



ISSUE 10 : JANUARY 2011

Gridlock Ahead?

Will 2011 be the year of gridlock?

It certainly looked that way after the November election. Lately, however, there have been a few glimmers of hope that maybe, somehow, moderation and compromise will prevail.

In the unexpectedly productive lame-duck session of Congress, bipartisanship triumphed.

But that session was operating under a deadline threat. The Bush tax cuts were set to expire on January 1st. If Congress failed to act, everyone's taxes would have gone up. Neither party wanted to be held responsible.

Moreover, the Democratic majority was about to expire. Prospects for repealing "Don't Ask, Don't Tell" in the Republican Congress were highly doubtful. Some 70% of the public—and most military leaders—wanted the policy changed.

The biggest miracle was Senate ratification of the New START treaty. Democrats needed nine Republican votes for ratification. They ended up getting 13. If the treaty had come up for ratification in the new Senate, Democrats would have needed 14 Republican votes. Three Republicans who voted for ratification in December are no longer in the Senate. Ratification would have been highly unlikely.

Some Democrats appear to have gotten the message that they have to adopt a more pragmatic and conciliatory approach. The

President sent that signal when he named Bill Daley as his new chief of staff. Moreover, 19 House Democrats—a record number—refused to support Nancy Pelosi as their leader. One of the defectors was Rep. Gabrielle Giffords.

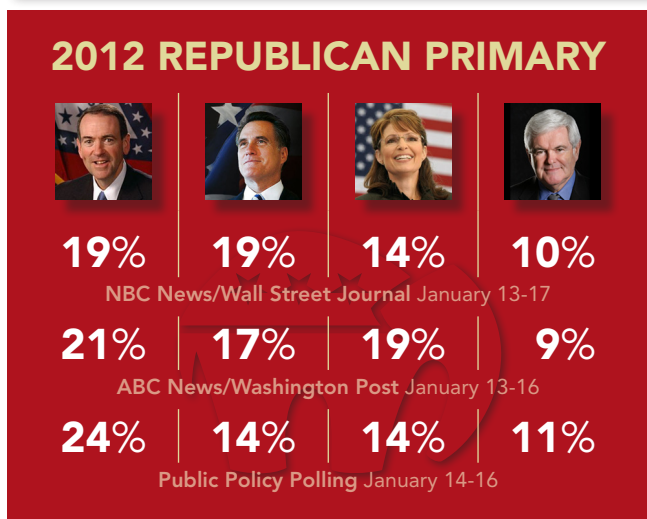
The prevailing response to the tragedy in Arizona has been a call to tone down the political rhetoric. President Obama rose to the occasion with his remarks in Tucson: "It is not because a simple lack of civility caused this tragedy—it did not—but rather because only a more civil and honest public discourse can help us face up to the challenges of our nation."

Conservatives quickly dismissed the call for civility as an attack on them. Sarah Palin called it "a pretext to stifle debate." Sadly, the debate over civility seems to have produced a new round of partisan recriminations.

Tribal warfare has become the normal condition of American politics. In the view of new House majority leader Eric Cantor (R-VA), the American people said in 2010, "We don't like this outside-the-mainstream agenda we've seen coming from Washington these last two years." Health care reform? "We just need to repeal it as the American people have spoken out and said." And if the Democrats block repeal? "They'll have to answer to the American people." That's tribal war: no concessions, no hostages.

Congressional Democrats may not be in the mood to compromise either. A majority did vote

for Pelosi. The message: nothing has changed. The federal government seems headed for a showdown over extending the national debt. Tea Party activists are demanding a show of defiance, even if it means cutting off the good faith and credit of the United States.



American politics is at a crossroads. There are several directions it could take. Gridlock is one. That would provoke serious international concern about the ability of the United States to lead the world out of economic crisis. It could also provoke a significant domestic backlash against congressional Republicans for causing an artificial crisis. Just as it did in 1996 after the government shutdowns.

The second possibility is compromise and deal-making, the usual mode of politics in Washington. The problem is that the Tea Party movement rose up in opposition to politics as usual. Tea Party activists were highly critical of the lame-duck Congress. To them, collaboration with Democrats means selling out.

