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OBAMA BOOK REPORT



RESEARCH DEPARTMENT

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JODI KANTOR'S *THE OBAMAS*

Obama Is Barackward And Out Of Touch

According To An Aide, Obama “Is Not Someone Who Is Going To Hold A Super Bowl Party And Spend The Time Talking, Greeting, Delivering Messages, Working.” “The host greeted everyone and shook hands, but as soon as the game started he settled into his seat: a big velvet chair in front, marked off by a little name card. Nesbitt and Whitaker slid in next to him. The president had done his welcoming duties, and he was serious about following the action on-screen. ‘He was sitting up front, he was watching the game, and he didn’t move,’ said Mike Doyle, a Democratic congressman from Pennsylvania. ‘He is not someone who is going to hold a Super Bowl party and spend the time talking, greeting, delivering messages, working,’ an aide observed. Obama just wasn’t a classic political personality like Lyndon Johnson or his own vice president, Joe Biden; he didn’t relish contact the way they did. Sometimes at social events, Michelle gave him his cues: sit here, be sure to say good-bye to so-and-so.” (Jodi Kantor, *The Obamas*, 2012, p. 55)

Obama Was Pleased When An Assistant Told Him That “Everything In The White House” Is His. “One day he walked out of a meeting in his chief of staff’s office and began to flip through a stack of magazines on the desk of a young assistant to Emmanuel. ‘Whose are these?’ he asked the assistant. Well, they just get sent here addressed to the chief of staff, she replied. Then she paused and rethought her answer. ‘But everything in the White House is yours... so technically they’re yours,’ she said. The president shot her a satisfied look. The following day, he passed her desk and the magazines again. ‘Whose magazines are these?’ he asked. She had the answer ready this time. ‘They’re your magazines, Mr. President,’ she said. Obama grinned and continued on his way.” (Jodi Kantor, *The Obamas*, 2012, p. 57)

“When Axelrod, Gibbs, And Others Walked Out Of The Oval Office, They Tended To Relive Their Conversations With The President, Other Aides Noticed, Going Over The Best Parts Out Loud.” (Jodi Kantor, *The Obamas*, 2012, p. 68)

“Voters Were Beginning To Think That Obama Was Too Cerebral And Distant, More Interested In Following His Own Preset Agenda Than In Responding To Their Concerns.” (Jodi Kantor, *The Obamas*, 2012, p. 109)

Obama “Seemed Entirely Sure He Knew What Was Best For The Country; He Seemed To Think That He Was A Better Judge Than The Public.” “This group, too, was struck by Obama’s lack of regret. ‘In retrospect we can look back and say we could have done things differently, but I had a very ambitious agenda,’ Oberstar recalled Obama saying. ‘In the end, this is for the greater good of the country.’ He seemed entirely sure he knew what was best for the country; he seemed to think that he was a better judge than the public.” (Jodi Kantor, *The Obamas*, 2012, p. 279)

The Obama Lifestyle Has “Grown Fearsomely Expensive”

“From Vacation Rental Homes Big Enough To Accommodate The Secret Service To All The Personal Entertaining They Did At The White House, Their Lifestyle Had Grown Fearsomely Expensive.” (Jodi Kantor, *The Obamas*, 2012, p. 91)

- **Obama Said When He Leaves Office He Wants A Plane And A Valet.** “As they relaxed, friends noticed how certain perks of the presidency had become normal to the Obamas. At one point, the first couple invited their old friends Allison and Susan Davis to sit with them on an empty beach, entirely cordoned off for their use. Even the sky above them was clear of air traffic. After a few hours of lounging and talking, the group rose to leave, and Allison Davis started packing up, folding towels and such. ‘You don’t have to do that,’ the Obamas told him. The staff took care of

those things. ‘When I leave office there are only two things I want,’ the president added. ‘I want a plane and I want a valet.’” (Jodi Kantor, *The Obamas*, 2012, p. 250-251)

- **White House Aides Fretted About Michelle’s Insistence On Foreign Vacations And Obama Wouldn’t Say No To Her.** “In political terms, however, it made no sense at all. The rule in the White House was no foreign vacations: they looked terrible, potentially worse than sumptuous ball gowns or redecoration, against the background of unemployment. Couldn’t the first lady vacation someplace in the United States? To make matters worse, she would be gone on the president’s birthday, a fact the press would notice. To the exasperation of advisers, she still had not agreed to campaign schedule and with three months until midterms, she was sending exactly the wrong signal to voters. This was going to be the opposite of a campaign trip, they feared: she could repel votes instead of winning them. Several aides said they were unwilling to confront the first lady outright, to tell her not to go—even the normally fearless Gibbs threw up his hands. Jarrett and Sher delicately laid out the risks for her, but the first lady was unmoved. The president, meanwhile, who felt perpetually guilty about what his wife had given up for him, just wanted to see her happy. ‘If she’s gone through all those sacrifices, essentially for him, he’s not real anxious to say, this thing that you really want to do, you can’t do that for political reasons,’ on aide said. Together the the three Obamas shared pie—his favorite dessert—in an early birthday celebration before the first lady and Sasha left.” (Jodi Kantor, *The Obamas*, 2012, p. 241)

Michelle “Hired A Wardrobe Assistant; When She Traveled Abroad, She Wanted To Bring Her Own Hair And Makeup Assistants And To Redecorate The Private Quarters Of The White House, She Passed Over Little-Known Designers In Favor Of Michael Smith.” “She hired a wardrobe assistant; when she traveled abroad, she wanted to bring her own hair and makeup assistants and to redecorate the private quarters of the White House, she passed over little-known designers in favor of Michael Smith, who had done houses for Steven Spielberg and Rupert Murdoch. The first lady’s position was ‘this is what I need to be successful,’ said one aide, and she did not welcome criticism of her choices. In discussion, her opinions were often backed by Desiree Rogers, the new social secretary. Rogers had no Washington or government experience either, but she did have a Harvard MBA, a brilliant sense of style, and a bone-deep understanding of being a high-profile African American woman. The two had not been close friends in Chicago—they knew each other mostly through Valerie Jarrett—and where Michelle Obama was precise and pragmatic, Rogers could be airy. But in the early months of the administration, the first lady and Rogers mostly stood together.” (Jodi Kantor, *The Obamas*, 2012, p. 85)

- **Michelle Obama Wore A \$515 Pair Of Lanvin Sneakers To Stuff Bags At A Food Bank.** “What she did not mention is that the food bank event had drawn widespread coverage for an unintended reason: to stuff the bags, the first lady had worn a \$515 pair of sneakers by the French designer Lanvin.” (Jodi Kantor, *The Obamas*, 2012, p. 100)
- **Michelle Obama: “If I Have To Go, I’m Getting A New Dress Out Of.”** “‘If I have to go, I’m getting a new dress out of it,’ she would tell neighbors before flying off to Washington to accompany him to an event. Once she saw how she looked with top-flight clothes and styling, on friend said, there was no going back. By the inauguration, her husband’s three-year-old description of his wife no longer fit: her hair looked silkier; her eyebrows always flawless; she looked at home in top designer labels and some even created fashions just for her. Questioning the ways she attired herself was not advisable; one former member of the first lady’s staff said she learned in her first day on the job ‘to not go near her clothes.’” (Jodi Kantor, *The Obamas*, 2012, p. 90)
- **Michelle And Desiree Rogers, WH Social Secretary’s “Emphasis On Style Gave The President’s Political Advisers, Gibbs In Particular, The Willies.”** “Their emphasis on style gave the president’s political advisers, Gibbs in particular, the willies. They were consumed with

responding not just to joblessness but bailout and banker bonuses, and they knew the public mood was resentful and sour. Besides, wasn't the original idea that the Obamas came from humble roots; that Barack Obama had a more normal wife and family than many politicians? The advisers preferred to keep things tasteful but moderately priced, in the spirit of the two- and three-figure off-the-rack dresses that had won Michelle Obama applause on the campaign trail." (Jodi Kantor, *The Obamas*, 2012, p. 86)

An Aide Worried About In Performance At The White House Concerts With Celebrities Because "Anything That Said 'The President And First Lady Enjoy Privileges That You Don't' Was A Problem."

"One aide said he even worried about the In Performance at the White House concerts that were broadcast on PBS, featuring musicians like John Legend and Sheryl Crow singing in the East Room, because anything that said 'the president and first lady enjoy privileges that you don't' was a problem. With critics chanting more and more loudly about Obama's excessive spending, anything that looked lavish, even if it was paid for with private funds, could send the wrong message." (Jodi Kantor, *The Obamas*, 2012, p. 86)

"Political Advisers Marveled" That Michelle Picked Michael Smith, "The One Guy Whose Work Was At The Center Of A Blowup Over Wall Street Decadence," To Decorate The White House.

"The longest-running headache was over redecoration. A few days after the inauguration, news broke that Michael Smith, the decorator the Obamas had just chosen, had redone the executive suite of John Thain, the ousted chief executive of Merrill Lynch, at a budget of \$1.2 million. Under Thain's watch the company had lost \$15 billion with \$20 billion in rescue funds. Thain eventually reimbursed the company, but his \$87,000 rug, along with a \$1,200 trash can, became instant symbols of everything Americans hated about Wall Street. Smith's work for Thain was news to everyone in the White House, the social secretary and first lady included. But political advisers marveled that the two women had managed to pick, out of all the designers in the United States, the one guy whose work was at the center of a blowup over Wall Street decadence. Redecoration was a classic trouble area: nearly every first lady, from Nancy Reagan to Hillary Clinton, who had tried to change the White House had been torn apart for her efforts, which was why the public rooms looked largely the same as they had in the Kennedy era. The same thing could happen to Michelle Obama, with the Smith-Thain connection providing the final flourish: 'If you don't like the president, and you wanted to score some cheap political points, there you go: the president redecorated the White House!' Gibbs said." (Jodi Kantor, *The Obamas*, 2012, p. 88)

Obama's Dysfunctional Leadership

Obama: "I Think I Could Probably Do Every Job On The Campaign Better Than The People I'll Hire To Do It."

"Obama had always had a high estimation of his ability to cast and run his own operation. When David Plouffe, his campaign manager, first interviewed for a job with him in 2006, the senator gave him a warning. 'I think I could probably do every job on the campaign better than the people I'll hire to do it,' he said. 'It's hard to give up control when that's all I've known.' Obama said nearly the same thing to Patrick Gaspard, whom he hired to be the campaign's political director. 'I think that I'm a better speechwriter than my speechwriters,' Obama told him. 'I know more about policies on any particular issue than my political directors. And I'll tell you right now that I'm gonna think I'm a better political director than my political director.'" (Jodi Kantor, *The Obamas*, 2012, p. 66)

Obama Thought He Was Capable Of Managing The Administration Alone. "Shortly before inauguration, when a Democrat with years of White House experience questioned Obama about who was going to manage his administration, Obama repeated pretty much the same thing he had said to Plouffe and Gaspard. Summers had the wrong personality to head the National Economic Council, the outside adviser said, and Emanuel was a fighter by nature. Who was going to make sure the whole structure worked, to hold everyone together in tough moments to arrive at the best decisions, the way a White

House chief of staff inevitably needed to? ‘I will,’ Obama said, leaving the more experienced man concerned. Did he have any idea how busy, how under assault, a president of the United States could be?” (Jodi Kantor, *The Obamas*, 2012, p. 66-67)

“It Wasn’t Clear If Obama Was Oblivious At The Time, Too New To The Presidency To See The Trouble, Or Just Too Stubborn To Acknowledge It.” “He was relying on the lessons of his campaign, an aide said later—ignore the naysayers, don’t change course. But mistakes and problems from that period—with management, isolation, and relationships with Republicans—would haunt him later. It wasn’t clear if Obama was oblivious at the time, too new to the presidency to see the trouble, or just too stubborn to acknowledge it.” (Jodi Kantor, *The Obamas*, 2012, p. 58)

He’s Never Really Run A Big Operation Before, And He Probably Didn’t Appreciate Or Understand The Depth Of It. “‘Any president’s isolated, and he was isolated in the Oval Office,’ the adviser said. ‘He never really appreciated why people would be so frustrated by this, and he didn’t have time to dwell on it because he was learning to be president. He’s never really run a big operation before, and he probably didn’t appreciate or understand the depth of it. He’s not an organization guy.’” (Jodi Kantor, *The Obamas*, 2012, p. 151)

A Former Economic Adviser Revealed, “There Was Almost No Process On Anything.” “There was almost no process on anything,’ a former economic adviser, not at the dinner, said later, meaning no structured way of making sure decisions were reached. ‘It was really remarkable.’” (Jodi Kantor, *The Obamas*, 2012, p. 149)

- **“There Was Little Flow Of Information In The West Wing. Too Much Was Secret Even From Insiders, And One Team Did Not Always Coordinate Well With Another.”** “But there was little flow of information in the West Wing. Too much was secret even from insiders, and one team did not always coordinate well with another. Rahm Emanuel’s 7:30 a.m. meeting for top staffers, which the president never attended, did not have an agenda—it often seemed driven by what was in the newspaper that morning. Some senior staffers, like Barnes, were not invited; and when decisions were made at these meetings, they were not shared in a systematic way outside the small group in attendance. Sometimes others in the West Wing only found out about the decisions when they were put into effect. Larry Summers was supposed to be a mediator of economic ideas but repeatedly cut out other people, for instance, giving colleagues little time to comment on memos going to the president.” (Jodi Kantor, *The Obamas*, 2012, p. 148-149)

Obama Couldn’t Bring His Own Team Together To Solve The Nation’s Problems. “More than anything, Barack Obama stood for consensus and common ground, the idea that reasonable, well-intended, smart people could come together to solve the country’s problems. But he had not been able to do that with Republicans, and now it wasn’t even happening on his own team.” (Jodi Kantor, *The Obamas*, 2012, p. 155)

- **“Obama Snapped At A Meeting After His Economic Advisers Failed To Come To A Consensus On The Stimulus.** “At a late fall gathering in the Roosevelt Room, Obama snapped. Once again, his team was debating what action to take, whether more stimulus was possible, and what to do about a spending freeze. The advisers had come to an unsteady consensus, but once the president began asking questions, their tenuous agreement fell apart, according to several people who were in the meeting. The president had already heard the same arguments again and again. The advisers had all taken those positions in prior meetings. Obama lost his patience. ‘We have now been through this exact same discussion with exactly the same people saying exactly the same thing six times, goddamn it. Six times.’ He rose and walked out, with twenty-five minutes still on the meeting clock. Several of those present said they had never seen him like that before. Axelrod, Rouse, and Gibbs rose and followed him in solidarity. Only the economic advisers were left.” (Jodi Kantor, *The Obamas*, 2012, p. 154-155)

- **“The Economic Team’s Failure To Resolve Their Differences, And Obama’s Failure To Decide A Course Of Action, Would Haunt The Presidency.”** “The president had repeatedly ordered his team to come to consensus, but they could not, and he seemed unwilling to choose sides himself. As another aide pointed out, Obama’s explosion wasn’t a sign of his impatience: it was a sign of his patience, because many managers would have cut the discussion off after two rounds, not a half dozen. The economic team’s failure to resolve their differences, and Obama’s failure to decide a course of action, would haunt the presidency. The administration would be hamstrung by the stimulus-versus-cuts debate, in one form or another, for many months to come. All hell broke loose in the room. Romer grew visibly upset and raised her voice while Orszag fled. ‘I do not understand what just happened here,’ Geithner protested. Austan Goolsbee, the president’s longtime economic adviser from Chicago, sat holding his head in his hands. Rob Nabors, the deputy budget director, pointed frantically to the open door facing the Oval Office: could the president hear the screaming?” (Jodi Kantor, *The Obamas*, 2012, p. 155)

