

Obama Crafts A Careful Economic Message

WASHINGTON (AP) — Bullish yet wary, President Barack Obama is highlighting recent economic bright spots while taking care not to overstate a recovery that still has not put millions back to work.

His Republican rivals, in the face of late-arriving economic good news, are making slight adjustments themselves, arguing that Obama's policies have been a drag on a recovery that could have taken hold sooner.

The competing rhetoric reflects the positive indicators in areas ranging from retail sales and housing to unemployment and falling gas prices. All this has pushed up consumer confidence, a potential barometer of political attitudes. Even Congress and Obama managed to agree on a two-month payroll tax cut extension before leaving Washington for the holidays.

But the economic signs could prove fleeting, as they were in the early spring when economist also detected upticks in activity only to watch them tumble. These new indicators may hold more promise. But a looming European debt crisis is casting a pall.

No one is more aware of that risk than Obama.



Obama

Medicare Will Change No Matter Who Wins

WASHINGTON (AP) — Baby boomers take note: Medicare as your parents have known it is headed for big changes no matter who wins the White House in 2012. You may not like it, but you might have to accept it.

Dial down the partisan rhetoric and surprising similarities emerge from competing policy prescriptions by President Barack Obama and leading Republicans such as Wisconsin Rep. Paul Ryan.

Limit the overall growth of Medicare spending? It's in both approaches.

Squeeze more money from upper-income retirees and some in the middle-class? Ditto.

Raise the eligibility age? That too, if the deal is right.

SKorea Warns NKorea Against Provocations

SEOUL, South Korea (AP) — South Korea's president opened the door Monday to possible nuclear talks with North Korea and warned the neighboring country to avoid any provocations, saying the Korean peninsula is at a crucial turning point.

Lee Myung-bak's comments in a nationally televised speech come as the young son of the late Kim Jong Il takes power in North Korea as Supreme Commander of the military and ruling party leader after Kim's death last month. The North vowed Sunday in a New Year's message that it would bolster its military and defend the son, Kim Jong Un, "unto death."

"The situation on the Korean peninsula is now entering a new turning point," Lee said. "But there should be a new opportunity amid changes and uncertainty."

Lee warned that South Korea would sternly respond to any North Korean provocation. In 2010, 50 South Koreans died in attacks blamed on the North, though the Koreans have met in recent months for preliminary nuclear discussions.

North Korea, which has tested two atomic devices since 2006, has said it wants to return to long-stalled six-nation talks on halting its nuclear weapons program in return for aid. Washington and Seoul, however, have insisted that the North first show progress on past disarmament commitments.

If North Korea halts its continuing nuclear activities, Lee said in his speech, negotiations could resume.

Iraqi Sunnis Again Flee Mixed Neighborhoods

BAGHDAD (AP) — The question was disturbing: Why do you live here?

Ahmed al-Azami, a Sunni Muslim, has owned a house in Baghdad's Shiite neighborhood of Shaab since 1999. But when Shiite residents recently began questioning why he, a Sunni, was living among them, he decided it was time to leave.

His story and similar tales by other Sunnis suggest Iraqis are again segregating themselves along sectarian lines, prompted by a political crisis pulling at the explosive Sunni-Shiite divide just weeks after the American withdrawal left Iraq to chart its own future.

The numbers so far are small and not easy to track with precision, but anecdotal accounts and a rise in business at real estate agencies in Sunni neighborhoods reveal a Sunni community contemplating the worse-case scenario and acting before it's too late.

Baghdad and the rest of Iraq are already highly segregated places. Running from bombs, death squads and their own neighbors at the height of violence in 2006 and 2007, Sunnis and Shiites fled neighborhoods that were once mixed.

Church Announces Dates For Pope's Cuba Trip

HAVANA (AP) — The Roman Catholic Church in Cuba has announced the dates and a partial itinerary for Pope Benedict XVI's much-anticipated visit to the island, the first by a pontiff since John Paul II's groundbreaking 1998 tour.

The church said in a statement Sunday that the pontiff will be in Cuba from March 26 to 28, following a visit to Mexico.

The itinerary outlined by the church is far less ambitious than that undertaken by John Paul 14 years ago. The 84-year-old pontiff will only be on the island for about 48 hours and appears to have no plans to visit important regional cities such as Santa Clara and Camaguey, both of which received John Paul.

Benedict will touch down on the afternoon of Mar. 26 in the western city of Santiago, Cuba's second largest, where he will be received personally by President Raul Castro. He'll then be driven through town in the glassed-in popemobile.

Benedict will make a private trip the following day to the sanctuary of Cuba's patron saint, the Virgin of Caridad del Cobre, then fly to Havana. In the capital, the pope will meet Havana Cardinal Jaime Ortega and other church leaders.

That afternoon, he will have a private meeting with Castro. There is no mention of Benedict also meeting Fidel Castro, who is retired but often weighs in on world events through opinion pieces published in Cuban state-run media.

