

November 13, 2011

Looking at last week's election results, [Charles Krauthammer](#) says 2012 will be a struggle for the forces of - - - truth, justice, and the American Way.

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*They have already been breaking every which way. In this year's congressional special elections resulting from the resignation of scandal-embroiled incumbents, New York-26, traditionally conservative, went Democratic; New York-9, forever Democratic, went Republican. Add now the four evenly split gubernatorial races and Ohio's split decision on its two highly ideological initiatives — and you approach equipoise.*

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*And smart. So too across the nation, as we saw Tuesday. This is no disoriented, easily led citizenry. On the contrary. It is thoughtful and discriminating. For Republicans, this means there is no coasting to victory, 9 percent unemployment or not. They need substance. They need an articulate candidate with an agenda and command of the issues who is light on slogans and lighter still on baggage.*

But, [Kimberley Strassel](#) celebrates GOP wins in Virginia.

*... the White House is pouring resources into what Tim Kaine, the state's former Democratic governor, now pridefully refers to as Democrats' "New Dominion." The Obama campaign has held some 1,600 events in the state in the last half-year alone. Only last month Mr. Obama hopped a three-day bus trip through Virginia and North Carolina. Obama officials keep flocking to the state, and Tuesday's election was to offer the first indication of how these efforts are succeeding.*

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*Virginia Republicans added seven new seats to their majority in the House of Delegates, giving them two-thirds of that chamber's votes—the party's largest margin in history. The GOP also took over the Virginia Senate in results that were especially notable, given that Virginia*

*Democrats this spring crafted an aggressive redistricting plan that had only one aim: providing a firewall against a Republican takeover of that chamber. Even that extreme gerrymander didn't work.*

*Every Republican incumbent—52 in the House, 15 in the Senate—won. The state GOP is looking at unified control over government for only the second time since the Civil War. This is after winning all three top statewide offices—including the election of Gov. Bob McDonnell—in 2009, and picking off three U.S. House Democrats in last year's midterms.*

*Topline figures aside, what ought to really concern the White House was the nature of the campaign, and the breakout of Tuesday's election data. Mr. Obama may have big plans for Virginia, but the question is increasingly: him and what army? ...*

**David Harsanyi**, in reference to Rick Perry's faux pas, thinks it's unlikely anyone is going to abolish federal departments.

*... Remember that it is within these agencies that regulatory regimes blossom and economic growth is inhibited, where winners and loser are picked, where subsidies are handed out, where bad policy is implemented, and where nannies concoct their plans. This bureaucratic outbreak hit the nation under FDR and has yet to be put down.*

*So there is a legitimate argument for reducing the power of these agencies but it's not going to happen anytime soon. To begin with no president is going to have the power to come in and shut them down – not today. Moreover, none of these Republicans candidates – including Perry – have the skills, the support and the political backbone to do the job. And I don't believe any of them would even try.*

*Fortunately, or tragically, there are plenty of pressing and real problems they can tackle. Give us a real plan for reforming entitlements, for cutting spending and for creating a more prosperous atmosphere for the economy. Talk of shutting down departments is a convenient position but it's also a platitudinous one that makes a candidate look unserious.*

**Craig Pirrong**, the Streetwise Professor wants to make sure we don't ignore the importance of Bill Daley getting his sails trimmed at the White House.

*... Daley was seen by many in corporate America as someone who would serve as a counterweight to Obama's leftist instincts. That's obviously not going to happen. And that's why this story deserves more attention than it has gotten. It is an indication of where Obama is going. (And just to make clear: I am no fan of Daleyesque corporatism.)*

*I also surmise that there's another thing going on here, a Chicago game. Although Chicago is a One Party State, that party is rent into factions that barely coexist at the best of times, and battle viciously at others. Obama's alter ego, Valerie Jarrett, and Daley are from opposing, hostile, factions. Jarrett was not pleased by Daley's presence. Jarrett is a hardcore progressive. Daley's goal—as described by Chait—was to soften the progressivism.*

*Daley's departure likely marks Jarrett's victory. It also signals, as Chait suggests, a turn to a more hardcore progressive policy and strategy: if Jarrett has the wheel, there ain't going to be*

*any right turns. It is a move towards the Occupy types and a move away from the corporatist, Democratic party establishment personified by Daley.*

*Helluva choice, eh?*

*But it means that the next 12 months will be even more confrontational and contentious, and the next election will be among the most divisive in recent history. I'm thinking '68, or something in the 19th century divisive.*

*Today saw another indication of Obama's choice. He has delayed consideration of the Keystone Pipeline from Canada to the US. This represents another genuflection to Obama's environmentalist, leftist base. ...*

