White House has sent conflicting signals, but over the weekend said Trump would sign it. If he changes his mind again, the Senate should override his veto.

--Editors: Tobin Harshaw, Michael Newman.



Editorial : Putin's Advances in Syria

The Editorial Board

2-3 minutes

July 30, 2017 4:54 p.m. ET

Vladimir Putin confirmed Sunday that he is expelling 755 U.S. diplomats from Russia in retaliation for new sanctions passed last week by Congress. But a more important thumb in the eye of the Trump Administration came last week as Mr. Putin moved to consolidate

Russia's strategic gains in Syria.

On Wednesday Mr. Putin ratified a 49-year lease on Hmeymim air base, near the coastal Syrian town of Latakia. Russia has used the base since 2015 to launch operations to defend Bashar Assad's forces, attack U.S.-backed rebels and provide cover for Iran's Revolutionary Guard Corps operations inside the country.

Russia bases a variety of offensive and defensive capabilities at Hmeymim, including Sukhoi SU-35 fighters, attack helicopters and, occasionally, advanced

reconnaissance aircraft that fly in from Russia and land for refueling. The base is also home to a contingent of Russian troops and advanced S-300 air defense systems of the type that Moscow sold to Tehran and pose a potential threat to U.S. and NATO aircraft flying missions in the region.

Mr. Putin's long-term lease solidifies his position as the primary defender of the Assad regime and sends a message to regional allies that it plans to remain even after the defeat of Islamic State around Raqqa. Russia's other long-term Syrian lease is for the naval base at

Tartus, where Moscow bases destroyers, frigates, submarines, minesweepers and other ships.

The solidified Russian presence shows the naivete of Barack Obama's 2015 claim that Mr. Putin was entering "a quagmire" in Syria. Mr. Obama's abdication in Syria created the opening for Mr. Putin to intervene. But it should also be a dose of reality to President Trump's hopes that Russia will cooperate to stabilize Syria by working out a diplomatic solution. The only solution Mr. Putin wants is a victory for Mr. Assad, Iran and the Kremlin.



Why the Middle East Hated Obama But Loves Trump

By SUSAN B.

GLASSER

9-12 minutes

Russia won in Syria thanks to President Obama's inaction. The Middle East unraveling of the last

decade is due in no small part to America not listening to her allies in the region. Never mind President Trump's Muslim-bashing rhetoric, he may just be a better partner.

For months, leaders of America's Arab allies in the Mideast have telegraphed this view of the world, and it helps explain why the gilded palaces of the troubled, war-torn region are the few places on the

planet - outside Russia - where Trump has been more popular than the president he succeeded.

Story Continued Below

This is the case Lebanese Prime Minister Saad Hariri laid out in an exclusive interview for The Global Politico at the end of a weeklong visit to Washington. The tone was measured, but taken together his comments amount to a striking and

stark indictment of Obama and much recent U.S. policy in the Middle East. "The unfortunate consequence of not acting" there, Hariri argues, has been Russia's restoration as a regional heavyweight, the resurrection of Bashar al-Assad's bloody regime in Syria and the failure to produce an Israeli-Palestinian peace deal.

"Clarity," the prime minister says, and the hope for a more decisive approach is the reason why he and other Arab leaders prefer Trump, despite the bombast and uncertainty the first six months of his presidency has unleashed. Unstated, but by all accounts just as significant, is the expectation that Trump will take a more hawkish approach toward Syria's backers in Iran, and Hariri repeatedly brought up concessions Obama made toward Tehran to get his nuclear deal as an example of how the U.S. lost its way in the region.

Given the bloody six-year war in next-door Syria that has come close to overwhelming tiny Lebanon, sending a flood of 1.5 million refugees into a fragile nation of just 4.5 million people and putting the terrorist group ISIS right on their border, it's a case worth listening to — even if you think it absolves the Arab world of accountability for its own actions.

Much of Hariri's critique of Obama comes down to naivete — and the big gap between America's inspirational rhetoric and its actions.

On Syria, for example, Hariri says that Obama was just taken in by Assad and the Russians when he made a deal with them in 2013 to remove chemical weapons — and that Obama should have bombed Assad when the Syrian dictator crossed his "red line" by gassing his own people.

"We know their actions. We know their lies. We know what they do to people. We know how they act with people. So, when Bashar al-Assad says that, you know, he's going to get rid of the chemical weapons, he's not," Hariri says. "And if you believe him, it's your mistake that you're believing him. And that's why when the red line was drawn, you could have come to the same deal after your actions. But that message would have, you know, gone down way better in the region and the regime would have understood that America meant business."

Now, he argues Trump has no choice but to deal with Moscow. "The main power today in Syria is Russia, so if you want to solve the issue of Syria, you've got to talk to the Russians," Hariri says. "That was the unfortunate consequence of not acting. And now, since they are there, somebody has to talk to them."

Hariri also faults Obama for the big gap between the "inspirational" words in his 2009 Cairo speech suggesting a new American approach to the region — and the "nothing" that came of Obama's efforts to forge peace between Israel and the Palestinians. And he points out that while Arab leaders opposed President George W. Bush's 2003 invasion of Iraq, they were also strongly against the 2011 American pullout of Iraq during Obama's presidency, a withdrawal that many in the region believe left a dangerous vacuum eventually filled by the rise of the Islamic State in both Iraq and Syria.

"When the war started in Iraq," Hariri tells me, "all your allies in the region told you not to go there. And when you withdrew, all your allies in the region told you not to withdraw. And all your allies in the region told you to do something about Syria, but you didn't. So, I believe that talking to your allies, listening to your allies, they're there. They know better."

It is, of course, far easier to criticize the United States for its blundering about the Middle East than it is to explain the fiendishly complicated politics of Lebanon today, a generation after a civil war so devastating it killed nearly a quarter-million people and came to define the bloody extremes of sectarian conflict.

Take Hariri's own situation. At age 47, he is an accidental prime minister, a politician who never expected to be one as a direct result of the assassination of his father, Prime Minister Rafiq Hariri, by a massive car bomb in Beirut 12 years ago. The case is still being investigated by an international tribunal, but the killers are widely believed to have been connected with the Iranian-backed militia Hezbollah and its allies the Assad regime in Syria, as Hariri reminds me in the course of our conversation.

Which makes it all the more incredible that Hariri, a Sunni with strong ties to the Saudi royal family, is prime minister today of a government in Lebanon that includes Hezbollah—a ruling coalition that was put together in December 2016 after three years of gridlock, with the Hezbollah-linked Christian leader Michael Aoun as

president and Hariri as prime minister. Hezbollah is easily the strongest armed force in Lebanon, and no deal was possible without it, but it means Hariri must perform an agonizingly complicated political dance every day — or risk his government falling apart.

When I asked a few smart Mideast political hands what I should ask Hariri before our interview, one responded, "Hezbollah, Hezbollah, Hezbollah," although another pointed out that Hariri could hardly be frank on the subject. "He cannot say what he thinks about Hezbollah, otherwise there will be no government," this expert said. "He is a hostage, the whole country is a hostage."

The awkward dance was on full display during Hariri's Rose Garden press conference with President Trump on Tuesday. Though the headlines were about Trump's scathing criticism of his own attorney general, Jeff Sessions, Mideast hands were quick to pick up on an apparent Trump gaffe when the president bragged about Lebanon being "on the front lines" fighting Hezbollah — and seemed not to know that Hezbollah was in fact a part of the government of the man standing next to him.

It was a tough trap for Hariri: Acknowledge the screwup and he'd offend Trump at a moment when the U.S. administration has threatened to cut desperately needed foreign aid or agree with the American president on the need to fight Hezbollah and risk blowing up his own government.

In the end, Hariri handled it deftly, brushing off Trump's mistake and later telling reporters that he was sure from their private meeting that the president had understood the situation correctly. Hariri left Washington not only with his foreign aid intact but a State Department pledge for an additional \$140 million to help with Syrian refugees.

In our interview, Hariri remained resolutely pragmatic whenever the subject of Hezbollah came up. He's very clear that the choice was in effect to team up with the group tied to his father's killing — or risk another civil war. After three years of Lebanon having no president at all due to its internal gridlock, he argues, what real option did they have?

"We saw that if we continue this, we're going to end up like Syria, or we're going to end up like Iraq," as he puts it.

But every day is a challenge. While he was in Washington, in fact, Hezbollah attacked along Lebanon's borders with Syria to take back territory held by the al Qaeda-affiliated Al Nusra Front and ISIS in Syria, a decision Hariri acknowledges the Lebanese armed forces had nothing to do with. "Hezbollah decided unilaterally to... go into Syria without taking the advice of the government," he tells me. (Hezbollah, of course, is already in Syria in a major way—fighting Sunni rebel groups on behalf of the Assad regime and Iran.)

As for Washington's demands for more sanctions against Hezbollah and the growing impatience of Iran hawks in the Trump administration, Hariri makes the case that the United States would be better off focusing not on the Iranian proxy in his government — but on Iran itself.

Besides, he acknowledges, that's a matter for someone other than fragile Lebanon to sort out.

"Our thought is, you know, Hezbollah is a regional issue. It's not a Lebanese issue anymore. Hezbollah is in Syria and Iraq and Yemen, so people should not focus on Hezbollah that it's a Lebanese entity only, but it's something regional. In order to solve this issue, or to even work around it, it has to be a regional understanding. So, I am the prime minister of Lebanon. I'm not going to enter into that regional conflict. All I want is to ... safeguard my country, because we've been through civil war. We've seen it. We've paid 200,000 people who got killed in the civil war."

Lebanon, as Hariri reminds me throughout the interview, is a small country in a tough neighborhood. He's not in Washington to preach, but to ask, and his mission is not to tell the great powers what to do about Syria or Hezbollah or Iran.

"Lebanon is a small country, and we have a saying: 'As long as you know your size, you know, just try to protect what you have,'" he says. "And I think this is what we're trying to do. And I believe this policy has saved Lebanon so far."

**THE WALL
STREET
JOURNAL**

Dion Nissenbaum

7-8 minutes

White House Looks at Scaling Back U.S. Military Presence in Afghanistan

Updated July 30, 2017 11:03 a.m. ET

WASHINGTON—President Donald Trump's reservations about sending more troops to Afghanistan have

triggered a new exploration of an option long considered unlikely: withdrawal.

Unable to agree on a plan to send up to 3,900 more American forces to help turn back Taliban advances in Afghanistan, the White House is taking a new look at what would happen if the U.S. decided to scale back its military presence instead, according to current and former Trump administration officials.

"It's a macro question as to whether the U.S., this administration, and this president are committed to staying," one senior administration official said. "It doesn't work unless we are there for a long time, and if we don't have the appetite to be there a long time, we should just leave. It's an unanswered question."

The exploration is an outgrowth of a deep divide at the White House, where the president and his top advisers are reluctant to send more American troops to Afghanistan without a clear strategy.

There appears to be support in the administration for a modest plan to send a few thousand more U.S. troops to Afghanistan, to put more pressure on Pakistan to crack down on militant sanctuaries, and to seek help from China, India and Pakistan in reaching regional peace deals. But there is no consensus, said people involved in the debate, making it unlikely that the U.S. would send more forces to help the Afghan government repel Taliban advances this summer.

Administration officials face a conundrum: They want to avoid setting deadlines for pulling out troops, but they are wary of embracing an open-ended commitment that could pull more U.S. forces back into a deadly, 16-year-old conflict.

With discussions bogged down, administration officials are taking a

new look at pulling out most U.S. forces and focusing on a more limited counterterrorism strategy that might allow the U.S. to reduce its military presence by relying more on drone strikes and special forces to target extremists.

"It is becoming clearer and clearer to people that those are the options: go forward with something like the strategy we have developed, or withdraw," said the senior administration official, referring to the modest plan.

But the idea is anathema to American military leaders who have argued that the U.S. needs to send more troops to halt Taliban gains on the battlefield.

"At best, that is a very low minority view," one senior U.S. military official said of withdrawing U.S. troops. "It's flawed because it doesn't address the primary concerns of getting to a point where Afghanistan is able to secure itself."

In many ways, the Trump administration finds itself wrestling with the same issues that dogged the previous president. Early in his first term, President Barack Obama approved a troop surge that raised the U.S. military presence in Afghanistan to 100,000. At the time, Vice President Joe Biden argued for a limited U.S. military presence that would rely more on drone strikes and small numbers of special forces meant to prevent Afghanistan from becoming a planning hub for attacks against the U.S., as it was when al Qaeda leader Osama bin Laden found sanctuary there to plan the Sept. 11, 2001, attacks.

The Biden idea was rejected as the U.S. opted to keep advising and training Afghan forces. There now are more than 8,400 U.S. troops in Afghanistan, where Afghan security forces are struggling to keep the

Taliban from expanding their control.

Defense Secretary Jim Mattis has acknowledged that the U.S. is "not winning" and had predicted that the administration would have a new policy in place by mid-July. But a string of high-level meetings this month has yet to produce a consensus. Now, it isn't clear when the administration will agree on a way forward.

The indecision has given more time for skeptics of a modest increase, like White House chief strategist Steve Bannon, to explore unconventional alternatives. One such proposal offered by former Blackwater founder Erik Prince would rely on contractors instead of U.S. troops to work with Afghan security forces.

Mr. Prince has briefed key administration officials at the White House, Mr. Mattis, Central Intelligence Agency Director Mike Pompeo and various lawmakers, including Sen. Bob Corker (R., Tenn.), according to people familiar with the meetings.

"I'm all for continuing to try to come to a conclusion that is something that will change the trajectory there," said Mr. Corker, chairman of the Senate Foreign Relations Committee. "We've been doing the same thing for a long time, and the Taliban has gained significant territory in the interim."

White House interest in Mr. Prince's plan was piqued by his Wall Street Journal op-ed in May that called for creation of an American viceroy—an empowered leader like Gen. Douglas MacArthur in Japan after World War II—who would have expansive power to push reforms in Afghanistan.

Mr. Prince refined his ideas and created a more detailed proposal presented to Trump administration

officials looking for alternatives to a troop increase.

Mr. Prince is pitching his idea as Mr. Trump's new "Wollman Rink" moment, a reference to the president's successful 1986 rehabilitation of a landmark Central Park ice-skating rink that was over-budget and years behind schedule.

The proposal, seen by The Wall Street Journal, outlines ways for the U.S. to quickly replace most U.S. troops with contractors who would help carry out airstrikes and work side by side with Afghan forces across the country.

"The goal is to provide a clear exit lane and provide a clear end to the longest war in U.S. history," Mr. Prince said in an interview.

So far, Mr. Prince has yet to generate enough interest among key officials, who view his plan with skepticism. The ideas have been dismissed by military officials as impractical, according to administration officials. And Mr. Prince is a divisive figure. Four of his former Blackwater guards were convicted in U.S. federal court on murder or manslaughter charges over the 2007 killing of Iraqi civilians during a chaotic shooting in Baghdad. The incident triggered intense scrutiny of Mr. Prince and Blackwater, which lost its license to operate in Iraq after the incident. Mr. Prince sold the company in 2010.

Meanwhile, frustration with the slow process is building among U.S. officials who are awaiting word from the White House about a new strategy.

"I think there's frustration on the ground in Afghanistan," one U.S. official said.

Write to Dion Nissenbaum at dion.nissenbaum@wsj.com

THE WALL STREET JOURNAL

Asa Fitch in Dubai and Dion Nissenbaum in Washington

3-4 minutes

July 29, 2017 8:07 a.m. ET

The U.S. and Iran on Saturday reported their second confrontation this week in the waters off the Persian Gulf, as political tensions between the longtime rivals flare.

The U.S. Navy said several vessels operated by Iran's powerful Islamic Revolutionary Guard Corps in the Gulf approached American ships at high speed on Friday.

U.S. Navy Vessel Fires Warning Shots at Iran Ships

After the U.S. Navy failed to reach the Iranian ships by radio, a Navy helicopter fired warning flares at a safe distance, according to the U.S. Naval Forces Central Command.

The Iranian ships subsequently stopped moving toward U.S. ships, it said, describing the interaction as "safe and professional."

The IRGC, however, said an American Nimitz-class aircraft carrier accompanied by a warship came near IRGC boats patrolling Iran's Resalat oil-and-gas field. The aircraft carrier flew a helicopter close to the Iranian vessels on Friday afternoon, according to the

official Islamic Republic News Agency.

The IRGC accused the American forces of firing "provocative and unprofessional" warnings on its vessels before leaving the area. The vessels continued on their mission, the IRGC said.

Confrontations between U.S. and Iranian vessels in the Persian Gulf are common. On Tuesday, the U.S. Navy said it fired warning shots at an Iranian patrol boat that came within 150 yards of ships conducting an exercise in the waterway.

Tensions have been escalating over Iran's ballistic-missile program and

its compliance with a 2015 nuclear deal with six world powers that gave it relief from international sanctions.

Iran has continued to develop and test ballistic missiles since reaching the nuclear deal and on Thursday, it test-fired a rocket designed to carry satellites into space.

Critics in the U.S. have called such tests violations of the spirit of the nuclear deal, and President Donald Trump is planning to sign a bill passed by Congress this week imposing new sanctions on Iran. The sanctions focus on the missile program and the Revolutionary Guard forces.

Mr. Trump's administration also imposed new sanctions targeting the Revolutionary Guard and the missile program on July 18 and on Friday, when it singled out six Iranian entities.

Iranian officials have vowed to push forward with the ballistic-missile program, which they assert doesn't violate the

nuclear deal's letter or spirit.

The text of the deal doesn't address missiles or satellites, but a United Nations Security Council resolution tied to its implementation called upon Iran to refrain from developing missiles designed to be capable of carrying nuclear warheads.

Iranian Foreign Minister Javad Zarif tweeted Friday that Iran had complied in good faith with the nuclear deal, but "rhetoric and actions from [the] U.S. show bad faith."

Even as it imposes new sanctions and reviews the nuclear deal, the Trump administration has so far certified that Iran is complying with

the accord, most recently on July 18. Mr. Trump promised to scrap the deal during his presidential campaign.

Write to Asa Fitch at asa.fitch@wsj.com and Dion Nissenbaum at dion.nissenbaum@wsj.com

**The
New York
Times**

Editorial : Pakistan's Prime Minister Falls, Again

The Editorial Board

4-5 minutes

Tyler Comrie

For those hoping for signs of a deepening of democracy in Pakistan, the ouster of Nawaz Sharif provides no help. On the surface, the decision of the Pakistani Supreme Court to disqualify Mr. Sharif and his family from holding office over allegations of corruption seems a triumph for the rule of law, but the way it was done smacks too much of political infighting to celebrate, and the ensuing confusion is in no one's interest. Nor is there much to cheer about for the future of Pakistan's troubled relations with the United States and India.

It is a sad commentary on the state of affairs in Pakistan that the best

hope on all these fronts after Mr. Sharif's fall from power — remarkably, his third ouster — is that things don't get worse. Civilian governments have always been hamstrung by the machinations of Pakistan's security forces, with their obsession over India, their aggressive investment in nuclear weapons and their double-dealing in Afghanistan.

Mr. Sharif raised high hopes in 2013 when he assumed office in a peaceful transfer of power; a prime minister in Pakistan has yet to finish a full five-year term.

Mr. Sharif had been grooming his daughter, Maryam Nawaz Sharif, to succeed him, but the Supreme Court also disqualified her and two of her brothers from political office. The case against the family was based on disclosures last year in the Panama Papers which revealed that the children owned expensive

properties in London through offshore companies.

The most likely successor is Mr. Sharif's brother Shahbaz Sharif, chief minister of Punjab Province. Shahbaz is regarded as a competent administrator, and he would probably be more acceptable to the security forces, who were wary of Mr. Sharif's efforts to curb their power, encourage negotiations between the Afghan Taliban and the Kabul government, and improve relations with India, the military's *bête noire*. But Nawaz remains the head of the governing political party, the Pakistan Muslim League-Nawaz, and is not likely to vanish.

None of this bodes any improvement in relations with the Trump administration. Last week, the White House said it would again withhold some funds intended to reimburse Pakistan for military operations against Afghan terrorist groups because the Pakistanis had

not taken sufficient action against the Haqqani Network, a powerful branch of the Taliban. But the Pakistani military is not apt to abandon the notion that it has more to gain through its own selection of which terrorist groups to attack or support than by following American directions.

However unpromising the prognosis, a switch at the top does create opportunities for some change of course. The Trump administration should make every effort to persuade Mr. Sharif's successor that eradicating terrorists in Afghanistan is in the interests of both countries. On the domestic front, Pakistan's civilian leaders, for all their flaws, have at times tried to improve relations with India and to loosen the grip of the military, as Mr. Sharif did. With national elections scheduled for 2018, his rise and fall should at least generate a national debate on how Pakistanis want to be ruled.

**The
Washington
Post**

Editorial : The ouster in Pakistan is actually a glimmer of hope

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

11-14 minutes

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

July 30 at 7:09 PM

ONCE AGAIN, Pakistanis are being reminded of an unfortunate pattern. In the nation's 70-year history, not one prime minister has served out a full five-year term. They have been thrown out by military coups and dismissed by judges. The latest example came Friday, when Pakistan's Supreme Court disqualified — essentially dismissed — Prime Minister Nawaz Sharif on grounds that he had lied to the nation about his family's wealth and financial dealings.

The ouster does seem to be another chapter in Pakistan's seemingly endless flirtation with state failure and chaos. But not so

fast. The court's action suggests it managed to extract some accountability in a sea of corruption and arbitrariness.

Mr. Sharif, who served as prime minister in the 1990s before being ousted by a military coup, was elected in 2013 with a sizeable margin. He has struggled to respond to Pakistan's economic woes. But his undoing was set in motion in April 2016, by publication of the Panama Papers, more than 11.5 million leaked files published by an international consortium of investigative journalists. The papers included nearly four decades of data from a law firm based in Panama, Mossack Fonseca, that disclosed a web of offshore transactions by political leaders around the world.

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The papers revealed that three of Mr. Sharif's children owned or could sign authorizations for offshore companies in the British Virgin

Islands. This raised questions about the origins of the family wealth. Mr. Sharif told the court through his lawyer that he did not own any shell companies or property through offshore holdings himself, without addressing whether his children did. The Panama Papers led to protests, and calls for his resignation, including from opposition party leader Imran Khan, the former cricket star.

The court subsequently created a five-member panel to investigate, and the panel's report accused Mr. Sharif's family of perjury, forgery and hiding assets. It found, among other things, that Mr. Sharif's daughter, Maryam Nawaz, potentially falsified ownership documents that were dated 2006 but written in a font that was not commercially available until 2007. The court then acted unanimously to force him out of office.

Pakistan undoubtedly faces a period of political uncertainty. The next elections are scheduled for 2018. Meanwhile, Mr. Sharif's ruling

party enjoys a strong majority in Parliament. He is expected to install a loyalist as interim prime minister this week and, longer-term, his brother, Shahbaz Sharif, in the post. Whatever the political outcome, Pakistan seems likely not to be shaken from its desire for closer relations with China, which is pouring \$50 billion into infrastructure projects as part of its attempt to build a massive trade route. Pakistan's military and its intelligence service also will remain powerful forces behind the scenes of the Muslim-majority nation, a nuclear weapons state.

Still, Pakistan has so often been a miasma of uncertainty, impunity, coercion and violence that it is worth applauding the Supreme Court's determination to see this case to a difficult but necessary conclusion. It's a glimmer of hope for accountability and rule of law in a nation that could use much more of it.

Editorial : Pakistan's Politics Fail Again

by The Editors
More stories by

The Editors

4-5 minutes

Sharif's exit won't mean stable politics.

Photographer: Aamir Qureshi/AFP/Getty Images

Given Pakistan's history of coups, political dysfunction and high-level graft, the Supreme Court's decision to oust Nawaz Sharif as prime minister for lying about his allegedly ill-gotten wealth would seem a victory for transparency and the rule of law. In fact, the verdict raises as many questions as it answers.

Sharif resigned on Friday when the court disqualified

him from office after a corruption investigation into his family's finances. The probe found a wide gap between the Sharifs' wealth (revealed in part through the Panama Papers leak) and their stated sources of income. The justices declared him "not honest" -- hence in breach of a constitutional requirement for serving in parliament. The ruling party will choose a replacement to serve until elections expected next year.

Nobody should be above the law, but the circumstances surrounding the judgement are troubling. The justices have faced pressure from rival politician Imran Khan, who has been campaigning to drive Sharif from office. At times Khan has appeared to have the support of the country's military, said to be irked by Sharif's attempts to make peace

with India and put former dictator Gen. Pervez Musharraf on trial.

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In Pakistan's 70-year history, not a single prime minister has left office as one would wish -- after losing a free and fair election. The justices' reliance on Articles 62 and 63 of the constitution (which demand that legislators be "truthful" and "righteous") won't help to put this right: The same criteria might easily be used to dismiss other politicians. Systemically fragile elected government is not what Pakistan needs.

