<u>Politico</u> published a lengthy article on the worst job in DC, which they say is being in the cabinet. It is long enough to fill us up today.

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Gibbs reluctantly assented. Then Chu took the podium to tell the tiny island nation that it might soon, sorry to say, be underwater—which not only insulted the good people of Trinidad and Tobago but also raised the climate issue at a time when the White House wanted the economy, and the economy only, on the front burner. ...

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"We are completely marginalized ... until the shit hits the fan," says one former Cabinet deputy secretary, summing up the view of many officials I interviewed. "If your question is: Did the president rely a lot on his Cabinet as a group of advisers? No, he didn't," says former Obama Transportation Secretary Ray LaHood. ...

... Obama's political guys had been skeptical of Holder's appointment from the beginning, quietly backing Arizona Gov. Janet Napolitano over the easygoing career prosecutor, whom they considered unimpressive in vetting interviews. But they were blocked by the president-elect and his senior adviser Valerie Jarrett, the Obamas' Chicago friend and mentor who didn't seriously consider any candidate besides Holder. Jarrett has had an all-access pass to the first family, a back channel to Obama unlike any other adviser, and she soon earned the sobriquet "Eric's appeals court." ...

... The West Wing's obsessive control of messaging drove Gates (SecDef) crazy, and he felt crowded by young amateurs in the White House who had much less experience and much better access to Obama—guys like McDonough and speechwriter Ben Rhodes, who would weigh in after the secretary's SUV had departed for the Pentagon. Over the previous four decades, Gates had served in a variety of posts, from deputy director of the CIA to the upper rungs of the NSC, and had seen a gradual increase in White House influence over internal Pentagon affairs. But that trend hit warp speed under Obama. There were far more deputies' meetings attended by too many lower-ranking aides, and Gates believed an alarming number of White House staffers were being read in on specific war plans.

Most importantly, Gates had significant policy disagreements with Obama. By the time of his exit in July 2011, the lifelong Republican was dissenting more and more on major decisions being pushed by liberal interventionists including Clinton, U.N. Ambassador Susan Rice and NSC adviser Samantha Power. He has <u>called</u> the NATO intervention in Libya "a mistake," and took a dim view of Obama's statements of solidarity with the Arab Spring protesters, who, Gates said, represented an unpredictable and destabilizing force.

Since retiring, Gates has become increasingly disillusioned with Obama's foreign policy; one friend says Gates winced when the president drew his "red line" more than a year ago on the use of chemical weapons in Syria. White House aides are nervously awaiting the publication of Gates's memoir in January. The manuscript, according to people with whom he's shared details, questions Obama's policy choices on the Arab Spring in particular, and even compares the president unfavorably with Bush, sure to be a headline-grabbing assertion. ...

... For the Obama team, having a 2016 candidate-in-waiting created all kinds of unintended consequences, especially at the end of Clinton's tenure, when she was mapping out her exit strategy. Early on, she was willing to hit the Sunday shows for Obama, but she considered it an enervating gotcha circus, so by the time the Benghazi firestorm hit on Sept. 11, 2012, she was a firm "no." When network producers asked if Clinton would appear to discuss the killings of Ambassador Chris Stevens and other U.S. personnel, State Department officials told them the secretary was too exhausted from her recent travels. That wasn't entirely true, three officials told me: Clinton had a "standing refusal" to do Sunday shows. "She hates them. She would rather die than do them," one aide said at the time. "The White House knows, so they would know not to even ask her."

In a classic Washington irony, Susan Rice turned out to be collateral damage. Rice, who started her career in the Bill Clinton White House and then infuriated both Clintons by backing Obama

in the 2008 campaign, was at the time the only person Obama was seriously considering to replace Hillary Clinton at State.

And so Rice was tapped by the White House to appear on television that weekend instead of Clinton. ..

... As for the Cabinet, none of the three big replacements he's made—John Kerry at State, Jack Lew at Treasury, Chuck Hagel at the Pentagon—seems destined to outshine those they replaced. And the lesser-known Obama picks—Gina McCarthy at the EPA; Ernest Moniz, Chu's replacement at Energy; Tom Perez at Labor—are highly regarded technocrats who function more like West Wing staffers than traditional secretaries.

McDonough's own role in the chaotic recent internal deliberations over the civil war in Syria suggests that all the coffees in the world won't change Obama's basic reliance on a small coterie of staff. On Aug. 30, Kerry had just delivered an impassioned <u>argument</u> in the State Department Treaty Room for launching an immediate missile strike on Bashar al-Assad's regime in Syria, when Obama invited McDonough—his most trusted national security aide before taking up the chief of staff portfolio—for a long <u>stroll</u> around the White House grounds. (The incident is regarded as significant enough to have its own name inside 1600 Pennsylvania Ave.: "The Walk.") Obama returned to tell a stunned group of aides gathered in the Oval Office that he had decided to seek congressional approval first, despite dim prospects of passage.

A few weeks later, sitting on the sunny patio outside McDonough's West Wing office, I asked him if it was true that Kerry and Hagel weren't around to hear Obama's big decision. "They were not in the Oval, that is correct," McDonough told me, though he said the notion of going to Congress had at least been broached during several contentious meetings earlier that week, at which both men had been present. "I'm trying to figure out if I'm about to commit news here, but the president talked to both of those Cabinet members [later that evening by phone] ... then they had another meeting the next morning."

There was nothing out of the ordinary about the process, McDonough insists. But Kerry was taken aback, according to several people in his orbit—as stung by the West Wing's planting of the "Walk" narrative in the media as by the snub itself. Outside the administration, it reinforced the idea that Obama was home alone now that the first-term principals were out the door. "To me, that sent a statement," says David Gergen, who has served as a White House adviser to presidents in both parties. "Would he have done this if Hillary or Gates were still around?" ...

... The most serious maelstrom to engulf the Cabinet in years came in October, when it became clear that neither Kathleen Sebelius nor her counterparts in the West Wing had adequately prepared for the staggering technical challenges of launching Obamacare. The health and human services secretary was well-liked—she was especially friendly with Jarrett—but many of Obama's aides still pined for Tom Daschle, the wily former Senate Democrat whom Obama had originally tapped for the HHS job. Daschle, who withdrew from consideration in 2009 over a tax issue, was canny enough to know the way power flowed in Obama's circle: As a condition for taking the job, he requested a West Wing office so he could keep close tabs on the executive

staff. For years, Daschle privately expressed his concerns that Sebelius, who didn't have the stature to make the same demands, simply wouldn't have the power to implement the health care program.

