

GLEANINGS II - 789

Thursday December 13th, 2018

Quote of the week - "The Senate I led put country over party. This one must do the same for Robert Mueller" - From an OP-Ed piece in the Washington Post by Bill Frist - *Now age 66, he had a career as a heart-, & lung-, transplant surgeon before successfully running for the Senate on the GOP ticket in Tennessee in 1994. He served two terms there (being re-elected in 2000 with 66% voter support, the largest margin ever in a Tennessee statewide election), his final four years (2003-2007) as Senate Majority Leader, before declining to run for a third term (as he had committed himself to only two terms). Since then has taught at universities and engaged in 'good works' volunteerism in the health-, & education-, fields at home and abroad.*

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An itty-bitty bit of proof that China is indeed a Potemkin village? - ZTE, a Chinese telecom giant that is one of the world's top smart phone manufacturers, last May had to close its doors after Washington wouldn't let it buy US components any more (although it came back to life after that decision was reversed). According to Jude Blanchette, Head of the China practice at the Arlington, VA-based advisory Crumpton Group "The aggressive actions by the Trump administration *vis a vis China* are based on a belief that China's economic and political position are far weaker than Beijing admits." - *But this short-term victory may prove to have been a Pyrrhic one if it were to raise Beijing's priority for Premier Li Keqiang's May 2015 "Made in China 2025" plan (that targets almost doubling the domestic content of core materials in Chinese manufactures by 2025 - provided its 'debt bomb' ¹doesn't blow up in Beijing's face before then¹).*

Impeaching Trump - On December 10th top House Democrats, incl. Rep. Adam Schiff (D-California's 28th District, North of Beverly Hills), the incoming Head of the House Intelligence Committee, & Rep. Jerry Nadler (D-New York's 10th District in Southern Brooklyn), the incoming Head of the House Judiciary Committee (both of whom would have major roles to play in any impeachment procedure) mooted this idea - *In political strategy terms they might be wise to lay off the issue; for it is divisive & might backfire on them, and would require a degree of bipartisan cooperation that does not currently exist (but that might evolve if the Mueller inquiry were to run its natural course & when the advent of 2020 election will start affecting GOP lawmakers' thinking & weakening their tolerance for President Trump's shenanigans).*

Is the GOP's hitherto unquestioning tolerance of Trump's actions waning? - Recently two once stalwart Trump supporters [Sens. Lindsey Graham (R-SC) & Rand Paul (R-KY)] criticized his position on the Jamal Khashoggi issue. On December 12th Sen. John Cornyn (R-TX), the

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¹ Despite Beijing's recent focus on 'deleveraging' the economy (that this year has prompted a record number of corporate debt defaults), China's 'total indebtedness to GDP ratio' is up 14% YoY to 266%, up from 162% a decade ago. While this may seem high, according to the St. Louis Fed the comparable US number is 375%; but there are two differences : the US rate has been declining (with the decline in the corporate-, & household components thereof more that offsetting the rise in the government component) and the average quality of the total US indebtedness is much higher since 25+% of China's total indebtedness is accounted for by the wholly unregulated 'shadow banking sector' which has been funded by risky investment products & with regard to which the authorities don't have a clue as to who owes what to whom, and on what terms).

Senate Majority whip (i.e. the de facto No. 2 Republican in de Senate) told the Texas media in a conference call that “I’m under no illusion that I can run for re-election *in 2020* ... on President Trump’s coattails” (*so I have start paying more attention to what Texans want*), that the President had been 100% responsible for the voter turnout in the Texas 2018 mid-term elections having gone to 8.3MM from 4.7MM in 2014 mid-terms “because Texans wanted to make a statement about their feelings for or against him ... so that I don’t think that I can depend, nor can anyone running in Texas depend, on the top of the ticket.” And the next day, Thursday December 13th (after a series of procedural votes in the previous two weeks that signaled broad dissatisfaction in Congress with the US relationship with Saudi Arabia), the Senate first voted 56-41 (*i.e. with seven Republican Senators voting with the Democrats*) in favour of a resolution calling for an end to US involvement in the Saudi/UAE-led military campaign in Yemen^{2 3 4} & then unanimously adopted a non-binding resolution condemning the Khashoggi murder & calling for a peaceful resolution of the Yemen War (*while the House as currently constituted is unlikely to follow suit, this may be setting the stage for a possible early showdown with the President in the 116th Congress (when the House will be Democrat-controlled) because President Trump has vowed to veto any such bill if it were to come to his desk for signature. And when President Trump declared he might intervene in the Meng Affair (see later) if that were to help avoid a further decline in the US-China relationship, the 47 year-old Assistant Attorney-General in the National Security Division, John Demers, was prompted to observe “What we do at the Justice Department is law enforcement. We don’t do trade.”*

