## **BROOKINGS**

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## The Scouting Report: Assessing President Obama's First Six Months in Office

After a strong start, President Barack Obama has had a difficult few weeks as economists assess the status of economic recovery and Congress dives into the details of health care reform. Brookings expert William Galston, who served in the White House during President Clinton's early months in office, noted recently in the Washington Post that "the administration is sailing into some pretty stiff headwinds," with households still recovering from shocks to their wealth.

Now that we have reached the six-month mark in Obama's Presidency, William Galston and Senior Politico Editor Fred Barbash took a close look at President Obama's progress and answered questions about how the President is doing in the August 12 edition of The Scouting Report. The transcript of this web chat follows.

**12:35 Fred Barbash – moderator:** Welcome everyone. Let's get started.

**12:37 [Comment From Laurie]** Obama set an ambitious agenda for his first six months. How do you think he did?

**12:38 William Galston:** The president scored some early successes especially with the stimulus bill and his funding bills. As he moved forward with his agenda, both health care and climate change met with some difficulties.

**12:40 William Galston:** While the next six months will tell the tale, the ambitious agenda may prove to be a bit too ambitious.

**12:40 [Comment From Norman]** Why is Mr. Obama's approval or popularity falling? Is it caused by healthcare debates?

**12:40 William Galston:** Although the health care debate has had some impact on Mr. Obama's popularity, the principal concern of the people is the state of the economy.

**12:41 William Galston:** As long as unemployment remains high and family incomes continue to stagnate, the people will not feel positive about the state of the country.

**12:41 [Comment From Adam]** In his first six months, what one single mistake do you believe President Obama would most want to take back?

- **12:42 William Galston:** Thanks for the question! He might want to retract the answer to the final question in his most recent press conference in which he opined that the Cambridge had acted "stupidly" in arresting Henry Louis Gates, Jr.
- **12:43 William Galston:** The ensuing uproar knocked the president and the White House off its focus on health care for an extended period.
- **12:43 [Comment From Gary**] How well or poorly do you think Obama is handling partisan politics in Congress?
- **12:44 William Galston:** President Obama entered office with a sincere desire to reduce the level of partisan bitterness. Unfortunately he decided to give the Democratic leadership lead responsibility for drafting key legislation which contradicted the goal of bipartisanship.
- **12:44 William Galston:** The Democratic legislative drafts drove a deeper wedge between the two parties.
- **12:44 [Comment From Janaina]** What would be the effect for Obama if health care reform is not approved?
- 12:46 (Reader Poll) How happy are you with Obama's Presidency so far? Very Happy (52%)
  Neither happy nor unhappy (17%)
  Unhappy (31%)
- **12:47 William Galston**: If health care reform is not approved the impact on both the president and Democrats in Congress is bound to be negative. By elevating health reform to the top of the domestic agenda the president and the Democratic leadership raised the stakes. An unfavorable outcome would risk a repetition of the experience that Democrats had in the off-year election of 1994, when they lost more than 50 seats in the House.
- **12:47 [Comment From Fred]** Some conservatives say Obama deceived the public during his campaign...that he pretended to be a moderate and turned out to be a "leftist." In your opinion, has his agenda in office been much different than the agenda he projected during his campaign?
- **12:47 William Galston:** No. In fact, President Obama's governing agenda is tracking his campaign promises remarkably closely.
- **12:48 William Galston:** The truth of the matter is, there was always a tension between the president's rhetoric of moderation while he was campaigning and the actual substance of his agenda.
- **12:48 [Comment From Andy]** Following up on the partisan politics issue -- Are there any issues that you see President Obama truly reaching across the aisle to gain the support of Republicans in the next 6-12 months -- It appears that this is not likely to happen in the health care debate?
- **12:50 William Galston:** President Obama may have had the most bipartisan success in the area his predecessor did namely education policy. The president and his secretary of education prove to be remarkable committed to education reform, including issues that are supported by many Republicans, such as the expanded use of charter schools.