**Yuval Levin** has more.

*... The move certainly suggests a continuing difficulty to manage the tension between the president's two almost equally delusional self images—the pragmatic centrist reaching out to Republicans and the populist progressive fighting for the people against the powerful. These two approaches would require two quite different kinds of political strategies, and each would be well served by a different kind of chief of staff. Of course, President Obama is not actually a pragmatic centrist (witness everything he did in his first two years, his attitude and substantive proposals in every confrontation with this congress, and his assertions that Republicans want dirty air and water and would love to give mercury poisoning to children, for instance), and is not actually a populist progressive (witness his deep ties to and reliance on Wall Street and his overall regulatory agenda which basically amounts to institutionalized crony capitalism, for instance). Rather, he is an elitist liberal technocrat whose definition of pragmatism is agreement with him and whose idea of populism is resentment of people who disagree with him. It's hard to fathom what the appropriate political strategy (and the appropriate chief of staff) for that sort of president should look like, so it's not hard to see why he hasn't found one.*

*Even so, and even if the president has concluded that Bill Daley is not the right chief for him at this moment, which is certainly his prerogative, just purely as a matter of managing his administration this kind of demotion is peculiar. President Obama came into office with no experience as an executive, and his style of management suggests that nearly three years in office may have given him only the wrong kind of experience. This latest move seems like one he will soon regret.*

Of course, **Andrew Malcolm** has a more humorous take on the Daley demotion. *William Daley, President Obama's chief of staff-in-name-only-now-because-we-don't-want-a-mess-of-media-stories-about-bureaucratic-infighting-on-the-sinking-White-House-ship, is still employed today because he's from Chicago and his family has been very good to Barack Obama and those around him for a long time.*

*That's the way Daley's father ran the Cook County machine all those years. And the same for Daley's brother, who just retired as mayor last spring, leaving the job for Obama's former chief of staff Rahm Emanuel, who was hired more than two decades ago by the White House Daley to help the Chicago Daley.*

*That was before the Chicago Daley hired Michelle Robinson to help his chief of staff Valerie Jarrett, which was before Ms. Robinson became Mrs. Obama, which was before President Obama hired Ms. Jarrett as a key Oval Office aide.*

*Perhaps you get a sense of how professionally incestuous is the Chicago Democratic machine, now with a branch office at 1600 Pennsylvania Avenue.*

*Machine ties can be broken only by betrayal or federal indictment ...*

We go to the [Daily Beast](#) to see the move in the eyes of card-carrying creepy liberals like Eleanor Clift.

*Washington loves a good story about White House intrigue, who's up and who's down, and so the news that Chief of Staff Bill Daley would be giving up a portion of his duties had everyone speculating about the real reason for the mini-shakeup. Not surprisingly, Press Secretary Jay Carney cautioned reporters not to make too much of what he minimized as merely a move to make the White House run more efficiently. He said it was Daley's idea to shed some of his responsibilities, and to have another of the president's men, Pete Rouse, a seasoned congressional hand, take on more of the day-to-day management of the White House.*

*But wait, this is Washington, and nobody gives up power willingly, so here's what happened, according to people who know the players. Daley was always miscast. He's a Chicago businessman, accustomed to being in charge and impatient with Congress. He got much of the blame for the debt-ceiling debacle last summer that brought the government to the brink of default. While that took its toll, it was not fatal, says a Daley friend. "What was fatal: the accumulated weight of not moving the needle."*

*In other words, with President Obama's approval rating stuck in the low 40s, and nothing seeming to move the numbers, the shift to the center that Daley symbolized when he was brought into the White House in January was scrapped for a populist bid to reclaim the Democratic base. The result: Daley was not happy.*

*According to a veteran lobbyist, word got back to the White House that the chief of staff was up on Capitol Hill distancing himself from the president, saying, "They're not listening to me." That's a cardinal sin for a White House adviser, and in a city where the buildings have ears, it's not one that stays hidden for long.*

[Scott Adams](#), the creator of Dilbert, posted on his blog the possible reasons why Herman Cain continues to poll well.

*... Consider all of the employee lawsuits and out of court settlements of which you have personal knowledge. Your list can include sexual harassment claims plus all other types of employee claims, including cases involving injuries and unfair practices. Include only situations in which you were personally involved or you know the people who were. My question is this: What percentage of these employee claims do you know for sure to be bullshit?*

*I'll go first. I owned two restaurants for years, and you can imagine how many claims I saw. Before that, I worked at the local phone company, and before that for a large bank. I've had personal knowledge of perhaps twenty employee claims against employers. To the best of my knowledge, 100% of them were bullshit. I could be wrong, but that's my impression. And impressions matter. (None were sexual harassment cases.)*

*I'm using the term bullshit instead of "true" because there's a slight difference. In some cases the employees took advantage of obscure labor laws and found ways to force settlements without ever experiencing any damages.*

*Now consider the average Republican mindset. We're talking about a pro-employer group of voters. For many of these voters, Cain's situation will remind them of all the dishonest employee claims they've seen. For many people, especially men, Cain will look like a typical employer getting sued every five minutes by employees looking for cash settlements. Voting for Cain will feel like a vote against fraudulent employee claims, even if that is the opposite of reality. It will FEEL like a referendum against fraudulent claims.*

*The other factor working in Cain's favor is his absurd level of confidence and optimism. ...*

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## **Washington Post** **[The 2011 elections: A split decision](#)**

by Charles Krauthammer

The 2011 off-year elections are a warning to Republicans. The 2010 party is over. 2012 will be a struggle.