Yet, in the end, it may not have been her lack of power that caused all the headaches, but a <a href="mailto:breakdown">breakdown</a> in communication and coordination between the White House and Sebelius's staff. It started with a slow-walk of critical Obamacare rulemaking, a key part of Plouffe's do-no-harm election-year strategy of minimizing controversial regulatory action. "The number-one culprit was [that] they deferred rulemaking until after the election," says Mike Leavitt, the Bush-era HHS chief whose face Bob Gates couldn't quite place. "When they did that, it threw the entire process off. ... They were issuing rules in September for implementation in October." The secretary herself <a href="mailto:admitted">admitted</a> that Obama had been blindsided by the near-meltdown of the program's web portal, and several administration officials involved in its creation told me they had been alarmed by pre-launch signs of trouble, even offering to tap outside computer experts to help the agency. Sebelius, they say, demurred. That Obama's staff didn't press the issue on the president's signature policy initiative illustrates a paradox central to understanding his governing style: The president who forcefully pushed through the largest expansion of the federal government in generations has been significantly less zealous in overseeing its operation. ...

## **Politico**

## **LOCKED IN THE CABINET**

The worst job in Barack Obama's Washington.

by Glenn Thrush



Steven Chu is a Nobel Prize-winning physicist, a brilliant innovator whose research fills several all-but-incomprehensible paragraphs of a <u>Wikipedia entry</u> that spans his achievements in single-molecule physics, the slowing of atoms through the use of lasers and the invention of something called an <u>optical tweezer</u>." President Barack Obama even credits Chu with solving the 2010 Gulf oil spill, claiming that Chu strolled into BP's office and "essentially designed the cap that ultimately worked." With rare exception, Chu is the smartest guy in the room, and that includes the Cabinet Room, which he occupied uneasily as secretary of energy from 2009 to the spring of 2013.

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Gibbs reluctantly assented. Then Chu took the podium to tell the tiny island nation that it might soon, sorry to say, be underwater—which not only insulted the good people of Trinidad and Tobago but also raised the climate issue at a time when the White House wanted the economy, and the economy only, on the front burner. "I think the Caribbean countries face rising oceans, and they face increase in the severity of hurricanes," Chu said. "This is something that is very, very scary to all of us. ... The island states ... some of them will disappear."

Earnest slunk backstage. "OK, we'll never do that again," he said as Gibbs glared. A phone rang. It was White House chief of staff Rahm Emanuel calling Messina to snarl, "If you don't kill [Chu], I'm going to."

As Air Force One headed back to Washington, Messina found Chu—who has "no recollection" of this exchange, a person close to him says—sitting at the long table in the plane's conference room. "What did you say?" Messina demanded, according to a witness. "What were you thinking?" he yelled. "And how, exactly, was this fucking on message?"

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**Sixteen years ago**, president Bill Clinton's secretary of labor, Robert Reich, summed up the frustrations of adjusting to life in the Cabinet, where even a close personal relationship with the president, dating to their Oxford days, didn't spare him from being bossed around by arrogant West Wing nobodies. "From the view of the White House staff, cabinet officials are provincial governors presiding over alien, primitive territories," Reich wrote in a classic of the pissed-offsecretary genre, <u>Locked in the Cabinet</u>. "Anything of any importance occurs in the national palace."

Two presidents later, the <u>Cabinet</u> is a swarm of 23 people that includes 15 secretaries and eight other Cabinet-rank officers. And yet never has the job of Cabinet secretary seemed smaller. The staffers who rule Obama's West Wing often treat his Cabinet as a nuisance: At the top of the pecking order are the celebrity power players, like former Secretary of State Hillary Clinton, to be warily managed; at the bottom, what they see as a bunch of well-intentioned political naifs only a lip-slip away from derailing the president's agenda. Chu might have been the first Obama Cabinet secretary to earn the disdain of White House aides, but he was hardly the last.

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Little wonder, then, that Obama has called the group together only rarely, for what by most accounts are not much more than ritualistic team-building exercises: According to CBS News White House reporter Mark Knoller, the Cabinet met 19 times in Obama's first term and four times in the first 10 months of his second term. That's once every three months or so—about as long as you can drive around before you're supposed to change your oil.

For any modern president, the advantages of hoarding power in the White House at the expense of the Cabinet are obvious—from more efficient internal communication and better control of external messaging to avoiding messy confirmation battles and protecting against pesky congressional subpoenas. But over the course of his five years in office, Obama has taken this White House tendency to an extreme, according to more than 50 interviews with current and former secretaries, White House staffers and executive branch officials, who described his Cabinet as a restless nest of ambition, fits-and-starts achievement and power-jockeying under a shadow of unfulfilled promise.

That's a far cry from the vision Obama sketched out in the months leading up to his 2008 election. Back then, he waxed expansive about the Cabinet, promising to rejuvenate the institution as a venue for serious innovation and genuine decision making. "I don't want to have people who just agree with me," he told <u>Time magazine</u>, after reading Doris Kearns Goodwin's classic account of President Abraham Lincoln and his advisers, <u>Team of Rivals</u>. "I want people who are continually pushing me out of my comfort zone."

Obama, many of his associates now concede, never really intended to be pushed out of his comfort zone. While he personally recruited stars such as Clinton, Treasury Secretary Timothy Geithner and Defense Secretary Robert Gates, most other picks for his first Cabinet were made by his staff, with less involvement from the president. "[Bill] Clinton spent almost all of his time picking the Cabinet at the expense of the White House staff; Obama made the opposite mistake," says a person close to both presidents.

Five years on, Obama's White House still reflects those priorities. At the top is a stripped-down command cluster modeled on his campaign, ruled by ferocious gatekeepers such as first-term chief of staff Emanuel and the more disciplined man who currently holds the position, Denis McDonough. But Obama also created in the White House an intellectual cloister where he could spitball ideas with academics like Larry Summers or take a few hours, as he did in the middle of the 2012 campaign, to discuss issues like civility in social media with a group of tech titans. The Cabinet, in many cases, fell between the cracks. And Obama, who has a pronounced disdain for traditional Washington institutions, didn't much care.

