Also by Richard Wolfe
The Victim's Fortune (with John Authers)
For Paula, Ilana, Ben, and Max
EIGHT

THE RECKONING

Between the Oval Office and the press briefing room lies the Cabinet Room, dominated by a long, mahogany table and the heavy leather chairs surrounding it. One chair, with its back to the Rose Garden, is higher than the rest and carries a brass nameplate on the back saying, simply, The President. Sitting in the higher chair was the man who liked to call himself forty-three. At opposite ends of the elliptical table were the two men who wanted to become forty-four. The rest of the chairs were filled with congressional leaders, Republicans and Democrats, as well as administration officials. It was two weeks after the collapse of Lehman Brothers bank, in late September. Barely twenty-four hours earlier, John McCain had suspended his campaign to address the financial crisis; the next day, he was scheduled to meet the man at the other end of the table for their first TV debate in Oxford, Mississippi.

President Bush welcomed his guests and promptly turned to his treasury secretary, Hank Paulson, the former chairman and CEO of Goldman Sachs. "Hank, can you give us a readout of the situation?" asked the president. Paulson's diagnosis was dire. In the two weeks since Lehman went bankrupt, Paulson and the Fed chairman, Ben Bernanke, had hit the panic button, pressuring a dazed and confused president for billions of dollars to rescue the financial system. The Fed had bailed out the insurance giant AIG, and that was just the beginning. The night before, the president had addressed the nation to sell what amounted to a $700 billion life raft. "Our entire economy is in danger," he warned. Now, without the help of his speechwriters, he tried to instill the same sense of urgency in the politicians around his cabinet table.

"We need a solution that is big enough to fit a big problem," he told them. "We aren't just gonna sit here and watch this thing crater. Here's my test: I'll ask Hank and Ben, 'Will it work?' And if it works, then I'll support it. If it doesn't, we'll keep working."

Bush followed protocol and called on Harry Reid, the Senate majority leader, but Reid deferred to his candidate. "We're represented by Senator Obama," he said. Obama talked at length about the crisis and his daily conversations with Paulson. He said he was ready to act quickly, but also ready to hear alternatives. The president turned to McCain for his input, but he pointedly declined and took a swipe at his rival. "I will wait my turn," McCain told the room. "I have learned to respect seniority."

What followed was anything but respectful. The House Republican leader, John Boehner, made it clear he opposed Paulson's plan and suggested his own smaller alternative. The House Democrats were outraged, while Paulson looked dejected. President Bush seemed helpless to stop the cross fire and pleaded for Paulson's plan. "I'm not going to let this sucker go down," he declared. Obama suggested that the treasury secretary take onboard some of the Republican concerns and amend his plan.

After three-quarters of an hour of heated discussion, McCain had yet to voice his opinion. "It would be good to hear from Senator McCain," Obama interjected. "And then I want to ask Hank a question."

McCain maintained a grumpy silence. "Go ahead," he said. "Ask your question."

Obama asked Paulson a detailed question about insurance, before McCain finally ventured to speak. "If the senator has quite finished, I want to thank the president for calling this meeting," he began. "I feel like some concerns have already been addressed, like CEO pay, which Hank opposed and now he's moved in our direction." But McCain declined to put forward his own plan or fully back the House Republicans.

When pressed for his opinion of Paulson's plan, McCain said he had not read the proposal, which only ran to three pages. Obama snorted dismissively and rolled his eyes.

The meeting broke up in rancor, and the House Democrats walked
across the hallway to the Roosevelt Room. There, Paulson begged on bended knee for the House Speaker Nancy Pelosi to save him.

"Don't fucking blame us," interjected Barney Frank, the chair of the House Financial Services Committee. "It's your fucking party that's doing this. Get them onboard."

Obama intervened to calm the tempers, but he left the White House appalled at the disarray. "If the markets knew what just happened, they would collapse," he told his senior aides. "Take your money and put it in the mattress."

