

The United States passed several grim milestones this past month and Federal Reserve Chairman Powell says we are in the midst of the [**“biggest shock our economy has felt in modern times.”**](#) Protests calling for racial justice and police reform spread across the nation and policymakers in Washington and at the state-level are considering a number of reform measures. The U.S. House of Representatives approved a historic new rules package to allow lawmakers to continue working remotely. Trump has dismissed five Inspectors General in the last 6 weeks. Tensions with China continue to rise.

Grim Pandemic Numbers

This past month, the United States officially exceeded 100,000 deaths from COVID-19—[**14% of Americans**](#) say they know someone who has died from the virus. Among the fatalities, [**according to Centers for Disease Control and Prevention**](#), are over 300 health care workers.

The United States is officially in a recession according to the [**National Bureau of Economic Research \(NBER\)**](#). NBER said that the previous period of expansion peaked in February, bringing an end to 128 months of economic growth. However, as some states and localities begin to open up and relax social distancing protocols, Wall Street is taking notice and stocks surged in recent trading sessions. On Monday, June 8, the [**S&P 500 erased its 2020 losses**](#).

Since March 21, over [**40 million Americans have filed for unemployment**](#). The [**May jobs report**](#) from the Labor Department caused some optimism as [**the headline**](#) was that nearly 2.5 million (non-farm) jobs were created, causing the unemployment rate to drop from 14.7 percent to 13.3 percent. While the report offered a glimmer of hope, [**some observers urge caution**](#) and note that the number of people who reported permanently losing their jobs was higher in May and those who have returned to work are working reduced hours. The Paycheck Protection Program also affected the overall numbers as the Labor Department considered anyone who employers said was still on the pay-role as being “employed” even if they were not actually at their jobs.

Unrest on America’s Streets

America is currently experiencing the broadest racial justice protests in a half century. The protests were instigated by the death of [**George Lloyd**](#) at the hands of a Minneapolis police officer in late-May. Lloyd’s death was a spark that lit long simmering tensions surrounding the deaths of black people in police custody as well as social and economic disparities and inequality. In early June, tensions were running very high, the military was deployed on the streets of Washington, DC and curfews, which have now been lifted, were imposed in a number of cities.

Arguably the highest tensions in the nation’s capital was May 30 through June 1—demonstrations were largely peaceful, but as night descended on those evenings American flags, parked cars and several buildings, including St. John’s Church, were set ablaze. It was at St. John’s, one block from the White House, where [**demonstrators were displaced with tear gas**](#) and rubber bullets the evening of June 1 to clear the way for the president, surrounded by military and law enforcement leaders, to walk to the historic church for a [**photo op**](#). This will certainly be one of the lasting images of this period of American history, potentially an era defining moment.

The protests come as America is still struggling with the coronavirus—which has also laid bare racial and economic inequality as the virus is disproportionately infecting and killing minorities across the nation. Leaders in the [United States Senate](#), as well as [governors](#) and [local elected officials](#) are establishing a variety of task forces to look into the racial disparities with COVID-19.

Police Reform Takes Center Stage

The aforementioned incidents and resulting unrest have placed police reform at the top of the legislative agenda in Congress and several state legislatures. On June 8, Speaker Nancy Pelosi unveiled the [Justice in Policing Act of 2020](#), a sweeping police reform package. The legislation would lower the federal threshold for charging police with excessive force and limit “qualified immunity.” The measure would also create a National Policy Misconduct Registry, end the practice of racial profiling, limit the transfer of military equipment to local police forces, and develop a national standard for using force. House Republicans are aiming to release their own policing reform proposal shortly. In the United States Senate, Senators Mitt Romney (R-UT) and Tim Scott (R-SC), the chamber’s only African American Republican, [are working on their own proposal](#)—discussions are in the early stages and have yet to be written into legislative text.

Major police reforms are high on the agenda in several state legislatures such as [New York](#), [Colorado](#), [Massachusetts](#), Illinois, New Jersey, and Vermont, to name a few. At the local level, cities across the nation are prioritizing police reform efforts. The [Minneapolis City Council](#) announced that it would disband its police force and passed measures banning chokeholds and restrictions on the use of weapons on crowds. New York announced a sweeping set of reforms that would shift funding from the NYPD to other sectors of the city’s budget. In Louisville, local authorities are currently considering a measure entitled [Breonna’s law](#), which would limit the use “no-knock” warrants, named after Breonna Taylor, a 26-year-old black EMT who was killed by police during a no-knock raid. Cities like [San Francisco](#); [Sacramento](#), and [Seattle](#) are also considering a variety of measures.