Who's to say he was wrong? The people closest to the president point out that his approach has won him two elections and helped him cope with a succession of major crises—all while he signed major pieces of legislation into law, including the biggest economic stimulus in American history, financial reform and the health care act that's so associated with his name. "We were drinking out of a fire hose, but all things considered I think we struck the right balance," says Gibbs, his first press secretary.

Yet Obama's unwillingness to empower his Cabinet has not been without consequences. To many I spoke with, it is both a reflection and a cause of the administration's lurching, improvisational character. The decision to muzzle the Cabinet for all these years means the president now has fewer seasoned surrogates to make his case in public. Putting a premium on political savvy over creativity has made it harder to generate new proposals. Limiting the number of new voices in Obama's inner circle has given a cramped, predictable feeling to his White House and increased the pressure on a diminishing cast of indispensable staffers, who are now burning out and breaking down. Never have the strains been more apparent than during the troubled, ill-coordinated rollout of Obamacare this fall.

Reich's friends who have served in Obama's government often whisper about how much more locked up things are today, how Obama chooses "efficiency" over a more collaborative process. "Under Clinton, I fucked up royally and repeatedly, and I was still allowed out there," Reich says. "That wouldn't happen now. The environment is too hostile."

It speaks volumes that the first known political use of the term "<u>cabinet</u>" in English, by Sir Francis Bacon in 1607, was pejorative. Bacon noted with disdain that some Italian and French rulers had introduced standing "cabinet counsels," so named for the small, private rooms in which they met. These he dismissed as "a remedy worse than the disease," in part because they contributed to "the revealing of affairs, whereby they become less secret."

In 1789, President George Washington organized the first American Cabinet, including the attorney general and the heads of State, Treasury and War—the departments that still matter most. Some 40 years later, Andrew Jackson realized his group was "less secret" than it needed to be, so he relied on a shadowy "kitchen cabinet" of unofficial advisers. It's no accident that the golden age of the Cabinet came in the midst of the Civil War, when the crisis led Abraham Lincoln to empower seven Cabinet members to rule with near-dictatorial authority on matters of public safety.

By 1939, Franklin Roosevelt had coaxed Congress into <u>creating</u> the executive office of the president, allowing him to hire hundreds of Brain Trusters to circumvent a sluggish Cabinet overwhelmed by the Depression. Then came the chief of staff, a post officially named in 1961 for the West Wing's *de facto* chief operating officer. John F. Kennedy and Lyndon Johnson still had consequential individuals in their Cabinets—Attorney General Robert F. Kennedy was practically his brother's co-president—but by the late 1960s the institution was well on its way to becoming a hood ornament.

Yet the Cabinet has also remained a sort of funhouse mirror, magnifying a president's managerial strengths and weaknesses. Richard Nixon isolated himself, abused and bullied Cabinet secretaries, and then, after a few highballs, blamed everybody for disloyalty. Bill Clinton crowdsourced his Cabinet before that was even a word, calling secretaries like Reich at odd hours with odd questions and setting aides against one another in a mock court, where decisions were as often deferred as made. George W. Bush, the first MBA to serve in the Oval

Office, promised to restructure and streamline the presidency, but he found his Cabinet mired in bickering and infighting in the years after the Sept. 11 attacks. All too often, the only adviser who mattered was Vice President Dick Cheney.

Obama intended to be different, instructing John Podesta—the former Clinton chief of staff he recruited to help line up his inaugural Cabinet—and his other headhunters to think "team of rivals" big. At one point, he was considering extending offers to not one but three former Democratic presidential hopefuls: In addition to courting Hillary Clinton for secretary of state (a job she accepted to the surprise of Obama's inner circle as well as her own), he sounded out 2004 Democratic nominee John Kerry for a variety of possible posts and even offered former Vice President Al Gore first crack at being his environment czar. (Gore declined.)

But as the United States fell deeper into full-fledged recession, Obama diverted his attention to assembling a crisis team to deal with the crumbling economy. Soon after his team was in place, he had the management epiphany every president experiences during his first weeks in power: He was drowning in data and chicken-pecked by aides asking for input. He privately groused that Emanuel was overwhelming him with requests to make decisions, so he issued a standing order to Emanuel and all future chiefs of staff, one of them told me: "Cut down on the number of decisions I have to make."

At the same time, the constitutional law professor in Obama was driven by his disdain for what he saw as abuses of executive power under Bush and Cheney. One <u>incident</u> in particular haunted Obama: the attempt by top Bush aides to extract, from a barely conscious Attorney General John Ashcroft, hospital-bed approval for extending warrantless wiretapping. So while Obama may not have empowered his Cabinet, he bent over backward to avoid the appearance he was coercing them.

Reflecting that desire, just about every Obama Cabinet member received a no-meddling pledge from the president himself. As he told Arne Duncan, a basketball buddy who became his education secretary, "Don't worry about the politics. Do what you think is right. ... I'll handle the politics."



June 10, 2010 (left): President Obama leads a meeting in the Cabinet Room. Nov. 14, 2009 (right): Obama aboard Air Force One with staff members, including press secretary Robert Gibbs and senior advisers Valerie Jarrett and David Axlerod.

**But not worrying about the politics** is never an option in Washington, as Attorney General Eric Holder and the rest of the Cabinet soon found out. In February 2009, in the depths of the financial crisis, a time when Obama didn't need any distractions, Holder, the highest-profile African-American in Obama's Cabinet, <u>told</u> an audience of Justice Department employees, "In things racial we have always been and continue to be, in too many ways, essentially a nation of cowards."

Obama might have promised not to meddle with his Cabinet secretaries, but politics was no side issue for his top advisers—David Plouffe, David Axelrod, Gibbs and Emanuel—who knew full well that it wasn't a good idea to have one of the most visible Cabinet members out there expressing his innermost thoughts on sensitive racial issues. In fact, Obama's political guys had been skeptical of Holder's appointment from the beginning, quietly backing Arizona Gov. Janet Napolitano over the easygoing career prosecutor, whom they considered unimpressive in vetting interviews. But they were blocked by the president-elect and his senior adviser Valerie Jarrett, the Obamas' Chicago friend and mentor who didn't seriously consider any candidate besides Holder. Jarrett has had an all-access pass to the first family, a back channel to Obama unlike any other adviser, and she soon earned the sobriquet "Eric's appeals court."

