

President Obama's Hill Challenge in Avoiding Fiscal Cliff

The president invited members of Congress in to discuss how to avoid fiscal insolvency. He's got his work cut out for him—and he's partially to blame. James Warren reports.

by James Warren | November 9, 2012 3:03 PM EST

President Obama asked key congressional leaders to visit the White House early next week in a bid to stave off the looming fiscal cliff. "I'm open to compromise. I'm open to new ideas. I'm committed to solving our fiscal challenges, but I refuse to accept any approach that isn't balanced," he said in remarks from the White House—his first public utterance since his wee-hours victory speech.

The president was hoping to capitalize on a good-will bump from his surprisingly strong reelection margin. But Obama will have his work cut out for him in selling his solutions to a recalcitrant Congress. And he's partly to blame. While Republican obstructionism surely factors into the stalemates of the last term, Obama did little personally to reach out to Capitol Hill. Indeed, longtime Washington political observer Charlie Cook says Lyndon Johnson, famous for his intricate knowledge of Congress and his ability to work its levers at will, would be "spinning in his grave" at how little time and energy Obama has spent with members.

Consider this: Obama played golf 104 times during his first presidential term, according to CBS Radio's Mark Knoller, a renowned keeper of White House miscellanea. But only three of those rounds have included any congressman; once with House Speaker John Boehner, twice with South Carolina's Jim Clyburn.

Cook just listened to the 26 CDs comprising Robert Caro's *Passage to Power*, the fourth volume of the epic biography of Johnson, a legendary dealmaker. He was struck by the contrast between the two presidents in engaging with congressional power brokers.

Obama "has to change the way he operates," argues Cook. "The White House motto seems to be 'No New Friends," his allusion to the small and tight group of mostly Chicago chums with whom the president and Michelle Obama socialize.

But even longtime Washington hands are unclear how the system will resolve what a prominent Republican lobbyist calls a "three-ring policy circus" of huge automatic spending cuts due to kick in on Jan. 1; a decision on whether to extend Bush-era tax cuts; and a decision next year on raising the debt ceiling. A longer recession and higher unemployment could be in the offing if there's no resolution.

And it may be equally unclear whether a more overtly engaged Obama would alter the bargaining landscape, given underlying political frictions in both parties—and changes in the capital's own political and social culture.

President Obama speaks in the East Room of the White House on Nov. 9, saying "he's open to compromise."

For sure, Obama operates at a different pace, exhibiting what his biographer David Maraniss calls a "longer sense of time than most of society and certainly the political culture." That was apparent again in his poignant post-election remarks to campaign staffers, especially his clearly heartfelt confidence of what those young people "end up accomplishing for years and years to come. And that's been my source of hope."

The folks in the capital who grouse about whom he plays golf with and how little he socializes with the D.C. elite might be surprised to learn that a different Obama was on display as a state legislator in Springfield, Ill. Like David Axelrod, the consultant with whom he struck a seminal bond, he demonstrated the sensibility of being an outsider—but he knows how to play the inside game.

"I played poker with him all the time," recalled Peter Baroni, a Chicago lawyer, law professor, and Republican lobbyist who was a legislative aide back then. "There was a standing game of Republicans and Democrats in the state Senate."

"He didn't over-imbibe, but he smoked and had a couple of beers," said Baroni. Obama wasn't especially gregarious, or inclined to stay out to the wee hours. But he developed relationships with ideological adversaries that held him in good stead, said Baroni, even if some them now privately grouse about not hearing from him again or ever being invited to the White House.

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That more socially engaged style was most vivid on criminal-justice issues. He worked overtime in pushing through historic changes, notably the taping of police interrogations with homicide suspects. The process entailed intense bargaining with diverse constituencies, including cops, prosecutors, public defenders, and the ACLU, with the end result being the sorts of classic compromises that left nobody ecstatic. "He busted hump on that thing," said Baroni.

So he is obviously capable of getting down in the weeds. But would that modus operandi of old hold him in good stead with the "three-ring policy circus" he faces?

The D.C. universe is different than in Johnson's day. The Georgetown salons, where the political and social elite would gather, have largely died out. As one Democratic policy consultant puts it, "They are as ancient as Gertrude Stein in Paris or the Algonquin in New York."

And while legislators in Johnson's era were competitive, they didn't villainize one another in the same way as today (and Johnson also exploited big Democratic majorities in Congress). Further, ethics and lobbying reforms have changed the act of socializing. Simply buying a politician a drink can be a complicated transaction.

A Republican lobbyist from South Carolina zeroes in on the sorts of GOP realities also surrounding the upcoming negotiations, notably the persistent pressures from Tea Party and other conservative forces: "Take my state, where you have [Sen.] Jim DeMint, who's viewed [as being] on the far right, a Tea Party type, but also [Sen.] Lindsey Graham, somebody you can work with. But Graham is also the exact sort of person who has to worry about a Tea Party challenge in his next primary and thus has to worry if a vote cast for 'good government' might appear to be caving in to Obama."

There are similar crosscurrents at work in the Democratic caucus rooms. There are pressures from the left wing in the House, led by Minority Leader Nancy Pelosi, and the fact that a disproportionate number of Democratic senators are up for reelection in 2014. Many left-leaning Democrats will focus on boosting revenues, including tax hikes for the wealthy, as opposed to the sort of huge spending cuts in entitlements that most nonpartisan observers deem essential.

One sign of the level of tension among Democrats: a congressman from Illinois declined an invitation to be on a post-election television panel with a House colleague who is in the Pelosi wing. His colleague "has drunk the Pelosi Kool-Aid, and I just didn't want to be fighting about the sort of cuts we have to make," said this congressman, who requested anonymity discussing sensitive political matters.

A prominent Republican lobbyist and former Hill staffer noted how this is a "great moment in history" but also how Congress is "good at saving themselves at election time and punting the ball." What do they fear most, he wondered: going further into recession or their chances for reelection?

The GOP lobbyist thinks the best thing for Obama to do is figure out some way to look as if he's made real concessions, "to help [House Speaker John] Boehner and [Senate Minority Leader Mitch] McConnell with their crazies" without appearing to be in cahoots with them on entitlements and discretionary spending. In the end, he believes Obama could pull off a legacy-enriching feat with entitlement reform that would be akin to President Richard Nixon resuming relations with the People's Republic of China and President Clinton enraging union allies by passing the North American Free Trade Agreement.

But as the Republican lobbyist, who is close to the GOP leadership, conceded, "Nobody really knows how this will all work out."