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## The Obama Presidency

*Can Barack Obama Deliver the Change He Promises?*

Kenneth Jost and the *CQ Researcher* Staff



AP Photo/Evan Vucci

The largest crowd in Washington history cheers President Barack Obama after his swearing in on Jan. 20, 2009. An estimated 1.8 million high-spirited, flag-waving people gathered at the Capitol and National Mall, but thousands more were turned away by police due to overcrowding.

From *CQ Researcher*,  
January 30, 2009.

**T**hey came to Washington in numbers unprecedented and with enthusiasm unbounded to bear witness and be a part of history: the inauguration of Barack Hussein Obama on Jan. 20, 2009, as the 44th president of the United States and the first African-American ever to serve as the nation's chief executive.

After taking the oath of office from Chief Justice John G. Roberts Jr., Obama looked out at the estimated 1.8 million people massed at the Capitol and National Mall and delivered an inaugural address nearly as bracing as the subfreezing temperatures.

With hardly the hint of a smile, Obama, 47, outlined the challenges confronting him as the fifth-youngest president in U.S. history. The nation is at war, he noted, the economy "badly weakened" and the public beset with "a sapping of confidence."

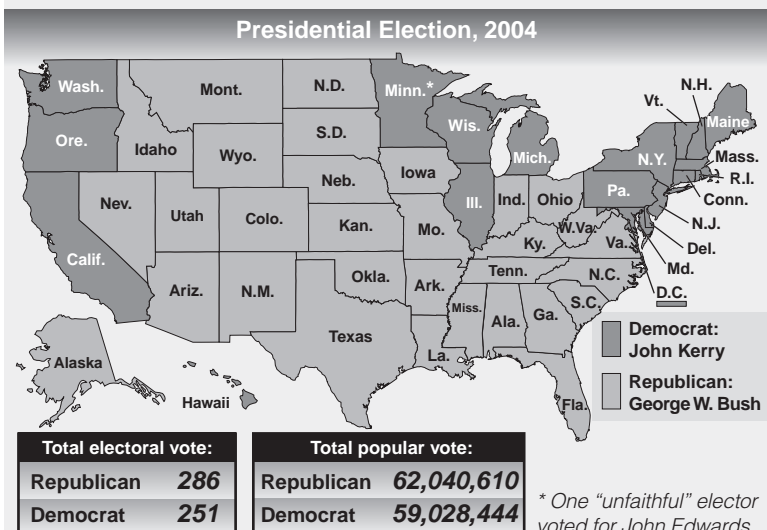
"Today I say to you that the challenges we face are real," Obama continued in his 18-minute speech. "They are serious and they are many. They will not be met easily or in a short span of time. But know this, America — they will be met."<sup>1</sup> (*See economy sidebar, p. 286; foreign policy sidebar, p. 292.*)

The crowd received Obama's sobering message with flag-waving exuberance and a unity of spirit unseen in Washington for decades. Despite Democrat Obama's less-than-landslide 7 percentage-point victory over John McCain on Nov. 4, hardly any sign of political dissent or partisan opposition surfaced on Inauguration Day or during the weekend of celebration that preceded it. (*See maps, p. 278; poll, p. 280.*)

"It's life-changing for everyone," said Rhonda Gittens, a University of Florida journalism student, "because of who he is,

### Obama Victory Changed Electoral Map

Barack Obama won nine traditionally Republican states in the November 2008 election that George W. Bush had won easily in 2004, and his electoral and popular vote totals were significantly higher than Bush's. In 2004, Bush won with 50.7 percent of the vote to John Kerry's 48.3 percent. By comparison Obama garnered 52.9 percent to Sen. John McCain's 45.7. In the nation's new political map, the Democrats dominate the landscape, with the Republicans clustered in the South, the Plains and the Mountain states.



Source: Federal Election Commission

because of how he represents everyone." Gittens traveled to Washington with some 50 other members of the school's black student union.

The inaugural crowd included tens of thousands clustered on side streets after the U.S. Park Police determined the mall had reached capacity. The crowd was bigger than for any previous inauguration — at least three times larger than when the outgoing president, George W. Bush, had first taken the oath of office eight years earlier. The total number also exceeded independent estimates cited for any of Washington's protest marches or state occasions in the past.\*

The spectators came from all over the country and from many foreign lands. "He's bringing change here," said Clayton Preira, a young Brazilian accompanying three fellow students on a two-month visit to the United States. "He's bringing change all over the world." The spectators were of all ages, but overall the crowd seemed disproportionately young. "He really speaks to young people," said Christian McLaren, a white University of Florida student.

Most obviously and most significantly, the crowd was racially and ethnically diverse — just like the new first family. Obama himself is the son of a

\* Crowd estimates for President Obama's inauguration ranged from 1.2 million to 1.8 million. Commonly cited estimates for other Washington events include: March on Washington for Jobs and Freedom, 1963, 250,000; President John F. Kennedy's funeral, 1963, 800,000; inauguration of President Lyndon B. Johnson, 1965, 1.2 million; Peace Moratorium, 1969, 250,000; Million Man March, 1995, 400,000-800,000; March for Life, 1998, 225,000; March for Women's Lives, 2004, 500,000-800,000.

black Kenyan father and a white Kansan mother. His wife Michelle, he often remarks, carries in her the blood of slaves and of slave owners. Among those behind the first lady on the dais were Obama's half-sister, Maya Soetoro-Ng, whose father was Indonesian, and her husband, Konrad Ng, a Chinese-American. Some of Obama's relatives from Kenya came as well, wearing colorful African garb.

The vast numbers of black Americans often gave the event the air of an old-time church revival. In quieter moments, many struggled to find the words to convey the significance, both historic and personal. "It hasn't sunk in yet," Marcus Collier, a photographer from New York City, remarked several hours later.

David Moses, a health-care supervisor in New York City, carried with him a picture of his late father, who had encouraged him and his brother to join the anti-segregation sit-ins of the early 1960s in their native South Carolina. "It's the culmination of a long struggle," Moses said, "that still has a long way to go."

Shannon Simmons, who had not yet been born when Congress passed major civil rights legislation in the 1960s, brought her 12-year-old daughter from their home in New Orleans. "It's historic," said Simmons, who made monthly contributions to the Obama campaign. "It's about race, but it's more than that. I believe he can bring about change." (*See sidebar, p. 282.*)

For black Americans, old and young alike, the inauguration embodied the lesson that Obama himself had often articulated — that no door need be viewed as closed to any American, regardless of race. For Obama himself, the inauguration climaxed a quest that took him from the Illinois legislature to the White House in only 12 years.

To win the presidency, Obama had to defy political oddsmakers by defeating then-Sen. Hillary Rodham Clinton, the former first lady, for the Democratic nomination and then beating McCain, the veteran Arizona senator and Vietnam War hero. Obama campaigned hard against the Bush administration's record, blaming Bush, among other things, for mismanaging the U.S. economy as well as the wars in Iraq and Afghanistan.

After a nod to Bush's record of service and help during the transition, Obama hinted at some of those criticisms in his address. "The nation cannot prosper long when it favors only the prosperous," he declared, referencing tax cuts enacted in Bush's first year in office that Obama had called for repealing.

On national defense, "we reject the false choice between our safety and our ideals," Obama continued. The Bush administration had come under fierce attack from civil liberties and human rights advocates for aggressive detention and interrogation policies adopted after the Sept. 11, 2001, terrorist attacks on the United States. (*See "At Issue," p. 302.*)

Despite the attacks, Obama also sounded conservative notes throughout the speech, blaming economic woes in part on a "collective failure to make hard choices" and calling for "a new era of responsibility." Republicans in the audience were pleased. "He wasn't pointing fingers just toward Bush," said Rhonda Hamlin, a social worker from Alexandria, Va. "He was pointing fingers toward all of us."

With the inauguration behind him, Obama went quickly to work. Within hours, the administration moved to institute a 120-day moratorium on legal proceedings against the approximately 245 detainees still being held at the Guantánamo Bay Naval Base in Cuba. Obama had repeatedly pledged during the campaign to close the prison; two days later he signed a second decree, ordering that the camp be closed within one year.

Then on his first full day as president, Obama on Jan. 21 issued stringent ethics rules for administration officials and conferred separately with his top economic and military advisers to begin mapping plans to try to lift the U.S. economy out of its yearlong recession and bring successful conclusions to the conflicts in Iraq and Afghanistan.

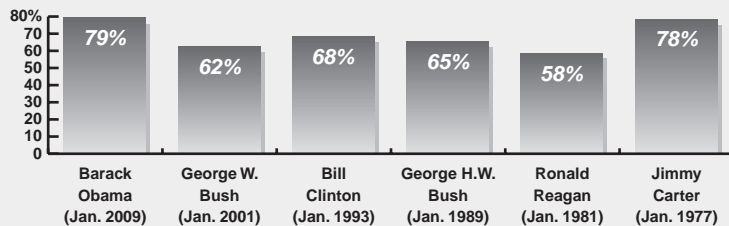
By then, the Inauguration Day truce in partisan conflict was beginning to break down. House Republicans pointed to a Congressional Budget Office study questioning the likely impact of the Democrats' \$825-billion economic stimulus package, weighted toward spending instead of tax cuts. "The money that they're going to throw out the door, at the end of the day, is not going to work," said Rep. Devin Nunes, R-Calif., a member of the tax-writing House Ways and Means Committee. (*See "At Issue," p. 303.*)

The partisan division raised questions whether Democratic leaders could stick to the promised schedule of getting a stimulus plan to Obama's desk for his signature by the time of the Presidents' Day congressional recess in mid-February. More broadly, the Republicans' stance presaged continuing difficulties for Obama as he turned to other ambitious agenda items, including his repeated pledge to overhaul the nation's health-care system. (*See sidebar, p. 296.*)

## Public Gives Obama Highest Rating

Barack Obama began his presidency with 79 percent of Americans having a favorable impression of him — higher than the five preceding presidents. George W. Bush entered office with a 62 percent favorability rating; he left with a 33 percent approval rating, lowest of post-World War II presidents except Harry S. Truman and Richard M. Nixon.

*Do you have a favorable impression of . . . ?*



Source: The Washington Post, Jan. 18, 2009

Obama included health care in his inaugural litany of challenges, along with education, climate change and technology. For now, those initiatives lie in the future. In the immediate days after his euphoric inauguration, here are some of the major questions being debated:

### Is President Obama on the right track in fixing the U.S. economy?

As president-elect, Obama spent his first full week in Washington in early January first warning of trillion-dollar federal budget deficits for years to come and then making urgent appeals for public support for a close to trillion-dollar stimulus to get the economy moving.

Members of Congress from both parties and advocates and economic experts of all persuasions agree on the need for a good-sized federal recovery program for the seriously ailing U.S. economy. And most agree on a prescription that combines spending increases and tax cuts. But there is sharp disagreement as to the particulars between tax-cutting conservatives and pump-priming liberals, with deficit hawks worried that both of the prescribed remedies could get out of hand.

With the plan's price tag then being estimated somewhere around \$800 billion, Obama made his first sustained appeal for public support in a somber, half-hour address on Jan. 8 at George Mason University in Fairfax,

Va., outside Washington. Any delay, he warned, could risk double-digit unemployment. He outlined plans to “rebuild America” ranging from alternative energy facilities and new school classrooms to computerized medical records, but he insisted the plan would not entail “a slew of new government programs.” He reiterated his campaign promise of a “\$1,000 tax cut for 95 percent of working-class families” but made no mention of business tax cuts being included as sweeteners for Republican lawmakers.

Within days, Obama's plan was taking flack from left and right in the blogosphere. Writing on the liberal HuffingtonPost.com, Robert Kuttner, co-editor of *American Prospect* magazine, denounced the spending plan as

too small and the business tax cuts as “huge concessions” in a misguided effort at “post-partisanship.” From the right, columnist Neal Boortz accused Obama on the conservative TownHall.com of using the economic crisis as “cover for increased government spending that he's been promising since the day he announced his candidacy.”

Allen Schick, a professor of economics at the University of Maryland in College Park and formerly an economics specialist with the Congressional Research Service, sees weaknesses with both components of the Obama plan. “We really have no model to deal with the question of what's the right number” for the stimulus, he says. “And we're not even sure that the stimulus will do the job, especially if a lot of the spending is wasteful.”

As for the tax cuts, Schick calls them “harebrained, more intended to look good and buy support than to actually get the economy moving.” In particular, he criticized a proposed \$3,000 jobs credit for employers. “We know from the past that employers don't hire people for just a few shekels,” he says. Eventually, the jobs credit was dropped, but the package still includes business tax breaks such as a \$16 billion provision to allow businesses to use 2008 and 2009 losses to offset profits for the previous five years instead of two.

Conservatives favor tax cuts, but not the middle-class tax cut that Obama is proposing. “A well-designed tax cut

is the only effective short-term stimulus,” says J. D. Foster, a senior fellow at the Heritage Foundation. But Foster, who worked in the Office of Management and Budget in the Bush administration, calls either for extending or making permanent Bush’s across-the-board rate cuts, which primarily benefited upper-income taxpayers.

From the opposite side, Chad Stone, chief economist with the liberal Center on Budget Policy and Priorities, endorses Obama’s approach. “Tax cuts should be focused on people of low and moderate means, who are much more likely to spend the extra money they get,” he says.

Academic economists, however, caution that tax cuts may not deliver a lot of bang for the buck in terms of short-term stimulus. Studies indicate that taxpayers pocketed at least one-third of the \$500 tax rebate the government disbursed to counteract the 2001 recession.

Advocates and observers on both sides warn that the spending side of the package may also be less effective than hoped if political forces play too large a role in shaping it. “If it goes to pork, if it goes to green jobs that may sound good in the short term but may not have a market response or a market for them, then it’s a waste,” Paul Gigot, editorial page editor of *The Wall Street Journal*, said on NBC’s “Meet the Press” on Jan. 11.

“If the stuff that gets added is not very effective as stimulus or the things that are good get pulled out, that would not be good,” says Stone.

For its part, the budget-restraint advocacy group Concord Coalition sees political forces as driving up the total cost of the package — in spending and tax cuts alike — with no regard for the long-term impact. “Nothing is ever taken off the table,” says Diane Lim Rogers, the coalition’s chief economist.

Rogers complains of “political pressure to come up with tax cuts even though economists are having trouble figuring out whether they’re going to do any good.” At the same time, she says spending has to be designed “as thoughtfully as possible, not in a way that the federal government ends up literally just throwing money out the door.”

A range of experts also call for renewed efforts to solve the mortgage and foreclosure crisis, saying that homeowners are not going to start spending again without confidence-restoring steps. Indeed, Federal Reserve Chairman Ben Bernanke pointedly told a conference in December that steps to reduce foreclosures “should be high on the agenda” in any economic recovery plan.<sup>2</sup>

Despite questions and concerns about the details, however, support for strong action is all but universal. “We have no choice,” said Mark Zandi, chief economist of Moody’s Economy.com and a former adviser to the McCain campaign, also on “Meet the Press.” “If we don’t do something like this — a stimulus package, a foreclosure mitigation plan — the economy is going to slide away.”

### **Is President Obama on the right track in Iraq and Afghanistan?**

At the start of his presidential campaign in February 2007, candidate Obama was unflinchingly calling for withdrawing all U.S. combat forces from Iraq within 16 months after taking office. But his tone began changing as he neared the Democratic nomination in summer 2008. And in his first extended broadcast interview after the election, President-elect Obama said on NBC’s “Meet the Press” on Dec. 7 only that he would summon military advisers on his first day in office and direct them to prepare a plan for “a responsible drawdown.”