Sure enough, the "cowards" speech set off a political firestorm just as Obama was trying to sell a skeptical country on his massive \$787 billion stimulus package for the battered economy. Emanuel was especially infuriated and let Holder know personally during an exchange that included a fair share of Emanuel's patented F-bombs. An Emanuel spokesperson said the

former chief of staff has no specific recollection of the incident but added that Emanuel and Holder "weren't shy" with each other.

Soon, Axelrod, Emanuel and Gibbs moved to install a couple of handpicked staffers in Holder's office in order to monitor policy and edit his public utterances. Holder, furious, rejected the plan and, in a pattern that would often repeat itself, successfully prevailed on Obama personally to let him run his own department, according to several people with knowledge of the situation. He told the president that "he didn't intend to be treated like a child," one of them told me. Bigger battles were to come—Holder would soon clash again with Emanuel in an unsuccessful bid to divert high-profile terrorism trials from military tribunals to civilian courts, for example—and, each time, the attorney general availed himself of unique access to the president, even during family dinners or holidays in the White House residence. At least once, Holder took the unusual step of dialing Obama on Air Force One to litigate a dispute with Emanuel.

It was one way to circumvent the built-in supremacy of Emanuel and the West Wing staff, but most of the Cabinet had no such recourse.

Plouffe, meanwhile, had had enough after the Holder and Chu incidents, telling other members of the political team that the Cabinet needed to be out on the "shortest leash possible." But there simply weren't enough hands to hold all the leashes. Emanuel asked Stephanie Cutter, a former aide to Massachusetts Democratic Sen. Ted Kennedy, to head the historically toothless Cabinet affairs office. No way, she said—she specialized in thankless jobs, but this was too much.

Still, the smaller dogs proved easier to muzzle. "The sense was these people, for the most part, couldn't be trusted," a senior 2008 Obama campaign aide says. "It wasn't really their fault, when you think about it. But you had to make a risk-reward calculation. There might have been a small upside in having [Agriculture Secretary] Tom Vilsack out there in Iowa, but there would be a huge downside if someone said something stupid ... and you didn't want to be the guy giving them a green light."

West Wing staff tended to rank the second-tier secretaries by the frequency and lethality of their gaffes, regardless of their policy chops or potential as surrogates. One afternoon, when the team was dumping on Commerce Secretary Gary Locke, Emanuel exploded, shouting, "It's our fault! We haven't done anything to train these guys!" Nothing much changed, however, and the gap kept growing between the second-class Cabinet and the powerful White House policy "czars," who had free rein to concoct plans and present them to the president directly.

Cabinet members quickly realized that complaining wasn't a great idea. Determined to make something out of his Commerce perch, Locke pressed to be admitted to the big economic team meetings where all the key decisions were made by the West Wing's A-team players. He attended a few, but did little to impress Obama or his team, and was eventually shipped off to Beijing as ambassador to China. "He was never heard from again," recalls a former member of the economic team.

A handful of Cabinet officials did play significant roles, at least early on, but they tended to be the ones adept at the inside game, the secretaries with staffers' chops. Ray LaHood, a former Republican congressman from Illinois, was deployed to lobby his ex-colleagues on Capitol Hill and act as a regular-guy surrogate charged with selling the stimulus to Middle America. ("I'm not going to be one of those people who is ever going to whine about the fact that they didn't pay enough attention to me," LaHood told me. "I thought that was a pretty good thing that they weren't micromanaging my department, so I just went out and did my job.") At the Education Department, Arne Duncan leveraged his personal relationship with Obama to replace outdated No Child Left Behind guidelines—even if he privately complained that it took forever to get anything done internally, according to several administration officials.

I asked Duncan to identify the most important moment at a Cabinet meeting he'd attended. Tellingly, he seized on a personal, not policy, moment. "It's a surreal experience sitting there with Bob Gates and Hillary Clinton and Leon Panetta—world-class leaders," he said. "That hasn't sort of gone away. It's like, do I really belong here?"

The informal rule about Cabinet meetings was that no one was to divulge what happened, but not much was worth keeping under wraps. Shortly after the Osama bin Laden raid in 2011, Obama summoned the Cabinet for an exultant briefing from Gates, who gave them barely more than the CNN account—"not top, but mostly, sorta secret," joked one participant. Occasionally, a well-meaning Cabinet secretary tried to transact serious business, only to be reminded that it was neither the time nor the place. In 2010, when Shaun Donovan, the boyish housing and urban development secretary and an Obama favorite, offered handouts about a complicated housing subsidy program, Obama jabbed, half-joking, "Oh, Shaun, I see you were *that* kid in school." Emanuel quickly added, "Maybe I'll take his lunch money."

By 2011, Emanuel had stepped aside and was replaced as chief of staff by Bill Daley, the brother of the Chicago mayor Emanuel would succeed. Daley had served in Bill Clinton's Cabinet as commerce secretary. But he would last only one year with Obama.

With Plouffe's support, Daley was working on an ambitious proposal to consolidate several Cabinet departments—potentially including Energy, Interior and the Environmental Protection Agency—into an *über*-Department of Natural Resources. It piqued Obama's interest, but the idea never even made it to the planning stages. As a trial balloon, Daley pushed a <u>merger</u> to fold Commerce, the office of the U.S. Trade Representative and several smaller agencies into a new Department of Business. It hit a brick wall in Montana Democratic Sen. Max Baucus, who viewed the reform as an intrusion on the Hill's oversight authority that would create another "<u>bureaucratic behemoth</u>." (The proposal <u>came back</u> a few days before the 2012 election, long after Daley had departed, when Obama needed a talking point to rebut Republican challenger Mitt Romney's charge that Obama was bad for business. It hasn't been mentioned since.)

Yet even Daley eventually succumbed to the West Wing view that a Cabinet was something to be tightly controlled. At the height of the Occupy Wall Street movement in early 2012, Interior Secretary Ken Salazar OK'd U.S. Park Police plans to <u>expel</u> protesters from a pair of federally owned parks not far from the White House. When Daley learned on local TV of the plan to raid the parks, he called the interior secretary's cellphone. "Cut that out now! Make them stop! You're going to cause a shitstorm," yelled Daley.

Salazar played a trump card every Cabinet member, however far down the org chart, carries: the power to drag the president into the story, backed by the implied threat to resign in protest. "Bill," Salazar said, "if the president wants me to do this, he needs to call me directly and ask." Daley hung up. Obama never called.

