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## The Immediate Challenges Facing the New Administration



On January 21, Lori Esposito Murray, president of the Committee for Economic Development (CED), moderated a panel webcast, "What to Expect From the Biden Administration: Priorities for the First 100 Days." The panelists were Jacob M. Schlesinger, senior Washington correspondent, The Wall Street Journal; Donna Brazile, former DNC chair and Fox News contributor; Admiral Michael S. Rogers, United States Navy (ret.), former commander, United States Cyber Command, and director, National Security Agency; and Nathan Owen Rosenberg, founding partner, Insigniam, and CED Trustee. This is a summary of that conversation.

President Joseph Robinette Biden Jr. is confronted by a host of immediate and extraordinary challenges. A public health crisis unleashed by COVID-19. A social justice crisis. A crisis of confidence in democratic institutions, not just in the United States but around the world. And the most severe economic crisis since the Great Depression.

The four distinguished panelists had a highly realistic sense of the immensity of those challenges and the divisions among the political parties and the American people. The country is more divided, perhaps, than at any time since the Civil War. Domestic and foreign entities and personalities have attempted to alter reality and bypass facts, to devastating effect in the past year. As demonstrated by the events surrounding the presidential election, reestablishing a national grounding in shared truth, trust and common decency is essential—and a steep climb.

CEOs, in a recent Fortune magazine survey, said that their number 1 priority for the new administration is restoring trust in government. Many business leaders took stronger moral stances than politicians over the past year, in word and deed. In the latest Edelman Trust Barometer, business is more trusted than government by the general population, and CEOs have significantly more credibility than government leaders.

China poses a notable challenge to American national security. Retired Admiral Michael Rogers, former director of the National Security Agency and the Cyber Command, cited China's changing role in the world, saying that its main goal is to achieve 21st-century technological dominance. Over the past two decades, China has built an enormous capability for cyber-espionage, hacking into both government and corporate information systems. For example, between 2009 and 2014, evidence shows that China benefited from allegedly stolen files related to the development of the Lockheed Martin F-35. In a relatively short time thereafter, China introduced a similar fighter jet of its own. Going one long step further, Insigniam's Nathan Owen Rosenberg predicted a black swan event of a cross-Strait military clash with Taiwan, disrupting supply chains.

Despite these concerns, the American and Chinese economies remain intertwined. China needs to become part of the global community, while the U.S. and its allies make clear that some behaviors are unacceptable. America must rebuild trust and reengage with its allies.

On the domestic front, an aging infrastructure poses a significant challenge. Donna Brazile pointed to addressing this challenge as an opportunity for bipartisan cooperation in a Congress with slim majorities. Bridges and highways are crumbling, and our airports and air traffic system have issues that must be addressed. The internet—the digital backbone of the economy and society—has become a vital component of the national infrastructure with limited or no availability in some rural and urban areas. With the president's leadership, Congress's Problem Solvers Caucus could shepherd focused infrastructure funding legislation, warding off a "Christmas tree" bill, one with unrelated amendments and pork barrel items, such as the one that almost funded Alaska's proposed "bridge to nowhere."





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Climate change looms as the long-term challenge facing the administration. The effects of a warming climate and rising ocean levels are all-encompassing, extending to national security.

There is an infrastructure element here as well: As we bring online more sustainable sources of energy, one critical issue is how to store solar and wind power so that electricity is available when the sun is not shining and the wind is not blowing. Investing in storage research is an appropriate role for the federal government.

Jake Schlesinger said that policies aimed at the pandemic and the attending economic crisis will gain broad bipartisan support. A broad progressive agenda will lose Republican support. He predicted "majorities of expediency," where Democrats and Republicans would come together to address issues, where there is common ground on issues such as climate change, criminal justice, the pandemic, the economy and infrastructure, only to withdraw to their corners to fight again.

Business people hope that the Biden administration will keep in mind the ways in which its actions affect business. President Biden has taken four dozen executive actions in the first 16 days of his term, an unprecedented use of the pen. We must remember that prior to the pandemic, the United States had a roaring economy, in part because business was relatively free to do business. Regulatory overreach will be a key concern.

Finally, the new administration must meet these challenges while leading through the changes that have affected almost everyone over the past year. Pope Francis averred that "one does not emerge from a crisis the same as before. We come out worse or better, but never the same." Business leaders are not immune to this change. They must recognize that their employees, customers and vendors have all changed too. Leaders must rethink their organizations and address the ways that a year of crises has transformed people around the world. 💆 The nation and the world are hungry for leadership. The challenges and opportunities are clear.

Nathan Owen Rosenberg, who worked with the president in the Senate many years ago, remembers then-Senator Biden as warm, good humored and personable. With the president having spent 36 years in the Senate and having served with almost a third of today's senators and Vice President Kamala Harris having just recently resigned her seat in the Senate, the strength of these relationships can be leveraged to lead the nation and address the challenges outlined by the panel.

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