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**From:** Anna Palmer Jake Sherman Daniel Lippman  
**Sent:** Thur 8/3/2017 10:34:59 AM  
**Subject:** POLITICO Playbook, presented by Morgan Stanley: KELLY makes mark on a calmer West Wing -- MCMASTER cleaning house at the NSC -- TRUMP says U.S. 'losing' Afghan war -- ZUCKERBERG hires Joel Benenson -- FOR HISTORY: MOOCH's comms plan leaked

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Today's POLITICO Playbook presented by Morgan Stanley  
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## Driving the Day

**Good Thursday morning. THE KELLY REGIME. CUE THE REPUBLICAN APPLAUSE**, via Josh Dawsey: "When new White House chief of staff John Kelly huddled with senior staff on his first day at work, he outlined a key problem in President Donald Trump's White House that he planned to fix: Bad information getting into the president's hands. Kelly told the staff that information needed to flow through him -- whether on paper or in briefings -- because the president would make better decisions if given good information. ...

**"John Kelly knows the challenges he is facing,"** said Leon Panetta, a former chief of staff to President Bill Clinton who spoke to Kelly after he took the job. "He's not going to just stand to the side and watch the White House fall apart piece by piece."

<http://politi.co/2u1mODq>

**-- AP'S JONATHAN LEMIRE: "Trump's new top aide assures Sessions his job is safe":** "New White House chief of staff John Kelly, in one of his first acts in his new post, called Attorney General Jeff Sessions to reassure him that his position was safe despite the recent onslaught of criticism he has taken from President Donald Trump. Kelly called Sessions on Saturday to stress that the White House was supportive of his work and wanted him to continue his job, according to two people familiar with the call. ... Kelly, who was appointed to the post the day before, described the president as still miffed at Sessions but did not plan to fire him or hope he would resign."

<http://bit.ly/2wnqOir>

**-- ONE THING REPUBLICANS ARE WORRIED ABOUT** is the growing narrative that John Kelly is going to change everything in the White House. Yes, he is certainly doing

things more traditionally. He's reaching out to former chiefs of staff and Hill leaders like Nancy Pelosi and Paul Ryan. And the president appears to be following Kelly's lead. But that doesn't mean that Trump is going to change overnight. For now, Kelly is adhering to James Baker's advice, via Peter Baker: the job is more about "of staff" than "chief."

**TRUMP'S WASHINGTON -- NYT A1, "Trump Supports Plan to Cut Legal Immigration by Half,"** by Peter Baker: "President Trump embraced a proposal on Wednesday to slash legal immigration to the United States in half within a decade by sharply curtailing the ability of American citizens and legal residents to bring family members into the country. The plan would enact the most far-reaching changes to the system of legal immigration in decades and represents the president's latest effort to stem the flow of newcomers to the United States. Since taking office, he has barred many visitors from select Muslim-majority countries, limited the influx of refugees, increased immigration arrests and pressed to build a wall along the southern border. ...

**"In throwing his weight** behind a bill, Mr. Trump added one more long-odds priority to a legislative agenda already packed with them in the wake of the defeat of legislation to repeal and replace President Barack Obama's health care program. The president has already vowed to overhaul the tax code and rebuild the nation's roads, airports and other infrastructure." <http://nyti.ms/2umAZm0>

**CLEANING HOUSE -- "McMaster dismisses another Flynn hire from National Security Council,"** by Eliana Johnson, Nahal Toosi and Ali Watkins: "National Security Adviser H.R. McMaster has pushed out a top White House intelligence aide who earlier this year secretly shared information with a Republican lawmaker investigating ties between the Trump campaign and Russia. The dismissal of Ezra Cohen-Watnick, confirmed by the White House, is the latest in a string of NSC staff members removed at the behest of McMaster, who has steadily shed aides that had been brought on by his short-lived predecessor Michael Flynn.

**"Cohen-Watnick, 31, was one of the few remaining aides** in the organization hired by Flynn, who was fired in February. Since his arrival McMaster has had a hand in steadily cleaning out several of Flynn's marquee hires - three of them in the past three weeks. ... A source familiar with the situation told POLITICO on Wednesday that Cohen-Watnick had recently begun planning on leaving the NSC and talked with Kushner and top NSC official Dina Powell, and they agreed to help him find a spot elsewhere in the administration." <http://politi.co/2w94z0g> ... **July 23 Atlantic profile, "The Man McMaster Couldn't Fire," by Rosie Gray** <http://theatl.in.tc/2uORWtl>

