MEMORANDUM

TO Interested Parties

FROM Ivan Zapien; Tim Bergreen; Ches Garrison

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SUBJECT DC Political & Legislative Update October 2023

In our last memo, we promised to update you with our thoughts on any major developments in Congress. We think the historic ouster of the Speaker of the House qualifies as “major” so here is our latest rundown of what’s happening and what it all might mean.

**Where We Are:** Kevin McCarthy (R-CA) was removed from his position as Speaker of the House on Tuesday, October 3. His ouster was organized by longtime nemesis, Rep. Matt Gaetz (R-FL), who was able to bring along eight GOP hardliners.

The Speaker *pro tempore*, Rep. Patrick McHenry (R-SC), a McCarthy ally, immediately recessed the House until next week to allow House Republicans time to figure out whom to anoint as their new leader.

McCarthy, who could have sought the job again, opted instead for an extended angry defense of his nine months atop the House before leaving for what was probably his best night’s sleep of 2023.

House Republicans, who needed 15 rounds of voting to get McCarthy into the Speaker’s office in January, are divided and angry. As Democrats, we cannot fully fathom all of the machinations and calculations ongoing in their Conference, but it cannot be pretty, even by House standards. With the clock ticking toward another shutdown deadline (T minus 43 days of this writing) and with must-pass legislation waiting for Floor time, we counsel expedition.

House Republicans plan to hold a candidate forum on Tuesday to consider nominees, with the first speakership election vote expected sometime thereafter. Reps. Steve Scalise (R-LA), the current Majority Leader, and Rep. Jim Jordan (R-OH), the Chair of the House Judiciary Committee, have already thrown their hats into the ring. Rep. Kevin Hern (R-OK), the Chair of the Republican Study Committee, is also considering a run. Also, as is always the case with House Republican proceedings, former President Trump remains an elephant in the room who can tip the scales or throw the whole process into further chaos with a Truth Social post or statement from the courtroom stairs.

Assuming that the House GOP is able to close ranks around a Speaker (and that is by no means a foregone conclusion), he or she will not only inherit that overflowing to-do list but will have to deal with energized and angry Democrats, whom McCarthy and his allies blame for not opposing Gaetz’s motion to vacate.
Speaking of the Democrats, in the days before Gaetz acted, Washington was rife with speculation that Democrats would save McCarthy from his rebels. This was never a plausible outcome (or at least just as implausible as a few moderate Republicans voting with Democrats to make House Minority Leader Hakeem Jeffries Speaker). McCarthy is loathed and distrusted by House Democrats, and he never made any serious attempt to woo them into some sort of grand bargain (one that would have likely served to tip additional House Republicans against him). This doesn’t even mention the fact McCarthy green-lit the Biden impeachment proceeding a week earlier. And if the shoe were on the proverbial other foot, does anybody believe that House Republicans would have stepped in to save Nancy Pelosi from mutinous progressive backbenchers?

But, in a show of shortsighted pique, in one of his first official acts after a gavel slam that left little doubt that passions are ruling over reason, McHenry (reportedly at McCarthy’s direction) evicted Democratic stalwarts Nancy Pelosi and Steny Hoyer from their Capitol hideaways. While this finger-in-the-eye may slake the need for retribution felt by many rank-and-file Republicans desperate to deflect attention from the chaos and dysfunction engulfing their conference, McHenry has likely made life more difficult for the next Speaker, who will need the support of House Democrats and institutionalists to return to some semblance of order, and further poisoned an institution that relies on comity to be effective.

**Where We’re Going:** While your Democratic authors would normally sit back and enjoy this Republican tragicomedy like an HBO Sunday night blockbuster (*Game of Thrones, Succession, or Veep*, take your pick), we can’t help but look ahead at Congress’ dysfunction and its to-do list and gulp apprehensively (or reach for a drink).

As we have detailed, Congress not only now has to pass another CR or reach some sort of spending deal ahead of November 17\textsuperscript{th} or risk a shutdown, but it also has other critical bills to consider and pass, including the NDAA, FAA Reauthorization, and the Farm Bill. Given the intramural conflict in the House Republican conference and the intermural contempt between the two parties in the House, we struggle to see a clear path for Congress to name a post office, much less reach a spending deal.

The best-case scenario is that when the dust settles and tempers cool, this week’s fiasco serves as a pressure release for the House and a stark reminder for the Senate on the need for the Upper Chamber to hang together and be a steady hand on the congressional tiller. In that case, following next week’s Speaker election, the House and Senate would spend the rest of October passing their versions of the appropriations bills and then working on some sort of omnibus bill (or a mix of a long-term CR and omnibus).

This route would almost certainly require a short-term CR and House Republicans finding an end run around the Gaetz cabal. To be sure, your authors have been doomsayers this year, predicting a debt ceiling default and, more recently a government shutdown, and Congress has proven us wrong. Fingers crossed that trend continues. We expect the picture to crystallize after the speaker elections and will provide you with our thoughts again soon. Until that time, get your popcorn ready, and don’t buy green avocados (per Ivan).