Nancy Pelosi - After long opposing the idea, it was announced on December 12th that the now 78 year-old Pelosi had given in to the demands of disgruntled younger members of the Democrat caucus for a time limit on her tenure as Speaker of the House. But she may not be home free yet; for the vote was 203-32 and, since becoming Speaker requires majority support of all 435 members of the House, this means that she must convince, cajole, browbeat and/or bribe at least 15 of those naysayers to vote the party line when the issue comes to a vote in the House in the New Year - *And the rank & file Democrats in the House have a case; for not only is a four year term limit (i.e. two election cycles) an eon in political terms, it’s especially so for a 78 year-old whose number 2 & 3 are even older than she is & who earlier had gone on record as saying “Over the summer I made it clear that I see myself as a bridge to the next generation of leaders, recognizant of my continuing responsibility to mentor and advance new members into*

² In so doing overriding the guidance of Senate Majority Leader Mitch McConnell that “The US is not involved in combat *in Yemen*, It is not dropping ordinance. It is no longer providing air-to-air refueling (*to Saudi warplanes*) ... If the Senate wants to pick a constitutional fight with the executive branch, I would advise my colleagues to pick a better case.”

³ In so doing it invoked, for the first time in 45 years the 1973 War Powers Act (that had been passed by Congress to curtail President Nixon’s ability to deploy US forces in Vietnam and that says that, since Congress has the sole authority to declare war, it may restrain, by a joint resolution of Congress, the President from deploying US forces abroad)

⁴ This occurred the same day that Secretary of State Pompeo & Secretary of Defense Mattis made a presentation of the Trump administration ‘whitewash’ version of the Khashoggi murder, shortly after wick CIA Director Gina Haspel briefed them on the CIA version thereof (which when shared with a number of Senators from both parties the week before had made them “confident that Crown Prince Mohammed had ordered the Khashoggi murder, with Sen. Lindsey Graham (R-SC), once a stalwart Trump ally, afterwards telling reporters “there’s not a smoking gun -there’s a smoking saw” (a reference to the fact that the Saudi hit team that had killed him at included a surgeon who had brought a bone saw to facilitate his body being immersed in an acid bath).

*positions of power and responsibility in the House Democratic caucus*⁵. And to make matters worse, on the GOP side the leadership is almost equally sclerotic and, while it is a benefit to society when its elderly members stay longer in the work force, that doesn't apply to politicians; for good policy making requires long-term thinking rather than a proclivity for 'kicking the can down the road' on the premise that 'things will last out my life time'

Trump, the Christmas 're-gifter' - Donald Trump Jr. told the Extra syndicated television news magazine distributed by Warner Bros. that one year his father's Christmas gift to him had been the very same monogrammed one he had given Trump Sr. the year before & that once he had even challenged his father on the issue.

Trump the self-avowed "master negotiator" - This was his claim to fame in his run for the US Presidency. But in his televised December 11th, 2018 White House meeting with Charles Schumer, the Senior Democrat Senator from New York & Nancy Pelosi, the Minority Leader in the current House of Representatives (& the aspiring Speaker of the House in the 116th Congress⁶), he showed himself to be a bully rather than a negotiator however defined⁷. For while Charles Schumer told him several times there was a solution both parties in both the House & the Senate could agree on, he never asked him for detail as even a not very accomplished negotiator would have done & instead kept mindlessly repeating mantra-like "border security" (the need for which no one disputes) & "five billion dollars"; i.e. 'it's my way or the highway', which is not a hall mark of a master negotiator.

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OPEC WILL SLASH OIL OUTPUT DESPITE PRESSURE FROM U.S.
(Reuters, Rania El Gamal et. al.)