**-- ROSIE GRAY in The Atlantic, "An NSC Staffer Is Forced Out Over a Controversial Memo":** "A top official of the National Security Council was fired last month after arguing in a memo that President Trump is under sustained attack from subversive forces both within and outside the government who are deploying Maoist tactics to defeat President Trump's nationalist agenda. ... Rich Higgins, a former Pentagon official who served in the NSC's strategic-planning office as a director for strategic planning, was let go on July 21. Higgins's memo describes supposed domestic

and international threats to Trump's presidency, including globalists, bankers, the 'deep state,' and Islamists. The memo characterizes the Russia story as a plot to sabotage Trump's nationalist agenda. It asserts that globalists and Islamists are seeking to destroy America." <http://theatlantic.com/2w8UO2e>

**MORE SHAKEUPS COMING? -- NBC NEWS' CAROL LEE** (in her NBC debut) and **COURTNEY KUBE: "Trump Says U.S. 'Losing' Afghan War in Tense Meeting With Generals":** "President Donald Trump has become increasingly frustrated with his advisers tasked with crafting a new U.S. strategy in Afghanistan and recently suggested firing the war's top military commander during a tense meeting at the White House, according to senior administration officials. During the July 19 meeting, Trump repeatedly suggested that Defense Secretary James Mattis and Chairman of the Joint Chiefs of Staff Gen. Joseph Dunford replace Gen. John Nicholson, the commander of U.S. forces in Afghanistan, because he is not winning the war, the officials said. Trump has not met Nicholson, and the Pentagon has been considering extending his time in Afghanistan.

**"Over nearly two hours** in the situation room, according to the officials, Trump complained about NATO allies, inquired about the United States getting a piece of [Afghanistan's] mineral wealth and repeatedly said the top U.S. general there should be fired. He also startled the room with a story that seemed to compare their advice to that of a paid consultant who cost a tony New York restaurateur profits by offering bad advice. ...

**"Trump's national security team has been trying for months** to come up with a new strategy he can approve. Those advisers are set to meet again to discuss the issue on Thursday at the White House. The president is not currently scheduled to attend the meeting, though one official said that could change. ... At one point the president directed his frustration at Mattis, saying Trump had given the military authority months ago to make advances in Afghanistan and yet the U.S. was continuing to lose ground, the officials said. ... One official said Trump pointed to maps showing the Taliban gaining ground, and that Mattis responded to the president by saying the U.S. is losing because it doesn't have the strategy it needs." <http://nbcnews.com/2w7VjJH>

**TRUMP'S THURSDAY -- PRESIDENT TRUMP** will hold a rally in Huntington, W.Va., the second time in two weeks where he has taken his message on the road.

**-- SETTING THE RECORD STRAIGHT: @realDonaldTrump** at 9:29 p.m.: "I love the White House, one of the most beautiful buildings (homes) I have ever seen. But Fake News said I called it a dump - TOTALLY UNTRUE".

**\*\*\*\*\* A message from Morgan Stanley:** Bond Markets Caffeinate: Investors bought into Starbucks' sustainability bond-the latest to support ethical, sustainable supply chains-demonstrating a growing trend. [Read more.](#) \*\*\*\*\*

**FOR THE HISTORY BOOKS -- "Here Is Anthony Scaramucci's 'Communications**

**Plan' From Before He Was Fired,"** by BuzzFeed's Charlie Warzel: "Internally, the memo indicates that Scaramucci planned to 'professionalize' the comms team. 'For example,' he wrote, 'no WH communication staffer goes home without returning all calls, emails, and texts. People may not like our answers-but they should always be treated professionally and respectfully (obviously, this starts with the new Director of Communications).' ... Scaramucci - who in his first days on the job repeatedly went on TV to threaten firings of White House staffers, and publicly accused then-chief of staff Reince Priebus of being the primary source of White House leaks - also called for staff to be more civil and humble. 'Make it clear that horn tooting and denigrating colleagues is unacceptable,' the memo reads. ...

**"The memo ends with a personal to-do list,** in which Scaramucci lays out a series of meetings he planned to have with incoming chief of staff Gen. John Kelly and other members of the White House staff, including Steve Bannon ('I want his insight and help. He presumably has an opinion on how Comms can operate more effectively,' the memo says.) Also included is a list of mainstream media reporters he planned to meet with, including the New York Times' Maggie Haberman and The New Yorker's Ryan Lizza."  
**With the full memo** <http://bzfd.it/2wnkwz6>

**-- FROM MOOCH'S PLAN:** "Comms need to humanize POTUS and burnish his image. For example, POTUS is the best golfer to serve as President. Perhaps, we embrace it with a national online lottery to play a round of golf with him...or a charity auction. POTUS has a funny and irreverent side which was shared with the electorate during the campaign ... People are fascinated by the lives of their Presidents and the operation of the White House. POTUS is the greatest TV star in history. Comms should produce video content that constructively operates as 'The President Donald J. Trump' show."