The Obama Stimulus

“The Stimulus Passed Without A Single Republican Vote In The House And Only Three In The Senate, A Worrying Sign For The Obama Promise Of Bipartisanship.” “The president thought he would be able to win at least some Republican support for the stimulus. The two parties had a history of coming together at times of crisis, economists across the spectrum agreed it was necessary, and he rejected some advisers’ calls for a \$1.2 trillion package in favor of an \$800 billion package he thought would be more politically palatable—a compromise before he came to the table. That package, his economists were telling him, would hold the unemployment level, then at 7.6 percent, below 8 percent. Being the Democrat who could work with Republicans was part of his political identity, and it was true to his conciliatory nature and the way he had grown up, mediating and translating between disparate groups. He had won the Harvard Law Review presidency by signaling, shortly before the election, that he was no knee-jerk liberal—though he was black and supported affirmative action, he sympathized with conservative objections to it. In the Illinois state senate, he had been closer to some Republicans the Democrats; in the presidential campaign, he argued that Hillary Clinton was too partisan to unify a badly fractured country and succeeded in winning the votes of some prominent Republicans. Not this time, the stimulus passed without a single Republican vote in the House and only three in the Senate, a worrying sign for the Obama promise of bipartisanship.” (Jodi Kantor, *The Obamas*, 2012, p. 58-59)

“Without Republican Votes, He Could Not Fulfill The Very Premise Of His Candidacy, And He Looked More Like The Thing He Never Wanted To Be: A Typical Democrat.” (Jodi Kantor, *The Obamas*, 2012, p. 60)

“‘Obama Responded To The Stimulus Votes With Disappointment And Incredulity. ‘He Really Couldn’t Believe It,’ On Former Adviser Said. ‘He Seemed Stumped, Truly Stumped.’” “Obama responded to the stimulus votes with disappointment and incredulity. ‘He really couldn’t believe it,’ on former adviser said. ‘He seemed stumped, truly stumped.’ The dire economic circumstances, coupled with the enormous agenda he had promised to deliver, cut his patience with politics even further. He privately complained that even tasks that seemed outwardly serious were often filled with what he called empty Washington symbolism.” (Jodi Kantor, *The Obamas*, 2012, p. 60)

The Obama “Boys Club”

According To Valerie Jarrett, “Early On, Some Women Did Not Have A Direct Relationship With The President.” “‘Early on, some women did not have a direct relationship with the president,’ she [Valerie Jarrett] said later. ‘I felt direct interaction, where they could speak freely, would help.’ The first lady did not attend, but she was an invisible presence: for years, she had urged her husband to open

himself up to a more diverse array of advisers, including by gender, and she quietly let it be known that she thought the story raised important questions.” (Jodi Kantor, *The Obamas*, 2012, p. 147)

Some Women, “Like Romer, Felt Strongly That They Were Excluded From An Internal Boys’ Club.”

“The attendees couldn’t quite tell if Obama really wanted to be there. He began by glancing at his watch and effectively said, okay, we have this much time, according to one attendee. That’s how he was, always on schedule, always crossing an item off his to-do list, rarely falling into open-ended conversations. ‘Are there genuine concerns that I need to know about?’ the president asked, looking around the table. There were, although not exactly the ones he may have expected. The women were divided on how necessary the gathering was from a pure gender point of view. A few, like Romer, felt strongly that they were excluded from an internal boys’ club, but others were indifferent: they had been around Washington a long time, risen to powerful positions, and did not care who the president invited to play golf. As the women went around the table, taking turns speaking, they did not exactly cut loose. ‘It was an awkward, silent dinner where we were given one glass of wine and a piece of fish,’ one participant said. But many of them agreed on a more central concern.” (Jodi Kantor, *The Obamas*, 2012, p. 147)

- **Several Women Were “Worried The Guys Were Screwing Everything Up.”** “The Times article and the dinner were an excuse to gently tell the president that they had serious concerns about how his White House was run in general. Their real worry wasn’t that the guys were causing them great personal offense, several later said: they were worried the guys were screwing everything up.” (Jodi Kantor, *The Obamas*, 2012, p. 148)

In An Attempt To Kill A New York Times Story “That Would Explore Whether The Obama Administration Was A Boys’ Club,” Obama “Was Personally Dictating Talking Points To The Aides Who Would Speak To The Reporter.” “One fall evening, Mark Leibovich, a reporter at the New York Times, was working late at his desk when the phone rang: it was Valerie Jarrett, calling from Air Force One. Leibovich was working on a story that would explore whether the Obama administration was a boys’ club, with men dominating the political, economic, and national security teams, led by a president who spent spare moments watching ESPN and weekends playing basketball and golf with male buddies. Jarrett was calling to tell Leibovich that his case was overstated, ‘as Washington perception that has nothing to do with the reality on the ground,’ and to list all the women Obama had appointed to high-level posts, starting with Hillary Clinton. Her tone on the phone was defensive, insistent. Unbeknownst to Leibovich, the story was being managed behind the scenes by none other than the president, who was personally dictating talking points to the aides who would speak to the reporter. The still-to-be-published story was causing high anxiety in the West Wing; this presidency was supposed to be different, inclusive, more than the usual club of white males. Obama’s defeat of a potential first female president in the 2008 Democratic Primary, not to mention his heavily female electoral base, only made the charges more fraught.” (Jodi Kantor, *The Obamas*, 2012, p. 146-147)

- **Obama Invited Melody Barnes To Golf With Him The Weekend The Story Was Published, Causing “A Collective Cringe Among Some Women In The West Wing, Because It Was So Transparently Triggered By The Story.”** “The president was dreading days of cable news chatter on the topic, and on the weekend the article was published, he invited Melody Barnes, his chief domestic policy adviser and a skilled golfer, to join him, the first time he had included a woman in his foursome. The gesture caused a collective cringe among some women in the West Wing, because it was so transparently triggered by the story.” (Jodi Kantor, *The Obamas*, 2012, p. 147)

RON SUSKIND'S *CONFIDENCE MEN: WALL STREET, WASHINGTON, AND THE EDUCATION OF A PRESIDENT*

Former Communications Director Anita Dunn Said Was “Dispirited . . . With The Shattered, Haphazard Process Of Decision Making And Wildly Uneven Execution” Under Obama. “By early January she had returned to her job running a political consulting/media firm. She was happy to leave the white building. Of course, she retained enormous affection for Obama, but was dispirited—as so many were—with the shattered, haphazard process of decision making and wildly uneven execution.” (Ron Suskind, *Confidence Men: Wall Street, Washington, And The Education Of A President*, 2011)

The Making Of Obama's Economy

On The Economy, Obama Listened To His Advisors But “Wouldn’t Make A Decision.” “The debates inside of the economic team continued to rage, with Summers standing in the way of almost any proposed stimulus. His underlying position, largely unchanged since the previous summer, was that nothing would be effective if there were not a rise in demand, something the government had little role in effecting, short of another major stimulus package, which Congress wouldn’t approve—and around it went. The president listened, engaged, but wouldn’t make a decision. He was still looking for consensus. None was forthcoming. On the jobs front alone, it had been going on for nearly three months, one ‘relitigation’ after another.” (Ron Suskind, *Confidence Men: Wall Street, Washington, And The Education Of A President*, 2011)

Obama “Wouldn’t Budge” On His Assumptions About The Economy Despite Both Christina Romer And Larry Summers Trying To “Convince Him Otherwise.” “Both, in fact, were concerned by something the president had said in a morning briefing: that he thought the high unemployment was due to productivity gains in the economy. Summers and Romer were startled. ‘What was driving unemployment was clearly deficient aggregate demand,’ Romer said. ‘We wondered where this could have been coming from. We both tried to convince him otherwise. He wouldn’t budge.’” (Ron Suskind, *Confidence Men: Wall Street, Washington, And The Education Of A President*, 2011)

Obama White House Internal Projections For Unemployment In 2010 Was An Average Rate Of 9.8 Percent. “The administration undershot the crisis, convincing itself by the summer of 2009 that the economy had turned the corner and, at the same time, recognizing that it would be a jobless recovery of stunning disparities, with restored GDP growth alongside fast-rising unemployment. In fact, internal administration projections in June 2009, when unemployment was at 8 percent, noted that joblessness would average a whopping 9.8 percent in 2010.” (Ron Suskind, *Confidence Men: Wall Street, Washington, And The Education Of A President*, 2011)

Despite His Rhetoric, Obama Was Warned Before He Took Office That There Was No Such Thing As Shovel-Ready Projects. “Much of the infrastructure spending, meanwhile, was destined to languish unused, as it was made clear, even during the transition, that there were limits to how quickly money could be spent. Obama would own up to these concerns a year and a half later, admitting that he had learned ‘there’s no such thing as ‘shovel-ready’ projects’ Actually, he’d been warned of this well ahead of the bill’s unveiling.” (Ron Suskind, *Confidence Men: Wall Street, Washington, And The Education Of A President*, Harper, 2011)

Obama Told Then-Speaker Nancy Pelosi On A Conference Call That The “Stimulus Needs More Inspiration!” “On a conference call with Nancy Pelosi’s office, he pushed for the very ‘inspiration’ he had deliberately withheld the day before. ‘This stimulus needs more inspiration!’ he shouted into the speakerphone. Pelosi and her staff visibly rolled their eyes.” (Ron Suskind, *Confidence Men: Wall Street, Washington, And The Education Of A President*, 2011)

“After The Stimulus Bill Was Passed In February 2009, Little Else Happened On The Jobs Front For A Year And A Half.” (Ron Suskind, *Confidence Men: Wall Street, Washington, And The Education Of A President*, 2011)

Worsening Unemployment Made It Clear To The White House That “Clearly The Stimulus Had Fallen Short.” “The unemployment picture was looking worse than the forecasts from the June meeting on jobless recovery. Through October and into November, debates raged in the morning economic briefing. Clearly the stimulus had fallen short.” (Ron Suskind, *Confidence Men: Wall Street, Washington, And The Education Of A President*, 2011)

Obama’s Relationship With Wall Street: All Bark, No Bite

Obama And The Wall Street Banks: “Lots Of Drama, But At Day’s End, Nothing Much Changed.” “‘Lots of drama, but at day’s end, nothing much changed.’ And that was the goal: not to change the relationship between the U.S. government and the financial industry that had evolved across thirty years. It was clear to the banks that this special relationship had never been as imperiled as it was in March of 2009, a time in which the industry was still vulnerable and dependent on government.” (Ron Suskind, *Confidence Men: Wall Street, Washington, and the Education of a President*, 2011, pp. 237-238)

Wall Street Executives Said Obama “Had Us At A Moment Of Real Vulnerability” But “Didn’t – He Mostly Wanted To Help Us Out, To Quell The Mob.” “‘The president had us at a moment of real vulnerability. At that point, he could have ordered us to do just about anything, and we would have rolled over. But he didn’t—he mostly wanted to help us out, to quell the mob. ...’” (Ron Suskind, *Confidence Men: Wall Street, Washington, and the Education of a President*, 2011, p. 242)

Obama Warned Wall Street Executives That He Was The “Only Thing Between You And The Pitchforks” But Then Obama’s Tone “Turned To One Of Support, Even Sympathy.” “‘Be careful how you make those statements, gentlemen. The public isn’t buying that,’ he said. ‘My administration is the only thing between you and the pitchforks.’ It was an attention grabber, no doubt, especially that carefully chosen last word. But then Obama’s flat tone turned to one of support, even sympathy. ‘You guys have an acute public relations problem that’s turning into a political problem,’ he said. ‘And I want to help.’ But you need to show that you get that this is a crisis and that everyone has to make some sacrifices.” (Ron Suskind, *Confidence Men: Wall Street, Washington, and the Education of a President*, 2011, pp. 231-235)

Obama: “I’m Not Out There To Go After You. I’m Protecting You.” “According to one of the participants, he then said, ‘I’m not out there to go after you. I’m protecting you.’ But if I’m going to shield you from public and congressional anger, you have to give me something to work with on these issues of compensation.’ No suggestions were forthcoming from the bankers on what they might offer, and the president didn’t seem to be championing any specific proposals. He had none: neither Geithner nor Summers believed compensation controls had any merit.’” (Ron Suskind, *Confidence Men: Wall Street, Washington, and the Education of a President*, 2011, pp. 231-235)

Obama’s Rhetoric Against Wall Street Was For Show Until The Public Anger Receded. “After a moment, the tension in the room seemed to lift: the bankers realized he was talking about voluntary limits on compensation until the storm of public anger passed. It would be for show. Nothing to worry about. Whereas [Franklin Delano] Roosevelt had pushed for tough, viciously opposed reforms of Wall Street and famously said, ‘I welcome their hate,’ Obama was saying, ‘How can I help?’” (Ron Suskind, *Confidence Men: Wall Street, Washington, and the Education of a President*, 2011, pp. 231-235)

Obama The Manager

Former Economic Advisor Larry Summers: “We’re Home Alone. There’s No Adult In Charge. Clinton Would Never Had Made These Mistakes.” (Ron Suskind, *Confidence Men: Wall Street, Washington, and the Education of a President*, 2011, p. 301)

Former Obama Communications Director Anita Dunn Said Obama’s Economic Team Was “In Crisis – It Can’t Go On Like This.” “By mid-December, Anita Dunn had gone to Pete Rouse and Valerie Jarrett

and said someone needed to take control of the economic team, saying that ‘it’s in crisis—it can’t go on like this.’” (Ron Suskind, *Confidence Men: Wall Street, Washington, And The Education Of A President*, 2011)

The White House “Gender Struggle”

Suskind: “There Was A Nascent Gender Struggle In The White House.” (Ron Suskind, *Confidence Men: Wall Street, Washington, And The Education Of A President*, 2011)

“‘The President Has A Real Woman Problem’ Was The Assessment Of Another High-Ranking Female Official. ‘The Idea Of The Boys’ Club Being Just Larry And Rahm Isn’t Really Fair. He [Obama] Was Just As Responsible Himself.’” (Ron Suskind, *Confidence Men: Wall Street, Washington, And The Education Of A President*, 2011)

The Obama White House Left Women Feeling “Frustrated” And Worthless. “The problem at hand was manifold. The schism going back to the campaign manifested itself in two distinct ways. On the one hand was the perception that Obama was a guy’s guy, especially in his leisure time. Those coveted moments, not just on the basketball court but between meetings, were times when the president was at his most comfortable. The second, more aggrieving divide lay in the fact that many women felt that the men, namely Summers and Emanuel, didn’t play by the rules. The group of women even coined a term for these transgressions: ‘policy fouls.’ That Summers and Emanuel circumvented traditional policy routes and often left other key players out of the loop would alone have been cause for frustration. But when this was coupled with Obama’s guy-to-guy attitude and the testosterone aggression that accompanied these ‘fouls,’ women in the White House found themselves increasingly frustrated and feeling worthless.” (Ron Suskind, *Confidence Men: Wall Street, Washington, And The Education Of A President*, 2011)

