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**President Barack Obama's First Two Years:
Policy Accomplishments, Political Difficulties**

William A. Galston

DUELING EXPLANATIONS FOR THE MID-TERM ELECTION RESULTS

During his first two years in office, President Barack Obama and his Democratic allies in Congress compiled a substantial record of policy accomplishment—the economic stimulus, bringing the financial system back from the brink of collapse, rescuing two automakers, universal health care, sweeping reform of financial regulation, and major changes in student loan programs, among many others. Nevertheless, the political standing of both the president and congressional Democrats slipped steadily through much of this period, and the voters administered a substantial rebuke in the November 2010 midterm elections. While some contests remain unresolved, the Democrats have lost at least six Senate seats, at least ten governorships, and more than sixty House seats, the most for a mid-term election since 1938. By any measure, this is a substantial and consequential expression of public discontent.

What went wrong? There are four broad schools of thought. The first—popular among mainstream liberals, and the most supportive of the president—focuses on the unusual quantity and nature of problems that Obama inherited when he took the oath of office. Because economic downturns induced by financial crises differ fundamentally from ordinary cyclical recessions, recovery is slower and takes longer, generating sustained high unemployment. And because such crises destroy so much wealth, government must take costly steps to avert all-out disaster, expanding deficits and debt in ways that average citizens are bound to find alarming and hard to understand. As Brookings’s Thomas Mann puts it, summarizing this view,

The simple fact is that no leader or governing party thrives politically in difficult economic times. . . Citizens today are understandably scared, sour, and deeply pessimistic about our economic future. . . The well-documented successes of the financial stabilization and stimulus initiatives are invisible to a public reacting to the here and now, not to the counterfactual of how much worse it might have been. The painfully slow recovery from the global financial crisis and Great Recession have led most Americans to believe these programs have failed and as a consequence they judge the president and Congress harshly.¹

In short, proponents of this view contend, Obama and the Democrats are mostly the victims of forces beyond their control. Although they did everything in their power to restart the engine of growth, the economic clock is running more slowly than is the political clock, generating widespread discontent and a huge voter backlash.

There is a political as well as an economic dimension to this thesis. A large part of Obama’s appeal to independents and moderates was his promise to reduce the level of partisanship in Washington. Unfortunately for him, he couldn’t deliver bipartisanship on his own, and (so runs the argument), the Republicans’ decision

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to oppose his every initiative, starting on Day One, made it impossible for him to redeem his pledge. The Republicans gambled that because Obama and the Democrats controlled the entire government, they would be blamed for continuing partisan wrangling. And the Republicans turned out to be right. Although it was not Obama's fault, the public focused their discontent with continuing partisan rancor focused nonetheless on him and the Democratic leadership, not on the real source of their disappointment.

There is much to this, of course. There is little doubt that the Republicans decided early on (just when is a matter of dispute) to act as a disciplined and relentless opposition, or that this decision was a dagger aimed at the heart of Obama's public standing.

Barack Obama first came to national prominence at the 2004 Democratic convention. Rejecting the division between "Red America" and "Blue America," his spectacularly successful keynote address appealed to the public's yearning for a politics of common purpose. During his presidential campaign, he continued this theme, promising to reduce partisan polarization in Washington. But he underestimated the depth of the division between the parties, misunderstood its source, and assumed, wrongly, that his personal mandate and persuasive powers would suffice to overcome it.

In reality, the divide between the parties and between red and blue America went well beyond incivility to embrace disagreements on core principles and conceptions of how the world works. Bridging this divide, if possible at all, would have taken much more than a change of tone in the White House. It would have required, as well, a policy agenda that breached traditional partisan bounds. But there was little in Obama's agenda that corresponded to Bill Clinton's heterodox positions on crime, welfare, trade, and fiscal restraint. Instead, Obama synthesized and advocated policies representing the consensus within the Democratic Party. Republicans rejected that agenda as a basis for reaching common ground.