**HAPPENING TOMORROW! -- "Scaramucci to hold online event Friday,"** by CNN's Chris Cuomo and Sophie Tatum: "Following his departure from the White House after less than 11 days as communications director, Scaramucci will be hosting an online event on Friday where he will address the American people directly. Scaramucci said this daytime event -- which will be broadcast on various live platforms with help from former Fox News co-president Bill Shine -- will give him the opportunity to reach and communicate with the President's base. ... As for what's next after Friday's event, Scaramucci plans to go dark until after Labor Day, when he will announce his next venture after he evaluates his various media and finance-related opportunities."  
<http://cnn.it/2uY1Qlk>

**SPICER'S SWAN SONG -- "Spicer savors his last days in the White House,"** by Tara Palmeri: "Sean Spicer has been floating around the White House since he announced his resignation almost two weeks ago, dipping in and out of his office, attending meetings on tax reform and popping up for public ceremonies like Gen. John Kelly's swearing in as chief of staff and a medal of honor ceremony for a Vietnam veteran. On Tuesday night, Spicer was seen giving his family a tour of the White House grounds. He's posted nostalgic pictures on Instagram, like one of the first family taking off from the lawn on Marine One, with the caption: 'This will never get old.' ...

**"In the wake** of Scaramucci's departure, Spicer - who committed to staying several weeks to ensure an orderly transition in the press office - briefly considered staying on at the White House to help with Trump's effort to pass a major tax reform, a policy issue that Spicer had engaged with since stepping back from regular briefings in the last month. But he made it clear to his colleagues by late afternoon on Tuesday that he does not plan to stay on in the White House beyond August." <http://politi.co/2w9B1zl> ...  
**Spicer's Instapic** <http://bit.ly/2umCro9>

**CAPITOL HILL V. THE WHITE HOUSE, PART INFINITY: "Congress readies Round 2 with Trump on Russia:** Language in key defense bills would make the administration revive a type of missile banned by a 1987 treaty," by Bryan Bender: "Congress is moving to force the Pentagon to violate a nuclear arms treaty with Russia -- in yet another effort to box in President Donald Trump on relations with Moscow. Language in key defense bills in both the House and Senate would require the military to begin developing medium-range missiles banned by a 1987 treaty that Ronald Reagan negotiated with Soviet leader Mikhail Gorbachev during the twilight years of the Cold War.

**"Supporters say the move is necessary because Russian President Vladimir Putin** has violated the pact. But opponents fear it could increase the chances of a nuclear confrontation at a time when relations between the two nations are at a post-Cold War low. The legislation is also likely to stir up new friction between lawmakers and Trump, who has already accused Congress of illegally meddling in his dealings with Russia. Trump blasted Congress on Wednesday for including 'clearly unconstitutional provisions' in a bipartisan bill imposing new sanctions on Putin's regime -- legislation he said he nonetheless signed 'for the sake of national unity.'" <http://politi.co/2u5Nnvf>

-- **COALITION BUILDING** -- NYT's Rick Gladstone: "Joined by three Western allies, the United States on Wednesday escalated pressure on Iran over its space launch last week, saying the act disregarded a United Nations Security Council resolution on the use of missiles and was 'threatening and provocative.' In a letter to the Security Council and Secretary General António Guterres, Ambassador Nikki R. Haley of the United States and envoys from Britain, France and Germany said the Iranian missile that carried a satellite into orbit was 'inherently capable of delivering a nuclear warhead.'" <http://nyti.ms/2ulHaXI>

**THE LATEST ON HEALTH CARE ... -- "Lawyers, lawmakers leave Trump administration in limbo on Obamacare subsidies,"** by Josh Dawsey and Jen Haberkorn: "President Donald Trump has told advisers repeatedly he wants to end Obamacare cost-sharing subsidies that are crucial to the marketplaces continuing to work, and he has publicly said it would make sense to blow up the system, put the blame on the Democrats and force a negotiation. But after the inability of Republicans in Congress to repeal and replace the law, the White House is not expected to immediately end the subsidies, officials said, even as Trump stewes in the legislative defeat. And they could remain in place indefinitely, some officials said.