Obama also did nothing to knock down host Tom Brokaw’s forecast of a “residual force” of 35,000 to 50,000 U.S. troops in Iraq through the end of his term. “I’m not going to speculate on the numbers,” Obama said, but he went on to promise “a large enough force in the region” to protect U.S. personnel and to “ferret out any terrorist activity.” In addition, Obama voiced disappointment with developments in Afghanistan and said that “additional troops” and “more effective diplomacy” would be needed to achieve U.S. goals there.

Many foreign policy observers are viewing Obama’s late campaign and post-election stances as a salutary shift from ideology to pragmatism. “It seems very clear that he will not fulfill his initial pledge to withdraw all U.S. forces from Iraq in 16 months — which is only wise,” says Thomas Donnelly, a resident fellow on defense and national security issues at the American Enterprise Institute (AEI).

“I personally have been very impressed with [Obama’s] thinking and his way of assembling a national security team,” says Kenneth Pollack, director of the Brookings Institution’s Saban Center for Middle East Policy. “This is not a man who plays by the traditional American political rules.”

# First Black President Made Race a Non-Issue

*Obama's personal attributes swept voters' doubts aside.*

Barack Obama took the oath of office the day after this year's Martin Luther King holiday, and he accepted the Democratic presidential nomination last August on the 45th anniversary of King's celebrated "I Have a Dream" speech.

For millions of Americans, Obama's election as the nation's first African-American president seemed to fulfill the promise of King's "dream" of a nation in which citizens "will not be judged by the color of their skin, but by the content of their character."

"Obviously, for an African-American to win the presidency, given the history of this country . . . is a remarkable thing," Obama said after the election. "If you think about grandparents who are alive today who grew up under Jim Crow, that's a big leap."<sup>1</sup>

While Obama clearly benefited from the sacrifices of the civil rights generation — to which he has paid homage — his politics are different from the veterans of that movement. Older black politicians such as the Rev. Jesse Jackson seemed to base their candidacies mainly on issues of particular concern to African-Americans. But black politicians of Obama's generation, such as Massachusetts Gov. Deval Patrick and Newark Mayor Cory Booker (both Democrats), have run on issues of broader concern — in Obama's case, first on the war in Iraq and later on the economic meltdown.

"The successful ones start from the outside by appealing to white voters first, and work back toward their base of black voters," said broadcast journalist Gwen Ifill, author of the new book *The Breakthrough: Politics and Race in the Age of Obama*.<sup>2</sup>

Black voters initially were reluctant to support Obama — polls throughout 2007 showed Sen. Hillary Rodham Clinton with a big lead among African-Americans — but he picked up their support as it became clear he was the first black candidate with a realistic hope of winning the White House. Clinton's support among blacks dropped markedly in the wake of remarks by former President Bill Clinton that many found demeaning.

But many white Democratic voters remained reluctant to support Obama, particularly in Appalachia. Exit polling

during the Pennsylvania primary, for example, showed that 16 percent of whites had considered race in making their pick, with half of those saying they would not support Obama in the fall.<sup>3</sup>

Obama also was bedeviled by videotaped remarks of his pastor, the Rev. Jeremiah Wright, which were incendiary and deemed unpatriotic. But Obama responded with a widely hailed speech on race in March 2008 in which he acknowledged both the grievances of working-class whites and the continuing legacy of economic disadvantages among blacks. Obama said his own life story "has seared into my genetic makeup the idea that this nation is more than the sum of its parts — that out of many, we are truly one."<sup>4</sup>

As the general election campaign got under way, it was clear that race would continue to be a factor. One June poll showed that 30 percent of Americans admit prejudice.<sup>5</sup> And, despite Obama's lead, there was debate throughout the campaign about the so-called Bradley effect — the suggestion that people will lie to pollsters about their true intentions when it comes to black candidates.\*

But neither Obama nor Arizona Sen. John McCain, his Republican rival, made explicit pleas based on race, with McCain refusing to air ads featuring Wright. As the campaign wore on, no one forgot that Obama is black — but most doubters put that fact aside in favor of more pressing concerns.

"For a long time, I couldn't ignore the fact that he was black. I'm not proud of that," Joe Sinitski, a 48-year-old Pennsylvania voter, told *The New York Times*. "I was raised to think that there aren't good black people out there."<sup>6</sup> But Sinitski ended up voting for Obama, along with many other whites won over by Obama's personal attributes or convinced that issues such as the economy trumped race.

Exit polls showed that Obama prevailed among those who considered race a significant factor, 53 to 46 percent.<sup>7</sup> "In difficult economic times, people find the price of prejudice is just a little too high," said outgoing North Carolina Gov. Mike Easley, a Democrat.<sup>8</sup>

\* The Bradley effect refers to Tom Bradley, an African-American who lost the 1982 race for governor in California despite being ahead in voter polls going into the election.

“The Bradley effect really was not a significant factor, despite much concern, fear and hyperventilation about it leading up to the election,” says Scott Keeter, a pollster with the Pew Research Center. “Race was a consideration to people, but what it wasn’t, invariably, was a negative consideration for white voters. It was a positive consideration for many white voters who saw Obama as a candidate who could help the country toward racial reconciliation.”

Obama carried more white voters than former Vice President Al Gore or Sen. John Kerry of Massachusetts, the two previous Democratic nominees. Still, he could not have prevailed without black and Hispanic voters, particularly in the three Southern states he carried. In Virginia — a state that had voted Republican since 1964 — Obama lost by 21 points among white voters, according to exit polls.

His victory clearly did not bring racial enmity to its end. In December, Chip Saltsman, a candidate for the Republican Party chairmanship, sent potential supporters a CD containing the song “Barack the Magic Negro,” a parody popularized by right-wing talk show host Rush Limbaugh during the campaign. And, when Senate Democrats initially balked in January at seating Roland Burris as Obama’s replacement, Rep. Bobby Rush, D-Ill., played the race card, warning them not to “hang or lynch the appointee,” comparing the move to Southern governors who sought to block desegregation.<sup>9</sup>

But still polls suggest that most Americans believe Obama’s presidency will be a boon for race relations. A *USA Today*/Gallup Poll taken the day after the November election showed that two-thirds predicted black-white relations “will eventually be worked out” — by far the highest total in the poll’s history.<sup>10</sup>

In the future, white males may no longer be the default inhabitants of America’s most powerful position. The present generation and those in the future are likely to grow up thinking it’s a normal state of affairs for the country to be led by a black president. “For a lot of African-Americans, it



AFP/Getty Images/Tim Sloan

Michelle Obama holds the Bible used to swear in President Abraham Lincoln as Barack Obama takes the oath of office from Supreme Court Chief Justice John G. Roberts Jr.

already has made them feel better and more positive about the country and American society,” says David Bositis, an expert on black voting at the Joint Center for Political and Economic Studies.

“When you ask my kids what they want to be when they grow up, they always say they want to work at McDonald’s or Wal-Mart,” said Joslyn Reddick, principal at a predominantly black

school in Selma, Ala., a city from which King led an historic march for voting rights in 1965.

“Now they will see that an African-American has achieved the highest station in the United States,” Reddick said. “They can see for themselves that dreams can come true.”<sup>11</sup>

— Alan Greenblatt,  
staff writer, *Governing* magazine

<sup>1</sup> Bryan Monroe, “The Audacity of Victory,” *Ebony*, January 2009, p. 16.

<sup>2</sup> Sam Fulwood III, “The New Face of America,” *Politico.com*, Jan. 13, 2009.

<sup>3</sup> Alan Greenblatt, “Changing U.S. Electorate,” *CQ Researcher*, May 30, 2008, p. 459.

<sup>4</sup> The Obama speech, “A More Perfect Union,” is at [www.youtube.com/watch?v=pWe7wTVbLUU](http://www.youtube.com/watch?v=pWe7wTVbLUU). The text of the March 18, 2008, speech, “A More Perfect Union,” is found in *Change We Can Believe In: Barack Obama’s Plan to Renew America’s Promise* (2008), pp. 215-232.

<sup>5</sup> Jon Cohen and Jennifer Agiesta, “3 in 10 Americans Admit to Race Bias,” *The Washington Post*, June 22, 2008, p. A1.

<sup>6</sup> Michael Sokolove, “The Transformation,” *The New York Times*, Nov. 9, 2008, p. WK1.

<sup>7</sup> John B. Judis, “Did Race Really Matter?” *Los Angeles Times*, Nov. 9, 2008, p. 34.

<sup>8</sup> Rachel L. Swarns, “Vaulting the Racial Divide, Obama Persuaded Americans to Follow,” *The New York Times*, Nov. 5, 2008, p. 7.

<sup>9</sup> Clarence Page, “Hiding Behind Black Voters,” *Chicago Tribune*, Jan. 4, 2009, p. 24.

<sup>10</sup> Susan Page, “Hopes Are High for Race Relations,” *USA Today*, Nov. 7, 2008, p. 1A.

<sup>11</sup> Dahleen Glanton and Howard Witte, “Many Marvel at a Black President,” *Chicago Tribune*, Nov. 5, 2008, p. 6.

## Cabinet Includes Stars, Superstars and Surprises

President Obama made his Cabinet selections in record time, and his appointees run the gamut of race, ethnic origin, gender, age and even party affiliation. Those in top posts include Sen. Hillary Rodham Clinton at State and Robert Gates continuing at Defense. Besides Gates, one other Republican was chosen: Transportation's Ray LaHood. New Mexico Gov. Bill Richardson's withdrawal left the Commerce post unfilled along with the director of Drug Control Policy. Cabinet-level appointees include four women, two Asian-Americans, two Hispanics and two African-Americans.

Name, Age Department	Date of Nomination	Date of Confirmation	Previous Positions
 <b>Hillary Rodham Clinton</b> , 61, State	Dec. 1	Jan. 21	New York U.S. senator (2001-09); first lady (1993-2001); Arkansas first lady (1979-81, 1983-92)
 <b>Timothy Geithner</b> , 47, Treasury	Nov. 24	Jan. 26	President, Federal Reserve Bank of New York (2003-09); under secretary, Treasury (1998-2001)
 <b>Robert Gates</b> , 65, Defense*	Dec. 1	Dec. 6, 2006 *	Defense secretary (2006-present); director, CIA (1991-93); deputy national security adviser (1989-91)
 <b>Eric Holder</b> , 57, Attorney General	Dec. 1		Deputy attorney general (1997-2001); U.S. attorney (1993-97); judge, D.C. Superior Court (1988-93)
 <b>Ken Salazar</b> , 53, Interior	Dec. 17	Jan. 20	Colorado U.S. senator (2005-09); Colorado attorney general (1999-2005)
 <b>Tom Vilsack</b> , 58, Agriculture	Dec. 17	Jan. 20	Iowa governor (1999-2007); Iowa state senator (1992-99)
 <b>Hilda Solis</b> , 51, Labor	Dec. 19		California U.S. representative (2001-09); California state senator (1995-2001)
 <b>Tom Daschle</b> , 61, Health & Human Services	Dec. 11		South Dakota U.S. senator (1987-2005); Senate majority leader (2001, 2001-03); South Dakota U.S. representative (1979-87)
 <b>Shaun Donovan</b> , 42, Housing and Urban Development	Dec. 13	Jan. 22	Commissioner, New York City Dept. of Housing Preservation and Development (2004-08); deputy assistant secretary, HUD (2000-01)

Obama invited speculation about a shift toward the center by selecting Clinton and Robert Gates as the two Cabinet members on his national security team along with a retired Marine general, James Jones, as national security adviser. (See chart, at left.) Clinton had voted for the Iraq War in late 2002, though she echoed Obama during the campaign in calling for troop withdrawals. As Bush's secretary of Defense, Gates had overseen the "surge" in U.S. forces during 2007.

"This is a group of people who are very sober, very intelligent, fully aware of the importance of Iraq to America's security interests and of the fragility of the situation there," says Pollack.

Some anti-war activists were voicing concern about Obama's seeming shift within days of his election. "Obama has very successfully branded himself as anti-war, but the fact remains that he's willing to keep a residual force in Iraq indefinitely, [and] he wants to escalate in Afghanistan," said Matthis Chiroux of Iraq Veterans Against the War. "My hope is that he starts bringing home the troops from Iraq immediately, but I think those of us in the anti-war movement could find ourselves disappointed."<sup>3</sup>

Since then, however, criticism of Obama's emerging policies has been virtually nonexistent from the anti-war and Democratic Party left. "He seems to be accelerating the withdrawal, which is terrific," says Robert Borosage, co-director of the Campaign for America's Future. Borosage is "concerned" about the residual force in Iraq because of the risk that U.S. troops will become involved in "internecine battles." But he adds, "That's what he's promised, and I think he'll fulfill his promise."

Donnelly and Pollack, however, both view a continuing U.S. role in Iraq as vital. "There's good progress, but a long way to go," says Donnelly. "A huge American role is going to be needed



through the four years of the Obama administration.” Pollack agrees. “Iraq is far from solved. Whether we like it or not, Iraq is a vital interest for the United States of America.”

In his campaign and since, Obama has treated Afghanistan as more important to U.S. interests and harshly criticized the Bush administration for — in his view — ignoring the conflict there. Afghanistan “had had a huge rhetorical place in the Obama campaign,” says Donnelly. “The idea being that Afghanistan was the good war, the more important war, and that Iraq was a dead end strategically.”

P. J. Crowley, a senior fellow at the liberal think tank Center for American Progress, calls Obama’s focus on Afghanistan “correct” but emphasizes the need for a multipronged effort to stabilize and reform the country’s U.S.-backed government. “Returning our weight of effort [to Afghanistan] is a right approach,” says Crowley, who was spokesman for the National Security Council under President Bill Clinton.

“More troops may help in a narrow sense,” Crowley continues, “but I don’t think anyone suggests that more troops are the long-term solution in Afghanistan. The insertion of U.S. forces is logical in the short- to mid-term, but it has to be part of a broader strategy.”

But Pollack questions the value of any additional U.S. troops at all. “The problems of Afghanistan are not principally military; they are principally political and diplomatic,” he says. “Unless this new national security team can create a military mission that is of value to what is ultimately a diplomatic problem, it’s going to be tough to justify to the country the commitment of those additional troops.”

Name, Age, Department	Date of Nomination	Date of Confirmation	Previous Positions
 <b>Ray LaHood</b> , 63, Transportation	Dec. 19	Jan. 22	Illinois U.S. representative (1995-2009); state representative (1982-83)
 <b>Steven Chu</b> , 60, Energy	Dec. 15	Jan. 20	Director, Lawrence Berkeley National Laboratory, Dept. of Energy (2004-09); professor, UC-Berkeley (2004-present); Nobel Prize winner, physics (1997)
 <b>Arne Duncan</b> , 44, Education	Dec. 16	Jan. 20	C.E.O, Chicago Public Schools (2001-09)
 <b>Eric Shinseki</b> , 66, Veterans Affairs	Dec. 7	Jan. 20	Chief of staff, Army (1999-2003)
 <b>Janet Napolitano</b> , 51, Homeland Security	Dec. 1	Jan. 20	Arizona governor (2003-09); attorney general (1999-2002)
 <b>Rahm Emmanuel</b> , 49, Chief of Staff	Nov. 6	NA	Illinois U.S. representative (2003-09); senior adviser to the president (1993-98)
 <b>Lisa Jackson</b> , 46, Environmental Protection Agency	Dec. 15	Jan. 22	Chief of staff, governor of New Jersey (2008-09); commissioner, New Jersey Dept. of Environmental Protection (2006-2008)
 <b>Peter Orszag</b> , 40, Office of Management and Budget	Nov. 25	Jan. 20	Director, Congressional Budget Office (2007-08); adviser, National Economic Council (1997-98)
 <b>Susan Rice</b> , 44, Ambassador to the United Nations	Dec. 1	Jan. 22	Assistant secretary, State (1997-2001); National Security Council (1993-97)
 <b>Ron Kirk</b> , 54, Trade Representative	Dec. 19		Mayor of Dallas (1995-2002)

Department heads are listed in order of succession under Presidential Succession Act; nondepartment heads were given Cabinet-level status.