To be sure, Tuesday was not exactly the Democrats' night. They did enjoy one big victory, repeal of government-worker reform in Ohio. But elsewhere, they barely held their own. The bigger news was the absence of any major Republican trend. The great Republican resurgence of 2009-10 has slowed to a crawl.

On Tuesday, Ohio was the bellwether. [Voters decisively voted down](#) the Republicans' newly enacted, Wisconsin-like rollback of public-sector workers' benefits and bargaining rights. True, it took a \$30 million union campaign that outspent the other side 3-to-1. True, repeal only returns labor relations to the status quo ante. And true, Ohio Republicans, unlike Wisconsin's, made a huge tactical error by including police and firefighters in the rollback, opening themselves to a devastating they-saved-my-grandchild ad campaign. Nevertheless, [the unions won](#). And they won big.

And yet in another referendum, that same Ohio electorate rejected the central plank of Obamacare — the individual mandate — by an overwhelming 2-to-1 margin. Never mind that this ballot measure has no practical effect, federal law being supreme. Its political effect is unmistakable. Finally given the chance to vote against Obamacare, swing-state Ohio did so by a 31-point landslide.

Interesting split: Ohio protects traditional union rights, while telling an overreaching Washington to lay off its health-care arrangements. Indeed, there were splits everywhere. In this year's gubernatorial elections, both parties held serve: Democrats retained West Virginia and Kentucky; Republicans retained Louisiana and Mississippi.

This kind of status quo ticket-splitting firmly refutes the lazy conventional narrative of an angry electorate seething with anti-incumbency fervor. In New Jersey, for example, all but one of the 65 Assembly incumbents seeking reelection were returned to office.

Even Virginia, which moved to near-complete Republican control, is a cautionary tale. Republicans won six House of Delegates seats, giving them an [unprecedented two-thirds majority](#). However, they had hoped to win [outright control of the Senate](#). They needed three seats. They won only two and will have to rely on the tie-breaking lieutenant governor's vote.

Not a good night for Virginia Democrats. But compared to the great 2009-10 pendulum swing that obliterated them (in a state Barack Obama carried in 2008), 2011 was more rebuke than rejection.

The larger narrative is clear: American politics are, as always, inherently cyclical. Despite the occasional euphoria, nothing lasts. First comes the great Democratic comeback of 2006 and 2008, leading an imprudent James Carville to declare the beginning of a 40-year liberal ascendancy.

He was off by only 38. The fall began almost immediately. Within a year, Democrats were defeated in the off-year elections in Virginia, New Jersey and, most shockingly, Massachusetts, where they lost the sacred "Kennedy seat."

The slide continued with the Democrats' 2010 midterm "shellacking," as Obama called it. With high unemployment, massive discontent — three-fourths of Americans saying we're on "the wrong track" — and a flailing presidency, Republicans have been flirting with Carvillian straight-line projections. A one-term presidency, exults Michele Bachmann: "The cake is baked."

Hardly. Tuesday showed that the powerful Republican tailwind of 2010 (I prefer non-culinary metaphors) is now becalmed. Between now and November 2012, things can break either way.

They have already been breaking every which way. In this year's congressional special elections resulting from the resignation of scandal-embroiled incumbents, New York-26, traditionally conservative, went Democratic; New York-9, forever Democratic, went Republican. Add now the four evenly split gubernatorial races and Ohio's split decision on its two highly ideological initiatives — and you approach equipoise.

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And smart. So too across the nation, as we saw Tuesday. This is no disoriented, easily led citizenry. On the contrary. It is thoughtful and discriminating. For Republicans, this means there is no coasting to victory, 9 percent unemployment or not. They need substance. They need an articulate candidate with an agenda and command of the issues who is light on slogans and lighter still on baggage.

**WSJ**

## **Obama's Virginia Defeat**

***Democrats were trounced in Tuesday's state legislature election, despite the president's heavy investment of time in the state.***

by Kimberley Strassel

Of all the noise of this week's state election results, what mattered most for Election 2012 came out of Virginia. It was the sound of the air leaking out of the Plouffe plan.