The country's balance of payments situation has deteriorated,

threatening growth. The military has continued to foment instability in Afghanistan and in Kashmir, while blocking efforts to improve relations with India. Any hope of reducing tensions, slowing the arms race in South Asia and increasing cross-border trade has been shelved yet again.

Pakistan's courts shouldn't do the work of voters. Its anti-graft bodies could use more resources and greater independence, but politicians should resolve their political differences in parliament and through the ballot box. Removing Sharif may have been the right thing to do, but it's no remedy for what ails Pakistan.

--Editors: Nisid Hajari, Clive Crook

THE WALL STREET JOURNAL

OPEC Has a Crippling Problem: Its Members Can't Stop Pumping (UNE)

Benoit Faucon in London, Lynn Cook in Houston, Summer Said in Cairo and Georgi Kantchev in St. Petersburg

14-17 minutes

July 30, 2017 3:41 p.m. ET

OPEC, the once powerful oil cartel, is struggling to hold the line in a make-or-break fight to limit oil production, prop up crippling low prices and prove its relevance.

Why? Its members are addicted to oil.

Eight months after the Organization of the Petroleum Exporting Countries announced a plan for its 14 members and 10 allied countries to withhold almost 2% of the world's oil every day to boost prices, seven of the 11 OPEC members that pledged to cut appear to be producing more oil than promised.

Crude prices have actually fallen, by 7.6% to \$52.52 a barrel, since the beginning of the year—half what the cartel called a fair price just three years ago and a level that some say is here for the long term.

Previously, low production costs meant OPEC members profited even when oil prices fell. These days, members have ramped up government spending to keep populations happy and cover military expenses, and don't have a cushion to let oil revenues slip. Their strained budgets can be covered only through increasingly

high prices per barrel, and if prices are low they need to produce more.

The inability to control output poses a potentially existential threat to OPEC's influence. The longer prices remain low, said Helima Croft, the global head of commodity strategy at RBC Capital Markets and a longtime watcher of the cartel, "the harder it is to make the case to the most cash-strapped producers that they are 'better together.'"

Tensions were laid bare last week in St. Petersburg, where OPEC and its non-OPEC allies discussed why output was going in the wrong direction.

Russia aimed to boost camaraderie with a visit to the Hermitage museum and a picturesque evening cruise on the Neva River, where ministers donned matching hoodies bearing the logo of the city's soccer team, FC Zenit.

But during the weekend, Saudi Arabia's energy minister, Khalid al-Falih, and other oil officials holed up in a hotel conference room at the Four Seasons calling other OPEC ministers—including those in Iraq and the United Arab Emirates—demanding to know why they weren't cutting production as much as promised, according to people familiar with the matter.

"Some have underperformed. We have talked to them," Mr. Falih told reporters, adding he didn't "mince words."

Iraq denied it wasn't meeting targets and said OPEC was getting bad information.

OPEC has been under pressure from U.S. shale producers, who since about 2008 have helped to nearly double U.S. oil production.

The output has stolen market share from the cartel's members and pushed prices lower. OPEC's share of the global oil market has shrunk to 40% today from 55% in the early 1970s, when its embargo on sales to the West quadrupled oil prices in six months.

The dynamic working against OPEC is that, collectively, its members need the highest oil prices of any industry player—more than companies such as Exxon Mobil Corp., Royal Dutch Shell PLC and most U.S. shale producers, according to Goldman Sachs.

For decades, OPEC was the low-cost producer of oil. During the boom years of 2011 through 2014, OPEC members, which largely fund national spending with oil revenue, could balance their budgets with oil prices \$10 to \$40 a barrel less than most oil companies needed to fund their spending and pay dividends. Today, OPEC needs \$10 to \$20 a barrel more than Big Oil and U.S. exploration and production outfits, the investment bank said in a report to clients.

OPEC members once drew their power from the giant reserves of what is known as "easy oil"—conventional crude that costs as little as \$3 per barrel to pump. That

cost guaranteed both fat profits when prices were high and the ability to hunker down when the market tanked.

Several years of \$100 a barrel oil prices lasting until 2014 coincided with big military, security and domestic spending to pacify restive populations during the Arab Spring, hold back the tide of Islamic State and influence the Syrian civil war. Those spending obligations meant OPEC was fundamentally unprepared for the oil-price crash that followed.

The U.A.E. spends only \$12 to pump a barrel of oil but needs oil to sell at \$67 to cover its government expenditures, according to the International Monetary Fund. Its national budget has quadrupled to over \$114 billion over the past 15 years.

The social spending helps regular Emiratis with housing costs, water bills and cheap electricity—subsidies that the U.A.E. government has been unwilling to significantly cut for fear of street protests.

The Persian Gulf country also has major military commitments, spending about \$23 billion a year on defense—more than conflict-heavy countries like Israel and Iraq—as it helps fight wars in Syria and Yemen.

The U.A.E. is among OPEC's worst offenders in pumping too much oil. It has cut only about half the amount it promised, according to the International Energy Agency,

which advises governments and companies about energy trends.

A U.A.E. official said the country's oil production is tied up in joint ventures with foreign oil companies that are hard to change, making it difficult to cut output. The country's officials have said they plan to cut more oil production and recently announced limits on their oil exports.

In a move that could put pressure on the U.A.E., OPEC and Russia are planning a meeting of midlevel officials in Abu Dhabi on Aug. 7, the cartel said, "to assess how conformity levels can be improved."

Overall, OPEC on Nov. 30 agreed to cut production by 1.2 million barrels a day, a deal that took almost a year to negotiate and raised expectations for an oil-market rally. Instead, member exports in June were 120,000 barrels a day lower than October, according to Kpler, a firm that tracks tanker movements to measure oil exports.

"OPEC will have lot of difficulties to respect its commitments because of budgetary difficulties faced by some its member countries," said Chakib Khelil, the former oil minister of OPEC member Algeria.

Ecuador's oil minister, Carlos Perez, went on state television this month to say the tiny producer was no longer sticking with its production pledges, "because of the needs that the country has."

Iraq faces a budget squeeze from its war with Islamic State. It pledged to cut over 200,000 barrels a day but has cut less than half that amount on average through June, according to the IEA.

"Completely untrue and groundless," Iraq's Oil Minister Jabbar al-Luaiby said of the overproduction accusation. "Iraq is in full compliance with the OPEC declaration."

In Saudi Arabia, which produces 30% of OPEC's output, oil revenue has fallen 60% since the mid-2014 peak in oil prices. In that time period government spending declined only 18%, according to Goldman Sachs.

Instead of cutting spending, the Saudis have drawn down \$246 billion of their foreign reserves and issued a \$17 billion sovereign bond.

"We calculate, and a lot of people we know calculate, there's about three more years of this they could deal with, with regard to drawdowns in the sovereign funds—and then they've got a very severe problem," said Tim Dove, chief executive of Fort Worth-based Pioneer Natural Resources Co., a shale driller.

Saudi officials said they can withstand low prices for longer than any other country.

The Saudis haven't dialed back increases in defense and infrastructure spending, including a \$23 billion Riyadh metro system expected to be completed in 2019. Defense and security spending jumped 50% between 2010 and 2013, and defense spending grew again last year to \$50 billion amid involvement in wars in Yemen and Syria.

The kingdom is working on plans for an IPO of part of its state-owned oil firm, Saudi Arabian Oil Co., known as Aramco. The listing, expected to be the largest-ever public offering, is expected to fetch tens of billions of dollars that Crown Prince Mohammed bin Salman has said he plans to put in a sovereign-wealth fund to invest in new industries, with the goal of reducing the country's reliance on oil revenue.

The impending IPO was the impetus behind Saudi Arabia's decision late last year to reverse itself and push OPEC to cut production and raise oil prices, according to people close to the kingdom's oil ministry. The value of the IPO could depend in part of the price of oil, which the Saudis want to rise to \$60 a barrel, the people said.

Mr. Falih denied the cuts are designed to lift prices for the IPO.

Saudi and other OPEC officials once believed U.S. shale producers needed oil prices of \$80 a barrel or higher to function. The U.S. financial system and bankruptcy process helped ensure that oil fields continued to pump, even though more than 250 North American oil drillers and service companies have gone bust during the oil slump, according to Haynes and Boone, a law firm specializing in the energy industry.

The continued production helped pay down debt while companies reorganized. When the producers emerged from bankruptcy, new owners had the old debt load wiped clean. With a clean slate, plumbing once expensive shale fields became more economical. Other companies on the ropes sold to stronger rivals that can manage the fields more effectively or issued new shares to raise capital.

On Friday, big U.S. oil firms reported some of their strongest quarterly profits since the price crash.

There are signs that OPEC's goal of reducing oil in storage, a proxy for the global oil glut, is slowly starting to happen. U.S. inventories have fallen in 14 of the past 16 weeks.

Lower imports into the U.S. have played a role, with Saudi Arabia intentionally lowering its shipments. Imports from Saudi Arabia to the U.S. are at a two-year low, down by about a third since January, data-tracking firm ClipperData said Friday.

Russia, the world's largest crude producer but not an OPEC member, has gradually cut output by about 300,000 barrels a day since the agreement, the IEA said.

Oil prices have risen over 9% since last week's meeting in St. Petersburg, when Saudi Arabia said it would go further than limiting its production by also placing a cap on its exports.

Officially, OPEC said the cartel as a whole is complying with its production-cut agreement, with output averaging more than one million barrels a day less this year compared with October 2016, helped by larger-than-agreed cuts by Saudi Arabia. "In all my long years in OPEC, I have not seen this high level of commitment," said OPEC Secretary General Mohammad Barkindo.

But monthly figures show output recently has moved higher, according to observers including the IEA, which said seven of the 11 OPEC members that pledged to cut were producing more than promised.

OPEC has a long history of fractious relations among its members, a collection of regimes from the Middle East, Africa and South America.

Even the cartel's most powerful moment, the 1973 oil embargo, divided the group, with only its Arab members taking part in cutting off crude to Western nations that supported Israel.

In 1986, Saudi Arabia was so upset about OPEC members flouting production agreements that unleashed a flood of oil that sank prices long-term, a period known as the "Lost Decade."

When oil prices began falling in July 2014, then-Saudi oil minister Ali al-Naimi said OPEC no longer had the power—or will—to cut production and save the market. U.S. shale producers were too powerful.

But Mr. Naimi said he believed OPEC members' still had essential advantages, such as the ability to produce at extremely low cost.

Mr. Naimi was replaced in May 2016 by Mr. Falih, a Western-educated oilman with long experience at Aramco. Mr. Falih has said Saudi Arabia and even OPEC

couldn't make a difference by cutting production on its own.

He reached out to Alexander Novak, energy minister in Russia, where low oil prices were creating a budget crunch for President Vladimir Putin just as he was escalating his country's military support of Syrian President Bashar al-Assad.

"We both had an extended crisis," Mr. Novak said in an interview. "We both wanted results."

OPEC's agreement last year with Russia and other big producers gave the cartel a coalition that controlled about 55% of global oil output, its earlier level of dominance. Knowing that OPEC members cheated on production pledges in the past, the cartel created a compliance committee to monitor production and scold members who pumped more.

In April, Mr. Falih was upset after reading a news article about Iraq pumping over its limit and stealing market share from Saudi Arabia. The kingdom had been cutting more than it pledged to make up for reported laggards like Iraq.

"See, they are laughing at us," Mr. Falih wrote in a WhatsApp message to a group of peers, according to people familiar with the exchange.

In Iraq, there is a strong feeling that the country should be exempt from cutting production because of the war against Islamic State, said Luay al-Khatteeb, an adviser to the Iraqi parliament.

He pointed to an issue of lingering resentment in OPEC: "The Saudis are only cutting because they want better prices for the Aramco IPO," he said, a notion Mr. Falih denied.

OPEC members said they are trying now to negotiate a way to quit the production cuts early next year without sending the market into another downturn.

Some are planning significant major new oil projects between now and 2020, Goldman Sachs said, including the Upper Zakum expansion in the U.A.E., which has the potential to add 1.1 million barrels a day to the market.

Saudi Arabia itself is ramping up expansions at its Khurais and Shaybah fields and is considering a new project at Manifa, which could boost output from that field by more than 60%, to 1.5 million barrels a day.

—Nathan Hodge contributed to this article.

Appeared in the July 31, 2017, print edition as 'OPEC Has a Crippling Problem.'

U.S. Weighs Sanctions Against Venezuela's Oil Industry

Christopher M.
Matthews and

the cash-strapped country to the
brink of default on its debts.

July 30, 2017 2:57 p.m. ET

U.S. government officials are considering stepping up sanctions against Venezuela by targeting its vital oil industry, although an embargo against Venezuelan crude oil imports into the U.S. is off the table for now, people familiar with the deliberations say.

The measures could be announced as early as Monday, the people say, after a vote Sunday pushed by embattled Venezuelan President Nicolás Maduro to elect a special assembly that will rewrite the constitution. Venezuela's opposition is boycotting the vote, fearing the assembly could dissolve the opposition-controlled congress or postpone elections.

The Treasury Department didn't immediately respond to a request for comment on the potential sanctions.

The U.S. government levied sanctions on 13 high-ranking Venezuelan officials on Wednesday for alleged corruption, human-rights violations and undermining democracy in the South American country. While more sanctions against other individuals are also under consideration, on Friday, Vice President Mike Pence vowed "strong and swift economic actions" if the vote goes ahead.

The Venezuelan government has responded defiantly, dismissing sanctions and warnings from Washington. Mr. Maduro and his top aides have insisted the government would notch a triumph in Sunday's vote.

Observers say broader sanctions against Venezuela could accelerate an economic meltdown and push

The toughest of possible sanctions—an embargo on imports of Venezuelan oil—isn't on the table right now, these people said, but could be considered later. Options being considered include a ban on sales of U.S. oil and refined products to Venezuela, and financial restrictions on the country's state oil firm, they said. Those measures are seen as potentially crippling for the Venezuelan government without being too disruptive for the U.S. economy. No final decision has been made, the people said.

"Even limited new US-imposed sanctions or discussions of broader sanctions could be a catalyst for Venezuela defaulting on its upcoming debt payments," Barclays said in a recent note to investors. Venezuela's oil industry supplies 95% of the country's hard currency.

"The dollars aren't there to pay for the food and medicine Venezuelans need," said Moisés Naim, a former trade and economy minister in Venezuela. He fears broad economic sanctions could trigger a humanitarian crisis while giving Mr. Maduro an excuse to blame the U.S. for the country's economic collapse.

U.S. refiners, including Valero Energy Corp., Phillips 66 and Chevron Corp., have lobbied strongly against a ban on Venezuelan oil imports, because refiners on the U.S. Gulf Coast rely on Venezuela for heavier grades of crude oil to convert into fuel.

Venezuela sells about 750,000 barrels a day to the U.S., mostly to Gulf Coast refiners. The rest of its oil exports generate little cash, as the oil is sent to China to pay debts or sold at deep discounts to Cuba and other Caribbean countries.

The most likely option, say the people familiar with U.S.

discussions, is a ban on exports to Venezuela of refined petroleum products and lighter crude grades that Venezuela mixes with the heavy crude it then sells to the U.S. That could force Venezuela to import light crude at higher prices from distant places like Algeria or Nigeria, and deepen its steady oil output decline, says Francisco Monaldi, a Venezuela expert at Rice University.

Another option is to ban state oil company Petróleos de Venezuela from using the U.S. banking system and U.S. currency, the people say. Rep. Ileana Ros-Lehtinen, (R., Fla.), a senior Republican on the House Foreign Affairs Committee, urged the Trump administration on Sunday to levy sanctions against Venezuela's state oil company and prevent Mr. Maduro's government from being able to tap the U.S. financial system as an economic lifeline.

Such sanctions would stop U.S. firms from buying Venezuelan oil and make it difficult for any oil trader or firm to do so, pushing Venezuela into default, said Russ Dallen, a managing partner at investment bank Caracas Capital.

The U.S. could also ban U.S. companies from investing in Venezuela's energy sector, these people said. That would drive out oil-field service firms such as Halliburton Co. and Schlumberger Ltd., which provide key technology and expertise in oil drilling and production in a country which boasts larger oil reserves than Saudi Arabia.

U.S. refiners have begun preparing for any fallout from a possible embargo against Venezuelan oil. Marathon Petroleum Corp. and Valero said Thursday they will process more light and sweet crude oil in the next quarter, moving away from the heavy, sour grades produced by Venezuela and Middle Eastern countries.

Valero executives attributed the move to production cuts by the Organization of the Petroleum Exporting Countries and growing light crude production from U.S. shale basins, but people close to the company also described it as a preventive measure against a Venezuelan embargo.

"The way we view any potential sanctions is, it really just creates some inefficiencies in the crude market," said Michael Ciskowski, Valero's chief financial officer, in the company's earnings conference call.

U.S. refiners have warned an embargo would be disastrous. In a letter Thursday to President Donald Trump, the industry's top trade group said limits on U.S. imports of Venezuelan crude would destabilize oil markets and drive up the cost of gasoline for U.S. consumers.

"Sanctions on Venezuela's energy sector will likely harm U.S. businesses and consumers, while failing to address the very real issues in Venezuela," wrote Chet Thompson, president of American Fuel & Petrochemical Manufacturers.

Gulf Coast refineries are configured to process heavy crude and would be hardest hit if Venezuela went offline. Even if they reconfigured operations to handle more light crude, they would be unable to run at full capacity without replacing lost Venezuelan heavy oil, said Dylan White, an analyst at market research firm Genscape.

—Ian Talley contributed to this article.

Write to Christopher M. Matthews at christopher.matthews@wsj.com and **José de Córdoba** at jose.decordoba@wsj.com

Appeared in the July 31, 2017, print edition as 'U.S. Takes Aim At Oil Industry In Venezuela.'

Defying international calls, Venezuela holds contentious election (UNE)

CARACAS, Venezuela — President Nicolás Maduro defiantly followed through Sunday with his pledge to hold an internationally condemned election, creating a critical new

stage in a long-simmering crisis that could mint the Western Hemisphere's newest dictatorship.

In a South American nation known for election turnouts topping 70 percent, Venezuelans appeared to vote with their feet — staying away from the unpopular ballot in droves. The election, decried as illegitimate by a growing list of

nations, including the United States, will create what critics call a puppet congress with vast powers to rewrite the constitution and supplant the opposition-controlled National Assembly, leaving all branches of government under firm socialist control.

The government claimed a turnout of nearly 8.1 million voters, or 41.5

percent — a figure the opposition, which boycotted the vote, called a fraud. The candidates for the new assembly were all government backers, including Maduro's wife and son. Opponents estimated the public lack of enthusiasm was so great that turnout had risen only to 12.4 percent.

"Venezuela has screamed with its silence," said Julio Borges, head of the National Assembly.

The results unfolded on a deadly day in which the Maduro government showed zero tolerance toward pro-democracy protests, with shock troops firing volleys of tear gas and storming squares in the capital and beyond. Those citizens who did vote came under the watchful gaze of 326,000 national guards and police.

Late Sunday, the government extended voting hours, claiming large numbers of people still at polling stations. But at least 10 stations in the relatively more pro-government western swath of Caracas were virtually empty hours before voting was scheduled to end at 6 p.m. By midnight, Maduro was leading a triumphant rally in Plaza Bolívar in the city's center.

The attorney general's office, which broke with the government, declared 10 deaths Sunday, while the opposition said at least 16 had died in street clashes. A government official insisted that "not even one" death had occurred.

The election represents a direct challenge to the Trump administration, which called on Maduro, the anointed successor of late leftist firebrand Hugo Chávez, to cancel the vote.

Washington already has targeted the assets of top Venezuelan officials. The administration's options now range from more individual sanctions to penalties on oil trade with Venezuela that could further damage the country's devastated economy and at least temporarily increase the price of gas in the United States.

"We will continue to take strong and swift actions against the architects of authoritarianism in Venezuela, including those who participate in the National Constituent Assembly as a result of today's flawed election," U.S. State Department spokesman Heather Nauert said in a statement. "Nearly 234 years to the day after the birth of Simon Bolívar, who fought for the freedom of the people of Venezuela, President Nicolás Maduro has cast aside the voices and aspirations of the Venezuelan people."

[8 important keys to understanding Venezuela's controversial election]

On Sunday, members of the opposition set up barricades in parts of the capital and elsewhere and attempted to stage protests. But the government responded with extraordinary force.

About 100 Venezuelans gathered at the monument of heroes and statue of Simon Bolívar in Bogotá, Colombia on July 29 to protest the assembly vote in neighboring Venezuela. About 100 Venezuelans gather in Bogotá, Colombia on July 29 to protest the assembly vote in Venezuela. (Reuters)

(Reuters)

In a scene repeated at various spots in the capital, a cluster of peaceful demonstrators were chanting for democracy and waving the yellow, blue and red Venezuelan flag in the city's Plaza Francia when riot troops suddenly materialized. They fired tear gas, sending demonstrators fleeing for cover.

"Today we protest for the freedom of the country, for the political prisoners, for the fallen, for the people who've died looking for a better future. ... There are not enough people here because of fear," said a thin young man who broke away and ran as government forces took the square. Later, clusters of demonstrators returned, only to be chased again by troops.

A radical faction of government opponents — known as the Resistance — also used force. Around noon in the city's east, a protester in his 20s placed what appeared to be explosives inside a bag lying on the street. Five minutes later, as troops passed by in a motorcade, the bag detonated, throwing at least two of the men to the ground.

A pro-government candidate was killed in the interior state of Bolívar, according to the attorney general's office.

In Caracas, voting began at 6 a.m. amid the squawk of macaws. According to polling from the Datanalysis firm, 72 percent of the population is against a new Constituent Assembly.

The nation's 2.8 million state workers risked losing their jobs if they did not vote. Poor residents were warned that they could lose access to food baskets and government housing for failing to turn out for the election.

"To be honest, I'm voting because I'm afraid of losing my benefits," said Betty, 60, who lives in public housing and was too scared to give her last name. "The government gave me my house, and I don't want to lose it. I'm surviving because of government programs."

On San Martín Avenue, just a few blocks from the presidential palace, there were a few people voting at a public school, with 10 waiting in line.

Some wore pro-government T-shirts.

Around 3:45 p.m., the opposition claimed only 1.5 million eligible voters — less than 7 percent of the electorate — had turned out. An unofficial opposition ballot held on July 16 had drawn nearly 7.6 million voters, and its results rejected Sunday's election.

Ramón Reyes works for the public TV station Televen. Many Chávez supporters — known as Chávistas — have turned against Maduro, but others turned out Sunday in support.

"As a citizen and Chávista, this is my responsibility," Reyes said. "I always voted for Chávez and the ruling party."

Other Chávistas said they have had enough.

"Everything has changed, everything," said Angely Verde, a 28-year-old former state worker who turned out for a protest. "This is not where I grew up. I can't recognize anything I'm seeing. It's so sad. Seeing other people who still have faith is what gives you energy and strength to go on."

[Venezuela's vote for a constitutional assembly could destroy democracy, critics warn]

Maduro has pitched the new legislature as the cornerstone of a socialist dream. Some candidates are former government officials, but many are government supporters from poor neighborhoods. The 545-seat body, Maduro says, will shift power away from traditional politicians and institutions toward socialist activists and slums — a move that critics say will sideline the opposition, benefit those who rely on government patronage and increase official control.

Maduro cast his ballot in front of national TV cameras with his "fatherland card" — which voters were required to use to prove their participation and ensure future government benefits. Suggesting systemic errors, the screen read, "This person doesn't exist or was annulled" before the camera immediately changed focus.

Later, Maduro claimed a success.

"It was and still is a successful day with great popular participation," he insisted on television. "The oligarchy doesn't have its eyes or ears on the people, and it never has. We don't care about the opinion of the oligarchy."

Officials and journalists from the pro-government station Telesur tweeted photos of lines at voting centers. Early Sunday, reports

surfaced of violent confrontations between government forces and residents in western Caracas and the suburbs. On Saturday night, public security forces conducted raids in the center of the city and shot two young men in the state of Mérida.

[How a new kind of protest movement has arisen in Venezuela]

The decision to hold the vote appeared set to prolong and deepen the suffering of the people of Venezuela, where hyperinflation and scarcities have sent poverty soaring, crippled medical care and increased hunger. A tube of toothpaste now costs more than one day's salary at the minimum wage.

The government, meanwhile, was bracing for further international isolation. Thirteen nations from the Organization of American States had urged Maduro to cancel the vote.

On Twitter, Nikki Haley, the U.S. ambassador to the United Nations, wrote: "Maduro's sham election is another step toward dictatorship. We won't accept an illegit gov't. The Venezuelan ppl & democracy will prevail."