\* Gates was confirmed when first nominated by President George W. Bush and did not have to be re-confirmed.

Compiled by Vyomika Jairam; all photos by Getty Images

# Bleak Economy Getting Bleaker

*Economists widely agree a stimulus plan is needed.*

When Barack Obama took office on Jan. 20, he inherited the most battered U.S. economy since World War II — and one of the shakiest to confront a new president in American history.

And the view from the Oval Office is likely to get bleaker before the gloom begins to lift.

“There are very serious questions on the financial side and apprehension among many parties that there may be more bad news to come,” says Kent Hughes, director of the Program on Science, Technology, America and the Global Economy at the Woodrow Wilson Center for Scholars.

Already, Obama has stepped into the worst unemployment picture in 16 years, with the jobless rate at 7.2 percent and 11.1 million people out of work. The economy lost 1.9 million jobs during the last four months of 2008 — 524,000 in December alone.<sup>1</sup>

Economists worry that rising unemployment in manufacturing, construction, retailing and other sectors foreshadows an even more dismal future, at the very least in the short term. Dean Baker, co-director for the Center for Economic and Policy Research, a liberal think tank in Washington, says he expects another million or so jobs to disappear through February, then the pace of job loss to slow if Congress acts to stimulate the economy.

Obama must figure out not only how to get people back to work but also how to restore their confidence in the economy. A punishing credit crisis and cascade of grim news from Wall Street has led consumers to stop spending on everything from restaurant meals to houses and autos.<sup>2</sup>

Home sales have plunged in recent months, foreclosures are hitting record levels and a study by PMI Mortgage Insurance Co. estimates that half of the nation’s 50-largest Metropolitan Statistical Areas have an “elevated or high probability” of experiencing lower home prices by the end

of the third quarter of 2010 compared to the same quarter of 2008.<sup>3</sup>

Retail sales, a key indicator of consumer confidence, fell in December 2008 for the sixth month in a row, according to the Commerce Department.<sup>4</sup> The International Council of Shopping Centers said chain-store sales in December posted their biggest year-to-year decline since researchers began tracking figures in 1970.<sup>5</sup>

Rebecca Blank, a senior fellow at the Brookings Institution and former member of President Bill Clinton’s Council of Economic Advisers, says the unemployment numbers “suggest the economy is still on the way down,” and the decline in holiday sales is “surely going to lead to some bankruptcies and belt tightening in the retail sector.”

Indeed, such trouble is already occurring. The shopping centers group estimated that 148,000 retail stores closed last year and that more than 73,000 will be shuttered in the first half of 2009.<sup>6</sup> Among the latest examples: Bankrupt electronics chain Circuit City said in January that it was closing its remaining 567 stores, putting some 30,000 employees out of work.

To revive the economy, the new administration — most visibly Obama himself — is urging Congress to quickly approve a stimulus package that could approach \$900 billion. Much of the money would likely go toward tax cuts and public infrastructure projects, though how, exactly, the government would allocate it remains a matter of intense political debate.

One thing seems certain, though: The cost of a stimulus package, added to the hundreds of billions of dollars already spent to shore up the nation’s flagging financial system, will add to the bulging federal deficit.

“The thing you know for sure is that a stimulus is going to add to the debt, which is [now] quite frightening, and it’s going to make it worse,” says June O’Neill, an economics professor at the City University of New York’s Baruch College

Borosage also worries about an increased U.S. military presence in Afghanistan. “A permanent occupation of Afghanistan is a recipe for defeat,” he says.

All of the experts stress that U.S. policy in Afghanistan now plays a secondary part in the fight with the al Qaeda terrorist group, which carried out the 9/11 attacks in the United States. “There is no al Qaeda in Afghanistan,” says

Donnelly. “Al Qaeda has now reconstituted itself in the tribal areas of northwest Pakistan.”

Donnelly questions Afghanistan’s importance to U.S. interests altogether but ultimately supports continued U.S. involvement. “The only thing worse than being engaged in Afghanistan,” he says, “is turning our backs on it.”

and a former director of the Congressional Budget Office (CBO) during the Clinton administration.

In January the CBO projected a \$1.2 trillion deficit for the fiscal year. A stimulus plan would add even more pressure on Obama to get federal spending under control. “My own economic and budget team projects that, unless we take decisive action, even after our economy pulls out of its slide, trillion-dollar deficits will be a reality for years to come,” Obama said.<sup>7</sup>

Still, a wide spectrum of economists — including conservatives who typically look askance at government spending — agree that a stimulus plan is necessary.

Martin Feldstein, a Harvard University economist and former chair of the Council of Economic Advisers in the Reagan administration, told a House committee in January that stopping the economic slide and restoring “sustainable growth” requires fixing the housing crisis and adopting a “fiscal stimulus of reduced taxes and increased government spending.”<sup>8</sup>

Feldstein pointed out that past recessions started after the Federal Reserve raised short-term interest rates to fight inflation. Once inflation was under control, the Fed cut rates, which spurred a recovery. But the current recession is different, Feldstein said: It wasn’t caused by the Fed tightening up on fiscal policy, and thus rate cuts haven’t succeeded in reviving the economy.

“Because of the dysfunctional credit markets and the collapse of housing demand, monetary policy has had no traction in its attempt to lift the economy,” he said.

That poses an especially daunting challenge for Obama.

Baker of the Center for Economic and Policy Research says that the current crisis, occurring amid a broad collapse



Getty Images/Ethan Miller

The battered economy that confronts President Obama includes record foreclosure rates and plummeting home values. Above, a foreclosed home in Nevada, the state with the nation’s highest foreclosure rate.

of the financial markets, more closely resembles the Great Depression than any other recession since then.

Most postwar recessions “were the result of the Fed raising rates,” says Baker. “That meant we knew how to reverse it. This one, there’s not an easy answer to. We’re not going to see [another] Great Depression — not double-digit unemployment for a decade.” But in terms of the severity of the problem, Baker adds, the Great Depression is the “closest match” to what confronts the new administration.

— Thomas J. Billitteri

<sup>1</sup> Bureau of Labor Statistics, “Employment Situation Summary,” Jan. 9, 2009, [www.bls.gov/news.release/empisit.nr0.htm](http://www.bls.gov/news.release/empisit.nr0.htm).

<sup>2</sup> For coverage of the economic crisis, see the following *CQ Researcher* reports: Thomas J. Billitteri, “Financial Bailout,” Oct. 24, 2008, pp. 865-888; Kenneth Jost, “Financial Crisis,” May 9, 2008, pp. 409-432; Marcia Clemmitt, “Regulating Credit Cards,” Oct. 10, 2008, pp. 817-840; and Marcia Clemmitt, “The National Debt,” Nov. 14, 2008, pp. 937-960.

<sup>3</sup> News release, “PMI Winter 2009 Risk Index Indicates Broader Risk Spreading Across Nation’s Housing Markets,” PMI Mortgage Insurance Co., Jan. 14, 2009.

<sup>4</sup> Bob Willis, “U.S. Economy: Retail Sales Decline for a Sixth Month,” Bloomberg, Jan. 14, 2009, [www.bloomberg.com](http://www.bloomberg.com).

<sup>5</sup> V. Dion Haynes and Howard Schneider, “A Brutal December for Retailers,” *The Washington Post*, Jan. 9, 2009, p. 2D.

<sup>6</sup> *Ibid.*

<sup>7</sup> Quoted in David Stout and Edmund L. Andrews, “\$1.2 Trillion Deficit Forecast as Obama Weighs Options,” *The New York Times*, Jan. 8, 2009, [www.nytimes.com/2009/01/08/business/economy/08deficit.html?scp=2&sq=deficit&st=cse](http://www.nytimes.com/2009/01/08/business/economy/08deficit.html?scp=2&sq=deficit&st=cse).

<sup>8</sup> Martin Feldstein, “The Economic Stimulus and Sustained Economic Growth,” statement to the House Democratic Steering and Policy Committee, Jan. 7, 2009, [www.nber.org/feldstein/EconomicStimulusandEconomicGrowthStatement.pdf](http://www.nber.org/feldstein/EconomicStimulusandEconomicGrowthStatement.pdf).

## Is President Obama on the right track in winning support for his programs in Congress?

As president of Harvard University, Lawrence Summers clashed so often and so sharply with faculty and others that he was forced out after only five years in office. But when Summers went to Capitol Hill as President-elect Obama’s

designee to be top White House economic adviser, the normally self-assured economist told lawmakers that he and other administration officials plan to be all ears.

“All of us have been instructed that when it comes to Congress, to listen and not just talk,” Summers told House Democrats in a Jan. 9 meeting to discuss Obama’s economic recovery plan.<sup>4</sup>

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AFP/Getty Images/Mark Ralston

State Department staffers greet new Secretary of State Hillary Rodham Clinton on her first day of work, Jan. 22, 2009.

Within days after the new Congress was sworn in on Jan. 6, however, lawmakers on both sides of the political aisle were, in fact, taking pot shots at Obama's plan. Republicans were calling for hearings after the plan was unveiled — a move seen as jeopardizing Obama's goal of signing a stimulus bill into law before Congress' mid-February recess. Meanwhile, some Democratic lawmakers were questioning the business tax cuts being considered for the package, calling them examples of what they considered the discredited philosophy of "trickle-down economics."

Despite the criticisms, Obama was upbeat about his relations with Congress in an interview broadcast on ABC's "This Weekend" on Jan. 11. "One of the things that we're trying to set a tone of is that, you know, Congress is a co-equal branch of government," Obama told host George Stephanopoulos. "We're not trying to jam anything down people's throats."

Veteran Congress-watchers in Washington are giving Obama high marks in his dealings with Capitol Hill so far, while also praising Congress for asserting its own constitutional prerogatives.

"Obama is off to a very good start with Congress, and, just as importantly, Congress is off to a good start with him," says Thomas Mann, a senior fellow at the Brookings Institution. "No more [status as a] potted plant for the first branch or an inflated sense of presidential authority by the second, but instead a serious engagement between the players at the opposite ends of Pennsylvania Avenue."

Obama is "in good shape," says Stephen Hess, a senior fellow emeritus at Brookings who began his Washington career as a White House staffer under President Dwight D. Eisenhower in the 1950s. Hess credits Obama in particular with seeking to consult with Republican as well as Democratic lawmakers.

"He was very shrewd after talking with Democrats to talk with Republicans," says Hess, who also teaches at George Washington University. "He has given the opposition the sense that he's open, he's listening. He's reached out to them when he doesn't need them — which of course is the right time to reach out to them."

Norman Ornstein, a resident scholar at the American Enterprise Institute, similarly credits Obama with having gone "further in consulting members of the opposition party than any president I can remember." Writing in the Capitol Hill newspaper *Roll Call*, Ornstein also said Obama is well aware of lawmakers' "issues and sensitivities." For example, Ornstein noted the president-elect's personal apology to Senate Intelligence Committee Chair Dianne Feinstein, D-Calif., for failing to give her advance word in early January of the planned nomination of Leon Panetta to head the Central Intelligence Agency.<sup>5</sup>

The lapse of protocol on the Panetta nomination — which Feinstein later promised to support — may well have been the only avoidable misstep by the Obama team in its dealings with Congress. Criticisms of the economic recovery program as it took shape could hardly have been avoided. And Republican senators naturally looked for ways to find fault with some of Obama's Cabinet nominees — such as their criticism of Attorney General-designate Eric Holder for his role in President Clinton's pardon of fugitive financier Marc Rich and Treasury Secretary-designate Timothy Geithner for his late payment of tens of thousands of dollars in federal income taxes.

A prominent, retired GOP congressman, however, says Obama is doing well so far and predicts the economic crisis may give him a longer than usual pass with lawmakers from both parties. "He has the advantage of a honeymoon, and perhaps the second advantage of the economic conditions of the country, which I think will help the Congress to gather around his program," says Bill Frenzel, a guest scholar at the Brookings Institution and a Minnesota congressman for two decades before his retirement in 1991.

# Big-Name Policy ‘Czars’ Head for West Wing

*Appointments may signal decline in Cabinet’s influence.*

President Barack Obama has tapped several high-profile Washington insiders to fill new and existing senior White House positions, indicating the new administration is shifting policy making from the Cabinet to the influential White House West Wing.

The new so-called policy “czars” include former Sen. Tom Daschle, D-S.D., at the Office of Health Reform (he is also Health and Human Services secretary); former assistant Treasury secretary Nancy Killefer, leading efforts to cut government waste as the nation’s first chief performance officer; former Environmental Protection Agency Administrator Carol Browner as the new coordinator of energy and climate policy; and former New York City Council member Adolfo Carrion Jr., who is expected to head the Office of Urban Affairs.

“We’re going to have so many czars,” said Thomas J. Donohue, president of the U.S. Chamber of Commerce. “It’s going to be a lot of fun, seeing the czars and the regulators and the czars and the Cabinet secretaries debate.”<sup>1</sup>

In another major West Wing appointment, former Treasury secretary and Harvard President Lawrence Summers

becomes director of the existing National Economic Council. In the weeks leading up to the inauguration, analysts noted that Summers, and not then-Treasury secretary-designate Timothy Geithner, was leading then-President-elect Obama’s efforts to draft a new financial stimulus package.

But Paul Light, an expert on governance at New York University, questions the role the new “czars” will play. “It’s a symbolic gesture of the priority assigned to an issue, and I emphasize the word symbolic,” he said. “There’ve been so many czars over the last 50 years, and they’ve all been failures. Nobody takes them seriously anymore.”<sup>2</sup>

— Vyomika Jairam

<sup>1</sup> Michael D. Shear and Ceci Connolly, “Obama Assembles Powerful West Wing; Influential Advisers May Compete With Cabinet,” *The Washington Post*, Jan. 14, 2009, p. A1.

<sup>2</sup> Laura Meckler “‘Czars’ Ascend at White House,” *The Wall Street Journal*, Dec. 15, 2005, p. A6.

“We’re talking about both Republicans and Democrats,” Frenzel continues. “Democrats are going to want to be independent, and Republicans are going to want to take whacks at him when they can. But I think there is a mood of wanting to help the president when they can for a while.”

Ornstein and Hess caution, however, that new presidents cannot expect the honeymoon to last very long. Ornstein writes that Obama’s hoped-for supermajority support in Congress “may be doable on stimulus” and “perhaps even on health care.” But he says an era of “post-partisan politics” will require “some serious steps” by party leaders and rank-and-file members.

For his part, Hess says Obama may eventually begin to disappoint some within his own party — but not yet. “Democrats will for a while cut him a great deal of slack,” Hess explains. “Reason No. 1, he’s not George W. Bush. Reason No. 2, they’re going to get some of what they want. And reason No. 3, some of those folks have become wiser about the way politics is played in this town.”