Former Economic Advisor Christina Romer On The Obama White House: “I Felt Like A Piece Of Meat.” “‘I felt like a piece of meat,’ Christina Romer said of one meeting that she had been deliberately boxed out of by Larry.” (Ron Suskind, *Confidence Men: Wall Street, Washington, And The Education Of A President*, 2011)

Former Obama Communications Director Anita Dunn Called The Obama White House A “Hostile Workplace.” “‘But looking back,’ recalled Anita Dunn, when asked about it nearly two years later, ‘this place would be in court for a hostile workplace . . . Because it actually fit all of the classic legal requirements for a genuinely hostile workplace to women.’” (Ron Suskind, *Confidence Men: Wall Street, Washington, And The Education Of A President*, 2011)

Former Obama Communications Director Anita Dunn Left The White House “Dispirited” With “The Shattered, Haphazard Process Of Decision Making.” “By early January she [Anita Dunn] had returned to her job running a political consulting/media firm. She was happy to leave the white building. Of course, she retained enormous affection for Obama, but was dispirited—as so many were—with the shattered, haphazard process of decision making and wildly uneven execution. (Ron Suskind, *Confidence Men: Wall Street, Washington, And The Education Of A President*, 2011)

- **Even Christina Romer, Chair Of Obama’s Council Of Economic Advisors Felt “Slighted” By The President.** Obama’s Socratic approach left one participant feeling slighted. Romer, the sole female economist, reached down for her purse, took out a business card, and scribbled, “Either he acknowledges me soon or I’m leaving.” She passed it under the table to Summers, sitting next to her. She knew every one of the economists here. She had sat on panels with them, had spoken at testimonials for some of them, and she might as well have been serving them the food. Summers, who could do his math as well as Romer—they’d run in the same circles for twenty years—read the note and passed it along under the table to Geithner, who read it himself, and then waited for a moment to pass it to Obama. “Let’s see now, Christy,” the president said lightly, a moment later. “We haven’t heard from you yet.” (Ron Suskind, *Confidence Men*, 2011, p. 275)

Suskind: “As 2009 Wore On, Everyone Had Become Cognizant Of The Internal Schism, With Geithner Privately Concluding, ‘The Perception Is That Women Have Real Power, Yet They All Feel Like Shit.’” “The public face of the administration was as gender-progressive as any in history. Obama had surrounded himself with smart, assertive women in positions of traditional power. The team, a veritable murderers’ row of women of private-sector and academic authority, was greeted with praise from feminist groups for its glass-ceiling-shattering diversity. By the summer, however, the reality had grown dire. The cabal of men, which in addition to Emanuel and Summers included Orszag, Axelrod, and Gibbs (the latter two were considered to be ‘untouchable’), had mitigated the authority of the highest-ranking women officials as a result of their close personal connections with the president. As 2009 wore on, everyone had become cognizant of the internal schism, with Geithner privately concluding, ‘The perception is that women have real power, yet they all feel like shit.’”

Suskind: “As The Women Had Stressed At Their Dinner, The President Was Responsible. Each President Is Responsible, After All, For The White House He Builds And Leads.” “It was chaos. The situation with the women, for one, hadn’t improved. The women’s group still met. They’d had their moment with the president and, all together, had made their appeal for action. Several of those at the meeting left feeling unrequited, that the president, with so much on his plate, would not do much more than express attentiveness to the problem. This, to be sure, was the sort of problem that chiefs of staff were generally left to handle. In this case, the chief of staff was at the center of the problem. But, of course, as the women had stressed at their dinner, the president was responsible. Each president is responsible, after all, for the White House he builds and leads.” (Ron Suskind, *Confidence Men*, 2011, p. 363-364)

- **“One By One, The Women Ticked Off Examples And Frustrations. The Problems Seemed To Be Universally Agreed Upon. Obama Listened Awkwardly, As The Women Tried Their Best To Present Their Issues Without Becoming Too Personal. ‘It Was So Clearly About Personalities,’ Said One Of The Attendees.”** (Ron Suskind, *Confidence Men: Wall Street, Washington, And The Education Of A President*, 2011)
- **“The President Listened, With A Posture Of ‘Okay, I Hear You,’ Said Another, ‘Though Not Really Offering Much In The Way Of Apology Or Suggestions About What He’d Do.’”** (Ron Suskind, *Confidence Men: Wall Street, Washington, And The Education Of A President*, 2011)

Romer Said There Was A “Boys’ Club Problem For Many Of The Women—The Way They Were Excluded From Key Meetings Or Ignored When They Attended; The Bullying Atmosphere That Prevailed” In The White House. “A dozen women, including virtually all the president’s senior female staffers, were sure the dinner would be canceled. But they gathered anyway for cocktails in the residence, a nice opportunity for all of them to be together, only to be surprised, and delighted, when the president managed to arrive twenty minutes late. Their meeting with him was clearly a priority, and it was not the first time Obama had heard directly about the gender issues. In June, the afternoon of the jobless recovery meeting, Valerie Jarrett told the president he needed to meet with Romer and that a space had been cleared on his schedule. Romer talked about the boys’ club problem for many of the women—the way they were excluded from key meetings or ignored when they attended; the bullying atmosphere that prevailed—as well as the specific issues for her.” (Ron Suskind, *Confidence Men: Wall Street, Washington, And The Education Of A President*, 2011)

“Later, When Emanuel Was Asked In An Interview About The Women’s Group And Their Issues, He Was Succinct. The Concerns Of Women, He Said, Were A Nonissue, A ‘Blip.’ As To The Fact That The White House’s Women Rather Strongly Disagreed With Him On That Point, He Said, ‘I Understand,’ And Then Laughed Uproariously.” (Ron Suskind, *Confidence Men: Wall Street, Washington, And The Education Of A President*, 2011)

Obama And Romer’s First Meeting Opened On The “Odd Note” Of Obama Using “Salty, Sexual Language” Saying, “Monetary Policy Has Shot Its Wad.” “But their first meeting would open on an odd

note. Before exchanging hellos or even shaking hands, the president-elect delivered what seemed intended as a zinger. 'It's clear monetary policy has shot its wad.' It was a strange break from decorum for a man who had done so outstandingly well with women voters. The two had never met before, and this made the salty, sexual language hard to read. Later it would seem a foreshadowing of something that came to irk many of the West Wing's women: the president didn't have particularly strong 'women skills.' The guy's-guy persona, which the message team would use to show Obama's down-to-earth side, failed to account for at least one thing: What if you didn't play basketball or golf.'" (Ron Suskind, *Confidence Men: Wall Street, Washington, And The Education Of A President*, 2011)

Obama's Failure Of Leadership

“[P]residents Work Their Will – Or Should Work Their Will – On The Important Matters Of National Business. ... Obama Has Not.” “It is a fact that President Obama was handed a miserable, faltering economy and faced a recalcitrant Republican opposition. But presidents work their will – or should work their will – on the important matters of national business. There is occasional discussion in this book about Presidents Reagan and Clinton, what they did or would have done. Open as both are to serious criticism, they nonetheless largely worked their will. Obama has not.” (Bob Woodward, *The Price Of Politics*, 2012, p. 379)

“The Mission Of Stabilizing And Improving The Economy Is Incomplete.” “The mission of stabilizing and improving the economy is incomplete. First, the short-term federal fiscal problem has not been solved. Instead it has been pushed off to the future, leaving the United States facing what is now called the fiscal cliff: By law, some \$2.4 trillion in spending cuts must begin in 2013, along with an increase in income and payroll taxes. Just the cuts in the first year would amount to \$240 billion, or nearly 25 percent of general discretionary spending – a staggering, unprecedented amount.” (Bob Woodward, *The Price Of Politics*, 2012, p. 379)

“Second, The Long-Term Problem Of Unsustainable Entitlement Spending ... Has Been Largely Unaddressed.” “Second, the long-term problem of unsustainable entitlement spending on Medicare, Medicaid and Social Security, highlighted by Republican House Budget Chairman Paul Ryan and familiar to all informed politicians and economists, including the president and Boehner, has been left largely unaddressed. The combined cost of the three programs in 2012 is about \$1.6 trillion. The Congressional Budget Office projects that will nearly double in 10 years to \$3 trillion.” (Bob Woodward, *The Price Of Politics*, 2012, p. 379)

By The End Of July 2011, “It Was Increasingly Clear That No One Was Running Washington. That Was Trouble For Everyone, But Especially For Obama.” “It was increasingly clear that no one was running Washington. That was trouble for everyone, but especially for Obama. Though running things was a joint venture between the president and Congress, Nabors thought a president had to dominate Congress—or at least be seen as dominating Congress. If the president succumbed it could be fatal. Reagan and Clinton were seen as presidents who had gained and largely held the upper hand with Congress. The last president to fold was George H. W. Bush, who gave in to Democrats’ demands that income taxes be raised in a 1990 budget deal. And Bush had been a one term president.” (Bob Woodward, *The Price Of Politics*, 2012, p. 313)

- **In July 2011, Senate Majority Leader Harry Reid (D-NV) Asked The President To “Leave A Meeting He Had Called In His House”, The White House.** “Boehner’s approach was now clearly at odds with the deal-making style he had employed for the past seven months. He had always negotiated with the president and the administration. But his new message was clear: We’re going to take care of this. Time is out. We’ll figure out what can pass. And he said it with a certain amount of relish. Then Harry Reid spoke up. The four congressional leaders want to speak privately, he said. Give us some time. This was it. Congress was taking over. The leaders were asking the president to leave a meeting he had called in his house. Fine, talk, the president said, knock yourselves out if you can get a deal. There is no pride of authorship here, just do it—if you can. The president, vice president, treasury secretary and budget director all left the room. ‘I think he was pretty happy to get up and leave,’ Boehner later recalled.” (Bob Woodward, *The Price Of Politics*, 2012, p. 306)

“Nearly A Year Into Obama’s Presidency, The Nation Was Not The Strong Path To Recovery The President’s Advisers Had Anticipated – And That Obama Has Pretty Much Promised.” (Bob Woodward, *The Price Of Politics*, 2012, p. 30)

Larry Summers On Obama: “I Don’t Think Anybody Has A Sense Of His Deep Feelings About Things. I Don’t Think Anybody Has A Sense Of His Deep Feelings About People. I Don’t Think People Have A Sense Of His Deep Feelings Around His Public Philosophy.” “Summers resigned as head of the National Economic Council effective the last day of 2010. Later, one night at Harvard, he gave an associate his private conclusions about Obama and what was driving him. ‘I don’t think anybody has a sense of his deep feelings about things. I don’t think anybody has a sense of his deep feelings about people. I don’t think people have a sense of his deep feelings around his public philosophy.’ He found Obama to be a judicious manager who did not have driving, long-formed and long-held convictions on the issues. He was not ideologically driven.” (Bob Woodward, *The Price Of Politics*, 2012, p. 81)

At Times In The Debt Ceiling Negotiations, The White House Seemingly Had No Strategy Or Plan B

Reid’s Chief Of Staff To Obama In A July 2011 Oval Office Meeting: “And It Is Really Disheartening That You, That This White House Did Not Have A Plan B.” “Sitting there on the Oval Office couch, Krone either would not or could not conceal his anger. ‘Wait a second,’ the president said, interrupting someone else who was about to speak. ‘David has something else. I can tell David has something else to say.’ It wasn’t hard to reach this conclusion. Krone was tightly wound. ‘Mr. President, I am sorry—with all due respect—that we are in this situation that we’re in, but we got handed this football on Friday night. And I didn’t create this situation. The first thing that baffles me is, from my private sector experience, the first rule that I’ve always been taught is to have a Plan B. And it is really disheartening that you, that this White House did not have a Plan B.’” (Bob Woodward, *The Price Of Politics*, 2012, p. 317)

- **“Several Jaws Dropped As The Hill Staffer Blasted The President To His Face.”** (Bob Woodward, *The Price Of Politics*, 2012, p. 317)

June 14, 2011: When Biden Summoned Democrats To His Senate Office, The Seventh Day Of Talks, Rep. Chris Van Hollen (D-MD) Thought “The Administration Didn’t Seem To Have A Strategy. It Was Unbelievable. There Didn’t Seem To Be Any Core Principles.” “Van Hollen said firewalls had a precedent. Budget agreements in 1991, 1993 and 1997 all had them. He said the 193 Democrats would not go for deep general cuts without firewalls. But the administration might be able to go without firewalls, Biden interjected, eager to get an agreement. Not helpful at all, thought Van Hollen. Biden later backtracked some, suggesting a 50-50 Defense/non-Defense firewall for just two of the 10 years. Inouye repeated what he had told the Democrats in their pre-meeting: Defense could be cut. Domestic programs needed protection. A growing feeling of incredulity came over Van Hollen. The administration didn’t seem to have a strategy. It was unbelievable. There didn’t seem to be any core principles.” (Bob Woodward, *The Price Of Politics*, 2012, p. 128)

The Idea Of Defense Sequestration Came From The White House

The Idea For Including A Trigger In The Debt Ceiling Deal Which Included Defense Cuts Originated From The White House. “Lew, Nabors, Sperling and Bruce Reed, Biden’s chief of staff, had finally decided to propose using language from the 1985 Gramm-Rudman-Hollings deficit reduction law as the model for the trigger. It seemed tough enough to apply to the current situation. It would require a sequester with half the cuts from defense, and the other half from domestic programs. There would be no chance the Republicans would want to pull the trigger and allow the sequester to force massive cuts to Defense.” (Bob Woodward, *The Price Of Politics*, 2012, p. 339)

The White House Was Pushing For Defense Cuts So That They Could Sell Their Plan To The “Rank And File.” “Boehner seemed to agree. Simply put, the White House and the Democrats were going to be able to sell a deal to their rank and file because of Defense cuts.” (Bob Woodward, *The Price Of Politics*, 2012, p. 204)

White House: “We Have An Idea For The Trigger. ... Sequestration.” “At 2:30 p.m. Lew and Nabors went to the Senate to meet with Reid and his chief of staff, David Krone. ‘We have an idea for the trigger,’ Lew said. ‘What’s the idea?’ Reid asked skeptically. ‘Sequestration.’ Reid bent down and put his head between his knees, almost as if he were going to throw up or was having a heart attack. He sat back up and looked at the ceiling. ‘A couple of weeks ago,’ he said, ‘my staff said to me that there is one more possible’ enforcement mechanism: sequestration. He said he told them, ‘Get the hell out of here. That’s insane. The White House surely will come up with a plan that will save the day. And you come to me with sequestration?’ Well, it could work, Lew and Nabors explained. What would the impact be? They would design it so that half the threatened cuts would be from the Defense Department. ‘I like that,’ Reid said. ‘That’s good. It doesn’t touch Medicaid or Medicare, does it?’ It actually does touch Medicare, they replied. ‘How does it touch Medicare?’ It depends, they said. There’s versions with 2 percent cuts, and there’s versions with 4 percent cuts.” (Bob Woodward, *The Price Of Politics*, 2012, pp. 326)