It is an open question whether there was any feasible course Obama could have pursued in the early months that could have diminished the fierce partisan conflict of his first two years in office. Could he have made House Minority Leader John Boehner and Senate Minority Leader Mitch McConnell an offer they couldn't refuse, at least not without them being punished in the court of public opinion? Those arguing in the affirmative point to the process that produced the stimulus bill. Whatever the truth, the perception spread that Obama had subcontracted that bill to congressional Democrats, who proceeded to stuff it with a long-deferred wish-list of programs dear to their core constituents. His strategy minimized the prospects for serious bipartisanship, even if some Republicans had initially been inclined to move in that direction. Those arguing in the negative invoke the failed three-month effort in the Senate Finance Committee to produce a bipartisan health care bill. I must leave the assignment of responsibility to historians who will be armed with information and documents not now on the public record.

The second explanation, associated with the left wing of the Democratic Party,

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argues that Obama failed politically, not because he was too partisan, but because he wasn't partisan enough; not because he went too far, but because he didn't go far enough. The bill of particulars is roughly this: Obama misjudged the willingness of Republicans to meet him halfway and underestimated his ability to get his way without their help. As a result, the stimulus bill was both too small and poorly structured; months were spent negotiating health care with Senate Republicans who never had any intention of getting to yes; the public option was thrown away without a fight; and the time squandered on a needlessly prolonged struggle over the health care bill squeezed out other key items such as climate change and immigration reform. Adding executive insult to legislative injury, the president failed either to close Guantanamo or to end "Don't ask, don't tell," and his Treasury allowed financial institutions and their leaders to survive and prosper without paying any price for their misdeeds. The result was a demoralized base and an emboldened opposition, with predictable electoral results.

There is something to this critique as well. Given the intensity of the polarization that predated his presidency, Obama did underestimate the difficulty of mitigating it. Even the White House's strongest defenders concede that the health care debate went on much longer than it should have, with negative consequences for the rest of Obama's agenda. And his administration's kid-glove treatment of big banks and AIG was morally and politically tone-deaf.

For the most part, however, the critique from the left fails the test of political realism. The administration couldn't have gotten a larger stimulus bill, even if it had pushed hard; nor could it have passed health reform with a public option, let alone the liberal beau ideal, a single-payer system. The reason is the same in both cases: not only were Republicans unanimously opposed, but so were many Democrats. What the liberals overlook is that unlike the Republican Party, Democrats are a diverse ideological coalition, split roughly 40/40/20 among liberals, moderates, and conservatives at the grassroots level. In the country as a whole, moreover, liberals constitute only one fifth of the electorate and cannot hope to succeed outside a coalition with Americans to their right. What sells in Marin County won't in South Carolina, or even in most parts of the Midwest. Democrats representing more moderate or even conservative districts know that if they go beyond the limits that their constituents can accept, they will pay a high political price. And so it proved in 2010, with Democratic losses concentrated in the South and Midwest. Liberals in the House of Representatives will now painfully relearn the lesson that Rahm Emanuel patiently taught them in the past decade: by themselves, they do not constitute a majority and won't, for the foreseeable future.

There is also a third explanation, a critique from the right: while Obama campaigned as a moderate conciliator, he governed as a liberal activist, undermining the possibility of bipartisan cooperation and preventing himself from overcoming the divide between Red and Blue America. His efforts to bring Republicans into the conversation were largely cosmetic and were inconsistent

with the role he allowed House Democratic leaders to play in the legislative process. If he had been serious about tort reform and market-based mechanisms such as purchasing insurance across state lines, a basis would have existed for a different kind of negotiation about health reform. In a similar vein, the House version of cap-and-trade legislation made no concession to Republican objections and alternatives. Under these circumstances, Republicans had no choice but to oppose the president's initiatives and to persuade the American people to give them a share of governing power to create the basis for a more equal conversation. The failure of the president's economic programs to reduce unemployment and stem the flood of housing foreclosures gave them the opportunity to make their case, and the public responded.

