



First Thoughts: Washington fix-it insider joins Obama White House

By: Chuck Todd, Mark Murray, Domenico Montanaro, and Jessica Taylor – December 10, 2013

***** Washington fix-it insider joins the Obama White House:** Perhaps responding to Democrats and the Chattering Class inside the Beltway, President Obama is bringing in a veteran Washington insider to help him manage the executive branch. And the move comes at the lowest point so far in Obama's presidency. NBC News confirms the news, first reported by the New York Times, that former Clinton Chief of Staff John Podesta is joining the White House as a counselor for one year. This isn't a shakeup in the classic sense -- no one has been fired, and Podesta (who headed Obama's transition in 2008-2009) is a familiar face to this White House. But it is what a shakeup looks like the usually calm and cool Obama World. Given his chief-of-staff work during Clinton's second term (especially during impeachment), Podesta is very familiar with how a White House can rack up executive accomplishments when facing a recalcitrant Congress. He also knows how to work all the departments and agencies within the executive branch, which has been a weak spot for this administration. More than anything else, Podesta is essentially replacing longtime trusted adviser Pete Rouse, who is exiting the White House. Rouse was always seen as Obama's invisible hand. But Podesta will be more visible.

***** And it's a vote of confidence in the current chief of staff:** And one additional point about the Podesta hire: It should be seen as a vote of confidence in Chief of Staff Denis McDonough. Podesta is not the "chief of staff in waiting," he and McDonough are extremely close (Podesta is seen almost weekly by reporters coming in and for meetings with him). If anything, this hire solidifies McDonough's status in the West Wing. If there is going to be a post-health care rollout shakeup, it appears more and more likely it's not going to be inside the West Wing but at the cabinet level.

***** New NBC/WSJ poll out tomorrow morning!!!** How trying have the last couple of months been for the president and the White House? Have they taken a toll on Obama? How unpopular is Congress? Our new NBC/WSJ poll, which will be released first thing tomorrow morning, will have the answers.

***** Testing the GOP base...:** Thanks to the bungled health-care rollout, the Republican Party has enjoyed its best political stretch since maybe the 2010 midterms -- and it's done so by mostly by standing on the sidelines. But now comes a more difficult task for the GOP. It must test its conservative base on two different fronts. First, Republican elected politicians are starting to say out loud what many have privately believed for a while: They really can't 100% repeal the health-care law. Here's what Sen. Ron Johnson told National Review yesterday: "Yeah, you can get rid of the law, but what do you do with what's already there?" he asked. More from Johnson: "Am I opposed to state-based exchanges? No."

Conservative health-policy wonk Avik Roy also argues that the long-term politics of repeal are perilous for the GOP. "Is the Republican nominee for president in 2016 really going to run on a platform of taking health coverage away from 24 million Americans? Especially after the Republicans ran in 2014 on ensuring that Americans can keep their health plans?" But will a conservative base that's salivated over repeal since March 2010 listen? Look no further than that Senate GOP primary in Georgia, where a crowded field of Republicans is competing to see who is more conservative when it comes to the health-care law. "I'll help repeal Obamacare in my first term -- or go home," Rep. Phil Gingrey (R-GA) pledges in a TV ad.

***** ... on health care and the expected budget deal:** The second instance of Republican elected politicians and leaders testing their base involves the expected budget deal between Sen. Patty Murray (D-WA) and Rep. Paul Ryan (R-WI). The group Heritage Action appears to be already stating its opposition to the framework -- BEFORE it's even been released. "Heritage Action cannot support a budget deal that would increase spending in the near-term for promises of woefully inadequate long-term reductions," it said in a statement. "While imperfect, the sequester has proven to be an effective tool in forcing Congress to reduce discretionary spending, and a gimmicky, spend-now-cut-later deal will take our nation in the wrong direction." Scholars from the conservative/libertarian Cato Institute also are arguing for Republicans to keep the sequester budget cuts. Now with the political winds at their backs, Republican leaders and electeds are trying to pull the party in one direction (when it comes to health-care repeal and the budget). But will the base go in the opposite direction? Here's something else: House Democrats are NOT happy with the budget deal, either. Could a coalition of liberals and conservatives kill it? It's more possible than some folks might realize; really depends on how many votes House Republicans need from House Democrats.

