

Memorandum

From: The Smith-Free Group
Date: February 28, 2022
RE: The Big Casino – March 2022

“Beware the Ides of March.”
-- William Shakespeare, “Julius Caesar”

Tomorrow marks the beginning of March, now ominously looming in front of us in light of recent events in Ukraine. We are also closing in on the two-year anniversary of the widespread Covid outbreak in the U.S., a landmark date that will lead to media retrospectives and likely more recriminations than exculpations. Set against these weighty events, our current politics and legislative machinations seem small. But Congress and the Biden Administration are of course going to be quite busy with these and other matters. Here is our perspective on the coming weeks in Washington, a time during which we hope the old saying holds true – that “March will come in like a lion and go out like a lamb”.

Political Overview

The most dangerous military firefight in Europe in over 80 years means the fog of war is spreading and will enshroud most everything for the near term, including American politics and congressional activity. Historically, military and foreign policy crises tend to overrun Washington, D.C. We see no reason to think the coming weeks will be different.

As the situation in Ukraine unfolds, the president and Democrats continue to face stiff political headwinds. The ABC News/Washington post [survey results](#) released this weekend pegged Biden’s job approval at an anemic 37/55. These Trump-like numbers terrify Democrats. The country has voted for change in some part of federal leadership in seven of the past eight elections, and all signs currently point toward voters in November making it eight out of nine.

American voters, especially in mid-term elections when the president is not on the ballot, typically do not vote based on foreign policy matters. But even so the Democrats also face another, perhaps more daunting, challenge on the home front. We have said it before and we will say it again: candidates who underestimate the political lethality of inflation do so at their peril. A recent survey from the Brookings Institute shows more than half (52%) of voters identify the cost of goods and services (inflation) as the best indicator of how the economy is performing. Other answers such as unemployment (17%) and the stock market (6%) lagged far behind. Voters pay close attention to everyday costs, and the respected monthly University of Michigan Consumer Confidence [survey](#) most recently shows sentiment has dropped 17 points (from 79 to 62) since Biden was sworn in.

This is not to say Republicans do not have their own issues. Trump, and all of the uncertainty that comes with him, remains the dominant figure in the GOP. But as analysts are increasingly pointing out time is not on his side. For instance, the NBC/Wall Street Journal polls from 2019 and 2020 showed the

average Republican voter by a 49-41 margin identified more with Trump than the party. However, in the consortium's last five surveys the average is 50/42 for the party over Trump, with the most recent poll showing the former president sliding to 36%. This slow but naturally inexorable transition will continue to manifest as upheaval within the GOP ranks, especially if the Trump-loving base voters drive a strong showing in the mid-terms this fall.

Legislative Agenda

Today Congress begins a six-week work period that is the longest of the year. It is going to be a jam-packed stint – President Biden makes his State of the Union remarks tomorrow, negotiations continue on a final FY22 spending package, the White House is rumored ready to introduce an FY23 budget as early as the week of March 21st, and the Senate will consider a Supreme Court confirmation. Hanging over everything is the situation in Ukraine and the coming congressional response.

We will start by underscoring the obvious: foreign policy crises tend to dominate, if not overwhelm, Capitol Hill. The post-pandemic theme the president and his team were going to roll out as part of the State of the Union speech tomorrow has been largely overtaken by events. Coming activity on the House and Senate floor will focus on supplemental spending to help Ukraine along with sanctions on Russia. The pro-abortion legislation the Democrats currently have queued on the Senate floor seems woefully out of place.

Appropriations

Current government spending expires on March 11th, and staff with whom we spoke during the congressional recess last week were split almost 50/50 on whether Congress would finish work by the deadline. Some of the macro questions have been answered; for instance, legacy riders are going to remain in the final bill and additional emergency Covid spending is out. We also continue to think the desire by retiring Sens. Shelby and Leahy, backed by their combined 92 years of congressional experience, to cement legacy items in the last spending cycle they are guaranteed to see to conclusion is a driving force that will help bring the process to closure. But many programmatic-level decisions remain undecided. Plus, as with every other item on the congressional docket, events in Ukraine work against Congress meeting the upcoming deadline; a \$10 billion supplemental spending package could be added to a larger bill or considered separately, but either way it means more work and extra variables to consider in legislative calculations. In the end, we expect the Hill to pass one more stopgap resolution running later into March before there is a final package.

