

The top of the page features a photograph of the United States Capitol dome, centered and slightly to the right. The dome is white with a gold top, and an American flag is visible in front of it. The background is a blurred American flag with red and white stripes and blue stars. Below the photograph is a red horizontal bar containing the date and website information.

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## KELLEN WASHINGTON REPORT

*“Manufacturers are pleased the House put the economy first and passed this critical tax relief with no amendments. These much-needed incentives will spur investment, economic growth and job creation. We urge the President to sign the bill immediately so manufacturers and the broader business community can have some certainty moving forward. To provide even more of the certainty our economy needs to grow and create jobs, these important tax provisions need to be permanent.”*

*– National Association of Manufacturers, 12/17*

### **A MOMENTOUS WEEK**

Without question, this has been one of the most momentous weeks in recent Washington history. It saw the Senate propose and then withdraw an embarrassing, earmark-laden \$1.1 trillion spending bill to fund the federal government through next September. Within a few hours, nine Republican senators who said they would support the bill withdrew their support, forcing majority leader Harry Reid to throw in the towel – outmaneuvered by Republican leader Mitch McConnell. This was seen as a stunning victory for fiscal conservatives (of both parties) and foretaste of things to come as Democrats in the Senate struggle with a significantly weakened majority. The same day – Thursday – the House passed the bipartisan tax bill to continue the Bush tax cuts and extend benefits for the unemployed without amendment, overwhelmingly defeating liberal members who had threatened to hold up the bill. The vote was 277 to 148, giving the President his greatest bipartisan victory since he took office. Analysts were quick to see the broader implications of the week’s events as a new, more centrist course by the White House as it seeks to engage congressional Republicans in a series of policy agreements on spending cuts, trade, education and reform of the tax code. The Senate’s aborted funding bill will now be replaced with a short-term bill to keep the federal government running for the next several weeks.

### **THE NEW POLICYMAKERS**

**Beginning January 5**, every committee and subcommittee in the House of Representatives will be directed by Republicans, who essentially become Congress’s new policymakers. Who are they? Here are some of the more significant new chairs, whose committees will be holding hearings, overseeing policy and holding the

Obama administration to account during the next two years. As will be seen, most of the new chairmen already have several years of experience on the committees, often as the ranking minority member.

**Agriculture: Frank Lucas (Oklahoma)**

Current ranking minority member of the committee. Conservative, highly protective of farming interests. Member since 1994.

**Appropriations: Hal Rogers (Kentucky)**

A House veteran, first elected in 1980, currently one of the most senior members of the committee and ranking minority member of its homeland security subcommittee.

**Armed Services: Buck McKeon (California)**

Current ranking minority member of the committee and leading Republican voice for defense issues. First elected 1992. Former businessman.

**Budget: Paul Ryan (Wisconsin)**

Current ranking Republican member of the committee. Elected 1998 at age 28. Former speechwriter for Jack Kemp. One of the party's most effective communicators. Member of the bipartisan deficit commission, but voted against Bowles-Simpson plan because it did not cut costs of health care reform.

**Energy and Commerce: Fred Upton (Michigan)**

First elected 1986. Longtime senior member of the committee and ranking Republican on its energy and environment subcommittee. Former OMB staffer. Moderate, fairly independent voting record.

**Foreign Affairs: Ileana Ros-Lehtinen (Florida)**

Ranking minority member of the committee. Cuban-born conservative and friend of Israel. First elected 1989.

**Homeland Security: Peter King (New York)**

Ranking member of the committee. First elected 1992. Outspoken hardline anti-terrorist. 160 of his constituents died in 9/11 attacks. Called for WikiLeaks to be declared a terrorist organization.

**Oversight and Government Reform: Darrell Issa (California)**

Ranking member of the committee. Tough-minded former businessman who has pledged to hold EPA and other agencies to account with series of hearings. Under his leadership, this will be one of the most active and interesting committees in the new House.

**Science and Technology: Ralph Hall (Texas)**

Currently senior member of Energy and Commerce Committee and ranking member of its science and technology subcommittee. First elected in 1980, as a conservative Democrat. Switched parties in 2004. Lawyer, businessman.

**Small Business: Sam Graves (Missouri)**

Currently ranking minority member of the committee. First elected 2000. Party loyalist.

**Judiciary: Lamar Smith (Texas)**

Currently ranking minority member of the committee and senior member of homeland security and science and technology committees. Elected 1986. Graduate of SMU Law.

**Natural Resources: Doc Hastings (Washington)**

Ranking member of the committee. Elected 1996. Close friend and ally of John Boehner.

**Transportation and Infrastructure: John Mica (Florida)**

Ranking member of the committee and senior member of Oversight and Government Reform Committee. Elected 1992. Former chair of aviation subcommittee. Played major role in improving airline and airport security after 2001.

**Ways and Means: David Camp (Michigan)**

Ranking member of the committee. Elected 1990. Champion of free trade with record as bipartisan dealmaker. Experienced legislator with close ties to party leadership.

***POLL REVEALS AMERICAN ANXIETIES***

Though the elections are over, polling continues. One of the latest shows the depth of Americans' anxieties over US competitiveness in the world. Conducted for Allstate and the National Journal, the poll, known as the Heartland Monitor, found that Americans:

- Believe that China has already overtaken the United States as the strongest economy in the world;
- Feel strongly that the United States is on the wrong track;
- View outsourcing as a major reason for unemployment in the United States;
- Believe that investments in job creation are more important than deficit reduction;
- Would like to see the government do more to help US manufacturing, "even if it means more federal spending and involvement."

In an overview, the pollsters say that "the survey reveals deep anxiety about the impact on the American economy of increased globalization; the decades-long shift in domestic employment from manufacturing toward services; the quality of decisions by government and business leaders, and the economic prospects for the younger generation."

And in the global race for jobs and economic prosperity, "the United States is No.2 (to China) and is likely to remain there for some time."

***THE RUMOR MILL***

Every week, a new name is mentioned as the likely dark-horse winner of the next Republican presidential nomination. In our last issue, it was Jeb Bush, who says he's not interested. Since then, Indiana Congressman and Republican leader Mike Pence has emerged as a favorite of conservatives. Columnist George Will has touted him. So has the conservative *Weekly Standard*. And unlike Jeb Bush, Pence says he is actually thinking about running.