



A Royal Pain

Former Auto “Czar” Steven Rattner Is Set To Campaign For Obama In Ohio Despite Seeing A Record Not Fit For A King

THE ROYAL ASSESSMENT: OBAMA’S ECONOMY IS AT THE “BOTTOM OF THE PACK”

Obama Auto Bailout Czar Steven Rattner Said That Obama Is At The “Bottom Of The Pack...When It Comes To Plain Economic Growth.” MSNBC’s MIKA BRZEZINSKI: “Yeah. We looked at post-debate polls that suggested people seemed to favor the president’s performance in the debate, but they gave Mitt Romney higher marks for his ability to handle the economy. So Steve Rattner is here with charts this morning to explain why that may have come out that way. Charts on the economy. Steve, take it away.” OBAMA CAR CZAR STEVEN RATTNER: “Sure. Well, as we all know, the president is facing - has been facing - a pretty stiff economic headwind. And what I want to do is lay out how his economic situation compares across a bunch of different indicators to those of other people who have run for president recently. And you’ll see interesting results in terms of how the economy’s performed. So one measure people often look at is real GDP which is obviously how much has the economy grown. So for each of these presidents we start with the beginning of their first term, and then we progress ourselves out to their re-election point. And what you can see not surprisingly, because we talk a lot about the weak economy, is that by this measure, Obama is really pretty much at the bottom of the pack. And the other four presidents that have preceded him all had substantially better performance when it comes to plain economic growth. Now, economic growth alone is not a recipe for re-election, as you can see, because Bush 41 did not get re-elected, and Jimmy Carter, of course, did not get re-elected.” (MSNBC’s [“Morning Joe,”](#) 10/18/12)

Rattner Acknowledged The Last Time The Country Experienced Such Slow Economic Growth Was During The Great Depression. MSNBC’s WILLIE GEIST: “Steve what about the argument that you would hear looking at that chart from the Obama White House that that trough you see on the chart right there took a lot of digging to get out of, and that’s why they’re at 3.1%.” RATTNER: “That’s precisely the argument, but remember, we are still growing pretty slowly, 1.3%, 1.5%, it’s not the kind of growth rates we’ve had in the past. So it is a slow-growth economy. And I think when people are asked how does the president handle the economy, it obviously factors into their view. But if you look at a couple other measures –” TIME’s MARK HALPERIN: “Can I ask you a quick question? When did we last have a period of, a four-year period of GDP growth this low?” RATTNER: “I think you’d have to go back to –” MSNBC’s JOE SCARBOROUGH: “You’d have to go back to the ‘30s?” RATTNER: “I think you’d have to go back to the

'30s. Four years like this, yeah. I think so." SCARBOROUGH: "The early '30s, maybe?" (MSNBC's ["Morning Joe,"](#) 10/18/12)

