



THE REAL DEAL ALL OUR EYES ON U.S. POLITICS

Reported cases of the coronavirus are surging in the United States. The Democratic primary contest narrows significantly and increased attention is placed on the security of America's electoral system. The United States and the Taliban sign a peace deal in Afghanistan while rivals for the Afghan presidency hold dueling inaugurations. The U.S. and EU may be close to a "mini trade deal."

CORONAVIRUS APPROACHES PANDEMIC STAGE, PANIC SETS IN

The coronavirus (CONVID-19) continues to spread unpredictably. The Centers for Disease Control (CDC) in the United States have issued level-three travel warnings for China, Iran, Italy and South Korea—advising against all non-essential travel. **Within the United States**, over 1,600 cases have been reported across thirty-seven states, resulting in over fifty deaths thus far. Americans are bracing for an expected surge in cases as the number of reported infections continues to rise. Alarm bells are sounding across the United States, employers are making contingency plans, school districts are closing, large gatherings are being canceled, sections of metropolitan areas are being quarantined and the National Guard has been mobilized in certain locals. The situation is escalating at an alarming rate and **President Trump's former homeland security advisor has warned** that our health-care system may be overwhelmed in a matter of weeks. **A vaccine is over a year away.**

Congress is taking a keen interest in the matter, there have been nearly a dozen congressional committee hearings looking into the outbreak and the resiliency and capacity of the health system. Congress approved over \$8 billion in emergency spending to provide resources to contain and treat the illness. **Several members of Congress**, including at least two who were recently in close contact with President Trump, are now under self-imposed quarantine after being exposed to coronavirus. The outbreak has caused tumult for global markets. In the United States, the Dow has lost nearly twenty percent from its mid-February high. The OECD **sounded the alarm** on threat to global growth, finance chiefs for the G-7 have been in direct contact on how to respond, and the U.S. Federal Reserve **cut the benchmark U.S. interest** rate by half a percentage—the largest cut to interest rates since the 2008 financial crisis. **Other central banks** have cut rates as well. The outbreak is also **impacting global supply chains** and has caused a **drop in oil demand.**

2020 DEMOCRATIC CONTEST NARROWS TO TWO

In mid-February, the narrative was that candidates Mike Bloomberg, Pete Buttigieg, Amy Klobuchar and Joe Biden were cannibalizing the moderate vote—after Super Tuesday, there has been a moderate coalescence around the former Vice President. The weekend before Super Tuesday (Tuesday, March 3), and on the heels of a sizable win in South Carolina, Buttigieg and Klobuchar withdrew from the race and endorsed Biden. Biden went on to win 10 of the 14 states voting on March 3—taking the lead in the race to secure the 1,991 delegates needed to win the Democratic nomination. Following Super Tuesday, Mayor Bloomberg withdrew throwing his support, and checkbook, behind Biden. Elizabeth Warren also withdrew from the contest but has yet to endorse anyone. That left two candidate vying for the nomination—Biden and Vermont Senator Bernie Sanders. Later in March, Biden continued to accumulate delegates with sweeping victories in the March 10 primary contests. As of this writing, Biden has 785 delegates to Sanders 642. While still short of the 1,991 pledged delegates needed to secure the nomination on the first ballot at the Democratic Convention in Milwaukee this summer, the primary contests to come heavily favor Biden or, framed differently, the path to the nomination for Sanders is impossibly narrow.

2020 ELECTION SECURITY

As the American primary season continues to unfold, increased attention is being placed on preparations for the November general election—specifically, election security. The agency responsible for this task, the Cybersecurity and Infrastructure Security Agency within the Department of Homeland Security, released its #Protect2020 Strategic Plan last month; this follows a Government Accountability Office (GAO) report that said the agency would struggle to execute a nationwide strategy. The plan details how the agency will work with federal law enforcement as well as state and local election officials to defend the electoral system. The agency is putting a lot of emphases on voter registration databases as they are more vulnerable than voting machines. There is a significant amount of concern on Capitol Hill, where lawmakers have been briefed that Russia is attempting to interfere in the 2020 race in an effort reelect President Trump. Senator, and Democratic presidential candidate, Bernie Sanders was also briefed that Russia is seeking to advance his candidacy. Efforts to pass election security bills have stalled in the Senate. Democrats have repeatedly tried to force votes on the measures, but have been blocked.