Yemenis Demand President Saleh Face Trial

SANAA, Yemen (AP) — Yemen's opposition on Sunday accused outgoing President Ali Abdullah Saleh of trying to torpedo a power transfer deal by sparking a new crisis, as troops loyal to him clashed with opposition forces, killing three.

The violence was evidence that the president's signature on a power transfer deal has not ended months of turmoil that have benefited al-Qaida-linked militants.

Sunday's clashes followed Saleh's decision not to leave the country, a move likely to embolden his relatives, who control key security posts.

His opponents demand the removal of all of Saleh's relatives from top security positions. Huge crowds of protesters have called for Saleh himself to be put on trial for the killing of hundreds of protesters, though the power transfer deal gives him immunity from prosecution.

Vice President Abed Rabbo Mansour Hadi told his new national unity government on Sunday, in their first official session, that the power transfer agreement, engineered by Yemen's powerful Gulf Arab neighbors, must be implemented soon.

Arson Destroys Landmark Illinois Clock Factory

PERU, Ill. (AP) — A fire at a massive former clock factory that police say was deliberately lit provided an eerie backdrop for a northern Illinois city's New Year's celebrations, and despite the efforts of firefighters from throughout the area, the city landmark was destroyed.

The blaze at the former Westclox Co. clock complex, which covers a two-by-four-block span of downtown Peru, began around the time people were counting down the last seconds of 2011. Gary Eccles, an engineer with the city's fire department, told The Associated Press. By 11 a.m. Sunday, the fire was burning itself out but had destroyed the building and caused it to cave in on itself, he said.

Karen Torri, a local resident, told the (LaSalle) News Tribune that she was at party and was startled when she looked out the window.

"Just as we were kissing, I looked out the window and saw the fireworks, but it wasn't fireworks; it was fire engines," she said.

The only reported injury from the blaze was to a firefighter who was rushed to a hospital for emergency knee surgery, Eccles said.

Decision 2012 | Iowa

Candidates Promote Electability

BY BETH FOUHY AND THOMAS BEAUMONT

Associated Press

DES MOINES, Iowa — With time running short, Ron Paul, Rick Santorum and other Republican presidential contenders insisted they could beat President Barack Obama as they worked to persuade undecided Iowa Republicans aching to win the White House to choose them over chief rival Mitt Romney.

"I'm the candidate that actually was able to win in states, as a conservative, in getting Democrats and independents to vote for us," Santorum, the former Pennsylvania senator who is surging in the race and is a favorite among cultural conservatives, said in an interview on CNN. "Mitt Romney has no track history of doing that."

Paul, a libertarian-leaning Texas congressman who Romney has said is outside the GOP mainstream, countered the suggestion that he's a fringe candidate. In an interview with ABC from his home state, where he was spending the weekend, Paul insisted: "I'm electable. I've been elected 12 times in Texas, when people get to know me."

With Romney in a position of strength in Iowa, both Santorum and Paul went directly at the former Massachusetts governor's chief argument — that he is the most electable Republican in a head-to-head matchup against Obama next fall. They hope they can sway the roughly half of likely caucus-goers who say they are undecided or willing to change their minds two days before the leadoff presidential caucuses.

A *Des Moines Register* poll released Saturday showed Romney and Paul locked in a close race, with Santorum rising swiftly to challenge them. Nearly half of



CHRISTOPHER GANNON/GANNONVISUALS.COM/MCT
Rick and Anita Perry, left, speak with Charles Larson of Des Moines while attending Sunday services at Lutheran Church of Hope in West Des Moines, Iowa, Sunday.

likely Iowa caucus-goers view Romney as the Republican most likely to win the general election. He was far ahead of Santorum and Paul, who was viewed as the least likely to win.

Those two are fighting against the notion in GOP circles that their bases of support are narrow and neither would be able to cobble together the diverse voting coalition necessary to beat Obama in November. Paul attracts legions of backers who put states' rights above much else, while Santorum — an anti-abortion crusader — is popular among Christian conservatives who make up the base of the Republican Party.

In contrast, Romney has styled himself as a Republican able to attract a broad spectrum of voters. As polls showed him in strong standing in Iowa in the past week, he has redoubled his effort to portray himself as the business-savvy executive with national appeal who is best able to defeat Obama

on the campaign's most pressing issue, the economy.

Although the race remains fluid, it appeared that Romney's carefully crafted plan to avoid underperforming in Iowa, where he campaigned little until last week, may be working, given a divided GOP electorate torn between several more conservative candidates and Paul's appeal to libertarians.

The issue of what type of candidate to choose cuts to the heart of why the Iowa race is so volatile; an NBC/Marist poll last week showed nearly even percentages of Iowa caucus-goers want a candidate who shares their values as want a candidate who can beat Obama.

"The first thing you see when you talk to any Iowa Republican is that desire to beat Barack Obama," Iowa GOP Chairman Matt Strawn said.

Mindful of that, both Romney and Santorum canvassed the state Sunday to make the electability case — and their schedules illumi-

nated their late-game strategies for rallying their backers to the caucuses.

