

## Passing on

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**From:** Mark Penn [REDACTED]

RELEASE IN PART  
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**To:** Hillary Clinton HDR22@clintonemail.com

**Subject:** Passing on

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This is probably too helpful, but thought you might like to see it.

Great job threading the needle so far in MidEast. We are doing a big Arab youth survey across the region that we will distribute to press when it is done -- I am sure will be of interest to your team and we will put some confidential questions on it we don't release you can have gratis as well.

When the repubs ran state, I did very secret State Department polling many years ago (I polled on Noriega in Panama for state before they took him out - he had 90% unfavorable) and also helped reform the passport process.

On the other fronts, [REDACTED]  
[REDACTED]

Take care.

How Obama can find his center  
By Mark Penn

Centrists of America, rejoice. After being out of whack for two years, the political system and the president have come back to the mainstream.

For all of the drum-beating from both extremes during the election season, the result has been a surprisingly sensible shift to the center - a position advocated by neither of the groups that tend to drive so much of the nation's political conversation.

Now, having adopted a centrist outlook in his State of the Union address, President Obama needs to fill it out with big ideas that solve our major problems rather than let us keep kicking the can down the road.

Obama also has to define a driving value for his brand of centrism. The fundamental principle of centrism in the 1990s was that people would neither be left to fend for themselves nor guaranteed equality of outcome - they would be given the tools they needed to achieve the American dream if they worked hard. This central value can and should drive a lot more policies that people need and that work to resolve some of today's problems.

The biggest issue facing the government is the \$1.5 trillion deficit. No one has been able to find a real centrist solution since the Clinton budget deal; we have ping-ponged from too much spending to too much tax-cutting to both. Here, Obama has to aim for nothing less than a balanced budget in five years. The only way is to reach a compromise on Social Security, Medicare and defense spending, along with some cuts in current spending that the president would rather avoid. But the budget outlook is so far out of whack that this problem can no longer be tackled with step-by-step actions.

Next, the president should consider personal income tax reform that mirrors his proposals on corporate reform. One idea would be to lower all rates by looking at all types of income more or less equally. Currently, capital formation is favored far above labor, which builds in massive disincentives for hiring workers. Equalizing different forms of income is one way to tilt the scales back to encouraging work as much as investing, as long as overall income tax rates were lowered. This would be radical, bold and as big as anything Ronald Reagan did to spark the economy.

Third, the president needs to cut a deal on immigration reform that settles, once and for all, the status of undocumented residents. As with the budget, this issue is out of control, due to a legislative stalemate and empty posturing from both extremes. For years the country has drifted aimlessly with growing numbers of immigrants and uncertain enforcement. Obama mentioned immigration last week, but he has to get serious and mount an all-out effort to make this a reality.

Fourth, he needs to crack open educational reform so that innovation in education is promoted rather than suppressed. Getting Americans to make some changes demands more than funding standards. It requires a cultural shift that this president will need to get out and promote as President John F. Kennedy did with athletics. He also has to start recognizing the growing problem of college dropouts.

Fifth, he needs to create a 21st-century personal empowerment bill. This would give Americans some expanded rights to the privacy of their own information and against rampant misinformation online, ensure fair access to the Internet and help protect their children from being taken advantage of in the Internet world.

For too long, people have equated centrism with seemingly small items such as school uniforms. But with centrist policies President Bill Clinton helped create 24 million jobs, balanced the budget and reformed welfare.