

Civil Rights legend, Congressman John Lewis, died last month. America is in a [“new phase”](#) of the COVID-19 pandemic and the virus continues to rage across the country as Congress and the White House are stalemated over additional relief and stimulus legislation. Relations between the United States and China continue to deteriorate. There are less than 90 days until the election and Joe Biden is expected to name a running mate very soon. There are many questions regarding how and whether students will return to the classroom this fall. USTR is expected to decide on increasing or amending existing Airbus-related tariffs on EU.

### *Remembering John Lewis*

Congressman John Lewis, the [“conscience of the Congress,”](#) died on July 17 at the age of 80. Lewis, a civil rights icon who marched with Dr. Martin Luther King, Jr., served in Congress for over thirty years. It is difficult to overstate the impact of Lewis on the Civil Rights movement and the ongoing fight for racial equality. Known for his direct action in movements like the sit-ins at Nashville lunch counters and the Selma to Montgomery marches in Alabama aimed at registering Black voters, Lewis inspired countless people and caused [“good trouble.”](#) Upon his election as President, Barack Obama wrote Lewis, [“Because of you, John.”](#) Lewis was the first African American to lie in state in the U.S. Capitol and was honored by several former Presidents at his memorial services. In an op-ed, published in the [New York Times](#) posthumously, channeling the zeitgeist of the Black Lives Matter movement, Lewis urged people to stand up for human dignity and continue the fight he dedicated his life to: “Ordinary people with extraordinary vision can redeem the soul of America by getting in what I call good trouble, necessary trouble.”

### *A “New Phase” of the Pandemic in the United States*

The coronavirus pandemic continues to rage in the United States with over 5 million cases and over 160,000 deaths. In late July, Ambassador Robert O’Brien, President Trump’s national security advisor, tested positive, making him the highest-ranking administration official to have contracted the virus. The virus is also spreading at varying rates across the country, roughly corresponding to the different policies for quarantines, shutdowns and masks. The disparity has led to much tension along some state lines and [several states are imposing mandatory quarantines](#) for those entering from states with higher infection rates.

The pandemic has devastated the economy and the [Commerce Department reported](#) that the U.S. economy shrunk at a seasonally adjusted annualized rate of 32.9 percent during the second quarter of 2020—the largest one-quarter drop in economic activity since the federal government began reporting on quarterly GDP data. Meanwhile, negotiations between the White House, Speaker Pelosi and Senate Minority Leader Chuck Schumer continue, but the sides are very far apart—Democrats pushing for the \$3 trillion HEROES Act and the White House aiming to stay at \$1 trillion. In the absence of a deal, President Trump bypassed Congress [and issued four executive orders](#) that extend unemployment benefits, suspend payroll taxes, and offer federal eviction and student loan relief. The legality of those moves has been widely questioned.

*U.S.-China Relations Continue to Deteriorate*

Secretary of State Mike Pompeo declared U.S. engagement with China a dismal failure at [a speech at the Richard Nixon Presidential Library](#) in late July. Relations between the two countries have been strained, but are now, arguably, at their lowest point in four decades. Areas of tension include China's activities in the South China Sea, the crack-down in Hong Kong and the new National Security Law that was recently imposed on the territory, technology competition, and other matters. There has been bellicose rhetoric from the Trump administration for some time, now the administration is taking action. Chinese diplomats were [evicted from their consulate in Houston](#) and two Chinese hackers were indicted on charges of stealing intellectual property. The administration [sanctioned Carrie Lam](#), Hong Kong's Beijing-backed leader, for the recent crack-down. The Global Magnitsky Act was utilized to impose [sanctions on the Xinjiang Production and Construction Corps](#) for its role in the mass detention of Uighurs and other Muslim groups. [Trump also threatened to shut down TikTok](#) if the platform has not been bought by Microsoft, or another company, by mid-September—this is part of a larger effort to separate the Chinese and American tech worlds as well as keep Chinese telecom giant Huawei out of allies' 5G networks. Health and Human Services Secretary, Alex Azar, recently visited Taiwan, the highest-level visit by a U.S. cabinet official to Taiwan since 1979, a move certain to add to the escalating tensions. In response, China has [increased their operations in the South China Sea](#) and recently [imposed sanctions on 11 Americans, including a number of lawmakers](#). A recent warning from America's intelligence community also said China was ["expanding its influence efforts"](#) ahead of the presidential election.