That would be David Plouffe, President Obama's former campaign manager and current senior strategist, who is focused today on how to cobble together 270 electoral votes for re-election. That's proving tough, what with the economy hurting Mr. Obama in states like Ohio, Indiana and Pennsylvania that he won in 2008. The White House's response has been to pin its hopes on a more roundabout path to electoral victory, one based on the Southern and Western states Mr. Obama also claimed in 2008.

States like Virginia. Mr. Obama was the first Democrat to win Virginia since 1964; he beat John McCain by seven percentage points; and he did so on the strength of his appeal to Northern Virginia's many white-collar independents. Along with victories in North Carolina, Colorado and Nevada, the Obama Old Dominion win in 2008 inspired a flurry of stories about how Democrats had forever altered the political map.

So the White House is pouring resources into what Tim Kaine, the state's former Democratic governor, now pridefully refers to as Democrats' "New Dominion." The Obama campaign has held some 1,600 events in the state in the last half-year alone. Only last month Mr. Obama hopped a three-day bus trip through Virginia and North Carolina. Obama officials keep flocking to the state, and Tuesday's election was to offer the first indication of how these efforts are succeeding.

Let's just say the New Dominion is looking an awful lot like the Old Dominion. If anything, more so.

Virginia Republicans added seven new seats to their majority in the House of Delegates, giving them two-thirds of that chamber's votes—the party's largest margin in history. The GOP also took over the Virginia Senate in results that were especially notable, given that Virginia Democrats this spring crafted an aggressive redistricting plan that had only one aim: providing a firewall against a Republican takeover of that chamber. Even that extreme gerrymander didn't work.

Every Republican incumbent—52 in the House, 15 in the Senate—won. The state GOP is looking at unified control over government for only the second time since the Civil War. This is

after winning all three top statewide offices—including the election of Gov. Bob McDonnell—in 2009, and picking off three U.S. House Democrats in last year's midterms.

Topline figures aside, what ought to really concern the White House was the nature of the campaign, and the breakout of Tuesday's election data. Mr. Obama may have big plans for Virginia, but the question is increasingly: him and what army?

Elected state Democrats—who form the backbone of grass-roots movements—couldn't distance themselves far enough from Mr. Obama in this race. Most refused to mention the president, to defend his policies, or to appear with him. The more Republicans sought to nationalize the Virginia campaign, the more Democrats stressed local issues.

State House Minority Leader Ward Armstrong felt compelled to run an ad protesting that it was a "stretch" for his GOP opponent to "compare me to Barack Obama." After all, he was "pro-life, pro-gun and I always put Virginia first." (Mr. Armstrong lost on Tuesday.)

Virginia Democrats were happy to identify with one top official: Republican Gov. Bob McDonnell, who is providing a lesson in the benefits of smart GOP governance in battleground states. Criticized as being too socially conservative for Virginia when he was elected in 2009, Mr. McDonnell has won over voters by focusing on the economy and jobs. His approval ratings are in the 60s, and he helped raise some \$5 million for local candidates. He's popular enough that Democrats took to including pictures of him in their campaign literature, and bragging that they'd worked with him.

Mr. McDonnell has been particularly adept at connecting with the independent, white-collar voters Mr. Obama used to win Virginia in 2008. That crowd lives in North Virginia's booming exurb counties of Prince William and Loudoun, and presidential races hinge on their votes. Mr. Obama's 2008 victory in Virginia rested on his significant wins in both Loudoun (8%) and Prince Williams (16%).

Yet Tuesday's results showed the extent to which that support has reversed. Loudoun in particular proved an unmitigated rout for Democrats. Republicans won or held three of four of the county's Senate seats. It swept all seven of the county's House seats. It won all nine slots on the county's Board of Supervisors, and pretty much every other county office. In Prince William, the story was much the same. This is what happens when a recent Quinnipiac poll shows Mr. Obama's approval rating among Virginia independents at 29%.

Democrats are now arguing that turnout (about 30%) was too low to prove anything, but then again, the particularly low Democratic turnout suggests that, on top of everything else, the White House really does face an enthusiasm gap. It's still got time to try to remedy that problem, and some other Virginia fundamentals. But going by Tuesday's results, Mr. Plouffe might need to start considering Electoral Plan C.



## The Blaze

### Will Republicans eliminate any federal agencies? Doubtful

by David Harsanyi

Sorry to say, the biggest joke this week wasn't Republican presidential candidate Rick Perry's debating [skills](#) — though they are indeed something to behold — but rather the running canard that any candidate, save perhaps libertarian Ron Paul, would actually attempt to shut down a federal agency, much less mention the idea after they were elected.

By now most everyone has seen Perry's performance in the CNBC presidential debate wherein the governor of Texas claimed that he would scale back three federal departments to cut government spending and influence. He rattled off two — Education and Commerce — before subjecting millions of perfectly innocent viewers to a loooooong and uncomfortable silence in which he failed to produce a third.

(Energy, man. The Department of Energy! You're from Texas.)

