

It has been one year since the pandemic was declared a national emergency—the United States has passed a very grim milestone with deaths from the virus, but there is hope as additional vaccines come on-line. The Democratic controlled Congress passed the nearly \$2 trillion American Rescue Plan. Former President Trump returned to the stage at Conservative Political Action Conference (CPAC), there are signs of continued fealty to him among the Republican Party faithful as well as divisions within the party leadership. President Biden's foreign policy takes shape, and the administration takes action to address the climate crisis. There is a pause in the U.S.-EU tit-for-tat tariffs over the Airbus-Boeing dispute. The latest jobs report offers hope for the economic recovery.

A Year of Pandemic

It has been one-year since a national emergency was declared in the United States concerning the coronavirus pandemic. In the intervening year, over 500,000 Americans have died from the virus, with nearly 30 million infections. Variants from Brazil, South Africa, and the United Kingdom are spreading and public health officials [warn of a fourth wave](#). Nevertheless, the accelerating pace of vaccinations and the remaining virus-control measures in much of the country, are pushing the curve down and might be balancing out the spread of the more contagious variants. Regarding vaccinations, a third candidate, produced by Johnson & Johnson (J&J), was approved for emergency use by the Food and Drug Administration (FDA). Unlike the Moderna and Pfizer-BioNTech vaccines, the J&J candidate is one shot, rather than two, and does not require extreme cold for transport, making distribution less complicated. President Biden [invoked the Defense Production Act](#) to broker a rare partnership between J&J and Merck, two of the country's largest competing pharmaceutical companies, to expand production. Mass vaccination sites across the country are opening up or increasing their capacity, in part to respond to the new influx of doses. Biden pledged 100 million doses in the first 100 days, which is April 30. [As of March 10, over 95 million doses](#) had been administered, with over 32 million Americans fully vaccinated (approximately 9.9% of the population) and over 62 million Americans having received at least one dose (approximately 19% of the population). [Biden has promised](#) that any adult American will have access to a vaccine by mid-May. Many states are starting to ease lock-downs and lift masking requirements, against the recommendation of most public health officials, who stress the need for continued vigilance.

Congress Passes the American Rescue Plan

This week, Congress passed the nearly \$2 trillion [American Rescue Plan](#) along party lines with the reconciliation process used in the Senate to bypass a filibuster. The legislation is the largest stimulus package in American history and brings the total amount of legislative action related to the pandemic to [approximately \\$6 trillion](#). For context, analysis from the Cost of War project at the Watson Institute finds that the total amount spent on the post 9/11 wars is [approximately \\$6.4 trillion](#). The highlights of the bill are \$1,400 direct payments to millions of households, an extension of unemployment benefits (which were set to expire on March 14) and funding for vaccine distribution. Other items include: an expansion of the child tax credit and the earned income tax credit; \$15 billion to the child care and development block grant program; \$86 billion to cover multi-employer pension funds; \$30 billion to bolster local transportation systems; \$27.4 billion in emergency rental assistance that will help stave off evictions; and expanded eligibility for the Paycheck Protection Program. The

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legislation also expands the Affordable Care Act (also known as “ObamaCare”) and increases subsidies through 2022.

Trump Returns to the Stage

Former President Trump made his first post-White House appearance at the Conservative Political Action Conference (C-PAC) on February 28. In an [address](#) that included his oft-repeated falsehoods about the November election, he also accused the Supreme Court of failing to “have the courage” to overturn the election and he called for a new round of voting restrictions. Trump called out every congressional Republican who voted to impeach him and called Congresswoman Liz Cheney, the third-ranking House Republican, “a warmonger.” Cheney voted for impeachment and has repeatedly said that the GOP should cut ties with Trump. The former President dismissed speculation that he would form his own political party and made a specific pitch for people to donate to two committees associated with him. Attorneys for Trump subsequently sent [cease-and-desist letters](#) to three Republican organizations asking them to stop using his name and likeness in fundraising appeals and merchandise. At the conference, Trump handily won the 2024 Presidential primary race [straw poll](#), demonstrating his continued strength among conservative activists. However, among GOP elected officials and operatives, there is intense disagreement over the future of their party.

Biden’s Foreign Policy Takes Shape

Last month, President Biden delivered the [first foreign-policy address](#) of his presidency before the staff at the State Department. The President pledged that the administration would work to repair and strengthen relationships that were damaged under his predecessor, and vowed to work together with allies, stating that “alliances are our greatest asset.” Biden also committed to reengage with international organizations, warning that we face a moment of “accelerating global challenges”, such as climate change and the pandemic, which can only be solved through collective action. Biden highlighted the link between American policy home and abroad, stating that there is “no longer a bright line between foreign and domestic policy,” and he explained why acting against discrimination at home will have positive effects on America’s ability to lead on the international stage. Earlier this month, Secretary of State Blinken followed-up the President’s address in [his first speech as America’s chief diplomat](#) and unveiled the administration’s top foreign policy priorities. The Secretary also wove foreign policy and domestic issues together, saying that the “distinctions between domestic and foreign policy have simply fallen away.” Blinken’s remarks were accompanied by the release of the administration’s [interim strategic guidance](#) on foreign policy and national security. Among the issues identified by the Secretary were COVID-19 and the need to strengthen global health security, building a more stable and inclusive global economy, and addressing the erosion of democracy around the world. The strategic guidance also identified a hierarchy of national security and foreign policy challenges: transnational security threats; the erosion of democratic norms; threats emanating from changing distribution of global power; challenges to the liberal international order; and revolutionary advances in technology.