**Since George Washington's day**, most Cabinet hierarchies haven't been much of a mystery: State, Defense, Treasury and Justice ride first class; everyone else is in coach. In Obama's Cabinet, it was Clinton and everyone else.

By all accounts, the two principals buried the hatchet early, bound by a chain of mutual self-interest in promoting the idea that bitter primary rivals could become effective, even affectionate, partners. But a wary Clinton had to be cajoled by Obama into taking the job in the first place, and she began by making a demand that even the powerful Gates couldn't: complete control over the 200-odd political appointments at the State Department. Obama agreed, but his staff interpreted the directive in a considerably more limited way. When Clinton submitted her list of names to the White House personnel office, at least two came back with red lines through them, according to two people familiar with the process. The first was her longtime communications adviser, Philippe Reines, who was regarded as a sharp-elbowed Clinton partisan who might leak unflattering stories. The second was Capricia Marshall, Clinton's choice for State's protocol director, a position that put its occupant in frequent contact with the White House and, in the eyes of Obama's team, a pick that belonged to the West Wing.

Clinton's people suspected deputy chief of staff Messina, whom they believed harbored the deepest '08 grudges, behind the moves. Clinton's top aide-de-camp, Cheryl Mills, a blunt, uncompromising lawyer who had made her name during Bill Clinton's impeachment crisis, made it clear that red-lining Reines and Marshall was unacceptable, and after a brief tussle with McDonough the holds were lifted. In a speech at Marshall's going-away party earlier this year, an attendee told me, McDonough acknowledged how tough that negotiation had been and joked about how the fight "brought Cheryl and I closer together" as the room erupted in laughter.

If Clinton was the most famous person in Obama's first Cabinet, Gates was probably its most powerful, at least at the start. He wasn't showy about it, but he let his fellow secretaries know who was boss. Near the end of the Bush administration and his first tour as Pentagon chief, Gates was walking out of the West Wing with Secretary of State Condoleezza Rice when a friendly middle-aged man waved and shouted a greeting. Gates smiled and waved back. He asked Rice who it was. "That's Mike Leavitt, Bob," Rice replied, amused. "He's our secretary of health and human services."

Gates, brought in by Bush to stabilize the Pentagon after Donald Rumsfeld's firing, was first among equals in a Republican White House, and he enjoyed an even more commanding position in the early Obama years. Gates served as a crucial bridge between the conservative defense establishment, which favored a slow withdrawal from Afghanistan and Iraq, and an Obama team that wanted out yesterday. The Obama people—especially National Security Adviser Tom Donilon, McDonough (then Donilon's deputy) and Emanuel—respected Gates and also feared him. The president was a rookie on the international stage; he wanted to focus on the economy and needed to shed the caricature of weak-on-defense Democrats. In the words of one Gates associate, "Obama needed us more than we needed him."

At a <u>retreat</u> for Cabinet secretaries held at Blair House six months after Obama took office, Gates pointedly informed a White House staffer that he wouldn't do the Sunday shows unless Obama or someone high up in the West Wing made the request. "I'm going to give you 15 hours a day, but I need to spend weekends to see my family and recharge," he said, according to a person in attendance. "If the president needs me, I'll do it, but don't be sending some little shit to

ask me." The West Wing didn't enjoy the usual screaming privileges with his communications shop either, even though it "leaked like a goddam sieve," in the words of a former Obama National Security Council staffer.

The West Wing's obsessive control of messaging drove Gates crazy, and he felt crowded by young amateurs in the White House who had much less experience and much better access to Obama—guys like McDonough and speechwriter Ben Rhodes, who would weigh in after the secretary's SUV had departed for the Pentagon. Over the previous four decades, Gates had served in a variety of posts, from deputy director of the CIA to the upper rungs of the NSC, and had seen a gradual increase in White House influence over internal Pentagon affairs. But that trend hit warp speed under Obama. There were far more deputies' meetings attended by too many lower-ranking aides, and Gates believed an alarming number of White House staffers were being read in on specific war plans.

Most importantly, Gates had significant policy disagreements with Obama. By the time of his exit in July 2011, the lifelong Republican was dissenting more and more on major decisions being pushed by liberal interventionists including Clinton, U.N. Ambassador Susan Rice and NSC adviser Samantha Power. He has <u>called</u> the NATO intervention in Libya "a mistake," and took a dim view of Obama's statements of solidarity with the Arab Spring protesters, who, Gates said, represented an unpredictable and destabilizing force.

Since retiring, Gates has become increasingly disillusioned with Obama's foreign policy; one friend says Gates winced when the president drew his "red line" more than a year ago on the use of chemical weapons in Syria. White House aides are nervously awaiting the publication of Gates's <a href="memoir">memoir</a> in January. The manuscript, according to people with whom he's shared details, questions Obama's policy choices on the Arab Spring in particular, and even compares the president unfavorably with Bush, sure to be a headline-grabbing assertion.

With 2016 looming, Clinton's forthcoming <a href="memoir">memoir</a> of her tenure as secretary of state is unlikely to be nearly as critical, and she has worked hard to remain studiously above the fray. But like most of her aides, my sources told me, she tended to criticize Obama for moving too slowly, and since stepping down she's made no secret of her <a href="memoir">view</a> that the current Syrian crisis could have been much better off if Obama had acted more decisively last year to support anti-government rebels, as Clinton and then-CIA Director David Petraeus urged. People close to Clinton say her views align closely with those of her husband, who in June <a href="memoir">told</a> a private gathering that Obama risked looking like "a total fool" if he heeded opinion polls and acted too cautiously to avert what had all the hallmarks of a massacre in Syria.

For the Obama team, having a 2016 candidate-in-waiting created all kinds of unintended consequences, especially at the end of Clinton's tenure, when she was mapping out her exit strategy. Early on, she was willing to hit the Sunday shows for Obama, but she considered it an enervating gotcha circus, so by the time the Benghazi firestorm hit on Sept. 11, 2012, she was a firm "no." When network producers asked if Clinton would appear to discuss the killings of Ambassador Chris Stevens and other U.S. personnel, State Department officials told them the secretary was too exhausted from her recent travels. That wasn't entirely true, three officials told me: Clinton had a "standing refusal" to do Sunday shows. "She hates them. She would rather die than do them," one aide said at the time. "The White House knows, so they would know not to even ask her."