Surely any small-government conservative can rattle off an array of needless bureaucratic departments and agencies they'd like to trash — from the Transportation Security Administration to the National Endowment for the Arts. But Perry is human and even the slickest of humans [occasionally](#) struggles with recall or grapples with the perfect word or pertinent fact. Then again, perhaps Perry's answer wasn't easily accessible because the entire premise is a sham and he knows it. No one is shutting down any federal agency. The only time Washington scales back the number of federal agencies is when they start combining them and making them stronger and more intrusive. See: The Department of Homeland Security.

Conservatives have heard this promise forever: Ronald Reagan pledged to submit a budget that would “dismantle” the Department of Education. In the 90s, the Republican Party platform featured a promise to shut down the DOE. Yet by the early 2000s, George Bush had expanded the scope and power of the DOE through No Child Left Behind in ways that now allows the Obama Administration to strengthen unions rather than offer the parental choice that the previous administration had promised.

That's not to say it's a crazy idea, of course, despite the establishment's aversion to it. MSNBC's [Jonathan Alter](#) summed up the media's conventional view when he tweeted: “The real Perry gaffe wasn't brain freeze but idiotic idea of killing three federal agencies in the first place.”

Idiotic, right? Tenth Amendment of the Constitution has some nonsense about “powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.” But that's so *jejune*, right? So outdated.

Remember that it is within these agencies that regulatory regimes blossom and economic growth is inhibited, where winners and loser are picked, where subsidies are handed out, where bad policy is implemented, and where nannies concoct their plans. This bureaucratic outbreak hit the nation under FDR and has yet to be put down.

So there is a legitimate argument for reducing the power of these agencies but it's not going to happen anytime soon. To begin with no president is going to have the power to come in and shut them down — not today. Moreover, none of these Republicans candidates — including Perry

– have the skills, the support and the political backbone to do the job. And I don't believe any of them would even try.

Fortunately, or tragically, there are plenty of pressing and real problems they can tackle. Give us a real plan for reforming entitlements, for cutting spending and for creating a more prosperous atmosphere for the economy. Talk of shutting down departments is a convenient position but it's also a platitudinous one that makes a candidate look unserious.

## Streetwise Professor

### [Valerie Jarrett Grabs the Wheel: Bill Daley Goes Under the Tires](#)

by Craig Pirrong

One of the most underreported stories of the last week is the non-demotion demotion of Bill Daley as Obama's Chief of Staff. The prevailing narrative is that Daley was ineffective in working with Congress. [This view from lefty Jonathan Chait seems closer to the mark:](#)

Daley, pursuing his theory, [heavily courted business leaders](#). He made long-term deficit reduction a top priority, and spent hours with Republican leaders, meeting them three-quarters of the way in hopes of securing a deal that would demonstrate his centrism and bipartisanship. The effort failed completely. ...

The effort failed because Daley's analysis — which is also the analysis of David Brooks and Michael Bloomberg — was fatally incorrect. Americans were not itching for Obama to make peace with corporate America. Americans are in an angry, populist mood — distrustful of government, but even more distrustful of business. ...

Since that debacle, Obama issued a course correction and started pursuing a strategy that's in line with the realities of public opinion and the Congress, as opposed to Daley's fantasy version thereof.

There is a core of truth here. Daley was seen by many in corporate America as someone who would serve as a counterweight to Obama's leftist instincts. That's obviously not going to happen. And that's why this story deserves more attention than it has gotten. It is an indication of where Obama is going. (And just to make clear: I am no fan of Daleyesque corporatism.)

I also surmise that there's another thing going on here, a Chicago game. Although Chicago is a One Party State, that party is rent into factions that barely coexist at the best of times, and battle viciously at others. Obama's alter ego, Valerie Jarrett, and Daley are from opposing, hostile, factions. Jarrett was not pleased by Daley's presence. Jarrett is a hardcore progressive. Daley's goal—as described by Chait—was to soften the progressivism.

Daley's departure likely marks Jarrett's victory. It also signals, as Chait suggests, a turn to a more hardcore progressive policy and strategy: if Jarrett has the wheel, there ain't going to be any right turns. It is a move towards the Occupy types and a move away from the corporatist, Democratic party establishment personified by Daley.

Helluva choice, eh?

But it means that the next 12 months will be even more confrontational and contentious, and the next election will be among the most divisive in recent history. I'm thinking '68, or something in the 19th century divisive.

Today saw another indication of Obama's choice. He has delayed consideration of the Keystone Pipeline from Canada to the US. This represents another genuflection to Obama's environmentalist, leftist base.