- **12:50 [Comment From Azadeh]** How has Obama done so far in dealing with Iran?
- **12:51 William Galston:** The president entered office committed to reach out to Iran. The events surrounding the recent Iranian election have made that outreach far more difficult.
- **12:51 William Galston:** The Iranian government is in disarray, and it is politically difficult to negotiate with a regime that now has so much blood on its hands. The administration remains committed to negotiations, but they will have to figure out a new strategy for making talks happen.
- **12:52 [Comment From James F.]** What do you think about the recent negotiation with North Korea over the imprisoned journalists? Did Obama handle it well?
- **12:53 William Galston:** The recent negotiations with North Korea represent a clear win for the president and the administration. They did what was necessary to retrieve the 2 imprisoned Americans without giving away anything of significance on other issues.
- **12:53 [Comment From Mish]** What can Obama do to mobilize the grassroots in support of his legislative agenda?
- **12:54 William Galston:** There was always a question whether the grassroots network that was so effective during the campaign would be equally effective once the president took office. I never believed it would be and, so far, it hasn't been.
- **12:55 William Galston:** But, it is very, very difficult to rally people around a piece of legislation that doesn't yet exist. The president's decision to allow Congress to write the major legislation has some advantages, but its downside is that strategy makes it more difficult to mobilize the grassroots around a legislative process that hasn't yet produced concrete results.
- 12:56 [Comment From Daniel] What do you think about Obama's weekly video addresses?
- **12:56 William Galston:** I don't have any objection to them, but they don't seem to me to have had a huge impact at least not yet.
- **12:56 [Comment From Andy]** Do you think Obama has successfully laid the groundwork for a Middle East Peace agreement between Israel and the Palestinians? Is this a realistic goal for his administration?
- **12:57 William Galston:** Well, in one sense, the president has laid a foundation by demonstrating his personal commitment and designating a high-level envoy for that purpose. However the president hasn't yet been able to assemble the coalition he needs to proceed.
- **12:59 William Galston:** He needs cooperation from Saudi Arabia, which he has not received. He needs cooperation from the Israeli government, which he has not received. And he needs more cooperation from the Palestinians than was evident in the just-completed convention of Fatah.
- **12:59 William Galston:** If the president's outreach to Syria bears fruit, however, conditions for meaningful discussions could improve significantly.

- **1:00 [Comment From Erin]** Where do we stand on immigration reform and how might immigration laws change?
- **1:01 William Galston:** The president recently announced that while immigration legislation would be drawn up in 2009, Congress would not address that issue until 2010. The terms of a possible compromise remain much as they were when Congress last took up this issue in 2007.
- **1:02 William Galston:** However, recent public opinion surveys have shown declining popular support for immigration reform, and the Congress may be reluctant to take up an additional controversial issue while it has so many others on its plate.
- **1:02 [Comment From Vlad Prokopov CSIS]** How do you assess the results of the 'reset' with Russia, considering Biden's recent comments? Do you think the relationship will go forward, and do you think Obama administration will sacrifice any political capital in order to do so?
- **1:03 William Galston:** If the Russians are confused right now, they have a right to be. Because President Obama sent one set of signals and his VP sent a different set.
- **1:03 William Galston:** It does not appear that the administration will be willing to sacrifice either Ukraine or Georgia on the altar of improved relations with Russia. However, the administration may be able reach agreement with Russia concerning the location of missile defense placements which are now scheduled for Poland and the Czech Republic.
- **1:04 [Comment From Janice]** What needs to happen to reach an international climate agreement with other countries like China and India?
- **1:06 William Galston:** Good question! During the secretary of state's recent visit to India, senior Indian officials made it clear that they had no intention of reaching such an agreement. While the Chinese were a little more polite about it, their message to the world seems to be quite similar to that of India.
- **1:06 William Galston:** The climate talks scheduled for Copenhagen in December seem unlikely to meet the lofty hopes of their organizers.
- **1:06 [Comment From Ilin]** Is Obama weak or pragmatic? Is he too scared not to repeat Bill Clinton's mistakes in the 90's? Some might argue that he is squandering his political capital.
- **1:07 William Galston:** President Obama has certainly put forward some very bold proposals and the question is whether he and his advisors will be able to figure out a strategy for getting versions of those proposals enacted in to law.
- **1:08 William Galston:** Obviously the debate over issues such as health reform and climate change has weakened the president's political standing for the time being. But if he gets some results before the end of the year, then this "rough patch" will be nothing more than a temporary blip.
- **1:09 William Galston:** If he doesn't get the job done, it means real trouble for the administration.
- **1:09 [Comment From Jackson]** Do you think that the Obama Administration and the Federal Reserve have done enough and are doing enough to guard against the economic impact of a

continued downturn in the commercial real estate market? What steps do you think they should take to bolster the market?

