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## A 'Phony War' On the Crisis

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By David Ignatius  
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For all the legislative commotion surrounding the economic crisis, we are still living in the equivalent of "the phony war" of 1939 and 1940. War has been declared on the Great Recession, but it's basically politics as usual. The bickering and mismanagement that helped create the crisis are continuing, even though we elected a president who promised a new start.

History tells us that phony war doesn't last forever and that when it ends, all hell breaks loose. World War II officially began with Germany's September 1939 attack on Poland, but for months it was just skirmishing on the sidelines. That hiatus ended on May 10, 1940, when Hitler invaded Belgium and its neighbors. Neville Chamberlain was out as British prime minister, and Winston Churchill arrived as the avenging angel.

We're still in the Neville Chamberlain phase when it comes to the economic crisis. The government is talking about sacrifice and solutions, but it hasn't yet made the tough decisions that will put the economy back together. Economist David Smick had it right in *The Post* this week when [he said](#) the administration had a three-pronged strategy: delay, delay and delay. The administration announces a [rescue package](#) but [doesn't deliver](#) details; it promises [budget](#) discipline but saves the hard decisions for later.

One reason this season feels so political is that Obama has stacked his administration with politicians and former government officials. You might think that with the greatest financial crisis of his lifetime, the president would want a few business leaders with experience managing large organizations in crisis. But no.

Here's the un-businesslike Obama Cabinet: At Treasury, a former government official; at State, a former senator; at Commerce, a former governor; at Defense, a former government official and university president; at Energy, a former professor; at Homeland Security, a former governor; at Health and Human Services, a former governor; at the White House as chief of staff, a former congressman; at the White House as economic czar, a former university president and government official.

All fine people, no doubt. But as thin on business experience as a Hyde Park book club. Maybe Obama sees business executives as too tainted by the financial crisis to be useful, or confirmable. The closest he comes is Paul Volcker's Economic Recovery Advisory Board -- which includes Jeffrey Immelt, chief executive of GE; Jim Owens, chief executive of Caterpillar; and venture capitalist John Doerr.

The culture of immobilism starts on Capitol Hill. These people are still working a four-day week, taking Fridays off so they can run home and tell constituents how diligent they are. They may talk

about a crisis, but they don't act like it's real.

Republicans and Democrats are sticking to party-line votes on many key issues. The Democrats were egregious in packing the stimulus bill with pet projects that won't stimulate much except campaign contributions and in sticking with earmarks -- a symbolic outrage that Obama promised during the campaign he would eliminate. But the Republicans have been even worse in their strategy of opposing recovery plans, which has given a legislative face to Rush Limbaugh's "I hope he fails."

The legislative pettifoggery was captured by a New York Times [headline](#) this week: "Obama's Budget Faces Challenge by Party Barons; Panel Chairmen Oppose a Tax Plan but Want to Reduce Debt." This nonsense has to stop, folks. The party's over.

What *will* happen if Obama's efforts fail? That's the question that really worries me when I think about history. During the 1930s, European politicians failed to solve the economic crisis through normal democratic means. So the public turned elsewhere. People became so angry with bankers and business tycoons, and with the bickering parliamentarians, that they turned to authoritarian leaders who promised national action -- in the form of fascism. That nightmare scenario may seem far off today. But there's an ugly mood developing, as people start looking for villains to blame for the economic mess.

Obama administration officials are understandably nervous about taking a leap in the dark -- imposing emergency financial measures that could mean bankruptcy and nationalization for big automakers and giant banks. I hope they will find more creative, market-oriented approaches that break up the giants rather than patch them together under government ownership.

But the phony war has to end. The public is demanding action, and if this set of politicians doesn't provide it, they may turn to a scarier bunch.

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