As we'll see, there are some elements of truth in this critique as well. There was indeed a tension at the heart of the Obama campaign between the rhetoric of post-partisanship and the substance of the agenda. Once in office, Obama could have tried harder to restrain Democratic partisanship in the House and to build Republican concerns into his health care proposals.

Nonetheless, one overriding fact undermines the plausibility of the critique from the right. After their defeat in 2008, Republicans quickly reached a consensus on the cause: voters had punished them, not because they had been too conservative, but rather because they hadn't been conservative enough. They had come to Washington to cut spending and limit government, but under George W. Bush, they concluded, they had become the reverse—a party that used government programs to cement its majority. As a result, domestic spending rose more rapidly in the Bush years than it had in the Clinton years, and the party lost the confidence of its core supporters. By the time Obama took the oath of office, Republicans had decided to return to their ancestral faith—the straight and narrow path of limited government. Because the incoming administration's response to the economic crisis would certainly not focus on tax cuts and spending restraint, Republicans were bound to confront its plans across the board. And so they did.

In this paper, I will argue for a fourth explanation. The gist of it is this: Yes, American history is replete with examples of presidents and parties who experience political difficulties in hard economic times, only to regain public esteem as the economy regains its balance. But there is more to the losses that President Obama and the Democratic Party suffered in November 2010: the public punished them, not only for high unemployment and slow growth, but also for what it regarded as sins of both commission and omission. The White House and congressional leaders pursued an agenda that the people mostly rejected while overlooking measures that might well have improved the economy more, and almost certainly would have been more popular, than what they did instead. In short, while Obama was dealt a bad hand, he proceeded to misplay it, making the political backlash even worse than it had to be.

The Seeds of Future Difficulties

Some of the seeds of future problems were sown during the campaign. To begin, Obama raised the expectations of many Americans so high that they were bound to be disappointed. The excitement that his campaign aroused proved to be a two-edged sword. While it mobilized many people—especially minorities and the young—who otherwise might not have voted, it also led them to expect change of a scope and speed that our political system rarely permits. When the normal checks and balances took hold in 2009, hope turned into doubt and then into disillusion.

Also symptomatic of future problems, there was an odd void at the center of Obama's campaign. It featured soaring rhetoric about hope and change at one extreme and a long series of detailed policy proposals at the other. But there was something missing in between: a compelling, easily grasped narrative that offered a theory about our challenges and unified his recommendations for addressing them. In this respect, Obama's campaign did not measure up to its acknowledged model, Ronald Reagan's successful race for the presidency, framed by his remarkable acceptance speech at the 1980 Republican convention. Hope is a sentiment, not a strategy, and quickly loses credibility without a road map. Throughout his first two years in office, President Obama often struggled to connect individual initiatives to larger purposes.

Obama's campaign was not only expansive but also ambiguous, and Obama knew it. After defeating Hilary Clinton, the presumptive nominee gave an interview to the *New York Times*. "I am like a Rorschach test," he said. "Even if people find me disappointing ultimately, they might gain something."² The difficulty was that the hopes of his supporters were often contradictory. Some expected him to be a liberal stalwart, leading the charge for single-payer health insurance and the fight against big corporations; others assumed that his evident desire to transcend the red-blue divide pointed to a post-partisan presidential agenda implemented through bipartisan congressional cooperation. It would have been difficult to satisfy both wings of his coalition, and he didn't. As he tacked back and forth during the first two years of his presidency, he ended up disappointing both.

There was a further difficulty. While Obama's agenda required a significant expansion of the scope, power, and cost of the federal government, public trust in that government stood near a record low throughout his campaign, a reality his election did nothing to alter. A majority of the people chose to place their confidence in Obama the man but not in the institutions through which he would have to enact and implement his agenda. Although he was warned just days after his victory that the public's mistrust of government would limit its tolerance for bold initiatives, he refused to trim his sails, in effect assuming that his personal credibility would outweigh the public's doubts about the competence and integrity of the government he led.³ As events proved, that was a significant misjudgment.