**"The administration has slowed** a decision to hear from lawyers, who are studying how the payments could be ended and what legal liabilities the administration could face if the payments stop, according to administration officials. Lawyers and some administration officials have raised questions about ending the payments but are expected to offer an analysis later in August, West Wing officials said. One official said the analysis could arrive as soon as next week. A different official said the White House was in no hurry and wanted to consider all factors before making a decision. Another payment is due approximately Aug. 22." <http://politi.co/2uYSn3M>

**-- JEN HABERKORN and ADAM CANCRYN: "New bipartisan Obamacare push faces steep climb":** <http://politi.co/2faLUgD>

**BIG ANNIE KARNI SCOOP -- "Zuckerberg hires former Clinton pollster Joel Benenson":** "Facebook CEO Mark Zuckerberg and his wife, Priscilla Chan, have hired Democratic pollster Joel Benenson, a former top adviser to President Barack Obama and the chief strategist to Hillary Clinton's failed 2016 presidential campaign, as a consultant, according to a person familiar with the hire.

**"Benenson's company, Benenson Strategy Group,** will be conducting research for the ChanZuckerberg Initiative, the couple's philanthropy. The organization -- whose mission statement, according to its website, is 'advancing human potential and promoting equality' -- is endowed with the couple's Facebook fortune. Zuckerberg and Chan have vowed to give away 99 percent of their Facebook shares, worth an estimated \$45 billion, to charity. Bringing on Benenson is the latest sign that they're pushing their philanthropic work more heavily into the political and policy world." <http://politi.co/2wn4zsV>

**IMPORTANT INTERNATIONAL READ -- NOGA TARNOPOLSKY in the LA TIMES: "Relations between Israel and Jordan have become 'very dangerous'"**: "Relations between Israel and Jordan, neighboring states that signed a peace treaty in 1994, have hit rock bottom after twin decisions by the Israeli government that have been widely seen as an affront to Jordan's King Abdullah II. The first was Israel's order, since rescinded, to install metal detectors at the Noble Sanctuary, the Muslim name for the disputed plateau in Jerusalem's Old City that holds the Al Aqsa Mosque and gold Dome of the Rock. Although Israel backed down, the decision was seen as a slap to Jordan, which is the legal custodian of the site. The other involved Israel's response to a deadly incident in the Jordanian capital, Amman, in which an Israeli Embassy guard killed two Jordanians, a 17-year-old delivery boy and an orthopedic surgeon. ...

**"Before any summit could be planned,** Israel and Jordan narrowly avoided yet another collision. As relations between the two countries deteriorated, two flamboyant parliamentarians -- one from Israel, one from Jordan -- fought via their Twitter feeds. Eventually, Jordanian Yehiya Saoud challenged the Israeli, Oren Hazan, a member of Netanyahu's Likud Party, to a duel in the Judean desert at 10 a.m. Wednesday. Hazan, a former pimp who gained an extra measure of fame when he crashed Donald Trump's

arrival ceremony in Tel Aviv last May to snag a selfie with the president, accepted. Gleeful online anticipation followed Hazan's progress toward the Allenby Bridge border post until someone in Netanyahu's office got wind of the scheme and sharply ordered Hazan back home." <http://lat.ms/2v0wXl7>

-- **THIS GIVES JARED KUSHNER** another problem to deal with. Israel and Jordan's relationship has long been crucial in maintaining relative calm in the Middle East. Jordan is the protectorate for the al Aqsa mosque in Jerusalem's Old City, for example. If they aren't getting along, then a complex plan with other Middle Eastern and Gulf nations to strike a peace accord between Israel and the Palestinians is nothing more than a pipe dream.

**COMING ATTRACTIONS -- "GOP clash looms over raising the debt ceiling,"** by Seung Min Kim and Rachael Bade: "Republican congressional leaders are quietly preparing to pass a "clean" debt ceiling increase, according to multiple senior GOP sources - setting the stage for a high-risk showdown with rank-and-file Republicans this fall. Trump administration officials, led by Treasury Secretary Steven Mnuchin, are imploring Congress to raise the \$19.8 trillion debt limit with no strings attached by the end of September. And Senate Majority Leader Mitch McConnell and Speaker Paul Ryan - well aware they need Democrats to pass any debt bill through the Senate - are on board, albeit begrudgingly so.

**"But beyond the leadership,** there are few Republican takers, at least so far. GOP lawmakers in both chambers of Congress are calling for any debt ceiling hike to be accompanied by spending cuts or fiscal reforms - the same demand they made repeatedly during Barack Obama's two terms. That means McConnell (R-Ky.) and Ryan (R-Wis.) will have to rely on Democrats and enough moderate Republicans to help them avert a financial catastrophe by Sept. 29, the day Treasury exhausts its borrowing authority and the very last day for Congress to act." <http://politi.co/2u2TVGK>