“Making Defense Pay Its Share Was Critical For The Democrats.” (Bob Woodward, *The Price Of Politics*, 2012, p. 354)

More One-Term President Vows: A Profile In Faux Courage

In November 2009, Obama Told Then-Sen. Ken Conrad (D-ND) That He Was Willing To Be A One-Term President If It Meant Solving The Budget Crisis. “Standing in the way was a legislative process that, Conrad was convinced, had completely failed. The Senate had been squabbling over the federal budget for six months with no result, and government funding was now dependent on stopgap, short-term continuing resolutions. It was chaos. ‘I believe so strongly in what you’re saying,’ the president said. ‘I’d be willing to be a one-term president over this.’” (Bob Woodward, *The Price Of Politics*, 2012, p. 28)

- **Obama Repeated His Assertion About A One-Term Presidency About Solving The Fiscal Crisis To Sen. Conrad.** “‘I agree with you so strongly,’ Obama repeated, ‘I’m prepared to be a one-term president. But we’ve got to deal with some practical situations—of timing, of how we construct such a commission.’” (Bob Woodward, *The Price Of Politics*, 2012, p. 29)

Obama’s Broken Promises

With The Omnibus Spending Bill In 2009, Obama Broke His Promise On Earmarks, Giving “Obama True Believers ... The First Hint Of Disillusionment” After He “Had Promised Things Would Be Different.” “For the Obama true believers, those who saw him as a reformer, it was, perhaps, the first hint of disillusionment. He had promised things would be different. To those members of the administration new to the executive branch, it was an early indication that the inside game of governing was very different from the outside game of campaigning.” (Bob Woodward, *The Price Of Politics*, 2012, p. 27)

Biden To Cantor: “You Know, If I Were Doing This, I’d Do It Totally Different”

June 9, 2011: Biden Told Cantor During The Debt Ceiling Negotiations “You Know, If I Were Doing This, I’d Do It Totally Different.” “You know, if I were doing this, I’d do it totally different, Biden told Cantor during one of the private asides they frequently had after the meetings.” (Bob Woodward, *The Price Of Politics*, 2012, p. 126)

Larry Summers Is Highly Critical Of Obama's Character, Leadership And Use Of Valerie Jarrett As An Ambassador To The Business Community

Larry Summers Said Obama Paid A Price By Having Valerie Jarrett As His Ambassador To The Business Community: "I Think They Felt Patronized And Offended By Valerie." "Summers said he thought Obama should have taken a consistent line more reassuring to business. Though he had been the chief business contact for the administration, Valerie Jarrett was the ambassador, and Summers said the president paid a price with the business community for keeping her in that role. 'And she sure talked like she was speaking for [the president],' Summers said, 'and he didn't disabuse them of that, so I think they felt patronized and offended by Valerie.'" (Bob Woodward, *The Price Of Politics*, 2012, pp. 81-82)

Larry Summers Said Obama "Doesn't Really Have The Joy Of The Game" To Get Involved In Negotiations. "But the president was not satisfied either, Summers said. 'Obama really doesn't have the joy of the game. Clinton basically loved negotiating with a bunch of other pols, about anything. If you told him, God, we've got a problem. We've got to allocate all the office space in the Senate. If you could come spend some time talking to the majority leader in figuring out how to allocate office space in the Senate, Clinton would think that was pretty interesting and kind of fun. Whereas, Obama, he really didn't like these guys.'" (Bob Woodward, *The Price Of Politics*, 2012, p. 82)

The Myth Of "Bipartisanship"

On Election Night 2010, The Obama White House Scrambled To Congratulate John Boehner Because Nobody Had Boehner's Contact Information. "Protocol dictated that the president make a congratulatory call to Boehner, the presumptive incoming speaker of the House. The trouble was, nobody in the White House had thought to get a phone number. Staff began to scramble. Who would know how to reach Boehner? Finally, someone remembered that Brad Woodhouse, communications director for the Democratic National Committee, was a fishing buddy of somebody who worked for Boehner. Someone called Woodhouse. Could he help? Woodhouse called his friend Nick Schaper, new media director for Boehner, and relayed a number back to the White House. At midnight, the phone rang in the Grand Hyatt in Washington, where Boehner and his staff were celebrating. Congratulations, John, the president said." (Bob Woodward, *The Price Of Politics*, 2012, p. 57)

Despite Saying He Wanted Republican Input, Obama Dismissed House Republican Ideas, Reminding Them That "Elections Have Consequences" And Even Telling Rep. Eric Cantor, "I Think I Trump You." "Obama said his plan would include tax cuts, but not only tax cuts. He seemed inclined to compromise. 'Mr. President,' Cantor offered, 'I understand that we have a difference in philosophy on tax policy.' But a massive stimulus package would be too much like 'old Washington,' she said. 'I can go it alone,' the president said, 'but I want to come together. Look at the polls. The polls are pretty good for me right now.' Cantor chuckled and nodded. The polls certainly looked good for Obama now. To Cantor, that meant there would be no easier time to compromise and to disappoint some on the left. As he listened, Obama's tone seemed to change. 'Elections have consequences,' the president said. 'And Eric, I won.' On the table, some copies of the one-page document called 'House Republican Economic Recovery Plan' lay where Cantor had put them. 'So on that, I think I trump you,' Obama said." (Bob Woodward, *The Price Of Politics*, 2012, p. 14)

Obama Chief Of Staff Rahm Emanuel's Response To Any Republican Changes To The Stimulus: "We Have The Votes. Fuck'em." "The bill was drafted by the Democrats and whenever any Republicans tried to make changes, Emanuel's response was, more often than not, 'We have the votes. Fuck 'em.' This was the bulldozing that Obama had promised to avoid." (Bob Woodward, *The Price Of Politics*, 2012, p. 16)

- **Larry Summers Thought The Stimulus Not Receiving A Single House Republican Vote Made The Obama White House Look "Unreasonable And Partisan."** "Summers, Obama's chief White

House economic adviser, was also stunned. To win public support, the White House and the Democrats need to look like the reasonable people in the room, willing to compromise. But the zero votes made them look the opposite—unreasonable and partisan.” (Bob Woodward, *The Price Of Politics*, 2012, p. 23)

“One Thing Was Plain. Obama Had An Immediate Operational Problem. After Largely Ignoring The Republicans For Nearly Two Years, He Would Need To Open Up.” (Bob Woodward, *The Price Of Politics*, 2012, p. 58)

In A July 2011 Press Conference, Obama Both Accused Republicans Of Being Unwilling To Compromise, While Making “His Equivalent Of A ‘My Way-Or-The-Highway Declaration.’” “At 11:15 a.m. on July 11, the president appeared in the White House Briefing Room for a long press conference to explain what was going on with the negotiations. It was classic Obama. You had to listen very carefully and read the transcript several times to spot the inconsistencies. ‘The things I will not consider are a 30-day or a 60-day or a 90-day or a 180-day temporary stopgap resolution of the problem,’ he said. He would not bend. But later he said the problem was the inflexibility of the Republicans. ‘I do not see a path to a deal if they don’t budge, period. I mean, if the basic proposition is, ‘It’s my way or the highway,’ then we’re probably not going to get something done.’ Later, the president issued his equivalent of a ‘my way or the highway’ declaration. ‘I will not accept a deal in which I am asked to do nothing. In fact, I’m able to keep hundreds of thousands of dollars in additional income that I don’t need, while a parent out there who is struggling to send their kid to college suddenly finds that they’ve got a couple thousand dollars less in grants or student loans.’ At the end he temporized, ‘So this is not a right or left, conservative/liberal situation.’ But everyone knew that was precisely what it was, try as the president might to smooth the edges of the partisan divide.” (Bob Woodward, *The Price Of Politics*, 2012, p. 200)

Former Campaign Manager David Plouffe’s Instincts Carried The Day, Meaning That “One Of The Principles Of Campaign Warfare Was Surprise.” “In the modern media age, it was important to act, get out there, be part of the daily conversation, shape the perception. No one tried harder at it than Obama. It was part of the permanent campaign, and at the moment the message seemed more important than the sensitive negotiation with Boehner. In the rapid-fire move and countermove of a presidential campaign, no one tipped the other side to the next move. One of the principles of campaign warfare was surprise. So, no one thought to give a heads-up to the speaker or his staff. The instincts of the former campaign manager carried the day.” (Bob Woodward, *The Price Of Politics*, 2012, p. 253)

Attacking Paul Ryan

“‘We’re Not Waiting,’ The President Said In Exasperation. He Wanted To Rip Into Ryan’s Plan.” (Bob Woodward, *The Price Of Politics*, 2012, p. 97)

- **Obama’s Partisan Speech Attacking Paul Ryan’s Budget Made Alan Simpson Want To “Throw Up In The Tulips” And Erskine Bowles Say “I Was Disgusted.”** “Back at the Capitol, Ryan took a call from Alan Simpson. ‘I’m going to throw up in the tulips,’ Simpson said. The president’s words and demeanor, he said, were way over the line. Then Erskine Bowles called. ‘I was disgusted,’ the longtime Democrat said. ‘I couldn’t believe that he did that. And I’m going to talk to the president about it.’ He said he was apologizing. ‘It’s not your fault,’ Ryan replied. ‘You don’t need to apologize for anything.’” (Bob Woodward, *The Price Of Politics*, 2012, p. 106)

Obama’s Speech Attacking Ryan’s Budget “Widened The Partisan Divide.” “Ryan’s presence at the George Washington University speech fundamentally changed the public and media perception of what the White House had hoped would be a major budget moment. Instead of reshaping the debate, the speech widened the partisan divide. The contrast between the cool bipartisan talk at the White House in the morning and the attack on the Republicans was stark. Ryan felt betrayed. He’d expected an olive branch. What he got was the finger.” (Bob Woodward, *The Price Of Politics*, 2012, p. 106)

Simpson-Bowles & Budgetary Issues

“Instead Of Doing The Hard Work Of Budget Cutting Within The Administration, They Would Outsource It To A Commission.” (Bob Woodward, *The Price Of Politics*, 2012, p. 33)

- **Obama Claimed His Budget Would Reflect The Framework Of Bowles-Simpson But When He Released His Proposed Budget In 2011, It “Bore No Resemblance To Simpson-Bowles.”** “‘If people knew exactly what that was, it could not pass Congress. It would be wildly unpopular. We could not get that done. And the Defense cuts were actually much steeper than, responsibly, I could sign on to when we were still winding down the Afghan war. So what I said to my team was, rather than just embrace, whole-hog, Bowles-Simpson, let’s take the framework – which is the right one, a balance of spending cuts and revenue – and let’s affirmatively present to the country what we think would be a path to brining down our deficit and stabilizing our debt. And I said internally, let’s not have any sacred cows. Let’s look at some things even if Democrats are uncomfortable with it.’ In his State of the Union address the next month, in which he focused on the nation’s budget problems, the president barely mentioned the fiscal commission. His proposed budget, released in February, bore no resemblance to Simpson-Bowles. The commission’s plan seemed dead.” (Bob Woodward, *The Price Of Politics*, 2012, p. 68)

Larry Summers’ Solution To Obama’s Attempts To Present A “Serious” Budget Addressing The Deficit And Jobs: “Let’s Sort Of Just Gimmick It Up.” “Geithner, Orszag and Summers went to work on a strategy for the next year’s presidential budget request, which was due to Congress in early February 2010. They had to produce something that would show Obama was equally serious about deficit reduction and job creation. Back and forth they went, debating, defining and calculating. It was dizzying. ‘Let’s sort of just gimmick it up,’ Larry Summers said to Orszag at one point.” (Bob Woodward, *The Price Of Politics*, 2012, p. 30)

- **Geithner “Conceded” That Savings From The Wars In Iraq And Afghanistan Ending “Wasn’t Real Savings.”** “The White House agreed to the \$1.2 trillion in spending cuts over 10 years, but added a firewall that required that they be split evenly between defense and other general spending. Republicans resisted. The congressional appropriations committees ought to be allowed to make those spending choices. Geithner said that the savings from winding down the wars in Iraq and Afghanistan – the overseas Contingency Operations fund – should be counted in the grand total. He conceded that this wasn’t real savings, but it was a peace dividend and it made the overall total look bigger. ‘We need to have this because the ratings agencies and markets believe in this stuff.’” (Bob Woodward, *The Price Of Politics*, 2012, p. 241)

When The Issue Came To Corporate Tax Reform During Debt Ceiling Negotiations In 2011, Geithner Said “The Goal Is Territorial.” “When the discussion turned to corporate tax reform, Boehner and Cantor thought they were onto something positive. The administration had tentatively – everything was tentative, it seemed – stated that corporations would only be taxed on domestic income and not from overseas income. This was a giant issue for companies like Apple, Microsoft and Google, any that operated abroad. Called a territorial corporate tax system, the business community would be overjoyed if it was adopted in an overhaul of corporate taxes. Not having to pay the U.S. corporate rate of 35 percent on overseas income would be a bonanza for corporate America. ‘The goal is territorial,’ Geithner said, starting to pull back. ‘I’m not sure we can commit to completely territorial.’ Maybe 95 or 96 percent. He added pointedly, ‘We are prepared to move off decades of Democratic orthodoxies.’ Treasury had been working on a corporate tax reform plan for some time. Decisions had been expected earlier in the year. Where are you? They asked. ‘Well,’ Geithner said, ‘we’re still working. But complete territorial we may not be able to get. But we’re going to get close, and we can work with you on that.’” (Bob Woodward, *The Price Of Politics*, 2012, p. 242)

“You Could Raise All The Taxes You Want On Millionaires,’ Obama’s Director Of Legislative Affairs Rob Nabors Said, “And It Would Never Raise Enough.” “A band of angry Democratic senators, including former and likely future presidential candidates, cross-examined them on what kind of deal the president was trying to cut. Where was the revenue guarantee? Democrats had a winning hand, the public was with them on higher taxes on the rich. Why do we have to cut any Medicare? Don’t cut anything. You are playing on Republican turf. Talk of big spending cuts was weak and played into Republican hands. This whole debate should be about revenue. Stare them down. Why were Senate Democrats cut out of the process? Force the Republicans to raise taxes on millionaires. ‘You could raise all the taxes you want on millionaires,’ Nabors made the mistake of saying, and it would never raise enough.” (Bob Woodward, *The Price Of Politics*, 2012, pp. 272-273)

Misplaced Priorities

Even With The Economic Crisis, Health Care “Remained His [Obama’s] Priority.” “Comprehensive health care reform, though, remained his priority. The world knew that from his campaign. What the world didn’t know was that his top advisers, led by incoming chief of staff Rahm Emanuel, disagreed, arguing that it would require too much effort. Survival had to come first. But to Obama, health insurance for everyone as a new entitlement was the major unfulfilled task of the political movement of which he was a part and now led. It was now or never, he said. So it would be now.” (Bob Woodward, *The Price Of Politics*, 2012, p. 12)

During Discussions About The Stimulus, Obama Said, “We Will Not Roll Out An Aggressive Housing Plan.” “What about the thousands of homeowners who owed more on their mortgages than their homes were worth? asked Durbin. ‘We will not roll out an aggressive housing plan,’ Obama said, and it would not be part of the stimulus bill. The housing problem was massive and baffling, and none of them had solid ideas for fixing it.” (Bob Woodward, *The Price Of Politics*, 2012, p. 8)

