



Bad For Business

Obama's Adventures In Business Outreach Have Often Failed To Impress, Which Is Why Today He Is Meeting With White House Allies

"Top American CEOs Will Meet With President Obama On Wednesday To Talk About The Fiscal Cliff." (Jennifer Liberto, "Obama-CEOs Meeting Expected To Be Tense," [CNNMoney](#), 11/13/12)

OBAMA HAS AN ICY RELATIONSHIP WITH 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)

- **Summers Said Valerie Jarrett's Solution To Dealing With Business Leaders Was To "Just Set Up Three More Lunches" Or More Meetings With Obama.** "Summers found the president defensive in some interactions with business leaders, which wasn't effective. The Jarrett solution was often, 'We'll just set up three more lunches with the president and business leaders.' She had the view that if you simply arranged more meetings, that would solve any problem. But the interactions had an emptiness that made the problem worse. Sometimes, it's not a good idea to have a meeting and discussion." (Bob Woodward, *The Price Of Politics*, 2012, p. 82)

CEOs Were Dissatisfied With Obama After He Addressed The Business Council In May 2010 Using A Teleprompter And Didn't Take Any Questions. "On May 4, 2010, Obama addressed the Business Council, another CEO group, at a meeting in Washington. He used a TelePrompTer and took no questions. Again, the CEOs were dissatisfied. It wasn't communication—he was just going through the motions. Orszag later responded by suggesting the Business Council compile a wish list in writing. What was it, precisely, they wanted?" (Bob Woodward, *The Price Of Politics*, 2012, p. 48)

- **When The Business Council Submitted A List Of Policy Recommendations To The White House, Valerie Jarrett Was "Furious" With The 47-Page List Despite Then-OMB Director Peter Orszag Suggesting They Be Specific In Their List.** "Nine days later, on June 30,

Seidenberg had a two-hour meeting with Jarrett in the West Wing to receive the administration's response to the report. Jarrett was furious. This is total bullshit, she said, carpet-bombing the White House with a 47-page inventory of complaints without singling out what was really important. This was unfair, done without warning, not in the spirit of collaboration. Seidenberg was astonished at the reaction. After all, Orszag had asked them to be specific." (Bob Woodward, *The Price Of Politics*, 2012, p. 48)

"Whatever The Analysis, However, It Was Clear The Obama Business Outreach Needed Work." (Bob Woodward, *The Price Of Politics*, 2012, p. 51)

Verizon CEO Ivan Seidenberg Took Offense When Obama Said "I Know You Guys Are Republicans" To A Small Group Of CEOs At A White House Dinner In Early 2010. "I know you guys are Republicans,' Obama told a small group of leading chief executive officers at a White House dinner in early 2010. 'How do you know that?' asked Ivan Seidenberg, the CEO of Verizon and currently the longest-serving CEO of a Fortune 500 company. He considered himself a progressive independent among executives was surprised by the stereotype." (Bob Woodward, *The Price Of Politics*, 2012, p. 47)

- **When Seidenberg Complained To Valerie Jarrett That Obama Chatted With Him For Only 15 Seconds After Being Invited To The White House Super Bowl Party, Jarrett's Response Was "Hey, You're In The Room With Him. You Should Be Happy."** "The White House invited Seidenberg and two other CEOs to the president's Super Bowl party on Sunday, February 7, 2010. Seidenberg felt courted. Neither Clinton nor Bush had invited him to the White House. There was a blizzard that day, which made travel unappealing, but there was no way he was going to snub the president. At the White House, Obama chatted with Seidenberg for about 15 seconds before the game. But then he went down to the front row to watch the game with his buddies. That was it. Fifteen seconds. Seidenberg felt he had been used as window dressing. He complained to Valerie Jarrett, a close Obama aide and longtime family friend from Chicago, whose duties included managing relations with business executives and the White House. Her response: Hey, you're in the room with him. You should be happy. Seidenberg was not." (Bob Woodward, *The Price Of Politics*, 2012, pp. 47-48)
- **Seidenberg Concluded That Obama Did Not Trust That Anything He Did With Business Leaders Would Ever Work Out For Him Or Think That Addressing The Business Community's Complaints Was Important.** "The bottom line for Obama, as best Seidenberg could tell, was that the president did not trust that anything he did with the business leaders would ever work out for him. If he cut a deal with business, he was going to look bad. Business's interests were not his. And whenever Obama was cornered, out would tumble the 'fat cat' language. Seidenberg felt that the president just didn't think it was important to address the complaints of the business leaders. That was a mistake, he told Jarrett. He had been the CEO of Verizon throughout the entire Clinton and George W. Bush presidencies. 'With all due respect,' he said, 'we will be here when you're gone. I'm a perfect example of that. So you have to realize that this very progressive agenda, and this once-in-a-lifetime moment for this man in this world can be lost because guys like me can hunker down and wait you out.' So, the theory of the business case shifted. If Obama was going to be a pain in the ass, Seidenberg calculated that maybe they should turn to the GOP. 'The best way to check them is McConnell and Boehner.'" (Bob Woodward, *The Price Of Politics*, 2012, p. 52)

