

Vantage Point

trends and forecasts in government, commerce and politics | Edited by Mike Christensen



FALSE HOPE: Union members rally for last week's recall vote, which failed to unseat Wisconsin Gov. Walker.

Eroding Union Power

Recall result bad omen for federal employees?

REPUBLICANS EAGERLY CLAIM that last week's recall election in Wisconsin, in which Republican Gov. Scott Walker held on to his job, shows that the public isn't buying the message of labor unions that they are unfairly bearing the cost of government budget cutting. The unions and Democrats who worked hard to unseat Walker insist that they will rebound by November.

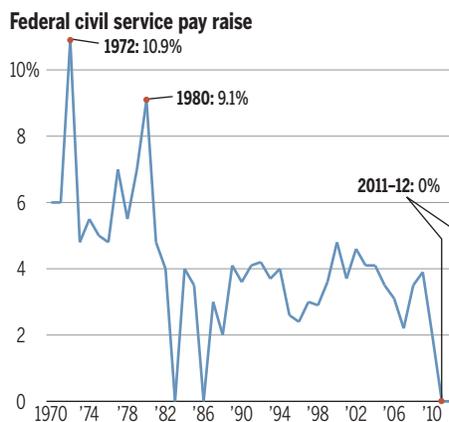
This fall's election will better gauge unions' power. But another test is playing out in Congress. Federal employee unions want to stave off an unprecedented extension of the freeze on cost-of-living adjustments for civil service pay into a third year, and also to beat back Republican plans to make them pay more for their pensions. Republicans want to reduce the federal budget while avoiding the big defense cuts that would be required by an end-of-year sequester, and one alternative is to slice into federal employee pay and benefits.

"Sadly, I think the result of the recall election in Wisconsin has major implications for federal employees," says William R.

Dougan, national president of the National Federation of Federal Employees, which represents 110,000 civil servants at six different Cabinet departments. Republicans, he says,

Federal Freeze Is Rare

Federal workers no longer enjoy the generous pay raises they once did, but salaries have been frozen just twice: during the Reagan administration and for the past two years.



SOURCE: Congressional Research Service

"will be more emboldened than ever to attack federal employee unions."

Unfortunately for the unions, Democrats aren't putting up much of a fight. Last week, none objected when the House Appropriations Subcommittee on Financial Services and General Government approved an extension of the pay freeze. A week earlier, the House passed a spending bill for military construction and the Veterans Affairs Department that included language making it clear that it foresaw no raises for civilian workers.

Dennis A. Ross, the Florida Republican who chairs the House Oversight and Government Reform subcommittee that oversees the federal workforce, says Walker's victory in Wisconsin "reinforces the reality that public employee compensation and benefits need to be realigned with economic reality."

President Obama has pledged to veto the Military Construction-VA bill if it's not revised, in part because of the pay freeze. But union members aren't happy with his proposal either: a 0.5 percent pay increase in fiscal 2013. When Obama announced it in January, John Gage, president of the largest federal employee union, the American Federation of Government Employees, called it "miniscule."

House Democrats did protest last month when Republicans passed a bill to increase by 5 percent the amount that federal employees contribute to their pensions. But even on that issue, unions can probably expect to take a hit. In his budget proposal for fiscal 2013, Obama said he too wants to increase pension contributions by federal workers, although more modestly — an extra 0.4 percent of their pay for each of three years, beginning in 2013. Gage called the plan a "sop to the right wing."

But since the financial crisis hit in 2008, support for the unions' position on pay has eroded from the time when Congress routinely awarded annual increases.

"A lot of people in the private sector have taken pay cuts or they've been laid off," says Andrew G. Biggs, a resident scholar at the American Enterprise Institute, a conservative think tank, "so it's going to be hard to find people who are sympathetic" to federal workers.

— SHAWN ZELLER

Liaison With A Light Touch

WHEN Mitt Romney named Rep. Cathy McMorris Rodgers of Washington State as his House liaison last week, the choice had an obvious political benefit for Republicans. McMorris Rodgers has become an effective surrogate for Romney and the party on women's issues at a time when Democrats are accusing the GOP of waging a war on women.

"I think what the Democrats recognize," she said recently on CNN, "and why they have calculated this and put together this 'war on women' is because they know the Republicans won the women's vote in 2010."

Romney's choice of McMorris Rodgers, though, has caused grumbling among some Republicans. A senior GOP aide called the announcement "odd" because House conservatives have been dealing regularly with Utah's Jason Chaffetz, a de facto Romney liaison and fiscal conservative with whom they are comfortable.

But the distinction between the two may be more about tone, style and tactics than ideology. McMorris Rodgers is one of the most conservative Republicans in Congress — she graduated from a Florida Bible college so strict that it has codes for dress and behavior, and as a state legislator she waged a bitter fight to prevent state employees from unionizing.