Substantively, the decision is weak. Obama said the environmental issues needed further study. But never have the opponents of the pipeline recognized that there are environmental trade-offs. Less oil from Canada means no probability of a pipeline spill: it is unlikely to affect the amount of oil produced as Canada can look to other markets. But less oil from Canada means more oil imports *via* ship and more offshore drilling, both of which pose their own environmental hazards—hazards that are almost certainly far more acute than those posed by Keystone. Not to mention the benefits of reducing reliance on oil from places like Venezuela.

The administration also cannot get its story straight. [Today, the State Department said this was purely a department decision, with no White House interference or politics involved:](#)

Election-year politics played no role in the decision, a State Department official said today.

"The White House did not have anything to do with this decision," Kerri-Ann Jones, assistant secretary of state for oceans and international environmental and scientific affairs, told reporters on a conference call. "They did not direct us to make this decision."

Funny. [Obama and his Press Secretary Jay Carney apparently weren't aware of this:](#)

Obama has indicated he will make the final call. In a television interview on Tuesday, he outlined the economic and health criteria he would consider when the State Department's recommendations come his way.

Activists viewed that as a departure from White House assertions that State was running the process.

White House spokesman Jay Carney played down the president's comments, saying State was taking the lead but the final decision would clearly represent Obama's opinions.

"The State Department is part of the Obama administration, and you can expect that the ultimate outcome of this process will reflect the president's views," Carney said.

So which is it?

For those of you a little slow on the uptake, discount what the State Department person says. This was all politics, and all Obama.

This, and the Daley demotion, are clear indications of where Obama is going. And where he is going is left, and likely hard left.

## The Corner

### Daley's Demotion

by Yuval Levin

The latest sign of the unraveling of the Obama White House is a big one. The president's chief of staff, William Daley, is keeping his title (for now) but evidently being demoted to a kind of ambassador role, charged with "managing relations with influential outsiders." The *Wall Street Journal's* Carol Lee deadpans:

On Monday, Mr. Daley turned over day-to-day management of the West Wing to Pete Rouse, a veteran aide to President Obama, according to several people familiar with the matter. It is unusual for a White House chief of staff to relinquish part of the job.

It is unusual, yes. It's also very likely to be unsustainable. The power of any chief of staff, and his ability to set the internal tone at the White House and to drive the president's agenda, derive from the sense that he has the president's trust and from his complete authority to manage the process by which the White House staff helps the president reach decisions—which is after all what the White House does. Without that "day-to-day management," as the *Journal* puts it, there is really nothing left of the job. To rob Daley of that power but leave him in place as a figurehead is a very peculiar move, certain to complicate the process of making policy and political decisions, and to create a great deal of needless discomfort and embarrassment for everyone involved.

The move certainly suggests a continuing difficulty to manage the tension between the president's two almost equally delusional self images—the pragmatic centrist reaching out to Republicans and the populist progressive fighting for the people against the powerful. These two approaches would require two quite different kinds of political strategies, and each would be well served by a different kind of chief of staff. Of course, President Obama is not actually a pragmatic centrist (witness everything he did in his first two years, his attitude and substantive proposals in every confrontation with this congress, and his assertions that Republicans want dirty air and water and would love to give mercury poisoning to children, for instance), and is not actually a populist progressive (witness his deep ties to and reliance on Wall Street and his overall regulatory agenda which basically amounts to institutionalized crony capitalism, for instance). Rather, he is an elitist liberal technocrat whose definition of pragmatism is agreement with him and whose idea of populism is resentment of people who disagree with him. It's hard to fathom what the appropriate political strategy (and the appropriate chief of staff) for that sort of president should look like, so it's not hard to see why he hasn't found one.

Even so, and even if the president has concluded that Bill Daley is not the right chief for him at this moment, which is certainly his prerogative, just purely as a matter of managing his administration this kind of demotion is peculiar. President Obama came into office with no experience as an executive, and his style of management suggests that nearly three years in office may have given him only the wrong kind of experience. This latest move seems like one he will soon regret.

Investor's.com

## [How to read William Daley's demotion as Obama chief of staff](#)

by Andrew Malcolm



William Daley, President Obama's chief of staff-in-name-only-now-because-we-don't-want-a-mess-of-media-stories-about-bureaucratic-infighting-on-the-sinking-White-House-ship, is still employed today because he's from Chicago and his family has been very good to Barack Obama and those around him for a long time.

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That was before the Chicago Daley hired Michelle Robinson to help his chief of staff Valerie Jarrett, which was before Ms. Robinson became Mrs. Obama, which was before President Obama hired Ms. Jarrett as a key Oval Office aide.

Perhaps you get a sense of how professionally incestuous is the Chicago Democratic machine, now with a branch office at 1600 Pennsylvania Avenue.

Machine ties can be broken only by betrayal or federal indictment (Think Rod Blagojevich, who bequeathed his congressional district to Emanuel when he ran for governor before the impeachment and conviction. You don't see Blago, Obama or Emanuel chatting in public so much anymore.)

This is the business we have chosen.