Obama Signed Off On Reducing Hurricane Disaster Relief Spending, Which Then-OMB Director Peter Orszag Described As A “Pure Gimmick.” “Item two was ‘reduce the allowance for disaster costs to \$5 billion per year.’ That would save \$19 billion in 2015 ‘based on the statistical probability of a major disaster requiring federal assistance for relief and reconstruction.’ In 2005, Hurricane Katrina had cost the federal government \$108 billion. The Obama team was now acting as a weather forecaster. ‘Pure gimmick,’ Orszag declared. But they put it in the memo anyway, and the president put a check mark beside it.” (Bob Woodward, *The Price Of Politics*, 2012, p. 31)

DANIEL KLAIDMAN's *KILL OR CAPTURE*

“You Never Know Who Is Going To Be President Four Years From Now,’ Obama Said. ‘I Have To Think About How Mitt Romney Would Use That Power.” (Daniel Klaidman, *Kill Or Capture*, 2012, p. 142)

Obama’s “Flatfooted” Response To The Christmas Day Bomber

Obama On The Christmas Plot: “We Dodged A Bullet, But Just Barely. It Was Averted By Brave Individuals, Not Because The System Worked. And That Is Unacceptable.” “When the president returned to Washington, he summoned his national security principals to a ‘come to Jesus’ meeting, as one participant called it. The woodshedding was swift and unsparing. ‘This was a screwup that could have been disastrous,’ Obama chided his team. ‘We dodged a bullet, but just barely. It was averted by brave individuals, not because the system worked. And that is unacceptable.’ He went around the room, closely questioning his team about the cascade of mistakes that led up to the near miss.” (Daniel Klaidman, *Kill Or Capture*, 2012, p. 180)

- **Obama’s Response Was “Flatfooted And Detached” And He “Seemed Incapable Of Having His Own ‘Bullhorn Moment.’”** “But the president’s response was flatfooted and detached. Was he too much the law professor and not enough of a warrior? For all of George W. Bush’s bravado and gunslinging rhetoric, he had reacted viscerally to 9/11, giving voice to Americans’ grief and rage. In the days following Christmas Day, Obama seemed incapable of having his own ‘bullhorn moment.’ Behind the scenes, he stayed in touch with his national security team by phone, but he stuck to his vacation schedule in Hawaii. He got up for early basketball games at a nearby marine base, played golf with his buddies from Chicago, and took strolls on the tropical beaches with his family.” (Daniel Klaidman, *Kill Or Capture*, 2012, p. 175)

“How Not To Try A Terrorist”

Obama And Attorney General Eric Holder Agreed That Prosecuting KSM Through A Military Commission Was “The Pragmatic Thing To Do.” “On the evening of April 3, Holder called Obama and told him he planned to announce the following day that he had reversed his decision to try KSM and the other 9/11 defendants in civilian courts. Instead, the cases would be referred back to the Pentagon for prosecution in military commissions. It was a short, almost perfunctory conversation. Obama told Holder it was the pragmatic thing to do.” (Daniel Klaidman, *Kill Or Capture*, 2012, p. 236)

- **Obama “Seemed To Be Going Wobbly On Article III Prosecutions” Despite Having “Spoken Out Passionately In Favor Of Civilian Trials During The Campaign.”** “What was most perplexing was that Obama now seemed to be going wobbly on Article III prosecutions. He had spoken out passionately in favor of civilian trials during the campaign and later defended them at White House meetings.” (Daniel Klaidman, *Kill Or Capture*, 2012, p. 165)

Obama Avoided Making The Decision To Prosecute KSM In Civilian Court, Telling Holder, “It’s Your Call, You’re The Attorney General.” “Yet the attorney general had indicated which way he was leaning to the person who mattered most. On the Fourth of July, Obama and Holder stood together on the White House roof terrace watching fireworks explode over the National Mall, the Lincoln and Washington monuments aglow at either end. Holder was flush with pride. He was the country’s first black attorney general, standing with its first African American president, both guardians of the Constitution, presiding over a White House celebration of Independence Day. But he wasn’t going to waste a rare moment alone with the president. He had come with an agenda, and told the president that he was thinking about prosecuting KSM in federal court. Obama had simply acknowledged that he would defer to Holder on the matter: ‘It’s your call, you’re the attorney general.’” (Daniel Klaidman, *Kill Or Capture*, 2012, p. 149)

- **“Obama Seemed Content To Let Different Advisers Believe Different Things About His Position.”** “Obama seemed content to let different advisers believe different things about his position. Holder had made the decision to try KSM in federal court with the confidence that it was his decision, as attorney general, to make. But he’d also had no doubt that Obama agreed with his judgment. Emanuel had every reason to believe that Obama was with him on KSM; why else would he have authorized the Lindsey Graham backchannel?” (Daniel Klaidman, *Kill Or Capture*, 2012, p. 172)
- **Obama Told Advisers, “I Don’t Want My Name’ On A Policy That Might Be Judged Harshly In The Future.”** “His preoccupation with his legacy included an element of vanity – he’d sometimes tell advisers, ‘I don’t want my name’ on a policy that might be judged harshly in the future. For all these reasons, he agreed with Holder that Khalid Sheikh Mohammed should be tried in civilian court, public opinion notwithstanding.” (Daniel Klaidman, *Kill Or Capture*, 2012, p. 5-6)

Infighting In The White House

“Acrimony And Dysfunction” Reigned In Obama’s White House. “Obama had run a disciplined and drama-free campaign, and yet he had come to preside over a White House that seemed striking for its acrimony and dysfunction. No issue laid bare the divisions more than KSM. Sometimes the tensions played out openly, with profanity-laced outbursts in the halls of the West Wing. Other times they took the form of subterfuge, end runs, or a quiet knife in the back. The policy rivalries masked deeper, more personal animosities.” (Daniel Klaidman, *Kill Or Capture*, 2012, p. 3)

- **Then-Chief Of Staff Rahm Emanuel’s White House “Could Sometimes Feel Like An Extension Of The High School Cafeteria.”** “Holder was personally closer to Obama than almost anyone else in the cabinet, a dynamic that over time bred resentment inside the West Wing. Preternaturally calm and studiously above the fray, Obama was the administration’s adult in chief. But a White House managed by the agitative Emanuel could sometimes feel like an extension of the high school cafeteria, with aides acting out personal jealousies and vying for the attention of the big man on campus.” (Daniel Klaidman, *Kill Or Capture*, 2012, p. 79)

“Obama Often Took The Path Of Least Resistance,” Leaving His Advisors Unsure Of His Strategy And “Ultimately, What Obama Really Wanted Or Believed.” “The question that would haunt this president was, did he have fire in his belly? Obama often took the path of least resistance, opting for passivity. He bobbed and weaved among his own advisers, endlessly adjusted tactics, and played for time in the ever-diminishing hope that the politics might eventually turn his way. His tepid approach to congressional opposition, however, only made things worse. Each time he backed away from a fight, Republicans on the Hill hit him harder. Within his own administration, the president’s elusiveness created confusion about who was in control of policy, what strategy should be pursued, and ultimately, what Obama really wanted or believed. In this vacuum his advisers fought brutally, each side invoking the president in support its cause.” (Daniel Klaidman, *Kill Or Capture*, 2012, p. 77)

- **Obama “Stayed So Far Above The Fray...It Was Difficult To Know Which Way He Was Leaning.”** “The \$64,000 question throughout these battles was always, ‘Where does Obama stand?’ The president stayed so far above the fray, sometimes for excruciatingly long periods, that it was difficult to know which way he was leaning, much less where he would eventually settle.” (Daniel Klaidman, *Kill Or Capture*, 2012, p. 4)

Politicizing National Security

Obama’s Chief Of Staff Rahm Emanuel Saw The “Political Upside” Of Drone Strikes For Obama, “Insulating Him Against Charges That He Was Weak On Terror.” “Obama followed the CIA operations closely, but the program became an quasi obsession for Rahm Emanuel. The White House chief of staff

kept tabs on the hunt for high-value targets with an avidity that left even some CIA veterans uncomfortable. ... He had a hawkish side to him, having volunteered with the Israeli Defense Forces as a civilian during the 1991 Gulf War. But above all, Emanuel recognized that the muscular attacks could have a huge political upside for Obama, insulating him against charges that he was weak on terror. 'Rahm was transactional about these operational issues,' recalled a senior Pentagon official. 'He always wanted to know 'how's this going to help my guy,' the president.'" (Daniel Klaidman, *Kill Or Capture*, 2012, pp. 121-122)

- **“Emanuel Pushed The CIA To Publicize” The Covert Program’s Success “In Cinematic Detail.”** “Though the program was covert, Emanuel pushed the CIA to publicize its kinetic successes. When Mehsud was killed, agency public affairs officers anonymously trumpeted their triumph, leaking colorful tidbits to trusted reporters on the intelligence beat. Newspapers described the hit in cinematic detail, including the fact that Mehsud was blown up on the roof of his father-in-law’s compound while his wife was massaging his legs.” (Daniel Klaidman, *Kill Or Capture*, 2012, p. 122)

“Despite His Veteran National Security Team, It Was Clear That Obama Was Making Rookie Mistakes.” (David E. Sanger, *Confront And Conceal*, 2012, p. 25)

Obama's Failed Leadership During The Arab Spring Damaged U.S. Image Abroad

In The Palestinian Territories, Pakistan, Syria And Even Europe, Obama's Failure To Fulfill Lofty Promises Made In His Cairo Speech Has Damaged U.S. Standing And Credibility. “Many add another failure, asking how a president who spoke so movingly about the plight of the Palestinians during his first trip to the Middle East in 2009, and who said he could imagine Palestinian statehood by 2011, seemed to abandon that cause in face of overwhelming opposition. Ask Pakistanis about the signature achievements of the Obama presidency, and they will launch into the subject of civilian casualties from drone strikes. Ask the Syrian opposition, and they will describe an America of double standards that enters wars when they are relatively easy, as in Libya, but ignores carnage when the solutions could put American lives at risk. Even the Europeans, who were so eager to see George Bush return to Texas, and who massed at the Brandenburg Gate to hear candidate Obama in 2008, now grumble that there was more hope than change.” (David E. Sanger, *Confront And Conceal*, 2012, p. xvii-xviii)

- **“Even Obama Later Conceded That The Speech Was Longer On Promises Than Deliverables.”** “He received a rousing standing ovation, but even Obama later conceded that the speech was longer on promises than deliverables: a year later, when he asked for an assessment of how well the administration had implemented the ideas he announced in Cairo, he was, in the words of one aide, ‘deeply disappointed in how little got done.’” (David E. Sanger, *Confront And Conceal*, 2012, p. 279)

In His Cairo Speech, Obama Was “Tiptoeing” Around The Issue Of Democracy, Unwilling To Offend His Host, Hosni Mubarak. “This was the honeymoon phase of a new presidency, of course, when Obama still had the glow of ‘hope and change’ around him, and before the Arab world began questioning whether he, like presidents before him, was putting American interests ahead of their aspirations. But even then it was clear that Obama was tiptoeing around the issue that would soon captivate the region: the future of the Arab world’s dictatorships. Acutely aware that he was Egyptian president Hosni Mubarak’s guest, he spoke only in general terms about the need for ‘governments that reflect the will of the people’ and that offer ‘the freedom to live as you choose.’ But he never directly addressed what was happening just outside the doors of Cairo University: the stepped-up repression of political parties that challenged Mubarak’s own, the jailing of critics of the regime, the corrupt funneling of profitable businesses to Mubarak’s family and inner-circle cronies.” (David E. Sanger, *Confront And Conceal*, 2012, p. 278)

- **Obama’s Words Were “An Implicit Assurance To The Mubaraks Of The World,” That His Administration Would Not Punish Them For Their Actions.** “There seemed to be an implicit assurance to the Mubaraks of the world: we’ll applaud you for embracing change, but don’t worry about paying a price for your dictatorship. (As one senior American official put it to me recently, ‘We deal with China every day,’ so any such warning to the Arab kings and dictators might seem wholly hypocritical.)” (David E. Sanger, *Confront And Conceal*, 2012, p. 279)
- **“In Short, America Would Talk About Democracy Promotion. But It Would No Longer Be Democracy’s Venture Capitalist.”** (David E. Sanger, *Confront And Conceal*, 2012, p. 315)

Obama’s “Careful Approach” To The Egyptian Revolution “Pleased No One.” “Obama’s careful approach pleased no one. To Egyptians in Tahrir Square, it was wishy-washy. One activist I spoke with later balked at the notion that the US government had been supportive, and asserted, ‘We got no solidarity with Obama.’ To other leaders in the region, however, Obama’s decision to pressure Mubarak at

all was a sign of weakness, and perhaps a troubling indication that the president would willingly abandon a longtime ally.” (David E. Sanger, *Confront And Conceal*, 2012, p. 293)

- **Obama Was Seen By Young Egyptians As “A Fair-Weather Friend” Who Could Not Be Trusted.** “Yet the message that the United States chose to be on the side of the protestors was not clearly conveyed, particularly in Egypt. In Cairo in the days leading up to the first anniversary of the uprising, many young Egyptians told me that Obama was a fair-weather friend who did not declare clearly enough that Mubarak had to go. ‘Obama changed his decisions,’ one activist told me. ‘Once he knew the revolution would win, he sided with the revolution. I don’t trust a man like that.’” (David E. Sanger, *Confront And Conceal*, 2012, p. 302-03)

Despite Obama’s Intentions To Extend An Olive Branch To The Muslim World, His Actions Throughout The Arab Spring Only Increased Arab Disillusionment With America. “Many Arabs asked, ‘How could the US president, much less *this* president, justify joining his allies in using force to protect Libyans from being slaughtered in Benghazi, but shrink back when Assad did the same, or worse, in Homs?’ How could he declare that it is America’s moral responsibility to provide aid to people who are being killed by their own governments, but only if it can be done without putting American lives at risk, and without American boots on the ground? Isn’t that just halfway in? And how could he denounce Muammar Qaddafi and Bashar al-Assad for how they abused their own people, and yet fall silent when Bahrain’s royal family—host to the US Navy’s Fifth Fleet, the most important single facility for keeping Iran at bay in the Strait of Hormuz—presides over security forces that beat protestors and arrest the doctors who cared for the wounded? ‘I could lay out a perfectly reasonable rationale for each decision we made, in isolation,’ one senior State Department official conceded to me in early 2012. ‘But the fact of the matter is, our interests never perfectly line up with our values, and they never have. So we’re haunted by those same questions every day.’” (David E. Sanger, *Confront And Conceal*, 2012, p. 336)

Obama Lacked A Realistic Nonproliferation Strategy

Then-Defense Secretary “Gates Believed That The White House Lacked A Realistic, Comprehensive Strategy To Stop Iran From Assembling All The Major Parts It Needs For A Nuclear Weapon.” “Over at the Pentagon, Gates thought the White House was living in a fantasy that its current strategy—engagement, sanctions, periodic covert activity—would amount to a real solution. For decades, he had been a voice of warning about Washington’s vulnerability to what he called ‘a strategic surprise.’ Gates believed that the White House lacked a realistic, comprehensive strategy to stop Iran from assembling all the major parts it needs for a nuclear weapon—fuel, designs, a detonator. Once it had those in place, it declare itself a virtual nuclear power, or conduct a nuclear test.” (David E. Sanger, *Confront And Conceal*, 2012, p. 186)