*Election Update*

There are less than three months until the 2020 election, and this election season is going to be like none other in American history. There are significant public health concerns with executing an election during the pandemic and efforts to expand vote-by-mail options has emerged as the centerpiece of a growing political fight. Recent polling also shows the President [trailing in a number of key battleground states](#) and Democrats are expanding the electoral map in their quest to win the [Senate](#)—some Republican strategists are [fearing the worst](#).

Democrats will hold their nominating convention virtually August 17 to 20. Biden will not accept the nomination for president in person and will instead accept the Democratic nomination from his home state of Delaware. He is also expected to name his [running mate](#) over the coming days. The [first night](#) of the Democratic National Convention will feature speeches from Senator Bernie Sanders, former first lady Michelle Obama and former Republican Ohio Governor John Kasich. Others expected to address the convention include Senator Elizabeth Warren and Hillary Clinton. The Biden campaign also [recently announced](#) the largest ad reservation in history, a \$280 million investment. Republicans will hold their convention August 24-27. The event, to be held in Charlotte, North Carolina, will be dramatically scaled-down and closed to the press. The President has floated the idea of [accepting the nomination from the White House](#).

*Back to school?*

The debate over reopening schools is playing out across the country, as students prepare for the fall term. There are questions concerning what students will need in order to learn this fall, what teachers and other staff will need to feel protected, and what schools can reasonably provide. Some locations are seeing increased caseloads that have made it nearly impossible to reopen schools, while other school districts in places like [New York](#) and Chicago are considering some in-person learning. Some districts already returned to the classroom earlier this month only to [reverse course](#) due to the persistent coronavirus threat. As many public schools prepare to hold virtual classes, [more parents are turning to private schools that plan to reopen classrooms](#). In early August, educators in several cities across the country rallied during a [national day of action](#) to call attention to their concerns about reopening schools.

The [Centers for Disease Control and Prevention](#) have called on schools to reopen for in-person learning and the National Academies of Science, Engineering and Medicine issued a [report](#) finding that younger children in particular are ill-served by remote learning. In Washington, Republicans on Capitol Hill have made it clear that school reopenings are a top priority for them and President Trump and Education Secretary Betsy DeVos have [threatened to withhold funds](#) from schools that do not have in-person classes, a threat DeVos subsequently [walked back](#). Congressional Democrats see the apprehension over sending students back to schools as an opening to go on offense. Democratic presidential nominee Joe Biden recently released his [plan for reopening schools](#), calling for increased access to remote learning as well as improvements to contact tracing and the national supply chain.

*Revisions to Airbus Tariffs List*

This week the office of the U.S. Trade Representative is expected to amend the list of products subject to retaliatory tariffs in a dispute over European governments support for Airbus. Tariffs were initially imposed last October, after [the WTO said the EU had failed](#) to fully comply with rulings related to Airbus subsidies. The [list currently contains \\$7.5 billion](#) worth of wine, whiskey, cheese, aircraft and other EU products now subject to 15 and 25 percent duties.

*Personnel Moves*

*Council of Economic Advisers* - **Kevin C. Corinth** is now chief economist. **Aaron Cooke** is now the chief economist for macroeconomic policy.

*Department of Defense* - **Brigadier General Anthony J. Tata's** nomination for undersecretary for policy was withdrawn from the Senate and he was installed as deputy undersecretary, serving as acting undersecretary.

*Department of State* - **Douglas Macgregor** has been nominated as U.S. Ambassador to Germany. **Eric Ueland** was nominated for undersecretary of State for civilian security, democracy and human rights.

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*Office of Management and Budget* - **Russ Vought** has been confirmed as the director of the Office of Management and Budget. **Derek Tai-Ching Kan** was confirmed as deputy director.

*Office of the United States Trade Representative* - **Ambassador Jeff Gerrish** has left the position of deputy U.S. trade representative for Asia, Europe, the Middle East and Industrial Competitiveness at USTR.

*White House* - **Carolina Hurley** is now special assistant to the President and associate director of communications for economic initiatives. **Brian Robert Morgenstern** is now deputy assistant to the President and deputy director of communications.