Obama picked the White House Daley 10 months ago because of Daley's political connections to the country's worried business community and because hiring the brother of the Chicago Daley would help Obama's outgoing chief of staff Emanuel ease into the mayor's suite on Dearborn Street. It worked perfectly.

If the White House Daley had been from, say, Alabama like Robert Gibbs, he'd be gone like Robert Gibbs. Daley's a banker, not much of a D.C. game player, orchestrating strategic leaks here and there to help himself, as Emanuel did -- does.

But others in the White House are. Which explains the crop of recent stories about Daley's dysfunctional reign as COS, the grumbling over his restricting presidential access, the gaffes like the botched scheduling of Obama's jobs speech to Congress.

Or how Daley doesn't understand the Hill, where he was actually architect of President Clinton's big NAFTA ratification win way back in 1993, fully three years before Obama began schlepping to Springfield as a lowly state legislator so often voting Present.

However, Daley made a serious mistake late last month. Without running it by the communications people (after all, he is chief of staff), the chief of staff talked for an hour to an old pal, Politico's Roger Simon. Like Clinton cabinet vet Daley, Simon has been around Washington a long time building relationships that pay off eventually.

Worse than PR freelancing, Daley talked candidly and on the record, revealing more than he realized -- and certainly more than the president wanted -- about how this White House works -- or doesn't.

"It's been a brutal three years," [Daley told Simon](#). "...both Democrats and Republicans have really made it very difficult for the president to be anything like a chief executive." Congressional Democrats, who blew up their whopping House majority by supporting Obamacare, were not all that happy to read that thankless line.

The White House is attempting to present Daley's demotion as a new sharing of duties with Pete Rouse, Obama's Senate chief of staff and favorite designated hitter. Daley's new duties, they say, will be ambassadorial, special outreach to people and groups valued by Obama, the people's president.

Right. Obama outreach. Special Obama outreach. From the aloof president who took 500+ days to have the Senate Republican leader over for coffee. Sounds like Daley will have plenty of time to do more hour-long interviews.

Daily Beast

## Behind Bill Daley's Demotion

*The chief of staff grew frustrated as congressional complaints about him mounted—and the president tacked left.*

by Eleanor Clift and Patricia Murphy

Washington loves a good story about White House intrigue, who's up and who's down, and so the news that Chief of Staff Bill Daley would be giving up a portion of his duties had everyone speculating about the real reason for the mini-shakeup. Not surprisingly, Press Secretary Jay Carney cautioned reporters not to make too much of what he minimized as merely a move to make the White House run more efficiently. He said it was Daley's idea to shed some of his responsibilities, and to have another of the president's men, Pete Rouse, a seasoned congressional hand, take on more of the day-to-day management of the White House.

But wait, this is Washington, and nobody gives up power willingly, so here's what happened, according to people who know the players. Daley was always miscast. He's a Chicago businessman, accustomed to being in charge and impatient with Congress. He got much of the blame for the debt-ceiling debacle last summer that brought the government to the brink of default. While that took its toll, it was not fatal, says a Daley friend. "What was fatal: the accumulated weight of not moving the needle."

In other words, with President Obama's approval rating stuck in the low 40s, and nothing seeming to move the numbers, the shift to the center that Daley symbolized when he was brought into the White House in January was scrapped for a populist bid to reclaim the Democratic base. The result: Daley was not happy.

According to a veteran lobbyist, word got back to the White House that the chief of staff was up on Capitol Hill distancing himself from the president, saying, "They're not listening to me." That's a cardinal sin for a White House adviser, and in a city where the buildings have ears, it's not one that stays hidden for long.

Daley's management skills also came under fire. "He goes dark—you need an answer, and by the time he gets back to you, it's too late," says a former colleague familiar with his style after working with him in the private sector. "And that's not good for the manager of a bunch of burning pots."

Since he and Obama never had an intimate bond, channels were built around Daley. It wasn't personal; that's how the world works. But Daley didn't like it, and last month he vented in an interview with Politico columnist Roger Simon. His remarks sprinkled with expletives, Daley managed to diss his predecessor, Rahm Emanuel, who succeeded Daley's brother as mayor of Chicago; anger Democrats on Capitol Hill by lumping them in as equal obstacles to Republicans; and denigrate President Obama's decisionmaking as finding that middle ground between "being really s---ty policy or really s---ty politics."

Daley has his defenders, and among them is Democratic consultant Bob Shrum, who worked with him when Daley ran Al Gore's 2000 campaign. "He had his views and I had mine, but he was open-minded and collegial," he says. "Some of the descriptions I'm reading about him I don't recognize."

Most of Daley's bad reviews emanate from Capitol Hill. Shrum says the White House chief of staff should never be the congressional liaison, and given the obstinate nature of the current GOP opposition, "You could have a combination of Kenny O'Donnell, Jim Baker, and Leon Panetta the last few months and events would not have been different." (These legendary chiefs of staff served Presidents Kennedy, Reagan, and Clinton, respectively.)

