

Think of this as a parable. I'll draw out some parallels at the end with the Trump Administration's handling of the coronavirus, as detailed in a story in Sunday's [Washington Post](#). But first I'll let you make some of the connections yourself.

The Trump team's triumph in 2016 was one of the great upsets in American political history. Here's the tale of another great triumph, a company called Enron. While the CEO of the company never used the term "stable genius," Enron did like to view itself as having "the smartest guys in the room."

Enron began as a natural gas pipeline company that then successfully created a new market for trading natural gas in a newly deregulated industry. It became one of the great success stories of its time — reporting spectacular profits, year after year, branching out into international ventures and new technologies, and earning accolades from all quarters. Then it collapsed.

As it turned out, the company had become a hollow shell operated solely to create paper profits that would drive its stock prices higher and higher. The head of the company, Ken Lay, was a charismatic figure who hobnobbed with the good and the great, but was largely disconnected from the actual operation of the business.

In the meantime, the business itself flailed. Its successful energy trading operation ran into increasing competition and adverse market conditions. The international side of the business, run by Rebecca Mark, turned out to be "all hat and no cattle," as they say down in Enron's Texas home. She jetted around the world but lacked experience with the realities on the ground.

Increasingly, the focus of the business was on maintaining favorable earnings reports, which it largely managed through accounting fraud. Enron assigned values to its assets based on grossly unrealistic projections of future earnings. It also buried its increasing losses behind walls (in the form of fake corporate spinoffs). In short, "spin" was no longer a way of managing public views of the business — "spin" actually *was* the business.

How did Enron manage to survive so long? The basic reason was that so many outside the company were vested in its success. Its accounting firm was making a fortune from fees, and the partners involved were in too deep to blow the whistle. Securities analysts and investment advisors had made careers touting the company. Financial reporters had praised the company. Public figures had put their reputations behind the company. No one wanted to look behind the facade. The

few who criticized the company were vilified.

Now, back to the story in the *Post*. According to the story, which was based on dozens of interviews, Trump himself has removed himself from active involvement in the response to the coronavirus. He prefers to leave the problem to state governors so they can take the blame for any failures. Within the Administration, decisions are made by Chief of Staff Mark Meadows and a small group of advisors. Their concern is exclusively with the politics of the pandemic rather than public health decisions. Medical experts like Drs. Fauci and Birx are marginalized. Just as Enron cared only about its earnings reports, Meadows and his group care only about the daily news cycle.

Like Enron's top leader, Ken Lay, Trump is insulated from the reality facing the organization. According to the *Post*, "staffers have concocted a positive feedback loop for the boss. " Rather than hard facts, staffers give him "fawning media commentary and craft charts with statistics that back up the president's claim that the administration has done a great — even historically excellent — job fighting the virus."

All of this fits well with Trump's own personality. According to the *Post*, "some people familiar with Trump's thinking said the president is preternaturally averse to difficult challenges that don't produce immediate results." As a former senior Administration official said, "He's just not oriented towards things that even in the short term look like they're involving something that's hard or negative or that involves sacrifice or pain. He is always anxious to get to a place of touting achievements and being the messenger for good news."

Enron was successful in terms of its public image and market value long after the actual business was spiraling downward. The same may turn out to be true for the Trump Administration, depending on what happens in November. Or maybe they'll get lucky, with an unexpected turn in the pandemic's trajectory or an early vaccine success. Time will tell how much the parable turns out to presage the Administration's future.