Motorola Solutions CEO Greg Brown "Sensed Remoteness" With Obama And Got The Feeling During Discussions With Obama That He "Was Really Just Waiting To Talk Again, To Make His

Points, To Win The Argument. “Brown, 50, a cerebral executive, had at first found Obama personable, bright and articulate in a previous meeting. Yet underneath the surface polish, he sensed remoteness. Obama talked. Then seemed to listen—but Brown got the feeling that he was really just waiting to talk again, to make his points, to win the argument.” (Bob Woodward, *The Price Of Politics*, 2012, p. 49)

- **When Brown Tried To Provide Advice On How To Smooth Relations With The Business Community And Said He Took Offense To Obama’s Line About “Fat-Cat Bankers”, Obama Responded, “I’m Surprised That You Have Such Thin Skin.”** “Trust is low, Brown said. You come to meetings with us, use a TelePrompter, take no questions—or only prearranged questions—and the media is in the room. Those are three things that are not conducive to an open exchange. It would be viewed more favorably if the media wasn’t there, you lost the TelePrompter, and we just talked. Take questions, give some short remarks, and follow them with a genuine, unprogrammed discussion—both ways. Obama didn’t say anything, just sat with his hand on his chin. Second, Brown said, the rhetoric is inflammatory. It is not constructive. Give me an example, Obama said. ‘Fat-cat bankers,’—something the president had said on the CBS program 60 Minutes a year earlier. That was offensive to me, Brown said. I’m not a banker or on Wall Street. Using that language is polarizing. I’m not defending financial services or the banking CEOs. I’m on a different point: It is not appropriate, it is not presidential. ‘I’m surprised that you have such thin skin,’ Obama replied.” (Bob Woodward, *The Price Of Politics*, 2012, p. 49)

IBM CEO Sam Palmisano Thought Obama’s White House Lacked A Chief Operating Officer To Actually Implement Obama’s Decisions. “Palmisano, nonetheless, believed the Obama White House had a bigger problem. Obama had no chief operating officer, no COO to implement his decisions.” (Bob Woodward, *The Price Of Politics*, 2012, p. 51)

- **Palmisano Thought Valerie Jarrett And David Axelrod Were “Political Hacks” And “B Or C Players’ Who Did Not Know How TO Get Serious About Fixing Problems And Following Through.”** “He had people like Emanuel whose primary focus was Congress. And Obama had Valerie Jarrett and David Axelrod but they were advisers, and in Palmisano’s view ‘political hacks’ and ‘B or C players’ who did not know how to get serious about fixing problems and following through. There was no implementer. Thus the country was adrift and was not serious about its most fixable problem—becoming and staying competitive. Whatever the analysis, however, it was clear the Obama business outreach needed work.” (Bob Woodward, *The Price Of Politics*, 2012, p. 51)

MANY OF THE CEOS ATTENDING TODAY’S MEETING ARE ALREADY OBAMA ALLIES AND FREQUENT WHITE HOUSE VISITORS

URSULA BURNS, CEO OF XEROX: Burns serves as a member of The President’s Export Council, as a member of The President’s Council On Jobs And Competitiveness, sat in the First Lady’s box at the 2011 State Of The Union, attended the President’s 2009 Forum On Jobs And Economic Growth, visited The White House at least 29 times, and has donated \$4,600 to the Obama campaign since 2008. ([International Trade Administration](#), Accessed 11/13/12; [President’s Council On Jobs And Competitiveness](#), Accessed 11/13/12; “The First Lady’s Box: State Of The Union Address 2011,” [The White House](#), 1/24/11; “Background on Forum on Jobs and Economic Growth,” [The White House](#), 12/3/09; [Data.gov](#), Accessed 11/13/12)