Daley's partial demotion was cheered by Senate Democrats who have the most to gain with Rouse, a former Senate aide, serving as their new sounding board. "Is this welcome on Capitol Hill? The answer is yes," a Senate aide said. "Daley just didn't get the place."

In contrast to the blunt-spoken Daley and his sometimes overbearing ways, Rouse is the quintessential anonymous man, an old-school staffer who in his DNA never wants the story to be about him. "When his name is in the paper, he cringes," says a Hill veteran.

With 30 years of experience on the Hill and as former Senate leader Tom Daschle's chief of staff, Rouse had such stature in Congress that he was known as the 101st senator. "Pete combines operational and political skill—he is the indispensable man," says the Hill source. "Daley was always just passing through."

Rouse doesn't want to be chief of staff, and apparently doesn't mind that Daley retains the title while handing off much of the work. Daley will function more as a senior minister to the opposition and conservative Democrats, and to business leaders.

Asked if the diminished duties are humiliating for Daley, a proud and accomplished man, a longtime Democratic consultant said that is true in the world of Washington and cable television, but in real life it's just another bump in the road: "Think of it as an organ transplant that never really took.

## Dilbert's Blog

### [Cain's Inexplicably High Polling](#)

by Scott Adams

**Warning:** *This blog is written for a rational audience that likes to have fun wrestling with unique or controversial points of view. It is written in a style that can easily be confused as advocacy or opinion. It is not intended to change anyone's beliefs or actions. If you quote from this post or link to it, which you are welcome to do, please take responsibility for whatever happens if you mismatch the audience and the content.*

Prior to five women accusing Herman Cain of sexual harassment, I predicted he would become the Republican nominee. After the accusations, most pundits expect Cain to go down in flames. I'm going to double down and reaffirm my prediction that Cain will win the Republican nomination.

Let me begin by clearly stating a few things:

1. I don't think Cain is qualified to be president.
2. Sexual harassment is a serious offense.
3. With so much smoke, it's hard to believe there's no fire.



But none of that might matter to a good number of Republican voters. 40% of voters would prefer any Republican over President Obama. So whoever has the best chance of winning the election will be preferred by most Republicans, no matter what his qualifications and offenses are.

But that's not the heart of my argument today. To make my next point, first we need to do a little poll.

Consider all of the employee lawsuits and out of court settlements of which you have personal knowledge. Your list can include sexual harassment claims plus all other types of employee claims, including cases involving injuries and unfair practices. Include only situations in which you were personally involved or you know the people who were. My question is this: What percentage of these employee claims do you know for sure to be bullshit?

I'll go first. I owned two restaurants for years, and you can imagine how many claims I saw. Before that, I worked at the local phone company, and before that for a large bank. I've had personal knowledge of perhaps twenty employee claims against employers. To the best of my knowledge, 100% of them were bullshit. I could be wrong, but that's my impression. And impressions matter. (None were sexual harassment cases.)

I'm using the term bullshit instead of "true" because there's a slight difference. In some cases the employees took advantage of obscure labor laws and found ways to force settlements without ever experiencing any damages.

Now consider the average Republican mindset. We're talking about a pro-employer group of voters. For many of these voters, Cain's situation will remind them of all the dishonest employee claims they've seen. For many people, especially men, Cain will look like a typical employer getting sued every five minutes by employees looking for cash settlements. Voting for Cain will feel like a vote against fraudulent employee claims, even if that is the opposite of reality. It will FEEL like a referendum against fraudulent claims.

The other factor working in Cain's favor is his absurd level of confidence and optimism. You have to figure he's always had it. It's easy to imagine that if the allegations happened exactly as the women described, he saw it differently at the time. In the mind of an optimist with a huge ego, he probably thought he was doing nothing more than giving the women a chance to have some career assistance and also enjoy the extraordinary pleasure of his company.

Our system is designed so you can't escape justice by claiming you didn't know you violated a law. That's the only way the system can work. But I think it's entirely plausible that Cain believed he was doing these women two favors: help with their careers and the option of great sex too. It's easy to imagine that's how he saw it. I think a lot of Republicans who believe the women's stories are going to give Cain a pass because there's a fine line between optimism and stupidity, and if you want an optimist for your leader, you know he's going to cross the line into stupidity now and again. It's a package deal. It's Ronald Reagan. It's Bill Clinton.

For the bad readers who might be visiting from other sites, I will end by reiterating:

1. I don't think Cain is qualified to be president.
2. Sexual harassment is a serious offense.

3. With so much smoke, it's hard to believe there's no fire.

I'll also add that I'm not a Republican. I'm just predicting how the Republicans who have a soft spot for employers and optimists might think.