-- **AP: "Bipartisan Senate bill aims to protect special counsel's job":** "Two members of the Senate Judiciary Committee are moving to protect Special Counsel Robert Mueller's job, putting forth new legislation that aims to ensure the integrity of current and future independent investigations. Republican Sen. Thom Tillis of North Carolina and Democratic Sen. Chris Coons of Delaware plan to introduce the legislation Thursday. The bill would allow any special counsel for the Department of Justice to challenge his or her removal in court, with a review by a three-judge panel within 14 days of the challenge. The bill would be retroactive to May 17, 2017 - the day Mueller was appointed by Deputy Attorney General Rod Rosenstein to investigate Russian meddling in the 2016 election and possible ties to Donald Trump's campaign." <http://nydn.us/2fbmhfD>

**THE JUICE ...**

**FIRST IN PLAYBOOK: WILL ALLISON TO ARIZONA FOR SEN. JEFF FLAKE'S REELECTION** -- Will Allison is heading back to the campaign trail to run the comms

operation for Flake's reelection bid. Allison was press secretary for Sen. Ron Johnson's (R-Wis.) successful re-election bid in 2016. He has also worked for the North Carolina Republican Party when Sen. Thom Tillis (R-N.C.) won in 2014. In the House, Allison has worked for Tom Price and Paul Ryan. **FLAKE** is in a food fight, of sorts, with the Trump administration. He published a book sharply critical of the White House, and the administration responded by saying Flake would be serving his constituents better if he more focused on governing and not attacking the president. Allison's role was in the works before the tiff between Flake and the White House.

--**SPOTTED:** Sen. Ted Cruz (R-Texas) and John Bolton having dinner last night at Capital Grille.

**HOT VIDEO: STEPHEN MILLER VS. JIM ACOSTA -- @jayrosen\_nyu:** "Hard to find a better clip for White House press corps as objets d'hate. Let it run and you will see what I mean." **7-min. video** <http://bit.ly/2f9OhjP>

## Playbook Reads

**PHOTO DU JOUR:** CNN senior White House correspondent Jim Acosta waits to be called on by senior adviser Stephen Miller at a press briefing Aug. 2. | Chip Somodevilla/Getty Images

**DOJ WATCH -- "DOJ: Affirmative action case a limited one,"** by Michael Stratford: "An internal Justice Department posting seeking lawyers for 'investigations and possible litigation' relating to university affirmative action policies was a call for volunteers to work on a single complaint filed by Asian-American groups accusing Harvard University of racial bias in admissions, not a sweeping policy change, a department spokeswoman said Wednesday. The internal document, described in a New York Times report on Tuesday evening, set off a torrent of speculation - and concern from many civil rights and higher education groups - that the Trump administration was preparing to sue universities over their affirmative action policies.

**"The posting sought volunteers** to investigate one administrative complaint filed by a coalition of 64 Asian-American associations in May 2015 that the prior Administration left unresolved,' Justice Department spokeswoman Sarah Isgur Flores said in a statement. 'The complaint alleges racial discrimination against Asian Americans in a university's admissions policy and practices.'" <http://politi.co/2u6aFRQ>

-- **BOSTON GLOBE: "The majority of Harvard's incoming class is nonwhite,"** by Deirdre Fernandes: "For the first time in Harvard University's history, the majority of students accepted into the incoming freshman class are not white, a milestone for an institution that prides itself on educating future presidents, CEOs, and world leaders." <http://bit.ly/2vrR4uK>

**BANNON BEAT -- "A Vatican Shot Across the Bow for Hard-Line U.S. Catholics,"**

by NYT's Jason Horowitz in Vatican City: "Two close associates of Pope Francis have accused American Catholic ultraconservatives of making an alliance of 'hate' with evangelical Christians to back President Trump, further alienating a group already out of the Vatican's good graces. The authors, writing in a Vatican-vetted journal, singled out Stephen K. Bannon, Mr. Trump's chief strategist, as a 'supporter of an apocalyptic geopolitics' that has stymied action against climate change and exploited fears of migrants and Muslims with calls for 'walls and purifying deportations.' The article warns that conservative American Catholics have strayed dangerously into the deepening political polarization in the United States.

**"The writers even declare that the worldview** of American evangelical and hard-line Catholics, which is based on a literal interpretation of the Bible, is 'not too far apart' from jihadists. It is not clear if the article, appearing in *La Civiltà Cattolica*, received the pope's direct blessing, but it was extraordinary coming from a journal that carries the Holy See's seal of approval. There has apparently been no reprimand from the pope, who is not shy about disciplining dissenters, and *La Civiltà Cattolica*'s editor has promoted the article nearly every day since it was published in July. ... Mr. Bannon, a former altar boy who once articulated his worldview to a Vatican conference, wrote in a brief email that the pope's associates 'lit me up.'" <http://nyti.ms/2u2l2lg>