Colombian President Juan Manuel Santos said Friday that his country would not recognize Sunday's vote. Mexico and Panama said they would collaborate with U.S. sanctions. In Europe, Spain urged the European Union to explore "individual and selective sanctions."

It left Venezuela with a dwindling roster of allies — chiefly Cuba, Russia and China.

Meanwhile, Delta Air Lines and Colombia's Avianca suspended service last week to Venezuela, citing security concerns.

Diosdado Cabello, one of Maduro's top lieutenants, said on national television that the candidates chosen Sunday would quickly replace elected legislators in the Federal Legislative Palace, the building in Caracas where the National Assembly meets. That prompted vows of large protests from the opposition.

However, after failing to muster massive crowds in the streets in recent days, the opposition appeared increasingly reliant on international pressure to curb what it called a power grab by the Maduro government. "Maduro is isolating us from the world and transforming our country into an island, like Cuba," Borges, the National Assembly leader, said.

For the opposition, which has portrayed the vote as the "zero

hour” for Venezuela’s democracy, the challenge is to find a way to reinvigorate an exhausted resistance. After four months of street protests in which thousands have been detained, the question is whether it can find new momentum.

[Trump administration hits 13 Venezuelans with sanctions in advance of vote]

In a sense, the new Constituent Assembly also poses risks for Maduro. The body will be all-powerful; in

**THE WALL
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O’Grady : Venezuela Heads for Civil War

Mary Anastasia O’Grady

5-7 minutes

July 30, 2017 4:29 p.m. ET

Forget all you’ve heard about dialogue in Venezuela between the regime and the opposition. Hungry, hurting Venezuelans are done talking. The country is in the early stages of civil war. Sunday’s Cuban-managed electoral power play was the latest provocation.

In my column two weeks ago, “How Cuba Runs Venezuela,” I failed to mention Havana’s 2005 takeover of the Venezuelan office that issues national identity cards and passports. It was a Castro-intelligence coup, carried out with then-President Hugo Chávez’s permission. The move handed Havana the national Rolodex necessary to spy on Venezuelans and surreptitiously colonize the country. Islamic extremists received Venezuelan passports to give them false cover when crossing borders. Regime supporters got the papers they need to vote under more than one identity.

This is something to keep in mind when Venezuelan strongman Nicolás Maduro reports the results of Sunday’s election for representatives to draft a new constitution. In polls, some 80% of Venezuelans oppose Mr. Maduro’s “constituent assembly.” But the opposition boycotted Sunday’s election because they know Cuba is

theory, its authority will be even greater than the president’s. One scenario is that Maduro’s wife or son will be installed as its head and the assembly will find a way to protect his grip on power.

The socialist government already controls the Supreme Court, which in March nullified the authority of the democratically elected National Assembly.

Today’s Headlines newsletter

The day’s most important stories.

running things, that voter rolls are corrupted, and that there is no transparency in the operation of electronic voting machines.

Opposition leaders in Caracas are still trying to use peaceful means to unseat Mr. Maduro. Last week they orchestrated an effective 48-hour national strike and on Friday another day of demonstrations.

But grass-roots faith and hope in a peaceful solution has been lost. One symptom of this desperation is the mass exodus under way. On Tuesday the Panam Post reported that “more than 26,000 people crossed the border into Colombia Monday, July 26, according to the National Director of Migration in [the Colombian city of] Cúcuta.”

Venezuelan applications for asylum in the U.S. were up 160% last year, making Venezuelans No. 1 among asylum seekers to the U.S. According to the United Nations Refugee Agency, there were 27,000 Venezuelan asylum seekers worldwide in 2016. By mid-July this year there were already 50,000.

Last week the National Guard arrested and badly beat violinist Wuilly Arteaga, who has become a national symbol of peace. Many of those fleeing say they fear that after Sunday the regime crackdown will intensify. Some of those staying behind have already begun to launch counteroffensives. This provides the regime an excuse for increasing repression, yet there is a growing sense that violence is the only remaining option.

But the new body could also serve as the battlefield for a game of thrones among Maduro’s inner circle. Speculation is particularly rife that Cabello may be gunning for the Constituent Assembly’s top job, which he could potentially use to build his own power base.

“Inside the ruling party, different economic interests are at play, and they’re waiting to see how the fight will end,” said Félix Seijas Rodríguez, a Caracas-based pollster and political analyst.

The regime has the armored vehicles, the high-powered rifles, and the SWAT gear. But the population has the numbers and the anger. It also may increasingly have support from dissident government forces.

Consider what happened in the municipality of Mario Briceño Iragorry in the state of Aragua earlier this month, when the pro-government mayor and the regime’s paramilitary, known as *colectivos*, began looting shops that were closed during a one-day national strike.

Eyewitness testimonies sent to me by a source in Caracas describe how townspeople tried to defend the shops. The mayor brought in paramilitary reinforcements. But the town was saved when the judicial police arrived from the state capital of Maracay. According to the Venezuelan daily El Nacional, they arrested the mayor, who was armed, and “many” *colectivos*.

The judicial police, who number around 12,000 and conduct criminal investigations, are Venezuela’s largest national police agency. They are also responsible for protecting Attorney General Luisa Ortega Díaz. Ms. Ortega broke with the regime in March when the Maduro-controlled Supreme Court tried to dissolve the opposition-controlled legislature. She is an outspoken critic of Mr. Maduro’s constituent assembly. She has not been arrested, probably because the regime doesn’t want to confront the judicial police.

“The internal fight has always existed,” he continued. “The U.S. is waiting to see who will have control over the Constituent Assembly, either Diosdado or Maduro through his wife or [former minister] Delcy Rodríguez.”

Mariana Zuñiga and Rachelle Krygier in Caracas and Carol Morello in Washington contributed to this report.

There are also dissident members of the military but their possible role in recovering democracy seems difficult. The leadership is pro-regime and though there are rumors of grumbling among the lower ranks, organizing a coup requires communication. The security and intelligence apparatus installed by Cuba makes that challenging.

But a citizens’ revolt, led by young people whose families are starving, is already under way. Last week after 24-year-old Ender Caldera died from injuries sustained in a demonstration in Timotes, Merida, his friends exacted revenge by intercepting an armored National Guard truck on a mountain road and setting it afire. Numerous other National Guard vehicles have been torched in Caracas.

The state of Barinas, where the late Hugo Chávez was born, was once a regime stronghold. Today it is an antigovernment pressure-cooker where dissidents burn debris in the streets and confront the National Guard. It is the state with the highest number of protest fatalities in the country since the street protests began in April.

Mr. Maduro tried Sunday to put a “democratic” imprimatur on his power grab. But by the afternoon there were at least six dead in clashes with the regime. On the streets of Venezuela, it is now fight or flight.

Write to O’Grady@wsj.com.

**THE WALL
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John H. Cochrane

6-7 minutes

July 30, 2017 4:24 p.m. ET

Climate change is often misunderstood as a package deal: If

Henderson and Cochrane : Climate Change Isn’t the End of the World

David R. Henderson and

global warming is “real,” both sides of the debate seem to assume, the climate lobby’s policy agenda follows inexorably.

It does not. Climate policy advocates need to do a much better job of quantitatively analyzing economic costs and the actual, rather than symbolic, benefits of their policies. Skeptics would also

do well to focus more attention on economic and policy analysis.

To arrive at a wise policy response, we first need to consider how much economic damage climate change will do. Current models struggle to come up with economic costs commensurate with apocalyptic political rhetoric. Typical costs are well below 10% of gross domestic

product in the year 2100 and beyond.

That’s a lot of money—but it’s a lot of years, too. Even 10% less GDP in 100 years corresponds to 0.1 percentage point less annual GDP growth. Climate change therefore does not justify policies that cost more than 0.1 percentage point of growth. If the goal is 10% more

GDP in 100 years, pro-growth tax, regulatory and entitlement reforms would be far more effective.

Yes, the costs are not evenly spread. Some places will do better and some will do worse. The American South might be a worse place to grow wheat; Southern Canada might be a better one. In a century, Miami might find itself in approximately the same situation as the Dutch city of Rotterdam today.

But spread over a century, the costs of moving and adapting are not as imposing as they seem. Rotterdam's dikes are expensive, but not prohibitively so. Most buildings are rebuilt about every 50 years. If we simply stopped building in flood-prone areas and started building on higher ground, even the costs of moving cities would be bearable. Migration is costly. But much of the world's population moved from farms to cities in the 20th century. Allowing people to move to better climates in the 21st will be equally possible. Such investments in climate adaptation are small compared with the investments we will regularly make in houses, businesses, infrastructure and education.

And economics is the central question—unlike with other environmental problems such as chemical pollution. Carbon dioxide

hurts nobody's health. It's good for plants. Climate change need not endanger anyone. If it did—and you do hear such claims—then living in hot Arizona rather than cool Maine, or living with Louisiana's frequent floods, would be considered a health catastrophe today.

Global warming is not the only risk our society faces. Even if science tells us that climate change is real and man-made, it does not tell us, as President Obama asserted, that climate change is the greatest threat to humanity. Really? Greater than nuclear explosions, a world war, global pandemics, crop failures and civil chaos?

No. Healthy societies do not fall apart over slow, widely predicted, relatively small economic adjustments of the sort painted by climate analysis. Societies do fall apart from war, disease or chaos. Climate policy must compete with other long-term threats for always-scarce resources.

Facing this reality, some advocate that we buy some "insurance." Sure, they argue, the projected economic cost seems small, but it could turn out to be a lot worse. But the same argument applies to any possible risk. If you buy overpriced insurance against every potential danger, you soon run out of money. You can sensibly insure only when the

premium is in line with the risk—which brings us back where we started, to the need for quantifying probabilities, costs, benefits and alternatives. And uncertainty goes both ways. Nobody forecast fracking, or that it would make the U.S. the world's carbon-reduction leader. Strategic waiting is a rational response to a slow-moving uncertain peril with fast-changing technology.

Global warming is not even the obvious top environmental threat. Dirty water, dirty air and insect-borne diseases are a far greater problem today for most people world-wide. Habitat loss and human predation are a far greater problem for most animals. Elephants won't make it to see a warmer climate. Ask them how they would prefer to spend \$1 trillion—subsidizing high-speed trains or a human-free park the size of Montana.

Then, we need to know what effect proposed policies have and at what cost. Scientific, quantifiable or even vaguely plausible cause-and-effect thinking are missing from much advocacy for policies to reduce carbon emissions. The Intergovernmental Panel on Climate Change's "scientific" recommendations, for example, include "reduced gender inequality & marginalization in other forms,"

"provisioning of adequate housing," "cash transfers" and "awareness raising & integrating into education." Even if some of these are worthy goals, they are not scientifically valid, cost-benefit-tested policies to cool the planet.

Climate policy advocates' apocalyptic vision demands serious analysis, and mushy thinking undermines their case. If carbon emissions pose the greatest threat to humanity, it follows that the costs of nuclear power—waste disposal and the occasional meltdown—might be bearable. It follows that the costs of genetically modified foods and modern pesticides, which can feed us with less land and lower carbon emissions, might be bearable. It follows that if the future of civilization is really at stake, adaptation or geo-engineering should not be unmentionable. And it follows that symbolic, ineffective, political grab-bag policies should be intolerable.

Mr. Henderson is a research fellow with the Hoover Institution and an economics professor at the Naval Postgraduate School. Mr. Cochrane is a senior fellow of the Hoover Institution and an adjunct scholar of the Cato Institute.

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Burton

7-9 minutes

Donald Trump Deepens GOP Divide (UNE)

Siobhan Hughes
and Thomas M.

transgender people in the military and a White House staff shakeup, divisions that were largely set aside at the start of 2017 have emerged anew.

"Particularly among some of my former colleagues in the House, there is a frustration and lament about opportunities squandered in what should be a prime time for a GOP legislative agenda," said former Republican Rep. David Jolly of Florida. In 2015, Mr. Jolly urged Mr. Trump to drop out of the presidential race and, as a result, lost the support of some GOP voters during his unsuccessful re-election bid.

Mr. Jolly added that Mr. Trump remains popular among many of his voters.

"They are going to stick with Trump—they like him the more combative he is and the more his back is against the wall," he said. "He captured a very angry base, and Trump has mastered the suggestion that fighting and being

angry is actually accomplishing results."

During the Obama years, the party was split between establishment Republicans and hard-line conservatives who rose to prominence out of the tea-party movement. Now, more Republicans are beginning to split from the president, seeing him as easily riled and hampering the party's ability to govern.

Last week started with Mr. Trump's criticisms of Attorney General Jeff Sessions as "weak" and "beleaguered" and ended with his decision to push out his chief of staff, Reince Priebus. Along the way, Republicans reacted to new White House communications director Anthony Scaramucci's profane denunciation of his fellow West Wing aides in a published interview and Mr. Trump's military transgender ban, a policy change that Republicans neither requested nor anticipated.

Sunday on CNN, Sen. Susan Collins of Maine, a Republican who

has said she didn't vote for Mr. Trump, took a shot at the president's propensity to communicate by Twitter, saying that "whether it's health care or the transgender issue for our military, I just don't think a tweet is the right way to go."

Speaking on CBS, Sen. Jeff Flake (R., Ariz.) said that Republican leaders were complicit if they didn't call out Mr. Trump for his behavior. "We can't respond to everything," he said. "But there are times when you have to stand up and say 'I'm sorry. This is wrong.'"

On the other side are Republicans who echo Mr. Trump's behavior and tone.

Rep. Blake Farenthold (R., Texas) last week suggested that he would have settled differences with Ms. Collins and Sen. Lisa Murkowski (R., Alaska), who both made decisive votes against a GOP health plan, by challenging them to duels had they been male. Mr. Farenthold later apologized. Rep. Buddy Carter (R., Ga.), asked about

July 30, 2017 7:41 p.m. ET

WASHINGTON—President Donald Trump's tumultuous past week has widened rifts in his party, between those who vocally support the president's combative style and others who bridle at it, according to interviews with GOP officials and supporters across the country.

Mr. Trump has long been a polarizing force among members of his party, but for the first several months of his tenure, the GOP was largely united by a shared desire to make the most of his election and the party's total control of the government for the first time in a decade.

After a week that included the president attacking his attorney general, the collapse of a GOP health bill, a surprise effort to bar

Trump's decision to attack Ms. Murkowski on Twitter over her "no" vote, used a confusing but coarse phrase that suggested resorting to physical assault. His spokeswoman said he wasn't commenting on Ms. Murkowski but was using a southern idiom roughly translating to "get your act together."

"They're just attacking him for everything, even some of the Republicans," said Republican New Hampshire State Rep. Al Baldasaro, about Mr. Trump. "I'm really disgusted over the GOP." He had praise for the new White House communications director, Mr. Scaramucci, saying "we've finally got someone who's outspoken."

Rep. Chris Collins (R., N.Y.), the first member of Congress to endorse Mr. Trump, said that instead of turbulence, Mr. Trump last week "had one of the best weeks he has ever had." Pointing to his calls to crack down on the street gang known as MS-13, Mr. Collins said that "he is addressing one of the scourges of America."

In Congress, some Republicans are pushing back at Mr. Trump through actions. Last week, the House and Senate passed legislation that would make it hard for Mr. Trump to relax economic sanctions on Moscow or to restore Russia's control over diplomatic compounds, in response to U.S. intelligence findings that Russia interfered in the elections, which Russia denies.

In the meantime, Republican senators moved to block every path Mr. Trump might try to use to fire and replace Mr. Sessions, out of concern that doing so would disrupt the independence of the investigation into any election interference.

Senate Judiciary Committee Chairman Chuck Grassley (R., Iowa) said his committee didn't have time to fit in hearings on a new attorney general. Sen. Lindsey Graham (R., S.C.) said he was writing legislation to protect the independence of a special counsel hired to investigate links between Russians and the Trump campaign,

a probe that Mr. Trump has called a witch hunt.

Senate Majority Leader Mitch McConnell (R., Ky.) and House Speaker Paul Ryan (R., Wis.) are driving ahead with their agenda. Mr. Trump has been insisting that Republicans dive back into the health-care fight, but Mr. McConnell hasn't budged since declaring early Friday morning that it was "time to move on" from the GOP health bill. In a Fox News interview on Sunday, Mr. Ryan talked only about advancing a tax overhaul.

Signs are emerging that the intraparty battle could threaten the party's standing in the 2018 elections and the president's beyond that. Mr. Jolly, the former Florida congressman, said he is part of a group discussing how to put together a primary challenge to Mr. Trump in 2020. "There are people looking for a mainstream Republican place to land, and it's not in Trump's Republican Party," he said.

Michael Steele, a former Republican National Committee chairman and lieutenant governor of Maryland, said "the president is in his element when in front of a crowd of 40,000 instead of behind his desk dealing with the minutiae of governing. That's not governing, that's theater, a reality TV presidency."

Gary Kirke, an Iowa businessman and prominent Trump donor, said his support is unshaken. He said he wonders whether various White House staff who have been pushed out "were loyal to him after he appointed them."

"So far, I think he's done a good job," Mr. Kirke said.

—Janet Hook contributed to this article.

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The New York Times Republicans Worry That White House Disarray Is Undermining Trump (UNE)

Alexander Burns and Michael D. Shear

9-12 minutes

Joseph A. Trillo, who was chairman of President Trump's campaign in Rhode Island, has chalked up any missteps by Mr. Trump to his newcomer status. Steven Senne/Associated Press

President Trump and Republicans in Washington have shaken the confidence of their supporters after a punishing and self-inflicted series of setbacks that have angered activists, left allies slack-jawed and reopened old fissures on the right.

A seemingly endless sequence of disappointments and blunders has rattled Mr. Trump's volatile governing coalition, like Mr. Trump's attacks on Attorney General Jeff Sessions; a vulgar tirade by his new communications chief, Anthony Scaramucci; and the collapse of conservative-backed health care legislation.

Mr. Trump remains overwhelmingly popular with Republicans, but among party loyalists and pro-Trump activists around the country, there are new doubts about the tactics he has employed, the team he has assembled and the fate of the populist, "drain the swamp" agenda he promised to deliver in

partnership with a Republican-controlled Congress.

"There is a significant amount of justified frustration, particularly with the Senate," said Robin Hayes, the chairman of the North Carolina Republican Party, alluding to the health care defeat. "I don't want to use any Scaramucci language this morning, but it's their inability to function as a team, to work together and come up with a responsible win."

Some Republican grass-roots activists cheered the ouster on Friday of Reince Priebus, a former party chairman, as White House chief of staff, and his replacement with John F. Kelly, a retired Marine general. "Priebus was in over his head," said Ed Martin, a former Missouri Republican Party chairman. "General Kelly is battle tested."

But Mr. Hayes said that while a strong majority of Republican voters adored Mr. Trump, there are creeping doubts about other administration advisers. Mr. Hayes said that Mr. Scaramucci's interview with The New Yorker magazine, in which he savaged several White House colleagues in sexually graphic terms, had shocked Republicans in his state.

"How does that help us get health care and tax reform and rebuilding the military?" Mr. Hayes said.

Gov. John Kasich of Ohio, a Republican who has been critical of Mr. Trump, echoed that sentiment, saying meaningful policies will emerge from the White House only when the "chaos" in the administration abates. He said he was uncertain whether the shake-up of the senior staff would have that effect.

Mr. Trump at Joint Base Andrews in Maryland on Friday, the day he announced the ouster of his chief of staff, Reince Priebus. Tom Brenner/The New York Times

"You'll have optimism within the White House when they start having stability," Mr. Kasich said.

Among the president's legislative allies in Washington, too, there is a deepening sense of dread that presidential tweets — like the out-of-the-blue ban on transgender people serving in the military — and continuing chaos inside the West Wing will get in the way of efforts to lower taxes, crack down on immigration, overhaul trade policies and rethink the country's foreign policy.

"The administration is having a hard time getting out of its own way," said Ira Mehlman, a spokesman for the Federation for American Immigration Reform, which was angry about the president's criticism of Mr. Sessions. "The seeming disarray in the White House

obviously makes it hard for the administration to carry out its policies."

Joseph A. Trillo, a former Republican National Committee member from Rhode Island who was chairman of Mr. Trump's campaign in the state, faulted others for the White House disarray and chalked up any missteps to Mr. Trump's newcomer status in Washington.

"He's made some mistakes," Mr. Trillo said of Mr. Trump. "He didn't have political experience, and I think some of the biggest mistakes are some of the people he has surrounded himself with."

The turbulent phase appears to have taken its toll on Mr. Trump's popularity, even among those in his own party. Though Republicans are strongly supportive of him over all, public polls have shown dissatisfaction on the right with his personal demeanor and Twitter habits. On Friday, a Gallup tracking poll found Mr. Trump's job approval rating was 39 percent.

Inside Washington, the reservations run even deeper. Some veteran Republican lobbyists are increasingly skeptical that the president has built a team capable of making good on his promises. At the end of a week in which the party failed in its promise to repeal former President Barack Obama's health

care law, one Washington lobbyist, who did not want to be identified as being critical of the president, said he and others were frustrated, appalled and scared.

The concern, the lobbyist said, is that without sustained White House leadership — the kind that is in short order — complicated legislation like a tax overhaul or rolling back banking regulations will not be accomplished.

Robin Hayes, the chairman of the North Carolina Republican Party, in June. Mr. Hayes said there was growing anxiety among Republicans that the party seemed unable to achieve its goals in Washington. Mike Spencer/Associated Press

Andrew Roth, the chief lobbyist for the Club for Growth, a group that fiercely advocates lower taxes, expressed optimism that Republicans would succeed, and he said that some of Mr. Trump's economic advisers were working effectively in spite of the chaos.

But Mr. Roth acknowledged that two things could get in the way: "Distractions being caused by a White House that is still in a transitional phase" and a "dysfunctional Republican Party" in Congress that includes too many liberals.

"It is well past time that people recognize that there are far too

many Democrats in the Republican Party," Mr. Roth said.

Republicans are hardly despondent across the board about the seemingly listless pace of change in Washington. In addition to the confirmation of a new Supreme Court justice, Neil M. Gorsuch, they take heart from the list of business regulations Mr. Trump has voided, and from his administration's aggressive enforcement of immigration laws.

Jay Timmons, the president and chief executive of the National Association of Manufacturers, a powerful business lobby, said he was optimistic Republicans would enact major legislation around taxes, infrastructure investment and more.

"There's a lot going on that has been beneficial to the business community," Mr. Timmons said, acknowledging that there had also been distractions from the party's main agenda. "That doesn't mean that progress and success is still not occurring."

Still, Republican activists and party officials described the Senate health care vote, held in the early hours of Friday morning, as a bitter disappointment, and several spoke in caustic language about the three Republican lawmakers who blocked the bill — Susan Collins of Maine, John McCain of Arizona and Lisa Murkowski of Alaska.

The sharpest frustration, however, came from Trump loyalists who described Congress as having failed to accommodate Mr. Trump and his agenda more broadly — or even as taking a deliberately oppositional posture toward a president of their own party.

"I blame everything on Congress, and most of the people I talk to feel the same way," said Rex Early, an Indiana businessman who led Mr. Trump's campaign in the state. "I'd like to see him take on Congress, but I think he feels that he has to get along with them, and he's probably right."

Mr. Trump has occasionally berated Republican members of Congress, and on Wednesday rebuked Ms. Murkowski on Twitter for having "let the Republicans, and our country, down" with her position on health care. On Friday, Mr. Trump stopped short of criticizing the health care holdouts by name, but lamented in a speech on Long Island that "the swamp" had prevailed over his agenda, for now.

But some of his supporters would like to see Mr. Trump go further, and a number of activists and Republican candidates called on Mr. Trump to take a harder line with members of his own party.

Corey Stewart, a conservative immigration activist in Virginia who nearly captured the party's nomination for governor this year,

encouraged Mr. Trump to take the fight more aggressively to intransigent Republicans.

"He's been remarkably patient," said Mr. Stewart, who has announced that he will run for Senate in 2018. "I think he needs to play a little bit more rough with the Republican establishment in the House and Senate."

Mr. Stewart, too, said that there were aspects of the president's conduct that appeared unproductive, like his public feud with Mr. Sessions.

"This stuff would be better solved behind closed doors," Mr. Stewart said.

But other supporters said that after six months with Mr. Trump in office, they do not expect a change in his behavior — and many do not want one.

Pam Bondi, the attorney general of Florida and a strong Trump supporter, suggested the onus was on Congress to catch up with Mr. Trump. "President Trump is ready and waiting for them to act," Ms. Bondi said, referring to the health care issue.

"Congress should beware," she added, "our president will not give up on doing what's right for the American people."



Donald Trump Is Already a Lame Duck

8-10 minutes

In another case of projection, President Trump routinely refers to the *New York Times* as "failing." In reality the *Times* is seeing record subscription numbers. It is the White House that is failing.