In public, though, she often modulates her views.

Asked during an April interview, for instance, whether she agreed with the pure



MODULATED: McMorris Rodgers diverts social policy questions into talking about the economy.

conservative position on abortion — that it should be legal only when a woman's life would be endangered by childbirth — McMorris Rodgers answered simply, "Yes."

Contrast that with Arizona Republican Trent Franks, who in a recent interview spoke passionately about his moral outrage over abortion, comparing it to the Holocaust and slavery.

McMorris Rodgers frequently handles questions on difficult issues by relocating them to more favorable ground — usually the economy. The approach has brought her success in a district that two decades ago was represented by the Democratic House Speaker Tom Foley.

The economy and President's Obama's fiscal policies are the central focus of Romney's campaign.

During her CNN interview, McMorris Rodgers diverted questions about Romney's position on pay equity for women by talking about the broader economy.

"I think your list is incomplete when you look at the issues that are really impacting women," she told her questioner. "It is the economy, it is jobs, it is the debt. That's what women are concerned about as we head into the election this fall."

— JONATHAN STRONG

Was 'Dust' Claim Swept Under the Rug?

A government whistleblower who warned that the air at Ground Zero in New York was unsafe to breathe in the days after the 2001 terrorist attacks is returning to work at the Environmental Protection Agency — and some in Congress say the agency should now look more seriously at **Cate Jenkins'** claim that EPA health standards for concrete dust are too lax.



DUST: Sept. 11 survivor

The EPA insisted that Jenkins threatened colleagues and used abusive language before it fired her in 2010. However, the Merit Systems Protection Board, the federal agency that evaluates government disciplinary actions, found that the EPA had failed to inform Jenkins of all the charges against her and that an administrative judge who'd first heard her case had not adequately

considered her argument that the agency was retaliating against her for blowing the whistle after 9/11.

The EPA declined to comment and it could still restart the termination process, but Rep. **Jerrold Nadler**, the New York Democrat who represents Manhattan, says the agency would do better to evaluate her claims: "Cate Jenkins was hounded out, and we should look carefully at what she's been saying."

— JENNIFER SCHOLTES

U.S. Exports Party-Line Split

Ever since Japan and the United States began discussing a plan to reduce U.S. military forces stationed on Okinawa, officials in the U.S. island territory of Guam, 1,400 miles away, have made clear that they are eager to host the departing Marines.

But now it turns out that powerbrokers on Guam are divided over how to make the transfer happen — a division that appears to split along party lines.

Last year, a group of Guam businessmen quietly formed a lobbying organization, the Guam-US-Asia Security Alliance, and hired the lobbying firm K&L Gates to urge Congress to fund the Marines' move.

When **Rory J. Respicio**, a Democrat and majority leader in Guam's Senate, got wind of the arrangement last month, he publicly condemned it. Earlier this year, Respicio spearheaded the creation of a government commission to ensure that the island could speak with one voice on the proposed military buildup, and he says the business-community alliance runs counter to that goal. "A multitude of individual messages," he says, "could lead to confusion."

Respicio also says it's not clear what message the business alliance brings to Washington, and that troubles him. "Some investors will become wealthy as a result of the billions of dollars that will be pumped into Guam's buildup," he says. "They should not be the only ones who benefit."

The alliance has lined up a high-powered team at K&L Gates that includes former New York Rep. **James T. Walsh** and former Washington Sen. **Slade Gorton**, both Republicans, and paid it \$80,000 between last Dec. 16 and March 31, according to the firm's most recent lobbying disclosure reports.

Last month a spokesman for the alliance said the private campaign was needed because Guam officials had botched a meeting with leading Democrats on the Senate Armed Services Committee.

The Pentagon, meanwhile, is already scaling back plans for any buildup on Guam, and Congress has refused to appropriate money on the grounds that the Pentagon has no plan to facilitate the move.

— SHAWN ZELLER



Allies Navigate Choppy Waters

HIGH ON THE AGENDA when Philippine President Benigno S. Aquino III visited Washington last week was a controversy with China that began two months ago with a contested catch of clams and sharks off a tiny, obscure atoll in the Pacific.

Scarborough Shoal, 120 nautical miles west of the island of Luzon, was the site of what the Philippine government claims was illegal fishing by Chinese ships in early April. The American ally and former commonwealth claims territorial rights over the shoal. After a brief standoff between a Philippine naval vessel and Chinese craft, dozens of Chinese boats remain in the area.

Seafood is less at issue than the question of control of the South China Sea, a vital shipping corridor that may hold enormous oil and natural gas resources. Several countries have territorial claims; China and the Philippines have oil and gas drilling under way.