-- **"Trump Keeps His Conservative Movement Allies Closest,"** by NYT's Jeremy W. Peters: "Every Friday afternoon the White House sends an email to movement leaders called 'The Trumpet,' which lists the latest events and achievements that conservatives might find of interest and asks for their help in promoting the president's policies. 'Please publicly push for tax reform that is simpler and fairer, that provides middle-class tax relief,' one email implored last month. There are small Oval Office gatherings, dinners with the president at the White House, regular strategy sessions with his senior staff, meetings with Vice President Mike Pence in his office and at his Naval Observatory residence." <http://nyti.ms/2umll9Z>

**FOR STEPHEN MILLER -- "Trump plan to hire 15,000 border and immigration personnel isn't justified, federal watchdog says,"** by WaPo's Lisa Rein: "A report released this week by the DHS inspector general concludes that based on its rigorous screening requirement for law enforcement jobs and the relatively high rate of attrition among Border Patrol agents, Homeland Security would have to vet 750,000 applicants to find 5,000 qualified personnel. In addition, to hire the 10,000 Immigration and Customs Enforcement agents the president called for in executive orders he issued in his first days in office, a pool of 500,000 candidates would need to apply, auditors found. The report calls into question whether DHS officials even need 15,000 new hires to target undocumented immigrants. Agency leaders have done such poor planning for what their workforce should look like, with an understaffed, poorly trained human resources operation, that they cannot justify thousands of new employees, the report says." <http://wapo.st/2vryZg6>

**INSIDE THE ROOM -- NYT A1, "Under Trump, a Hollowed-Out Force in Syria Quickly Lost C.I.A. Backing,"** by Mark Mazzetti, Adam Goldman and Mike Schmidt: "The end came quickly for one of the costliest covert action programs in the history of the C.I.A. During a White House briefing early last month, the C.I.A. director, Mike Pompeo, recommended to President Trump that he shut down a four-year-old effort to arm and train Syrian rebels. The president swiftly ended the program.

**"The rebel army was by then a shell, hollowed out** by more than a year of bombing by Russian planes and confined to ever-shrinking patches of Syria that government troops had not reconquered. Critics in Congress had complained for years about the costs -- more than \$1 billion over the life of the program -- and reports that some of the C.I.A.-supplied weapons had ended up in the hands of a rebel group tied to Al Qaeda further sapped political support for the program.

**"While critics of Mr. Trump have argued that he ended** the program to curry favor with President Vladimir V. Putin of Russia, there were in fact dim views of the effort in both the Trump and Obama White Houses -- a rare confluence of opinion on national security policy." <http://nyti.ms/2vuMJJaY>

\*\*\*\*\* **A message from Morgan Stanley** : Starbucks debuted a sustainability bond in international markets that supports ethically sourced supply chains and financial and educational support for farming communities. Strong investor interest demonstrated the extent to which institutional bond buyers support social and environmentally responsible behavior by corporations. [Read more from Morgan Stanley.](#) \*\*\*\*\*

**DEPT. OF YA CAN'T MAKE IT UP! -- "Sources: Michael Grimm eyes return to Congress,"** by NY1's Grace Rauh: "For months now, there has been talk that Michael Grimm would try to get back into politics. But in recent days, he seems to be more definitive about his plans.

**"Sources told NY1 that Grimm is beginning** to let a small number of political leaders on Staten Island know that he intends to run for Congress. Any campaign would be a challenge for someone in Grimm's position; he spent seven months in federal prison for tax fraud, and he was released in May of 2016. Grimm also made headlines for threatening a NY1 reporter, Michael Scotto, with physical violence in 2014, saying he would throw Scotto off a balcony and break him in half while they spoke at the Capitol in Washington.

**"I spoke with Grimm on Wednesday afternoon** and he insisted he has not made any decisions yet on his political future. But he did say that there are people who would like to see him run, and he said he plans to return to public office one day." <http://bit.ly/2v16gNd>

-- **JOHN BRESNAHAN** and Jake started hearing murmurs of this Wednesday afternoon, and began making calls about it. There is truth to it, and it's clear that GOP leaders in Washington don't want to see a sitting member get a primary challenge.

Especially by Grimm, who spent years in prison and threatened to throw a reporter off a balcony. Remember, this district is only slightly Republican. It was held by Democrat Michael McMahon from 2009 to 2011. (McMahon is now the county district attorney.) GOP-on-GOP fighting is obviously not good for the party.

**-- ONE MORE, YA CAN'T MAKE IT UP: "Marc Kasowitz, Trump Lawyer, Also Represents a Russian Bank,"** by NYT's Andrew Kramer in Moscow.