It was reinforced by a fateful decision that Obama made during the presidential transition. Once elected, Obama in fact had not one but two agendas—the agenda of choice on which he had run for president and the agenda of necessity that the economic and financial collapse had forced upon him. The issue he then faced was whether the latter would require him to trim or delay the former, a question he answered in the negative. Denying any conflict between these agendas, he opted to pursue both simultaneously. A major health care initiative was piled on top of the financial rescue plan and the stimulus package, exacerbating the public’s sticker shock. And initiatives such as climate change legislation and comprehensive immigration reform remained in play long after it should have been clear that they stood no serious chance of enactment while pervasive economic distress dominated the political landscape.

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From Latent Difficulties to Actual Problems: The Economic Challenge

As Obama took office, it was clear that the public’s overriding concern was the state of the economy and the job market. But throughout the 111th Congress, the White House and congressional Democrats failed to address that concern in a manner that the electorate regarded as satisfactory. After some promising signs in the fall of 2009 and spring of 2010, economic growth slowed to a crawl, the private sector generated jobs at an anemic pace, and unemployment remained stuck near 10 percent. The number of workers remaining jobless for six months or more soared to levels not seen since the Great Depression. Many older workers doubted that they would ever again be employed. Contributing to the sour mood, economic forecasters held out scant hopes of faster job generation through much of 2011. The administration did not help itself early in 2009 when its Council of Economic Advisors suggested that with the passage of the stimulus bill, unemployment would peak around 8.5 percent. (Instead, it reached 10.3 percent before subsiding slightly.)

Although many economists outside the administration argued that a financial crisis differed fundamentally from a cyclical downturn, administration officials struggled to integrate this premise into their economic program. They proceeded with a traditional demand-side stimulus, even though hard-pressed households were more concerned about reducing debt than expanding consumption. (In any event, a flood of inexpensive imports weakened the link between consumer demand and domestic job creation.) And the administration chose not to use TARP money to take devalued debt off the banks’ balance sheets, opting instead to allow them to rebuild capital through profits gained from record-low interest rates. In some respects, this replicated post-crash policies the Japanese government employed through the 1990s, with unsatisfactory results.

Home ownership is at the center of most middle-class families’ balance sheets and way of life. The wave of foreclosures that began in 2007 devastated entire

communities. But here again, the administration's initiatives fell short. Rebuffing calls for basic structural change—such as permitting bankruptcy judges to modify the terms of mortgages—the administration opted for a more modest approach that relied on lenders' cooperation. This gamble on the efficacy of incrementalism did not pay off. Programs to renegotiate the terms of mortgages in or in danger of default reached only a small percentage of families in need of assistance, and in many cases the relief they received was not enough to prevent them from sliding back into default. By the fall of 2010, foreclosures reached a rate of more than one hundred thousand per month for the first time ever.

To make matters worse, a massive scandal erupted: it turned out that banks and other mortgage lenders were sending borrowers into foreclosure by the thousands without meeting basic legal requirements. (The term “robo-signer” quickly entered the lexicon of shame.) Policymakers were forced to consider a nation-wide foreclosure moratorium. Concerned about the impact on the financial system, the administration resisted, winning high marks for responsibility but probably reinforcing the impression that it cared more about large, wealthy institutions than about hard-pressed families.

The Politics of Agenda Management

The early phase of the Obama administration resembled nothing so much as the early days of a presidency that Obama held in low regard—namely, President Bill Clinton's. Although the man from Hope had campaigned as a different kind of Democrat, his party's congressional leaders persuaded him to downplay his signature bipartisan issue—welfare reform—in favor of a plan for comprehensive health insurance. Combined with the effort to eliminate barriers against gays and lesbians serving openly in the military, this shift helped convince many of Clinton's moderate and independent supporters that they had been misled, that he was an East Coast liberal masquerading as an Arkansas moderate. In addition, Clinton became wrapped up in the daily legislative process and began measuring success by the number of bills enacted. In the process, he lost control of the overall narrative.

