

## Alerts

This Week in Washington - January 8, 2012 January 8, 2012

### DOMESTIC POLICY MATTERS

Congress is in pro forma session, with the House scheduled to reconvene fully on January 17 and the Senate on January 23.

Last Friday (December 30th), the White House agreed to hold off on formally requesting a \$1.2 trillion increase in the debt limit in order to give Congress time to vote on it after returning from the holiday recess.

President Barack Obama made four recess appointments on Wednesday, including Richard Cordray to head the Consumer Financial Protection Bureau and three new members of the National Labor Relations Board – Sharon Block, Terence Flynn, and Richard Griffin. Republicans in the Senate had voted in December to block Cordray's nomination. Following the recess appointments, Republican leaders characterized the President's move as "unprecedented" and "potentially illegal." In response, White House Press Secretary Jay Carney said Thursday that the Obama administration is "very confident" that the President's recess appointments are legal.

Despite previous statements promising to build new aerial tankers for the Air Force at its facility in Wichita, Kansas, Boeing Co. announced plans on Wednesday to close the facility, which will result in the loss of 2,100 existing jobs in addition to the anticipated tanker jobs. The Air Force tanker work will shift to Washington state, while other work will be moved to Boeing facilities in Oklahoma and Texas. On Thursday, President Obama unveiled a new summer-jobs initiative that the White House says is already on track to create at least 180,000 employment opportunities for low-income and potentially disconnected youth in the summer of 2012. House Education and the Workforce Chair John Kline (R-Minnesota) released two draft education reform bills on Friday. The proposed legislation would end federal standards for school progress and teacher qualifications, eliminate and consolidate many education programs, and give school districts greater flexibility to use federal funds as they see fit. Also on Friday, the Department of Justice submitted its first brief in defense of the constitutionality of the health care law. The brief argues that the Supreme Court would have to break with clear precedent to strike down the law's individual insurance mandate, and that the mandate is well within Congress's constitutional authority to regulate commerce.

The U.S. Department of Labor released the December jobs statistics on Friday, reporting that the U.S. economy beat expectations and added a net 200,000 jobs in December, contributing to a drop in the unemployment rate to 8.5 percent from 8.6 percent in November. 8.5 percent is the lowest that the unemployment rate has been in three years. For the entirety of 2011, the economy added 1.6 million jobs – more than the 940,000 that were added in 2010. The average unemployment rate for 2011 was 8.9 percent, down from 9.6 percent in 2010.

Political News. Two-term Democratic Senator from Nebraska, Ben Nelson, has announced he will not run for re-election in 2012. On Saturday, Representative Elton Gallegly (R-California) also announced he will not seek re-election this year and will retire after serving over 25 years in Congress. In light of redistricting in Ohio, Democratic Representative Dennis Kucinich will run against fellow Democratic Representative Marcy Kaptur, and Republican Steve Austria – who has been paired in the same district as fellow Republican Representative Mike Turner – will not seek reelection. On Tuesday, former Massachusetts Governor Mitt Romney narrowly defeated former Pennsylvania Senator Rick Santorum to win the Iowa caucus by just 8 votes. In light of her disappointing 6th place finish, Wednesday Minnesota Congresswoman Michele Bachmann announced her withdrawal from the race. Also on Wednesday, Arizona Senator and former Republican presidential nominee John McCain endorsed Mitt Romney for the 2012 Republican nomination. The remaining candidates – including former Utah Governor Jon Huntsman, who did not campaign in Iowa – are now in New Hampshire to prepare for the state's primary on January 10th. Current polls in the state favor Governor Romney, by varying margins.

### FOREIGN POLICY MATTERS

Iran Sanctions. Saturday (December 31st), President Obama signed into law the Fiscal Year 2012 National Defense Authorization bill (H.R. 1540). The President issued a signing statement again objecting to the terrorist detainee provision and also said Section 1245 (the Iran sanctions provision) will be treated as non-binding, if the application of the provision conflicts with his

constitutional authority to conduct foreign relations. Also last Saturday, in response to sanctions against Iranian oil interests, Iran threatened to close the Strait of Hormuz; a threat U.S. officials characterized as “bluster.” Iran has commenced a naval exercise in the area. The Pentagon said Friday a U.S. aircraft carrier group, which Iran warned not to return to the Persian Gulf, rescued 13 Iranians held hostage for weeks by pirates in the Arabian Sea. Meanwhile, Iranian President Mahmoud Ahmadinejad is scheduled to visit Latin America this coming week. In response Friday, the State Department warned “countries around the world that now is not the time to be deepening ties, not security ties, not economic ties with Iran.”