According to the Philippine embassy in Washington, the Obama administration says it will boost military aid to the Philippines to \$30 million this year from \$11.9 million. The Defense Department also will share surveillance data on the South China Sea with Aquino's government and deliver a second refitted Coast Guard cutter to its navy as part of its strategic "pivot" back toward the Pacific.

Aquino, the son of former president



VISITING: Secretary of State Clinton shares a toast with Philippine President Aquino last week.

Corazon Aquino, received reassurances of support from Washington during his trip. Last week, the Senate adopted a resolution introduced by Indiana Republican Richard G. Lugar commemorating the 60th anniversary of the mutual defense alliance between the two nations.

While reasserting its treaty commitment, the Obama administration has urged a multilateral negotiated solution to disputes in the South China Sea. It has, however, limited diplomatic leverage because the Senate has not ratified the 1982 U.N. Convention on the Law of the Sea. On May 23, Defense Secretary Leon E. Panetta, Secretary of State Hillary Rodham Clinton and Joint Chiefs of Staff Chairman Gen. Martin E. Dempsey testified before the Senate Foreign Relations panel, urging the Senate to ratify the treaty. However, Chairman John Kerry, a

Massachusetts Democrat, doesn't expect action until after the fall elections.

The treaty allows countries to claim exclusive economic rights to areas 200 nautical miles from their shores. China, a convention signatory, has used an old Nationalist-era map to lay claim to several largely uninhabited island groups and assert its control over almost the entire South China Sea. After decades of squabbling, China and Vietnam settled similar territorial disputes in 2011.

Chinese assertiveness in the South China Sea is one manifestation of the nation's sharpening vision of itself as a global power. Joshua Kurlantzick, a fellow at the Council on Foreign Relations, said Chinese behavior reflects "a longer-term trend of China feeling stronger and the [Chinese Communist Party] feeling stronger, as well as to more powerful and vocal interests in the military, state resources companies" and elsewhere.

Factions within the Chinese elite may have had the most to do with precipitating the most recent incident. "The conflicting mandates and lack of coordination among Chinese government agencies, many of which strive to increase their power and budget, have stoked tensions in the South China Sea," the nonprofit International Crisis Group said in April. It concluded that China's foreign ministry "does not have the authority or resources to manage other actors." — **CHRIS NEHLS**

After Decades, an Icy Recovery?

Families of three Navy air- men who died when their flying boat crashed on an Antarctic island 65 years ago hope Congress will soon authorize a mission to find and recover their bodies from the ice.

The House last month included an amendment by New York Democrat **Timothy H. Bishop** in its annual defense authorization bill "to undertake all feasible efforts to recover, identify and return the well-preserved frozen bodies."

For five years, a group of deep-glacier recovery specialists, led by **Lou Sapienza**, has lobbied the Pentagon and Congress to provide money for a mission that they would lead. But lawmakers balked at the

\$1.3 million price tag.

Sapienza now has a new plan, using a foundation set up to raise money for the recovery. The group would reimburse the Treasury for using existing government equipment, such as hitching a ride on the regular military C-130 flights to Antarctic stations.

Nine men were aboard the George One, a twin-engine Martin PBM-5 Mariner, when it flew over Antarctica's "Phantom Coast" some 1,600 miles southwest of Cape Horn as part of a mapping mission. The plane entered a whiteout over desolate Thurston Island the day before New Year's Eve in 1946. As the pilot attempted to climb, the aircraft grazed the island

glacier's ridgeline and crashed, killing Ensign **Maxwell Lopez**, the navigator, and crewmembers **Wendell "Bud" Hendersin** and **Frederick Williams**. Six others survived a 13-day ordeal on the ice, but rescuers were unable to retrieve the bodies of Lopez, Williams and Hendersin, who were buried under a wing of their plane.

The Navy has demurred on a recovery effort, citing the safety concerns and logistical challenges of locating the remains, now beneath 90 to 150 feet of snow and ice. But Sapienza says his crew can do the job relatively quickly and cheaply with a conical drill that uses hot water circulating in copper coils.

Sapienza, who photographed

LOST: Navy flying boats like this were used on the Antarctic mission.



a 1990s expedition to Greenland that recovered a World War II-era P-38 Lightning known as "Glacier Girl," first learned about the Antarctica case from the Smithsonian's Air and Space Magazine.

The Joint POW/MIA Accounting Command, a task force set up in 2003 to consolidate military recovery efforts, has said it would oversee the expedition, but to this point the Navy has refused to relinquish control. It says safety concerns are too serious. — **SHAWN ZELLER**

Enlisting Allies To Allay Dismay

After an international dressing-down over the past few months for its treatment of former Prime Minister **Yulia V. Tymoshenko**, imprisoned for corruption, the Ukrainian government and its allies are going on the offensive, hiring high-profile American representation to help rehabilitate its international image.

