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Who needs CEOs anyway?

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President Donald Trump disbanded two of his CEO councils Wednesday morning amid a steady stream of criticism from business leaders and lawmakers over his comments about white nationalist protesters in Charlottesville, Va. The president reiterated at a Trump Tower press conference Tuesday that “both sides” were to blame for disturbances at the protest, which attracted white supremacists, neo-Nazis, and members of the Ku Klux Klan, and resulted in the killing of a counter-protester. (“We’re not nonviolent,” the white nationalist leader Christopher Cantwell told a documentary filmmaker from Vice as the protest began. “We’ll fucking kill these people if we have to.”) Trump’s remarks — seen by many as equivocating about the overtly racist and anti-Semitic tenor of the rally — sent allies in the business community scrambling for cover.

Trump’s CEO council on manufacturing became ground zero for corporate dissent over the week, as eight members resigned, including AFL-CIO President Richard Trumka, but defections were also brewing at the White House CEO council on strategy and policy. “Rather than putting pressure on the businesspeople of the Manufacturing Council & Strategy & Policy Forum, I am ending both. Thank you all!” the president tweeted. A person close to the strategy and policy council told POLITICO’s Dan Diamond that the group had already decided to disband.

Trump has taken extraordinary heat for his comments from fellow Republicans in Congress, including Sens. Lindsey Graham (R-S.C.), Marco Rubio (R-Fla.), and John McCain (R-Ariz.). Sen. Jeff Flake (R-Ariz.), already a strong Trump critic, tweeted a rebuke Tuesday. “We can’t accept excuses for white supremacy & acts of domestic terrorism,” he said. “We must condemn. Period.” Democrats, as expected, were also censorious. “There is only one side to be on when a white supremacist mob brutalizes and murders in America,” House Minority Leader Nancy Pelosi said in a written statement.

It’s doubtful the demise of the business councils will alter Trump’s policies on labor or anything else. AFL-CIO President Richard Trumka went out of his way, in a TV appearance with CBS and an op-ed in the New York Times, to point out that the manufacturing council never met, and a White House official said it was never expected to. The bigger question is whether Trump’s comments in themselves will weaken support for his broader agenda. “This may turn into the biggest mess of his presidency because he is stubborn and doesn’t realize how bad this is

getting,” one adviser to the White House told POLITICO’s Nancy Cook and Josh Dawsey. More on the council [here](#) and on Trump’s growing alienation [here](#).

9TH CIRCUIT WON’T REVIVE AGE CASE: The 9th Circuit Court of Appeals declined Wednesday to revive an age discrimination case against Hilton Worldwide, Inc. The plaintiff, Charles Merrick, alleged that Hilton fired him from his role as director of property operations because of his age. (Merrick was 60 years old at the time.) But a lower court granted summary judgment to Hilton and the appeals court agreed.

In the opinion, Judge Jack Zouhary wrote that Hilton provided sufficient evidence to show that Merrick’s position was eliminated for non-discriminatory reasons. “Considering the context of the case — the lost profits during the economic downturn, a series of layoffs, the overall age of the workforce, the fact that Merrick survived previous [workforce reductions], and the business reasons for selecting his position for elimination — Merrick did not present sufficient evidence to infer that Hilton’s actual motive was discriminatory,” he wrote. Read the opinion [here](#).

GENDER DIVIDE: A study by the Brookings Institution’s Hamilton Project out this morning finds significant gender disparities among those who have left the workforce. Women with a high school education or less represented overwhelmingly the largest share of labor force nonparticipation, the study found, at 8 million, compared to only 4.2 million for their male counterparts.

“**Interestingly, the gender ratios** among nonparticipants become more imbalanced as education increases,” the study says. “Among nonparticipants with a high school degree or less, there are nearly 2 women for every man; at the bachelor’s degree level, three-and-a-half times as many women as men are nonparticipants.” More [here](#).