Something similar happened to Obama, as the post-partisan candidate morphed into a more traditionally partisan president. He has acknowledged as much: the administration's early legislative agenda, he says, “reinforced the narrative that the Republicans wanted to promote anyway, which was [that] Obama is not a different kind of Democrat—he's the same old tax-and-spend liberal.” And the master orator of the campaign all but abandoned the presidential bully pulpit during the drawn-out struggle to enact key proposals. Said one top advisor, “It's not what people felt they sent Barack Obama to Washington to do, to be legislator in chief.” David Plouffe, the former head of the president's campaign and one of his closest political advisors, adds that “I do think he's paid a political price . . . for having to be tied to Congress.”

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Could it have been different? Another senior aide has been quoted as saying that “Here’s a guy who ran as an outsider to change Washington who all of a sudden realized that just to deal with these issues, we were going to have to work with Washington.” It’s hard to believe that this came as much of a surprise to Obama; it certainly didn’t to his chief of staff. The question was not whether the White House would have to work with Congress to move the president’s agenda; of course it would. It was rather whether the president would be dragged into the daily process or would be seen as remaining above it. President Ronald Reagan, Obama’s model of a transformational president, had to engage with members of Congress on both sides of the aisle to enact key legislation, starting with the 1981 tax cuts. But he managed to do this without becoming “legislator in chief” and without losing control of the narrative. Reagan’s compromises—and there were many—were seen as occurring within a framework of principles and goals that never changed and that defined his political identity.⁴

Not so for Obama, who failed to grasp fully the nature of the office he had won. Alone among the advanced democracies, the United States combines the functions of head of government and head of state in a single institution and human being. The American president is expected to be more than a legislator, more than a prime minister. He must also fill the role occupied by monarchs or ceremonial heads of state in other countries. He must be an explainer and a comforter, as circumstances require. And he must stand for, and represent, the country as a whole.

Rather than doing this, President Obama allowed himself to get trapped in legislative minutia, even as the country remained mired in a kind of economic slump that most Americans had never experienced and could not understand. Their reaction combined confusion and fear, which the president did little to allay. Ironically, a man who attained the presidency largely on the strength of his skills as a communicator did not communicate effectively during his first two years. He paid a steep political price for his failure.

From the beginning, the administration operated on two fundamental political premises that turned out to be mistaken. The first was that the economic collapse had opened the door to the comprehensive change Obama had promised. As incoming Chief of Staff Rahm Emanuel famously put it, “you never want a serious crisis to go to waste.” In fact, as Emanuel himself came to realize, there was a tension between the steps needed to arrest the economic decline and the measures needed to actualize the president’s vision of fundamental change. The financial bailout and the stimulus package made it harder, not easier, to pass comprehensive health reform.

Second, the administration believed that success would breed success—that the momentum from one legislative victory would spill over into the next. The reverse was closer to the truth: with each difficult vote, it became harder to persuade Democrats from swing districts and states to cast the next one. In the event, House members who feared that they would pay a heavy price if they supported cap-and-

trade legislation turned out to have a better grasp of political fundamentals than did administration strategists.

The legislative process that produced the health care bill was especially damaging. It lasted much too long and featured side-deals with interest groups and individual senators, made in full public view. Much of the public was dismayed by what it saw. Worse, the seemingly endless health care debate strengthened the view that the president's agenda was poorly aligned with the economic concerns of the American people. Because the administration never persuaded the public that health reform was vital to our economic future, the entire effort came to be seen as diversionary, even anti-democratic. The health reform bill was surely a moral success; it may turn out to be a policy success; but it is hard to avoid the conclusion that it was—and remains—a political liability.