Obama’s Handling Of The War In Afghanistan Was Not “Good Enough”

In 2010, The White House Organized The “Afghan Good Enough” Committee, Led By Denis McDonough, To Plan How It Could “Narrow The Goals In Afghanistan Even More.” “At the end of 2010, the White House organized a committee to narrow the goals even more—and find the president a path to the exits. The group called itself “Afghan Good Enough.” The committee’s name was indisputably offensive; had its existence been known beyond the White House, it likely would have outraged many who had served, and who feared that a “good-enough” mentality would abandon their hard-won gains. The group was convened each week by Denis McDonough, the lean, insightful, sometimes sarcastic deputy national security adviser who had risen from the post of Obama’s Senate aide to a member of the White House’s true inner circle and was a first-class political operative. McDonough’s main mission was to protect his boss, a skill he honed on Capitol Hill.” (David E. Sanger, *Confront And Conceal*, 2012, p. 50)

- **Obama Decided That “The Goal Of The Afghan Campaign Was Not To Defeat The Taliban Militarily.”** ““And the president said that the goal of the Afghan campaign was not to defeat the Taliban militarily, or the Haqqani network militarily. He believed that we had a more limited set of objectives that could be accomplished by bringing the military out at a faster clip.” (David E. Sanger, *Confront And Conceal*, 2012, p. 34)
- **“The United States Has A Moral Responsibility To The Afghan People, And Obama Needs To Talk About That Honestly.... Or Risk Repeating A Grievous Mistake Of His Predecessors, Leaving Behind Hundreds Of Thousands Of Unemployed, Armed, And Angry Young Men.”** “But the United States has a moral responsibility to the Afghan people, and Obama needs to talk about that honestly—to adjust expectations to reality. The withdrawal will mean lost jobs or diminished income for the millions of Afghans who came to depend on the revenue generated by feeding, transporting, and translating for foreign troops. After so many years of loose talk in Washington about Marshall Plans and aid packages, the president needs to negotiate an agreement with both parties in Congress about what America will provide to Afghanistan over the next five or ten years, and stick to it. And, most important, Obama needs a bipartisan, publicly declared strategy to fund the Afghan security forces after American troops withdraw—or risk repeating a grievous mistake of his predecessors, leaving behind hundreds of thousands of unemployed, armed, and angry young men.” (David E. Sanger, *Confront And Conceal*, 2012, p. 130)

U.S. Special Envoy For Afghanistan And Pakistan Richard Holbrooke “Could Not Tell If The President Really Believed In A Peace Deal, Or Just Wanted To Get Out Of Afghanistan As Quickly As He Could.” “The second big vulnerability in the strategy, he said, was Obama himself. He could not tell if the president really believed in a peace deal, or just wanted to get out of Afghanistan as quickly as he could. ‘I just don’t know,’ he said before he took off, late to a meeting, and as always, leaving more questions hanging in the air as he disappeared with his cell phone pressed to his ear.” (David E. Sanger, *Confront And Conceal*, 2012, p. 115)

- **Holbrooke Doubted Obama Had The “Will Or Persistence” To Even “Get The Americans, The Afghans, And The Taliban Into One Room,” Let Alone Facilitate A “Dayton-Style Deal In Afghanistan.”** “But even as Holbrooke finished his outline for a combined military and political strategy for Afghanistan, he told me in our last conversation that he had his doubts that the Obama administration had the will or persistence to create the conditions for a Dayton-style deal in Afghanistan—or that he could get the Americans, the Afghans, and the Taliban into one room.” (David E. Sanger, *Confront And Conceal*, 2012, p. 114)

Obama’s Decision To Publicize The Timeline For Withdrawal Sparked “The Biggest Fight Within The Administration,” With The Generals And Secretaries Gates And Clinton Calling It A “Mistake” That Could Jeopardize The Success Of Both The War And Taliban Reconciliation Talks. “The biggest fight within the administration, though, came over Obama’s decision to start pulling the surge troops back out by the summer of 2011—whether they were successful or not. The divisions over that decision burn to this day. Generals fume that it undercut the effort. Gates opposed it. Clinton thought it was a mistake and still does; an internal deadline would have been fine, she believed, but a public one simply telegraphed to the Taliban and the Pakistanis when the United States would be leaving. The Taliban read the newspapers too, she pointed out. In the end her concern—also voiced by Gates—seems prescient. The effort to explore the possibility of “reconciliation” talks with the Taliban sputtered along in low gear for years. It is impossible to know for certain how the pullout plan affected the Taliban’s calculations, but interviews with Taliban taken prisoner by NATO suggested that the insurgents knew time was on their side, and they were simply waiting for the Americans to begin a significant withdrawal.” (David E. Sanger, *Confront And Conceal*, 2012, p. 34)

- **Key National Security Council Members, Gates, Clinton And Clapper, Were Not Included In The Withdrawal Timeline Review Process.** “In fact, the National Security Council principals (Gates; Clinton; the Director of National Intelligence, James Clapper; and the director of the CIA, Leon Panetta) were not allowed into the review process until just a few weeks before Obama officially announced his drawdown targets and timeline.” (David E. Sanger, *Confront And Conceal*, 2012, p. 54)

Obama Refused To Publicly Address The Growing Danger Of Cyber Attacks

The White House Rarely Discusses U.S. Use Of Cyber Weapons Except In The Context Of “Cyber Defense.” “But in the case of offensive cyberweapons, the White House has said almost nothing. The administration has only recently acknowledged that the country is now spending hundreds of millions of dollars every year developing, refining, and—in the case of Iran-employing those weapons. It has said almost nothing about a strategic doctrine for using them. Instead, when the subject of cyber comes up, Obama and his advisors almost always turn the conversation to cyber *defense*—how to harden and protect America’s power grid, its banking system, and the rest of its critical infrastructure. But if history is any guide, eventually it will be in America’s own interest to explain its offensive capability, if for no other reason than because the Cold War taught us that a strong offense is the critical element of a good defense.” (David E. Sanger, *Confront And Conceal*, 2012, p. 247)

- **“A Democratic President Who Had Castigated Bush For Exceeding His Authority Now Took The Position That The President Could Authorize This Kind Of Action On His Own Authority.”** “Throughout the whole process Obama, as usual, said little in public and little to Congress. To many on the Hill—including some of Obama’s closest allies—there was something that rang of Bush in Obama’s declaration that he needed no congressional authorization to join a UN-authorized military operation. When he did meet members of Congress, the day after the Security Council resolution passed, he assured them that the United States would only be involved in heavy fighting for ‘days, not weeks,’ before shifting into a supporting role. In short, everyone played to type: a Democratic president who had castigated Bush for exceeding his authority now took the position that the president could authorize this kind of action on his own authority. And the Congress, while sputtering about the War Powers Act and complaining about the cost, had no interest in taking responsibility for committing American forces.” (David E. Sanger, *Confront And Conceal*, 2012, p. 349)
- **“[T]he Legal And Moral Questions Raised By These Weapons Need To Be Part Of The Public Conversation, And An International One.”** “That is a lost opportunity. Precisely because drones and cyberwarfare have the potential to change the way we fight the wars of the future, the legal and moral questions raised by these weapons need to be part of the public conversation, and an international one. The world’s concern is that the United States will use its technological advantage to create a new form of unilateralism. Unless properly managed, that simply invites a new form of arms race, just as President Obama attempts to undo the damage from arms races of the past.” (David E. Sanger, *Confront And Conceal*, 2012, p.270)

General James Cartwright: “You Can’t Have Something That’s A Secret Be A Deterrent...Because If You Don’t Know It’s There, It Doesn’t Scare You.” “One of the creators of the government’s offensive cyber strategy, Gen. James Cartwright, makes a compelling case that the secrecy may be working against American interests. ‘You can’t have something that’s a secret be a deterrent,’ he argued shortly after leaving his post as vice chairman of the Joint Chiefs of Staff. ‘Because if you don’t know it’s there, it doesn’t scare you.’” (David E. Sanger, *Confront And Conceal*, 2012, p.269)

- **Former Deputy Secretary Of Defense William Lynn III: “A Fortress Mentality Will Not Work In Cyber.”** “What the war game in 2010 established was that the old concept of defense, a

'firewall' against attacks, is already outmoded. William Lynn III, the former deputy secretary of defense, who oversaw the simulation, said it reminded him of one effort to build an impenetrable Maginot Line of World War II. 'A fortress mentality will not work in cyber,' he told my colleagues and me after the war game. 'We cannot retreat behind a Maginot Line of firewalls. We must also keep maneuvering.'" (David E. Sanger, *Confront And Conceal*, 2012, p.268)

NOAM SCHEIBER's *THE ESCAPE ARTISTS*

Obama Was “Intrigued By [The] Elegance” Of Allowing All Of The Bush Tax Cuts To Expire In Order To Cut The Deficit. “In November 2009, Orszag would tout an idea that divided the economic team and inspired contempt in the political shop: extending for one or two years George W. Bush’s middle class cuts, which were scheduled to expire in 2011, then letting them lapse unless Congress found a way to offset their costs. During a meeting with Obama in the Oval Office, he casually outlined the proposal. The obvious defect was that it would be likely to break the president’s campaign pledge to oppose tax increases on the middle class. Nevertheless, Obama was intrigued by its elegance as a deficit-cutting maneuver, according to two people in the room. He also liked the idea of forcing Republicans to grapple with the costs of Bush’s policies. Only later did the politicians revolt—the vice president, for one, was apoplectic—and the president lost interest.” (Noam Scheiber, *The Escape Artists*, 2012, p. 154-155)

Rather Than Pivoting To Jobs, By The Fall Of 2009, The White House “Would Have To Take Every Element Of The Administration And Dedicate It To Health Care Both Publically And Privately ...”

“Beginning the week of Labor Day, the White House embarked on the counteroffensive it had always intended to avoid, beginning with a presidential speech before a joint session of Congress. ... But having bumped the economy off the agenda for the summer, health care would now repeat the feat for the fall. ‘No one thought we would have to take every element of the administration and dedicate it to health care both publically and privately,’ said the White House aide. ‘Which is what we ended up having to do [starting in] September.’” (Noam Scheiber, *The Escape Artists*, 2012, p. 147)

- **In January 2009, “The Vice President Begged Obama To Make His Early Presidency About Jobs” Rather Than Health Care.** “As a pure political proposition, Axelrod advised Obama to dedicate himself to the economy and maybe education, that perennial political winner. Now Axelrod suddenly had reinforcements elsewhere in the new administration. At a meeting in January 2009, the vice president begged Obama to make his early presidency about jobs. The people who’d given him his mandate would understand that times had changed, Joe Biden said. ‘They’ll give you a pass on this one.’” (Noam Scheiber, *The Escape Artists*, 2012, p. 140)
- **Obama Insisted That ObamaCare Be A Year One Priority, “Even Waiting A Year Or Two Was Out Of The Question.”** “Still, the man with the most important vote was unmoved. Obama told his aides that if he couldn’t reform health care, another generation would pass before a president tried again. Even waiting a year or two was out of the question. ‘The president’s view was, yes we had to deal with the economic emergency at hand,’ said a White House aide. ‘But if we didn’t move on health care in the first few years, we’d probably never be able to get it done.’” (Noam Scheiber, *The Escape Artists*, 2012, p. 141)
- **“[E]ven After Winning The Presidency, Obama Was Loath To Accept That The Economy Was Singularly Important” And Disregarded Calls From Treasury Secretary Timothy Geithner For It To Be The Immediate Focus.** “But even after winning the presidency, Obama was loath to accept that the economy was singularly important. During a conference call with several senior aides early in the transition, Geithner remarked to his new boss that ‘your signature accomplishment is going to be preventing a Great Depression.’ ... Even so, Obama’s response was slightly jarring. ‘That’s not enough for me,’ said the president-elect.” (Noam Scheiber, *The Escape Artists*, 2012, p. 15-16)
- **“It Suddenly Dawned On Geithner That He And His Colleagues Were A Sideshow Rather Than The Main Attraction.”** (Noam Scheiber, *The Escape Artists*, 2012, p. 15-16)

“There Was A Strain Of Messianism In Barack Obama, A Determination To Change The Course Of History” That Minimized The Importance Of The Economy. “There was a strain of messianism in

Barack Obama, a determination to change the course of history. And it was this determination that explained his reluctance to abandon his presidential vision. Recessions would come and go, even recessions as painful as this one. But the big achievements—like health care and climate change—were the accomplishments that posterity would recall.” (Noam Scheiber, *The Escape Artists*, 2012, p. 16)

NEIL BAROFSKY'S *BAILOUT: AN INSIDE ACCOUNT OF HOW WASHINGTON ABANDONED MAIN STREET WHILE RESCUING WALL STREET*

The Administration Has Failed To Turn The Nation's Housing Crisis Around

"Part Of The Current Economic Malaise Can Be Traced Directly To Treasury's Betrayal Of Its Promise To Use TARP To 'Preserve Homeownership.'" (Neil Barofsky, *Bailout: An Inside Account Of How Washington Abandoned Main Street While Rescuing Wall Street*, 2012, p. 226)

HAMP "Did Almost Nothing To Address Some Of The Most Fundamental Problems That Plagued The Housing Market." "When more details of the plan were finally announced, though, they didn't include several of our recommendations, including up-front income and residence verifications. I could also see that the plan did almost nothing to address some of the fundamental problems that plagued the housing market. For example, although the problem of underwater mortgages was and continues to be at the heart of the foreclosure crisis, there was no component in HAMP that meaningfully addressed reducing the amount of principal owed by home owners on their mortgages. Nor was there relief for the unemployed borrowers; HAMP participants needed to demonstrate a minimum income in order to participate." (Neil Barofsky, *Bailout: An Inside Account Of How Washington Abandoned Main Street While Rescuing Wall Street*, 2012, p. 128)

- **"Nothing More Emphatically Attested To The Double Standard Treasury Applied To Its Handling Of The Crisis Than Its Incompetence In Addressing The Foreclosure Crisis."** (Neil Barofsky, *Bailout: An Inside Account Of How Washington Abandoned Main Street While Rescuing Wall Street*, 2012, p. 193)

Barofsky Says That HAMP's New Initiatives "Bore The Marks Of Being Hastily Rushed Out For Political Purposes." "The new initiatives bore the marks of being hastily rushed out for political purposes: they were incomplete and poorly thought out, and the Treasury officials charged with implementing them couldn't even explain how certain aspects of them would work, including answering basic questions about the HAMP incentive payments." (Neil Barofsky, *Bailout: An Inside Account Of How Washington Abandoned Main Street While Rescuing Wall Street*, 2012, p. 196)

- **"The Simple Truth Is That Geithner And Treasury Chose To Never Treat The Foreclosure Crisis, Or Their Promises To Congress To Help Homeowners, With The Same Seriousness And Resolve That They Applied To Rescuing The Banks."** (Neil Barofsky, *Bailout: An Inside Account Of How Washington Abandoned Main Street While Rescuing Wall Street*, 2012, p. 199)

Tim Geithner Wasn't The Least Bit Interested In Transparency, Effectiveness

Former SIGTARP Head Neil Barofsky: Treasury's Modus Operandi Consisted Of "Announcements Intended To 'Shock And Awe' The Media That Made For Good Sound Bites But Were Not Particularly Well Thought Out; Then, Weeks Later, Scattered And Incomplete Details That Had To Be Reworked On The Fly." "That became Treasury's modus operandi: first, announcements intended to 'shock and awe' the media that made for good sound bites but were not particularly well thought out; then, weeks later, scattered and incomplete details that had to be reworked on the fly. And finally, poor program execution that accomplished little, if any, of the originally announced goals." (Neil Barofsky, *Bailout: An Inside Account Of How Washington Abandoned Main Street While Rescuing Wall Street*, 2012, p. 124)

Barofsky Says That, Upon Geithner's Assuming The Position As Treasury Secretary, His "Brusque Style Struck Me As Obnoxious." "Geithner's brusque style struck me as obnoxious. He was speaking to a group of people who had been working their tails off for the past four months trying to keep the financial system from entirely melting down, and he barely acknowledged their hard work and sacrifices. Instead he sternly lectured us, warning us about making stray statements to the press and directing us to minimize any intra-Treasury agency conflicts that may arise. It was bizarre." (Neil Barofsky, *Bailout: An Inside Account Of How Washington Abandoned Main Street While Rescuing Wall Street*, 2012, p. 112)

Geithner “Had No Interest” In Meeting With The Inspector General “On Even An Irregular Basis.”