Romney appeared in Atlantic and Council Bluffs as he works to maximize the edge he holds in critical areas, especially those he won in his second-place finish here four years ago, rather than risk underperforming in places where more ardent conservatives are leery of his Mormon faith and shifting positions on social issues. On Monday, he was heading to his eastern Iowa strongholds, Cedar Rapids, Davenport and Dubuque.

He is increasingly projecting confidence that he would be the GOP's nominee, promising to return to Iowa, a general-election swing state, in the fall campaign.

On Sunday, Romney poked at Santorum directly for the first time since his opponent's rise — though carefully — saying the ex-senator "has spent his career in the government in Washington."

"Nothing wrong with that, but it's a very different background than I have," Romney said in Atlantic in response to a reporter's question, calling Santorum a good guy who has worked hard and probably will do well Tuesday. He also noted that Santorum endorsed him in 2008. It was a delicate attempt to stoke doubts about Santorum without angering — and alienating — his supporters.

Along with Romney, Texas Gov. Rick Perry, former House Speaker Newt Gingrich and Minnesota Rep. Michele Bachmann — all of whom are trailing in polls and fighting for the support of Christian evangelicals — spent the morning in church.

Gingrich went after Romney with abandon, saying he felt like he'd been "Romney-boated" and adding that the multimillionaire would "buy the election if he could."

New Year's Holiday

After Tough Year, World Rings In 2012

BY VERENA DOBNIK

Associated Press

NEW YORK — From New Zealand to New York, the world eagerly welcomed a new year Sunday with confetti-filled celebrations, glittering fireworks displays and star-studded festivities.

For one night, at least, revelers gathered and hoped for a better future, saying goodbye to a year of hurricanes, tsunamis and economic turmoil that many would rather forget.

In New York, hundreds of thousands gathered at the crossroads of the world to witness a crystal ball with more than 30,000 lights that descended at midnight. Lady Gaga and Mayor Michael Bloomberg led the crowd in the final-minute countdown of the famed crystal-paneled ball drop.

Matheus Campos, a law student from Brazil, threw both arms in the air as the new year began in Times Square.

"It's awesome," he said.

Revelers in Australia, Asia, Europe and the South Pacific island nation of Samoa, which jumped across the international dateline to be first to celebrate, welcomed 2012 with booming pyrotechnic displays. Fireworks soared over Moscow's Red Square, crowds on Paris' Champs-Elyses boulevard popped Champagne corks at midnight.

But many approached the new year with more relief than joy, as people battered by weather disasters, joblessness and economic uncertainty hoped the stroke of midnight would change their fortunes.

"It was a pretty tough year, but God was looking after us and I know 2012 has got to be better," said Kyrilee Scott, 16, of Jackson, N.J., whose father spent most of the year out of work.

Some New York revelers, wearing party hats and "2012" glasses, began camping out Saturday morning, even as workers readied bags stuffed with hundreds of balloons and technicians put colored filters on klieg lights. The crowds cheered as workers lit the crystal-paneled ball that would drop at midnight Saturday and put it through a test run, 400 feet above the street. The sphere, decorated with 3,000 Waterford crystal triangles, has been dropping to mark the new year since 1907, long before television made it a U.S. tradition.

In Times Square, hundreds of thousands people crammed into spectator pens ringed by barricades, enjoying surprisingly warm weather for the Northeast. The National Weather Service said it was about 49 degrees in nearby Central Park — about 10 degrees warmer than the normal high temperature.

As the country prepared for the celebration, glum wasn't on the agenda for many, even those who had a sour year.

"We're hoping the next year will be better," said Becky Martin, a former elementary school teacher who drove from Rockford, Ill., to Times Square after spending a fruitless year trying to find a job.

"We're starting off optimistic and hoping it lasts."

Many expressed cautious hope that better times were ahead after a year in which Japan was ravaged by an earthquake and tsunami, hurricanes wreaked havoc across the country and a debt crisis devastated Europe's economy.

"Everybody's suffering. That's why it's so beautiful to be here celebrating something with every-body," said Lisa Nicol, 47, of

Melbourne, Australia.

For all of the holiday's bitter-sweet potential, New York City always treats it like a big party — albeit one that now takes place under the watchful eye of a massive security force, including more than 1,500 police officers.

In Las Vegas, fireworks were launched from eight rooftops at midnight. Police earlier shut down a four-mile section of the Strip to vehicle traffic, letting revelers

party in the street. Casino nightclubs touted pricey, exclusive bashes hosted by celebrities including Kim Kardashian, Bruno Mars and Fergie.

Authorities reported only minor hiccups, including an ash tray canister fire on the 15th floor of the Paris Las Vegas hotel casino and an intermittent power outage at Bellagio that led to casino officials closing its buffet.

YANKTON DAILY
PRESS & DAKOTAN
Wedding Planner & Bridal Fest
Sunday, January 29
Bridal Registration Starts at Noon
Exhibits Open Noon-4:00pm
Fashion Show 3:30pm
Riverfront Events Center, Downtown Yankton