Thursday, President Obama, Secretary of Defense Leon Panetta and Chair of the Joint Chiefs of Staff General Martin Dempsey revealed the results of the Defense Strategic Review and the new priorities for the Defense Department. The President said the U.S. military will be “leaner” and more “agile, while maintaining U.S. superiority. President Obama also reaffirmed the United States will be strengthening its military presence in the Asia Pacific, will remain committed to the Middle East, and will continue investing in critical partnerships and alliances, including NATO. Defense Secretary Panetta and United Kingdom’s Defense Secretary Philip Hammond later signed a statement of intent concerning enhanced cooperation on carrier operations and maritime power projections.

Syrian Conflict. The State Department condemned the Friday attack that took place near a police station in a Damascus neighborhood and killed at least 25, saying violence of any kind is not the right answer to the problems in Syria. Meanwhile, today, the Arab League met to decide whether to continue its two-week monitoring mission in Syria – where approximately 100 monitors have deployed -- or perhaps refer the issue to the U.N. Security Council, which meets next week.

Other Middle East Developments. On Thursday, President Hamid Karzai of Afghanistan demanded the U.S. detention center at Bagram Air Base be handed over to Afghan control within a month, along with all Afghan citizens held by the coalition troops across the nation. The State Department said discussions continue on a timetable for handing over control of Bagram. Vice President Biden spoke Thursday with Prime Minister Recep Tayyip Erdoğan of Turkey, discussing the need to advance security, support the rule of law and encourage democracy in the Middle East and U.S.-Turkey collaboration on these matters. Also Thursday, Senators John McCain (R-Arizona), Joe Lieberman (I-Connecticut), and Mark Kirk (R-Illinois) issued a statement calling on the Pakistani Government to ensure due process of law for former Pakistani Ambassador to Washington Husain Haqqani, who reportedly fears for his life. On Friday, Vice President Biden spoke with Prime Minister Jaber Al-Mubarak Al-Hamad Al-Sabah of Kuwait, congratulating the Prime Minister on his recent appointment. Also Friday, President Obama spoke with King Abdullah of Jordan and praised Jordan’s role in convening the meetings between Israeli and Palestinian negotiators earlier this week in Amman. Senior House Appropriations Committee Member Frank Wolf (R-Virginia) warned Tuesday that the Egyptian military’s recent raids on U.S. funded non-governmental organizations focusing on democracy building and human rights have put U.S. aid to Egypt in jeopardy. The State Department declined to comment on Egyptian prosecutors’ declaration this week the death penalty is being sought for former Egyptian president Hosni Mubarak, as his trial commenced. Meanwhile, the last stage of elections for Egypt’s lower house of parliament occurred this week, with initial results on Friday indicating the Muslim Brotherhood has won the largest share of seats and the Islamist Nour Party the second largest share. On Thursday, the State Department condemned and characterized the increased violent attacks in Iraq as “acts of terror.” On Saturday, the State Department said the “United States is deeply concerned by continuing incidents of violence in Bahrain between police and demonstrators,” urging “demonstrators to refrain from acts of violence and for police and security forces also to avoid excessive use of force.” Last Thursday (29th), the State Department announced the United States and Saudi Arabia had finalized a \$29.4 billion arms sale, including up to 84 advanced F-15SA fighter aircraft.

Secretary of State Hillary Clinton expressed condolences Monday on the passing of Kiro Gligorov, the first president of the Republic of Macedonia. On Wednesday, the State Department announced the expansion of an existing coordinating office into a full Bureau of Counterterrorism, realizing another recommendation from the Quadrennial Diplomacy and Development Review (concluded in December 2010). Thursday, the State Department further announced the Office of Democracy and Global Affairs has been expanded and renamed the Office of Civilian Security, Democracy, and Human Rights. Under Secretary of State Maria Otero remains at the head of the expanded division, now consisting of five functional bureaus and three offices, which aims to promote the protection of individuals abroad and deepen interactions with foreign civilian organizations.