Early Action on Climate

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The Biden administration continues to take executive action to meet their ambitious climate policy goals. In mid-February, the U.S. officially returned to the Paris climate accord, 107 days after it left. Former Secretary of State and current climate envoy John Kerry conceded that the U.S. is returning “with a lot of humility, for the agony of the last four years,” and highlighted the urgency of the talks in Glasgow later this year. The U.S. will convene a [leader’s summit on Earth Day](#), April 22, and is expected to release a new emissions cut pledge in advance of the gathering. Domestically, the Department of Interior is advancing key parts of the Biden administration’s environmental agenda. Interior has suspended all drilling lease sales in the Gulf of Mexico and imposed a temporary freeze on new leases on public lands and waters. Drilling activity in the Arctic National Wildlife Refuge has also been suspended, and the department will undertake a wholesale review of the federal oil and gas leasing program. These moves will meet resistance from Republicans on Capitol Hill where Deb Haaland of New Mexico, the nominee for Interior Secretary, is facing Senate confirmation. Democratic Senator Maria Cantwell of Washington called Haaland’s nomination fight a [“proxy fight over the future of fossil fuels.”](#)

Pause in U.S.-EU Tariff War over Aircraft Subsidies

The United States and the European Union have agreed to a [four-month suspension](#) of tariffs imposed due to the dispute over subsidies to Airbus and Boeing, while the sides search for a settlement to the long-running clash. European Commission President Ursula von der Leyen said the move signaled a [fresh start for the trans-Atlantic relationship](#). A [statement from the White House](#) said the agreement reflected “our shared values and the world’s largest trade and investment relationship,” and committing “to work toward resolving these long-running disputes,” at the World Trade Organization. The suspension will cover \$11.5 billion-worth of goods, \$4 billion from EU tariffs on U.S. goods, and \$7.5 billion that former President Trump had imposed on European goods. However, other tariffs, such as those imposed in retaliation to Trump’s steel and aluminum tariffs, will remain in place.

Latest Jobs Report

The February jobs report, the first full report of the Biden administration, showed employers [adding 379,000 jobs](#), the strongest showing since October offering some hope that the economic recovery was taking firmer hold. Most of the gains came in the leisure and hospitality industries, which have hit been particularly hard by shutdown orders and employ 3.5 million fewer people than a year ago. President Biden, speaking with Treasury Secretary Janet Yellen, noted that at the current rate of job gains [“it would take two years to get us back on track.”](#) There are roughly 9.5 million fewer jobs than a year ago, and a year’s worth of lost opportunities. The unemployment rate for February was 6.2 percent, but officials from the administration and the Federal Reserve have emphasized that number understates the breadth of the damage. More than four million people have quit the labor force in the last year, including those sidelined because of lack of childcare, other family responsibilities, or health concerns, which are not included in the official jobless count. With that population and other misclassified workers, the jobless rate is close to 10 percent.

Personnel Updates

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Since the last *Real Deal*, six more Department Secretaries and members of the President's cabinet have been confirmed: **Thomas Vilsack** for Agriculture; **Merrick Garland** as Attorney General; **Gina Raimondo** for Commerce; **Miguel Cardona** for Education; **Jennifer Granholm** for Energy; **Marcia Fudge** for Housing and Urban Development; and **Denis McDonough** for Veterans Affairs.

Council of Economic Advisors – **Cecilia Rouse** was confirmed as chair.

Department of Commerce – **Ryan Majerus** is deputy assistant secretary for antidumping and countervailing duties; **Christopher Day** is deputy assistant secretary for legislative and intergovernmental affairs; **Cara Morrow** is the director of policy at the International Trade Administration; **Steven Emme** is chief of staff in the Bureau of Industry and Security.

Department of Defense – **Kathleen Hicks** was confirmed as deputy secretary. **Ely Ratner** will lead a newly created China Task Force. **Rebecca Zimmerman** is deputy assistant secretary of defense for Afghanistan, Pakistan and Central Asia; **Spencer Boyer** is deputy assistant secretary of defense for Europe and NATO policy; **Joseph Bryan** is special assistant to the secretary for climate.

Department of Energy – **David Turk** is the nominee for deputy secretary.

Department of Labor – **Julie Su** is the nominee for deputy secretary; **Dan Koh** is chief of staff to Secretary-designate Martin Walsh.

Department of the Treasury – **David Lipton** is counselor to the Secretary. **Elizabeth Rosenberg** is a senior advisor to Deputy Secretary Designate Adewale Adeyemo. **Catherine Wolfram** is deputy assistant secretary for climate and energy economics; **Jose Murillo** is deputy assistant secretary for international tax affairs.

Environmental Protection Agency – **Michael Regan** was confirmed as administrator.

International Development Finance Corporation – **David Marchick** has been named chief operating officer; **Algene Sajery** is vice president for external affairs.

United States Trade Representative – **Sirat Attapit** is assistant USTR for intergovernmental affairs; **Jan Beukelman** is assistant USTR for congressional affairs; **Greta Peisch** is general counsel; **Ginna Lance** is deputy chief of staff.