Rattner Said Economic Growth Under Obama "Not Fast Enough To Allow The Economy To Add Enough Jobs To Bring Down The Unemployment Rate." MSNBC's MIKE BARNICLE: "The White House has downgraded their expectations for the economy this year, saying Gross Domestic Product will grow at a rate of 4.3%. That's a modest recovery expected to last at least through 2015. The White House also announced that spending is happening at a slower rate than predicted, but is still on track to hit 1.2 trillion dollars. Steve Rattner, you're the brainiac here with regard to the economy with the numbers. I was looking at some of the charts that you have. Consumer confidence and consumer spending, these are indicators that are kind of troubling." STEVE RATTNER: "Yeah, the numbers are getting weaker, there is no question about that. I don't personally believe that we're going to have a double dip recession, but the President is also going to be facing reelection with some numbers that aren't quite pretty. And as you mentioned on Friday, the White House released the latest GDP numbers for the second quarter, and you can see the trend on this chart, where back in 2009, we were obviously in the middle of a recession and had a very sharp negative growth rate, and then we moved into recovery in 2010 and 2011. But as you looked in the first half of 2012 which are these two bars to the right, you can see that the economy is slowing down and we're now at a 1.5% rate of growth of GDP. This is not fast enough to allow the economy to add enough jobs to bring down the unemployment rate. That's really the core of the issue. And so when you have this kind of a GDP number, it may be an abstract concept to most Americans, but when it translates itself into jobs, I think they'll understand it pretty well. Oddly enough, housing did pretty well in the quarter, off of a very low base. And retail sales, however, as you can see here, are also turning down for the first time in this recovery. We had a long, steady rise in retail sales, and then in the last three months actually, unprecedented during this recovery, we had retail sales turn down. People are nervous." MSNBC's JOE SCARBOROUGH: "Yeah. They are afraid to spend." RATTNER: "They don't have the incomes. They're holding back at the moment. If you then turn to manufacturing as another example of weakness in the economy, manufacturing had been one of our strengths through this. The way this chart works, anything above 50% is positive. So you can see that we had this long positive period of manufacturing expansion after the recession, but it's just now, this latest month, gone down to 49.7 percent which is a contraction in manufacturing. A lot of it has to do with the slow-down in Europe and the slow-down around the world, where simply, there isn't as much demand for our manufactured goods as there was before." SCARBOROUGH: "Steve Rattner, Bobby Jones always talked about golf being between the ears. A lot of times that has to do with the economy also. We see all these numbers, but at the end of the day it comes down to how confident people are that they can get the money out of their wallet and spend it if they have it. What's consumer confidence look like right now? Are Americans getting more of less confident as we move toward the election?" RATTNER: "Well Joe, that you gave me a great seg way to the last chart, which will show you what has happened to consumer confidence as we move closer to the election, which is not good. Consumer confidence dropped here. This huge drop over here, by the way, was the debt default drama, where Congress single-handedly destroyed consumer confidence, but even without that going on, as you can see in the upper right corner of this chart, we've had a significant drop in consumer confidence. You can put it down..." SCARBOROUGH: "Steve, Steve, what's causing that? What are analysts saying would cause such a precipitous drop this spring and summer?" RATTNER: "A whole mix of things going on around the world that make people nervous, whether it's the Middle East, whether it's the unemployment numbers, whether it's the fiscal cliff, what's going to happen at the end of the year with taxes and the budget, finally starting to bear. The whole political uncertainty, it's all starting to weigh on consumers and they're just getting nervous." (MSNBC's ["Morning Joe,"](#) 7/30/12)

Rattner Said That Obama's Plan On The Economy Is To "Wait And See." CHRIS WALLACE: "...The fact that we were creating a quarter of a million jobs a couple of months ago and now we're creating 69,000." STEVE RATTNER: "That's something that we're all going to have to see what happens. We've had similar slowdowns in the spring the last two years. We've had this kind of dip in the spring. I don't want to get technical here, but some economists wonder about the seasonal adjustment factors in our economic data but it may be something more substantial. We have to wait and see, one month's data, or even two month's data. Particularly when we are still creating jobs even at an unacceptably low rate." (Fox News' "[Fox News Sunday](#)," 6/3/12)

Rattner: "I Think You Have A Hard Time Saying The Private Sector Is Doing Fine" As "People's Incomes Are Also Down In The Private Sector." MSNBC's JOE SCARBOROUGH: "So let's look at the private sector that the President's talking about. Because if you told him the corporations were making lots of money that would not be doing fine by this President's definition." FORMER OBAMA ADVISOR STEVEN RATTNER: "So if you look at it in terms of jobs since the beginning of the recession there have been 5 million jobs lost in the private sector. So I think you have a hard time saying the private sector is doing fine. And by the way people always talk about jobs, and I just as I like to remind them, there's also incomes and people's incomes are also down in the private sector over this period of time. So you, even the one, the 90 percent of Americans who have jobs have lower incomes on average." SCARBOROUGH: "Okay. That's not. That. So that wouldn't be like..." SCARBOROUGH: "Fine." TIME's MARK HALPERIN: "It's definitely not super fine." (MSNBC's "[Morning Joe](#)," 6/11/12)

THE ROYAL ASSESSMENT: OBAMACARE IS "REDISTRIBUTIONIST" AND "TROUBLING"