Last month, Ukraine's Ministry of Justice under President **Viktor Yanukovich**

announced it had retained the Washington-based law firm Skadden, Arps, Slate, Meagher & Flom to review the government's prosecution of Tymoshenko for

her actions in negotiating a natural gas deal with Russia while she was prime minister.

Former Obama White House Counsel **Gregory B. Craig** will head the review of the case.

A spokeswoman for the firm, **Lauren A. Weiss**, confirmed that it is working with the Ukrainian government "as a consultant on the rule of law and to advise on ways to improve the criminal justice system in Ukraine."

In its review of the Tymoshenko case, the law firm intends to "review the procedures that resulted in her conviction and provide an independent and unbiased report based on the facts and the law, as opposed to the politics, of this case," Weiss wrote in an email.

Meanwhile, the European Centre for a Modern Ukraine, a pro-government Brussels-based group headed by a former Yanukovich adviser, has signed up two high-profile lobbying firms, the Podesta Group and Mercury Clark and Weinstock, to help represent its interests in Washington.

Critics, including many in Congress and in other European countries, have been dismayed with the government's treatment of Tymoshenko after Yanukovich defeated her in the 2010 presidential election. Tymoshenko was jailed and subsequently convicted in October 2011 on charges of "abuse of power," one of several corruption cases brought against her.

— EMILY CADEI



PROTEST: Anti-Yanukovich sign

Judging Timing And Outcome

OUTSIDE OF THE NINE justices of the Supreme Court and a small number of their law clerks and other court employees, no one knows exactly when the court will rule on the constitutionality of the 2010 health care law.

But Thomas C. Goldstein, a Supreme Court lawyer and the founder of the influential SCOTUSblog website, is betting that the decision will come in the last two weeks of June. So certain is Goldstein of the timing that his blog will shift to a real-time format to accommodate the expected surge in traffic surrounding the health care ruling — but not until the middle of the month. "We're not even bothering" to prepare for the possibility that the ruling will come sooner than that, said Goldstein, who argued two cases before the justices this term. "It would be shocking."

The Supreme Court is among the most secretive of government institutions, with cameras and recording devices barred from the courtroom, justices rarely granting interviews and clerks ordered not to speak with the press. So, as the anticipation swells ahead of what is likely the most consequential ruling of the term — if not of Chief Justice John G. Roberts Jr.'s seven-year tenure — court watchers must speculate not only about how the court will rule but also when that ruling will arrive.

Most, like Goldstein, expect a decision at the very end of June. The justices will meet for their last conference of the term on



CONSIDERING: The complexity of big cases might be a reason the court rules on them late in its term.

June 21, with the remaining rulings trickling out in subsequent days, potentially into July. The court begins its fall term on the first Monday in October.

"The harder, more complex cases that attract more writing just take more time," said Kevin Walsh, a former clerk to Justice Antonin Scalia and an associate law professor at the University of Richmond. Walsh says contentious cases often lead justices to express their views in a flurry of concurring or dissenting opinions, which take time to write.

Goldstein adds that arguments in the health care appeal spanned three days and did not occur until the end of March, fairly late in the court's term. "It would just ask so much to go from late March to early June and decide three or four major issues with everything else they've got to do," he said.

Another factor is which justice is writing the majority opinion. A SCOTUSblog analysis in May found that some justices are much quicker than others, with Justice Ruth Bader Ginsburg averaging 75 days between oral arguments and her opinions this term, and Justice Anthony M. Kennedy averaging 129 days. Of course, Kennedy's plodding pace also may have to do with the fact that he often provides the deciding vote in contentious, 5-to-4 decisions.

— JOHN GRAMLICH

Who is Liable for BRACish Conditions?

Local governments and private companies that redevelop former military bases are protected from lawsuits over unforeseen environmental contamination under a law enacted two decades ago. The law, though, applies only to bases shut down through the Base Closure and Realignment, or BRAC, process. Now, a freshman Republican House member from Indiana, **Todd Young**, has persuaded colleagues on the Armed Services Committee to extend the legal pro-

tection to those redeveloping smaller bases closed by the Pentagon outside of BRAC.

Young's provision is incorporated into the fiscal 2013

Defense authorization bill that the House passed May 18. The Obama administration is against it, saying it would "retroactively expose DoD to new and costly claims."

Young says the legal protection is a crucial economic issue for his district, where the Army is gradually transferring its unused 6,000-acre Indiana Army Ammunition

Plant to the county government. Internet retailer Amazon.com has agreed to build a distribution facility there.

But Young says the county faces crippling insurance costs in large part because of the potential environmental hazards. The Army Corps of Engineers is cleaning up old contaminants — the facility built explosives during World War II and the Korean and Vietnam wars — but anything found after the transfer is the county's responsibility. Liability issues, Young says, "make many businesses hesitant to invest there."

— SHAWN ZELLER



ECONOMICS: Todd Young