- **1:10 William Galston:** Commercial real estate may be the next big financial shoe to drop. Commercial real estate loans have a larger effect on local and regional banks than they do on the large national institutions, and the administration may be forced to step in to help out some of those smaller banks.
- **1:11 William Galston:** But there doesn't seem to be much the administration can do to ward off an increasing number of commercial loan defaults during the coming year.
- **1:11 [Comment From Annie (Yakima)]** Do you think Obama is living up to his campaign promises of openness and transparency?
- **1:12 William Galston:** The president has made substantial moves towards openness and transparency. He has discovered, however, that the imperatives of governing limit any president's ability to throw open the doors of government for all to see.
- **1:12 [Comment From Ines]** If you were Obama, would you be feeling happy with your work so far? Anything you would have done differently?
- **1:13 William Galston:** I suspect that the president is not entirely happy with what has happened so far. I don't see any signs that he is second guessing any of the decisions that have defined his administration.
- **1:14 William Galston:** In particular, there is no evidence that he regrets his decision to plunge ahead with major reforms of the health care system and in the area of energy and the environment in the context of a major economic meltdown.
- **1:14 [Comment From Walter (DC)]** Pres. Barack Obama has a lower job-approval rating than did ten of the last twelve presidents at the same point in their presidencies. What do we make of this?
- **1:15 William Galston:** Two things. First of all, the president is attempting to carry out some complex and controversial reforms. Second, and more important, the president inherited a very serious economic crisis and he is now beginning to assume responsibility for the economy in the eyes of the people.
- **1:15 William Galston:** This would be a tough time for anyone to be president.
- **1:16 [Comment From Sophie]** How important, do you think, are transatlantic relations and the European Union for Obama?
- **1:17 William Galston:** Well, the EU is a very significant trading partner for the US and if we get caught up in a cycle of protectionism that could have serious consequences for the US economy. In addition, the EU as a body and through its member states is an important ally in the conduct of international relations.
- **1:17 William Galston:** So, even as the administration gives new emphasis to the US relationship with Asian nations, it must not lose focus on the importance of our traditional ties with Europe.

- **1:17 [Comment From Johanna]** How would you assess Obama's relations to the European administrations?
- **1:19 William Galston:** The president, I think, is personally popular, but that doesn't mean that all European governments agree with his policies. And, there has been some tension already in areas ranging from relations with Russia and Iran to the conduct of the war in Afghanistan.
- **1:19 [Comment From Janaina]** Do you think that he is facing more trouble than expected with health reform? I mean, with all this discussion about abortion and death panels and town halls with people screaming at each other. Or all of this was supposed to happen when you discuss a polemic issue?
- **1:20 William Galston:** I think the president has encountered more opposition than he expected. That doesn't mean that the opposition was unexpected; it means that he and the people around him assumed that it would be easier this time than it was in '93 and '94. But it isn't.
- **1:20 [Comment From Christine]** If you were at the White House and serving as an advisor to President Obama, what would be your advice on how to manage Congress at this important juncture? What can he do to be effective with wrangling both Dems and Repubs?
- **1:22 William Galston:** Good question. Now that the White House has let the genie out of the bottle by allowing Congress to take the lead, it's going to be difficult to put that genie back in the bottle. Nonetheless, the president should intervene strongly in the area of health care to make sure that the initiative doesn't fail altogether.
- **1:23 William Galston:** That may mean accepting the fact, and persuading Democrats of the fact, that they're not going to get everything they wanted at the beginning of this process.
- **1:24 [Comment From Lori]** It would seem that the greatest concern with healthcare is economically related... if we institute a system of government health care and there is federal financial instability, how will decisions be made with limited funding?
- **1:25 William Galston:** Nobody is talking about a government takeover of the health care system. The president has said that he wants a secure funding stream that will provide enough revenues to subsidize lower income individuals who need to purchase insurance in the private market.
- **1:25 William Galston:** It is looking increasingly unlikely that a new government plan will be established to compete with private insurance.
- **1:26 [Comment From Jen]** Did you expect the opposition to Obama to get so ugly so fast?
- **1:27 William Galston:** I expected the president's program to generate significant partisan division, but I didn't imagine that opposition to his program would assume the form that it has taken on in recent weeks. The level of bitterness and suspicion and even paranoia that some of the president's critics have displayed exceeds the bounds of reasoned and reasonable opposition.
- **1:28 Fred Barbash-Moderator:** Bill...thanks so much for answering all these questions so eloquently. And thanks so much to our readers for joining in with such good questions. We're sorry we couldn't handle more than we could. We'll be back next week, same time same place.