Trump can't get the repeal of Obamacare, or any other legislative priority, through a Republican-controlled Congress. He has had no real achievements other than the confirmation of Justice Neil Gorsuch. It turns out that a president with under-40 percent approval ratings can't strong-arm legislators into doing his will, and Trump's clumsy attempts to do so have predictably backfired.

Interior Secretary Ryan Zinke threatened to block federal projects in Alaska if Senator Lisa Murkowski didn't back the Republican health-care "plan." As chairwoman of the Senate Energy and Natural Resources Committee, Murkowski let her displeasure be known by stalling a nomination that Zinke wants, and then by voting against

the health bill anyway. She can now make life miserable for Zinke for as long as she wants, because her committee oversees his department. As the Washington Post noted, this is "political malpractice" of a high order, but it is typical of Trump's amateurish operation.

The health-care bill was only the second of two major legislative defeats Trump suffered last week. The other was the approval by veto-proof margins in both houses of sanctions against Russia, thus killing Trump's chances of delivering the rapprochement that Mike Flynn evidently promised the Russian ambassador before the inauguration.

Yet another repudiation of the president came from his own Department of Defense. Trump tweeted an order banning transgendered individuals from military service, apparently without consulting the Pentagon's leaders in advance. The generals, in turn, let it be known that they were not going to act on Trump's tweets until the White House delivers a formal order

and Secretary of Defense Jim Mattis — who was on vacation and thunderously silent — issues implementation instructions. So Trump can't even get "my generals," as he refers to the leaders of America's armed forces, to carry out his rash edicts.

Meanwhile, the world becomes an ever-more dangerous place, with both Iran and North Korea testing long-range missiles. Kim Jong-un either already has, or will soon have, the ability to incinerate Washington. But Trump can barely notice world crises, because he is too preoccupied tending to his own, self-created crises.

The president spent much of last week focused on his feud with Attorney General Jeff Sessions and — by proxy — with then-White House Chief of Staff Reince Priebus. The proxy in the latter case was, of course, Trump's foul-mouthed Mini-Me, Anthony Scaramucci, who appears to have wandered into Washington straight off the set of *The Wolf of Wall Street*.

"The Mooch," as he likes to be called, has taken a unique approach to his job as White House communications director. Shortly after taking the post, he accused Priebus of a "felony" for having supposedly leaked his financial disclosure form. In truth, the Export-Import Bank, where Scaramucci had previously been slated to go, had released the document in the normal course of business. This was merely a warm-up to the main act — the Mooch's gobsmacking interview with the *New Yorker*. He bad-mouthed Priebus ("a fucking paranoid-schizophrenic") and Steve Bannon ("I'm not Steve Bannon, I'm not trying to suck my own cock"), threatened to fire the entire White House communications staff and vowed to "fucking kill all the leakers."

No previous White House aide in history has ever said anything remotely like this on the record. (Imagine what Mooch says off-the-record — and yes he did go off-the-record with the *New Yorker* at one point.) In any other White House it would have been grounds for instant dismissal. Not this one.

Trump evidently "loved" the Mooch's tirade so much that he fired not Scaramucci but Priebus. What kind of message does that send to other administration employees — and to every other American — about what kind of behavior this president expects?

The new chief of staff is the retired Marine general John Kelly, until now Trump's Secretary of Homeland Security. No doubt Trump hopes that the general can straighten out what ails the White House. It is, of course, a vain hope, because, to quote the Mooch, "the fish stinks from the head."

The dead-fish stench emanating from the White House has wafted all the way to the Justice Department. The president has been engaged in a passive-aggressive campaign against the man he calls "our beleaguered A.G." — beleaguered, of course, by Trump himself. Trump spent a week publicly needling Sessions for recusing himself from the investigation into the Trump campaign's Russia ties. There is plenty one can criticize Sessions for, including his apparent lies about his contacts with the Russians last

year, but not for this. Having been involved in the Trump campaign, Sessions had no choice but to recuse himself.

Naturally, Trump is fine with Session's convenient lapses of memory. He only objected when Sessions did the ethical and honest thing. For good measure, the president has been berating Sessions for taking "a VERY weak position on Hillary Clinton crimes (where are E-mails & DNC server) & Intel leakers!"

Trying to use the criminal justice system to strike back at an enemy of the president is an impeachable offense. So is obstructing an investigation of the president and his aides. But the president appears so terrified of what Special Counsel Robert Mueller may uncover that he is willing to risk a constitutional crisis to stop the Kremlingate investigation. Yet Trump, a consummate bully, is too cowardly to either confront Sessions directly or to fire him; he prefers to make Sessions' life such a living hell that he will resign, thereby allowing the appointment of a stooge who will fire Mueller.

Trump's mistreatment of Sessions — one of his earliest and most loyal followers — has elicited a backlash from Sessions' friends in the Senate and in the nationalist-populist movement. Newt Gingrich, Rush Limbaugh, Tucker Carlson, David Horowitz, and all of Trump's other toadies professed shock at one of their heroes mistreating another.

It's interesting to see what constitutes a breaking point for the Trump crowd. They were fine with Trump's ignorance, inconsistency, and mendacity; his crazy conspiracy theories and unhinged tweets; his vile attacks on women, war heroes, and the press; his demonization of Mexicans and Muslims; his pussy-grabbing and general, all-around loutishness; his kowtowing to Vladimir Putin, Rodrigo Duterte, and other loathsome dictators; his son's eagerness to collude with the Russian government and his own attempts to obstruct justice by firing the FBI director. The Trumpites excused all of this inexcusable conduct on the grounds that "at least he fights."

True, he fights. But what does he fight *for*? Not for conservative

principles. He has no principles. Trump is not pursuing an "America First" policy. He is pursuing a "me first" policy. He will not fight for legislative priorities such as health-care reform — a subject he does not understand or care about — but he will fight to obstruct an investigation into his own misconduct.

None of this should be remotely surprising to anyone who has been awake for the past two years. Jeb Bush accurately called Trump the "chaos candidate" and predicted that he would be the "chaos president." This did not faze his fans for a second. They wanted someone to come in and shake up Washington. Well, they got what they wanted. Now we must all live with the calamitous consequences. Trump may be the first president ever to have become a lame duck with 3 and a half years remaining in his term of office.

Photo credit: JEFF KOWALSKY/AFP/Getty Images

THE HILL

opinion contributor

5-6 minutes

Reince Priebus learned a hard lesson over the past six months and Americans should pay attention to it. After leaving his job as White House Chief of Staff last week, Priebus told Sean Hannity that the national press is flat-out "dishonest."

"What I find to be amazing is how narratives are set and a lot of it is not true. ... The most breathtaking thing for me has been the difference between what the truth is and what often gets reported."

Priebus was referring to story lines that have taken deep root in the anti-Trump media.

The most prominent one is that Russia and the Trump campaign worked together to sabotage Clinton's presidential run. Hundreds of stories have run bolstering that theory; many of them driven by rank speculation and the use of anonymous sources that are clearly opposed to Trump.

The second story line embraced by the hate-Trump forces is that the president is unfit to hold the office.

Bill O'Reilly: A media lynch-mob is trying to take down Trump

Bill O'Reilly,

Under this banner, almost everything the man says or does is reported as a negative. Day after day, the media themes of corruption and incompetence are hammered home with few solid facts to back up the negative expositions. It must be said, however, that Trump's lack of discipline in replying to the attacks is greatly aiding his opposition.

It is certainly true that every American has the right and perhaps civic duty to form an educated opinion about their leader. But those opinions should be based on facts that demonstrate truth — not contrived narratives designed by partisan ideologues.

And it's not just the left that is hating Trump. A good number of conservatives are participating in the lynch mob. If you think there wasn't a dose of personal animus in John McCain's vote to keep ObamaCare intact, you're living in the Land of Oz. Senator McCain despises, perhaps with justification, and fully understands how his vote has damaged the president.

Another conservative, pundit Peggy Noonan, recently launched a vicious personal attack on Trump's manhood. Ms. Noonan basically ignored the unprecedented battering the president has taken in the media as a reason that he might respond to criticism inappropriately at times. She is smart enough to know the media score but not

honest enough to provide perspective while denigrating Trump.

By the way, that's what seeking the truth is all about, providing some honest perspective even if you don't like someone.

Reince Priebus witnessed the hostile media onslaught up close and personal. At this point in our history, few reporters are actively seeking the truth. Almost all allegations against Trump and his supporters are treated as facts. Conclusions are drawn, narratives spun.

In short, Americans are being barraged with story lines designed to make it impossible for Donald Trump to govern.

This is right out of the Saul Alinsky "Rules for Radicals" playbook. Isolate a political target, and hammer the person ceaselessly with whatever you can think of. The truth be damned. Demonize and marginalize your opposition in order to destroy them.

As Cheryl Attkisson's new book "The Smear" chronicles with facts, the anti-Trump, anti-conservative movement has now become an organized industry in the U.S. with millions of dollars supporting it. More than a few national press people are part of that industry as they print or broadcast unproven

accusations using the word "reportedly" to justify spreading unverified information.

It is very possible that the White House does not fully understand the powerful forces arrayed against it. Priebus seems shocked by what he calls "press dishonesty." But it has been on display for many years.

The difference now is Donald Trump. He is so despised by the progressive movement, and by some conservatives as well, that old rules of fairness and truth-seeking no longer apply. It is obviously wrong for the press to insinuate and then promote conclusions based upon biased conjecture, but in some media precincts the "get Trump" end justifies the means.

Presidential tweets and charges of fake news are not going to be enough to blunt the media corruption that has so horrified Reince Priebus.

Only a full, methodical exposure of it to the American people may provide some balance.

Bill O'Reilly is the former host of "The O'Reilly Factor" on Fox News and is the author of "Old School: Life in the Sane Lane," and "Killing the Rising Sun." He now analyzes the news on BillO'Reilly.com.

Editorial : The man who may disenfranchise millions

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

11-14 minutes

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

July 30 at 7:07 PM

THE DAY after last fall's presidential election, Kris Kobach got to work. In an email plotting action items for the new Trump administration, Mr. Kobach, the Republican secretary of state in Kansas and a champion of voter suppression campaigns there and nationally, said he had "already started" drafting a key legislative change that would enable states to impose rules complicating registration for millions of new voters — exactly the sort of rules he had advanced in Kansas, with mixed success.

Writing to a Trump transition official, Mr. Kobach said he was preparing an amendment to the National Voter

Registration Act to allow states to demand documentary proof of citizenship for new registrants. Despite years of litigation and adverse rulings from courts, that same requirement in Kansas, in effect since 2013, had blocked more than 30,000 people at least temporarily from registering and, in thousands of cases, from voting, according to the Brennan Center for Justice, which studies voting issues and has contested Mr. Kobach's moves in Kansas.

Nearly all of those blocked in Kansas were eligible U.S. citizens who simply lacked ready access to passports, birth certificates and other documents, as at least 5 percent of Americans do. Disproportionately, those lacking such documents are minorities and younger voters — groups that tend to back Democrats.

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Mr. Kobach now leads a presidential commission on election integrity, established by President

Trump after his groundless assertion that 3 million to 5 million people voted illegally last November. The commission, stacked with Kobach clones who have made voter suppression into a political cottage industry, could undertake various forms of mischief intended to impede voting. Few would be as effective, or as damaging to electoral participation, as fiddling with registration by changing the NVRA, known as the "motor voter" law.

Enacted in 1993, the "motor voter" measure makes registration as foolproof and easy as possible by allowing people to sign up to vote when they apply for or renew driver's licenses. The law requires registrants to sign a form attesting to their U.S. citizenship, under penalty of perjury. But in Kansas, and before that in Arizona, voter-obstructing Republicans demanded additional documentation.

The requirement was a solution to a non-problem. In Kansas, a federal court found that in the 18 years before 2013, when the state rule went into effect, just 14 noncitizens

attempted to register, and only three actually cast votes in federal elections.

But because many native-born and naturalized citizens lack documents such as passports, the law tripped up huge numbers of Kansans trying to register. In motor vehicle offices alone, where about 40 percent of Kansans sign up to vote, some 18,000 otherwise qualified applicants were blocked from registering, at least temporarily. At least 12,000 others who attempted to register elsewhere had similar problems; many of them were unable to vote in last year's primaries and general election.

That's why fears about Mr. Kobach's intentions now are justified. If his commission endorses the Kansas model, or even recommends requiring documentary proof of citizenship as a condition of voter registration, millions of Americans will face disenfranchisement, and democracy itself will be at risk.

Hiatt : Behold the Trump boomerang effect

<https://www.facebook.com/fhiatt1>

6-7 minutes

By Fred Hiatt Editorial Page Editor
July 30 at 7:14 PM

Did your head spin when Utah's Orrin Hatch, a true conservative and the Senate's longest-serving Republican, emerged last week as the most eloquent spokesman for transgender rights? Credit the Trump boomerang effect.

Much has been said about White House dysfunction and how little President Trump has accomplished in his first six months. But that's not the whole story: In Washington and around the world, in some surprising ways, things are happening — but they are precisely the opposite of what Trump wanted and predicted when he was sworn in.

The boomerang struck first in Europe. Following his election last November, and the British vote last June to leave the European Union, anti-immigrant nationalists were poised to sweep to power across the continent. "In the wake of the electoral victories of the Brexit campaign and Donald Trump, right-wing populism in the rich world has appeared unstoppable," the

Economist wrote. Russian President Vladimir Putin would gain allies, the European Union would fracture.

Act Four newsletter

The intersection of culture and politics.

But European voters, sobered by the spectacle on view in Washington, moved the other way. In March, the Netherlands rejected an anti-immigrant party in favor of a mainstream, conservative coalition. In May, French voters spurned the Putin-loving, immigrant-bashing Marine Le Pen in favor of centrist Emmanuel Macron, who went on to win an overwhelming majority in Parliament and began trying to strengthen, not weaken, the E.U.

Meanwhile, German Chancellor Angela Merkel, whom Trump belittled for having allowed so many refugees into her country, has grown steadily more popular in advance of a September election.

The Senate on July 27 passed a bill that increases sanctions on Russia, North Korea and Iran. The White House hasn't said whether President Trump will veto the bill. The Senate on July 27 passed a bill increasing sanctions on Russia, North Korea and Iran. The White House hasn't said whether President Trump will veto it. (U.S. Senate)

(U.S. Senate)

Trump's win seemed certain to bring U.S.-Russian ties out of the deep freeze. Again, the opposite has happened. Congress, which can't agree on anything, came close to unanimity last week in endorsing tough, Trump-proof sanctions against the Putin regime. Russia is expelling diplomats and seizing U.S. diplomatic properties. The new Cold War is colder than ever.

The third sure thing, once Republicans took control, was the quick demise of Obamacare. We saw last week how that turned out. But here's the boomerang effect: Obamacare is not just hanging on but becoming more popular the more Trump tries to bury it. And if he now tries to mismanage Obamacare to its death, we may boomerang all the way to single-payer health insurance. This year's debate showed that most Americans now believe everyone should have access to health care. If the private insurance market is made to seem undependable, the fallback won't be Trumpcare. It will be Medicare for all.

Once you start looking, you find the boomerang at work in many surprising places. Trump's flirting with a ban on Muslim immigration encouraged federal judges to encroach on executive power over

visa policy. Firing FBI Director James B. Comey entrenched the Russia investigation far more deeply. Withdrawing from the Paris climate treaty spurred states from California to Virginia to toughen their policies on global warming. Threatening the research budget may have strengthened the National Institutes of Health's hand in Washington. And so on.

The boomerang effect is no panacea. Trump can still do grave damage at home and abroad in the next 3½ years. If he undermined Obamacare, millions of people would suffer before we got to single-payer. Nationalist governments ensconced in parts of Eastern Europe could still draw strength from Trump. The absence of U.S. leadership in the world leaves ample ground for others to cause trouble.

But Trump's policies are turning against him, and not only because his execution has been so ham-handed. The key factor is that so many of his policies run so counter to the grain of cherished values and ideals.

It turns out that Americans really don't like the idea of poor people not being able to see a doctor. We don't feel right cozying up to a dictator whose domestic opponents are rubbed out and whose

neighboring countries are invaded and occupied.

And even if some Americans don't know all that much about transgender people, it turns out we are less comfortable treating anyone as a "burden," as Trump said in his tweet, than in valuing

every individual's service, a spirit that Hatch captured in his straightforward, humane response.

"I don't think we should be discriminating against anyone," Hatch said. "Transgender people are people, and deserve the best we can do for them."

And Americans aren't unique. Millions of people in Europe and around the world are just as appalled by the scapegoating of minorities and the celebration of police brutality.

That has an effect. Maybe Newton's third law of motion doesn't translate

perfectly into the political sphere, but a version of it applies: For every malignant or bigoted action, there will be an opposite reaction. And you can never be sure where it will begin.

THE WALL STREET JOURNAL

6-8 minutes

Updated July 30, 2017 7:51 p.m. ET

WASHINGTON—Two hours after President Donald Trump tweeted Friday he was replacing Chief of Staff Reince Priebus with his homeland security secretary, Mr. Priebus's colleagues filed into the White House's Roosevelt Room to watch their former boss tape an exit interview on CNN. The question on many of their minds, according to administration officials: Who would be next?

Mr. Priebus's departure came a week after Sean Spicer—who was among the group watching the CNN interview—resigned as press secretary over the president's hiring of a new communications director, though he plans to stay on until August. The latest move left West Wing officials awaiting over the weekend other changes to come in a White House coming off of one of the most turbulent weeks for any administration in recent memory.

Several officials, some of whom had left the building on Friday when Mr. Trump made his announcement, said they expected further shuffling in coming weeks as new Chief of Staff John Kelly sets up shop. Anthony Scaramucci, the newly installed communications director, had already spent the past several days threatening to fire officials caught leaking information to the news media.

The departure of Mr. Priebus, a former chairman of the Republican National Committee, also prompted concerns from some Republicans about the administration's

relationship with the party, which has shouldered some communications work for the White House in recent months.

Mr. Scaramucci sought to ease those concerns on Sunday, tweeting that he had spoken to RNC Chairwoman Ronna Romney McDaniel and looked forward to "building [an] even stronger relationship."

Mr. Priebus was the third former RNC aide to leave in a single week, and other former RNC staffers in the West Wing have feared they would soon be purged over doubts—which many say are ungrounded—about their loyalty to the president, according to several White House officials.

The officials over the weekend said they hoped Mr. Kelly, a retired Marine Corps general, would command the president's respect and attention in a way that Mr. Priebus appeared unable to do. "If he says you should stop, he might actually think twice about sending that tweet," one official said of Mr. Trump, whose top advisers have proved unable to curb his penchant for bombastic social-media posts.

On Sunday, senior White House officials in television interviews said they expected Mr. Kelly to bring order to the West Wing.

"If we can have protocol, pecking order, order, discipline, and the chief of staff that empowers the staff to succeed," said senior White House counselor Kellyanne Conway in an interview with Fox News on Sunday. "I know that Gen. Kelly has done that." She declined to answer a question about whether all White House staff—including Mr. Scaramucci, who said upon his hiring that he reported to the

president—would report to Mr. Kelly in his new role.

Mr. Kelly, who is set to be sworn in as chief of staff on Monday, joined Mr. Trump and other cabinet officials Saturday evening for dinner at the Trump International Hotel in Washington.

Many White House aides said Mr. Priebus's departure was sealed after the demise of the Republican health-care bill in the Senate early Friday and when Mr. Priebus declined to respond to a profanity-riddled rant by Mr. Scaramucci in an interview with the New Yorker on Wednesday in which he disparaged the chief of staff as a "paranoid schizophrenic, a paranoid."

Mr. Priebus's relationships with the Republican Party's top donors—many of whom had initially resisted Mr. Trump's campaign—were instrumental in Mr. Trump's fundraising efforts last year and led in part to his appointment. In the 2016 election, the RNC ran Mr. Trump's large-dollar fundraising operation, helping it raise more than \$100 million in a joint fundraising vehicle with the campaign.

"It was nice having one of our own in that position," said Jeff Kaufmann, chairman of the Iowa Republican Party. "Reince understood the minutiae of campaigns. That level of understanding was helpful."

Several top Republican donors said they didn't expect Mr. Priebus's departure to affect the administration's relationship with the party committee. The White House has also grown in some ways dependent on the RNC's communications staff, which has taken on much of the administration's rapid response and surrogate efforts. The surrogate

booking office at the RNC alone is expected to reach 10 people, five times what the party had initially budgeted for.

Ms. McDaniel has established relationships with Mr. Trump's adult children and son-in-law Jared Kushner, and has met with them at least three times in recent months, according to a person with knowledge of the conversations. Ms. McDaniel is an avid fundraiser at the RNC, which raised \$75 million through June—nearly twice as much as the RNC raised in the first six months of 2013, the equivalent point in the campaign cycle. The party's finance chairman, real-estate billionaire Steve Wynn, is a longtime friend of Mr. Trump's.

Some top donors have said Mr. Priebus didn't make a point of maintaining his relationships with them from the White House, after he spent much of the 2016 campaign cycle on the phone raising money. A person close to Mr. Priebus defended his relationships with donors, saying he took pains to return their calls once in the White House.

"He's sat in my office multiple times over the years, so I would've thought that he would've followed up," said Doug Deason, son of tech billionaire Darwin Deason, whose family donated nearly \$500,000 to the RNC's joint fundraising vehicle with the Trump campaign in June 2016. "I never heard from him."

—Peter Nicholas
contributed to this article.

Write to Rebecca Ballhaus at Rebecca.Ballhaus@wsj.com

Appeared in the July 31, 2017, print edition as "Priebus's Ouster Has Staffers on Alert."

TIME

/ AP

4-6 minutes

(WASHINGTON) — President Donald Trump's new chief of staff is entering a West Wing battered by crisis.

John Kelly: Trump's New Chief of Staff Takes Over

Catherine Lucey

Retired Gen. John Kelly, previously the Homeland Security secretary, takes over Monday from the ousted Reince Priebus. Trump hopes Kelly can bring some military order to an administration weighed down by a stalled legislative agenda, a cabal of infighting West Wing aides and a stack of investigations.

Still, Kelly's success in a chaotic White House will depend on how much authority he is granted and whether Trump's dueling aides will put aside their rivalries to work together. Also unclear is whether a new chief of staff will have any influence over the president's social media histrionics.

Former Trump campaign manager Cory Lewandowski, who was ousted from the campaign in June 2016, said on NBC's "Meet the Press" that he expected Kelly would "restore order to the staff" but also stressed that Trump was unlikely to change his style.

"I say you have to let Trump be Trump. That is what has made him successful over the last 30 years. That is what the American people voted for," Lewandowski said. "And anybody who thinks they're going to change Donald Trump doesn't know Donald Trump."

Kelly's start follows a tumultuous week, marked by a profane tirade from the new communications director, Trump's continued attacks on his attorney general and the failed effort by Senate Republicans to overhaul the nation's health care law.

In addition to strain in the West Wing and with Congress, Kelly starts his new job as tensions escalate with North Korea. The United States flew two supersonic bombers over the Korean Peninsula on Sunday in a show of force against North Korea, following the country's latest intercontinental ballistic missile test. The U.S. also said it conducted a successful test of a missile defense system located in Alaska.

Sen. Dianne Feinstein, D-Calif., said on CBS' "Face the Nation" that she hopes Kelly can "be effective," and "begin some very serious negotiation with the North and stop this program."

Another diplomatic fissure opened Sunday when Russian President Vladimir Putin said the U.S. would have to cut its embassy and consulate staff in Russia by several hundred under new sanctions from Moscow. In a television interview, Putin indicated the cutback was retaliation for new sanctions in a bill passed by Congress and sent to Trump.

Trump plans to sign the measure into law, the White House has said. After Putin's remarks, the State Department deemed the cutbacks "a regrettable and uncalled for act" and said officials would assess the impact and how to respond to it.

While Trump is trying to refresh his team, he signaled that he does not want to give up the fight on health care. On Twitter Sunday, he said: "Don't give up Republican Senators,

the World is watching: Repeal & Replace."

The protracted health care fight has slowed Trump's other policy goals, including a tax overhaul and infrastructure investment. But Trump aides made clear that the president still wanted to see action on health care. White House budget director Mick Mulvaney said on CNN's "State of the Union," that senators "need to stay, they need to work, they need to pass something."

Asked if nothing should be voted on in Congress until the Senate votes again on health care, Mulvaney said: "well, think — yes. And I think what you're seeing there is the president simply reflecting the mood of the people."

On Saturday, Trump threatened to end required payments to insurance companies unless lawmakers repeal and replace the Obama-era health care law. He tweeted that if "a new HealthCare Bill is not approved quickly, BAILOUTS for Insurance Companies and

BAILOUTS for Members of Congress will end very soon!"