- The price of crude has declined by about one-third since October as Russia, Saudi Arabia & the US (that has become a net exporter of crude oil & refined products for the first time ever) increased output. So on December 7th OPEC & its Russia-led allies agreed, to a plan whereby, subject to review in April, in January the former will cut output by 800,000 bbl/d & the latter by another 400,000 bbl/d. Since this was greater than the 1MM bbl/d cut the market had expected, the price of Brent crude jumped 5% to US\$63. And it not only was this contrary to the pressure by President Trump on Saudi Arabia to help the global economy by not cutting oil production, it will also help Iran by *encouraging China to continue to buy its oil on the cheap*. More specifically, Russia committed itself to cut output by 228,000 bbl/d from its 11.4MM bbl/d October level, Saudi Arabia its output to 10.2MM bbl/d (from 10.7MM bbl/d this-, & 11.1MM bbl/d last-, month) & Iraq, OPEC's second largest producer, by 140,000 bbl/d *from its year-earlier level*. But according to Bob McNally, president of the Washington-based Rapidan Energy Group, *an energy market-, policy-, & geopolitical consulting firm he established in 2009*

⁵ In political terms four years is a Golden Gate-type bridge.

⁶ Which may not be in the best interests of her Party & of the nation; for she is part of the super-annuated Congressional leadership that's more focused on "the Game" than the national interest.

⁷ As either "finding a way over or through an obstacle or difficult path" or "having a formal discussion with someone in order to reach agreement" or to confer with someone so as to arrive at a settlement of some matter"

after time at the Bush 43 White House, the details of the plan are “fuzzy” & likely will result in lesser cuts than the headline figure & while “President Trump will not be happy to see today’s headlines ... how strongly he reacts depends mainly on whether crude prices rise strongly ... in the coming days and weeks.”

The price of Brent crude has since backed off again to the US\$61 range, i.e. back to where it had been before the 5% jump. And what was noteworthy about the Saudi cut was that it came despite Brian Hook, the US Special Representative for Iran, having met with Saudi Energy Minister Khalid al-Falih in Vienna ahead of the meeting at which the production cuts were agreed on & despite President Trump being so supportive of Crown Prince Mohammed in the Jamal Khashoggi affair.

44 EX-SENATORS WARN US IS ‘ENTERING A DANGEROUS PERIOD’ **(Politico, Quint Forgey)**

- In a December 10th Op-Ed piece in the Washington Post they opined that the country was entering a dangerous period & that they ‘felt an obligation’ ”to speak up about the serious challenges to the rule of law, the Constitution, our governing institutions and our national security ... We are at an inflection point in which the foundational principles of our democracy and our national interests are at stake and the rule of law and the ability of our institutions to function freely and independently must be up held ... At other critical moments in our history, when constitutional crises have threatened our foundations, it has been the Senate that has stood on defense of our democracy. Today is once again such a time ... Regardless of party affiliation, ideological leanings and geography ... we urge current and future senators *of this great body* to be steadfast and zealous guardians of our democracy by ensuring that partisanship or self-interest do not replace national interests.”

While most signatories are Democrats there were also ten Republicans & a couple of Independents among them; most of them were in their 70's, several of them served three decades or more in the Senate & others did so until as recently as two years ago.

THE 5-MINUTE FIX (WP, Colby Itkowiz)

- President Trump needs a new Chief of Staff. But resumes aren’t piling up. Small wonder; for Reince Priebus & John Kelly have shown there’s no upside to the job, one either gets the back of Trump’s hand for not being a yes man or that of outsiders for not keeping him in check. Vice President’s Pence’s Chief of Staff, 36 year-old Nick Ayers⁸ (*whose candidacy was pushed by Trump’s son-in-law Jared & daughter Ivanka*) had the inside track (*Trump apparently had discussed the idea with him for some time*) until he surprised Trump & everyone else by tweeting on Sunday December 10th that he wouldn’t take the job. Both OMB Director Mick Mulvaney & Treasury Secretary Steven Mnuchin have indicated they’re not interested (& *why should they; they’re better off where they are than in the Trump White House zoo*). And while Rep. Mark Meadows, the Chairman

⁸ Who has a young family (6 year-old triplets) and, according to his financial disclosure documentation a (*self-accumulated*) Net Worth in the US\$12-54MM range.

of the House Freedom Caucus⁹ & a steadfast Trump ally told Politico being Chief of Staff was an “incredible honor”, he was telling everyone else he would “absolutely not” take the job. And while CNN reported President Trump was seriously considering the former New Jersey Gov. Chris Christie (*one of Trump’s earliest supporters, who headed his transition team until cast aside without any further ado five days after Trump was elected President*), his drawback is that as a federal prosecutor he had been responsible for Charles Kushner, Jared’s father, having to do jail time for tax fraud.