Four days later, the Paulson plan failed to win a majority in the House, against strong Republican opposition and many Democratic defections. The Dow Jones industrial average dropped almost 778 points, its biggest one-day decline since the crash of 1987, wiping $1.2 trillion from the stock market.

The candidate had never seemed so engaged in the entire two-year-old election. It gave him the chance to dig deep into the policy debate and the opportunity to strike at his opponent. He could talk to Paulson as if he were the president-in-waiting, grappling with a crisis as it unfolded. Paulson made no reference to President Bush, suggesting he rarely received any meaningful direction from the White House. He also relayed helpful information about his disagreement with McCain over the AIG bailout, which the Republican candidate initially opposed. Obama's mind was humming: he was talking to his own economic team, tapping ads on the economy, approving economic ads against McCain, and devoting much of his stump speech to the same subject. "This is the kind of stuff that he thrives on: policy, politics, and decision making," said his senior aide Pete Rouse. The candidate and his aides liked to think that good policy was good politics. Now they had the chance to put the aphorism into practice.

The only irony was that it often looked like this time might never come. Through the primaries, the candidate struggled to find his voice on the economy, and the pundits confidently declared he would never succeed with voters at the lower end of the economic scale. He was a brainy elitist, they said, and his poll numbers sagged because he failed to connect with upscale Democrats. Just six weeks after launching his campaign, Obama was pigeonholed as the candidate of college grads, along with other losers like Eugene McCarthy, Gary Hart, and Bill Bradley. Ron Brownstein, the influential columnist at the Los Angeles Times, observed that there were two types of Democrats—"upscale 'wine-track' candidates and blue-collar 'beer-track' contenders." Using another image altogether, he compared the wine sippers to priests like Woodrow Wilson, pitted against the beer-swilling warriors like Harry Truman. "Hillary Clinton has firmly positioned herself as a warrior," he wrote, since she focused on blue-collar economic anxiety. Obama, in contrast, was a priest who had written two bestselling books and spoke of reform. "Since Obama entered the campaign, the question he's faced most often is whether he is 'black enough' to win votes from African Americans," wrote Brownstein. "But the more relevant issue may be whether Obama is 'blue enough' to increase his support among blue-collar whites." Brownstein would write the same analysis as Obama's campaign stalled in the fall, and again when he lost in Pennsylvania the following year. The caricature was echoed by other respected commentators including Joe Klein at Time and John Dickerson at Slate. Soon the elitist image was a given on cable TV and in newspaper stories across the country.

As with any good caricature, there was a detail of truth that could be contorted into a dominating feature. On one trip to an Iowa farm west of Des Moines, the candidate spoke about how crop prices were staying flat while supermarket prices were rising. "Anybody gone into Whole Foods lately and see what they charge for arugula?" he asked. "I mean, they're charging a lot of money for this stuff." Arugula at Whole Foods? In Iowa? As reporters pointed out, there were no Whole Foods stores in Iowa, although there was one over the river in Omaha, Nebraska. But the supposedly backwater farmers of Iowa knew plenty about arugula and other fancy foods. Besides the fact that arugula is sold at supermarket chains like Iowa's Hy-Vee, or Safeway stores nationwide, the crop grows in several small farms across the state. Iowa's farmers produce higher-quality meat in the country. The candidate himself decided to portray the arugula-eating reporters as condescending to Iowans. "All the national press, they said, "Oh, look at Obama. He's talking about arugula in Iowa. People in Iowa don't know what arugula is." People in Iowa know what arugula is," he told one audience in Independence, Iowa. "They may not eat it, but you know what it is."

First came arugula, then came the beer and bowling. Journalists who penned caricatures were only a few steps below candidates who campaigned by photo op. Both served to reduce an election to its simplest level of identity politics. In one dismal stretch in Pennsylvania, Obama
sipped Yuengling beer at a sports bar in Latrobe, toured a wire factory for Slinky toys in Johnstown, bought hot dogs at a diner in Altoona, and stopped by some bowling lanes to roll several gutter balls.