The third option is party government. But Americans don't seem to like it very much when one party has control of everything. They didn't like it when Democrats controlled everything in 1993-94 or in 2009-10. In each case, one-party control lasted only two years, until the next election. Voters ended four years of Republican control rather brusquely in 2006.

The U.S. Constitution makes party government difficult. It divides power between two houses of Congress, the executive branch and the judiciary. And between the federal government and the states.

In the British parliamentary system, gridlock is unconstitutional. A core principle of the British constitution is: "His majesty's government must be carried on." If the government is gridlocked and cannot act, the government falls and new elections are held until the people elect a government that can act decisively.

The United States has no king. The Constitution makes it difficult for government to act decisively. The Constitution actually facilitates gridlock—or else compromise. Last year, voters opted for divided government. Gridlock and compromise are the only available choices. Guess which option the public prefers. ■

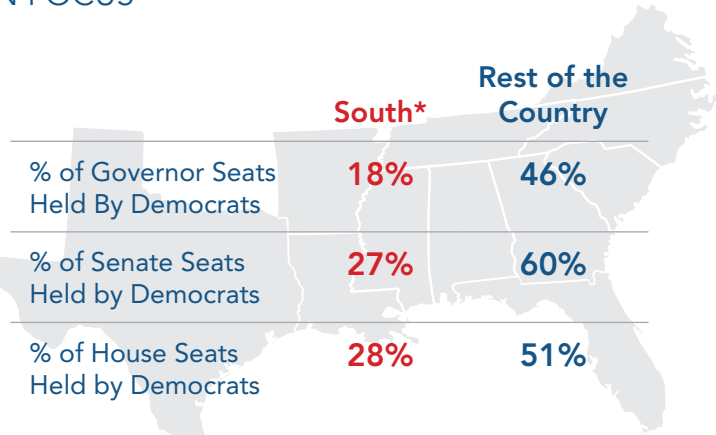
The South Rises Again

The Civil War started 150 years ago but the divisions endure. Then it was over human slavery. Now it's over party.

Democrats have become virtually noncompetitive in the South. Fewer than one third of southern House and Senate seats are now held by Democrats—28% and 27% respectively. Shockingly low figures. If you exclude the eleven states of the old Confederacy, Democrats would have a supermajority in the U.S. Senate (60% of the seats) and a narrow majority in the House (51% of the seats).

The picture gets even worse for Democrats when you look at southern governors (18% Democrats). Of the 11 southern states, only two—Arkansas and North Carolina—have Democratic governors.

From 1896 to 1932 the South was solidly Democratic. Nevertheless, Republicans managed to win most presidential elections. How? By completely dominating non-southern states. Today, Democrats and Republicans are closely competitive outside the South. If Democrats have to write off the South the way Republicans once did, they're going to have to become far more dominant outside the South.



* Composed of the 11 states of the "Old Confederacy."

The Perils of Palin

Sarah Palin's image has been badly tarnished by her response to the shootings in Arizona. She released her video response the same day President Obama spoke in Tucson, in an obvious attempt to compete with the President.

The outcome? Not even close (see graphic).

