



Obama Lunches With Bloomberg? Here's What's Really Afoot When it Comes to Political Money

The political world is buzzing with speculation over the lunch, but here's what's really going on.
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Right now the political world is buzzing with speculation over a [New York Times report](#) that President Obama recently had lunch with New York City Mayor Michael Bloomberg. Most commentary focuses on how a thaw in the two men's often rocky personal relationship might advance the President's reelection campaign. As the Times story put it: a reconciliation between the two men could help Obama garner support from "centrist, independent voters drawn to Mr. Bloomberg's brand of politics."

Look again. This story is a case study in how scrutinizing the news in light of some basic facts about political money can change your view of what is really afoot. In 2008, the Mayor took a long time making up his mind whether or not to run as an independent candidate for President. Before he finally said no, several different, sometimes well financed groups sprouted to promote the idea. Bloomberg, of course, owns a major media outlet himself, but much of the rest of the major media waxed enthusiastically about a "centrist" candidacy by a billionaire with a prospect for bridging what even then was widely regarded as the Devil's Canyon yawning between America's two major parties. Once the Mayor withdrew, close observers noted a striking resemblance between the independent groups and Cheshire Cat - they were fading away, but not quite disappearing.

Last year a group, Americans Elect, surfaced with a plan that strikingly resembled one of the schemes of 2008. The idea was for an independent presidential campaign with some characteristically twenty-first century features, notably a primary to be conducted over the internet probably late in the spring, 2012. Once again, the media response was enthusiastic: Thomas Friedman of the New York Times and others promoted the concept as just what America needed to break the two party deadlock that they saw hamstringing American politics.

Americans Elect's very expensive efforts to get on the ballot in all 50 states, though, sported some very traditional features. Though it staked out a rhetorical claim to the political center, it declined to reveal who was financing it. The few moneybags it acknowledged were hardly from the political center. Peter Ackerman, for example, who acknowledges helping to finance the start up, was formerly Director of Capital Markets at Drexel Burnham Lambert, the firm Michael Milkin made famous. Together with a long record of involvement in various Republican foreign policy ventures, he has championed Social Security "reform" with organizations such as the Cato Institute. Though Americans Elect has somewhat broadened its board, Ackerman's son Elliot is the outfit's Chief Operating Officer. And in public the organization has focused overwhelmingly on one issue: the deficit, and the need to cut government spending.

That Bloomberg would be by far the group's strongest candidate is no secret. Some board members have said exactly that in private. But Mitt Romney's painful traversal through the Valley of the Shadow of Death in the [GOP primaries](#) has

attracted the sympathetic attention of many Wall Street types likely to be sympathetic to a third party bid. Simultaneously, the Obama administration has opened its own SuperPac for business and made a series of overtures to Wall Street. With Bloomberg continuing to discourage speculation about an independent bid, talk recently turned to other candidates who might mount a campaign championing deficit reduction. David Walker, the former U.S. Comptroller General now serving as the chair of the Peter G. Peterson Foundation, the high eerie of deficit Superhawks, has been prominently mentioned. A recent press account had Walker holding a meeting to discuss Americans Elect with various [tycoons and media moguls](#), including a News Corporation executive and Tina Brown.

A presidential campaign by Walker or anyone besides Bloomberg is basically a Mission Impossible. At best, like Ross Perot's two bids in the nineties, the crusade could promote the cause of deficit reduction by crowding out other issues. Americans Elect's shadowy sponsors may still go through the motions, but they were obviously hoping for more.

Interestingly, only a few days ago, Americans Elect made a surprising announcement: future contributions to the organization by the public would be directed toward repaying some of the initial "[investors](#)." The step was justified by the desirability of limiting the share of any individual's responsibility for the bills to 20%. No serious political campaign would worry about that at this point. With Bloomberg lunching with Obama, this newest twist by Americans Elect looks like something very familiar: An effort by the insiders to unload the costs of a failure onto the public. Or, in other words, an effort once again to entice the 99% to bail out the 1%. Meanwhile, what the