***** Here's another establishment-vs.-Tea Party primary: Cornyn vs. Stockman:** Speaking of testing the conservative base, Sen. John Cornyn (R-TX) -- the No. 2 Republican in leadership -- is getting a primary challenge from conservative Rep. Steve Stockman (R-TX). And Cornyn is the first to get a primary from a sitting member of Congress. Big picture, this means that seven of the 12 GOP Senate incumbents up for re-election next year are receiving serious or semi-serious Tea Party challenges, including the top two Senate leaders (McConnell, Cornyn). Put it another way: There are more GOP Senate incumbents getting Tea Party primaries (McConnell, Cornyn, Alexander, Cochran, Graham, Roberts, Enzi) than avoiding them (Sessions, Risch, Collins, Inhofe, Scott). But while Stockman is a sitting member of Congress who knows how to get headlines, he's a flawed vessel to take on Cornyn. As the New York Times' Martin writes, Stockman has just \$32,000 in House campaign account, the primary is just a few months away (March 4), and Sen. Ted Cruz (R-TX) is sitting on the sidelines. And there's this recent piece by the Houston Chronicle: "Rep. Steve Stockman has failed repeatedly to disclose business affiliations that stretch from Texas to the British Virgin Islands on his Congressional financial disclosure forms... The Houston Chronicle's latest investigation published Sunday reveals that Stockman, since his bankruptcy in 2002, created a number of businesses, some of which remain active but were not reported on Stockman's financial disclosure form as required by federal law."

***** Stockman probably can't beat Cornyn, but he further freezes the GOP leadership from making any compromises with the Democrats:** One can't help but wonder if this primary challenge is more about

Stockman trying to list build for his various political businesses than it is about winning. In a lot of ways, Stockman reminds us of JD Hayworth, who challenged John McCain in 2010 -- he's someone who can get 35%-40% of the vote, but probably can't take down Cornyn. But what Stockman DOES do, which is what Matt Bevin does to Mitch McConnell in Kentucky, is freeze the Senate GOP leadership from doing anything that remotely looks like compromising with the Democrats. McConnell and Cornyn are essentially non-players in the Senate until they get past these challenges.

***** Obama eulogizes Mandela in South Africa:** In other news, thousands of miles away in South Africa, President Obama delivered remarks at the memorial service for Nelson Mandela. "To the people of South Africa, people of every race and walk of life -- the world thanks you for sharing Nelson Mandela with us," he said. "His struggle was your struggle. His triumph was your triumph. Your dignity and your hope found expression in his life. And your freedom, your democracy is his cherished legacy." More from Obama: "It is hard to eulogize any man... How much harder to do so for a giant of history, who moved a nation toward justice, and in the process moved billions around the world."

***** The auto bailout success story:** As Obama was traveling to South Africa yesterday, the White House released this statement from the president on the news that the United States had sold its shares of General Motors. "GM has now repaid every taxpayer dollar my Administration committed to its rescue, plus billions invested by the previous administration. Less than five years later, each of the Big Three automakers is now strong enough to stand on its own. They're profitable for the first time in nearly a decade. The industry has added more than 372,000 new jobs -- its strongest growth since the 1990s." The GM stock sale comes at a loss of \$10 billion, but the government's bailout of the auto industry -- on the whole -- right now looks more like a success story for government and the Obama administration. At a time when the political world has (rightly) criticized the health-care rollout, the bailout was an example of the federal government and federal intervention actually working. Of course, there are some folks who were ALWAYS against the bailout, and will argue that anything that costs the government \$10 billion can't be viewed as a success. But in the moment, when the economy was cratering, the alternative to NOT bailing out GM and Chrysler would have been more costly. And don't forget, the managed bankruptcy had bipartisan support.