## BACKGROUND

### ‘A Mutt, Like Me’

Barack Obama’s inauguration as president represents a 21st-century version of the American dream: the election of a native-born citizen, both black and white, with roots in Kansas and Kenya. Abandoned by his father and later living apart from his mother, Obama was nurtured in his formative years by doting white grandparents and educated in elite schools before turning to community organizing in inner-city Chicago and then to a political career that moved from the Illinois statehouse to the White House in barely 12 years.<sup>6</sup>

Barack Hussein Obama was born in Honolulu on Aug. 4, 1961, to parents he later described in his memoir *Dreams from My Father* as a “white as vanilla” American mother and a “black as pitch” Kenyan father. Barack Obama Sr. and Stanley Ann Dunham married, more or less secretly, after having met as students at the University of Hawaii. Stanley Ann’s “moderately liberal” parents

## C H R O N O L O G Y : 1 9 6 1 - 2 0 0 6

**1960s-1970s** *Obama born to biracial, binational couple; begins education in Indonesia after mother's remarriage, then returns to Hawaii.*

**1961** Barack Hussein Obama born on Aug. 4, 1961, in Honolulu; parents Stanley Ann Dunham and Barack Obama Sr. meet as students at University of Hawaii; father leaves family behind two years later for graduate studies at Harvard, return to native Kenya.

**1967-1971** Obama's mother remarries, family moves to Indonesia; Obama attends a secular public elementary school with a predominantly Muslim student body until mother decides he should return to Hawaii for schooling.

**1971-1979** "Barry" Obama lives with grandparents Stanley and Madelyn Dunham; graduates with honors from Punahou School, one of three black students at the elite private school; enrolls in Occidental College in Los Angeles but transfers later to Columbia University in New York City.

**1980s-1990s** *Works as community organizer in Chicago, gets law degree, enters politics.*

**1983** Obama graduates with degree in political science from Columbia University; floods civil rights organizations with job applications.

**1985-1988** Works on housing, employment issues as community organizer in Far South Side neighborhood in Chicago.

**Summer 1988** Visits Kenya for first time.

**1988-1991** Enrolls in Harvard Law School in fall 1988; graduates in 1991 after serving as president of *Harvard Law Review* — the first African-American to hold that position.

**1992-1995** Returns to Chicago; marries Michelle Robinson in 1992; runs voter registration project; works as lawyer, lecturer at University of Chicago Law School.

**1995** *Dreams from My Father* is published; mother dies just after publication (Nov. 7, 1995).

**1996** Elected to Illinois legislature as senator representing Chicago's Hyde Park area; serves for eight years.

**2000-2006** *Enters national political stage as U.S. senator, Democratic keynoter.*

**2000** Loses badly in Democratic primary for U.S. House seat held by Rep. Bobby Rush.

**2002** Opposes then-imminent war in Iraq.

**2004** Gains Democratic nomination for U.S. Senate from Illinois. . . . Wins wide praise for keynote address to Democratic National Convention. . . . Elected U.S. senator from Illinois: third African-American to serve in Senate since Reconstruction.

**2005-2006** Earns reputation as hard worker in Senate; compiles liberal voting record; manages Democrats' initiative on ethics reform. . . . *Audacity of Hope* is published (October 2006). . . . Deflects intense speculation about possible presidential bid.

accepted the union. In Kenya — where Barack Sr. already had a wife and child — the family did not. The marriage lasted only two years; Barack left his wife and child behind to go to graduate school at Harvard. Stanley Ann filed for divorce, citing standard legal grounds.

His mother's second marriage, to an Indonesian student, Lolo Soetoro, took young Barry, as he was then called, to his Muslim stepfather's native country at the age of 6. Lolo worked as a geologist in post-colonial Indonesia; his mother taught English. They had a child, Obama's half-sister, Maya. (Maya Soetoro-Ng now teaches high school

history in Honolulu.) Barry attended a predominantly Muslim school that would be falsely depicted as an Islamist madrassa during the 2008 campaign. His mother, meanwhile, taught her son about the civil rights struggles in America and eventually sent him back to Hawaii for schooling. The marriage ended later, a victim of cultural and personality differences.

Barry returned to live with grandparents Stanley and Madelyn Dunham — "Gramps" and "Toot" (her nickname came from the Hawaiian word for grandmother). They provided him the stable, supportive home life that he had

## C H R O N O L O G Y : 2 0 0 7 - P R E S E N T

**2007** *Obama enters presidential race as underdog to New York Sen. Hillary Rodham Clinton; nearly matches Clinton in “money primary” in advance of Iowa caucuses.*

**Feb. 10, 2007** Obama announces candidacy for Democratic nomination for president at rally in Springfield, Ill., three weeks after Clinton, former first lady, joined race; Democratic field eventually includes eight candidates.

**March-December 2007** Democratic candidates engage in 17 debates, with no knockout punches; Obama closes gap with Clinton in polls, fundraising.

**2008** *Obama gains Democratic nomination after draw-out contest with Clinton; beats Republican Sen. John McCain as economic issues take center stage.*

**January-February** Obama scores upset in Iowa caucuses (Jan. 3); Clinton wins New Hampshire primary (Jan. 9); field narrows to two candidates by end of January.

**March-April** Clinton wins big-state primaries, including Ohio (March 4) and Pennsylvania (April 22); Obama edges ahead in delegates.

**May-June** Obama gains irreversible lead after Indiana, North Carolina primaries (May 6); clinches nomination after final primaries (June 2).

**July** Obama goes to Iraq, reaffirms 16-month pullout timetable; speaks at big rally in Berlin, Germany.

**August** Obama picks Delaware Sen. Joseph R. Biden as running mate; accepts nomination with speech promising

Iraq withdrawal, domestic initiatives; McCain chooses Alaska Gov. Sarah Palin as running mate.

**September-October** Obama holds his own in three debates with McCain (Sept. 26, Oct. 7, Oct. 15); McCain challenge to go to Washington to push financial bailout plan ends with advantage to Obama.

**Nov. 4** Obama victory is signaled with victories in “red states” in East, Midwest; networks declare him winner as polls close in West (11 p.m., Eastern time).

**November-December** Obama completes Cabinet selections; works on economic recovery plan; vacations in Hawaii.

**2009** *Obama inaugurated before largest crowd in Washington history.*

**Jan. 5-19** Obama, in Washington, starts public campaign for economic recovery plan. . . . Congress reconvenes with Democrats holding 256-178 majority in House with one vacancy, 57-41 majority in Senate with two seats vacant. . . . More high-level nominations; Commerce post in limbo after Bill Richardson withdraws because of ethics investigation in New Mexico.

**Jan. 20** Obama is inaugurated as 44th president; uses inaugural address to detail “serious” challenges at home, abroad; promises that challenges “will be met.” . . . President moves quickly over next week to reverse some Bush administration policies; lobbies Congress on economic stimulus package, but Republicans continue to push for less spending, more tax cuts.

somewhat lacked so far. He gained admission to the prestigious Punahou School as one of only three black students. His father visited once — Barack’s only time spent with him after the divorce — and spoke to one of his son’s classes about life in Africa. Obama’s mother came back to Hawaii for studies in anthropology, but when she returned to Indonesia for field work Barack chose to stay in Hawaii.

At Punahou, Obama excelled as a student and played with the state championship basketball team his senior year. He graduated in 1979 and enrolled at Occidental

College in Los Angeles. Two years later, he transferred to Columbia University in New York. By now, Obama was well aware of racial issues in the United States — and his ambiguous place in the story. “I learned to slip back and forth between my black and white worlds,” he wrote in *Dreams from My Father*. More recently, as president-elect, Obama referred self-deprecatingly to his background. In describing the kind of puppy he would have preferred to get for his two young daughters, but for Malia’s allergies, Obama said, “A mutt, like me.”

# Myriad Global Problems Confront Obama

*Two wars, the Middle East and terrorism top the list.*

President Barack Obama faces immense foreign-policy challenges — two wars and a turbulent global scene that includes continuing conflict in the Middle East — all against the backdrop of a global economic crisis.

Tens of thousands of U.S. troops are at war in Iraq and Afghanistan. Israel, America's closest Mideast ally, has just suspended a devastating military offensive in the Gaza Strip that could restart at any time. And Islamist terrorism remains a constant threat, with al Qaeda leader Osama bin Laden still at large.<sup>1</sup>

Obama divided his early days in office between wartime matters, the latest Mideast crisis and the economic meltdown. By all indications, he will be walking a tightrope between domestic and international affairs for the foreseeable future.

"A president in these circumstances is going to want to do everything possible to ensure that the transformative and ambitious and very difficult projects of domestic policy that have been designated as the priority for this new administration are not inhibited or disrupted by early failures, in counterterrorism or foreign policy," Steve Coll, president and CEO of the New America Foundation, a nonpartisan think tank, told a pre-inauguration conference on security issues.

Obama's inaugural address restated his commitment to withdraw U.S. forces from Iraq, which is more peaceful after more than five years of war but still violent and torn by political intrigue.<sup>2</sup>

In Afghanistan, however, escalating warfare is tied to another source of U.S. worries: Pakistan. Concern escalated in late November following coordinated terrorist attacks on hotels and other sites in Mumbai — India's financial and cultural capital — which were traced to a jihadist group in Pakistan with deep ties to that country's intelligence agency.<sup>3</sup> Some 175 people were killed and 200 wounded.

The group, Lashkar-e-Taiba, also has at least some operational link to al Qaeda and bin Laden, who is believed to be hiding in Pakistan's northern tribal region, bordering Afghanistan. Another al Qaeda ally, the Taliban guerrillas who are fighting the Afghan government and U.S.

and NATO troops in Afghanistan, use Pakistan as a headquarters.<sup>4</sup>

"Moreover," a government commission on weapons of mass destruction and terrorism said in December, "given Pakistan's tense relationship with India, its buildup of nuclear weapons is exacerbating the prospect of a dangerous nuclear arms race in South Asia that could lead to a nuclear conflict."<sup>5</sup>

The other daunting foreign-policy issue facing the new Obama administration — conflict between Israel and the Palestinians — offers slender prospects for peace. "Two states living side by side in peace and security — right now that stands about as much chance as Bozo the Clown becoming president of the United States," says Aaron David Miller, a former Mideast peace adviser to six secretaries of State.

The biggest obstacle, Miller says, is the "broken and dysfunctional" state of the Palestinian national movement. Fatah, the secular party that runs the West Bank, has a negotiating relationship with Israel. Hamas, the elected Islamist party and militia that initially seized power in an anti-Fatah coup in Gaza in 2007, deems Israel illegitimate. Hamas sponsored or tolerated rocket fire into Israel from Gaza but halted rocketing at the beginning of a cease-fire that began in June 2008. But Israel accused Hamas of building up its arsenal and retaliated by limiting the flow of goods into the region. In December, Hamas announced it wouldn't renew the already shaky truce, blaming the Israeli embargo and military moves. From then on, Hamas stepped up rocketing.

Israel's recent 22-day anti-Hamas offensive in Gaza cost some 1,300 Palestinian lives. The Palestinians estimated the civilian death toll at 40 percent to 70 percent of the fatalities; Israel put the toll at about 25 percent of the total. Israeli fatalities totaled 13, including three civilians.<sup>6</sup>

The scale of Israel's Gaza offensive is renewing calls for the U.S. government to change its relationship to Israel. "The days of America's exclusive ties to Israel may be coming to an end," Miller wrote in *Newsweek* in January. Obama, however, reaffirmed his support for Israel in his Jan. 26 interview with the Arabic-language network Al Arabiya.<sup>7</sup>



Those interests also would require devising a response to what the United States believes is a nuclear arms development project by Iran, which supports Hamas politically and financially — a sign, for some, of how all Middle Eastern issues are interconnected.

“One of the great mistakes we have made has been to believe we can compartmentalize these different policies, that we can somehow separate what is happening between Israel and the Palestinians from what’s happening in Iraq and what’s happening in Iran and what’s happening in Egypt and Saudi Arabia and everywhere else in the Middle East,” said Kenneth M. Pollack, a senior fellow at the Brookings Institution and former CIA analyst of the region. “Linkage is a reality.”<sup>8</sup>

Another set of connections ties past U.S. support for NATO membership by Ukraine and Georgia to chilled U.S. relations with Russia, which views the potential presence of Western military allies — and U.S. missiles — on its borders as hostile.

Despite the Cold War echoes of that dispute, some foreign-affairs experts argue that Obama actually confronts a less perilous international panorama than some of his recent predecessors. “We don’t have the Cold War and World War II,” says Michael Mandelbaum, director of the foreign policy program at Johns Hopkins University’s School of Advanced International Studies. “Those were existential threats. What the incoming president faces are annoying and troublesome, but not existential threats.”

That picture could change if jihadist radicals took over nuclear-armed Pakistan. For now, Mandelbaum argues the biggest international and domestic dangers are one and the same — the economic meltdown.

But success for the huge spending package that Obama wants will require participation by China, America’s major creditor. “China has been lending us money by buying our bonds,” Mandelbaum says. “That huge stimulus package is not going to work unless we get some cooperation from the Chinese.”



Palestinians in Gaza search the rubble of their homes for usable items after an Israeli air strike on Jan. 5, 2009.

Getty Images

In short, the American way of life very much depends on China, Mandelbaum says: “For what Americans care about, for what matters in the world, the issue of where and how we borrow money for the stimulus and where and how we rebalance the economy dwarfs Gaza in importance, and is more important than Iraq and Afghanistan.”

— Peter Katel

<sup>1</sup> For coverage of the Iraq and Afghanistan wars, the Middle East and Islamic fundamentalism, see the following *CQ Researcher* reports: Peter Katel, “Cost of the Iraq War,” April 25, 2008, pp. 361-384; Peter Katel, “New Strategy in Iraq,” Feb. 23, 2007, pp. 169-192; and Peter Katel, “Middle East Tension,” Oct. 27, 2006, pp. 889-912. Also see the following *CQ Global Researcher* reports: Roland Flamini, “Afghanistan on the Brink,” June 2007, pp. 125-150; Robert Kiener, “Crisis in Pakistan,” December 2008, pp. 321-348; and Sarah Glazer, “Radical Islam in Europe,” November 2007, pp. 265-294.

<sup>2</sup> Alissa J. Rubin, “Iraq Unsettled by Political Power Plays,” *The New York Times*, Dec. 25, 2008, [www.nytimes.com/2008/12/26/world/middleeast/26baghdad.html](http://www.nytimes.com/2008/12/26/world/middleeast/26baghdad.html); and Alissa J. Rubin, “Bombs Kill 5 in Baghdad, but Officials Avoid Harm,” *The New York Times*, Jan. 20, 2009, [www.nytimes.com/2009/01/21/world/middleeast/21iraq.html](http://www.nytimes.com/2009/01/21/world/middleeast/21iraq.html).

<sup>3</sup> Jane Perlez and Somini Sengupta, “Mumbai Attack is Test for Pakistan on Curbing Militants,” *The New York Times*, Dec. 3, 2008, [www.nytimes.com/2008/12/04/world/asia/04pstan.html?scp=5&sq=MumbaiLashkar ISI&st=cse](http://www.nytimes.com/2008/12/04/world/asia/04pstan.html?scp=5&sq=MumbaiLashkar ISI&st=cse).

<sup>4</sup> For a summary and analysis, see K. Alan Kronstadt and Kenneth Katzman, “Islamist Militancy in the Pakistan-Afghanistan Border Region and U.S. Policy,” Congressional Research Service, Nov. 21, 2008, <http://fpc.state.gov/documents/organization/113202.pdf>.