The payments reduce deductibles and co-payments for consumers with modest incomes. Trump has guaranteed the payments through July, but has not made a commitment going forward.

White House counselor Kellyanne Conway said on "Fox News Sunday" that Trump would make a decision on the payments this week.

Sen. Susan Collins, R-Maine, who opposed the efforts to move a health bill forward this week, said on CNN that cutting the payments would "be detrimental to some of the most vulnerable citizens" and that the threat has "contributed to the instability in the insurance market."

The House has begun a five-week recess, while the Senate is scheduled to work two more weeks before a summer break.



Bergen : The general now in command at the White House faces ultimate test

Peter Bergen, CNN National Security Analyst

6-8 minutes

Story highlights

- Peter Bergen: White House chief of staff was a no-nonsense leader at Homeland Security
- Gen. John Kelly now faces the bigger challenge of taming White House chaos

Peter Bergen is a CNN analyst, a vice president at New America and a professor of practice at Arizona State University. He is the author of "United States of Jihad: Investigating America's Homegrown Terrorists."

(CNN)In November, shortly after the election of Donald Trump, retired four-star Marine Gen. John Kelly was at home on a Saturday afternoon with his wife Karen watching college football when the phone rang.

On the phone was Reince Priebus - the man that Kelly would later supplant as White House chief of staff -- who told Kelly, "Mr. Trump would like to have an opportunity to talk to you about maybe going into the administration."

After serving 45 years in the Marine Corps, Kelly was only eight months into his retirement. Kelly consulted with his wife about the offer from the Trump team. Karen said, "If we're nothing, the Kelly family is a family of service to the nation. If they think they need you, you can't get out of it." She added jokingly, "Besides, I'm really tired of this quality retired time we're spending together."

Kelly soon met with Trump who told him, "I'd like you to take the hardest, and what I consider to be the toughest job in the federal government." Kelly says he panicked, briefly thinking that the offer was to run the State Department, but Trump said he was asking him to run Homeland Security.

Kelly says he was surprised by the offer: "I literally did not know Mr. Trump at all and I didn't know anyone that knew Mr. Trump." Kelly recounted how he made his way into the Trump Cabinet at the Aspen Security Forum earlier this month.

In a wide-ranging interview with Pete Williams of NBC News.

Running the

Department of Homeland Security

(DHS) is indeed one of the toughest jobs in the government. DHS is an ungainly giant of 22 different federal departments and agencies that merged together in the wake of 9/11 and is now made up of 240,000

employees who handle everything from hurricanes to cyber security to border security to terrorism.

As White House chief of staff, Kelly, 67, is taking on what is arguably an even harder job than running DHS. He will surely try to bring a general's discipline to a chaotic group of presidential advisers.

In the past six months the White House has lost not only its first chief of staff but also other key officials such as a national security adviser, a deputy national security adviser, a communications director, a deputy chief of staff, a press secretary, and a top Middle East adviser.

Kelly certainly has leadership qualities in great abundance. In person, in Aspen, he came across as a no-nonsense, doesn't-tolerate-fools-gladly kind of leader who also treats his staff with respect and listens carefully to what they have to say.

He will need all of his experience and hard-won leadership skills to help correct course at the White House which suffered this past week what historians will surely mark as Trump's single biggest failure hitherto: his inability to push through any kind of repeal of Obamacare.

Kelly has earned Trump's admiration for his aggressive efforts to enforce immigration laws and his

support for the travel ban from half a dozen Muslim-majority countries.

These were, of course, among the key issues that Trump campaigned on and a large drop in illegal immigration is one of the few concrete wins that Trump can point to. Apprehensions of illegal immigrants at the southern border

are down

by more than half since last year, according to the US Customs and Border Patrol.

Illegal immigration is an issue with which Kelly is quite familiar as his last job in uniform was as the four star general in charge of Southern Command (SOUTHCOM) that is focused laser-like on Central and Latin America and protecting the southern border.

As DHS head, Kelly also deftly handled a significant threat to commercial aviation, which was the discovery in March that terrorists in the Middle East were manufacturing hard-to-detect bombs disguised in laptops.

DHS announced that eight Middle Eastern and African countries that have direct flights to the States could not allow passengers to carry on devices larger than a cellphone. By late July this ban had been lifted following the implementation of enhanced security procedures at airports in those eight countries.

In June DHS announced enhanced security measures

at all 280 airports around the world that have direct flights into the States, including greater scrutiny of electronic devices and the use of more bomb-sniffing dogs.

Kelly also has the military credentials that Trump values as much as he does those who have made fortunes on Wall Street. The troika of Kelly, National Security Advisor, Lt. Gen. H.R. McMaster and Secretary of Defense, retired

four-star Marine Gen. Jim Mattis, now hold the key levers of American power. Kelly, Mattis and the Chairman of the Joint Chiefs, Gen. Joseph Dunford, are also all Marines who have worked well together for decades.

Like Mattis, his fellow Marine and confidante, Kelly is blunt when he wants to make a point. When he was asked by a reporter in April 2003 as the Marines were closing in on Saddam Hussein's regime in Baghdad if he was worried about the strength of Saddam's

forces, in the distinctive accent of his native Boston, Kelly

said

, "Hell these are Marines. Men like them held Guadalcanal and took two Jima. Baghdad ain't s---."

The Kellys have also given much to the nation. In 2010 Kelly's 29-year-old son Marine 1st Lt. Robert Kelly was killed by a landmine in Afghanistan. Kelly has another son who is an also Marine officer and a daughter who works for the FBI.

On Veteran's Day, four days after his son's death,

in a speech in St. Louis

, Kelly was clear that he sees the United States' war against jihadist terrorists as a generational conflict. "The American military has handed our ruthless enemy defeat after defeat, but it will go on for years, if not decades, before this curse has been eradicated ... We are at war and like it or not, that is a fact. It is not Bush's war, and it is not Obama's war, it is our war and we can't run away from it."



Kirby : Why Trump has an opportunity in Kelly

John Kirby, CNN National Security

Analyst

5-6 minutes

Story highlights

- John Kirby: In retired Marine General John F. Kelly, the President just got himself a no-kidding, bona fide, straight-shooting, full-tilt leader
- To him, drama is a movie genre he can choose on Netflix -- if he even watches movies much -- not a way of life, Kirby writes

CNN National Security Analyst John Kirby is a retired rear admiral in the US Navy who served as a spokesman for both the state and defense departments in the Obama administration. The views expressed in this commentary are his own.

(CNN)In retired Marine General John F. Kelly, the President just got himself a no-kidding, bona fide, straight-shooting, full-tilt leader as a chief of staff.

Here's hoping Mr. Trump knows how to use him.

Because if he taps into General Kelly's inherent qualities, the President could actually come out on the far side of these first six tumultuous months looking pretty good. Well, better than that, actually. He could come out with a plan to achieve a heckuva lot in his next six months ... and longer.

He could make a full-court press for an infrastructure bill, make some progress on tax reform.

He could get his hands around a strategy for Afghanistan and maybe even sharpen the effort against ISIS in Syria.

He might finally find a road ahead with Russia, and he will certainly find in General Kelly a man who will contribute meaningfully to the very complex challenges North Korea poses.

And here's another item worth mentioning: with Kelly at the helm, the President might finally get his house in order.

He'll be able to do all these things with General Kelly and more, because Kelly is a leader. A natural leader. It's not even something I think he thinks about much. He just does it ... wouldn't know how not to lead, quite frankly.

And Kelly is a believer, too. People closer to the general than I am tell me he is unabashedly committed to President Trump's agenda, if not also President Trump the man. He has worked assiduously at the Department of Homeland Security to execute Mr. Trump's immigration and border objectives, and he believes in his heart that Mr. Trump has exactly the right vision for the country.

There will be a lot of things the President has to worry about in coming months. General Kelly's personal loyalty does not appear to be one of them.

I worked with General Kelly on the staff of Leon Panetta, then-

secretary of defense. Kelly, a three-star at the time, was Mr. Panetta's senior military assistant. He was a marvel of organization and efficiency, of candid counsel and dogged persistence.

Here he was, a combat veteran, a man who had seen the hell of war and the pain of losing his own son to it ... a man with, understandably, strong views about terrorism and extremist violence. And yet he did that job with all the flash and flair of a man stooping to sweep off his front porch.

To him, drama is a movie genre he can choose on Netflix -- if he even watches movies much -- not a way of life.

Kelly doesn't suffer fools, and he sure as hell doesn't suffer individualism, ego and anything less than 100% teamwork.

I remember asking the general to write a note of encouragement to my son, who was then just about to ship off to Navy boot camp. I won't betray the contents of exactly what he wrote; that should stay in our family. But basically it was about the importance -- the privilege -- of sacrificing one's personal needs and desires for the greater good. It was about duty.

And I guess that's the only thing I really worry about. His sense of duty is so clear that Kelly could fall easy prey to those in the West Wing who ascribe to, shall we say, less exalted motives.

He's no shrinking violet, mind you, and certainly no stranger to staff shenanigans. But, in addition to being loyal to Mr. Trump, he knows

and professes a higher loyalty to country.

"I believe in respect, tolerance and diversity of opinion,"

Kelly said

during his confirmation hearing in January. "I have never had a problem speaking truth to power, and I firmly believe that those in power deserve full candor and my honest assessment and recommendations."

Would that everyone in the West Wing could take that same approach.

In the end, I suppose, it will come down to how much Mr. Trump invests in Kelly ... in how central to the effort he deigns to make the White House chief of staff.

At the Aspen Security Forum last week, panel moderator Pete Williams, of NBC News, noted Kelly's penchant for beginning every set of public remarks by praising the men and women of DHS.

"We don't often hear a lot of that from cabinet members,"

said Williams

. "Does that just sort of come naturally to you from your years in the military or did you think that that's something that needed to be done?"

"Well," replied Kelly, "it's called leadership."

So, there's your new chief of staff, Mr. President ... if you're wise enough to use him.

announced he'd replace Priebus with John Kelly, his secretary of Homeland Security, starting Monday.

Story Continued Below

POLITICO

Ivanka and Jared find their limits in Trump's White House

By ANNIE KARNI and

ELIANA JOHNSON

10-13 minutes

By one measurement, last week was a good one for Ivanka Trump and Jared Kushner.

President Donald Trump's daughter and son-in-law had been double-

teaming for weeks to persuade him to oust chief of staff Reince Priebus, pushing for a new chief who could "professionalize the West Wing," according to multiple White House officials. On Friday, Trump finally

That victory followed Trump's appointment a week earlier of financier Anthony Scaramucci, a campaign surrogate and donor, as communications director, a move the couple also strongly supported.

But if Ivanka Trump and Kushner, socially liberal former Democratic donors, remain influential voices with Trump on personnel decisions, they have so far had little effect on his policies.

Last week they were blindsided by the president's tweet saying he planned to ban transgender people from serving in the military, according to several White House aides, a major coup for conservatives who had been quietly lobbying the administration on the issue for months.

White House officials said the first daughter was surprised by her father's posts; in the past, Trump has been a supporter of gay rights. Ivanka Trump, according to these officials, learned of the decision when she saw her father's tweet on her phone.

The decree came less than a month after the first daughter tweeted, in honor of Pride Month: "I am proud to support my LGBTQ friends and the LGBTQ Americans who have made immense contributions to our society and economy." And it spurred another wave of liberal rage directed at Ivanka Trump.

For all the talk of a White House war between New York City liberals and traditionalist conservatives, it was the latest example of the limited influence the moderates have been able to wield on policy.

Six months ago, few would have thought the president would have been circumventing his daughter to deliver victories to fiscal and social conservatives—but that's precisely what happened with the transgender military ban, which the Pentagon has put on hold pending review.

Now, as Ivanka Trump runs up against some of limits of her power in the White House, she appears to be narrowing her objectives—and disappointing those progressives who had pinned their hopes on the president's family members exerting more of a moderating influence on his presidency.

"Actions speak louder than words," said Sarah McBride, national press secretary for the nonprofit Human Rights Coalition. "Either Ivanka is ineffective in her advocacy within the building, or her voice doesn't matter to the president as much as she hopes it does."

Ivanka Trump has had some victories. While she lost out on

persuading her father not to withdraw from the Paris climate accord, she had much more success in limiting a religious liberties executive order to abortion and procreation issues, cutting out many other possibilities that would have angered the LGBT community.

"She's in there doing what she can," said R. Couri Hay, a publicist and a longtime friend of the Trump family. "It's unrealistic, unfair and cruel to expect her to change climate policy and pre-K and women's issues in six months."

But Ivanka Trump — who once met with Planned Parenthood CEO Cecile Richards to discuss a needle-threading way to potentially fund the organization — is staking out her reputation on getting a child care tax credit passed in a Republican Congress as part of tax reform, and fighting for paid family leave to be included in the budget.

She has told allies that she wants to be held accountable solely on those issues she is actively working on — uphill battles that will count as major victories if she is successful — and the success of a World Bank fund she helped start, geared at helping female entrepreneurs gain access to capital. She has also said she wants to make ending human trafficking a White House priority.

Kushner, for his part, remains focused on projects that are peripheral to the White House's main domestic agenda, like introducing technological innovations to the federal government. In the first six months of the administration, he has steered clear of the legislative battles that have been the meat of the work of Trump's policy shop, focusing instead on relations with Mexico, China, Canada and the Middle East.

Ivanka Trump has explained to critics that she doesn't want to ruin her credibility with Republicans, whose support she will need, by being perceived as what she sometimes refers to as a "super-lib" and expressing her personal disagreement with the administration's most conservative policies.

Meanwhile, she desperately wants to lower expectations of what she can achieve in an administration where she views herself as one person on a large team — even though other White House officials said she still has access to the president whenever she desires it. Allies have bucked up her spirits by telling her that her legacy will look better in hindsight if she is successful in moving the needle on her stated issues. And as she navigates the unique role of

working-daughter-in-the-White House, she is reading Eleanor Roosevelt's biography for guidance and inspiration.

Both Ivanka Trump and Jared Kushner declined to comment for this story.

People close to her say Ivanka Trump is aware of the criticism hurled at her — and sometimes frustrated by the misunderstanding of the limits of her power.

From her newly renovated, all-white office in the West Wing, Ivanka Trump often fields messages from progressive friends pushing her to speak out on their pet issues. Actor Leonardo DiCaprio messaged her ahead of the climate decision, begging her to do more to intervene.

She's no newcomer to the difficult balancing act. In the early aughts, as she sought to make a name for herself in New York society, she had to simultaneously embrace the family brand while trying to distance herself from the gaudy reputation of the Trump name, already unwelcome in the upper echelons of Manhattan society.

One well-known socialite who was friendly with Ivanka Trump put it bluntly: "Everyone knew that Jared's father was a felon and her father was a buffoon, but you looked past that because they stood on their own two feet and were sophisticated and presentable. They were accepted despite their parents. Now, there's no separating the two."

But friends and acquaintances who knew Ivanka Trump before her move into politics said they are not surprised that she has remained publicly in lockstep with her father. "I know her well enough to know her relationship with her father, which is that she will never, ever, go against the grain," said one former fashion-world friend who has socialized with Ivanka for years but has not spoken to her since she moved to Washington.

Another close friend of the family, who has known Ivanka Trump her entire life, said: "She wanted to be the apple of her father's eye. There's no question, she worked hard to be the perfect image her father wanted."

In the wake of one of the most tumultuous weeks in Trump's presidency, his daughter had a private lunch with the United Nations secretary-general Friday to discuss economic empowerment for women. She's made similar diplomatic excursions, traveling to Berlin in April to join German Chancellor Angela Merkel for a women-themed summit and

meeting with female entrepreneurs in Saudi Arabia.

It's a world apart from her father's domestic policies — and one more in line with the first lady-like role that she bristles at. The prime movers behind Trump's decision to ban transgender people from serving in the military were two of the House's most conservative members: North Carolina Republican Mark Meadows and the chairman of the House Freedom Caucus, Jim Jordan.

After the failure of an amendment that would have stripped Pentagon funding for gender reassignment surgeries, the duo approached Defense Secretary James Mattis. They discussed a number of options, including a two-year delay on the implementation of Obama administration policy guidelines that permitted Pentagon funding for the surgeries. When that path lead nowhere, they took their case directly to the White House, where they spoke with several officials including Marc Short, the director of legislative affairs.

Inside the White House, the issue was so closely held — and resolved so quickly — that just a handful of West Wing aides were aware of what was transpiring. In addition to Kushner and Ivanka Trump, Vice President Mike Pence, a Catholic evangelical with a history of pushing religious liberty policies, had no inkling of what was underway.

Meadows and Jordan had also corralled a group of conservatives capable of sinking the appropriations bill, making it clear to the White House they were willing to do so if the funding issue wasn't resolved. "They were frustrated with Mattis and DOD, and the White House was sympathetic to them on the policy," said a senior White House aide. Neither Meadows nor Jordan responded to a request for comment.

Meanwhile, Christian conservatives such as Tony Perkins and Gary Bauer were also lobbying the Trump White House, a factor that boosted the congressmen's cause, according to a second senior White House official.

Their requests ran the gamut: While the congressmen asked the White House to resolve the funding issue, which had riled both fiscal and social conservatives, some Christian leaders came asking for the blanket ban the president delivered on Wednesday. But even they were surprised when Trump came down on their side. "I wish the Republican Congress was as bold as the president is on a wide range of issues," said Steve Scheffler, president of the Iowa Faith and Freedom Coalition. "But

unfortunately, like on health care, they don't seem to be."

Perkins, president of the Family Research Council, in an interview with Fox News radio, cheered the president for "showing that the

bottom line is the bottom line is the bottom line."

The other bottom line: Ivanka Trump is aware she needs a real win — not just starting a conversation about paid family leave that may or may not

materialize in a final budget — to win back credibility.

Her old circles are skeptical. When asked what her view was on Ivanka Trump, the fashion designer Charlotte Ronson wrote in an email: "Fortunately, I don't know her well enough to give any good accounts."

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For Trump and Sessions, a warm beginning turned into an icy standoff (UNE)

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

15-19 minutes

They met more than a decade ago, when the genteel junior senator from Alabama invited the brash real estate mogul to testify on Capitol Hill about the renovation of the United Nations. Jeff Sessions was taken by Donald Trump, calling him a "breath of fresh air for this Senate."

But their bond was cemented two years ago when Trump began to move toward a presidential bid. Trump's adviser at the time, Sam Nunberg, said Trump saw Sessions as a similar type: a hard-liner on immigration who was far from beloved by the elites and wealthy donors within the Republican Party.

"He saw Sessions as someone he could develop a natural rapport with," Nunberg said in an interview. "Sessions was 100 percent simpatico on Trump's major issues: immigration, trade, veterans' care. He was also willing to engage. That was the start."

Now, the conversation inside the White House — and across Washington — is about the end.

Although Sessions was the first high-profile politician to endorse Trump and backed him through the campaign's most tumultuous moments, the president is all about now. In his view, Sessions's decision, after he was confirmed as attorney general, to remove himself from overseeing the Russia investigation, was a breach of Trump's apparent belief that it was Sessions's job to be loyal and protect him.

The love-hate relationship between Trump and Sessions, in four acts

The unlikely friendship has become an icy standoff — one that would have been hard to imagine on a sticky August day in 2015, when Trump swooped into Sessions's home town, circling Ladd-Peebles Stadium as a crowd of thousands roared. Sessions and his wife served as hosts.

Backstage in Mobile, as they mingled beneath the towering bleachers near a row of black SUVs, Sessions and Trump warmly shared stories about politics and Alabama, exchanges The Washington Post witnessed. Sessions, sweaty in a dark suit, was ebullient as Trump charmed him. The two men, born months apart in 1946, connected as populist brothers — one loud, the other understated.

Once on stage, the good feelings continued. "Jeff! Come up! Where's Jeff? Get over here, Jeff," Trump said. "Look at him! He's like 20 years old. Unbelievable guy!"

When Sessions stepped onto the sprawling dais, he put on a white "Make America Great Again" hat as Trump flashed a bright smile and clapped.

"Welcome to my home town," Sessions said. "The American people — these people — want somebody in the presidency who stands up for them."

Sessions later ducked in to Trump's motorcade to see Trump off at the airport, still wearing that white hat. Sessions would finally endorse Trump in February 2016 in Madison, Ala., but by then it was a formality.

He soon became one of Trump's foreign policy advisers. Sessions was even considered as a possible running mate, according to two former campaign officials. Sessions and Trump at a "USA Thank You Tour" event in Mobile, Ala. in December. (Jabin Botsford/The Washington Post)

On election night, in his victory speech at the New York Hilton, Trump gave Sessions a big shout-out.

"The first senator, first major, major politician, and let me tell you, he is highly respected in Washington because he's as smart as you get: Senator Jeff Sessions. Where is Jeff?"

As the crowd applauded, Trump added, "Great man."

Russia and recusal

Four months later, on March 2, Trump was touring the new supercarrier the USS Gerald R. Ford in Newport News, Va., when a reporter shouted a question about an event unfolding 130 miles away that would indelibly change the president's relationship with his attorney general.

"Should Sessions have recused himself from investigations into your campaign and Russia?" the reporter asked Trump, who was wearing a Navy jacket and baseball cap inscribed with the carrier's name.

"I don't think so at all," Trump answered flatly, a flash of irritation on his face as he brushed past reporters. "I don't think he should do that at all."

It was too late.

Sessions had already decided to step aside. But he had not consulted his boss, the president of the United States, an action that would trigger a deep-seated anger that has seethed to this day.

Just three weeks after Trump swore him into office as the nation's 84th attorney general, Sessions held his first news conference on the seventh floor of Main Justice on Pennsylvania Avenue. It came a few hours after Trump toured the ship.

The night before, The Post had revealed that Sessions had twice met with Russian Ambassador Sergey Kislyak during the campaign and did not disclose those contacts to the Senate Judiciary Committee during his confirmation hearing.

"I have recused myself from matters that deal with the Trump campaign," Sessions said. Sessions, who had served more than a decade in the Justice Department before becoming a senator, said he did so after department lawyers advised him to recuse himself from any investigation involving the 2016 election, including the probe into whether anyone from the Trump campaign colluded with Russia.

[Attorney General Jeff Sessions will recuse himself from any probe related to 2016 presidential campaign]

Trump was enraged. The next day, the president left in a fury for Mar-a-Lago for the weekend, telling his aides that Sessions should not have recused himself — and tense discussions in the Oval Office were caught on camera by CNN. The bond between the two men had shattered.

Trump confided to White House officials that he felt more exposed than ever to his critics with Sessions ceding control of the Russia investigation to the nominee for deputy attorney general, Rod J. Rosenstein, a U.S. attorney who had not yet been confirmed and whom Trump hardly knew.

That first flush of anger has never subsided. In fact, Trump's wrath has grown into a cold war with Sessions, particularly after Rosenstein appointed Robert S. Mueller III as special counsel to oversee the Russia probe, according to White House officials and people close to Sessions, who, like others, spoke on the condition of anonymity to discuss sensitive matters.

[Deputy attorney general appoints special counsel to oversee probe of Russian interference]

For four months, Trump has rarely spoken to his attorney general, and when he has, it has been perfunctory.

'Hunkering down'

One recent evening, Sessions and his wife, Mary, went to dinner at the Capitol Hill townhouse of his old friend Sen. John Cornyn (R-Tex.). Over pork brisket and banana pudding, Sessions and his wife chatted with Cornyn and his wife, Sandy, about their families and mutual friends.

But when Cornyn asked the attorney general about his new job as the nation's top law enforcement official, his friend seemed a little dispirited.

"He came into the office with a clear agenda and ideas about what he wanted to do as attorney general," Cornyn said in an interview. "There's a lot of work to do, and there's not a lot of support there for him yet. He expressed his

frustration with being distracted from that mission that he had so clearly in mind."

People close to Sessions say he has been hurt by the president's barbs and cold shoulder but is hoping the storm will pass. Trump's clash with Sessions mirrors bitter fights he has had with executives at the Trump Organization, according to veteran Trump watchers.

"He's always dealt with people this way," said former New Jersey governor Thomas Kean Sr. (R), who interacted with Trump when he was building his businesses in Atlantic City. "You'd see him go hot and cold with his casino executives. And if he's down on you, he's really down on you and he's difficult to work with."

Since March, Sessions has been trying to "compartamentalize" the tension with the president, one person close to the attorney general said. He comes to work at 6 a.m. and works late, methodically moving forward with his conservative agenda to crack down on illegal immigration, provide more support to state and local law enforcement, and overhaul the criminal justice policies of the Obama administration.

[Sessions issues sweeping new criminal-charging policy]

"He's hunkering down, a quiet guy who's diligent and professional," said former senator Bob Smith (R-N.H.), a close friend to Sessions during their time in Congress.