PEACE DEAL WITH TALIBAN & AFGHAN RIVALS HOLD DUELING INAUGURATIONS

On Saturday, February 29, Ambassador Zalmay Khalilzad, U.S. Special Representative for Afghanistan Reconciliation, and Taliban officials signed an agreement in Doha, Qatar aimed at ending the nearly two-decade long war in Afghanistan. U.S. Defense Secretary Mark Esper, writing in the *Washington Post*, said that the agreement is “a promising milestone to bring the war in Afghanistan to a responsible end.” President Trump also spoke on the phone with Taliban leader Mullah Abdul Ghani Baradar in early March—making him the first U.S. president to have ever spoken directly with a leader of the militant group. The agreement sets the stage for the withdrawal of U.S. forces in 14 months if the Taliban meet their commitments—which include a promise to neither aid nor harbor terrorists, maintain a reduction in violence, enter into negotiations with the Afghan government over power-sharing and a lasting cease-fire, and exchange prisoners.

Afghan President Ashraf Ghani, whose government was not a party to the talks, expressed opposition to the deal. Direct negotiations between the Ghani government and the Taliban are further complicated because the insurgency rejects the Afghan administration. The prisoner exchange is proving to be one of the more complicated aspects of the agreement as it stipulates that Afghanistan's government and the Taliban must both release political prisoners—up to 5,000 Taliban fighters in exchange for 1,000 Afghan security forces—before talks between the two sides can start. Ghani stated **“freeing Taliban prisoners is not [under] the authority of America but the authority of the Afghan government...there has been no commitment for the release of 5,000 prisoners.”**

Since the agreement was announced, there has been a resurgence in violence underscoring the fragility of the accord. Taliban leaders have reportedly ordered their fighters to resume attacks on the government forces, but not to attack U.S. and other foreign troops. There have also been airstrikes against Taliban positions. Compounding an already very complicated political and security situation, Afghanistan's two rival leaders—incumbent President Ashraf Ghani and Chief Executive Abdullah Abdullah—held **dueling presidential swearing-in ceremonies** in Kabul in March. Both Ghani and Abdullah claimed victory in September's elections. Ghani was proclaimed the victor last month and Abdullah has refused to recognize the outcome, citing fraud.

U.S.-EU MINI DEAL?

EU Trade Commissioner Phil Hogan **expressed optimism** that a mini trade accord with the United States could be reached in the coming weeks. Commission representatives said that barriers may be lowered on U.S. agricultural goods but warned not to expect bigger concessions like cutting tariffs or changing EU laws. In exchange, the EU wants Washington to drop its tariffs on EU farm products such as table olives, wine and cheese. The EU also wants a commitment that the United States won't impose tariffs on autos. Hogan was scheduled to travel to Washington in the coming days but it is unclear if his trip will go forward due to concerns over the coronavirus.

PERSONNEL MOVES

Broadcasting Board of Governors – **Michael Pack** has been nominated as chief executive officer.

Department of Energy – **Victoria C. Coates** is now the senior advisor for policy in the office of the Secretary.

Office of the Director of National Intelligence – U.S. Ambassador to Germany **Richard Grenell** is the acting Director. President Trump has stated he will nominate Congressman **John Ratcliffe** to permanently fill the post.

State Department – **Marshall Billingslea** is now the special envoy for nuclear talks. **Alexander Wong** has been nominated to be the alternate U.S. representative for special political affairs at the UN. The following ambassadorial nominations have been sent to the Senate: **Barbara Thornhill** for Singapore; **William Todd** for Pakistan; and **Aldona Wos** for Canada.

White House – **Mark Meadows** has been named chief of staff. He was previously a member of Congress representing the 11th district of North Carolina. Former chief of staff, **Mick Mulvaney**, has been named special envoy for Northern Ireland. **Hope Hicks** has returned as assistant to the president and counselor.

Julia Hahn is now deputy assistant to the president and deputy director of communications. **Paul Teller** is the director of strategic initiatives in the office of the Vice President.

The Council on Foreign Relations takes no institutional positions on policy issues and has no affiliation with the U.S. government. All statements of fact and expressions of opinion contained herein are the sole responsibility of the author. This newsletter was produced on Wednesday, March 11. Developments after that date will be covered in the next issue of The Real Deal.