<http://nyti.ms/2uYb1bl>

**-- FLASHBACK -- BuzzFeed, March 23, "Trump's Longtime Lawyer Is Defending Russia's Biggest Bank,"** by Anthony Cormier, Jeremy Singer-Vine and John Templon:

<http://bzfd.it/2uY3ee0>

**HMM -- "Trump nominee Sam Clovis blasted progressives as 'race traders' and 'race traitors' in old blog posts,"** by CNN's Andrew Kaczynski and Paul LeBlanc:

"Sam Clovis, President Donald Trump's nominee to be the Department of Agriculture's chief scientist, maintained a now-defunct blog for years in which he accused progressives of 'enslaving' minorities, called black leaders 'race traders,' and labeled former President Barack Obama a 'Maoist' with 'communist' roots." <http://cnn.it/2hpzrGp>

**HOLLYWOODLAND - "HBO Security Contractor: Hackers Stole 'Thousands of Internal Documents,'"** by Variety's Janko Roettgers: "The HBO hack may have been worse than the initial leaks of a few unaired TV show episodes suggested. ... The disclosure came as part of a DMCA take-down notice sent to Google Tuesday to force the search engine to take down links to the leaked files. The take-down notice also detailed that the hackers did away with 'masses of copyrighted items including documents, images, videos and sound.' ... The hackers appear to have also leaked personal information of a senior HBO executive." <http://bit.ly/2wnuEYA>

**MEDIAWATCH -- "Confusion, anger inside Fox News over lack of answers in network's Seth Rich probe,"** by CNN's Oliver Darcy: "According to half a dozen people spread throughout Fox News ... all this has left employees at the network wondering what is going on with the investigation -- and why there has not been an announcement either of disciplinary action or a finding that there was no wrongdoing. 'People need to start getting canned over the [Seth Rich] thing,' an employee told CNN. ... [E]mployees recognize the secretive nature that has characterized the probe into the Rich story, and lack of disciplinary action, seems to fit into the normal operating procedures for Fox News." <http://cnnmon.ie/2hq7Kxe>

**-- LEWANDOWSKI AND BOSSIE'S UPCOMING BOOK -** Per Hadas Gold in Morning Media: "Last year Ken Vogel and I reported that Lewandowski had a \$1.2-million offer from HarperCollins to write a book chronicling his time running Trump's presidential campaign, but the publishing giant backed away from the deal amid concerns about Lewandowski's nondisclosure agreement. The tentative title then, which Lewandowski denied he was shopping around: 'Let Trump be Trump' [with the subtitle: 'The Inside Story of His Rise to the Presidency']. That's the same title of the book to be released in

December by Lewandowski and former campaign aide David Bossie." **Pre-order -- \$27 on Amazon** <http://amzn.to/2faPs28>

## Playbookers

**SPOTTED:** former national security adviser Susan Rice last night at Red Hen in DC having dinner at a window table ... Merrick Garland at a screening of "Dunkirk" at the Smithsonian Air and Space Museum ... Sen. Susan Collins (R-Maine) dining with friends last night at Tosca, where she was "greeted by spontaneous applause and emotional words of support. ... Total strangers in the restaurant. People approached her - shyly - to thank her for her courage. Everything stopped in the restaurant as she exited. Then people burst into applause," per our tipster.

**SPOTTED** last night at Capital Grille at a new private quarterly dinner series hosted by Michael Hardaway to bring together senior Hill staffers of both parties, admin officials and lobbyists: Lance Williams, lobbyist for BP and an Obama Treasury alum, Kyle McEneaney of the World Bank and Chris Randle, LD for Rep. Hakeem Jeffries (D-N.Y.).

**TRANSITIONS -- Amy Shepard** has joined the Good Food Institute as general counsel and director of finance. She is an alum of the SEC, Freddie Mac, and the Air Conditioning, Heating, and Refrigeration Institute. ... **Joe Ellis** has been named VP and head of U.S. government affairs at BP. Since January 2014, he has been the head of state and local government affairs for the energy giant. ... **Lauren Sinclair** has started as media manager at the start up think tank the Social Progress Imperative. She most recently was director of social media at Ogilvy.