In a classic Washington irony, Susan Rice turned out to be collateral damage. Rice, who started her career in the Bill Clinton White House and then infuriated both Clintons by backing Obama in the 2008 campaign, was at the time the only person Obama was seriously considering to replace Hillary Clinton at State.

And so Rice was tapped by the White House to appear on television that weekend instead of Clinton. The powerful backlash that followed Rice's assertion that the Benghazi attack appeared to be a spontaneous reaction to an anti-Muslim video effectively ended her State Department nomination. And Obama's decision to pull the plug on her State Department prospects angered many of Rice's friends in the West Wing. But Rice may well have had the better of it. She ended up in the West Wing herself, national security adviser to the president in a White House where a staff job like that trumps the prestige and protocol of even the most august Cabinet post.

As Election Day 2012 approached, Rice's Benghazi nightmare reinforced Plouffe's tendency to rein in surrogates and lock down departmental policymaking, even to the point of delaying key Obamacare policies. The wry and obsessive former Obama campaign manager had returned to the administration in early 2011, and he quickly laid down the law in a series of conference calls with campaign and White House staff in the early spring. Cabinet officials, he said, were to keep a low profile, and their schedules would need to be routed through his office, located a few feet from the Oval. "I want to see everything," he told his staff.

Holder kept trying to slip the net. In late 2011, he pitched Obama's top staff on the idea of delivering speeches on topics ranging from immigration to health care. He was rebuffed: "Do your job, stay in your lane," was Plouffe's terse response. In spring 2012, after Holder made a far-ranging address on the legal rationale behind the U.S. drone strike that killed American-born al Qaeda sympathizer Anwar al-Awlaki in Yemen, a furious Plouffe took the uncommon step of prevailing on Obama personally to keep Holder on message, according to Obama aides.

Plouffe also decided to defer the typical second-term transition personnel planning. Stories would leak out, he worried, which could motivate Republicans and suppress Democratic turnout in the presidential election at a time when the Obama team most needed to emphasize the uncertainty of the outcome. The basic prognosis for the post-election Cabinet seemed clear anyway: Gates successor Leon Panetta, Geithner and Clinton were gone, and their proposed replacements had already been identified. Chu, along with lackluster Labor Secretary Hilda Solis, wasn't asked to leave, but both knew enough to submit their resignations. Obama wanted LaHood and Salazar to stay, but they were unlikely to do so, given their need to make money after years of government paychecks.

Still, Obama was in no mood for a mass turnover. If anything, he craved continuity and peace, in part because Senate Republicans would turn even the least-controversial agency nominations into time-sucking hot-coal walks. So, in the weeks after the election, the president summoned a handful of Cabinet members, one by one, to the Oval Office to discuss their future plans, in the hope that most of them would stay put.

At the top of the question-mark list was Holder, who had told some people he was itching to leave, musing that he could be gone by the summer of 2013. He told others he enjoyed the job and that it was his wife who was agitating for a quick exit.

It's not clear if Obama asked Holder to stay or if he just didn't ask him to leave; it was probably some combination. What is certain is that Holder and the president discussed the future a lot during Holder's many suppers in the residence, which one person close to both men estimated as a twice-a-month occurrence. The president, by all accounts, enjoys being around the garrulous attorney general, and Holder isn't shy about mixing business with pleasure. During the 2011 Super Bowl, the pair settled their decision to stop defending the Defense of Marriage Act against constitutional challenges. A few weeks after the election, during dinner, Holder presented Obama with a detailed memo containing his plans for the second term, which included increased prosecution of gun crimes, revisiting mandatory minimum sentences and a new raft of challenges to voter ID laws.

Obama was enthusiastic, but he was also aware of his friend's shortcomings and had told skeptical aides, "Eric isn't going to stay for the full eight years," according to one of them. Any hope his enemies had that Holder's departure was imminent evaporated in the spring of 2013, however, when it was revealed that Holder had signed off on the wiretapping of reporters in a leaks probe. He had no intention of going out under a cloud, he told friends, and he shrugged off rumors that Obama planned to replace him with Massachusetts Gov. Deval Patrick. Not long ago, Holder told a questioner that he planned to stay around indefinitely.

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**Holder's decision to stay** came as something of a jolt to Janet Napolitano, Obama's homeland security secretary, who had made no effort over the years to hide her interest in running the Justice Department. The start of Obama's second term seemed to provide a natural opportunity for a promotion.

Obama liked Napolitano—he twice vetted her for the Supreme Court—and stood by her even when she infamously said "the system worked" after the so-called underwear bomber nearly blew up a flight on Christmas Day 2009. Over the next year, she rehabilitated herself by seizing a central role on immigration, serving as a shield for the White House at a time when Obama was drawing fire from all sides. Obama backed sweeping immigration reform but believed it was politically impossible for him to achieve without first proving he was serious about border enforcement.

Napolitano embraced the approach. For three years, she presided over an unprecedented crackdown at the Mexican border, shattering Bush-era records with nearly 1.2 million deportations between 2009 and 2012. But as the election approached, Hispanic advocacy groups began to view the crackdown as an emblem of Obama's unfulfilled promises for immigration reform and started asking uncomfortable questions: Latinos had given Obama almost 70 percent of their support in 2008 for this? Several of Obama's top advisers, led by West Wing staffer Cecilia Muñoz, pressed for a more lenient border policy, pushing Napolitano to shift to a more targeted detention policy aimed at capturing criminal aliens, a half-dozen aides involved in the process told me.

Napolitano agreed, but she wanted to move slowly, to get buy-in from agents in the field. Muñoz and the Obama campaign's Hispanic outreach team suspected Napolitano was "looking after her own politics," with an eye toward another run in Arizona or even a national campaign. The stalemate broke in mid-2012, when Napolitano presented the White House with a memo calling for "prosecutorial discretion," which dramatically cut the number of deportations.

Napolitano's actions hadn't endeared her to the left, but Obama and his team thought that Big Sis—among themselves they adopted the nickname pinned on the secretary by Matt Drudge—had a good sense of how to calibrate policy and political imperatives. That didn't guarantee a promotion, even though Obama and his team had hinted at one for years, with Obama's aides, in their efforts to get her to take the DHS post in 2008, even describing the job as a "first step," according to a person involved in the transition.