WORKER INJURY, THEN DEPORTATION: Nearly every state allows undocumented immigrant workers to receive workers’ comp in the event of an injury on the job. But a Florida law that criminalizes filing a claim with false identification makes filing for workers’ comp perilous for those same undocumented workers, report ProPublica’s Michael Grabell and NPR’s Howard Berkes. Insurance companies that wish to avoid payouts for lost wages and medical care can often do so simply by calling state authorities — a move that may also put the undocumented worker on track to a deportation.

As a result of this law, passed in 2003, immigrant workers are getting hit with felony charges for workers’ comp fraud “even though their injuries are real and happened on the job,” write Grabell and Berkes. “And in a challenging twist of logic, immigrants can be charged with workers’ comp fraud even if they’ve never been injured or filed a claim, because legislators also made it illegal to use a fake ID to get a job. In many cases, the state’s insurance fraud unit has conducted unusual sweeps of worksites, arresting a dozen employees for workers’ comp fraud after merely checking their Social Security numbers.”

The trend may soon expand beyond Florida, NPR reports. An executive order [signed](#) by Trump in January allows federal immigration officers to pursue anyone who has “engaged in fraud or willful misrepresentation in connection with any official matter or application before a

governmental agency.” NPR reports: “That language could sweep in countless injured unauthorized workers because state workers' comp bureaus and medical facilities typically request Social Security numbers as part of the claims process.” More from NPR [here](#).

FARM FIRINGS AFTER WORKER DEATH: A Washington State farm fired roughly 70 guest workers last week after protests erupted over a worker’s death in early August, Eric Wilkinson and Bryce Newberry report in King 5 News. The worker, 28-year-old Honesto Ibarra, allegedly collapsed in a field while picking blueberries at a farm in the 1,300-person town of Sumas. After the incident, farm employees — brought into the country on H-2A guest worker visas — walked off the job, sparking the mass firing.

The cause of Ibarra’s death isn’t known, but protesters told King 5 News that Ibarra was feeling sick and complained to supervisors, only to be sent back to the fields. The farm contests that account. “Cliff Woolley, Sarbarand Farms chief administrative officer, said in a statement that field supervisors denied Ibarra collapsed on the job,” the outlet reported. “Woolley said it's the company's understanding that Ibarra died of complications related to his diabetes.”

The H-2A visa program has been criticized for tethering workers to a single employer, which leaves them vulnerable to exploitation. Carlos Crespo, a co-worker of Ibarra, told King 5 News said workers often have their complaints dismissed. "Every time you want to complain," he said, "they threaten to send you back to Mexico." The state’s Labor and Industries Department is investigating the death, according to news reports. Morning Shift could not reach the farm for comment. More [here](#).

FED’S FEELING LOW: Federal Reserve officials are having a hard time reconciling low inflation with low unemployment, Binyamin Appelbaum reports in the New York Times. “At the Fed’s most recent meeting, in late July, most officials said they expected the phenomenon to fade away by next year as low unemployment finally starts to drive up inflation. But a growing number of officials see the pattern as proof that the Fed needs to adjust its assumptions, according to an account of the meeting that the Fed published on Wednesday.”

“**The timing** of the Fed’s next rate move is considerably less certain,” Appelbaum writes. “The Fed entered the year predicting three rate increases of a quarter-point each; so far it has delivered two, with a third seen possible in December. But the weakness of inflation, which the Fed now expects to remain below its target annual pace of 2 percent for the fifth-consecutive year, is prompting some Fed officials to hesitate.” More [here](#).

WHERE’S ACOSTA? Labor Secretary Alexander Acosta heads to Detroit today to deliver a commencement address at the United Association training program, a spokesperson tells Morning Shift.

THE END OF THE LINE: Trump talks often about bringing back manufacturing and coal jobs, but there’s another sector experiencing job loss: retail. “The suburban shopping malls that hollowed out main streets in the 1970s and 80s have increasingly become hollow shells themselves, and more closures are expected,” Julia Carrie Wong reports in the Guardian.