<sup>5</sup> See “World at Risk,” Commission on the Prevention of Weapons of Mass Destruction Proliferation and Terrorism, December 2008, p. xxiii.

<sup>6</sup> See Steven Erlanger, “Weighing Crimes and Ethics in the Fog of Urban Warfare,” *The New York Times*, Jan. 16, 2009, [www.nytimes.com/2009/01/17/world/middleeast/17israel.html?scp=1&sq=Gaza civilian&deathpercent&st=cse](http://www.nytimes.com/2009/01/17/world/middleeast/17israel.html?scp=1&sq=Gaza civilian&deathpercent&st=cse); Amy Teibel, “Last Israeli troops leave Gaza, completing pullout,” *The Associated Press*, Jan. 21, 2009, [http://news.yahoo.com/s/ap/ml\\_israel\\_palestinians](http://news.yahoo.com/s/ap/ml_israel_palestinians).

<sup>7</sup> Aaron David Miller, “If Obama Is Serious, He should get tough with Israel,” *Newsweek*, Jan. 3, 2009, [www.newsweek.com/id/177716](http://www.newsweek.com/id/177716).

<sup>8</sup> Quoted in Adam Graham-Silverman, “Conflict in Gaza Strip Presents Immediate Challenge for New President,” *CQ Today*, Jan. 20, 2009.

AFP/Getty Images/Timothy A. Clary



Barack Obama's riveting, highly personal keynote address at the 2004 Democratic National Convention made him an overnight star and presidential contender.

Graduating from Columbia in 1983 with a degree in political science, Obama decided to take on the so-called Reagan revolution by becoming a community organizer — aiming, as he wrote, to bring about “change . . . from a mobilized grass roots.” Obama flooded civil rights organizations to no avail until he was hired in 1985 by Gerald Kellman, a white organizer looking for an African-American to help with community development and mobilization in a Far South Side section of Chicago. Obama's three years in Chicago brought him face to face with the gritty realities of urban life and the disillusionment of the disadvantaged. He later described the time as “the best education I ever had.”<sup>7</sup>

Obama enrolled in Harvard Law School in 1988.<sup>8</sup> He wrote nothing about the decision in his memoir and has said little about it elsewhere. Before going, he visited Kenya, where his father had died in an automobile accident six years earlier. Obama described enjoying the meeting with his extended family while acutely conscious of the cultural gap. At Harvard, he excelled as a student, played pick-up basketball and had only a limited social life after meeting his future wife, Michelle Robinson, a lawyer he had met while working for a Chicago law firm as a summer associate. His election in 1990 as president of the *Harvard Law Review* — as a compromise between conservative and liberal factions — marked the first time an African-American had held the prestigious position.

His barrier-breaking gained enough attention to get Obama an invitation from a literary agent, Jane Dystel, to write a book.<sup>9</sup> Obama planned to write about race relations, but in the three years of writing it turned into more of a personal memoir. Obama has said he was unmindful of political consequences in the writing and that he rejected a suggestion from one of his editors to delete references to drug use while in college. The book garnered respectable reviews — and the audio version won a Grammy — but no more than middling sales. Obama's mother read page proofs and lived just long enough to see it published. She died of ovarian cancer in November 1995.<sup>10</sup>

### Red, Blue and Purple

Obama needed only 10 years to rise from the back benches of the Illinois legislature to a front seat on the national political stage. His political ambition misled him only once: in a failed run for the U.S. House. But he succeeded in other endeavors on the strength of hard work, personal intelligence, political acumen and earnest efforts to bridge the differences of race, class and partisan affiliation.

Obama entered politics in 1995 as the chosen successor of a one-term state senator, Alice Palmer. But he turned on his mentor when she sought re-election after all, following a losing bid in a special election for a U.S. House seat. Obama successfully challenged signatures on Palmer's nominating petitions and had her disqualified (and the other candidates too) to win the Democratic nomination unopposed and eventual election.

As a Democrat in a Republican-controlled legislature and a liberal with no connection to his party's organization, Obama worked to develop personal ties — some formed in a weekly poker game. Among his accomplishments: ethics legislation, a state earned-income tax credit and a measure, backed by law enforcement, to require videotaped interrogations in all capital cases.<sup>11</sup>

After four years in office, Obama decided in 2000 to mount a primary challenge to the popular and much better known Democratic congressman, Bobby Rush. The race was foolhardy from the outset. But — as Obama recounts in his second book, *The Audacity of Hope* — he suffered a grave embarrassment when he failed to return from a family vacation in Hawaii in time to vote on a major gun control bill in a specially called legislative

session. Rush won handily.<sup>12</sup> In the 2008 presidential campaign, Obama's absence on the gun control vote was cited along with many other instances when he voted "present" as evidence of risk-averse gamesmanship on his part — a depiction vigorously disputed by the campaign.

His ambition unquenched, Obama began deciding by fall 2002 to run for the U.S. Senate seat then held by Republican Peter Fitzgerald, a vulnerable incumbent who eventually decided not to seek re-election. In October, at the invitation of a peace activist group, he delivered to an anti-war rally in Chicago his now famous speech opposing the then-imminent U.S. war in Iraq. Obama formally entered the Senate race in 2003 as the underdog to multimillionaire Blair Hull and state Comptroller Dan Hynes. But Hull's candidacy collapsed after allegations of abuse against his ex-wife. Hynes ran a lackluster campaign, while Obama waged a determined, disciplined drive that netted him nearly 53 percent of the vote in a seven-way race.<sup>13</sup>

Obama's debut on the national stage came in July 2004 after the presumptive Democratic presidential nominee, Massachusetts Sen. John Kerry, picked him to deliver the keynote address at the party's convention. Obama drafted the speech himself, according to biographer David Mendell. The night before, he told a friend, "My speech is pretty good." It was better than that. Obama wove his personal story together with verbal images of working-class America to lead up to the passage — rebroadcast thousands of times since — envisioning a unified nation instead of the "pundits'" image of monochromatic "Red States" and "Blue States." The speech "electrified the convention hall," *The Washington Post* reported the next day, and made Obama a rising star to be watched.<sup>14</sup>

By the time of the speech, political fortune had already shone on Obama back in Illinois. Divorce files of his Republican opponent in the Senate race, Jack Ryan, made public in June, showed that Ryan had pressured his wife to go with him to sex clubs and have sex in front of others. Ryan, a multimillionaire businessman, resisted pressure to withdraw for more than a month. Once Ryan bowed out — three days after Obama's speech — GOP leaders had to scramble for an opponent. They eventually lured Alan Keyes, a conservative African-American from Maryland, to be the sacrificial lamb in the race. Obama won with a record-setting 70 percent of the vote to take his seat in January 2005 as only the third African-American to serve in the U.S. Senate since Reconstruction.

Obama entered the Senate with the presidency on his mind but also the recognition that he must succeed first in a club with low tolerance for celebrity without substance. A profile in *Congressional Quarterly's Politics in America* published with his presidential campaign under way in 2007 credited Obama with "a reputation as a hard worker, a good listener and a quick study."<sup>15</sup>

With Democrats in the majority, Obama was designated in 2007 to spearhead the party's work on ethics reform — a role that prompted an icy exchange with his future opponent, Sen. McCain, who had expected to work with Democrats on a bipartisan approach. The eventual package included a ban on senators' discounted trips on corporate jets, but not — as Obama had pushed for — outside enforcement of ethics rules.

Obama had more success working with other Republicans, including Oklahoma's Tom Coburn (Internet access to government databases) and Indiana's Richard Lugar (international destruction of conventional weapons). Overall, however, his voting record was solidly liberal and reliably party-line. In the 2008 race, the McCain campaign repeatedly tried to debunk Obama's image of post-partisanship by challenging him to cite a significant example of departing from Democratic Party positions.

### 'Yes, We Can'

Obama won the Democratic nomination for president in a come-from-behind victory over frontrunner Hillary Clinton on the strength of fundraising prowess, message control and a pre-convention strategy focused on amassing delegates in caucus as well as primary states. He took an even bigger financial advantage into the general election but pulled away from McCain only after the nation's dire economic news in October drove the undecideds decisively toward the candidate promising "change we can believe in."<sup>16</sup>

Despite intense speculation and Obama's evident interest, he decided to run only after heart-to-heart talks with Michelle while vacationing in Hawaii in December 2006. Michelle's reluctance stemmed from the effects on the family and fear for Obama's personal safety. In the end, she agreed — with one stipulation: Obama had to give up smoking. That promise remains a work in progress. In his post-election appearance on NBC's "Meet the Press" on Dec. 7, Obama promised only that, "you will not see any violations" of the White House's no-smoking rule while he is president.

# Daschle Appointment Shows Commitment to Health-Care Reforms

*But a vote on a specific plan may be delayed until next year.*

“The flaws in our health system are pervasive and corrosive. They threaten our health and economic security,” said former Sen. Tom Daschle, D-S.D., President Obama’s nominee for secretary of Health and Human Services (HHS), at his initial confirmation hearing before the Senate Health, Education, Labor, and Pensions (HELP) Committee on Jan. 8.<sup>1</sup>

Throughout his campaign, Obama promised to make good-quality health care accessible to all Americans. Many observers see his choice of Daschle — who recently coauthored a book laying out a plan for universal insurance coverage — to lead both HHS and a new White House Office of Health Policy as a sign of the new president’s commitment to health-care reform, which he has called the key to economic security.<sup>2</sup> “I talk to hardworking Americans every day who worry about paying their medical bills and getting and keeping health insurance for their families,” Obama said.<sup>3</sup>

In the final presidential debate on Oct. 15, 2008, Obama laid out the essence of his health overhaul. “If you’ve got health insurance through your employer, you can keep your health insurance,” he said. “If you don’t have health insurance, then what we’re going to do is to provide you the option of buying into the same kind of federal pool [of private insurance plans] that [Republican presidential nominee] Sen. McCain and I enjoy as federal employees, which will give you high-quality care, choice of doctors at lower costs, because so many people are part of this insured group,” Obama said.<sup>4</sup>

In addition, Obama’s plan would:

- require insurance companies to accept all applicants, including those with already diagnosed illnesses — or

“preexisting conditions” — that insurers often decline to cover;

- create a federally regulated national “health insurance exchange” where people could buy coverage from a range of approved private insurers and possibly from a public insurance program as well;
- provide subsidies to help lower-income people buy coverage;
- require all children to have health insurance; and
- require employers except small businesses to either provide “meaningful” coverage to workers or pay a percentage of payroll toward the costs of a public plan.<sup>5</sup>

Points of potential controversy include whether all Americans should be required to buy health coverage.

During the presidential primary campaign, Obama sparred with fellow Democratic candidate Sen. Hillary Rodham Clinton, D-N.Y., who called for a mandate on individuals to buy insurance. Obama disagreed, saying, “my belief is that if we make it affordable, if we provide subsidies to those who can’t afford it, they will buy it,” and that only children’s coverage should be required.<sup>6</sup>

But many analysts, including Daschle, point out that unless coverage is required many people will buy it only after they become sick, making it impossible for health insurance to perform its main task — spreading the costs of care among as many people as possible, not just among those who happen to be sick at a given time.

“The only way we can achieve universal coverage is to require everybody to either purchase private insurance or enroll in a public program,” Daschle wrote.<sup>7</sup>

Obama entered the race with a speech to an outdoor rally on a cold Feb. 10, 2007, in Springfield, Ill. After acknowledging the “audacity” of his campaign, Obama laid out a platform of reshaping the economy, tackling the health-care crisis and ending the war in Iraq. He

started well behind Clinton in the polls and in organization. In the early debates — with eight candidates in all — Obama himself rated his performance as “uneven,” according to *Newsweek’s* post-election account.<sup>17</sup> By December, however, Obama had pulled ahead of Clinton

If Obama ends up authorizing a new government-run insurance plan to compete with private insurers for enrollees, as most Democrats favor, the plan could face tough opposition from Republicans.

“Forcing private plans to compete with federal programs, with their price controls and ability to shift costs to taxpayers, will inevitably doom true competition and could ultimately lead to a single-payer, government-run health-care program,” said Sen. Michael Enzi, R-Wyo., the top Republican on the HELP Committee. “Any new insurance coverage must be delivered through private health-insurance plans.”<sup>8</sup>

Congressional Democrats stand ready to work with the Obama administration to move health-care reform quickly. Two very influential senators, HELP Committee Chairman Sen. Edward Kennedy, D-Mass., and Finance Committee Chairman Sen. Max Baucus, D-Mont., were already crafting health-reform legislation last year and are expected to begin a strong push for legislation soon. But the press of other business and the time-consuming process of gathering support for a specific plan will put off a vote until the end of this year or the beginning of 2010, predicted Rep. Pete Stark, D-Calif., chairman of the House Ways and Means Health Subcommittee. “I don’t think we’ll do it in the first 100 days,” said Stark.<sup>9</sup>

Ironically, the struggling economy, which leaves many more Americans worried about their jobs and therefore their health coverage, may have opened the door for reform by giving business owners, doctors and others a greater stake in getting more people covered, said Henry Aaron, a senior fellow in economic studies at the centrist Brookings Institution. “Before the economic collapse . . . the odds of national reform were nil,” but the nation’s economic stress makes it somewhat more likely, especially since Congress has been spending large amounts of money on other industries, Aaron said.<sup>10</sup>

Nevertheless, Aaron and some other analysts say the climate for health-care reform may not be much different from that in 1993 when the tide quickly turned against the

Clinton administration’s attempt at providing universal health care.

The times are “similar,” and despite the desire of many for reform, the details will be painful and will spark push-back, Stuart Butler, vice president of the conservative Heritage Foundation, told PBS’ “NewsHour.” “When you say, ‘We’ve got to make the system efficient by reducing unnecessary costs’ . . . that means people’s jobs and . . . doctors are going to rebel against that.”<sup>11</sup>

— Marcia Clemmitt

<sup>1</sup> Quoted in “Daschle: Health Care Flaws Threaten Economic Security,” CNNPolitics.com, Jan. 8, 2009, [www.cnn.com/2009/POLITICS/01/08/daschle.confirmation](http://www.cnn.com/2009/POLITICS/01/08/daschle.confirmation).

<sup>2</sup> For background see the following *CQ Researcher* reports by Marcia Clemmitt: “Universal Coverage,” March 30, 2007, pp. 265-288, and “Rising Health Costs,” April 7, 2006, pp. 289-312.

<sup>3</sup> Barack Obama, “Modern Health Care for All Americans,” *The New England Journal of Medicine*, Oct. 9, 2008, p. 1537.

<sup>4</sup> Quoted in “In Weak Economy, Obama May Face Obstacles to Health Care Reform,” PBS “NewsHour,” Nov. 20, 2008, [www.pbs.org](http://www.pbs.org).

<sup>5</sup> “2008 Presidential Candidate Health Care Proposals: Side-by-Side Summary,” health08.org, Kaiser Family Foundation, [www.health08.org](http://www.health08.org).

<sup>6</sup> Quoted in Jacob Goldstein, “Clinton and Obama Spar Over Insurance Mandates,” *The Wall Street Journal Health Blog*, Feb. 1, 2008, <http://blogs.wsj.com>.

<sup>7</sup> Quoted in Teddy Davis, “Obama and Daschle at Odds on Individual Mandates,” ABC News blogs, Dec. 11, 2008, <http://blogs.abcnews.com>.