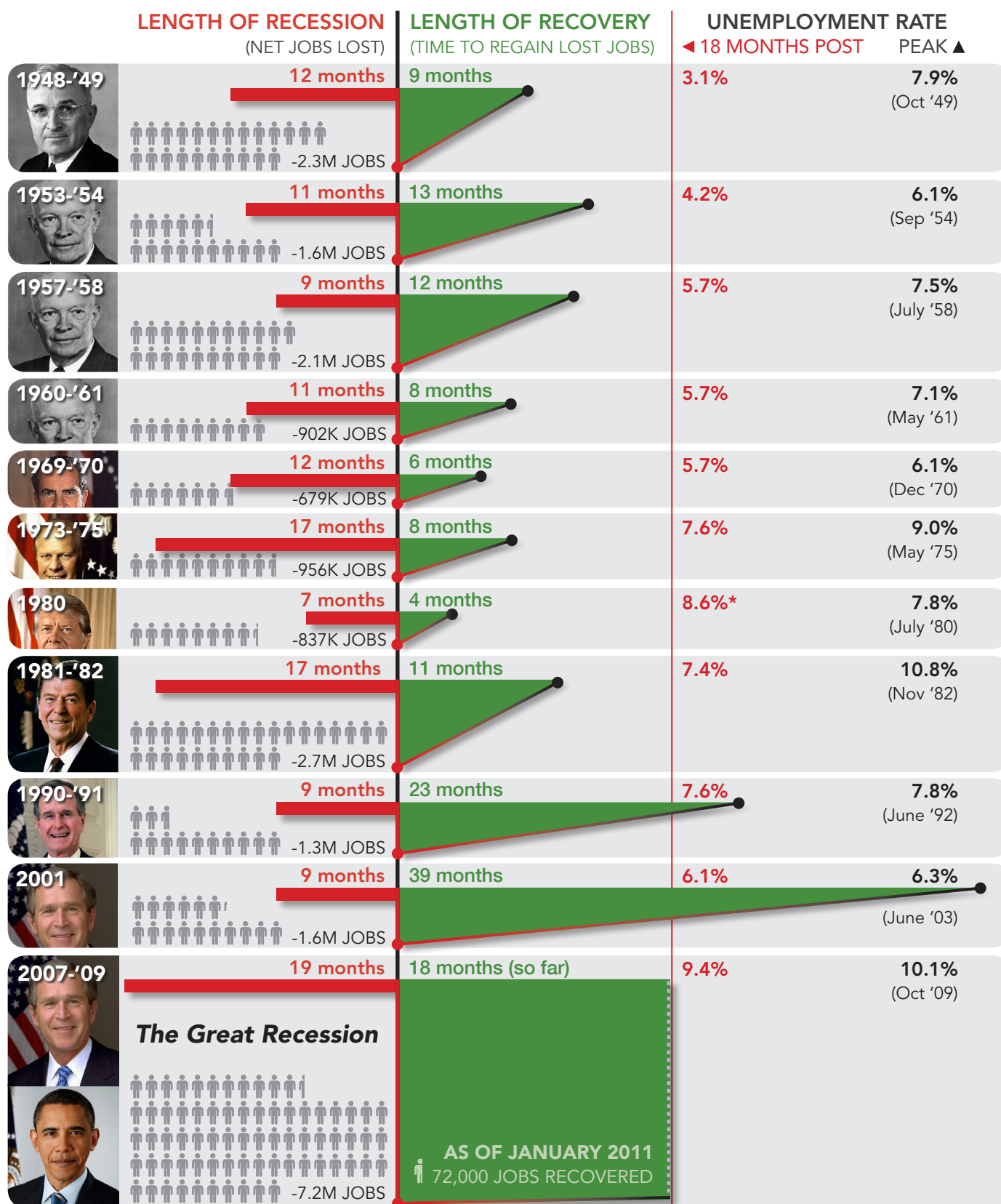


Palin is the un-Obama. Obama is a prince of the meritocracy. Palin is queen of the north woods. Obama was president of the Harvard Law Review. Palin was a runner-up in the Miss Alaska pageant. Obama is respected by intellectuals. Intellectuals have contempt for Palin—and she for them. Obama often comes across as an elitist. Palin's a populist.


Right now, Obama's up. His job approval rating, at 53% in the CNN poll, is the highest it's been in more than a year. Palin's down. Unfavorable opinion of the former vice presidential nominee, at 56%, is the highest it's ever been.

Palin is becoming a factional figure. Her support is intense but not broad. A presidential candidate needs to be able to build a broad-based coalition. Factional figures like George Wallace and Jesse Jackson and now Sarah Palin can't do that. No one can compete with them for their base. But the source of their support is the limit of their support.

RECESSIONS AND RECOVERIES SINCE WWII



Dates for the recessions provided by the National Bureau of Economic Research (<http://www.nber.org/>). Data regarding unemployment rates and jobs lost/created provided by the Bureau of Labor Statistics (<http://www.bls.gov/>).

 = 100,000 JOBS

Graphic design by Bill Rapp; research by Joe Iannuzzi.

* By this point, the economy was back in recession as the 1981-'82 recession had already begun.