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**Blocking Elizabeth Warren**

By JOE NOCERA

It’s official: Elizabeth Warren will return to the torture chamber known as the House Committee on Oversight and Government Reform on July 14. Earlier this week, Darrell Issa, the California Republican who is chairman of the committee, tweeted the news. Apparently, Democrats aren’t the only ones who use Twitter to harass women.

The last time Warren appeared before the committee, on May 24, she was mauled by the Republicans in a brutal hearing during which a North Carolina freshman named Patrick McHenry twice accused her of lying, while conducting a Perry Mason-style interrogation (“Yes or no, Ms. Warren”) that was at once ludicrous and shameful. Afterward, Issa expressed outrage because she had dared to defend herself and demanded that she return for another round of browbeating. Hence, July 14.

Ostensibly, the House Republicans are outraged that Warren, in her capacity as a special adviser to the White House, offered “secret” counsel to the states’ attorneys general, who have been investigating the big foreclosure robo-signing scandal. Never mind that she has repeatedly acknowledged that she offered her advice, which they had asked for — and that there is nothing wrong with a federal official advising state officials.

No, the real reason Warren has become a piñata is that, as a Harvard law professor, she dreamed up the idea of a federal agency that could help prevent consumers of financial products — like, oh, predatory subprime mortgages — from being taken advantage of. Then she lobbied to turn it into reality, as part of the Dodd-Frank reform law. And now, working for the administration, she is busy setting up the Consumer Financial Protection Bureau, which will “go live” in less than six weeks.

What’s worse, she’s been doing a pretty good job of it so far. When she was first appointed to set up the agency, I heard rumbling that she had no management chops and would make a hash of things. This prediction has turned out to be spectacularly wrong. She has attracted first-rate talent for virtually all the top jobs. The new bureau’s first move was to persuade two government agencies to combine mortgage forms into one easy-to-read document — no
easy task given how government works. She has consistently talked about making bank disclosures easier for consumers to understand.

You would think that Republicans would like this sort of thing. Instead, they portray Warren as a polarizing ideologue bent on creating an agency that, as Mitch McConnell, the Senate minority leader, put it recently, “could be a serious threat to our financial system.” How, precisely, an agency that tries to keep financial consumers from being gouged threatens the system is something no one ever explains. (Unless, of course, gouging consumers is central to bank profitability. Hmmm...)

On the Senate side, the approach of the Republicans has been to claim that their real issue is not with Warren but with the structure of the new bureau. Some 44 Republican senators recently sent a letter to President Obama saying that they would not approve any director without major changes. In particular, they want to deprive the agency of automatic financing, so that, unlike other bank regulators, it would have to go through an annual appropriations process. Which, of course, would then allow the Republicans to starve it via budgetary deprivation.

Unfortunately, the president’s response has been to dither. Despite the impending start date for the bureau — and despite the fact that Warren is the clear and obvious choice to run it — he still hasn’t been able to pull the trigger. For months, there were rumblings that he would name Warren in a “recess appointment,” which wouldn’t require Senate confirmation. But that is simply not going to happen: There are parliamentary maneuvers that will allow the Senate to remain “in session” even when there are no actual senators in the vicinity.

Besides, this is a president who sees himself as a consensus-seeker. His first instinct is to try to cut a deal. Thus it was that just a few days ago, the White House floated the name of Raj Date as a possible compromise candidate. Date is one of Warren’s terrific hires; he’s a former banker who, in recent years, has been a vocal consumer advocate. McConnell, however, quickly shot down the idea, and stuck to his guns: no structural changes, no director. End of story.

In politics, there are certainly times when compromise is the right approach. But this is not one of those times. The agency needs to begin its life unafraid to do its job, which won’t happen if the White House backs down now. By contrast, nominating Elizabeth Warren, who is nothing if not unafraid, would send exactly the right signal.

Yes, the nomination would spark a partisan fight, and, yes, there is a high likelihood that she would not win confirmation. But it would redound nicely to the president’s advantage.
Americans would be able to see, in the starkest way imaginable, who’s trying to help them — and who’s not.