During her post-election Oval Office sit-down with Obama in late 2012, Napolitano suggested that she would serve in any role Obama wanted, but she also made a point of telling him she wasn't the source of stories suggesting she was gunning for Holder's job. Obama was his usual vague self, offering Napolitano a hearty thank you and an oblique assurance that she would play a vital role in the second term. She responded with a vow to stay around for "roughly another year."

But Napolitano was restless. According to two administration officials who later spoke with Holder, she pulled him aside during a joint trip to Germany in May and said, "Every organization needs to have a change after a while," which Holder interpreted as a request to go. People close to Napolitano deny she said that, insisting she told him, "I'm having a good time at DHS."

But Holder said he felt the pressure. "Sometimes I feel like Janet is touching me just to see if I'm still warm," he joked to a friend.

By last spring, a frustrated Napolitano fielded a call from a headhunter looking to fill the University of California's president post. When she dropped by the Oval Office to tell Obama she was mulling the move, the president was chagrined but not surprised: "Oh shit, Janet!"

**Obama says he's heard** the criticism from his Cabinet—and that he gets it. Before his second Inauguration, he ordered the Cabinet and West Wing officials to come up with a list of actions he could take without relying on Congress. At the same time, several members of his Cabinet told me that he had personally pledged to "do better" by them in his second term. "He assured me that things were going to change," said Salazar, who, despite Obama's entreaties, declined to stick around for Act 2.

The president's new chief of staff, the taut and task-driven McDonough, has drawn the assignment of making good on Obama's pledge. When we met recently at the White House, McDonough told me he had made a point of visiting each member of the Cabinet in his or her own office to solicit advice on how to be more inclusive. He <a href="installed">installed</a> a new staffer, Danielle Gray, to run the West Wing's moribund Cabinet liaison office, and he has convened a handful of "Cabinet Coffees," brainstorming sessions in his cozy corner office meant to empower the Cabinet and capture the imagination of Obama, who has sat in on several. McDonough has also convened informal meetings with ad hoc groups of Cabinet members in the Roosevelt Room to hear out their complaints. "I want the Cabinet to know … if there's something on their minds they want to raise directly, they know they are going to have a way to raise it [with the president]," McDonough says of the coffees, which have covered topics ranging from race to poverty to the Western wildfires. The goal, McDonough adds, is "making optimal use of the entire arsenal he has at his disposal."

But losing Napolitano and the others has been a serious setback, not just because they have been tough to replace, but also for what their departure says about Obama's capacity—and, perhaps, willingness—to retain his best people. Back in 2008, he had his pick of marquee Democratic talent, but as his second term drags on, the attraction of working for him is diminishing. Even blue-chip West Wingers such as economic adviser Gene Sperling and climate czar Heather Zichal are heading for the exits.

As for the Cabinet, none of the three big replacements he's made—John Kerry at State, Jack Lew at Treasury, Chuck Hagel at the Pentagon—seems destined to outshine those they replaced. And the lesser-known Obama picks—Gina McCarthy at the EPA; Ernest Moniz, Chu's replacement at Energy; Tom Perez at Labor—are highly regarded technocrats who function more like West Wing staffers than traditional secretaries.

McDonough's own role in the chaotic recent internal deliberations over the civil war in Syria suggests that all the coffees in the world won't change Obama's basic reliance on a small coterie of staff. On Aug. 30, Kerry had just delivered an impassioned <u>argument</u> in the State Department Treaty Room for launching an immediate missile strike on Bashar al-Assad's regime in Syria, when Obama invited McDonough—his most trusted national security aide before taking up the chief of staff portfolio—for a long <u>stroll</u> around the White House grounds. (The incident is regarded as significant enough to have its own name inside 1600 Pennsylvania Ave.: "The Walk.") Obama returned to tell a stunned group of aides gathered in the Oval Office that he had decided to seek congressional approval first, despite dim prospects of passage.

A few weeks later, sitting on the sunny patio outside McDonough's West Wing office, I asked him if it was true that Kerry and Hagel weren't around to hear Obama's big decision. "They were not in the Oval, that is correct," McDonough told me, though he said the notion of going to Congress had at least been broached during several contentious meetings earlier that week, at which both men had been present. "I'm trying to figure out if I'm about to commit news here, but the president talked to both of those Cabinet members [later that evening by phone] ... then they had another meeting the next morning."

There was nothing out of the ordinary about the process, McDonough insists. But Kerry was taken aback, according to several people in his orbit—as stung by the West Wing's planting of the "Walk" narrative in the media as by the snub itself. Outside the administration, it reinforced the idea that Obama was home alone now that the first-term principals were out the door. "To me, that sent a statement," says David Gergen, who has served as a White House adviser to presidents in both parties. "Would he have done this if Hillary or Gates were still around?"

It's perhaps instructive that even when McDonough touted the Cabinet's clout in our interview, he also cast it in terms of Clinton and Gates, who are no longer there. "To think that either of them would have sat in the Sit Room or sat in the Oval with the president at their weekly meetings and not asserted their role as very consequential policymakers would be incorrect and foolhardy," he told me. Kerry and Hagel, however, are often not even in the room—they were also left out of the major Middle East policy review Susan Rice led over the summer in her new role as national security adviser. She briefed the secretaries at weekly lunches.

So does that mean the golden age of Obama's Cabinet might have already come and gone? At the Pentagon, Hagel, a former Republican senator and Vietnam vet regarded as a politically useful choice amid plans to downsize the military, has so far been a serious disappointment, several administration officials told me. Obama's staff was reportedly stunned by Hagel's mumbling, near-narcoleptic <u>performances</u> during his confirmation hearings and Syria testimony—and McDonough "laid down the law" to West Wing staff tasked with prepping him for future public appearances, according to one aide. The White House was also peeved at a steady stream of leaks from the Pentagon brass about the difficulties of attacking Syria, seen as public lobbying. "Deeply unhelpful," one Obama aide <u>offered</u>.