Indeed, most of the Obama agenda turned out to be very unpopular. Of five major policy initiatives undertaken during the first two years, only one—financial regulatory reform—enjoyed majority support. In a September 2010 Gallup survey, 52 percent of the people disapproved of the economic stimulus, 56 percent disapproved of both the auto rescue and the health care bill, and an even larger majority—61 percent—rejected the bailout of financial institutions.⁵ Democrats' hopes that the people would change their minds about the party's signature issue—universal health insurance—after the bill passed were not fulfilled. (It remains to be seen whether sentiment will change in coming years as provisions of the bill are phased in—that is, if they survive what will no doubt be stiff challenges in both Congress and the states.)

It isn't hard to understand why the stimulus bill remained so unpopular: it neither fulfilled the administration's promises nor met public expectations. As for the health care bill, cuts in Medicare needed to finance private insurance coverage for low and moderate income individuals alarmed many older voters, and the bill failed to address most people's core health care concern—rising costs—in a manner that commanded confidence. The assistance to tottering financial institutions that began during the Bush administration affronted people's moral sense: wrongdoers seemed to get off scot-free, and many people wondered why banks and insurance companies received hundreds of billions of dollars while average families struggled to make ends meet. And surprising many observers, it turned out that decades of shoddy products had undermined public support for once-iconic American auto makers. In the eyes of most people, what was good for General Motors was no longer good for the country—at least not when tax dollars were on the line.

Administration officials could and did argue that what they did was necessary and in the national interest. It is easy to sympathize with their view. Failing to prop up pivotal financial institutions would have risked a rerun of the 1930s. Allowing the domestic auto industry to go belly-up would have disrupted production and employment throughout the Midwest, already the most economically depressed region of the country. Not passing the stimulus bill would

have forced hard-pressed state and local governments to slash spending and cut their workforces in sectors such as public safety and education, exacerbating unemployment. And so forth.

Clearly, though, the administration failed to persuade most Americans, who viewed its program as costly, unnecessary, and unproductive if not outright damaging. The administration often seemed to believe that its policies spoke for themselves and that their merits were obvious. We will never know whether a different strategy of public explanation could have produced a better result.

We do know this: the administration quite consciously chose to disregard the immediate political consequences of enacting its agenda. In his now-famous interview with the *New York Times*, President Obama put it this way: “We probably spent much more time trying to get the policy right than trying to get the politics right. There was probably a perverse pride in my administration—and I take responsibility for this . . .—that we were going to do the right thing, even if short-term it was unpopular.” If so, by the fall of 2010 he had come to understand the shortcomings of this stance: “anybody who’s occupied this office has to remember that success is determined by an intersection in policy and politics and that you can’t be neglect[ful] of marketing and P.R. and public opinion.”⁶ It remains to be seen whether the president has fully grasped the implications of this “intersection”: in our democracy, popular sentiment necessarily influences, not only strategies of persuasion, but also the selection and sequence of problems for action and the shape of the policies devised to address them. America’s populist political culture normally resists rule by elites who claim to know better than the people—even when the elites represent a meritocracy of the best and the brightest rather than an oligarchy of the richest and best-connected.

The Road Ahead

The outcome of the November 2010 election has fundamentally changed the political dynamic for at least the next two years. It will no longer be possible for President Obama to advance his agenda with support from only his own party. Instead, he will be forced either to negotiate with an emboldened Republican House majority or endure two years of confrontation and gridlock. (As Newt Gingrich discovered in 1995, the same logic applies in reverse: it is no easier to run divided government from Capitol Hill than from 1600 Pennsylvania Avenue.)

