RELEASE IN PART B6

From:	sbwhoeop	B6
Sent:	Wednesday, July 14, 2010 8:46 AM	
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Subject:	H: FYI, assume you have seen Sid	

H: Knowing Luce and his sources, I'd venture that the adviser quoted is either Tom Daschle or John Podesta. Gibbs' and Axelrod's rock bottom performances exposing utter political vacuity on the Sunday shows combined with the bad poll-precipitated this. Assume you saw that Pelosi attacked Gibbs (see below FT piece). Another subject: I saw Holbrooke last night interviewed on Rachel Maddow's MSNBC program. He was excellent. He should do more. He inspires confidence, unlike the political advisers, who undermine it. The political disintegration need not have have been nor must be inevitable, even given the economic situation.

http://www.ft.com/cms/s/0/434315b2-8ea6-11df-8a67-00144feab49a.html

Obama faces growing credibility crisis

"I never thought I would say this, but even I'm unsure what President Obama really believes," says the adviser.

By Edward Luce in Washington

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Robert Gibbs, <u>Barack Obama</u>'s chief spokesman, got into hot water this week for daring to speak the truth – that the Democrats could lose control of the House of Representatives in November. But it could be even worse than that. Contrary to pretty much every projection until now, Democratic control of the Senate is also starting to coming into question. While Mr Obama's approval ratings have continued to fall, and now hover at dangerously close to 40 per cent according an ABC-Washington Post poll published on Tuesday, the fate of his former colleagues in the Senate looks even worse.

In the past few days polls have shown Republican challengers taking the lead over previously safe Democratic incumbents, such as Barbara Boxer in California and Russ Feingold in Wisconsin. Indeed, given the uniformly negative direction in the numbers, it is now quite possible the Republicans could win the Senate seats formerly held by both President Obama in Illinois, and Joe Biden, vice-president, in Delaware.

Add to that the continuing woes of Harry Reid, the Senate Democratic majority leader, in Nevada, where the Republican party's recent nomination of Sharron Angle, a far-right and highly eccentric Tea Party supporter, appear to have had no positive effect on Mr Reid's prospects, and the Grand Old party has a good shot at taking control of both houses of Congress. Worse for Mr Obama, political scientists say that at this stage in the calendar, there is almost nothing he can do about it.

"If you ask me where the silver lining is for President Obama, I have to say I cannot see one," says Bill Galston, a former Clinton official, who has been predicting for months the Democrats could lose the House. "Just as BP's failure to cap the well has been so damaging, Obama's failure to cap unemployment will be his undoing. There is nothing he can do to affect the jobless rate before November."

The direction of the data could hardly be worse. According to Democracy Corps, a group headed by Stanley Greenberg, a liberal pollster who is a close friend of Rahm Emanuel, Mr Obama's chief of staff, a majority of US citizens see Mr Obama as "too liberal".

Astonishingly, 55 per cent of citizens think Mr Obama is a "socialist" against only 39 per cent who do not share that diagnosis. The same poll shows 48 per cent support for Republicans against just 42 per cent for Democrats. The numbers are eerily similar to 2006, except that it was George W. Bush's Republicans who were on the receiving end four years ago.



"The bottom line here is that Americans don't believe in President Obama's leadership," says Rob 🖵

Shapiro, another former Clinton official and a supporter of Mr Obama. "He has to find some way between now and November of demonstrating that he is a leader who can command confidence and, short of a 9/11 event or an Oklahoma City bombing, I can't think of how he could do that."

In private, informal advisors to Mr Obama are almost as negative. According to one, the US public's loss of confidence in Mr Obama's leadership is a factor above and beyond their dissatisfaction over the state of the real economy, which continues to slow as last year's \$787bn stimulus starts to run dry. The adviser, who asked to

remain anonymous, said the public did not know what Mr Obama really believed. Examples include his lukewarm support last year for a public option in the healthcare bill and his equally lukewarm support today for a Senate bill that would extend unemployment insurance and aid state governments to keep teachers in their jobs. In both cases, Mr Obama has offered only token, negotiable, support. "I never thought I would say this, but even I'm unsure what President Obama really believes," says the adviser. "Instead of outsourcing decisions to Congress, he should spell out his bottom line. That is what leaders are for."

Next week, Mr Obama is likely to sign a historic Wall Street re-regulation bill into law. Earlier this year he did the same for healthcare. But polls show the public either does not care, or even opposes these otherwise big reforms. "The longer this goes on, the more it looks like Obama wasted his first year on healthcare," said the outside adviser. "It's still the economy, stupid."