“**The fallout** from the impending crisis will likely be felt most by a different population from Trump’s fetishized ideal of the white, male worker,” Wong writes. “According to the Cornerstone report, 73% of cashiers are women. And an analysis of retail workers by Demos found that black people and Latinos are overrepresented in the cashier positions, which are the lowest paid.” More [here](#).

DRIVER INDICTED IN SMUGGLING CASE: A federal grand jury in Texas issued a five-count indictment in the case of a driver accused of smuggling immigrants in the back of his scorching-hot tractor trailer. James Matthew Bradley, Jr., faces a possible life sentence or death penalty in the case if convicted. Of the 39 immigrants discovered in the back of the big rig in late July, 10 died and two remain hospitalized, according to federal authorities. In addition, 22 remain in federal custody and have been charged as material witnesses. Read a related release [here](#) and more from Reuters [here](#).

POSSIBLE DACA SCENARIOS: David Bier, an immigration policy analyst for the libertarian Cato Institute, breaks down what could happen if Trump chooses to end the Deferred Action for Childhood Arrivals program. Launched in 2012, DACA grants deportation relief and access to work permits to more than 787,000 undocumented immigrants brought to the U.S. as children. Attorneys general from Texas and nine other states are preparing to sue to shut down the program, and the Trump administration has signalled that it won’t likely defend it in court. “The most likely scenario for DACA’s demise is that it will slowly wind down,” Bier writes. “President Trump has shown no willingness to move more aggressively against DACA recipients than is necessary, although certain ICE agents seem zealous about targeting them.” More [here](#).

SESSIONS BLASTS EMANUEL: Attorney General Jeff Sessions traveled to Miami Wednesday with ICE Acting Director Thomas Homan to praise the city for cooperating with federal immigration officials — and simultaneously to rip into Chicago Mayor Rahm Emanuel for preserving that city’s so-called “sanctuary” policy, POLITICO’s Nolan McCaskill and Marc Caputo report. “Rather than acknowledge soaring murder counts or the heartbreaking stories told by victims’ families,” Sessions said, “Chicago’s mayor has chosen to sue the federal government.” Sessions urged “Chicago’s leaders ... to recommit to policies that punish criminals instead of protecting them. They need to protect their citizens and not the criminals.”

Rahm immediately struck back: “In a week in which the Trump administration is being forced to answer questions about neo-Nazis, white supremacists, and the KKK, they could not have picked a worse time to resume their attack on the immigrants who see America as a beacon of hope,” Emanuel said in a statement. “Chicago will continue to stand up proudly as a welcoming city.” More [here](#).

DHS ENDS CAM PAROLE: The Homeland Security Department published a notice in the Federal Register Wednesday to announce the immediate termination of the Central American Minors Parole Program. The parole program allowed children in El Salvador, Honduras and Guatemala to reunite with parents in the United States if they had been denied refugee status through a separate avenue. The status of children already paroled into the U.S. will stay intact

until it expires, but approved applicants who are still abroad will be notified the program has ended, according to DHS. Read the notice [here](#).

NAFTA KICKOFF: “The Trump administration set a tough tone Wednesday at the start of the renegotiation of the North American Free Trade Agreement, driving a wedge into its relationship with Canada and Mexico,” write POLITICO’s Doug Palmer, Adam Behsudi and Megan Cassella. “U.S. Trade Representative Robert Lighthizer invoked President Donald Trump’s strong criticism of the deal, saying that the agreement had ‘fundamentally failed many, many Americans.’” More [here](#).

JUDGE KEEPS CLASS IN TRAVEL BAN CASE: The plaintiffs in a lesser-known lawsuit over Trump’s travel ban policy notched a win Wednesday when a federal judge in Seattle declined to reconsider their class certification. In the case, a Somali immigrant and Iranian immigrant argued that the travel ban — which temporarily suspends travel from six majority-Muslim nations — was wrongfully applied to immigration applications. The lawsuit also contended that a federal immigration vetting initiative, known as the Controlled Application Review and Resolution Program, violated due process protections. Read the complaint [here](#) and latest order [here](#).