<sup>8</sup> “Enzi Asks Obama Health Cabinet Nominee Daschle Not to Doom Health-Care Competition,” press statement, office of Sen. Mike Enzi, Jan. 8, 2009, <http://enzi.senate.gov>.

<sup>9</sup> Quoted in Jeffrey Young, “Rep. Stark: No Health Reform Vote in Early ‘09,” *The Hill*, Dec. 17, 2008, <http://thehill.com>.

<sup>10</sup> Quoted in Ben Weyl, “Experts Predict a Health Overhaul Despite Troubled Economy,” *CQ Healthbeat*, Dec. 9, 2008.

<sup>11</sup> “In Weak Economy, Obama May Face Obstacles to Health Care Reform,” *op. cit.*

in some New Hampshire polling and was in a virtual dead-heat in the all-important “money primary.”

The Iowa caucuses on Jan. 3, 2007, gave Obama an unexpected win with about 38 percent of the vote and left only two other viable candidates standing: former

North Carolina Sen. John Edwards, who came in second; and Clinton, who finished a disappointing third. Five days later, however, Clinton regained her stride with a 3-percentage-point victory over Obama in the first-in-the-nation New Hampshire primary. Edwards’ third-place

## Vice President Biden Brings Foreign-Policy Savvy

*"I want to be the last guy in the room on every important decision."*

The inauguration of Joseph R. Biden Jr. as the 47th vice president of the United States caps a journey almost as improbable as Barack Obama's. During seven terms as a U.S. senator from Delaware, Biden has never lived in Washington, instead commuting daily by train from Wilmington. In 1972, at age 29, he became the sixth-youngest senator ever elected, leading many to believe the White House was in his future.

But after two failed presidential campaigns — in 1988 and in the last election — Biden seemed fated to remain a Senate lifer.

Along the way he rose to become chairman of the Judiciary Committee and gained national prominence while leading the confirmation hearings of Supreme Court nominees Robert Bork and Clarence Thomas. He had also served twice as chairman of the Foreign Relations Committee.

Obama's limited time in the Senate and lack of international experience led to increased speculation that he would select Biden as his running mate to bridge the gap. "[Joe Biden is] a leader who sees clearly the challenges facing America in a changing world, with our security and standing set back by eight years of failed foreign policy," Obama said in introducing Biden as his selection on Aug. 23, 2008.

But the new president has yet to clarify the specific role Biden will play in the new administration. The appointment of Hillary Rodham Clinton as secretary of State all but ensures that Biden, despite his impressive résumé, will not be the point man on foreign policy as initially expected.

Nor does anyone expect him to emulate former Vice President Dick Cheney's muscular role. Upon taking office in 2001, Cheney demanded — and President George W. Bush approved — a mandate to give him access to "every table and every meeting," expressing his voice in "whatever area the vice president feels he wants to be active in," recalls former White House Chief of Staff Joshua B. Bolten.<sup>1</sup>

Cheney's push to expand presidential war-making authority is arguably his most lasting legacy, but he also served as a gatekeeper for Supreme Court nominees, editor of tax proposals and arbiter of budget appeals.

While most vice presidents arrive eager to expand the influence of their position, Biden faces the unusual conundrum of figuring out how to scale it back. "The only value of power is the effect, the efficacy of its use," he told *The New York Times*. "And all the power Cheney had did not result in effective outcomes." But without any direct constitutional authority in the executive branch, Biden does not want to return to the days when vice presidents were neither

finish kept him in the race, but he dropped out on Jan. 30 after finishing third in primaries in Florida and his birth state of South Carolina.

The one-on-one between Obama and Clinton continued through May. Clinton bested Obama in a series of supposedly "critical" late-season primaries — notably, Ohio and Pennsylvania — even as Obama pulled ahead in delegates thanks to caucus state victories and also-ran proportional-representation winnings from the primaries. He turned the most serious threat to his campaign — his relationship with the sometimes fiery black minister, Jeremiah Wright — into a plus of sorts with a stirring speech on racial justice delivered in Philadelphia on March

18. With Clinton's "electability" arguments unavailing, Obama mathematically clinched the nomination on June 3 as the two split final primaries in Montana and South Dakota. Clinton withdrew four days later, promising to work hard for Obama's election.

With nearly three months before the convention, Obama went to Iraq and Europe to burnish his national security and foreign policy credentials. His 16-month timetable for withdrawal now essentially matched the Iraqi government's own position — weakening a Republican line of attack. An address to a huge and adoring crowd in Berlin underscored Obama's promise to raise U.S. standing in the world. The McCain campaign countered

seen nor heard. “I don’t think the measure is whether or not I accrete the vestiges of power; it matters whether or not the president listens to me.”<sup>2</sup>

And although he says he doesn’t seek to wield as much influence as Cheney, many don’t expect the loquacious Biden to follow Al Gore either, who in 1992 was assigned a defined portfolio by President Bill Clinton to work on environmental and technology matters. “I think his fundamental role is as a trusted counselor,” said Obama senior adviser David Axelrod. “I think that when Obama selected him, he selected him to be a counselor and an adviser on a broad range of issues.”<sup>3</sup>

And that’s exactly how Biden — who at first balked at accepting the position — wants it. “I don’t want to have a portfolio,” Biden says. “I don’t want to be the guy who handles U.S.-Russian relations or the guy who reinvents government.”

“I want to be the last guy in the room on every important decision.”

“It’s irrelevant what the outside world perceives. What is relevant is whether or not I’m value-added,” Biden contends. And very few debate his credentials for the position.

“I’m the most experienced vice president since anybody. Anybody ever serve 36 years as a United States senator?” he asks.<sup>4</sup>

But in all likelihood Biden’s first move to Washington will surely be his last.

At age 66, he says he has no plans to pursue the presidency, or return to the Senate for that matter, in 2016 — the last full year of a possible second term for Obama. That suggests he’ll truly serve Obama’s ambitions rather than his own.

“This is in all probability, and hopefully, a worthy capstone in my career,” he said.

— Darrell Dela Rosa



Getty Images/Ethan Miller

Newly sworn in Vice President Joseph R. Biden, his wife, Jill, and son Beau greet crowds during the Inaugural Parade.

<sup>1</sup> Barton Gellman and Jo Becker, “A Different Understanding With the President,” *The Washington Post*, June 24, 2007, [blog.washingtonpost.com/cheney/chapters/chapter\\_1](http://blog.washingtonpost.com/cheney/chapters/chapter_1).

<sup>2</sup> Peter Baker, “Biden Outlines Plans to Do More With Less Power,” *The New York Times*, Jan. 14, 2009, [www.nytimes.com/2009/01/15/us/politics/15biden.html?\\_r=1](http://www.nytimes.com/2009/01/15/us/politics/15biden.html?_r=1).

<sup>3</sup> Helene Cooper, “For Biden, No Portfolio but the Role of a Counselor,” *The New York Times*, Nov. 25, 2008, [www.nytimes.com/2008/11/26/us/politics/26biden.html](http://www.nytimes.com/2008/11/26/us/politics/26biden.html).

<sup>4</sup> Baker, *op. cit.*

with an ad mocking Obama’s celebrity status. On the eve of the convention, Obama picked Biden as his running mate. The selection won praise as sound, if safe. The four-day convention in Denver (Aug. 25-28) went off without a hitch. Obama’s acceptance speech drew generally high marks, but some criticism for its length and predictable domestic-policy prescriptions.

McCain countered the next day by picking Alaska Gov. Sarah Palin as his running mate. The surprise selection energized the GOP base but raised questions among observers and voters about his judgment. For the rest of the campaign, the McCain camp tried but failed to find an Obama weak spot. Obama had already survived personal

attacks about ties to Rev. Wright, indicted Chicago developer Tony Rezko and one-time radical William Ayers. He had also fended off attacks for breaking his pledge to limit campaign spending by taking public funds. Improved ground conditions in Iraq shifted the contest from national security — McCain’s strength — to the economy: Democratic turf. Obama held his own in three debates and used his financial advantage — he raised a record \$742 million in all — to engage McCain not only in battleground states but also in supposedly safe GOP states.

By Election Day, the outcome was hardly in doubt. Any remaining uncertainty vanished when Virginia, Republican since 1968, went to Obama early in the evening. By 9:30,

one blog had declared Obama the winner. The networks waited until the polls closed on the West Coast — 11 p.m. in the East — to declare Obama to be the 44th president of the United States. In Chicago's Grant Park, tens of thousands of supporters chanted "Yes, we can," as Obama strode on stage.

"If there is anyone out there," Obama began, "who still doubts that America is a place where all things are possible; who still wonders if the dream of our founders is alive in our time; who still questions the power of our democracy, tonight is your answer."<sup>18</sup>

### A Team of Centrists?

President-elect Obama began the 76 days between election and inauguration by hitting nearly pitch-perfect notes in his dealings with official Washington — including President Bush and members of Congress — and with the public at large. Beginning with his first post-election session with reporters, Obama sounded both somber but hopeful in confronting what he continually referred to as the worst economic crisis in generations. He completed his selection of Cabinet appointees in record time before taking an end-of-December vacation with his family in Hawaii. Some discordant notes were sounded as Inauguration Day neared in January. But on the eve of the inauguration, polls showed Obama entering the Oval Office with unprecedented levels of personal popularity and hopeful support. (*See graph, p. 280.*)

Acknowledging the severity of the economic crisis, Obama started the announcement of Cabinet-level appointments on Nov. 24 by introducing an economic team that included New York Federal Reserve Bank President Timothy Geithner to be secretary of the Treasury. Geithner had been deeply involved in the Fed's moves in the financial bailout. Obama also named Summers, who had served as deputy undersecretary of the Treasury in the Clinton administration, as special White House assistant for economic policy.

A week later, Obama introduced a national security team that included Hillary Clinton as secretary of State and Gates as holdover Pentagon chief. Clinton accepted the post only after weighing the offer against continuing in the Senate with possibly enhanced visibility and influence. In addition, the appointment required former President Clinton to disclose donors to his post-presidential foundation to try to reduce potential conflicts of interest with his wife's new role.

Along with Gates, Obama also introduced Gen. Jones, a retired Marine commandant and former North Atlantic Treaty Organization supreme commander, as his national security adviser. He also said that he would nominate Holder, a former deputy attorney general, for attorney general; Gov. Janet Napolitano of Arizona for secretary of Homeland Security; and Susan E. Rice, a former assistant secretary of State, for ambassador to the United Nations with Cabinet rank. Holder was in line to be the first African-American to head the Justice Department.

Other Cabinet nominations followed in rapid succession: New Mexico Gov. Bill Richardson, like Clinton one of the contenders for the Democratic nomination, for Commerce; Gen. Eric Shinseki, a critic of Iraq War policies, for Veterans Affairs; and former Senate Democratic Leader Tom Daschle of South Dakota, for Health and Human Services and a new White House office as health reform czar.

Obama picked Shaun Donovan, commissioner of New York City's housing department, for Housing and Urban Development; outgoing Illinois Rep. Ray LaHood, a Republican, for Transportation; and Chicago public schools Commissioner Arne Duncan, a reformer with good relations with Chicago teacher unions, for Education. Steven Chu, a Nobel Prize-winning scientist and an advocate of measures to reduce global warming, was picked for Energy. Sen. Kenneth Salazar, a Colorado Democrat with a moderate record on environmental and land use issues, was tapped for Interior. Former Iowa Gov. Tom Vilsack, who had supported Clinton for the nomination, was chosen for Agriculture. And Rep. Hilda Solis, a California Democrat and daughter of a union family, was designated for Labor.

As Obama prepared to leave for Hawaii, some supporters were griping about the moderate cast of his selections. "We just hoped the political diversity would have been stronger," Tim Carpenter, executive director of Progressive Democrats of America, told Politico.com. But official Washington appeared to be giving him top marks. *The Washington Post* described the future Cabinet as dominated by "practical-minded centrists who have straddled big policy debates rather than staking out the strongest pro-reform positions."<sup>19</sup>

Obama arrived in Washington on Jan. 4 to enroll daughters Malia, 10, and Natasha ("Sasha"), 7, in the private Sidwell Friends School and begin two hectic work



weeks before a long weekend of pre-inaugural events. By then, problems had begun to arise, including a corruption scandal over the selection of Obama's successor in the Senate; the withdrawal of one of his Cabinet nominees; and questions about several of his nominees for top posts.

The Senate seat controversy stemmed from a federal investigation of Illinois Gov. Rod Blagojevich that included tape-recorded comments by the Democratic chief executive that were widely depicted as attempting to sell the appointment for political contributions or other favors. In charging Blagojevich with corruption, U.S. Attorney Patrick Fitzgerald specifically cleared Obama of any involvement. But Obama had been forced to answer questions on the issue from Hawaii and had lined up with Senate Democratic Leader Harry Reid in promising not to seat any Blagojevich appointee. When Blagojevich went ahead and appointed former state Comptroller Roland Burris, an African-American, Reid initially resisted but eventually bowed to the *fait accompli* and welcomed Burris to the Senate.

Richardson had withdrawn from the Commerce post on Jan. 3 after citing a federal probe into a possible "pay for play" scandal in New Mexico.

Two other Cabinet nominees faced critical questions as Senate confirmation hearings got under way. Treasury Secretary-designate Geithner was disclosed to have failed to pay Social Security and Medicare taxes for several years and to have paid back taxes and interest only after being audited. Attorney General-designate Holder faced questions about his role in recommending that President Clinton pardon fugitive financier Marc Rich and in submitting a pardon application for members of the radical Puerto Rican independence movement FALN. Both seemed headed toward confirmation, however.

## CURRENT SITUATION

### Moving Quickly

Beginning with his first hours in office, President Obama is moving quickly to put his stamp on government policies by fulfilling campaign promises on such issues as government ethics, secrecy and counterterrorism. Along with the flurry of domestic actions, Obama opened initiatives on the diplomatic front by promising an active U.S. role to promote peace in the Middle East and naming

high-level special envoys for the Israeli-Palestinian dispute and the strategically important region of South Asia, including Afghanistan and Pakistan.

In the biggest news of his first days in office, Obama on Jan. 22 signed executive orders to close the Guantánamo prison camp within one year and to prohibit the use of "enhanced" interrogation techniques such as waterboarding by CIA agents or any other U.S. personnel. Human rights groups hailed the actions. "Today is the beginning of the end of that sorry chapter in our nation's history," said Elisa Massimino, executive director and CEO of Human Rights First.

Some Republican lawmakers, however, questioned the moves. "How does it make sense," House GOP Whip Eric Cantor asked, "to close down the Guantánamo facility before there is a clear plan to deal with the terrorists inside its walls?"

An earlier directive, signed late in the day on Jan. 20, ordered Defense Secretary Gates to halt for 120 days any of the military commission proceedings against the remaining 245 detainees at Guantánamo. Separately, Obama directed a review of the case against Ali Saleh Kahlah al-Marri, a U.S. resident and the only person designated as an enemy combatant being held in the U.S.

The ethics and information directives signed on Jan. 21 followed Obama's campaign pledges to limit the "revolving door" between government jobs and lobbyist work and to make government more transparent and accountable.

The new ethics rules bar any executive branch appointees from seeking lobbying jobs during Obama's administration. They also ban gifts from lobbyists to anyone in the administration. Good-government groups praised the new policies as the strictest ethics rules ever adopted. Fred Wertheimer, president of the open-government group Democracy 21, called them "a major step in setting a new tone and attitude for Washington."