"Let me tell you something," Obama said to the disappointed crowd behind him at Pleasant Valley Lanes. "My economic plan is better than my bowling."

A voter in the next lane shot back, "It has to be."

The next day, at the dairy complex at Pennsylvania State Agricultural Facilities, the candidate was asking deep questions about growth hormones in cows when one of the Holsteins decided to take a disconcertingly loud leak. The candidate turned around to look at the remarkable process before returning to his conversation about hormones.

At least he learned how to avoid stepping in it. On a tour of Philadelphia's Italian Market, he tasted some exquisite Spanish jamón ibérico, made from pure-bred wild pigs that graze on acorns. At a price of $99.99 a pound, it was delicious but hardly the best way to relate to the nation's struggling workers. Instead he bought a goat's cheese from West Chester, costing a mere $25.99 a pound.

Gourmet ham and cheese turned out to be less costly than the words that emerged from his own mouth. In the middle of the Pennsylvania primary, as he was struggling against Clinton to reach working-class Democrats, he traveled to San Francisco for a fund-raiser. There, he tried to explain why his message of hope and change wasn't resonating in the Rust Belt, and ended up belittling the working-class culture of the very states he needed to win.

Here's how it is: in a lot of these communities in big industrial states like Ohio and Pennsylvania, people have been beaten down so long, and they feel so betrayed by government, and when they hear a pitch that is premised on not being cynical about government, then a part of them just doesn't buy it. And when it's delivered by a forty-six-year-old black man named Barack Obama, then that adds another layer of skepticism.... The truth is that our challenge is to get people persuaded that we can make progress when there's not evidence of that in their daily lives. You go into some of these small towns in Pennsylvania, and like a lot of small towns in the Midwest, the jobs have been gone now for twenty-five years and nothing has replaced them. And they fell through the Clinton administration, and the Bush administration, and each successive administration has said that somehow these communities are going to regenerate and they have not. So it's not surprising then that they get bitter, they cling to guns or religion or anti-immigrant sentiment or anti-trade sentiment as a way to explain their frustrations.

Instead of warming to working voters, his analysis was far too cold for comfort. He knew he had blundered at the time, as his "bitter" and "cling" comments loomed around cable TV for several days. "I had said something very similar on Charlie Rose and I was tired enough where my syntax got garbled," he told me. "But my basic point was that when people have been betrayed economically over and over again, they vote based on things they feel they have more control over, like their way of life, hunting, and their faith. But the two words, the way I had used them and the fact that we were in that time where interpretations are less than charitable, it was just the classic spiral."

Hillary Clinton chose to be less than charitable at an event called the Compassion Forum, discussing moral issues at Messiah College in Pennsylvania. There she said his comments were "elitist, out of touch, and frankly patronizing." To Obama's senior aides, there was something more than a little ironic about Clinton's patronizing line of attack. Bill Clinton had faced the same elitist charge in his first presidential campaign, and since leaving the White House had joined the ranks of the elites by earning tens of millions of dollars in speaking and consulting fees. "Bill Clinton had a similar problem in '92," said David Axelrod. "Because he went to Yale and Oxford, his opposition to the Vietnam War and his nonservice during the war, there was this stereotype that the Republicans tried to foment of him as elitist. It was a big problem and it was cured over time with the help of a film at the convention that gave people a real sense of his true history."

For most of the last year, the candidate had treated the economy as a policy issue, to be discussed in wonkish terms, at a distance—not a personal tale that he could relate to with his own true history. His first economic events were hastily arranged affairs with little attempt to tie them to his own life or his policies. For instance, there was a roundtable discussion about home foreclosures in January, where he listened to stories of woe while sitting in the corporate skybox of an arena in Reno, Nevada. Nobody on the campaign seemed to think there was anything wrong with talking about economic pain inside a room dedicated to
executive perks. Nobody had put much effort into the issue, either. There were just two small signs taped to the wall bearing the new slogan Reclaiming the American Dream.

