

Jon Meacham

“The Politics of Economics”

The River Club, April 12, 2011

It's a little over two years into the Obama Administration. Measuring economic confidence polls in January found 41% of the American people were confident about the U.S. economy. Today that is down to 33%. **Polling also says that 28% of Americans think we're on the right track and 63% think we're on the wrong track.** Unemployment is 8.8%. Historically that's okay. **Why is the wrong track so high?**

Meacham believes **this anomaly is a product of our political-media culture.** Cable news is responsible and so is on-line and blogging. **There is an economic stake in perpetuating conflict and not in resolving problems. Opposition is inherently more dramatic.** Good money comes from good ratings. While it is a small number of people who follow the news/opinion shows it has a disproportionate influence. The blogosphere is built on speed, hyperbole and predictability, not on reasoned thought.

People go to internet/cable sites to be affirmed, not to listen to new ideas. How can we have the serious conversations we need, say about the 80% of the budget that is not being talked about? FDR and Reagan could gather significant audiences for their talks to the American people. Today President Obama must try to pull together an audience by appearing multiple times on the various media outlets that draw people's attention.

Other comments by Jon Meacham:

Presidents have a learning curve. JFK called Eisenhower a “stultified old ass hole” (and Eisenhower said JFK was a “pretty boy”). They never conferred until after the Bay of Pigs. It was

then that President Kennedy reached out and listened to the experience and knowledge of Eisenhower. For example, the number of men to enter Cuba that were planned was impossible to the size of the operation. Eisenhower told him some of the questions to ask the military. JFK's actions drew from that advice in the showdown with the Soviets over Cuba.

Political market discounting: **there is no credit for things that don't happen.** "We're all like sharks, we keep moving or we die". In the case of a President self-pity can turn into self-righteousness. President Obama is prone to this.

The U.S. is informed by its history, but not handicapped by it.

The future is unknowable, but the past should give us hope.

Regarding the budget, if you're going to hunt for the ducks, you have to go where they are. That's entitlements and Defense spending. There will be tactical battles, but will there be a grand bargain? SecDef Gates to his great credit has set the stage. Now we'll see what the White House decides.

The current crisis of confidence is "a sputnik moment" We need to spur a similar full-on effort at innovation.

On the deficit, it is the domestic policy equivalent of Afghanistan. **It is a long term problem for Americans, not an urgent issue.** Historically concern about the deficit comes as an episodic fever. It was the #1 concern of President George Herbert Walker Bush until Iraq.

Our standing around the world is still pretty shaky. Not many countries want to put their arms around us.

President Reagan's great strength was as a negotiator. He had headed a union. **Reagan was the ultimate pragmatist; he was not ideological, but improvisational.** That was the key to his success with the Soviet Union.

Asked about Andrew Jackson, Meacham (author of a Pulitzer prize winning biography of Jackson) commented on Jackson's family members lost during the Revolutionary War. For him those lives had sanctified the Revolution. While he was strong on states' rights he saw the country as one great family. "As you know with families you want to kill them or kill for them. And you always stay together." He was dedicated to keeping the Union together in the face of secessionists. It gave the nation 30 more years to develop the "mystic cords of memory" that tied our country together.

Ambassador Marilyn McAfee (Ret.)