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## MAD COW HITS THE U.S.

# Mad Cow Poses Challenge For Bush Domestic Team

**If Crisis Lingers, It Could Become a Drag  
On Public Confidence, Economic Recovery**

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Staff Reporters of THE WALL STREET JOURNAL

WASHINGTON -- Discovery of the country's first case of suspected mad-cow disease represents an unwelcome political wild card that has little immediate impact on President Bush's re-election, but poses a sharp challenge to his domestic team.

Agriculture Secretary Ann Veneman's announcement two days before Christmas broke a remarkable streak of good economic and foreign-policy news that has lifted President Bush's poll ratings, and the spirits of Republican campaign strategists, for weeks. The initial fallout, including a drop in beef-related stocks and bans by several trading partners on imports of U.S. beef, raise the prospect of an interruption in the president's political momentum.

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See [full coverage](#)<sup>2</sup> of the first case of mad-cow disease in the U.S.

"Anything that impacts our economy has political repercussions," said Fred Steeper, a pollster for Mr. Bush's 2000 campaign.

### Muted Reaction

Early political reaction was muted; even the normally voluble Democratic presidential field refrained from attacking the administration. Senate Democratic Leader Thomas Daschle, who represents beef-producing South Dakota and thus shares Mr. Bush's interest in limiting the impact of the problem, praised the Agriculture Department for handling it "in a thoughtful, professional and science-based manner."

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### DOW JONES REPRINTS

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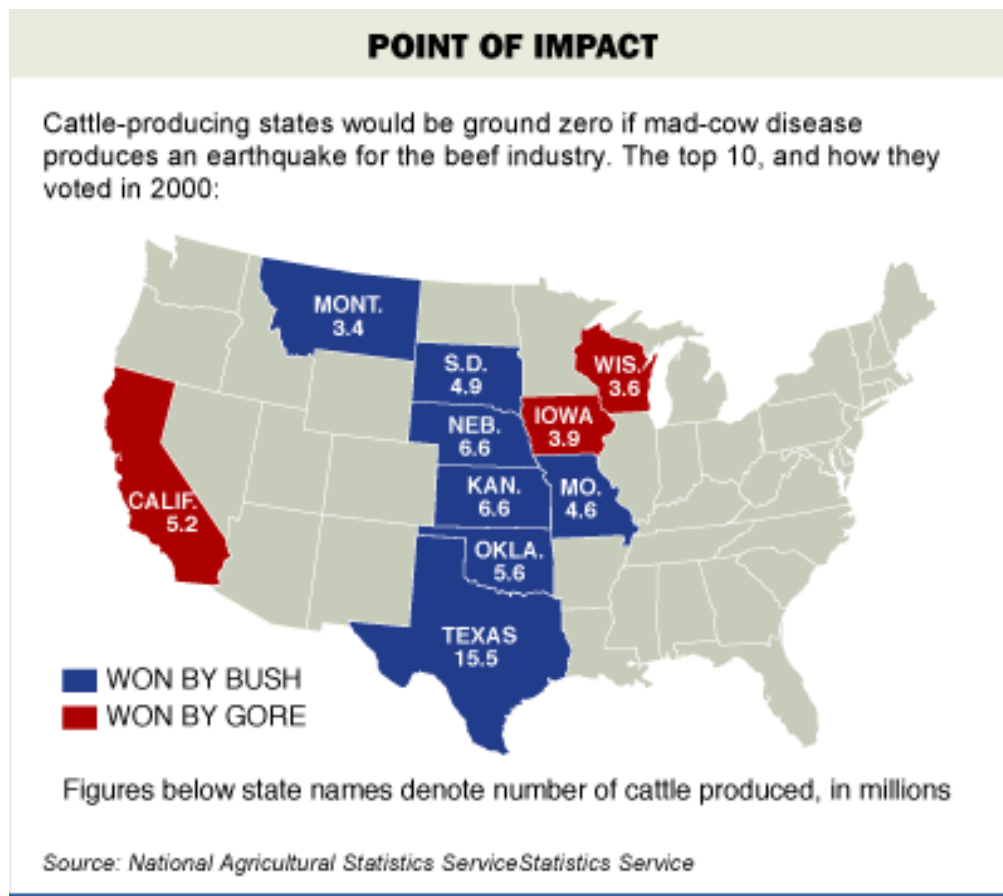
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But if the crisis expands and drags on, the White House could face two distinct problems.

One is a potential drag on public confidence. Mr. Bush has benefited from Americans' rising optimism about a resurgent economy, climbing stock market, the capture of Saddam Hussein, and Libya's agreement to destroy illegal weapons. Sustained anxiety about the safety of the U.S. food supply could pull those numbers down.

The other problem is the potential drag a mad-cow scare has on the economic recovery. Few economists or White House strategists expect to sustain the roaring third-quarter growth rate of 8.2%, the strongest in two decades. But many do expect growth to hum along in the 4% range through 2004. The president's aides hope that will sharply reduce the net loss of jobs during his presidency; those losses of more than two-million jobs represent one of the Democrats' most potent issues.



The U.S. beef industry has been thriving lately, in part because of the popularity of high-protein diets and a scarcity of Canadian beef caused by a mad-cow scare there. A big setback for U.S. cattlemen and the communities that depend on them could have an effect, both on the economic recovery and the electoral map.

On the bright side for Republicans, cattle-producing is concentrated in places such as Texas, Nebraska, Kansas and Oklahoma where the party is virtually impregnable to challenge by Democratic presidential candidates. "Most

of them are core Bush states," noted Republican pollster Bill McInturff.

At the same time, cattle country also includes a few swing states that could make a difference if the 2004 contest proves close. The seventh-, eighth- and ninth-largest cattle-producing states are Missouri, Iowa and Wisconsin; Mr. Bush carried the first over Al Gore in 2000, while narrowly losing the last two.

To be sure, the Bush administration may be able to skirt those negative consequences entirely. In announcing the mad-cow discovery, Ms. Veneman insisted that the development presented minimal risk to human health. And at a time when Americans were already jittery over the heightened "Code Orange" terrorism alert, the Agriculture Secretary strongly emphasized that the single case discovered wasn't the result of terrorism.

But for an administration whose biggest stars work on national security, keeping public confidence high represents a significant and unexpected test. Two years ago, Mr. Bush's domestic team stumbled in its initial responses to anthrax attacks whose culprits still haven't been identified or apprehended.

### **Influential Lobby**

Should the current probe reach troublesome conclusions about producer practices, the beef industry will be well positioned to respond. The National Cattlemen's Beef Association has been active in Washington for more than a century and is considered one of the capital's most influential lobby groups. It draws influence from a combination of experienced lobbyists, strategic campaign contributions and friendships with lawmakers from influential cattle states such as Texas.

All told, the livestock industry in 2000 gave \$4.7 million to federal candidates, with 79% of that total going to Republican candidates. George Bush was the largest recipient of any candidate that year, getting about \$253,550 in donations.

The industry spent \$1.5 million in lobbying in 2000, according to a report compiled by the nonpartisan Center for Responsive Politics, a watchdog research organization. The association has scored at least two political victories in recent years. One is its success in fending off attempts by the soybean industry to get vegetarian soy products included in officially recommended U.S. school menus. Another, achieved just months ago, was the defeat of a Senate-passed provision that would have banned all non-ambulatory "downer" cows -- such as the one that tested positively for mad-cow disease this week -- from entering the U.S. food supply.

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