



With Friends Like These

As The Thelma And Louise Democrats Take Us Closer To The Cliff, A Look At What Some Of Obama's Top Allies And Advisers Said During Fiscal Negotiations Just Last Year

OBAMA'S TOP ALLIES AND ADVISERS WERE SINGING A DIFFERENT TUNE THAN THE ADMINISTRATION AND TOP DEMOCRATS ARE TODAY

Biden Told House Majority Leader Eric Cantor (R-VA) 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)

Sen. Kent Conrad (D-ND) Said The Only Way To Get More Revenue Is "Fundamental Tax Reform That Actually Lowers Marginal Rates." "'There is only one thing that works,' Conrad said. 'And that is fundamental tax reform that actually lowers marginal rates.'" (Bob Woodward, *The Price Of Politics*, 2012, p.172)

- **Conrad Said The Key To Generating Revenue Was To Lower Income And Corporate Tax Rates While Eliminating Deductions.** "The key to generating revenue through tax reform, Conrad said, was not to raise the income or corporate tax rates, but to lower them while eliminating deductions. 'Combined with entitlement reform and with going after wasteful spending,' Conrad said, it was possible to get there." (Bob Woodward, *The Price Of Politics*, 2012, p. 173)

"'You Could Raise All The Taxes You Want On Millionaires,' [White House Director Of Legislative Affairs Rob] Nabors Made The Mistake Of Saying 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)

Director Of The National Economic Council 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)

OMB Director Peter Orszag Said Obama Would Be “Blamed By History For Not Acting” If He Didn’t Take Any Serious Steps To Avert Fiscal Crisis. “There was an opportunity for the president to do something about the long-term deficit. It would be economically and politically painful. But if he didn’t do something, and the country plunged into fiscal crisis later in the decade, Orszag told others, ‘I think he gets blamed by history for not acting.’” (Bob Woodward, *The Price Of Politics*, 2012, p. 35)