While historically having been the President’s Chief of Staff has opened doors, under Trump it has more downside risk than upside potential. According to the New Yorker magazine it may also be a case of “The rats preparing to jump off the Trump ship”, while the Washington Post may have aptly summarized the situation with the headline Trump Made Competence a Dirty Word. Now He has to Settle for Second-Rate Talent.

TAKING THE PULSE OF CANADA’S ECONOMY (FP, Kevin Carmichael)

- When Bank of Canada raised the benchmark rate to 1.75% last October, many analysts concluded it had turned “hawkish” since it had decided to stop modifying its rate raising plan as “gradual” (even though Senior Deputy Governor Carolyn Wilkins warned the word had been taken out because too many traders were giving it a meaning it didn’t deserve). But the professional Bank of Canada watchers who had been confident about the near-term outlook last month turned tentative in December; thus Citibank’s Dana Peterson, who on November 25th had told clients to get ready for *another* interest rate hike on January 9th, a week later, after StatsCan reported that due to a drop in business investment economic growth had slowed in the Third Quarter, warned of a “potential risk that a hike is delayed.”
- The outlook remains unsettled; while the economy seems to have momentum, it’s not clear whether it’s cruising, chugging or decelerating. And while the Bank is counting on exports to drive economic growth for the next couple of years, according to StatsCan’s latest numbers they wobbled over the summer (& less export income curbs corporate profits & investment). And in a November 30th Research Note Mark Chandler, Head of Canadian Rates Strategy at RBC Dominion Securities wrote “There are a few more clouds on the horizon”, incl. the price of oil (with the weaker oil prices already having taken a human toll in Alberta, although it is not clear to what extent the situation in the oil patch will affect policy made for the whole country). On the other hand, according to Andrew Williams, CEO of the Brampton-based Canadian unit of Bonn, Germany-based, Deutsche Post-owned DHL International GmbH, “Our confidence in Canada is significant ... *and* there is strength in the global economy”, with his firm this year having put its money where his mouth was by adding a new daily flight to Vancouver from its main sorting facility in Cincinnati OH & expanding the size of its Winnipeg warehouse to 27,000 sf, 7x its original size.

And in his December 6th address to the Toronto CFA (Chartered Financial Analyst) Society, Bank of Canada Governor Stephen Poloz (possibly the weakest incumbent in its 83 year existence) devoted much of his time to addressing “financial vulnerabilities”, first & foremost the buildup of “mostly mortgage-related” household debt, that he said had “complicated monetary

⁹ A Tea Party-friendly group of about three dozen conservative/libertarian House members that was instrumental in John Boehner’s loss of the House Speaker’s job & his succession by Paul Ryan (who chose not to run in the 2018 mid-term elections..

policy” since “many highly indebted households will face a difficult adjustment as the mortgages reset and interest rates go up ... especially since a greater share of highly indebted ... (have been) taking out variable rate mortgages” to lower their debt servicing burden in the short run which “exposes the borrowers to unexpected increases in interest rate down the road”, summarizing the situation by saying that “while the quality of new lending has improved” as a result of various government initiatives, “the stock of risky mortgages remains high” .

CHINA CRITICIZES ‘VILE’ DETENTION OF EXECUTIVE (AP, Christopher Bodeen)

- According to China’s official news agency Xinhua on the Foreign Ministry’s website, Vice Foreign Minister Le Yucheng had summoned the Canadian ambassador John Mc Callum¹⁰, on Saturday December 8th over the arrest of Huawei CFO Meng Wanzhou, telling him that her detention was a “severe violation ... of her legitimate rights & interests ... ignores the law and is unreasonable, unconscionable & vile”¹¹ and warning of “grave consequences that the Canadian side should be held accountable for”. And the next day he similarly summoned the US ambassador, Terry Branstad, demanding that Washington cancel the warrant for her arrest & “immediately correct its wrong actions”, threatening to take further steps based on Washington’s response