On information policy, Obama superseded a Bush administration directive promising legal support for agencies seeking to resist disclosure of government records under the Freedom of Information Act. Instead, Obama called on all agencies to release information whenever possible. "For a long time now, there's been too much secrecy in this city," Obama said at a swearing-in ceremony for senior White House staff.

Obama also signed an executive order aimed at greater openness for presidential records following the

## A T I S S U E

## Should Congress and the president create a commission to investigate the Bush administration's counterterrorism policies?

**YES****Frederick A. O. Schwarz Jr.***Chief Counsel, Brennan Center for Justice, New York University School of Law; co-author, Unchecked and Unbalanced: Presidential Power in a Time of Terror (New Press, 2008)*Written for *CQ Researcher*, January 2009

In his inaugural address, President Obama rejected “as false the choice between our safety and our ideals.” Throughout our history, seeking safety in times of crisis has often made it tempting to ignore the wise restraints that make us free and to rush into actions that do not serve the nation’s long-term interests. (The Alien and Sedition Acts at the dawn of the republic and the herding of Japanese citizens into concentration camps early in World War II are among many historic examples.) After 9/11 we again overreacted to crisis, this time by descending into practices including torture, extraordinary rendition, warrantless wiretapping and indefinite detention. Each breached American values and thus made America less safe.

Our new president is taking steps to reject these actions. And some say this is all that is needed because we need to look forward. Others clamor for criminal prosecutions because to hold our heads high wrongdoers should be held to account.

But, to me, neither of these positions is right. Prosecution is not likely to be productive, and could well be unfair. At the same time, failure to learn more about how we went wrong poses two dangers: First, if we blind our eyes to the truth, we increase the risk of repetition when the next crisis comes.

Second, clearly and fairly assessing and reporting what went wrong — and right — in our reactions to 9/11 will honor America’s commitment to openness and the rule of law. Committing ourselves to a full exploration is consistent with the ethos the new president articulated on his first day in office: “The way to make government responsible is to hold it accountable. And the way to make government accountable is to make it transparent.”

For these two reasons, I have recommended that the president and Congress appoint an independent, nonpartisan commission to investigate national counterterrorism policies. This is the best way to achieve accountability and an understanding of how to design an effective counterterrorism policy that comports with fundamental values.

Shortly after his reelection in 1864, President Abraham Lincoln nicely articulated the necessity of learning from the past without seeking punishment: “Let us study the incidents of [recent history], as philosophy to learn wisdom from, and none of them as wrongs to be revenged.”

**NO****David B. Rivkin Jr. and Lee A. Casey***Washington attorneys who served in the Justice Department under Presidents Reagan and George H. W. Bush*Written for *CQ Researcher*, January 2009

A special commission would be both unnecessary and harmful. First, multiple congressional inquiries have already aired and analyzed all of the Bush administration’s key legal and policy decisions. Indeed, whether through disclosures, leaks, media and/or congressional investigations, both the process and substance of the administration’s war-related decisions have been publicized to an unprecedented extent. If any further inquiry into these policies is necessary, the normal congressional and executive branch investigatory tools are always available, including additional hearings.

Second, a special commission would be fundamentally unfair, beginning — as it would — with the proposition that the Bush policies represent systematic wrongdoing. The Bush policies were based upon well-established case law and reasonable legal extrapolation from the available authorities. Simply because the Supreme Court ultimately decided to change the legal landscape does not mean the Bush administration ignored the law; it did not. Moreover, although there have been many problems and certainly some abuses over the past seven years — Abu Ghraib being a case in point — these have been remarkably rare when compared with past armed conflicts and/or counterterrorism campaigns like the one Britain conducted in Northern Ireland.

A commission would also inevitably involve attacks on career officials in the intelligence community and the departments of Justice and Defense, not merely Bush political appointees. When combined with past investigations, the commission’s work would inevitably burden, distract and demoralize the nation’s intelligence capabilities. The end result would be the extension of a bureaucratic culture that already favors excessive caution and inaction among our key intelligence and law enforcement officials — the very developments, acknowledged by the 9/11 Commission, as contributing mightily to the analytical, legal and policy failures of 9/11.

Finally, a commission would warp our constitutional fabric and harm civil liberties. While many commissions have operated throughout American history, they have not focused on potential prosecutions. Such a private or quasi-governmental commission would not be constrained by the legal and constitutional limits on Congress and the executive branch, thus raising a host of important constitutional questions.

That the commission’s supporters — so determined to vindicate the rights of enemy combatant detainees — seem untroubled by these issues is both ironic and terribly sad.

## A T I S S U E

## Will Obama's economic stimulus revive the U.S. economy?

**YES****Dean Baker***Co-director, Center for Economic and Policy Research**Written for CQ Researcher, January 2009*

President Obama's stimulus proposal is a very good start toward rescuing the economy. In assessing the plan, it is vitally important to recognize the seriousness of the downturn. The economy lost an average of more than 500,000 jobs a month in the last three months of 2008. In fact, the actual job loss could have been over 600,000 a month due to the way in which the Labor Department counts jobs in new firms that are not in its survey.

The recent announcements of job loss suggest that the rate of job loss may have accelerated even further. It is possible that we are now losing jobs at the rate of 700,000 a month. This is important, because people must understand the urgency of acting as quickly as possible.

With this in mind, the package being debated does a good job of getting money into the economy quickly. According to the projections of the Congressional Budget Office (CBO), 62 percent of the spending in the package will reach the economy before the end of 2010, with most of the rest coming in 2011. This money will be giving the economy a boost when we need it most.

At this point, there is considerable research on the impact of tax cuts, and the evidence suggests that they do not have nearly as much impact on the economy, primarily because a large portion of any tax cut is saved. According to Martin Feldstein, President Reagan's chief economist, just 10 percent of the tax cuts sent out last spring were spent. The rest was saved. Increased savings can be beneficial to household balance sheets, but savings will not boost the economy right now.

There will also be long-term benefits from President Obama's package. For example, the CBO projected we would save more than \$90 billion on medical expenses over the next decade by computerizing medical records, which will be financed through the stimulus. In addition, weatherizing homes and offices and modernizing the electrical grid will substantially reduce our future energy use.

The Obama administration projects that this package will generate close to 4 million jobs, and several independent analysts have arrived at similar numbers. This will not bring the economy back to full employment, but it is still a huge improvement over doing nothing.

The cost of this bill sounds large, but it is important to remember that the need is large. If we were to just do nothing, the economy would continue to spiral downward, with the unemployment rate reaching double-digit levels in the near future.

**NO****J. D. Foster***Norman B. Ture Senior Fellow in the Economics of Fiscal Policy, The Heritage Foundation**Written for CQ Researcher, January 2009*

President Barack Obama promises to create 3.5 million new jobs by the end of 2010, and that vow provides a clear measure by which to judge whether his policies work.

U.S. employment stood at about 113 million people in December 2008, so the Obama jobs pledge will be met if 116.5 million people are working by the end of 2010. Reaching this goal will require effective stimulus policies — and the only fiscal policy that can come close to reaching the goal is to cut marginal tax rates.

Obama's target for jobs creation was chosen carefully. Employment peaked at about 115.8 million jobs in November 2007. Obama's jobs pledge at that time was to create 2.5 million jobs, for a total of 116.5 million private sector jobs.

The November 2008 jobs report showed a half-million jobs lost, so his job-creating target rose by a half-million, affirming the 116.5 million target. Then last month's jobs report showed another half-million jobs lost, and the president raised the target again to its current 3.5 million total.

To stimulate the economy, Obama and congressional Democrats have focused on massive new spending programs. However, the federal budget deficit is likely to exceed \$2.5 trillion over the next two years even before any stimulus is added. If deficit spending were truly stimulative, the economy would be at risk of overheating by now, not sliding deeper into recession.

Additional deficit spending won't be any more effective than the first \$2 trillion, because government spending doesn't create additional demand in the economy. Deficit spending must be financed by borrowing, so while government spending increases demand, government borrowing reduces demand. Worse, since the government's likely to borrow between \$3 trillion and \$4 trillion over the next two years, the enormous waves of government debt will likely drive interest rates up. That would only prolong the recession and weaken the recovery.

An effective fiscal stimulus would defer the massive 2011 tax hike (higher tax rates on dividends and capital gains are scheduled to kick in), and also cut individual and corporate tax rates further to reduce the impediments to starting new businesses, hiring, working and investing.

To meet his goal, President Obama should junk his ideology and the wasteful spending that goes with it and focus on cutting marginal tax rates. That's the only way to hit his jobs creation target.

congressionally established five-year waiting period after any president leaves office. The order supersedes a Bush administration directive in 2001 by giving the incumbent president, not a former president, decision-making authority on whether to invoke executive privilege to prevent release of the former president's records.

On foreign policy, Obama on his first full day in office turned to the fragile cease-fire in Gaza by placing calls to four Mideast leaders: Egyptian President Hosni Mubarak, Israeli Prime Minister Ehud Olmert, Jordanian King Abdullah and Palestinian Authority President Mahmoud Abbas. Obama offered U.S. assistance to try to solidify the ceasefire that had been adopted over the Jan. 17-18 weekend by Israel and Hamas, the ruling party in Gaza.

Israel had begun an offensive against Hamas on Dec. 27 in an effort to halt cross-border rocket attacks into Israel by Hamas supporters. During the transition, Obama had limited himself to a brief statement regretting the loss of life on both sides. White House press secretary Robert Gibbs said Obama used the calls from the Oval Office to pledge U.S. support for consolidating the cease-fire by preventing the smuggling of arms into Hamas from neighboring Egypt. He also promised U.S. support for "a major reconstruction effort for Palestinians in Gaza," Gibbs said.

The next day, Obama took a 10-block ride to the State Department for Hillary Clinton's welcome ceremony as secretary following her 94-2 Senate confirmation on Jan. 21. As part of the event, Clinton announced the appointment of special envoys George Mitchell for the Middle East and Richard Holbrooke for Afghanistan and Pakistan.

In his remarks, Obama renewed support for a two-state solution: Israel and a Palestinian state "living side by side in peace and security." He also promised to refocus U.S. attention on what he called the "perilous" situation in Afghanistan, where he said violence had increased dramatically and a "deadly insurgency" had taken root.

Returning to domestic issues, Obama on Jan. 23 signed — as expected — an order to lift the so-called Mexico City policy prohibiting U.S. aid to any nongovernmental organizations abroad that provide abortion counseling or services. The memorandum instructed Secretary of State Clinton to lift what Obama called the "unwarranted" restrictions. The policy was first put in place by President Ronald Reagan in 1984, rescinded by President Clinton in 1993 and then reinstated by President Bush in 2001.

After the weekend, Obama reversed another of Bush's policies on Jan. 26 by directing Environmental Protection Agency Administrator Lisa Jackson to reconsider the request by the state of California to adopt automobile emission standards stricter than those set under federal law. In a reversal of past practice, the Bush administration EPA had denied California's waiver request in December 2007. On the same day, Obama instructed Transportation Secretary Ray LaHood to tighten fuel efficiency standards for cars and light trucks beginning with 2011 model cars.

### Working With Congress

President Obama is pressing Congress for quick action on an economic stimulus plan even as bipartisan support for a proposal remains elusive. Meanwhile, the new administration is struggling to find ways to make the financial bailout approved before Obama took office more effective in aiding distressed homeowners and unfreezing credit markets.

House Democrats moved ahead with an \$825-billion stimulus package after the tax and spending elements won approval in separate, party-line votes by the House Ways and Means Committee on Jan. 22 and the House Appropriations Committee the day before. The full House was scheduled to vote on the package on Jan. 28 after deadline for this issue, but approval was assured given the Democrats' 256-178 majority in the chamber.

Obama used his first weekly address as president on Jan. 24 — now not only broadcast on radio but also posted online as video on YouTube and the White House Web site — to depict his American Recovery and Reinvestment Plan as critical to get the country out of an "unprecedented" economic crisis. The plan, he said, would "jump-start job creation as well as long-term economic growth." Without it, he warned, unemployment could reach double digits, economic output could fall \$1 trillion short of capacity and many young Americans could be forced to forgo college or job training.

Without mentioning the tax and spending plan's minimum total cost, Obama detailed a long list of infrastructure improvements to be accomplished in energy, health care, education and transportation. He mentioned a \$2,500 college tax credit but did not note other items in the \$225 billion in tax breaks included in the plan — either his long-advocated \$1,000 tax break for working families or the various business tax cuts added as sweeteners for Republicans.

Republicans, however, remained unconvinced. Replying to Obama's address, House Minority Leader John Boehner called the plan "chock-full of government programs and projects, most of which won't provide immediate relief to our ailing economy." On "Meet the Press" the next day, the Ohio lawmaker again called for more by way of tax cuts, criticized the job-creating potential of Obama's plan and warned of opposition from most House Republicans.

Appearing on another of the Sunday talk shows, McCain told "Fox News Sunday" host Chris Wallace, "I am opposed to most of the provisions in the bill. As it stands now, I would not support it."

On a second front, the principal members of Obama's economic team are assuring Congress of major changes to come in the second stage of the \$700-billion financial rescue plan approved last fall. During confirmation hearings, Treasury Secretary-designate Geithner promised the Senate Finance Committee on Jan. 21 to expect "much more substantial action" to address the problem of troubled banks that has chilled both consumer and corporate credit markets since fall 2008.

Geithner's comments on the financial bailout were overshadowed by sharp questions from Republican senators about the nominee's tax problems while working for the International Monetary Fund. For several years, Geithner failed to pay Social Security and Medicare taxes, which the IMF — as an international institution — does not withhold from employees' pay as domestic employers do. Geithner repeatedly apologized for the mistake and pointed to his payment of back taxes plus interest totaling more than \$40,000. In the end, the committee voted 18-5 to recommend confirmation; the full Senate followed suit on Jan. 26 in a 60-34 vote.\*

On the bailout, Geithner said he would increase the transparency and accountability of the program once he assumed the virtually unfettered responsibility for dispensing the remaining \$350 billion. He acknowledged criticisms that so far the program has benefited large financial institutions but done little for small businesses. He also promised to restrict dividends by companies that receive government help.

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\* Attorney General-designate Holder, Obama's other controversial Cabinet nominee, was expected to be confirmed by the full Senate on Jan. 29 or 30, after deadline for this issue, following the Senate Judiciary Committee's 17-2 vote on Jan. 28 to recommend confirmation.

With many banks still holding billions in troubled assets on their balance sheets, speculation is increasing in Washington and in financial circles about dramatic action by the government. Possible moves include the creation of a government-run "bad bank" to buy distressed assets from financial institutions or even outright nationalization of one or more banks.

"People continue to be surprised by the poor condition of the banks," says Dean Baker, co-director of the Center for Economic and Policy Research, a liberal think tank in Washington. "Whatever plans they may have made a month ago might be seen as inadequate given the severity of the problem of the banking system."

With the stimulus package on the front burner, however, Obama went to Capitol Hill on Jan. 27 for separate meetings to lobby House and Senate Republicans to support the measure. The closed-door session with the full House GOP conference lasted an hour — slightly longer than scheduled, causing the president to be late for the start of the meeting on the other side of the Capitol with Republican senators.

In between meetings, Obama challenged GOP lawmakers to try to minimize partisan differences. "I don't expect 100 percent agreement from my Republican colleagues, but I do hope we can put politics aside," he said.