“Whereas Paulson was welcoming and interested in what we had to say, Geithner looked put upon and distracted. I spoke for all of thirty seconds before I was rushed out the door. On the way out, I told Mark Patterson, Geithner’s new chief of staff (and a former Goldman Sachs lobbyist), that I needed to find a time to continue the meeting and suggested that we schedule regular meetings, as I knew Paulson had done with his inspectors general. There was no follow-up meeting. Geithner had no interest in meeting with me on even an irregular basis, and we would have only one other one-on-one meeting over the next two-plus years.” (Neil Barofsky, *Bailout: An Inside Account Of How Washington Abandoned Main Street While Rescuing Wall Street*, 2012, p. 112-113)

“Treasury’s Failure To Be Forthright With The American People Would Only Increase In The Coming Months, Along With The Blowback Against Anyone Who Tried To Challenge What Was Becoming An Increasingly Misleading Narrative.” “Unfortunately, my warnings to Geithner at the meeting went unheeded. Treasury’s failure to be forthright with the American people would only increase in the coming months, along with the blowback against anyone who tried to challenge what was becoming an increasingly misleading narrative.” (Neil Barofsky, *Bailout: An Inside Account Of How Washington Abandoned Main Street While Rescuing Wall Street*, 2012, p. 158)

When Barofsky Suggested That TARP Failures Could Be Avoided By Being More Transparent, Assistant Secretary Of The Treasury For Financial Stability Herbert Allison Declared That He Was “Personally Offended” By The Suggestion. “‘But Mr. Secretary, this is avoidable,’ I said. ‘These are failures that you could have avoided, and they can be fixed. But it starts with more transparency.’ All of a sudden, an angry Herb Allison chimed in. ‘I am personally offended that you are suggesting that the secretary of Treasury has been less than fully transparent with the American people.’” (Neil Barofsky, *Bailout: An Inside Account Of How Washington Abandoned Main Street While Rescuing Wall Street*, 2012, p. 171-172)

Treasury Programs Were Characterized By “Hurried Decisions, Lack Of Transparency, And Unquestioning Deference To Wall Street.” “The hurried decisions, lack of transparency, and unquestioning deference to Wall Street that characterized the approach to the PPIP, HAMP and CPP programs were hardly isolated incidents; it became clear to use that they were part of an emerging pattern that no secretary would want exposed.” (Neil Barofsky, *Bailout: An Inside Account Of How Washington Abandoned Main Street While Rescuing Wall Street*, 2012, p. 174)

- **Treasury Made “Almost No Effort” To Hold Financial Institutions Accountable.** “When providing the largest financial institutions with bailout money, Treasury made almost no effort to hold them accountable, and the bounteous terms delivered by the government seemed to border on being corrupt. ...Meanwhile, an entirely different set of rules applied for home owners and businesses that were most small enough to fail.” (Neil Barofsky, *Bailout: An Inside Account Of How Washington Abandoned Main Street While Rescuing Wall Street*, 2012, p. 175)

“Dodd-Frank Didn’t Change The Postcrisis Status Quo Of Too-Big-To-Fail Banks; It Cemented It.”

(Neil Barofsky, *Bailout: An Inside Account Of How Washington Abandoned Main Street While Rescuing Wall Street*, 2012, p. 220)

There Was No Fiscal Restraint In Internal White House Deliberations Of The Stimulus

“One Of The Enduring Criticisms Of The Stimulus Has Been That Obama Exploited An Emergency To Do Things He Wanted To Do Anyway. It’s True.” (Michael Grunwald, *The New New Deal: The Hidden Story Of Change In The Obama Era*, 2012, p. 161)

“Washington Would Remain A Political Toys ‘R’ Us During The Obama Era, A Superstore For Childish Things.” “In his inaugural address, just before that laundry list of commitments he would honor through the Recovery Act, Obama Declared a new era of seriousness in Washington. ‘We come to proclaim an end to the petty grievances and false promises, the recriminations and worn-out dogmas that for far too long have strangled our politics,’ he said. ‘We remain a young nation, but in the words of the Scripture, the time has come to set aside childish things.’ That was one more false promise right there. Washington would remain a political Toys ‘R’ Us during the Obama era, a superstore for childish things. (Michael Grunwald, *The New New Deal: The Hidden Story Of Change In The Obama Era*, 2012, p. 176)

“Multibillion-Dollar Line Items Were Being Erased And Inserted With Casual Keystrokes.” “As multibillion-dollar line items were being erased and inserted with casual keystrokes, Obama aides who had served under President Bill Clinton occasionally paused to recall their futile push for a mere \$19 billion stimulus that had seemed impossibly huge in 1993, or their vicious internal battles over a few million bucks for beloved programs that suddenly seemed too trivial to discuss. And the Recovery Act’s initial estimate of \$787 billion turned out to be too low; the official price tag would eventually climb to \$831 billion.” (Michael Grunwald, *The New New Deal: The Hidden Story Of Change In The Obama Era*, 2012, p. 12)

- **“Obama Aides Sometime Joke About The Three Big Lies: The Check Is In The Mail, I’ll Respect You In The Morning, And My Project Is Shovel-Ready.”** “Obama aides sometime joke about the three big lies: The check is in the mail, I’ll respect you in the morning, and my project is shovel-ready. ‘Shovel-ready,’ the president later mused, ‘was not as shovel-ready as we expected.’ Unfortunately, the killjoy economists had been right. Infrastructure work was tough to get started, even a routine bridge repair that seemed to have all its jackhammers in a row.” (Michael Grunwald, *The New New Deal: The Hidden Story Of Change In The Obama Era*, 2012, p. 254)

Jared Bernstein, Biden’s Chief Economist, Says “The Sentiment Was: Don’t Feel Constrained.” “The sentiment was: Don’t feel constrained. Don’t feel constrained. Don’t build a tight corral around your thinking,’ Bernstein recalls. Obama wanted iconic programs that would create a legacy of change, an updated version of The New Deal. And he urged his advisers to channel FDR’s spirit of experimentation.” (Michael Grunwald, *The New New Deal: The Hidden Story Of Change In The Obama Era*, 2012, p. 121)

Peter Orszag, OMB Director, Said “No Matter How You Structured It, You Couldn’t Get Too Much Out The Door In 2009.” “‘No matter how you structured it, you couldn’t get too much out the door in 2009,’ Orszag says. ‘It was okay if some of it wasn’t so fast. You couldn’t let the perfect be the enemy of the good.’” (Michael Grunwald, *The New New Deal: The Hidden Story Of Change In The Obama Era*, 2012, p. 163)

“Rahm Kept Pushing The Economists To Push Outside Groups To Push For More Stimulus, So Obama Wouldn’t Look Like The Only Big Spender In Town.” “Rahm kept pushing the economists to push outside groups to push for more stimulus, so Obama wouldn’t look like the only big spender in town. If you need it, he said, then build the case for it.” (Michael Grunwald, *The New New Deal: The Hidden Story Of Change In The Obama Era*, 2012, p. 120)

- **“And Rahm’s Rule Was In Full Effect. When A Former Clinton Budget Aide On The Transition Reviewed The Green Team’s Initial Proposals, His Reaction Was: You’re Not Spending Enough.”** (Michael Grunwald, *The New New Deal: The Hidden Story Of Change In The Obama Era*, 2012, p. 164)

- **“‘It Was All Driven By Washington Stupidity- Not What The Economy Needed, Just This Arbitrary Number Of 800,’ Rahm Says. ‘If You Were At 801, You Were Unreasonable. If You Were At 799, You Were A Very Thoughtful Person.’”** (Michael Grunwald, *The New New Deal: The Hidden Story Of Change In The Obama Era*, 2012, p. 222)
- **“Nobody Had An Economic Theory To Justify \$800 Billion...”** “The consensus in the room was that the final package should be below \$800 billion, and should have a much tighter focus on jobs. Nobody had an economic theory to justify \$800 billion, but it was the minimum Obama had said was needed to avoid a calamity, and more just sounded like it too much.” (Michael Grunwald, *The New New Deal: The Hidden Story Of Change In The Obama Era*, 2012, p. 219)

“The Recovery Summer Was Pure Politics, A Transparent Effort To Sell The Stimulus In An Election Year.” “The Recovery Summer was pure politics, a transparent effort to sell the stimulus in an election year. Obama spent a grand total of fifty-eight minutes in Ohio, long enough to speak and pose for pictures. But the problem with Recovery Summer was that it reeked of terrible politics, because as LaHood said in Columbus, ‘the economy is still lousy.’ And then, inconveniently, it got worse. The recovery stalled during Recovery Summer. Home sales hit an all-time low after the homebuyer tax credits from the stimulus expired that spring. Job growth slowed to a crawl, and economists began to fear a double-dip recession.” (Michael Grunwald, *The New New Deal*, 2012, p. 390)

The Stimulus “Was Unmistakably An Obama Bill”

“Congress Helped Shape It, But It Was Unmistakably An Obama Bill. And It Has Been Implemented In An Obama Way.” (Michael Grunwald, *The New New Deal; The Hidden Story Of Change In The Obama Era*, 2012, p. 20)

- **“It’s His Vision.”** (Michael Grunwald, *The New New Deal; The Hidden Story Of Change In The Obama Era*, 2012, p. 21)

“One Of The Enduring Criticisms Of The Stimulus Has Been That Obama Exploited An Emergency To Do Things He Wanted To Do Anyway. It’s True.” (Michael Grunwald, *The New New Deal: The Hidden Story Of Change In The Obama Era*, 2012, p. 161)

“A More Compelling Critique Of The Recovery Act Is That It Was A Hodgepodge. It Did Throw Cash At Just About Every Problem Imaginable.” (Michael Grunwald, *The New New Deal*, 2012, p. 415)

Obama Had “Barely Located The Bathrooms” In The Senate Before Running For President

Obama Had “Barely Located The Bathrooms” In The Senate Before Launching His Presidential Campaign. “The president-elect may have campaigned as an outsider, but he stocked his administration with Capitol Hill insiders. Of course, Obama and Biden both came from the Senate, and while Obama had barely located the bathrooms before launching his presidential campaign, Biden had spent thirty-six years in the institution.” (Michael Grunwald, *The New New Deal; The Hidden Story Of Change In The Obama Era*, 2012, p. 129)

Obama Once Joked With Biden: “Look, You Were A Senator. I Was Never A Senator.” “(Obama once joked with him: ‘Look, you were a senator. I was never a senator.’)” (Michael Grunwald, *The New New Deal; The Hidden Story Of Change In The Obama Era*, 2012, p. 129)

Solyndra

“The White House Went To Amusing Lengths To Stage-Manage Obama’s Visit To Solyndra.” “The White house went to amusing lengths to stage-manage Obama’s visit to Solyndra. ‘Can you confirm that his greets will be wearing their normal everyday work cloths and safety gear?’ the advance team emailed. ‘We want to make sure we have the construction worker feel.’ Yes, confirmed, along with the twenty-foot-by-thirty-foot American flag, coffee and donuts for the press, and a robotic arm that would display a solar panel onstage during the president’s speech. Also, the team wanted a solid backdrop

behind Obama: 'Preferably not white. Something darker and matte (not glossy).'" (Michael Grunwald, *The New New Deal*, 2012, p. 384)

- **White House Officials Discussed Inviting Solyndra's Executives To The State Of The Union Address.** "There was even low-level White House discussion about inviting Solyndra's executives to sit in the First Lady's box during the State of the Union, to illustrate the president's theme of 'winning the future.' Obama's events director shot down that idea: 'Can't do Solyndra...they've run into some issues recently. ☹'" (Michael Grunwald, *The New New Deal*, 2012, p. 415)

A Dysfunctional Economic Team, Which Obama Only Exacerbated

"Obama's Economic Team Had Earned Its Reputation For Dysfunction." (Michael Grunwald, *The New New Deal*, 2012, p. 339)

- **"Economists On Both Sides Of The Gas-Brakes Divide Believe The Team's Dysfunction Delayed The White House Response To The Soft Economy During The Miserable Fall Of 2009."** "But economists on both sides of the gas-brakes divide believe the team's dysfunction delayed the White House response to the soft economy during the miserable fall of 2009. The Summer style was to debate new ideas to death – one of his mantras was the Hippocratic oath to do no harm – which created a bias toward inaction." (Michael Grunwald, *The New New Deal*, 2012)
- **"'The Process Broke Down Completely,' Says One Team Member."** 'The process broke down completely,' says one team member. 'People say process doesn't matter, but jeez. We weren't that far apart on substance.'" (Michael Grunwald, *The New New Deal*, 2012, p. 340)

When Transition Budget Policy Director Robert Greenstein Tried To Explain The Dire Fiscal Outlook To Obama, The President-Elect Cut Him Off, Saying He Understood It All Too Well."