Trump began in June to publicly blame Sessions for the trouble he was facing. On the morning of June 5, Trump criticized the Justice Department for devising a "politically correct" version of his travel ban, ignoring the fact that he had signed the executive order for the revised version, and called on the department to seek a "much tougher version."

[President Trump criticized his own Justice Department's handling of the travel ban case]

Behind the scenes, the strain between Sessions and Trump was becoming untenable. At one point, shortly before the president traveled to the Middle East in late May, Sessions offered to resign, according to a White House official.

Trump turned it down. The president made clear to Sessions how disappointed he was in his recusal decision but indicated he still had faith in him. The moment passed.

On June 12, Sessions attended a Cabinet meeting in which nearly every member praised the

president. Sessions used his chance to speak up to talk about policy and detail how the Justice Department was going after the violent MS-13 gang and illegal immigration. He said it was "an honor to serve you in that regard."

Trump nodded and called the efforts "a great success."

"You're right, Jeff, thank you very much," Trump said.

But people familiar with the relationship say that for Trump, policy is not the issue and that he is consumed with a feeling of vulnerability on Russia. That was evident the next day, June 13, when Sessions testified before the Senate Intelligence Committee. While Sessions aggressively pushed back on any suggestion that the Trump campaign colluded with Russia, his appearance riled Trump, who closely monitored it on cable television, according to people close to the president.

For Trump, Sessions's testimony was a reminder that the attorney general could do nothing for him on Russia other than answer lawmakers' questions; he was no longer a useful ally.

Five weeks later, in an interview with the New York Times, Trump's hostility exploded into public view. He told a group of reporters that if he had known Sessions would recuse himself, he would never have chosen him as attorney general.

[Trump blasts Sessions for recusing himself from the Russia probe]

Trump's tirade continued for days on Twitter, where he pronounced Sessions "beleaguered" and "very weak"; at a news conference in the Rose Garden with the Lebanese prime minister, where the president described himself as "disappointed" in Sessions; and in the Wall Street Journal, where he mocked Sessions's loyalty to him during the campaign, saying he just liked the large crowds at rallies.

"I appointed a man to a position and then shortly after he gets the position, he recused himself," Trump told the Wall Street Journal. "I said, 'What's that all about? Why didn't you tell me that you were going to do that? And I wouldn't have appointed you.'"

Peter Wehner, a former adviser to President George W. Bush and senior fellow at the Ethics and Public Policy Center, a conservative think tank, said that "it's very rare for a president to lash out at a Cabinet member like Trump has been doing."

"We've never seen anything that's reached this level of contempt — this twisting in the wind, the knife going in and out, in and out, over and over again," Wehner said.

Trump has told aides and friends that if former New York mayor Rudolph W. Giuliani had been the attorney general, the situation would not be as dire. But they have responded that Giuliani would be nearly impossible to confirm in the Senate because of his foreign business entanglements.

"The problem for Trump is: Who would be attorney general, if not Sessions?" said Mark Krikorian, the executive director of the Center for Immigration Studies, which advocates restrictions on immigration.

"Judge Jeanine?" Krikorian asked, referring to Fox News host Jeanine Pirro.

Rallying to Sessions's defense

In recent days, several White House officials, including former White House chief of staff Reince Priebus and counsel Donald F. McGahn, have gently advised Trump that firing Sessions would have sweeping and unpredictable consequences for his presidency, both on the investigative and political fronts. And Republican lawmakers along with conservative organizations, including Breitbart News, have rallied to the attorney general's defense.

While Trump has listened to his aides' arguments, they have not been able to curb the president's rage — and officials have kept their heads down.

Two key Sessions allies in the West Wing — senior policy adviser Stephen Miller and deputy chief of staff Rick Dearborn, who worked for Sessions in the Senate — have avoided becoming caught in the drama and instead have focused on their own responsibilities.

"They're . . . making clear that while they will always be close to Sessions, they're Trump guys now," said one White House official, describing the dynamic. "It's what they have to do in this environment. The president is not going to change his mind, and Stephen and Rick know that if they spoke up, it wouldn't do much."

White House chief strategist Stephen K. Bannon, who had been the early conduit in connecting Trump and his advisers with Sessions, has been an advocate for the attorney general whenever the topic comes up, inside and outside the White House.

"But Steve is in a delicate position where he can't put everything on the line to save him," said one White House official. "So they have a good relationship, but it's not like Steve is able to be vocal." A second official said Bannon talks up Sessions to his friends on the right outside of the White House, which they said is one way he can boost Sessions without engaging in potentially risky White House warfare.

While part of Trump's lore is the persona of a quick-to-dismiss executive, cultivated on NBC's "The Apprentice," the president has a history of brooding and grouching at length, without making uncomfortable decisions.

Trump associates say those out of favor can survive. During the campaign, Corey Lewandowski, Trump's first campaign manager, seemed on the verge of dismissal at numerous points in the race. But he lasted until June 2016.

Trump had a falling-out with adviser Roger Stone, but Stone has returned to the president's orbit. Some former business enemies such as Steve Wynn are now his friends. He scrapped with the late Roger Ailes over Fox News coverage, and then eventually brought Ailes into his campaign's circle.

So Sessions is soldiering on.

His chief of staff, Jody Hunt, told Priebus in one of several conversations he has had with him lately that the attorney general had no intention of stepping down, according to people familiar with the exchanges.

On Thursday, Sessions traveled to El Salvador to highlight his work to counter the violent transnational street gang MS-13.

In San Salvador, the attorney general spoke to Tucker Carlson, whose Fox News show Trump is known to watch. He said that Trump's personal attacks on him have been "kind of hurtful" but that he understands his feelings "because this has been a big distraction for him."

Sessions cited all the things he's done to push forward the Trump agenda, especially his efforts to curb illegal immigration. "We share such a common interest there," Sessions said.

Checkpoint newsletter

Military, defense and security at home and abroad.

But Sessions stood firm on the action that turned the president against him.

"I'm confident I made the right decision, a decision that's consistent for the rule of law," Sessions said. "An attorney general who doesn't follow the law is not

very effective in leading the Department of Justice."

Sessions plans to hold a news conference this week on prosecuting national security leaks,

an issue that animates Trump. But he knows his future remains precarious.

"I serve at the pleasure of the president," Sessions said. "If he

wants to make a change, he can certainly do so, and I would be glad to yield in that circumstance, no doubt about it."



Timm : Let Donald Trump fire Jeff Sessions

Trevor Timm
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3 minutes

Stop the attorney general from expanding cruel and un-American agenda: Another view

Attorney General Jeff Sessions leaves San Salvador on Friday. (Photo: Pablo Martinez Monsivais, AP)

Jeff Sessions is already staking claim as the most dangerous attorney general for civil rights and civil liberties in modern history. And if President Trump wants to fire him, then we should let him.

**The
New York
Times**

Continetti

6-7 minutes

President Trump at the White House on Thursday. Doug Mills/The New York Times

In Donald Trump's White House, Reince Priebus and Sean Spicer were more than chief of staff and press secretary. They were the president's connection to the Washington establishment: the donors, flacks and apparatchiks of both parties whose influence over politics and the economy many Trump supporters wish to upend.

By firing Mr. Priebus and Mr. Spicer and hiring John Kelly and Anthony Scaramucci, President Trump has sent a message: After six months of trying to behave like a conventional Republican president, he's done. His opponents now include not only the Democrats, but the elites of both political parties.

Since the start of his presidential campaign, Mr. Trump has made no secret of his dislike of the capital. But his contempt for the city and the officials, lobbyists, consultants, strategists, lawyers, journalists, wonks, soldiers, bureaucrats, educators and physicians who populate it becomes more acute with each passing day.

Sessions wields more power over everyday Americans than any other Trump Cabinet official. He has provided the legal backing for Trump's extremist immigration policies and discriminatory travel ban. He has threatened to put users of marijuana in jail even in states where it's legal. He's attempting to stifle the agency's civil rights division and has rolled back important reforms in local police departments meant to protect African Americans.

He has brought back the Justice Department's controversial "civil forfeiture" program, which allows local police to seize property from people never even charged with a crime. He has said that he will push for longer jail sentences for defendants in the face of bipartisan calls for criminal justice reform. And

with his coming crackdown on leaks, he is directly attacking whistle-blowers and journalists.

Even during the controversy with Trump, Sessions has continued at a torrential pace. Just last week, the Justice Department announced it will argue that federal law does not protect LGBT Americans from discrimination.

Of course, none of these are reasons Trump reportedly wants to fire Sessions. He is merely upset that Sessions recused himself from the Russia investigation despite Sessions' clear conflicts of interest. But if Trump is petty enough to fire Sessions over this issue, then it's cause for celebration.

OUR VIEW:

wondering what might happen next, strengthens his position.

Mr. Trump's bombast, outsize personality, lack of restraint, flippancy and vulgarity could not be more out of place in Washington. His love of confrontation, his need always to define himself in relation to an enemy, then to brand and mock and belittle and undermine his opponent until nothing but Trump catchphrases remain, is the inverse of how Washingtonians believe politics should operate. The text that guides him is not a work of political thought. It's "The Art of the Deal."

The difference in style between Mr. Trump and Washingtonians is obvious. D.C. is a conventional, boring place. Washingtonians follow procedure. Presidents, senators, congressmen and judges are all expected to play to type, to intone the obligatory phrases and clichés, to nod their heads at the appropriate occasions, and, above all, to not disrupt the established order. We watch "Morning Joe" during breakfast, attend a round table on the liberal international order at lunch, and grab dinner after our summer kickball game. No glitz, no glam, no excitement.

Washingtonians avoid conflict. When someone is disruptive on the Metro we shuffle our feet, look another way, turn in the opposite direction. Residents of the "most literate city" in America, we do not shout, we read silently. We lament

To be clear, the Senate should do everything in its power to prevent a recess appointment of a new attorney general if Sessions leaves. And the Senate should never confirm another appointee who doesn't promise to let special counsel Robert Mueller's investigation continue.

But the Mueller investigation is not the end-all-be-all for those who oppose Trump. Stopping Sessions from continuing to expand his cruel and un-American agenda as attorney general is something we should all welcome.

Trevor Timm is executive director of the Freedom of the Press Foundation.

partisanship, and we pine for a lost age when Democrats and Republicans went out for drinks after a long day on Capitol Hill. The extent of our unanimity is apparent in the Politico poll of bipartisan "insiders," the vast majority of which, regardless of party or ideology, tend to agree on who is up, who is down, who will win, who will lose.

To say that Donald Trump challenges this consensus is an understatement. Not only is he politically incorrect, but his manner, habits and language run against everything Washington professionals — in particular, people like Reince Priebus — have been taught to believe is right and good.

This is what distinguishes him from recent outsider presidents such as Bill Clinton and Ronald Reagan: Both had a long history of involvement in politics, and thought the Washington political class might play some role in reform. Mr. Trump does not.

In this respect, Mr. Trump has more in common with Jimmy Carter. Neither president had much governing experience before assuming office (Mr. Trump, of course, had none). Like Mr. Carter, Mr. Trump was carried to the White House on winds of change he did not fully understand. Members of their own parties viewed both men suspiciously, and both relied on

their families. Neither president, nor their inner circles, meshed with the tastemakers of Washington. And



How the Trump Administration Broke the State Department

17-21 minutes

The office furniture started appearing weeks ago.

Employees at the State Department couldn't help but notice the stacks of cubicles lined up in the corridor of the seventh floor.

For diplomats at the department, it was the latest sign of the "empire" being built by Secretary of State Rex Tillerson's top aides. The cubicles are needed to accommodate dozens of outsiders being hired to work in a dramatically expanded front office that is supposed to advise Tillerson on policy.

Foreign service officers see this expansion as a "parallel department" that could effectively shut off the secretary and his advisors from the career employees in the rest of the building. The new hires, several State officials told Foreign Policy, will be working for the policy planning staff, a small office set up in 1947 to provide strategic advice to the secretary that typically has about 20-25 people on its payroll. One senior State Department official and one recently retired diplomat told FP that Tillerson has plans to double or perhaps triple its size, even as he proposes a sweeping reorganization and drastic cuts to the State Department workforce.

Veterans of the U.S. diplomatic corps say the expanding front office is part of an unprecedented assault on the State Department: A hostile White House is slashing its budget, the rank and file are cut off from a detached leader, and morale has plunged to historic lows. They say President Donald Trump and his administration dismiss, undermine, or don't bother to understand the work they perform and that the legacy of decades of American diplomacy is at risk.

By failing to fill numerous senior positions across the State Department, promulgating often incoherent policies, and systematically shutting out career foreign service officers from decision-making, the Trump administration is undercutting U.S. diplomacy and jeopardizing America's leadership role in the world, according to more than three dozen current and former diplomats interviewed by FP.

Tillerson "broke the damn process."

each was reactive, hampered by events he did not control.

"I used to wake up every morning with a vision about how to do the work to make the world a better place," said one State Department official, who spoke on condition of anonymity for fear of retaliation. "It's pretty demoralizing if you are committed to making progress. I now spend most of my days thinking about the morass. There is no vision."

Foggy Bottom initially had high hopes for Tillerson, the former ExxonMobil CEO Trump tapped to become his diplomat-in-chief. But those hopes have evaporated as diplomats grow increasingly exasperated by his isolation and aloofness, all while the White House and Pentagon steamroll the State Department's role in foreign-policy making.

Current and former senior foreign service officers say the Trump administration is hollowing out and marginalizing the State Department, with a dismissive attitude to diplomacy and the civil servants who execute it. They say the diplomatic corps is facing an unprecedented crisis. When Tillerson has tried to defend his ailing department, he has gotten stonewalled and outmaneuvered by the White House.

"If you break the way the State Department actually functions, then you're going to have chaos," said one official who recently quit, speaking on condition of anonymity. "People aren't going to make decisions — you haven't empowered anyone to make decisions. People don't trust anyone, so then it all has to run through you."

Tillerson, the official said, "broke the damn process."

Even before Trump was inaugurated, State Department employees worried that diplomacy would be given short shrift in the new administration. Trump's transition team appeared disorganized and lacked a clear plan, civil servants who worked with them said. While Trump's "America First" rhetoric unnerved many diplomats, they welcomed Tillerson and viewed his corporate experience as an asset.

Just weeks into the administration, however, came a series of blows for Foggy Bottom. In February, the administration sacked several senior career diplomats without naming their successors. That sent

If President Trump wants to avoid Mr. Carter's fate, he might start by recognizing that a war on every

a chilling effect throughout the department's senior ranks: They could be next.

Not too long after, the White House rolled out a proposed budget that called for drastic cuts of up to 31 percent to State Department funding and even included language to suggest folding the U.S. Agency for International Development into State. Although lawmakers from both parties quickly pushed back and indicated that the budget request was dead on arrival, the spending plan sent a clear message from the White House about how it prioritized the State Department — it didn't.

"There's no one protecting the institution of the State Department," vented one foreign service officer. "They don't give a shit about what's happening to us."

In early spring, as the Trump administration readied to gut the State Department of funding, Tillerson recruited a small private consulting company, Insigniam, which markets itself as a "breakthrough management consulting firm," to conduct a department-wide employee survey.

"THEY JUST DIDN'T UNDERSTAND THE FUNDAMENTAL REASONS OF WHY THE STATE DEPARTMENT EXISTS.... IT'S JUST SO AMATEURISH."

The survey, derided by many officials, asked employees questions and prompts like, "To optimally support the future mission of the Department, what one or two things should your work unit totally stop doing or providing?" and "Help us build a word cloud." Many questions presupposed offices needed to be cut. More than half of the 75,000-person workforce didn't bother to fill out the survey.

"People opened it up and were like, 'Um, holy shit, what is this?'" one mid-level State official told FP. The survey questions showed that "they just didn't understand the fundamental reasons of why the State Department exists.... It's just so amateurish."

Tillerson assured employees — and Congress — that there were "no preconceived notions on the outcome" of the survey, which was meant to help modernize and streamline the sprawling bureaucracy in Foggy Bottom. Yet even State Department employees

front is a war he is likely to lose, and that victory in war requires allies. Some even live in the swamp.

who acknowledge the necessity of trimming down the unwieldy bureaucracy still worry that Tillerson's "redesign" is a Trojan horse for the administration's efforts to sideline the State Department.

While the administration drafted up plans to slash State and foreign aid funding and to let go of top career professionals, Insigniam spent two days crafting a new mission statement for the department.

For career diplomats, the consulting exercise was a bad joke, a microcosm of how the Trump administration is attempting to force-feed corporate jargon with no clear understanding of its mission or the foundations of American diplomacy.

Tillerson's team disputes that portrayal. "The listening report showed that Department employees view their work as a calling, a duty and an obligation to represent what is best about America to the world," Tillerson's communications advisor, R.C. Hammond, told FP in an email. "Department employees experience their work with great pride, with honor and as a calling on behalf of our country. They also clearly expressed a desire to see the Department be more effective."

Yet State Department employees point to the swelling power of the policy planning staff as a prime example of how they're being shut out of decision-making.

"The policy planning staff has become the backroom staff for the secretary. This shuts out bureaus — it shuts out new and interesting ideas. It leaves no forward thinking or fresh ideas," said Max Bergmann, who spent six years at the State Department, including time on the policy planning staff, before leaving in January at the end of the Barack Obama administration.

The plans to bolster the policy planning staff reflect Tillerson's reliance on a close coterie of advisors, closing himself off from the rest of the department. Top among them are his enigmatic chief of staff, Margaret Peterlin, and his director of policy planning, Brian Hook, a mainstream Republican who worked in the State Department and the White House during the George W. Bush administration.

"The seventh floor has walled itself off with Brian Hook, Margaret

Peterlin, and some others," a senior foreign service officer told FP, speaking on condition of anonymity. "Some people get through the wall, but it's few and far between."

More than one official referred to them as the "praetorian guard."

Apart from Hook, none of Tillerson's top confidants has ever served in the department.

"This praetorian guard isn't experienced. It seems like a conscious effort to start getting rid of people who have experience and expertise," the senior foreign service officer said. "They're not interested in it."

As the department builds word clouds and expands the policy planning staff, the Trump administration has shown little urgency in filling an array of senior State positions, including crucial ambassadorships in the Middle East and regional assistant secretaries who oversee Asia, Africa, and the Middle East. When Colin Powell served as secretary of state under President George W. Bush, he referred to his assistant secretaries as "battalion commanders." But only one assistant secretary has been nominated so far, A. Wess Mitchell for European and Eurasian affairs.

He has yet to be confirmed and start the job.

Career officials are stretched thin covering the positions as acting assistant secretaries in the interim but confide to colleagues that they don't have the clout of political appointees — from inside the department or outside of it. The lack of senior leaders has grinded the gears in decision-making and further damaged morale, career diplomats said.

One example officials pointed to was Tillerson's front office sitting on memos that would unlock \$79 million for the department's Global Engagement Center to counter Islamic State messaging and narrative. Bureaucratic rules required that Tillerson simply write and sign two memos — one for \$19 million from Congress and one for \$60 million through the Defense Department — saying State needed the funds. But he hasn't, leaving some career officials at a loss.

"The memos have been written and rewritten ad nauseum, sometimes with conflicting guidance from the seventh floor," one official briefed on the program vented to FP, referring to the department floor Tillerson and his staff occupy. "And it just sits there."

And that is just one example, officials say.

"You describe a normal review process for budget and financial resources in government," Hammond, Tillerson's spokesman, told FP when presented with this issue. "The Center's leadership is identifying spending priorities for current and future year funds."

But other key decisions remain stalled. "Last I checked, there are over 150 action memos stuck in the secretary's office," a mid-level official told FP. Decisions that otherwise would take hours to process are "just languishing," said the official.

"Because no one's been empowered to make decisions, there's no longer a back-and-forth exchange of information in a routine way," another recently departed official said.

Hammond dismissed claims that the lack of political appointees in senior positions was a problem. "The Secretary believes that the ability to lead is [the] most important quality and no one category has a monopoly on that," he said.

Yet foreign embassies have also taken notice of the leadership vacuum. More than a dozen foreign diplomats told FP that they often do not know whom they should speak to in the administration to convey messages from their governments.

"I KNOW THE WHITE HOUSE ISN'T HAPPY WITH HIM AND HE ISN'T LIKING THE JOB."

Some ambassadors found their phone calls to Tillerson's front office never returned, while diplomats have sought to bypass the tottering State Department, instead delivering messages to the White House or Trump's son-in-law, Jared Kushner, or daughter Ivanka.

One European diplomat said his "embassy has had limited contacts with the [State Department] leadership in general since Trump took office, because Tillerson does not seem very involved and because we don't feel State is where policy is really decided."

"That sounds like a regular weekday in Washington," Hammond told FP in response. "Ambassadors are here on behalf of their countries with their countries' agendas, and their job is to figure out every day what is the best way to advance that."

Even when embassies do break through the administration's opaque foreign-policy making, Trump has sometimes contradicted Tillerson on major policies and undermined him on others. White House aides and

administration allies have also undercut Tillerson in anonymous comments to reporters.

The incoherence and confusion of the Trump administration's foreign policy were on stark display in the first week of June when Tillerson, the Pentagon, and Trump all gave conflicting stances on the simmering diplomatic rift between Qatar and its Arab Gulf neighbors. Tillerson then embarked on a week of frenzied shuttle diplomacy around the Gulf in July to defuse tensions. But while he tried to walk the political tightrope of fraught Gulf relations, the president slammed Qatar on Twitter, appearing to take sides with Saudi Arabia and its Gulf partners.

"The White House has done everything to undermine him," another senior State Department official told FP. "The president undermines him. Qatar was seven days of work only to fall apart with a single tweet by the president."

More than six months into the Trump presidency, career diplomats worry that the administration's assault on the State Department will cause lasting damage to the workforce.

Tillerson's controlling front office — and its focus on squeezing the budget — threatens to slow the hiring and assignment of new foreign service officers to positions around the world. All the while, numerous top career officials with decades of experience have quit, leaving a vacuum of talent and institutional knowledge in their wake.

While the State Department hemorrhages its own talent, it has also cut itself off from new talent by ending several distinguished fellowship programs to recruit top university graduates during its redesign.

The cumulative effect of a marginalized State Department, coupled with a freeze on hiring and budget pressures, could mean the next generation of diplomats will wither on the vine, current and former officials warn.

In a May 5 speech celebrating foreign affairs day at the State Department, William Burns, who retired in 2014 after a long diplomatic career that included a stint as ambassador to Russia, sounded the alarm bells.

"I sought to encourage them by reminding them that no administration lasts forever."

Without mentioning the Trump administration, Burns warned against "pernicious" attempts to question the loyalty of career

diplomats "because they worked in the previous administration," as well as a dismissive attitude to the role of diplomacy. Political and economic openness and a "sense of possibility" enabled America's success abroad, but that is now threatened by a "nasty brew of mercantilism, unilateralism, and unreconstructed nationalism," Burns said.

"Morale has never been lower," said Tom Countryman, who retired in January after a diplomatic career serving under six presidents.

In the past, politically charged issues, such as the U.S. invasion of Iraq, created moral dilemmas for some diplomats, he said, but this is a problem of a different magnitude.

Countryman said he has been approached for advice by younger members of the diplomatic corps, many of whom are deeply disheartened. "My advice was to do your best to stay and serve the American people until it becomes truly unbearable for you in a moral sense," he said. "I sought to encourage them by reminding them that no administration lasts forever."

Tillerson himself appears to be exasperated by the job, caught between ideologues in the White House, competing congressional interests, and shell shock after jumping from the private sector, where he ran the U.S. oil giant ExxonMobil as a powerful executive in a highly centralized organization.

"He doesn't have the same authority as a CEO," one Trump insider told FP. "I know the White House isn't happy with him and he isn't liking the job."

Trump's growing frustration with Tillerson was evident in a heated meeting between the two this month over recertifying Iran's compliance with the nuclear deal brokered under his predecessor, FP has previously reported. Unhappy with Tillerson, Trump set up a White House team to sideline the State Department and scuttle the nuclear deal.

Last week, State Department spokeswoman Heather Nauert unexpectedly announced that Tillerson would be "taking a little time off," sparking rumors of a "Rexit." Tillerson dismissed the claims. "I'm not going anywhere," he told press during a brief photo-op with the Qatari foreign minister.

But a top aide has confided to colleagues that Tillerson and his inner circle are growing deeply frustrated by "media attacks, their inability to control the policy, and a lack of support from the Senate."

"I think he hates the job and won't stay long," the aide said.

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Tillerson Wants Fewer U.S. Diplomats, Fewer Meetings at U.N. Summit

7-9 minutes

The State Department plans to scale back its diplomatic presence at this year's annual U.N. gathering of world leaders in September, a cost-saving initiative that delivers another powerful signal that America is deepening its retreat from international diplomacy, according to four well-placed diplomatic sources.