Age 46, Meng is the daughter of Ren Zhengfei, the founder & CEO of the controversial Chinese Shenzhen-based telecom & consumer electronics giant Huawei, and its CFO & Deputy Chair. Her (second) husband, Carlos Xiaozong Liu, is Chinese-Canadian, she had permanent residency in Canada from 2001 to 2009 (& has had permanent residency in Hongkong since), and she & her husband own a couple of million dollar plus homes in Vancouver. On August 22nd of this year a warrant was issued for her arrest by the United States Circuit Court for the Eastern Division of New York for ‘conspiracy to defraud multiple international institutions’ (first & foremost the HSBC) by telling them that money borrowed from them was for Huawei’s use while it had actually gone to Hongkong-based SkyCom (a company once owned by Huawei that it had spun off a few years earlier as a ‘stand-alone’ entity but that, it was alleged, remains controlled by Huawei & used to surreptitiously circumvent US sanctions on the sale of telecom equipment to Iran. Ever since, last August she is said to have avoided coming to the US even though one of her sons is going to school in Boston. But on December 1st (the same day that Presidents Trump & Xi agreed at the G-20 Summit in Buenos Aires on a 90-day truce in their trade war), she made a stopover in Vancouver enroute to Mexico, during which the Canadian authorities acted on a request by Washington and arrested & jailed her!, after which she was in & out of Canadian court rooms on a daily basis for bail-, & extradition to the US-, hearings (with her husband offering \$15MM worth of bail security, which some doubt would be enough for her not to be a ‘flight risk’) with it being claimed that ‘her health is being affected by her being in jail’ On Monday December 10th the Chinese authorities, in an apparent tit-for-tat move, arrested Michael Kovrig, a Mandarin-speaking former Canadian Ministry of Foreign Affairs diplomat & now the

¹⁰ Now age 67 he has at various times in his career been an Economics Professor, Dean of Arts at McGill University, Royal Bank Chief Economist & in succession the (Liberal) Minister of Defense, Veterans Affairs and Immigration, Citizenship & Refugees.

¹¹ This is bold language for a government that in 2014 had arrested a Canadian couple, Kevin & Julia Garrett, who, after having been invited in 1984 by the Chinese government to come & teach English there, had spent two decades doing so and opening schools & orphanages and in 2007 had opened a popular coffee shop in Dandong, a 2.5MM inhabitant city on the Yalu River, the border between China & North Korea, after which both spent six months in solitary confinement & Kevin another 19 months in a 15 x 36 foot cell with 15 others, until allowed to return to Canada.

Hongkong-based Northeast Asia Senior Advisor of the Brussels-based International Crisis Group¹² while on one of his periodic visits to Beijing¹³; & three days later another Canadian, Michael Spavor, a resident of Dandong on the Yalu River, the border between China & North Korea¹⁴, from where he arrange tourist-, cultural-, & business trips into North Korea where he purportedly is on speaking terms Kim Jong Un - On December 11 Meng was released on \$10 MM bail, in the aftermath of which, given the lack of action by Beijing on the Kovrig/Spavor cases, an appropriate response by Ottawa might well have been to act in a language that Beijing can understand by declaring a member of the Chinese Embassy staff in Ottawa 'persona non grata', a move likely too balsy for Prime Minister Trudeau, in part because he is still dreaming of a trade agreement with China, that now, however, may have less appeal than ever for Canada's business community.

MERKEL'S PARTY CHOOSES HER PROTÉGÉ AS NEXT LEADER (Reuters, Paul Carrel)

- On December 7th Germany's Christian Democrats elected 56 year-old Annegret Kramp-Karrenbauer (AKK) by a vote of 517-482 over Friedrich Merz to replace Merkel as Party Leader, thus positioning her to succeed the now 64 year-old Merkel as Chancellor (which Merkel says won't be until the October 2012 election). Sometimes called "mini Merkel", she was her protégé & the continuity candidate favoured by the party elite for her appeal across the party. A former state premier in Saarland¹⁵ where she led a three party coalition government & built a reputation for building broad-based support, and making alliances work, she told the convention to loud applause "I learned what it is to lead - and above all that leadership is more about being strong on the inside than being loud on the outside" while Merz had delighted the rank-and-file CDU, tired of Merkel's consensus-type leadership, by calling for tax cuts & a more robust approach to the far right. According to the weekly Die Zeit (The Time) "she is a safe bet; a centrist candidate who does not threaten nasty surprises ... whereas Merz was ...a bit too free-market, pro-American and pro defense ... and his pitch to the convention ... wooden compared to AKK's passionate appeal".