For their part, House Republican leaders expressed appreciation for the president's visit and his expressed willingness to compromise. But some renewed their opposition to the proposal in its current form. Rep. Tom Price of Georgia, chairman of the conservative House Republican Study Committee, said the proposal "remains rooted in a liberal, big-government ideology."

Obama's meeting with GOP senators came on the same day that the Senate Finance and Appropriations committees were marking up their versions of the stimulus package. The Senate was expected to vote on the proposal over the weekend, giving the two chambers two weeks to iron out their differences if the bill was to reach Obama's desk before the Presidents' Day recess.

## OUTLOOK

### Peril and Promise

One week after taking office, President Obama is getting high marks from experts on the presidency for carefully stage-managing his first policy initiatives while discreetly moving to set realistic expectations for the months ahead.

“He’s started out quite impressively,” says Fred Greenstein, professor of politics emeritus at Princeton University in New Jersey and the dean of American scholars on the U.S. presidency. “So far, it’s been a striking rollout week.”

Other experts agree. “The Obama administration has met expectations for the first week,” says Meena Bose, chair of the Peter S. Kalikow Center for the Study of the American Presidency at Hofstra University in Hempstead, N.Y. “There’s been virtually no drama, which is an indication of how he intends to run his administration.”

“The indications are all positive,” says Bruce Buchanan, a professor of political science at the University of Texas in Austin and author of several books on the presidency. Like the others, Buchanan says Obama is holding on to popular support while striving either to win over or to neutralize Republicans on Capitol Hill.

The wider world outside Washington, however, is giving Obama no honeymoon in office. The U.S. economy is continuing to lag, while violence and unrest continue to simmer in three global hot spots: Gaza, Iraq and Afghanistan.

On the economy, Obama has initiated a daily briefing from senior adviser Summers in addition to the daily briefing on foreign policy and national security issues. “Frankly,” Obama told congressional leaders on Jan. 23, “the news has not been good.” The day before, the Commerce Department had reported that new-home construction fell to its slowest pace since reporting on monthly rates began in 1959. On the same day, new claims for unemployment benefits matched the highest level seen in a quarter-century.<sup>20</sup>

Meanwhile, leading U.S. policy makers were giving downbeat assessments of events in Afghanistan and Iraq. In testimony to the Senate Armed Services Committee, Defense chief Gates warned on Jan. 27 to expect “a long and difficult fight” in Afghanistan. A few days earlier, the outgoing U.S. ambassador to Iraq, Ryan Crocker, warned that what he called “a precipitous withdrawal” could jeopardize the country’s stability and revive al Qaeda in Iraq. And special envoy Mitchell left Washington for the Mideast on Jan. 26, just as the fragile cease-fire between Hamas and Israel was jeopardized by the death of an Israeli soldier from a roadside bomb and an Israeli air strike in retaliation.

Obama continues to work at the problems with the same kind of message control that served him well in the election. After reaping a full day’s worth of mostly favorable news coverage on the Guantánamo issue, the administration began directing laser-like attention to the economy

from Jan. 22 on. For example, the repeal of the Bush administration’s ban on funding international groups that perform abortions was announced late on Friday, Jan. 23 — a dead zone for news coverage.

On foreign policy, Obama emphasized the Mitchell and Holbrooke appointments by personally going to the State Department for the announcements. And he underscored the inaugural’s outreach to Muslims by granting his first formal television interview as president to the Arabic satellite television network Al Arabiya. Obama called for a new partnership with the Muslim world “based on mutual respect and mutual interest.” One of his main tasks, he told the Dubai-based network in an interview aired on Jan. 27, is to communicate that “the Americans are not your enemy.”<sup>21</sup>

Obama and his senior aides are also signaling to supporters that some of their agenda items will have to wait. In a pre-inauguration interview with *The Washington Post*, for example, he reiterated his support for a labor-backed bill to make it easier to unionize workers but downgraded it to a post-stimulus agenda item. Similarly, press secretary-designate Gibbs repeated Obama’s support for repealing the military’s “don’t ask, don’t tell” policy on homosexuals on the transition’s Web site on Jan. 13, but the next day expanded on the answer: “Not everything will get done in the beginning,” Gibbs said.<sup>22</sup>

Greenstein and Bose view Obama’s inaugural address — which many observers faulted for rhetorical flatness — as a conscious, initial step to lower expectations about the pace of the promised “change we can believe in.” Greenstein calls it a “get-down-to-work” address. Obama himself again evoked the inaugural’s theme of determination in the face of adversity when he spoke to congressional leaders immediately following the address.

“What’s happening today is not about me,” Obama said at the joint congressional luncheon on Inauguration Day. “It is about the American people. They understand that we have arrived at a moment of great challenge for our nation, a time of peril, but also extraordinary promise.”

“President Obama has done everything he can to tamp down this sense that he somehow walks on water,” says Bose. “He has done everything he can to show that he is a man of substance.

“We have to recognize that these challenges aren’t going to be met overnight and that we have to have confidence that we’re going to meet them,” she continues. “Now the question is, ‘Can he govern? Can he show results?’ ”

## NOTES

1. The text and video of the inaugural address are available on the redesigned White House Web site: [www.whitehouse.gov](http://www.whitehouse.gov). Some crowd reaction from Christopher O'Brien of CQ Press' College Division.
2. Quoted in Clea Benson, "An Economy in Foreclosure," *CQ Weekly*, Jan. 12, 2009.
3. Quoted in Aamer Madhani, "Will Obama Stick to Timetable?" *Chicago Tribune*, Nov. 6, 2008, p. 11.
4. Quoted in Shailagh Murray and Paul Kane, "Democratic Congress Shows It Will Not Bow to Obama," *The Washington Post*, Jan. 11, 2009, p. A5.
5. Norman Ornstein, "First Steps Toward 'Post-Partisanship' Show Promise," *Roll Call*, Jan. 14, 2009.
6. For a compact, continuously updated biography, see Barack Obama, [www.biography.com](http://www.biography.com). Background also drawn from Barack Obama, *Dreams from My Father: A Story of Race and Inheritance* (2004 ed.; originally published 1995). See also David Mendell, *Obama: From Promise to Power* (2007).
7. Quoted in Serge Kovaleski, "Obama's Organizing Years: Guiding Others and Finding Himself," *The New York Times*, July 7, 2008, p. A1.
8. Background drawn from Jody Kantor, "In Law School, Obama Found Political Voice," *The New York Times*, Jan. 28, 2007, sec. 1, p. 1.
9. Background drawn from Janny Scott, "The Story of Obama, Written by Obama," *The New York Times*, May 18, 2008, p. A1.
10. For a story on his mother's influence on Obama, see Amanda Ripley, "A Mother's Story," *Time*, April 21, 2008, p. 36.
11. See David Jackson and Ray Long, "Showing his bare knuckles: In first campaign, Obama revealed hard-edged, uncompromising side in eliminating party rivals," *Chicago Tribune*, April 4, 2007, p. 1; Rick Pearson and Ray Long, "Careful steps, looking ahead: After arriving in Springfield, Barack Obama proved cautious, but it was clear to many he had ambitions beyond the state Senate," *ibid.*, May 3, 2007, p. 1.
12. See Barack Obama, *The Audacity of Hope: Thoughts on Reclaiming the American Dream* (2006), pp. 105-107.
13. See David Mendell, "Obama routs Democratic foes; Ryan tops crowded GOP field," *Chicago Tribune*, March 17, 2004, p. 1.
14. For the full text of the 2,165-word speech, see <http://obamaspeeches.com/002-Keynote-Address-at-the-2004-Democratic-National-Convention-Obama-Speech.htm>. For Mendell's account, see *Obama, op. cit.*, pp. 272-285. Obama's conversation with Martin Nesbitt may have been reported first in David Bernstein, "The Speech," *Chicago Magazine*, July 2007; the anecdote is briefly repeated in Evan Thomas, *"A Long Time Coming": The Inspiring, Combative 2008 Campaign and the Historic Election of Barack Obama* (2009), p. 6. For the Post's account, see David S. Broder, "Democrats Focus on Healing Divisions," July 28, 2004, p. A1.
15. *CQ's Politics in America 2008* (110th Congress), [www.cnn.com/video/#/video/world/2007/01/22/vause.obama.school.cnn](http://www.cnn.com/video/#/video/world/2007/01/22/vause.obama.school.cnn).
16. Some background from Thomas, *op. cit.*
17. *Ibid.*, p. 9.
18. Many versions of the speech are posted on YouTube, including a posting of CNN's coverage.
19. Carpenter was quoted in Carrie Budoff Brown and Nia-Milaka Henderson, "Cabinet: Middle-of-the-roaders' dream?" *Politico*, Dec. 19, 2008; Alec MacGillis, "For Obama Cabinet, a Team of Moderates," *The Washington Post*, Dec. 20, 2008, p. A1.
20. See Kelly Evans, "Home Construction at Record Slow Pace," *The Wall Street Journal*, Jan. 23, 2009, p. A3.
21. See Paul Schemm, "Obama tells Arabic network US 'is not your enemy,'" The Associated Press, Jan. 27, 2009.
22. Obama quoted in Dan Eggen and Michael D. Shear, "The Effort to Roll Back Bush Policies Continues," *The Washington Post*, Jan. 27, 2009, p. A4; Gibbs quoted in, "Obama aide: Ending 'don't ask, don't tell' must wait," CNN.com, Jan. 15, 2009.

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## Books by Barack Obama

*Dreams from My Father: A Story of Race and Inheritance* (Three Rivers Press, 2004; originally published by Times Books, 1995) is a literate, insightful memoir written in

the three years after Obama's graduation from Harvard Law School. The three parts chronicle his "origins" from his birth through college, his three years as a community organizer in Chicago and his two-month pre-law school visit to his father's homeland, Kenya.

*The Audacity of Hope: Thoughts on Reclaiming the American Dream* (Crown, 2006) is a political manifesto written as Obama considered but had not definitively decided on a presidential campaign. The book opens with a critique of the "bitter partisanship" of current politics and an examination of "common values" that could underline "a new political consensus." Later chapters specifically focus on issues of faith and of race. Includes index.

*Change We Can Believe In: Barack Obama's Plan to Renew America's Promise* (Three Rivers Press, 2008), which includes a foreword by Obama, outlines steps for "reviving our economy," "investing in our prosperity," "rebuilding America's leadership" and "perfecting our union." Also includes texts of seven speeches from his declaration of candidacy on Feb. 7, 2007, to his July 24, 2008, address in Berlin.

### Books About Barack Obama

The only objective, full-length biography is *Obama: From Promise to Power* (Amistad/Harper Collins, 2007) by David Mendell, the *Chicago Tribune* political reporter who began covering Obama in his first race for the U.S. Senate. An updated version was published in 2008 under the title *Obama: The Promise of Change*.

Two critical biographies appeared during the 2008 campaign: David Freddoso, *The Case Against Barack Obama: The Unlikely Rise and Unexamined Agenda of the Media's Favorite Candidate* (Regnery, 2008); and Jerome Corsi, *The Obama Nation: Leftist Politics and the Cult of Personality* (Threshold, 2008). Freddoso, a writer with National Review Online, wrote what one reviewer called a "fact-based critique" depicting Obama as "a fake reformer and a real liberal." Corsi, a conservative author and columnist best known for his

book *Unfit for Command* attacking Democratic presidential nominee John Kerry in 2004, came under fierce criticism from the Obama campaign and independent observers for undocumented allegations about Obama's background.

Two post-election books chronicle the 2008 campaign. Evan Thomas, *"A Long Time Coming": The Inspiring, Combative 2008 Campaign and the Historic Election of Barack Obama* (Public Affairs, 2009) is the seventh in *Newsweek's* quadrennial titles documenting presidential campaigns on the basis of reporting by a team of correspondents, with some reporting specifically not for publication until after the election. Chuck Todd and Sheldon Gawiser, *How Barack Obama Won: A State-by-State Guide to the Historic 2008 Presidential Election* (Vintage, 2009) gives an analytical overview of the campaign and election with detailed voting analyses of every state. A third title, *Obama: The Historic Journey*, is due for publication Feb. 16 by *The New York Times* and Callaway; the author is Jill Abramson, the *Times'* managing editor, in collaboration with the newspaper's reporters and editors.

Other books include John K. Wilson, *Barack Obama: The Improbable Quest* (Paradigm, 2008), an admiring analysis of Obama's political views and philosophy by a lawyer who recalls having been a student in Obama's class on racism and the law at the University of Chicago Law School; Paul Street, *Barack Obama and the Future of American Politics* (Paradigm, 2009), a critical depiction of Obama as a "power-conciliating centrist"; and Jabiri Asim, *What Obama Means: For Our Culture, Our Politics, Our Future* (Morrow, 2009) a depiction of Obama as creating a new style of racial politics — less confrontational than in the past but equally committed to social justice and more productive of results.

### Articles

Purdum, Todd, "Raising Obama," *Vanity Fair*, March 2008.



The magazine's national editor, formerly a *New York Times* reporter, provided an insightful portrait of Obama midway through the 2008 primary season.

**Von Drehle, David, "Person of the Year: Barack Obama: Why History Can't Wait," *Time*, Dec. 29, 2008.**

*Time's* selection of Obama as person of the year includes an in-depth interview of the president-elect by Managing Editor Richard Stengel, Editor-at-large von Drehle and Time Inc. Editor-in-chief John Huey. The full text is at [time.com/obamainterview](http://time.com/obamainterview).

#### On the Web

The Obama administration unveiled a redesigned White House Web site ([www.whitehouse.gov](http://www.whitehouse.gov)) at 12:01 p.m. on Jan. 20, 2009 — even before President-elect Obama took the oath of office. The "Briefing Room" includes presidential announcements as well as a "Blog" sometimes being updated several times a day. "The Agenda" incorporates Obama's campaign positions, subject by subject. The site includes video of the president's speeches, including the inaugural address as well as the weekly presidential address — previously broadcast only on radio.

## For More Information

**American Enterprise Institute for Public Policy Research**, 1150 17th St., N.W., Washington, DC 20036; (202) 862-5800; [www.aei.org](http://www.aei.org). Conservative think tank researching issues on government, economics, politics and social welfare.

**Campaign for America's Future**, 1825 K St., N.W., Suite 400, Washington, DC 20006; (202) 955-5665; [www.ourfuture.org](http://www.ourfuture.org). Advocates progressive policies.

**Center for American Progress**, 1333 H St., N.W., 10th Floor, Washington, DC 20005; (202) 682-1611; [www.americanprogress.org](http://www.americanprogress.org). Left-leaning think tank promoting a government that ensures opportunity for all Americans.

**Center for Economic and Policy Research**, 1611 Connecticut Ave., N.W., Suite 400, Washington, DC

20009; (202) 293-5380; [www.cepr.net](http://www.cepr.net). Promotes open debate on key economic and social issues.

**Center on Budget and Policy Priorities**, 820 First St., N.E., Suite 510, Washington, DC 20002; (202) 408-1080; [www.cbpp.org](http://www.cbpp.org). Policy organization working on issues that affect low- and moderate-income families and individuals.

**Concord Coalition**, 1011 Arlington Blvd., Suite 300, Arlington, VA 22209; (703) 894-6222; [www.concordcoalition.org](http://www.concordcoalition.org). Nonpartisan, grassroots organization promoting responsible fiscal policy and spending.

**Heritage Foundation**, 214 Massachusetts Ave., N.E., Washington, DC 20002; (202) 546-4400; [www.heritage.org](http://www.heritage.org). Conservative think tank promoting policies based on free enterprise, limited government and individual freedom.