Choosing the path of negotiation over confrontation would require a change of substance as well as tone. The president would have to give the federal budget deficit and national debt a far more central place in his policy agenda. Here the obstacles to agreement across party lines are formidable, although the findings of his bipartisan fiscal commission, due out in December, may assist him in making a shift to a more fiscally conservative position. It helps that the co-chairs of the commission, Democrat Erskine Bowles and Republican Alan Simpson, are determined to break the current gridlock, in which conservatives refuse to consider

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raising taxes while those on the left stoutly resist cuts in social programs.

The logic of the coming new political balance will impose other requirements. If Obama hopes to achieve his goal of doubling U.S. exports, he will have to balance a possible confrontation with China with a push for the ratification of pending trade treaties with Colombia and South Korea. The latter would split the Democratic Party and force him to rely on Republican support. If he wants to fire up the idling US job machine, he would also have to do more to repair his administration's damaged relationship with corporate America, and give more weight to the effects of his policies on the business community's animal spirits.

In social policy, only new programs with strong bipartisan support (if there are any) would stand a chance. While a package of incentives for energy development that includes new and alternative fuels may be possible, a cap and trade scheme will be on hold until after 2012, perhaps even longer. Crafting a response to the housing crisis that offered more effective relief to struggling homeowners would require serious negotiations over the future of Fannie Mae and Freddie Mac. And progress on immigration reform – a vital issue for America's burgeoning Latino population – would mean accepting the tough enforcement measures on which conservatives insist.

The outlook for defense and foreign policy is much the same. If President Obama does not achieve ratification of the New Start treaty updating limits on the strategic nuclear stockpiles held by the U.S. and Russia before the new Congress is seated in January, he will have to compromise with anti-arms control conservatives on their favorite issue, missile defense. And if he wishes to persevere in Afghanistan (a matter of conjecture, admittedly), he will have to rely on Republican support to fill the gap left by rising opposition within his own party.

In short, to avoid gridlock, Obama will have to govern less like the liberal antithesis to Ronald Reagan and more like the heir to Bill Clinton whose agenda he has regarded hitherto as excessively compromised and incremental. If he wants to succeed in the next two years of his presidency, and stand for re-election from a position of strength, he will have to do what Clinton did after the debacle of 1994 – namely, defend what he cannot surrender, while negotiating seriously with the opposition in other areas.

A survey conducted days before the November 2010 election suggests that this is indeed possible. While the electorate clearly wanted a change of course, it rejected key elements of the Republican agenda, including a freeze on all government spending except national security and a permanent extension of the Bush tax cuts for upper-income Americans. Barack Obama enjoys a higher approval rating than either Ronald Reagan or Bill Clinton after their mid-term defeats, and the people are more favorably inclined toward his bid for reelection than they were for either Reagan or Clinton at comparable points in their presidencies.⁷ If the new Republican majority over-interprets its mandate and goes too far, as Newt Gingrich's Republicans did in 1995, and if the president draws the correct line between conciliation and confrontation, history could repeat itself, and

he could find himself in a much stronger position at the end of 2011 than he was after the mid-term election.

No later than his 2011 State of the Union address, we will find out whether Obama possesses the one trait that every successful statesman needs: the ability to adjust to changing circumstances without selling his soul.

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¹ Thomas E. Mann, "American Politics on the Eve of the Midterm Elections," Chatham House, October 2010.

² "Obama, the self-described 'Rorschach test,' liberal but inscrutable," *New York Times*, June 4 2008.

³ See William A. Galston and Elaine C. Kamarck, "Change You Can Believe In Needs a Government You Can Trust," Washington DC, Third Way, November 2008.

⁴ All quotations in the preceding two paragraphs are from Peter Baker, "The Education of President Obama," *New York Times Magazine*, October 17 2010.

⁵ Gallup, "Among Recent Bills, Financial Reform a Lone Plus for Congress," September 13, 2010.

⁶ The quotations in this paragraph are from Baker, *op. cit.*

⁷ Pew Research Center, "Midterm Snapshot: Enthusiasm for Obama Reelection Bid Greater Than for Reagan in 1982," October 25 2010.