KENNETH CHENAULT, CEO OF AMERICAN EXPRESS: Chenault serves as a member of The President’s Council On Jobs And Competitiveness, sat in the First Lady’s box for the President’s address to Congress on The American Jobs Act, issued a statement through The White House in support of The American Jobs Act, attended a State Dinner for the President Of Mexico, visited The White House at least 18 times, and

has donated \$22,880 to the Obama Victory Fund. ([President's Council On Jobs And Competitiveness](#), Accessed 11/13/12; "The First Lady's Box, At The President's Jobs Speech," [The White House](#), 9/8/11; "Statement By Ken Chenault, Chairman and CEO, American Express And Member Of The President's Council On Jobs And Competitiveness Backs American Jobs Act," [The White House](#), 9/8/11; "Expected Attendees At Tonight's State Dinner And Head Table Seating," [The White House](#), 5/19/10; [Data.gov](#), Accessed 11/13/12; [Data.gov](#), Accessed 11/13/12)

ANDREW LIVERIS, CEO OF DOW CHEMICAL: Leveris serves as a member of The President's Export Council, a member of the Advanced Manufacturing Partnership Steering Committee, attended the President's 2009 Forum On Jobs And Economic Growth, and has visited The White House at least 23 times. ([International Trade Administration](#), Accessed 11/13/12; "Advanced Manufacturing Partnership," [Manufacturing.gov](#), Accessed 11/13/12; "Background on Forum on Jobs and Economic Growth," [The White House](#), 12/3/09; [Data.gov](#), Accessed 11/13/12)

- **Obama's Stimulus Awarded \$3.8 Million To The Dow Chemical Company.** ([Recovery.gov](#), Accessed 11/13/12)
- **Obama's Stimulus Awarded \$160.9 Million To Dow Kokam For A Battery Manufacturing Facility In Midland, Michigan.** ([Recovery.gov](#), Accessed 11/13/12)
- **In October 2012, Dow Chemical Company Announced A Restructuring Program That Will Result In 2,400 Layoffs And The Closure Of 20 Manufacturing Facilities.** "The Dow Chemical Company (NYSE:DOW) today announced a restructuring program designed to accelerate cost reduction actions and advance the next stage of the Company's transformation in the midst of persistently slow macroeconomic growth. These actions will result in a net reduction of approximately 2,400 positions, or five percent of the global workforce. The restructuring also includes the shutdown of approximately 20 manufacturing facilities." (Press Release, "Dow Leverages Recently Announced Operating Model To Accelerate Cost Reduction And Efficiency Actions," [Dow Chemical Company](#), 10/23/12)

ALAN MULALLY, CEO OF FORD MOTOR COMPANY: Mulally serves as a member of The President's Export Council, a member of the Advanced Manufacturing Steering Committee, attended a State Dinner for the President of Korea, and visited The White House at least 13 times. ([International Trade Administration](#), Accessed 11/13/12; "Advanced Manufacturing Partnership," [Manufacturing.gov](#), Accessed 11/13/12; [Data.gov](#), Accessed 11/13/12)

- **Ford Motor Company Was Awarded At Least \$191 Million Through Obama's Stimulus.** ([Recovery.gov](#), Accessed 11/13/12)

JEFFREY IMMELT, CEO OF GENERAL ELECTRIC: Immelt serves as Chairman of The President's Council On Jobs And Competitiveness, a member of the President's Economic Recovery Advisory Board, sat in the First Lady's box for the President's address to Congress on The American Jobs Act, attended a State Dinner for the Prime Minister of India, and has visited The White House at least 27 times. ([President's Council On Jobs And Competitiveness](#), Accessed 11/13/12; [President's Economic Recovery Advisory Board](#), Accessed 11/13/12; "The First Lady's Box, At The President's Jobs Speech," [The White House](#), 9/8/11; "Expected Attendees at Tonight's State Dinner," [The White House](#), 11/24/09; [Data.gov](#), Accessed 11/13/12)

- **General Electric Received Over \$1.2 Billion Worth Of Stimulus Loan Guarantees, Awards, Contracts And Grants.** ("Recipient Profile: General Electric," [Recovery.gov](#), Accessed 11/13/12)

DAVID COTE, CEO OF HONEYWELL: Cote served as a member of the President's Fiscal Commission, a member of the Advanced Manufacturing Partnership Steering Committee, and has visited The White House at least 22 times. ([FiscalCommission.gov](#), Accessed 11/13/12; "Advanced Manufacturing Partnership," [Manufacturing.gov](#), Accessed 11/13/12; [Data.gov](#), Accessed 11/13/12)

- **Cote Said That The Number One Thing That Could Be Done To Boost The Economy Is Fixing Our Long Term Debt Problem.** PBS' SUSIE GHARIB: "As we continue our series 'How to Fix the Economy,' I asked Honeywell's David Cote, what should be America's competitive agenda?" DAVID COTE: "There's six that I point to. The first is resolving our long-term debt problem." (PBS' "Nightly Business Report," 10/25/11)