For more than seven decades, American presidents from Harry Truman to Ronald Reagan and Barack Obama have attended the fall U.N. General Assembly general debate in New York to project their vision of American foreign policy to the world. They have been accompanied by a growing entourage of American diplomats, lawyers and technical experts who negotiate a wide range of issues, from nuclear arms treaties to climate change pacts and conflicts.

President Donald Trump does plan to address other world leaders at the U.N. General Assembly, and he will be accompanied by other top advisors, including his son-in-law Jared Kushner and his daughter Ivanka Trump, who stopped by U.N. headquarters Friday for a private lunch with U.N. Secretary General Antonio Guterres.

But the ranks of professional diplomats, aides and officials that attend the event to promote American policy priorities on a range of issues will be thinned out. For now, it remains unclear precisely how large of a cut in U.S. staff is envisioned, but two officials said that the State Department is seeking to keep a ceiling down to about 300 people, including everyone from the President to support staff that schedule meetings and copy speeches back at the hotel.

Last year, 347 U.S. officials were counted by the U.N. in the official American delegation, which included then President Obama and his top diplomat, John Kerry. But the full

delegation, including support staff and security, was far larger, according to former U.S. officials.

The State Department and the National Security Council had not responded to a request for comment. A spokesman for the U.S. mission to the United Nations declined to comment.

While some critics fear that a truncated diplomatic presence will diminish U.S. influence on an important international stage, others, including Trump supporters and former political appointees in the Obama administration, think the American delegation could use some trimming.

Richard Gowan, a U.N. expert at the European Council on Foreign Policy, said that a lighter presidential workload at the September summit might not be such a bad thing, particularly given Trump's record of aggravating diplomatic disagreements with allies in recent foreign visits. But a larger diplomatic presence could help potentially diminish the damage.

"Trump demonstrated at the NATO and G20 meetings that he doesn't really know how to behave on these occasions," Gowan said. Tillerson and Haley "should be absolutely cocooning the president in staffers in the hope that they can keep him away from trouble."

Despite the scaled-back expectations, President Trump is expected to stay in the area for longer than his predecessor, who generally spent two working days in New York. Obama and his aides used to stay a night at the Waldorf Astoria — at least until the purchase of the storied hotel by a Chinese insurance giant, Anbang Insurance Group. That prompted Obama and the American delegation to check out for good, fearing China might spy on them. They relocated to the New York Palace, which is owned by a South Korean conglomerate, Lotte Group.

Trump, who is expected to stay at his New Jersey golf club, had initially planned to spend ten days,

receiving foreign leaders at his club. But sources said he is likely to cut back his visit to a few days.

Tillerson, meanwhile, is expected to spend far less time engaging in diplomatic spadework than his predecessors, who traditionally spend more than a week in New York meeting with foreign dignitaries in countless meetings.

The U.N. General Assembly debate opens this year on Tuesday Sept. 19 with an address by Trump, who will speak after the U.N. General Assembly President, the U.N. Secretary-General and the President of Brazil. While attention focuses on the speeches of kings, presidents and prime ministers, it also provides an opportunity for mid-level officials from the State Department and other federal agencies to participate in intensive rounds of speed diplomacy.

Most of the State Department bureaus key assistant secretaries generally bring along at least a dozen staffers. But this year they have been instructed to scale back, in some cases allowing only a single aide to accompany the acting chief of the the bureau on the trip.

The diplomatic culling is being enforced by Secretary of State Rex Tillerson — the former ExxonMobil chief who has shown little interest in U.N. diplomacy during his first six months on the job. It comes at a time when the White House is seeking as much as a 30 percent cut in U.S. funding to the State Department, and even deeper cuts in U.N. operations.

The international preparations have set the stage for clashes over a range of priorities. Earlier this month, Nikki Haley, the U.S. Ambassador to the United Nations, proposed making the Syrian refugee crisis the centerpiece of the president's debut before the world community.

Haley, who recently traveled to Jordan and Turkey to highlight the plight of Syrian refugees, has made the issue a signature priority during her tenure. Haley had already

pressed the U.N. Secretary-General to participate in a high level meeting aimed to rally international assistance to those countries.

The plan—which resembles a strategy favored by Britain — would seek to create improved conditions for Syrian refugees in their region, reducing the need to resettle them in the West.

But the White House nixed the idea, which would have drawn attention to President Trump's ban on travel for individuals from several Muslim countries wracked by conflict.

Instead, the White House identified five priorities it intends to highlight: reining in North Korea's nuclear program, resolving the Syria crisis, rallying support for a tougher response to terrorism, reforming the United Nations, and addressing the refugee and hunger crisis.

While Syrian refugees will still be on the agenda, it will have to share stage time with a host of other humanitarian issues, including risks of famine in Nigeria, Somalia, South Sudan and Yemen. The famines have garnered increased interest in the White House since Ivanka Trump has taken a personal interest in addressing world hunger.

Trump will not attend any high-level meeting on refugees.

But the schedule remains in flux. White House planners are exploring the possibility of having the president attend a high-level meeting hosted by UN Secretary General Antonio Guterres on famine. They are also considering having Trump appear at a side meeting on U.N. reform, which could include the U.S. push to reform the U.N. Human Rights Council.

Foreign delegations, however, say they remain in the dark about the American plans for UNGA. "I haven't heard from the U.S. mission any plans to organize a big event where they would need other heads of state," said one diplomat from a major country. "I haven't heard anything."



Science Monitor

7-9 minutes

How some lawmakers see a way to work together on health care

The Christian

July 28, 2017 Washington—Arizona Sen. John McCain, who defied illness this week and traveled to Washington to give the GOP health plan a decisive push forward,

instead has dealt it a death blow. He shocked his Republican colleagues early Friday morning with his vote against their "skinny repeal" — and gave Democrats hope

that now the parties can work together to fix the Affordable Care Act (ACA).

"I urge my colleagues to trust each other, stop political games& put health needs of American ppl 1st. We can do this," he tweeted out Friday morning, in the bipartisan spirit that brought this maverick politician applause in a speech before the full Senate on Tuesday.

Regaining trust is a very tall order in a Congress that just went through six months of a highly partisan effort by Republicans to fulfill their campaign promise to repeal and replace Obamacare. The parties have plenty of reasons not to cooperate, including raw feelings, deep ideological differences over health policy, and the midterm elections of 2018. Meanwhile, President Trump has reiterated his oft-repeated message to let Obamacare implode.

But several Democrats and Republicans in both chambers, feeling the urgency of the partial collapse of Obamacare and anticipating that the GOP repeal effort might fail, have been talking quietly behind the scenes. They, along with outside experts, can see several ways to help the law, both in the short- and longer-term, from an immediate infusion of federal funds to adjustments to the individual mandate.

A bipartisan group of about 40 representatives in the House, known as the Problem-Solvers caucus, has been gathering regularly to talk about health care. And Sen. Lamar Alexander (R) of Tennessee, chairman of the Senate committee that deals with health issues, is open to hearings on the law and is already trading ideas with his ranking committee member, Sen. Patty Murray (D) of Washington.

There's no question that Obamacare is in trouble. Premiums are rising and about 25,000 customers buying individual insurance on the law's private market exchanges face the possibility that no insurers will cover them next year.

"First of all, both sides understand how critical it is for us to stabilize the market," says Sen. Joe Manchin (D) of West Virginia in an interview. He is perhaps the most conservative Democrat in the Senate and someone who has been in touch with Republican colleagues on health care.

Senator Manchin and others offer these ideas, among many, that could help steady the insurance exchanges in the near term, increase health-care access, and lower costs.

A cash infusion?

One reason the insurance exchanges are in flux has to do with something known as cost-sharing reductions.

Under the ACA, the federal government is required to help certain lower-income patients reduce the cost of their deductibles and co-pays. Federal subsidies for these reductions are seen as crucial to insurers being able to provide plans to such patients.

Amidst a legal challenge, the Trump administration has rattled insurers by going month-to-month on this federal spending. If insurers receive no guarantee of payment for their "cost-shares," then "the markets in several states will be in very bad states and premiums will go up almost everywhere," says Timothy Stoltzfus Jost, a health-care expert and emeritus professor at the Washington and Lee University School of Law in Lexington, Va.

Either the administration needs to give a clear signal that it intends to keep up the payments, or Congress needs to act, says Professor Jost.

Democrats and some Republicans also urge extending and funding "reinsurance" that protects insurers from big losses from high-cost patients. The law's reinsurance provision expired in 2016.

Senate majority leader Mitch McConnell (R) of Kentucky warned

that Republicans would oppose any "bailout" of insurers without "reforms."

But the GOP's House and Senate bills included variations on reinsurance – as well as a "stabilization" fund – so there is room for common ground.

"We should look at reinsurance," said Senate minority leader Charles Schumer (D) of New York in a press conference Friday, pointing to a Democratic bill that would make this backstop for insurers permanent.

He also gave a shout-out to a bill by Democrat Claire McCaskill of Missouri that would allow people stuck in markets abandoned by insurers to buy coverage on the same exchange that members of Congress and their staffs use.

Moving in the GOP's direction

Democrats are going to have to "give Republicans some wins," says Billy Wynne, former health policy counsel to the Senate Finance Committee.

They could, for instance, do more to encourage Health Savings Accounts, maybe using them to pay premiums or provide subsidies. They could back getting rid of some Obamacare taxes – such as the so-called "Cadillac tax" on high-end employer plans and the tax on medical devices, which already have some bipartisan support. Then there's the question of finding offsets to make up for that lost revenue, however.

And they might find an alternative to the much-maligned individual mandate by embracing "automatic enrollment" with an opt-out possibility – an idea put forward by Republican Sens. Susan Collins of Maine and Bill Cassidy of Louisiana.

"We know from our experience with retirement programs that most people stay in" when there is auto-enrollment, says Senator Collins, who along with McCain and Sen. Lisa Murkowski of Alaska voted

against the GOP measure early Friday morning.

Make better use of existing provisions

Most Americans are probably unfamiliar with two existing waivers in current law that give states a great deal of flexibility, known as 1332 and 1115. Under 1332, states could actually drop the individual and employer mandates if they wanted to – as long as they still fulfill the conditions of Obamacare.

Last year, Alaska successfully used Obamacare's 1332 provision in a narrow way to create a reinsurance program that significantly controlled its rise in premium costs. Insurance rates were expected to rise by more than 40 percent in 2017. Instead, they only rose by about 7 percent.

The other waiver, 1115, allows states to get creative with Medicaid. Senators Collins and Manchin point to Indiana as a potential state model. The Hoosier State has both lowered costs per beneficiary and improved health outcomes, according to Collins.

"It's clear the ACA has serious flaws that require us to act," said the Mainer in an interview on Friday. "We're on the verge of a crisis as far as the stability of the market is concerned."

This week she held an informal dinner with some Democrats and Republicans to just get together and explore ideas, she said. "There are some good options out there" and she is encouraged by Senator Schumer's cooperative tone after the GOP bill went down last night.

"It was very different from his highly inflammatory previous speeches he's given ... and I was very glad to hear it," she said. And the mood of Republicans? There are still divisions and hard feelings within the caucus, she said. "But I don't think doing nothing is an option."

THE WALL STREET JOURNAL

Next Up for GOP Congress: Raising the Debt Ceiling

Kate Davidson
6-7 minutes

Updated July 30, 2017 12:46 p.m. ET

Republicans are leaving town for an August recess after a failed attempt to repeal the Affordable Care Act. When they return in September, they'll have just 12 working days to avert another big problem.

In a letter to lawmakers Friday, U.S. Treasury Secretary Steven Mnuchin said the federal borrowing limit, or debt ceiling, needed to be raised by Sept. 29 or the government risked running out of money to pay its bills.

The Treasury Department has been employing cash-conservation measures since March, when borrowing hit the formal ceiling of nearly \$20 trillion. Those measures are expected to run out in early to mid-October. When they do, the government won't have money to

pay interest on debt, write Social Security checks or make millions of other routine payments, unless it can tap credit markets for borrowing to raise additional cash. Missing payments could send financial markets in a tailspin.

Lawmakers have managed to resolve bitter feuds over the debt limit before. But markets are starting to reflect angst about Washington's ability to navigate a new showdown given the challenges Republicans have had reaching common ground on issues

like health care. Lawmakers leave town with no clear strategy for managing the complex politics around raising the limit when they return.

"We just don't know what the process is going to look like this time," said Goldman Sachs political economist Alec Phillips.

This will be the first time Republicans will control both chambers of Congress and the White House while navigating a

debt ceiling increase. They face resistance within their own party.

In the past, conservative Republicans sought to pair increases in the borrowing limit with steep spending cuts. Some argued against raising the limit at all. This time the GOP will have to own the consequences if the government defaults on debt or fails to make other payments.

Mr. Mnuchin has made clear the administration wants to see the debt limit increased, with no strings attached. But GOP leaders will almost certainly need to rely on Democratic support to get any type of increase to the president's desk, something Democrats might be reluctant to provide without something in return. They have been unified in opposition to Republicans on other issues.

The path to raising the debt limit will be the first major political test for Mr. Mnuchin, a Washington novice who has been intensely focused on the Trump administration's forthcoming tax overhaul proposal.

"Based upon our available information, I believe that it is critical that Congress act to increase the

nation's borrowing authority by September 29," Mr. Mnuchin said in last week's letter.

It is going to be a tight squeeze. Treasury's cash balance is expected to drop to near \$25 billion in September—a precariously low level, especially in the event of some unforeseen shock, such as a severe natural disaster, global crisis or unexpected drop in revenue.

Strategic challenges hang over Mr. Mnuchin's options. When President Barack Obama was in power, some Republicans challenged the White House to allow cash to run down and prioritize some payments, such as interest on debt, over others, such as discretionary spending. That idea could return.

Transcripts from a 2011 meeting of the Federal Reserve showed the central bank, as the Treasury's financial agent, was prepared to continue making payments to bondholders, while potentially delaying other payments, if Congress failed to raise the borrowing limit back then.

Mr. Mnuchin told lawmakers on Capitol Hill last week he had "no intent" to prioritize payments, which would put him in the

uncomfortable position of choosing whether to pay foreign bondholders ahead of retirees or government workers. "I think that doesn't make sense," he said. "The government should honor all of its obligations and the debt limit should be raised."

Complicating matters, the debt limit isn't the only fiscal fight lawmakers are bracing for when they return from the August recess.

The showdown will coincide with the end of the fiscal year on Sept. 30, and the prospect of a government shutdown if Congress fails to authorize new spending for 2018. That could make the debt limit increase more difficult to address, if lawmakers get bogged down in a fight over spending.

Adding to the political muddle, some lawmakers want to relax spending caps set into law six years ago as part of a compromise reached between Mr. Obama and congressional Republicans to end an earlier debt-limit standoff.

"They'll put this one big, nasty bill together that gets passed with a majority of Democrats and less than a majority of Republicans," said Rep. Mark Meadows (R., N.C.),

chairman of the House Freedom Caucus, a group of roughly three dozen conservative House Republicans.

The costs from delaying action on the debt ceiling are already mounting, Mr. Mnuchin warned lawmakers last week.

Two recent debt-limit fights on Capitol Hill, in 2011 and 2013, raised yields on Treasury securities ahead of the expected date of default, ultimately boosting Treasury's borrowing costs by about \$260 million in 2011 and \$230 million in 2013, according to research released by the Federal Reserve this year.

"Right now effectively, as opposed to borrowing in the market at lower rates, we're borrowing and making our trust funds whole at slightly higher rates," Mr. Mnuchin said. "There is a real cost to doing that."

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**The
New York
Times**

Krugman : Who Ate Republicans' Brains?

Paul Krugman
5-7 minutes

When the tweeter-in-chief castigated Senate Republicans as "total quitters" for failing to repeal the Affordable Care Act, he couldn't have been more wrong. In fact, they showed zombie-like relentlessness in their determination to take health care away from millions of Americans, shambling forward despite devastating analyses by the Congressional Budget Office, denunciations of their plans by every major medical group, and overwhelming public disapproval.

Senator Lindsey Graham on Thursday, speaking about the proposal to repeal the Affordable Care Act. Cliff Owen/Associated Press

Put it this way: Senator Lindsey Graham was entirely correct when he described the final effort at repeal as "terrible policy and horrible politics," a "disaster" and a "fraud." He voted for it anyway — and so did 48 of his colleagues.

So where did this zombie horde come from? Who ate Republicans' brains?

As many people have pointed out, when it came to health care

Republicans were basically caught in their own web of lies. They fought against the idea of universal coverage, then denounced the Affordable Care Act for failing to cover enough people; they made "skin in the game," i.e., high out-of-pocket costs, the centerpiece of their health care ideology, then denounced the act for high deductibles. When they finally got their chance at repeal, the contrast between what they had promised and their actual proposals produced widespread and justified public revulsion.

But the stark dishonesty of the Republican jihad against Obamacare itself demands an explanation. For it went well beyond normal political spin: for seven years a whole party kept insisting that black was white and up was down.

And that kind of behavior doesn't come out of nowhere. The Republican health care debacle was the culmination of a process of intellectual and moral deterioration that began four decades ago, at the very dawn of modern movement conservatism — that is, during the very era anti-Trump conservatives now point to as the golden age of conservative thought.

A key moment came in the 1970s, when Irving Kristol, the godfather of

neoliberalism, embraced supply-side economics — the claim, refuted by all available evidence and experience, that tax cuts pay for themselves by boosting economic growth. Writing years later, he actually boasted about valuing political expediency over intellectual integrity: "I was not certain of its economic merits but quickly saw its political possibilities." In another essay, he cheerfully conceded to having had a "cavalier attitude toward the budget deficit," because it was all about creating a Republican majority — so "political effectiveness was the priority, not the accounting deficiencies of government."

The problem is that once you accept the principle that it's O.K. to lie if it helps you win elections, it gets ever harder to limit the extent of the lying — or even to remember what it's like to seek the truth.

The right's intellectual and moral collapse didn't happen all at once. For a while, conservatives still tried to grapple with real problems. In 1989, for example, The Heritage Foundation offered a health care plan strongly resembling Obamacare. That same year, George H. W. Bush proposed a cap-and-trade system to control acid rain, a proposal that eventually became law.

But looking back, it's easy to see the rot spreading. Compared with Donald Trump, the elder Bush looks like a paragon — but his administration lied relentlessly about rising inequality. His son's administration lied consistently about its tax cuts, pretending that they were targeted on the middle class, and — in case you've forgotten — took us to war on false pretenses.

And almost the entire G.O.P. either endorsed or refused to condemn the "death panels" slander against Obamacare.

Given this history, the Republican health care disaster was entirely predictable. You can't expect good or even coherent policy proposals from a party that has spent decades embracing politically useful lies and denigrating expertise.

And let's be clear: we're talking about Republicans here, not the "political system."

Democrats aren't above cutting a few intellectual corners in pursuit of electoral advantage. But the Obama administration was, when all is said and done, remarkably clearheaded and honest about its policies. In particular, it was always clear what the A.C.A. was supposed to do and how it was supposed to do it — and

it has, for the most part, worked as advertised.

Now what? Maybe, just maybe, Republicans will work with

Democrats to make the health system work better — after all, polls suggest that voters will, rightly, blame them for any future problems. But it wouldn't be easy for them to

face reality even if their president wasn't a bloviating bully.

And it's hard to imagine anything good happening on other policy

fronts, either. Republicans have spent decades losing their ability to think straight, and they're not going to get it back anytime soon.

**The
New York
Times**

Blow : Satan in a Sunday Hat

Charles M. Blow
6-7 minutes

Anthony Scaramucci speaking to reporters at the White House last Tuesday. Tom Brenner/The New York Times

Donald Trump's foul-mouthed, preening, narcissistic flack, Anthony Scaramucci, made a string of jaw-dropping statements last week — including accusing chief strategist Steve Bannon of using the president for rapacious self-aggrandizement, comparing this impulse in Bannon to autofellatio — but perhaps none were more telling and important than this statement on White House leaks Scaramucci made last week on CNN:

"There are people inside the administration that think it is their job to save America from this president."

There are countless Americans — among them the nearly 74 million American voters who voted for someone other than Trump in November, and likely an increasing number of those who did vote for him — who have taken it as their mission to save America from Trump.

But the idea that, in addition to liberals, progressives, resisters, and, oh, I don't know, anyone with an inkling of patriotism, this desire to protect the country may well exist among some rock-ribbed Republicans and may in fact extend all the way to the corridors of the White House offers some solace.

Acknowledging this is by no means an act of exaltation or absolution. Quite the contrary: It illustrates these Republicans' absolute depravity and ideological ambition. They know well that this man is unfit and ruinous, and yet they remain his parasitic henchmen. They are willing to use Trump for gain, and leaks for leverage.

They may love the country, but not enough. They may be loyal to Trump, but not enough. They may relish their newfound power, but that power is also not enough.

This White House is now a jungle of wild accusations, out-of-control egos, lurking bigotry, and slithering strivers: The grass outside the Oval Office is full of snakes, and the person inside that office is no better, maybe even worse. Watching them turn on one another, devour one another, in what has become a grotesque, animalistic spectacle of dysfunctions, might for some bring a perverse pleasure because it exposes Trump and his supposed managerial acumen as an abject fraud.

I am not one of those people.

I take no joy in it; I am utterly embarrassed by it. But I also know that this war of West Wing rivals serves a beneficial purpose of distracting Trump from his disastrous agenda, undermining his efforts at obfuscation and outright lying, and casting sunlight on the scheming that Trump would like to keep hidden from the media truth-tellers he tries to defame and discredit.

These leakers — whether they are people who are angling to harm a White House adversary and thereby increase their positions on this totem of travesties, or actual moles animated by a sense of civic morality — have exposed this administration as a marauding band of incompetent, unprincipled, self-mutilating posers.

You can't transform mountebanks into *menschen*. Character is like concrete: You can make an impression when it's freshly poured, in its youth, one could say, but when it sets, it's impervious to alteration. Trump has always been vile, dishonorable and dishonest. That hasn't changed even when draped by the history, majesty and pageantry of the presidency.

The leakers continue to reveal this fact and Trump's fraudulence, something that has sent mini-Trump Scaramucci into a fit of pique. This is why Scaramucci said in his profanity-laced interview with The New Yorker: "What I want to do is I want to fucking kill all the leakers and I want to get the president's agenda on track so we can succeed for the American people."

But there seemed to be one target in particular of Scaramucci's bloodlust: Chief of Staff Reince Priebus.

In that same New Yorker interview, Scaramucci said of Priebus, "Reince is a fucking paranoid schizophrenic, a paranoiac." The reporter, Ryan Lizza, also wrote that Scaramucci said that Priebus will "be asked to resign very shortly."

On Thursday on CNN's "New Day," Scaramucci compared his relationship with Priebus to that of infamous biblical brothers: "Some brothers are like Cain and Abel. Other brothers can fight with each other and get along. I don't know if this is repairable or not. That will be up to the president."

For the record, in the religious text Cain lures Abel into a field and kills him.

On Friday, as Scaramucci had foretold, Priebus was driven out as chief of staff. The accused Cain wins again.

It is clear that Scaramucci is trying to create a work environment of terror and timidity in which no one will talk to reporters without fear of extreme retribution. Whatever little trust had survived among the White House staff has been trampled by Scaramucci's arrival.

He is Trump's mercenary, looking to pile up bodies on the White House funeral pyre. For Scaramucci, this is all about access, power and, oh yes, money. The only thing Scaramucci seems to care more about than what he makes is how people look — he oddly keeps making hair and makeup jokes, and he once asked, inappropriately and apropos of nothing, a female interviewer from New York magazine, "How old are you?" He continued: "You look good. No lines on your face. What are you, a Sagittarius?"

POLITICO How 2018 became the new 2020

By GABRIEL DEBENEDETTI

9-11 minutes

The 2020 Democratic presidential road show is already underway. And 2018 is beginning to look like the dress rehearsal.

Top contenders are making endorsements, picking sides in party primaries and aggressively working the fundraising circuit on behalf of 2018 candidates, all the while building their own name recognition. With many presidential prospects on the ballot themselves

next year, potential challengers to Donald Trump are also stockpiling cash to help run up their reelection margins to burnish their stature for the big election on the horizon.

Story Continued Below

The early focus on the midterms is a marked departure from previous practice and a further acceleration of the presidential campaign cycle. Prior to the 2016 presidential primary season, for example, Hillary Clinton and Bernie Sanders largely stayed off the campaign trail and out of elections until late 2014 — roughly six months before they officially announced their campaigns.

But with a historically large presidential field taking shape, more than a dozen prominent Democrats — including governors like Terry McAuliffe and Steve Bullock, and senators like Cory Booker, Elizabeth Warren and Kamala Harris — have recognized the need to distinguish themselves from the crowd. And they are already working hard to advance their brands while helping to reinvigorate the dilapidated party infrastructure in advance of the midterm elections.