**WELCOME TO THE WORLD - Joe Brettell**, manager of external engagement at Apache Corporation and a FleishmanHillard and CRC alum, and **Erica Brettell**, who helps spearhead anti-domestic abuse non-profit Lindsay's Light, email friends and family: "We are pleased and proud to announce the arrival of Caleb James Brettell, born [Wednesday] at 1:45 p.m. with measurements of 7lbs 13oz, 19 inches long. As we determined names, Caleb has been the first choice of his oldest brother from the beginning. This past weekend, Parker, still not certain he'd made the case, hand drew a multi-page book, 'Welcome baby Caleb', an original work that gave the new kid an introduction to all people and animals in the house. It was a closing message that would have made any political ad maker proud. ... We are blessed, happy, pleased...and tired." One of the Brettells' first congratulatory calls came from Erica's former boss, Sen. Jim Inhofe (R-Okla.). **Instapics** <http://bit.ly/2hqVvke> ... <http://bit.ly/2faNILZ>

**BIRTHWEEK (was yesterday):** Kristin Carvell Hardwick, head of comms for Gas Power Systems at GE Power ... Gigi B. Sohn, fellow at the Open Society Foundations and an FCC alum

**BIRTHDAY OF THE DAY: Jacob Weisberg**, chairman and editor-in-chief of the Slate

Group. **How he got his start in journalism:** "I spent the summer before college at The Washington Monthly working on a story about potholes. Charlie Peters would send the interns out for quarts of Miller and explain to us how government really worked." Read his Playbook Plus Q&A: <http://politi.co/2u6WZWo>

**BIRTHDAYS:** Joe McLean, president of the Crockett Policy Institute ... Josh Cherwin is 4-0 (baby girl tip: Stella) ... Politico's Nick Juliano and Rachana Pradhan ... The Parkinson twins: ABC News' John Parkinson and Scott Parkinson, executive director of the Republican Study Committee ... ABC News' Ben Siegel (h/ts Arlette Saenz) ... WaPo's Gene Park ... Charles Dharapak, AP deputy news director for production and presentation in the Asia-Pacific based in Bangkok and former WH photographer (h/ts Ben Chang and Peter Watkins) ... Allison Haley ... Rick Murphy, partner at Forbes Tate Partners (h/t Liz Johnson) ... Michael Frazier ... Addison Smith, partner at Sphere Consulting ... Emily Goldberg, Politico's newest web producer (h/t Zach Montellaro) ... Jordan Burke, Uber's head of market and consumer research ... Claire Olszewski ... Julia Fahl ... Bradley Brooks, Reuters Brazil chief correspondent ... Jennifer Swanson ... Ann Davison, director at PricewaterhouseCoopers Public Sector (h/ts Jon Haber) ... Tom Freedman, president of Freedman Consulting, LLC ... NPR's Joe Ruiz ... Josh Greenman, op-ed editor at the N.Y. Daily News, is 44 ... Ken Nahigian is 46 ... Sen. Chris Murphy (D-CT) is 44 ... former Sen. Roland Burris (D-Ill.) is 8-0 ... Jeff Dressler, national security adviser for House Majority Leader Kevin McCarthy ...

... **James Wegmann**, the indomitable spox for Sen. Sasse who raises the Jolly Roger even when the Pirates lose (h/t Matt Lloyd) ... Tom Qualtere, comms director for Rep. Mike Kelly (R-Pa.) (h/t Dan Swartz) ... former Puerto Rico Gov. Alejandro Javier Garcia Padilla ... Ed Carberry ... Alex Mackler ... Allison Abner ... Jonathan Young ... Bernadette Meehan, executive director of international programs at the Obama Foundation and a former Foreign Service officer (h/ts Ben Chang and Steve Clemons, filing from Sydney) ... Karin Walser ... Erika Knuti ... Graham MacGillivray of C-SPAN ... Andrew Craft of Fox News ... Alberto Pimienta ... Roger Kodat ... Ryan Mackenzie ... Robin Joy Robinson ... Jessica Ennis, senior director of Bravo Group, Inc. ... Drew Brophy ... Brian Kateman ... Matt Compton ... Kenneth Grubbs ... Vicki Cram ... Katie Todd Reilly ... Walter Bishop ... Matthew Foldi is 21 ... City Journal editor Brian Anderson ... Aaron Lewis ... Michael Hilder ... Laura Schneider ... Joe Peyronnin ... Nancy E. Smith ... Krista Lane ... Doug Burnett ... Doug Haddow ... Tom Parker (h/ts Teresa Vilmain)

\*\*\*\*\* **A message from Morgan Stanley** : Major global companies like Starbucks are increasingly focused on the sustainability of their supply chain. Why? Because issues like the sourcing of coffee and its environmental footprint are increasingly meaningful to its customers. Starbucks' sustainability bonds (\$500 million in 2016 and ¥85billion this year) create a financial virtual cycle: What's good for coffee growers is good for Starbucks; what's good for Starbucks is good for investors; what's good for investors is good for 1 million people in coffee communities around the world. Innovation in the bond market provides companies with opportunities to identify ways to drive sustainability throughout the business and engage with investors who are interested in supporting those efforts. [Read more from Morgan Stanley.](#) \*\*\*\*\*

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