She & Merkel will have their work cut out for them; for their CDU party lost much public support in October 2017 federal election & have continued losing ground in state-, after state-, elections since (although the same is true for the other traditional 'mainline party', the left-of-centre SDU).

¹² That was founded in 1996 by half a dozen well-connected individuals, one of them being George Soros, with the motto "Prevent War, Shape Peace".

¹³ But who also may well have annoyed the powers that bein Beijing by writing in the Miami Herald last July that "US-China relations have deteriorated to their worst point since the 1989 Tiananmen Square pro-democracy protests in Beijing."

¹⁴ With Lu Kang, a Foreign Ministry spokesman saying on December 13th that "both men had been put under compulsory measures (*a euphemism for jailed*) ..suspected of engaging in activities that threatened China's National security ... and their legal rights and interests ... safeguarded". And upon being asked if their detention was in response to the Meng case, he said they were part of an "operation taken by China's relevant national security authorities in accordance with the laws ... Meng's arrest had been 'wrong practice' ... and I can point out that, since the Canadian government took the wrong action at the request of the US and took Meng Wanzhou into custody, many Chinese are wondering if their trips to Canada are safe."

¹⁵ A small state, both population- (1MM) and area (1000 sq.mi) - both less than 1% of Germany's total-,. In Southwestern Germany that abuts France & Luxemburg)

WATCH MEXICO'S NEW LEADER CLOSELY (G&M, Doug Sauders)

- Since his December 1st inauguration (*in which he vowed to launch a “profound and radical” transformation of the country*) 65 year-old Andres Manuel Lopez Obrador (aka AMLO) has confounded both his ultraloyal followers & his fearful critics. For he showed his populist side by dismissing the fripperies of the Presidential Office, incl. mansions, limousines & immunity from prosecution, giving a fiery anti-capitalist speech and welcoming a series of referenda, as well as his more pragmatic one by promising to stick with the NAFTA replacement, promising central bank independence & a private sector role in the energy field, and pledging the creation of a lightly-taxed free-trade zone along the US border.
- To understand him, it's worth looking at his five years as mayor of Mexico City, with 20MM inhabitants the continent's largest city, during which he transformed its historic centre, build new transit lines & freeways through the city, replaced slums with cultural institutions & universities, and handed out a lot of cash to the poor & elderly. This provides four important lessons about his approach to government :
 1. **He is not particularly attached to democratic institutions** - he often bypassed the city legislature & governed by decree, and ignored the courts, and resorted to optimistically-crafted 'rubber stamp' referenda that always passed;
 2. **He is extraordinarily adept at getting resources to the poor.** Thus Concordia University political scientist Tina Hilgers wrote in 2005 “Social housing, subsidies for senior citizens, school supplies for children, computers for schools, scholarships, food packages, and T-shirts are among the resources used by ... *his* politicians and ... operatives to bring in votes”;
 3. **He is not a pacifist.** The city's poor & marginalized wanted him to be tough on crime,& he delivered, bringing in former New York mayor Rudi Giuliani to help set up a brutal zero-tolerance-, cum neighbourhood-, policing program. And he has promised that as President he will use the military (*pro-actively?*) to crack down on crime & drugs in defiance of Supreme Courts orders; and
 4. **His far-left rhetoric disguises an enthusiasm for working with the private sector;** thus his rebuilding of central Mexico City and his big housing-, & transit-, building programs were implemented with the enthusiastic support of business leaders, incl. billionaire Carlos Slim¹⁶, because PPPs (Public-Private Partnerships) got things done that the public sector couldn't .

¹⁶ With an estimated Net Worth of US\$67.4BN he is Mexico's richest man, and according to Forbes is today the seventh richest in the world (although from 2010 to 2013 he was **the** richest)

- So Mexico will be governed by a left-wing politician who deeply distrusts the Mexican state.

It remains to be seen whether he will work out any better than Trump has North of the border; but, in principle at least, AMLO may have a better chance of making a difference because he has stronger public support (he was elected with 53% voter support in a three way race) & Mexico's institutional infrastructure is far more ineffective than that of the US; so if he overrides it, his chances of getting results may more promising.