"A major consideration for who the party nominates next is going to be whether they have a commitment to really rebuilding the party from the

ground up, and that their commitment is to not just their own election but to bringing the party with them," said Zac Petkanas, a former senior strategist for the Democratic National Committee and Hillary Clinton. "It is a way to get some goodwill early on among people who are going to be influential in the next nominating contest."

Presidential contenders have always played a long game in the run-up to White House bids, but rarely have so many been so assertive so early.

Behind the scenes, potential candidates are spending significant

time in the company of some of the party's top money men and women, in part to build up their own reserves but often at events designed to assist vulnerable lawmakers who are up for reelection in 2018.

Booker has been especially active — his travel itinerary reads like an atlas of at-risk Democratic incumbents. He's raised money for grateful colleagues in Florida, Ohio, Indiana, Montana and Michigan, among others, according to Democrats familiar with the itinerary.

On his rainmaking tour, the New Jersey senator has also held events designed to fill his own coffers, including at the home of Hollywood agent Michael Kives, a prominent party fundraiser for candidates such as Clinton.

Booker is one of many currently working the circuit; Kives is also set to host his home-state senator Harris next month as she steps up her own fundraising. The first-year lawmaker spent last weekend meeting with top party fundraisers in the Hamptons, and she has already raised over \$600,000 for Senate colleagues in 2017 while planning a fall tour for more, according to individuals familiar with Harris' plans.

Warren, a fundraising juggernaut, has made several California fundraising stops, including one in San Francisco where the Massachusetts senator joined Esprit founder Susie Tompkins Buell, a high-level party donor and close Clinton friend. Another gave Warren face time with Oakland Athletics part-owner Guy Saperstein, who in 2016 offered Warren \$1 million to run for president.

Like Booker and Harris, Warren is also lending a helping hand to her Senate colleagues. She headlined a crowded, low-dollar, private Detroit fundraiser for Sen. Debbie Stabenow in April, ahead of the Michigan senator's potentially tough 2018 race. Warren, who is planning an ambitious

fundraising schedule for colleagues in the coming months, also sent \$10,000 checks to a handful of vulnerable Senate colleagues.

Others still — including Sens. Kirsten Gillibrand of New York and Chris Murphy of Connecticut — have spent the opening months of Trump's presidency building intimidating campaign war chests that could both scare off potential opponents and turn into groundwork for potential presidential funds in two years. Murphy, for example, is sitting on over \$5 million, with no prominent challenger.

A wide range of senators, including potential national hopefuls Murphy, Warren, Tim Kaine, Sherrod Brown, Al Franken, Amy Klobuchar and Jeff Merkley also recently attended the Democratic Senatorial Campaign Committee's fundraising weekend in Martha's Vineyard, Mass.

McAuliffe's approach is to spend much of the next year raising cash for Virginia statehouse candidates as well as fellow governors and gubernatorial candidates — a project that the outgoing Virginia governor already started with his hand-picked successor Ralph Northam this year.

McAuliffe, whose frequent refrain is that anyone talking about 2020 instead of 2017 or 2018 is hurting the party, has also set up big-money events for New Jersey gubernatorial candidate Phil Murphy later this summer, Democrats close to the preparations told POLITICO.

Beyond doling out campaign cash, potential candidates like Harris, Warren and Gillibrand have also started using their political capital by endorsing candidates or taking sides in emerging 2018 primaries. Gillibrand, for one, has made a practice of funding promising female candidates in places as varied as New Jersey and Texas.

Sanders is following a similar approach. The progressive icon, who has already returned once this summer to Iowa, is expected to support a wide slate of candidates

after formally throwing his endorsement in Maryland's crowded gubernatorial primary to ex-NAACP President Ben Jealous.

Former Vice President Joe Biden launched a new political group this spring to support promising candidates after a visit to New Hampshire. Bullock similarly built a new group this month — complete with a political team made up of presidential campaign veterans, including pollster Jeffrey Pollock and strategist Nick Baldick — that will fund his travel and give him a way to back other Democratic candidates.

In addition to endearing themselves to lawmakers who could endorse their presidential bids, the endorsements often take prospective candidates to the early-voting states, where they can visit activists who are influential in the party's nominating process. Strategists in Washington and those states expect national figures to descend not only on the gubernatorial and Senate races in Iowa, New Hampshire, Nevada and South Carolina, but also on an upcoming New Hampshire state Senate special election and the Manchester, New Hampshire, mayoral race.

"Part of the benefit of staying active and helping other candidates — and helping to confront the grave challenge of the Trump presidency to our country — is it gives me an opportunity to stay close to what people are saying, what people are hearing, what people are thinking. And all of that plays into the decision I will have to make about running for president again," acknowledged former Maryland Gov. Martin O'Malley, who has openly toyed with the idea of another run as he crisscrosses the country on behalf of other Democrats. This month he returned to New Hampshire on behalf of state Senate and mayoral candidates, after hosting a fundraiser for an Iowa gubernatorial hopeful.

The special election for a U.S. House seat in South Carolina last month drew some star power: Both Booker and Harris sent campaign money to the Democratic candidate there, noted strategists involved in the arrangement, and O'Malley campaigned with him.

O'Malley isn't alone with his repeated early-state political trips: Sanders and Klobuchar are both due in Iowa twice this summer, and former Missouri Secretary of State Jason Kander and Ohio Rep. Tim Ryan have both entered the outer rungs of the presidential conversation with their own swings through those states. After campaigning in the South Carolina special election and raising money for a colleague in Iowa, Ryan is due in New Hampshire next month for a fundraiser with the Young Democrats, party figures in both Ohio and New Hampshire told POLITICO.

Still, a few potential 2020 candidates are taking a measured, old-fashioned approach. Neither Washington Gov. Jay Inslee nor Colorado Gov. John Hickenlooper has yet jumped into the fray, nor has former Massachusetts Gov. Deval Patrick.

They're in the minority, though.

"People are going to read into all kinds of things," said Ryan, who gained recognition in November for his ultimately failed bid to unseat House Minority Leader Nancy Pelosi.

"But look, I want to have a bigger voice in the party, and maybe a guy from Youngstown needs to be speaking out," he said, nodding to Trump's success with voters in districts like his own.

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No, Mooch, she's a professional, and the sign is "stop." This man is what we used to call a "Satan in a Sunday hat."

**THE WALL
STREET
JOURNAL**

U.S. Companies Post Profit Growth Not Seen in Six Years (UNE)

Theo Francis and
Thomas Gryta

7-9 minutes

Updated July 30, 2017 7:43 p.m. ET

America's largest companies are on pace to post two consecutive quarters of double-digit profit growth for the first time since 2011, helped by years of cost-cutting, a weaker dollar and stronger consumer spending.

Earnings at S&P 500 companies are expected to rise 11% in the second quarter, according to data from Thomson Reuters, following a 15% increase in the first quarter. Close to 60% of the firms in the index have reported second-quarter results so far.

Corporate America's strong earnings performance comes as several policy initiatives that were expected to help boost companies' bottom line—corporate-tax cuts and increased government spending on

infrastructure—have been sidetracked amid political infighting in Washington, D.C., which culminated with the recent failure of the health-law bill.

Even as activity inside the Beltway bogged down, the markets have been on an almost nonstop rally since the election. The S&P 500 is up 16% since early November and 10% this year.

"You could argue that the stock-market investor overestimated

Trump but underestimated earnings," said Christopher Probyn, chief economist for State Street Global Advisors.

The second-quarter profit gains are spread across industries from Wall Street banks to Detroit's car factories to Silicon Valley's software labs. Earnings are expected to decline only in the utilities sector, according to data from Thomson Reuters.

Several factors are at work, analysts and economists say. A weaker dollar has made it easier to sell U.S.-made goods overseas and has kept borrowing costs low. U.S. wages have improved enough to help bolster consumer spending without raising employer labor costs so much to dent the bottom line.

Companies also continue to reap the fruits of their recent zeal for cutting costs, Mr. Probyn said. "We underestimated some of the cost-cutting and restructuring that has gone on within the various industries; that has permitted earnings to keep doing well."

Sales, too, rose in the quarter, by an expected 5%, the second-biggest increase in more than five years, according to data from Thomson Reuters. The figures reflect actual results for about half the S&P 500 index, and analysts' estimates for those that had yet to report results as of Friday.

On Friday, the Commerce Department reported that gross domestic product rose at a 2.6% rate in the second quarter, up from 1.2% in the first quarter.

Executives say even rapid progress on a tax rewrite or an infrastructure bill is unlikely to help improve profits soon.

"We're halfway through the year, and they haven't done [tax overhaul]," Christopher Nassetta, CEO of Hilton

Worldwide Holdings Inc. said last week. "We're not going to have enough time for it to trickle through and really benefit this year."

On an investor call earlier this month, James Dimon, chief executive officer of J.P. Morgan Chase & Co. said: "We've been growing at 1.5% to 2% in spite of stupidity and political gridlock because the American business sector is powerful and strong and is going to grow regardless." Mr. Dimon has made several comments about the need for bipartisan policy revamps.

The White House didn't respond to a request for comment.

"Political and policy uncertainty continues to weigh on health care, taxation, regulation and trade," Debra Cafaro, chief executive of Ventas Inc., a real-estate investment firm specializing in senior housing and health-care property, said Friday. "Washington has been wildly unpredictable."

As executives discuss results with investors and analysts, events in Washington have faded into the background. S&P 500 companies that mentioned President Donald Trump or his administration during their latest conference calls are down by a third compared with three months ago, according to an analysis by research firm Sentio.

The market has also largely stopped reacting to blow-by-blow

developments in Washington, despite uncertainty over the size, shape and timing of any tax and infrastructure initiatives, said Quincy Krosby, chief market strategist with Prudential Financial Inc.

Last week, congressional Republicans and the Trump administration outlined some plans for tax changes to cut individual and corporate tax rates "as much as possible" with a timeline to advance legislation this fall. Many specifics aren't yet known. President Trump has also promised to put \$1 trillion toward infrastructure, likely from a mix of private and public funding, although details remain unclear.

Corning Inc. CEO Wendell Weeks, who was at the White House this month to announce new U.S. investment and hiring, told analysts last week that he still expects Congress to overhaul the tax code—eventually.

"What I am much less confident about is how the political math works in any given year," Mr. Weeks said. "So I think calling timing on that one is above my pay grade."

Honeywell International Inc. CEO Darius Adamczyk earlier this month said he hoped lawmakers would advance plans for revamping the tax code as soon as the current quarter. Still, he isn't counting on it.

"I think there's more uncertainty in that now than maybe even before,

so I can't let that sort of rule the business," Mr. Adamczyk said.

That uncertainty could make it difficult for companies to sustain robust earnings growth, said Omar Aguilar, chief investment officer of equities for Charles Schwab Investment Management.

Companies are reporting solid cash flow, but capital spending has been weak until recently. Uncertainty over tax policy may exacerbate that reluctance to invest, Mr. Aguilar said. "Tax reform is clearly what the future may require for these numbers to continue on the same pace."

Evan Greenberg, CEO of insurer Chubb Ltd., told investors last week that the U.S. badly needs a tax-code overhaul and higher government infrastructure spending to remain competitive.

"But an awful lot of this requires legislation, and we need an administration that is focused, that is working with Congress," he said in a conference call. "And we need a Congress that comes together to address these issues of our country."

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The New York Times

Hot Spot for Tech Outsourcing: The United States (UNE)

Steve Lohr
9-11 minutes

For years, American companies have been saving money by "offshoring" jobs — hiring people in India and other distant cubicle farms.

Today, some of those jobs are being outsourced again — in the United States.

Nexient, a software outsourcing company, reflects the evolving geography of technology work. It holds daily video meetings with one of its clients, Bill.com, where team members stand up and say into the camera what they accomplished yesterday for Bill.com, and what they plan to do tomorrow. The difference is, they are phoning in from Michigan, not Mumbai.

"It's the first time we've been happy outsourcing," said René Lacerte, the chief executive of Bill.com, a bill payment-and-collection service based in Palo Alto, Calif.

Nexient is a domestic outsourcer, a flourishing niche in the tech world as some American companies pull back from the idea of hiring programmers a world away.

Salaries have risen in places like South Asia, making outsourcing there less of a bargain. In addition, as brands pour energy and money into their websites and mobile apps, more of them are deciding that there is value in having developers in the same time zone, or at least on the same continent.

Mark Orttung, the chief executive of Nexient, which is based in Newark, Calif., but set up centers in Michigan and Indiana to tap workers who didn't want to leave the Midwest. Jason Henry for The New York Times

Many of these domestic outsourcers are private, little-known companies like Rural Sourcing, Catalyte, Eagle Creek Software Services and Onshore Outsourcing. But IBM, one of the country's foremost champions of the offshore outsourcing model, has announced plans to hire 25,000

more workers in the United States over the next four years.

As a result, the growth of offshore software work is slowing, to nearly half the pace of recent years.

"The nature of work is changing," said Vishal Sikka, chief executive of Infosys, an Indian outsourcing giant. "It is very local. And you often need whole teams locally," a departure from the offshore formula of having a project manager on-site but the work done abroad.

"It's not enough to have people offshore in India," he added.

Infosys announced in May that it planned to hire 10,000 workers in the United States over the next two years, starting with centers in Indiana and North Carolina.

The offshore industry is not imperiled, analysts say. But from 2016 to 2021, the offshore services industry will have average yearly growth of 8 percent, the research firm IDC estimated. The rate in the previous five years was 15 percent.

"Domestic sourcing is here to stay, and it's going to grow rapidly," said Helen Huntley, an analyst at the research firm Gartner.

Nexient's new office in Newark. The company has added 150 people in the last two years, and plans to hire a few hundred more over the next year. Jason Henry for The New York Times

The first wave of internet-era digital change in business, starting in the 1990s, focused mainly on automating back-office tasks like payrolls and financial reporting. The software involved was a collection of huge programs maintained by armies of engineers.

The internet allowed that work to be sent to low-wage nations, especially India. That brought the rise of the big outsourcing companies like Tata Consultancy Services and Infosys.

Offshore services companies still excel at maintaining the software that runs the essential back-office systems of corporations. But today, companies in every industry need mobile apps and appealing websites, which can be made

smarter with data and constantly updated. That software is best created by small, nimble teams, working closely with businesses and customers — not shipped to programmers half a world away.

Nexient, which has its headquarters in Newark, Calif., has three delivery centers in the Midwest: in Ann Arbor, Mich.; Okemos, Mich.; and Kokomo, Ind. It employs 400 people, up from 250 two years ago, and plans to hire a few hundred more over the next year, Mark Orttung, the company's chief executive, said.

The company's business model is fairly typical for onshore companies. On projects, it will send members of a team to the client for a couple of weeks to study the business and meet their counterparts. Bill.com even interviewed and shared in the selection of five Nexient engineers who would work on the joint team.

Mr. Lacerte of Bill.com had farmed out technology work over the years, but the headaches of navigating time zones, cultures and language often outweighed the cost savings. Those problems went away when he hired a domestic outsourcer.

A set of tools at the desk of a Techtonic apprentice. Techtonic began the apprentice program in 2014, and has hired 90 percent of the graduates. Ryan David Brown for The New York Times

Nexient has set up its centers away from the coastal

high-tech hubs, like the Bay Area and New York, to tap skilled people who want jobs in the technology economy without leaving the Midwest, where living costs are far less.

Monty Hamilton, a former Accenture consultant, took over Rural Sourcing in 2009, when it had just a dozen employees. Today, the company has 300 workers in four delivery centers: in Albuquerque; Augusta, Ga.; Jonesboro, Ark.; and Mobile, Ala. The payroll will reach about 400 people by the end of the year, Mr. Hamilton said.

"Every business now realizes it's a digital business," he said. "They need technical help, and that's really driven the demand for our U.S.-based talent."

Politics seem to be playing a role, too. The American onshore companies say they are seeing a postelection spike in client inquiries, as President Trump lobbies businesses to create more jobs in the United States and seeks to curb immigrant work visas.

"The election has brought a lot of attention to these issues and to us," Mr. Orttung said. "But nobody buys because of that."

Rising labor costs abroad also make domestic sourcing more attractive. A decade ago, Mr. Hamilton said, an American software developer cost five to seven times as much as an Indian developer. Now, he estimates, the

gap has shrunk to two times. The standard billing rate for his engineers is \$60 to \$70 an hour, compared with \$30 to \$35 in India, Mr. Hamilton said.

Nick Seeber, a senior developer at Techtonic, which plans to expand to 10 new cities in the next three years. Ryan David Brown for The New York Times

But the sales pitch made by onshore companies is not about raw labor costs. Instead, they claim the ability to deliver excellent work more efficiently than the offshore providers and less expensively than large technology services companies.

Cambia Health Solutions, which has its headquarters in Portland, Ore., is a health insurer with two million members. In recent years, it has moved beyond insurance to provide consumers with online tools to shop for doctors and specialists, for example, and to sort through drug options based on effectiveness, prices and user reviews.

In the past two years, Cambia Health has cut its use of an offshore outsourcer in India by half, said Laurent Rotival, the company's chief information officer. And the insurer has enlisted the help of Catalyte, an onshore outsourcer. "They can ramp up quickly," Mr. Rotival said.

Catalyte, based in Baltimore, has doubled its work force in the last two years, to 300 people. To

accommodate rapid growth, Catalyte is scouting locations for two new centers, which the company hopes to open by the end of this year, said Michael Rosenbaum, founder of Catalyte.

Training is a vital capability for all the onshore companies, but few have gone as far as the Techtonic Group in Boulder, Colo. Once a committed offshore outsourcer, Techtonic has made nurturing homegrown talent the centerpiece of its business. In 2014, it set up a training academy that feeds graduates into its Department of Labor-approved apprenticeship program for software engineers.

In the past couple of years, 30 people have gone through the program, which lasts six to nine months. Techtonic has hired 90 percent of the graduates, and many later became employees of its corporate customers, starting at salaries between \$65,000 and \$75,000.

Techtonic has an ambitious expansion plan, going to 10 new cities in the next three years and hiring 100 developers in each city, said Heather Terenzio, the company's chief executive.

"American industry has relied too much on overseas technology workers and neglected the potential talent here," she said.



At EPA museum, history might be in for a change

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

8-10 minutes

Scott Pruitt has repeated a particular line again and again since becoming the head of the Environmental Protection Agency.

"The future ain't what it used to be at the EPA," he's fond of saying.

As it turns out, the past may not be what it once was, either.

In an obscure corner of the Ronald Reagan International Trade Building, a debate is underway about how to tell the story of the EPA's history and mission.

A miniature museum that began as a pet project of former EPA administrator Gina McCarthy has come under scrutiny. It features the agency's work over 4½ decades, with exhibit topics such as regulating carbon dioxide emissions and the Paris climate accord. The Obama administration championed

such efforts, but President Trump's policies are at odds with them.

Environmental Protection Agency Administrator Scott Pruitt addressed the Conservative Political Action Conference on Feb. 25 in Oxon Hill, Md. Environmental Protection Agency Administrator Scott Pruitt addressed the Conservative Political Action Conference on Feb. 25 in Oxon Hill, Md. (The Washington Post)

(The Washington Post)

Now the museum, which opened just days before President Barack Obama left office, is being reworked to reflect the priorities of the Trump administration, an effort that probably will mean erasing part of the agency's history.

Unlike other stark changes that have taken place at the EPA since Trump took office, the museum overhaul has not been primarily driven by political appointees. Rather, some of the same career staff members who worked on the exhibits under the Obama administration informed Trump

appointees about the museum and the fact that parts of it were not in line with their vision.

"I wanted to make sure that they knew it existed," said Nancy Grantham, a career public affairs employee at EPA, who has toured the exhibit with at least one Trump official. "That's just how I operate. I don't like to be surprised, and I assume others don't like to be, either."

Most people outside the agency aren't even aware of the one-room exhibit just outside the entrance to the EPA Credit Union, which cost more than \$300,000 to assemble and is open to the public free each weekday. McCarthy cut the ribbon with a giant pair of scissors Jan. 17, joined by a handful of former and current EPA officials and staff members.

There is no question that parts of the museum reflect an Obama administration-centric narrative. It includes a panel dedicated to the 2009 "endangerment finding," in which then-EPA Administrator Lisa

Jackson concluded that the agency was legally obligated to control greenhouse gas emissions linked to climate change because they threatened public health. A separate panel features a Dr. Seuss cartoon-themed poster with the message "Join the Lorax and Help Protect the Earth From Global Warming."

The Paris agreement, in which nearly 200 nations pledged in December 2015 to curb their carbon output, also has a display panel, which notes that the "EPA is leading global efforts to address climate change." In June, Trump announced plans to withdraw from the agreement.

The Clean Power Plan, Obama's signature effort to regulate carbon emissions and combat climate change, also is prominently displayed. "The CPP shows the world that the United States is committed to address climate change," the exhibit reads. The EPA mini-museum may soon display coal. (Melina Mara/The Washington Post)

Trump signed an executive order in March ordering his deputies to scrap the Clean Power Plan.

[How Scott Pruitt moved to the center of power in the Trump administration]

On a tour of the exhibit Thursday, a career official said that these climate displays are slated to be removed, adding that the agency may add a display of coal to the museum.

Grantham acknowledged that the climate panels probably will be altered and possibly shelved, although she stressed that no final decisions had been made. "It should be no surprise that there may be changes," she said.

She also said there is interest in beefing up sections of the museum that are priorities for the new administration, such as the Superfund program and a bipartisan 2016 law regulating new and existing chemicals that some of Pruitt's deputies helped write. She said the administration also may add examples of EPA staff members working on agriculture to a section focused on agency employees in the field.

Every past EPA administrator is mentioned in the museum, with one exception: Anne Gorsuch, mother of Supreme Court Justice Neil M. Gorsuch, whose short and tumultuous tenure as President Ronald Reagan's first EPA administrator was marked by sharp budget cuts, rifts with career EPA

employees and a scandal over the mismanagement of the Superfund cleanup program. She resigned in 1983.

Grantham said Gorsuch will be added to the exhibit.

The EPA museum began as the brainchild of McCarthy, who visited pollution-themed museums in Japan a year ago. Meeting with other environmental ministers from G-7 nations in Toyama, she toured the prefecture's Itai-itai Disease Museum, which is focused on a pollution-related illness that began in the area a century ago.

Back in Washington, staff members set about making her vision a reality, with the goal of having it up and running before the Obama administration left office.

Albert Stanley "Stan" Meiburg, who served as the EPA's acting deputy administrator at the end of Obama's second term and worked at the agency for nearly 40 years, said he was struck by the fact that other agencies ranging from the Energy Department to the Centers for Disease Control and Prevention had exhibits on-site that told their stories.

"EPA had nothing," he recalled. "Nothing!"

McCarthy "gave us the impetus" to do the exhibit, Meiburg said, although she did not oversee its development.

"We thought, 'Now's the opportunity to do it, and to do it in the way that

told the history of the agency,'" he said, noting that the EPA had that space under lease and "could modify it at very little cost."

Meiburg said "the focus of it was the story of the agency" and "it was not something driven by a particular agenda." But he added, "We wanted to try to get this opened on Gina's watch."

[Pruitt pushes for government-wide effort to question climate science]

After identifying a space they could use for the museum, EPA employees contracted with the Smithsonian for advice on gathering artifacts and setting up exhibits. They also contacted the EPA Alumni Association.

That group shared a 50-page document it had put together, titled "50 years of environmental progress," according to Phyllis Flaherty, an alumni association board member who worked at the EPA from 1976 to 2011. She said the document provided a sort of outline for what to include in the exhibit. The group also contributed a video for an exhibit about the EPA's role in the anthrax episode on Capitol Hill in 2001, as well as historical photos and the text of oral history interviews they had done.

Linda St. Thomas, a spokeswoman for the Smithsonian, said the institution prepared the elements of the exhibit, such as the display panels, but had no input on its underlying content.

Christopher Sellers, an environmental historian at Stony Brook University who has visited the exhibit, questioned in an interview why the federal government would want to alter it so soon.

"It gives a good sense of what EPA has done over the last 40 years of its existence," he said. "It really explains what's at stake in having an agency like the EPA and having environmental laws to begin with."

Local Politics Alerts

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It's unclear how much taxpayer money, if any, it will take to overhaul the EPA museum to reflect the views of the Trump administration. Grantham said \$45,000 remains in the agency's contract with the Smithsonian, but the costs would depend in part on how many changes ultimately get made. The money must be committed by Sept. 30, because it does not carry over to the new fiscal year, which will start Oct. 1.

In the meantime, to make sure the current administration is represented, EPA officials have installed a large poster board in the museum, highlighting the agency's new "back to basics" agenda. It features a picture of Pruitt shaking hands with coal miners at a Pennsylvania mine and promises "sensible regulations for economic growth."