We offer one additional thought. Assuming next year that Sens. Murray and Collins ascend to the top respective posts on the Senate Appropriations Committee, the Chairs and Ranking Members in both the House and Senate are likely to be women.

Supreme Court Nomination

The president's nomination of Ketanji Brown Jackson will be a focus of Senate Democrats but will surely receive less attention than originally expected because of Ukraine. We expect Senate Democrats to make every conceivable effort to confirm her before the Easter recess scheduled to begin on April 7. That is an aggressive timetable, even more expedited than the swift confirmation of Justice Barrett (41 days) in 2020. While Brown will be confirmed, there is no margin of error if supporters want to see her sitting on the Court in April. Working in her favor is the fact she has been confirmed twice previously by the Senate for lower court posts as well as the cold truth that her ascension would not upset the Court's current ideological balance. Finally, elevating Jackson gives the president a chance to fill an

open slot on the powerful D.C. Circuit Court of Appeals, likely a priority for later this year considering rising odds of a GOP takeover of the Senate.

The Desks of the Senate

As part of his masterwork on the life of Lyndon Johnson, Robert Caro devotes a chapter of the third volume, “Master of the Senate”, to an examination of the 19th century machinations of the Senate floor. He called that section “The Desks of the Senate” and in it focuses on how the day-to-day tactics and personality quirks of individual senators affect the making of policy.

- Re-opening Capitol Hill – We have assumed a full-scale re-opening of the Hill likely would not occur until if/when the Republicans assume control of the House. But in talking to staff recently we have been struck by the number of upcoming constituent fly-ins starting this week. The meetings seem to be piecemeal – some being held off the Hill, some in small numbers inside the office buildings, and in a few cases larger, more traditional gatherings taking place in House reception areas. It has been two years since the public had regular access to Capitol Hill, and we are curious to see how even a partial re-opening affects lawmakers, staff and the making of policy.
- Math is Hard – The continuing absence of Sen. Lujan means Sen. Schumer grapples every single day with the challenge of leading a minority majority. Sometimes there is less than no margin of error, a reality underscored again several weeks ago when Sen. Kelly was away from the Senate for several days because of his wife’s emergency appendectomy, upending a long queue of scheduled nomination votes on the floor. The Majority Leader has as much grit and fortitude as anyone else on the Hill and will continue to push through, but the daily crush of floor tactics takes time and focus away from other projects on which the Senate majority would rather focus.
- Primaries Still Come Before Generals – The quadrennial tradition of using the Senate as a platform for national office continues. For example, note that Sen. Cruz recently endorsed a candidate (Eric Schmitt) in the Missouri Senate Republican primary not long after Sen. Hawley had endorsed Rep. Hartzler. In the House, there is the remarkable saga of Rep. McCarthy endorsing a primary opponent again a former leadership colleague, Rep. Cheney. This is the first such instance we can recall although the recent refusal of Sen. Schumer to oppose potential primary challenges to Sens. Manchin and Sinema comes close. Beyond the gossipy aspect of these stories is the fact they have real world consequences when it comes to creating tensions that can hamper intra-party policymaking.

Worth a Read

How many [millionaires](#) does it take to screw in a light bulb....or to hold an Ohio Senate Republican primary?

Will 2022 be the [Year of the Angry K-12 Parent?](#)

Here is some [helpful perspective](#) from 1919.

Calendar

March 1 Texas congressional primary elections held.
March 10 National Blueberry Popover Day celebrated.
March 13 Daylight savings time ends.
March 15 Ides of March.
March 17 St. Patrick's Day.
March 27 Two-year anniversary of CARES Act enactment.
April 7 First round of the Masters.
April 17 Easter.