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□. Pelosi vents about Gibbs

By: Jonathan Allen and John Bresnahan July 13, 2010 08:09 PM EDT

House Speaker Nancy Pelosi bashed White House Press Secretary Robert Gibbs Tuesday night, even as the president's top spokesman continued to backpedal from his assertion that Democrats could lose control of the House in the November election.

The fusillade from Pelosi and other Democrats at a closed-door meeting escalated an already fiery clash between the White House and its own party in Congress. During the tense evening meeting, the speaker grilled the top White House aide in attendance, senior legislative affairs staffer Dan Turton, about the impact of Gibbs' comments.

"How could [Gibbs] know what is going on in our districts?" Pelosi told her members in the caucus meeting in the basement of the Capitol Tuesday night. "Some may weigh his words more than others. We have made our disagreement known to the White House."

Then she turned to Turton and asked him to acknowledge that Gibbs' comments had been damaging to the Democratic cause, Democratic insiders said. Gibbs was not in the room for this

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meeting.

Turton, responding to both Pelosi and accusations from Rep. Bill Pascrell (D-N.J.), said Gibbs was speaking off the cuff and not from prepared material during a controversial appearance on Meet the Press Sunday, sources said.

The outburst from House Democrats illustrates the pressure lawmakers are feeling from an impending election and the strain of the tension – and occasionally enmity— that has characterized relations between an increasingly unpopular president and a House majority facing the possibility of huge electoral losses.

Democratic lawmakers also tried to pin their woes on the White House, saying that control of the House might not be in play if the Obama administration had done a better job of messaging on the party's agenda and accomplishments.

And while Gibbs' remarks on "Meet the Press" on Sunday comport with the judgment of political prognosticators, they frustrated Democrats who understood the power they could have as fodder for Republicans in building support – financial and otherwise – for their House campaigns.

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"I think there's no doubt there are enough seats in play that could cause Republicans to gain control. There's no doubt about that. This will depend on strong campaigns by Democrats," Gibbs said on Sunday.

By the next morning, Democratic strategists were fuming privately that he had handed Republicans a great fundraising and votermotivation tool. Gibbs and other White House officials have been backpedaling, in carefully measured steps, ever since.

By Tuesday, Gibbs was saying "I think we'll retain the House. I was asked if there were enough seats in play, and I think there are." But that didn't appease Democratic lawmakers, from the party's leaders to the rank and file.

Pelosi also accused the White House of playing favorites with the Senate, where President Barack Obama served. She said that the White House gives help to Senate candidates while making damaging comments about House Democrats' chances in November.

After allowing members to vent on Gibbs, Pelosi tried to tamp down the flames a bit.

"Let's not get distracted by friendly fire," she said.

A White House spokesman declined to comment immediately on the House Democrats' accusations.

But White House defenders note that the president has worked to raise money for House Democrats. A list provided by the Democratic **Congressional Campaign** Committee includes one fundraising event for the DCCC in each of Obama's two years in the presidency, a joint fundraising event in Miami for the DCCC and its Senate counterpart in 2009, a 2010 direct-mail piece for the DCCC, a direct transfer of \$667,000 from the Democratic National Committee to House Democrats this year, and joint events for Indiana Democrats

and Michigan Democrats in 2009 and 2010, respectively.

Pelosi and her allies in the House have privately griped that the White House hasn't given her enough credit for pushing the president's agenda through the House – and risking her majority and her job in doing so.

There are check marks in the House column next to virtually every major item on Obama's legislative wish list: the \$787 billion stimulus law, a climate change bill, an overhaul of the national health care system and a major Wall Street reform package.

Yet, at times, House Democrats have expressed concern that the White House is playing fast-andloose with their majority in order to help Obama's re-election efforts in 2012. Those fears were expressed at a meeting with White House political guru David Axelrod in April and have only grown more acute since that time.

Gibbs' ad hoc role as handicapper re-opened the lightly scabbed wounds.

The explosive private session in the Capitol contrasted with the more mild on-the-record and background comments House Democrats made to reporters throughout the day.

"I can see how someone would glean from his comment that that possibility is out there. That possibility is always out there," House Majority Whip Jim Clyburn (D-S.C.) said. "I think we'll probably have some net losses. But we aren't planning to lose anything."

He took a mild jab at Gibbs, but

nothing like what was said by his fellow leaders behind closed doors.

"I guess those people who are trying to lower expectations, that's their prerogative. But this Democratic Caucus is trying to raise hopes and I think we're doing a good job of that."

Rep. Luis Gutierrez (D-III.) indicated he's giving Gibbs the benefit of the doubt.

"My eternal optimism, and my hope, is that we're all on the same team," he said. "Everybody in Washington gets burned once being cute. It's OK. He'll recover."

Marin Cogan and Simmi Aujla contributed to this story

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