Historic Congressional Rules Change

In mid-May, the House of Representatives adopted a [historic rules package](#) that will allow the chamber to continue their business in a remote setting. The new rules allow lawmakers to vote by proxy and set forth procedures for remote committee business for a period of 45 days. Congress has never taken similar procedural changes during other national crises in history.

War on the Watchdogs?

In a period of six weeks this spring, the Trump administration [removed five Inspectors General](#) (IG)—[Michael Atkinson](#), of the Intelligence Community; [Glenn Fine](#), the acting IG of the Defense Department; [Christi Grimm](#), the acting IG of the Department of Health and Human Services (HHS), [Mitch Behn](#), the acting IG at the Department of Transportation; and [Steve Linisk](#), of the State Department. Several of the dismissed IGs took actions that the President, or those within his administration, disliked leading to accusations of retaliation. Atkinson managed the “anonymous whistleblower” complaint that eventually lead to the impeachment inquiry. Grimm was removed from

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her post following the [release a report detailing testing and supply shortages in hospitals responding to the COVID-19 crisis](#). Linick was investigating questionable arms sales to Saudi Arabia and Secretary of State Mike Pompeo's possible use of official staff to perform personal chores before he was removed. The House Foreign Affairs Committee and Senate Foreign Relations Committee have [announced investigations](#) into his removal. Senator Romney called the moves "[a threat to accountable democracy and a fissure in the constitutional balance of power](#)" and House Speaker Nancy Pelosi (D-CA) called the firings "unsavory" and warned that the action [could be unlawful](#).

Tensions with China

Many China watchers are saying that U.S.-China relations are at their lowest point since 1989. Heated rhetoric related to the coronavirus pandemic was already souring the relationship, things have only gotten worse in recent weeks. In late May, the White House released its [China Strategy](#), as required by the 2019 National Defense Authorization Act, outlining a number of "malign behaviors" in the security, economic and values space. The strategy notes threatening actions from China such as the continued military buildup in the South China Sea, intellectual property theft and unfair trade practices. Recent actions with respect to Hong Kong have drawn the ire of the White House and State Department and the administration is considering a number of measures such as [sanctions](#) and [ending Hong Kong's special trading status](#). Secretary of State Michael Pompeo [stated that Hong Kong lost its autonomy](#). In May, the Trump administration accused China of blocking the resumption of airline service to American carriers prompting the administration to [announce that Chinese carriers would be banned](#) from traveling to the U.S. The "phase 1" trade deal may also fall apart—China recently told state firms to [halt large-scale purchases](#) of major U.S. farm products and Trump said that he was "[very torn](#)" about whether to end the agreement.

A rhetorical war of words is also heating up and Pompeo recently accused China of [exploiting the death of George Lloyd](#) for political gain. The administration has [imposed restrictions](#) on certain students and researchers enrolled at American universities. A recent [bipartisan report](#) from the United State Senate Permanent Subcommittee on Investigations found that several Chinese telecommunications firms were allowed to operate for decades in the U.S. without proper oversight—legislative and regulatory measures are expected to be introduced in response. Elsewhere on Capitol Hill, House Republicans have launched a China Task Force to look at key aspects on U.S. competition with China, and will [introduce legislative solutions](#) to a variety of issues.

Personnel Moves

Department of Defense - **Lucas N. Polakowski** has been nominated to be the assistant secretary of defense for nuclear, chemical, and biological defense programs.

Development Finance Corporation - **Edward A. Burrier** is the deputy chief executive officer.

Director of National Intelligence – **John Ratcliffe** was confirmed as DNI.

White House - **Brooke Leslie Rollins** is the director of the Domestic Policy Council. **Adrielle Lynn Churchill** is senior director for legislative affairs on the National Security Council (NSC) staff.

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Andrew M. Veprek is now senior director for border and transportation security on NSC. **Katie Rose Miller** is now the director of communications for the Vice President. **Rodolph “Rudy” Olivo** is the deputy director of strategic initiatives for the Vice President.