Rattner Admits That To Keep Medicare Solvent, ObamaCare Relied On Reductions That Result In "Double-Counting" Cost Savings. "About 65 percent of the cost of the Obama health care law is supposed to be met by Medicare expense reductions and tax increases totaling roughly \$1 trillion over 10 years. The deficiency with this plan is that it amounts to double-counting, using urgently needed Medicare economies to finance the new law." (Steven Rattner, Op-Ed, "Ducking The Crisis In Medicare," [The New York Times](#), 4/13/12)

- **Rattner: ObamaCare's Double-Counting Is "Particularly Troubling."** "Given that context, the government's accounting practice — counting \$748 billion of cost savings and \$259 billion of revenue increases toward both Medicare and the cost of the Obama plan — is particularly troubling. Moreover, this problem is largely hidden from public view." (Steven Rattner, Op-Ed, "Ducking The Crisis In Medicare," [The New York Times](#), 4/13/12)
- **Rattner: Double-Counting The Savings Made It Look Like ObamaCare Addressed The Medicare Crisis.** "Under Washington's delusional rules, budget crunchers in both the White House and Congress credit this \$1 trillion twice: once in calculating that the care law will generate more revenues than costs, and again in concluding that the Obama plan will chip away at the Medicare problem." (Steven Rattner, Op-Ed, "Ducking The Crisis In Medicare," [The New York Times](#), 4/13/12)

Rattner Said That Obama Needs A "Better Plan" To Finance ObamaCare. "To properly address the competing needs of the Affordable Care Act and Medicare, let's start with more transparency. The government should act like a company that provides investors with separate profit and loss data for different divisions — without double-counting. Next we need a better plan for financing the health care law, which will be challenging because actually paying for federal programs (that is, increasing taxes) has

become a no-go zone in Washington.” (Steven Rattner, Op-Ed, “Ducking The Crisis In Medicare,” [The New York Times](#), 4/13/12)

- **Rattner: ObamaCare Is “Complicated By The Admirably Redistributionist Nature” Of The Law.** “That’s further complicated by the admirably redistributionist nature of the Obama law. The preponderance of the Affordable Care Act’s costs go toward extending insurance coverage to an estimated 30 million Americans making less than \$44,000 per year (or \$89,000 per year for a family of four), about 10 percent of the population.” (Steven Rattner, Op-Ed, “Ducking The Crisis In Medicare,” [The New York Times](#), 4/13/12)
- **Rattner: The Wealthy Shouldn’t Pay For All Of ObamaCare.** “It’s fine to ask the wealthiest to pay disproportionately for important social programs. But the top taxpayers, who are already on the hook for around \$260 billion of the law’s costs, can’t be expected to shoulder the entire \$1 trillion burden that would flow from intellectually honest accounting.” (Steven Rattner, Op-Ed, “Ducking The Crisis In Medicare,” [The New York Times](#), 4/13/12)

THE ROYAL ASSESSMENT: OBAMA HAS “ABSOLUTELY NO ENERGY POLICY”

Rattner Said, “We Have Absolutely No Energy Policy.” RATTNER: “It’s a viable issue. But let’s look at the facts. The U.S., in fact, notwithstanding the fact we have absolutely no energy policy and we all including myself believe we should have one, has not really been that much a part of the problem lately.” (MSNBC’s [Morning Joe](#), 3/9/12)

Obama’s Auto Czar Disagrees With Obama On The Keystone Pipeline

Rattner Said Obama Should Approve The Pipeline Because “We Need The Energy, We Need The Jobs And It Can Be Done In A Safe Way.” HAROLD FORD JR: “You think the Keystone, the pipeline, that the president should approve that before the year’s up? Do you think, is there a job creating mechanism? STEVEN RATTNER: I’m not an expert, but my instinct is he should approve it. My instinct is we need the energy, we need the jobs and it can be done in a safe way. (MSNBC’s [Morning Joe](#), 1/5/12)

Rattner: “I Think It Would Be Good To Find A Way To Build That Pipeline - I Think We Need Jobs We Need Oil.” (MSNBC’s [Morning Joe](#), 2/24/12)