"Obama also began to focus on another long-term issue: the solvency of the country. In his presentation, Greenstein forecast a deficit of \$1.2 trillion, a chilling 8 percent of GDP. That would need to drop to about 3 percent to stabilize the nation's debt-to-GDP ratio; when Greenstein started to explain the concept, the president-elect cut him off, saying he understood it all too well." (Michael Grunwald, *The New New Deal; The Hidden Story Of Change In The Obama Era*, 2012, p. 97)

- **In The Summer Of 2009, Sen. Byron Dorgan "Visited The Oval Office To Beg Obama To Focus Full-Time On The Economy."** "That summer, as health care bogged down and the Tea Party caught fire, the prairie populist Byron Dorgan of North Dakota visited the Oval Office to beg Obama to focus full-time on the economy. 'If I had been elected president,' Senator Dorgan said, 'I'd want people to know one thing and one thing only: That I was spending every waking moment focused on putting people back to work and getting the economy moving again.' Obama reminded Dorgan he had promised to reform healthcare during the campaign. 'Yes, and then the bottom fell out,' Dorgan said. 'We're sitting in a much deeper hole, and you're still trying to reach just as high.'" (Michael Grunwald, *The New New Deal*, 2012, p. 296)

On The Smart Grid, Obama Was Convinced That We Could "Just Go Build It." "Obama thought the smart grid could be that something, a twenty-first century version of the interstates or the Internet, this time connecting Americans with digital meters (the smart part) and high-voltage wires (the grid part). 'We said: 'God, wouldn't it be wonderful?'" Biden recalls. 'Why don't we invest \$100 billion?'" Browner shared Obama's enthusiasm about the smart grid. She was eager to see the new transmission wires carry the wind of the Dakotas to the people of Chicago. But just go build it? Um...no. She explained that the feds didn't need to build wires. Utilities could do that, and had money to do that. The holdup was that sitting high-voltage wires had become a maze of red tape, requiring approval from hundreds of zoning boards and other regulators, not to mention entire states that would derive no benefits from the lines slicing through their borders. This was not a problem that could be solved in a stimulus time frame. 'I'm sorry,

sir,' Browner said. 'We wouldn't be able to spend the money.' Obama would not drop the issue. 'Let me worry about the politics,' he said. 'There's got to be more we can do.' Biden piled on, telling Browner to stop dwelling on problems and start talking about solutions—as if that would make the problems go away. At one point, Obama and Biden suggested they could personally persuade state and local officials to drop their not-in-my-backyard concerns. (Michael Grunwald, *The New New Deal; The Hidden Story Of Change In The Obama Era*, 2012, p. 124)

- **“[T]he Economy Has Fallen Off A Cliff, History Is Calling, And Really? I Can't Just Do A Smart Grid?” Orszag Recalls.**” ““There was this sense of frustration. Here's the first African American president, the economy has fallen off a cliff, history is calling, and really? I can't just do a smart grid?” Orszag recalls. 'He really wanted a moon shot, and these seemed like such mundane reasons not to go big. But Carol said no, this is reality.' Ultimately, Browner was right. The grid was not the interstate highway system. It didn't make sense for the government to try to take it over.” (Michael Grunwald, *The New New Deal; The Hidden Story Of Change In The Obama Era*, 2012, p. 124)

“Obama Seemed To Think He Could Float Above The Fray, Distancing Himself From The Bickering On The Hill.” “Obama seemed to think he could float above the fray, distancing himself from the bickering on the Hill. Democrats wanted him to rejoin his team, take some damn pride of authorship, and start fighting for his own legislation, before Republican nihilists drove the country into a depression and blamed it on him. They understood why he had to make bipartisan gestures, but even Pelosi was irritated by his swipes at the House bill, as if he had nothing to do with its contents.” (Michael Grunwald, *The New New Deal: The Hidden Story Of Change In The Obama Era*, 2012, p. 216)

Obama Was Informed That The Economy Was “Hurtling Towards A Depression” During The Transition

During The Transition, Obama's Chair Of The Council Of Economic Advisers Christina Romer Told Obama, “Mr. President-Elect, This Is Your Holy-S--- Moment” In Order To Convey The Fact That “The Economy Was Hurtling Towards A Depression.” “Politics had its moment just before the meeting, when the economists previewed their message for Axelrod: The economy was hurtling toward a depression. Axelrod knew things were bad, and even he hadn't grasped how close America was to rock-bottom bad. He said his research suggested the public had no clue whatsoever. Summers, the Washington veteran, dryly whispered to Romer, the lifelong academic: 'He doesn't mean research the way we mean research.' Okay, polling. Axelrod's point was that the tidal wave hadn't yet hit the shore. There hadn't even been a real tsunami alert. 'The American people,' he said, 'have not yet had their holy-shit moment.' Stage-managing the meeting, Summers had assigned Romer to open with an overview of the emergency. With Axelrod's analysis fresh in her mind, she began the most memorable sentence she's ever uttered, a line that Obama's aides have repeated ever since as a reminder of the mess dumped in his lap: 'Mr. President-Elect, she said, 'this is your holy-shit moment.'” (Michael Grunwald, *The New New Deal; The Hidden Story Of Change In The Obama Era*, 2012, pp. 113-114)

SHEILA BAIR's *BULL BY THE HORNS*

Tim Geithner

Bair Describes Obama's Appointment Of Geithner As Treasury Secretary As "A Punch In The Gut."

"I never heard back from John, but a few weeks later, Obama announced his choice of Tim Geithner to become Treasury secretary. It was like a punch in the gut. I did not understand how someone who had campaign on a 'change' agenda could appoint someone who had been so involved in contributing to the financial mess that had gotten Obama elected. Tim Geithner had been the bailouter in chief during the 2008 crisis. If it hadn't been for my resistance and the grown-up supervision of Hank Paulson and Ben Bernanke, we would have spent even more money bailing out the financial bigwigs and guaranteeing all their debt. As president of the NY Fed, Tim had been responsible for regulating many of the very institutions whose activities had gotten us all into trouble." (Sheila Bair, *Bull By The Horns*, 2012, p. 142)

Geithner Wanted The FDIC To Be Involved With The Bailout Of General Motors. "Tim's Zeal for bailouts didn't stop with the nation's largest banks. He was equally determined to get the FDIC involved in the bailout of General Motors. That was really a stretch. It was bad enough that we had been dragged into guaranteeing the debt of big securities firms such as Goldman Sachs and Morgan Stanley; now we were being asked to extend our scarce resources to help an automotive company." (Sheila Bair, *Bull By The Horns*, 2012, p. 175)

Geithner "Continued To Press Frank For Flexibility To Do Future Bailouts..." "Unfortunately, Tim, and his financial reform point person, Michael Barr, continued to press Frank for flexibility to do future bailouts, as did members of the Fed staff. We were fighting for the souls of Barney Frank and his staff. Draft legislation that Frank floated in October still did not ban bailouts, nor did it give us the power to assess large institutions to build up a resolution fund." (Sheila Bair, *Bull By The Horns*, 2012, p. 196)

Geithner "Had Known About The Bonuses And Had Not Objected To Them. He Had Also Not Given The President A Heads-Up." "'Have you seen the headlines on the AIG Bonuses?' the president asked. Yes, of course I had. *Everyone* had seen them. AIG—the troubled insurance giant that had gotten itself into trouble by selling insurance against losses on high-risk mortgage-backed bonds—had received \$170 billion in taxpayer bailout money and was by that time 80 percent owned by the government. On Sunday, *The New York Times* had broken the story that AIG management planned to pay out \$165 million in bonuses, mostly to the employees of the financial products division—the division that had gotten the company into trouble to begin with. The explanation was that AIG was contractually committed to paying the bonuses. Tim had known about the bonuses and had not objected to them. He had also not given the president a heads-up." (Sheila Bair, *Bull By The Horns*, 2012, p. 182)

Obama's Signature Housing Program - HAMP - Was Only "Designed To Look Good In A Press Release"

"HAMP Was A Program Designed To Look Good In A Press Release, Not To Fix The Housing Market." "HAMP was a program designed to look good in a press release, not to fix the housing market. Larry and Tim didn't seem to care about the political beating the president took on the hundreds of billions of dollars thrown at the big-bank bailouts and AIG bonuses, but when it came to home owners, it was a very different story. I don't think helping home owners was ever a priority for them." (Sheila Bair, *Bull By The Horns*, 2012, p. 153)

Bair Says Geithner And Summers "Created The Home Affordable Modification Program, Obama's Main Plan To Aid Homeowners, More For Splash Than Substance." "She said Geithner and Lawrence H. Summers, Obama's former National Economic Council director, created the Home Affordable

Modification Program, Obama's main plan to aid homeowners, more for splash than substance." (Zachary A. Goldfarb and Brady Dennis, "Sheila Bair, In New Book, Faults Obama And Bush Advisers During Financial Crisis," [The Washington Post](#), 9/25/12)

- **When Obama Spoke In Phoenix To Announce HAMP, Bair "Cringed As He Threw Out What I Considered To Be Wildly Inflated Numbers On The Programs' Impact."** "At the Phoenix announcement, the president was masterful in announcing the program, though I cringed as he threw out what I considered to be wildly inflated numbers on the programs' impact." (Sheila Bair, *Bull By The Horns*, 2012, pp. 149-150)

JEFF CONNAUGHTON'S *THE PAYOFF*

Connaughton Bio

- 1987: Deputy National Finance Director For Biden Presidential Campaign
- 1988-1991: Special Assistant To Then-Chairman Biden Of The Senate Judiciary Committee
- 1994-1995: Special Assistant To The Counsel To President Clinton Abner Mikva
- 2000: Along With Jack Quinn And Ed Gillespie, Helped Found Quinn, Gillespie & Associates
- 2006: Treasurer Of *Unite Our States*, A Biden Leadership PAC
- 2009-2010: Chief Of Staff To Sen. Ted Kaufman (D-DE), Who Was Appointed To Fill Biden's Senate Seat
- 9/18/12: Publishes *The Payoff: Why Wall Street Always Wins*

Biden And Obama: The Odd Couple

"Unfortunately for America, Obama and Biden (Who Pledged In His 1972 Campaign Never To Own A Stock Or A Bond) Were Both Financially Illiterate." (Jeff Connaughton, *The Payoff*, 2012, p. 20)

When Biden Committed A Gaffe In The Final Days Of His And Obama's Campaign, Obama Scolded Him: "I Don't Need You Acting Like You're My Henry Higgins." "Biden had committed a gaffe in the final days of the campaign, saying it was likely that a country hostile to the United States would purposely take action to test Obama's foreign-policy mettle in the first six months of the his presidency. Biden told us that Obama had called him and told him sharply that he didn't need public tutoring: 'I don't need you acting like you're my Henry Higgins.'" (Jeff Connaughton, *The Payoff*, 2012, p. 6)

- **Biden Said His Private Reaction Was "My Manhood Is Not Negotiable."** "Biden said his private reaction was, 'Whoa. Where did this come from? This is clearly a guy who could restrict my role to attending state funerals or just put me in a closet for four years.' Biden added: 'I'm going to have to earn his trust, but I'm not going to grovel to this guy. My manhood is not negotiable.' It was heady stuff for me." (Jeff Connaughton, *The Payoff*, 2012, pp. 6-7)

Biden The Gaffe Machine

Connaughton On Biden's IQ Gaffe That Destroyed His Presidential Campaign: "The Telling Part Is That His Sense Of Inadequacy Compelled Him To Fabricate Credentials That Better Suited The Self-Image Of His Intellectual Abilities." "The result of all this coverage was that every word Biden said publicly, or had said in the past, was being scrutinized for plagiarism or exaggeration. A particularly damaging example – indeed, the campaign's coup de grâce – was found in a four-month-old C-SPAN video that showed Biden speaking in a kitchen in a New Hampshire home. During the Q&A session, someone asked what Biden's grades had been like in law school. The correct answer was: not very good. It was a sore subject with Biden, and he snapped at the questioner: 'I'll put my IQ up against yours any day.' He then went on to claim that he'd graduated in the 'top half' of his law class (he hadn't); attended law school on a full scholarship (he'd received a half scholarship based on financial need with some additional assistance based in part on academics); had three degrees (he has only two; he was counting his B.A. with a double major in history and political science as two degrees); and won an international moot-court competition (the competition had been in Toronto, so that claim, at least, was true). Eleanor Clift, at the time a reporter for *Newsweek*, found the video (she hadn't seen it when it originally ran) and wrote a story about it. Of all Biden's screw-ups, this one concerned me most. Biden graduated seventy-sixth out of

eighty-five – in other words, just outside the bottom tenth – at Syracuse University Law School. It seems fair to conclude that he found the curriculum harder – or that he worked less hard at mastering it – than all but a handful of his fellow students. There’s no shame in that. Biden had passed the Delaware bar exam and had been a good trial lawyer. And I knew he could master complicated material. His highly detailed and extemporaneous talk about SALT II in Tuscaloosa proved that, and since then I’d seen him speak substantively and convincingly about a whole range of issues. Biden had interpreted a dig about his law-school grades as an attack on his IQ. This suggested that he had an intellectual inferiority complex, and I can only conjecture that it’s because he didn’t have the accepted credentials of a brainiac: Biden wasn’t a Harvard straight-A student, and Washington is filled with them. The telling part is that his sense of inadequacy compelled him to fabricate credentials that better suited the self-image of his intellectual abilities. The man I’d worshipped from afar was turning out to be all too human. Not fully happy with himself as he was, he tried – in little ways that had big consequences for his campaign – to be someone else.” (Jeff Connaughton, *The Payoff*, 2012, pp. 57-59)

- [Click Here To Watch The Breakdown](#)

Biden The Manager: “An Equal-Opportunity Disappointer”

Ted Kaufman On Biden: “Biden Disappoints Everyone. He’s An Equal-Opportunity Disappointer.”

“It was time for Biden to return some loyalty to me. Ted tried to console me: ‘Jeff, don’t take this personally. Biden disappoints everyone. He’s an equal-opportunity disappointer.’” (Jeff Connaughton, *The Payoff*, 2012, p. 100)

- **A Former Biden Staffer Told Connaughton: “Biden Is Only About Himself Becoming President, He Doesn’t Care About Force Projection...”** “I looked for consolation from a friend who is another former Biden staffer, someone who had worked for Biden for six years. He said, ‘Jeff, the difference between Ted Kennedy, who has spent decades promoting his former staff into government jobs, and Joe Biden, is Kennedy believes in force projection. Kennedy Democrats share an ideology. Biden is only about himself becoming president, he doesn’t care about force projection, so he never helps his former staff get jobs.’” (Jeff Connaughton, *The Payoff*, 2012, p. 100)
- **“Biden Is A Pragmatist. His Ambitions, I Was Coming To Understand, Were Mainly About Himself.”** “In other words, the late Ted Kennedy cultivated and promoted staff not just because he was a decent boss, but because he had an ideological agenda and the staff served it across Washington. In contrast, Biden is a pragmatist. His ambitions, I was coming to understand, were mainly about himself.” (Jeff Connaughton, *The Payoff*, 2012, p. 100)

“Biden Acted Like An Egomaniacal Autocrat And Apparently Was Determined To Manage His Staff Through Fear.”

“As time passed, I tried to understand why Biden had appealed to me so much in the beginning and then how I saw him after the fact – after his campaign downfall and after working on his staff for a time. In Alabama, I’d watched him train his charisma beam on people of all ages and, as far as I could tell, win them all over. In Washington, he would do the same thing with complete strangers, especially if there was any hint that they might be from Delaware. Yet, behind the scenes, Biden acted like an egomaniacal autocrat and apparently was determined to manage his staff through fear. Like Napoleon, Biden had captured his personal Toulon at a very young age.” (Jeff Connaughton, *The Payoff*, 2012, pp. 62-63)

Biden To Twenty-Three-Year-Old Fundraising Staffer When He Was Approached To Make

Fundraising Calls: “Get The Fuck Out Of The Car.” “Later in the campaign, a twenty-three-year-old fundraising staffer got into a car with Biden with a list of names and phone numbers: ‘Okay, Senator, time to do some fundraising calls.’ Biden looked at him and said, ‘Get the fuck out of the car.’” (Jeff Connaughton, *The Payoff*, 2012, p. 192)