At State, meanwhile, the gaffe-prone Kerry has gotten somewhat better reviews. Unburdened by the White House dreams that made Clinton so cautious, he has attacked big issues, reopening Israeli-Palestinian peace talks and hurling himself into the negotiations over Syria. But Kerry—whose stentorian earnestness grated on Obama during 2012 debate prep sessions, when he played the role of GOP nominee Romney—hasn't always endeared himself. His seat-of-the-pants management style is more senatorial than secretarial (he's known to direct-dial foreign leaders without giving a heads-up to diplomats or his aides), and he's spent more time on the road than staffing up. Obama flagged this as a problem early on, inviting Kerry to the Oval Office prior to his confirmation to tell him to focus on quickly assembling a management team. "My people don't even know who to call. They don't know who your people are—can we fix that?" Obama asked, according to a person briefed on the exchange.

The most serious maelstrom to engulf the Cabinet in years came in October, when it became clear that neither Kathleen Sebelius nor her counterparts in the West Wing had adequately prepared for the staggering technical challenges of launching Obamacare. The health and human services secretary was well-liked—she was especially friendly with Jarrett—but many of Obama's aides still pined for Tom Daschle, the wily former Senate Democrat whom Obama had originally tapped for the HHS job. Daschle, who withdrew from consideration in 2009 over a tax issue, was canny enough to know the way power flowed in Obama's circle: As a condition for taking the job, he requested a West Wing office so he could keep close tabs on the executive staff. For years, Daschle privately expressed his concerns that Sebelius, who didn't have the stature to make the same demands, simply wouldn't have the power to implement the health care program.

Yet, in the end, it may not have been her lack of power that caused all the headaches, but a breakdown in communication and coordination between the White House and Sebelius's staff. It started with a slow-walk of critical Obamacare rulemaking, a key part of Plouffe's do-no-harm election-year strategy of minimizing controversial regulatory action. "The number-one culprit was [that] they deferred rulemaking until after the election," says Mike Leavitt, the Bush-era HHS chief whose face Bob Gates couldn't quite place. "When they did that, it threw the entire process off. ... They were issuing rules in September for implementation in October." The secretary herself admitted that Obama had been blindsided by the near-meltdown of the program's web portal, and several administration officials involved in its creation told me they had been alarmed by pre-launch signs of trouble, even offering to tap outside computer experts to help the agency. Sebelius, they say, demurred. That Obama's staff didn't press the issue on the president's signature policy initiative illustrates a paradox central to understanding his governing style: The president who forcefully pushed through the largest expansion of the federal government in generations has been significantly less zealous in overseeing its operation.

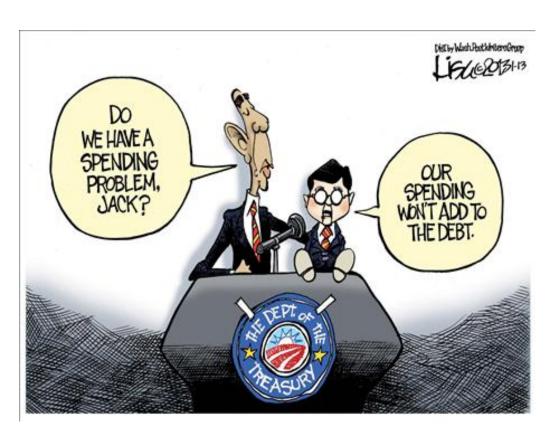
Presidencies, at least most of them, tend to end with a whimper, not a whoop. Cabinet secretaries often do rise to greater prominence late in the game, but they can fall harder, too—just ask Sebelius, whose nearly five years of quiet service are now being defined by the Obamacare rollout. Never mind that Congress starved the system of much-needed cash or that Obama and top West Wing staff were kept informed of the program's progress. Republicans are calling for Sebelius's head.

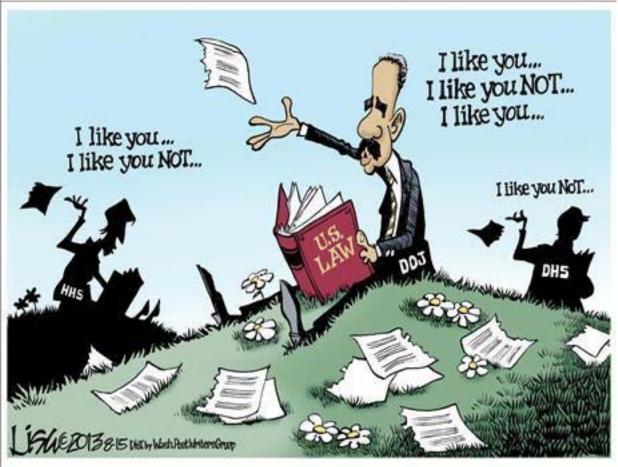
Chu knows how she feels. That's why he's happy to be back in California, not running a federal agency.

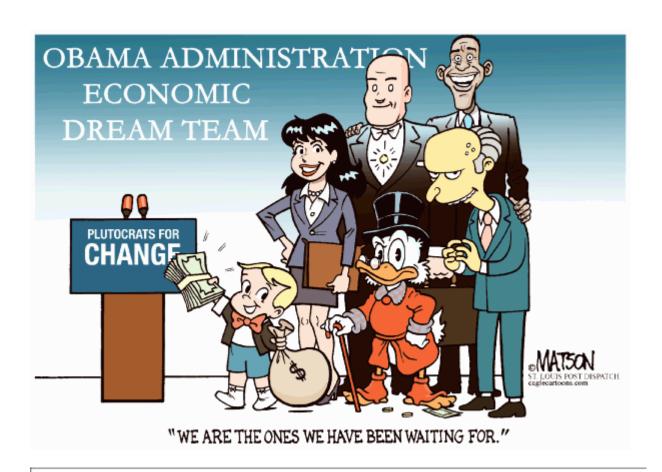
"Going into D.C., I didn't know the political side. I knew the science and technology side," recalls Chu, who today professes thinly veiled disdain for the people who "hover around"—the political types who felt little compunction about condescending to a Nobel Prize winner. "It took me a while to realize that one's own instincts and judgments are sometimes better than the people that have been on the scene for a while."

Glenn Thrush is senior staff writer for Politico Magazine.

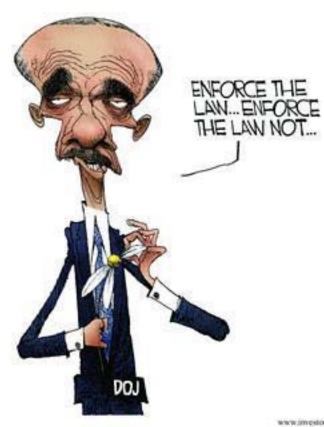












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