By the time they reached Ohio, Obama's team was out of steam. Their arena rallies had lost much of their impact, and the hope-filled stump speech seemed all too familiar. They decided to play one of the most traditional economic cards: to rail against free trade and, by extension, Clinton's support for the North American Free Trade Agreement (NAFTA). At a titanium plant in Youngstown, Ohio, the campaign engineered several pictures of the candidate walking through a dark, saucy factory floor, past molten metal in hulking crucibles. At the press conference that followed, Obama delivered a sustained critique of Clinton's position on free trade. Two weeks later, the campaign was struggling to explain comments by its economic adviser Austan Goolsbee to Canadian officials about the candidate's position on NAFTA. According to Canadian diplomats, Goolsbee said that the candidate's attacks on NAFTA were "more reflective of political maneuvering than policy," suggesting Obama was faking his anger about free trade. Goolsbee denied the Canadian account, but he still seemed to be minimizing Obama's rhetoric, and the campaign lost precious time parsing out his comments. The NAFTA dispute was the closing act of the primaries in Texas and Ohio, leading several senior Obama aides to conclude they had been suckered into the wrong fight. "We were so tired and wanted to win so bad," said one senior Obama aide. "We were already in the twenty-ninth and thirtieth mile of what we thought was a twenty-six-mile marathon. It was consistent with what he believed about NAFTA, but it appeared like the same old politics. We sacrificed some of what makes us different to try to score a knockout."

The solution was to tell Obama's true history, and he seized the moment to do something he had largely sidestepped. Partly in response to voters' deepening economic fears, and partly to explain away his own "bitter" comment, he began to sharpen his economic message and personalize his pitch. His TV ads started to feature old photos of him walking outside shuttered factories in Chicago, mixed with new film of him on factory floors talking to workers. He started sharing more details about his family's modest means, and how his young mother had lived on food stamps for a time. He explained how his first job in politics, as a community organizer, was to deal with the aftermath of the manufacturing slump of the 1980s. And he told how he and Michelle had struggled until recently with law school loans and credit card debts. The campaign had recently released tax returns showing how their financial rise was both recent and dramatic. In 2004, just two years before deciding to run for president, the Obamas made $207,000—a very low figure for two Harvard Law School graduates. The following year, their income ballooned to $1.6 million, thanks to the book advance and royalties that followed his convention speech. In contrast, the Clintons had earned $109 million since leaving the White House.

His comments about small-town America came to light in mid-April, on a Friday; by Monday he was recalling his first visit to a shuttered steel mill as a community organizer. "It was late in the afternoon and I took a drive with another organizer over to the old Wisconsin Steel plant on the southeast side of Chicago," he told a group of union leaders and managers in Pittsburgh. "And as we drove up, I saw a sight that is probably familiar to some of you. I saw a plant that was empty and rusty. And behind a chain-link fence, I saw weeds sprouting up through the concrete, and an old mangy cat running around. And I thought about all the good jobs it used to provide, and all the kids who used to work there in the summer to make some extra money for college. What I came to understand was that when a plant shuts down, it's not just the workers who pay a price, it's the whole community. I saw folks who felt like their government wasn't looking out for them and who had given up hope. So I worked with unions and the city government, and we brought the community together to fight for its common future. We gave job training to the jobless and hope to the hopeless, and block by block, we helped turn those neighborhoods around."

His economic sales pitch was no longer an afterthought or an abstract policy debate, but the very reason he entered political life in the first place. "You can trust me," he said. "Because politics didn't lead me to working folks; working folks led me to politics."

There was real concern inside the campaign that the "bitter" comments were halting and even reversing momentum that had narrowed the contest in Pennsylvania to five points. So the candidate came out swinging—but at John McCain, not Hillary Clinton. At lunch with newspaper executives and editors in Washington, D.C., Obama demonstrated how much easier he found it to campaign on the economy against his Republican opponent. "If John McCain wants to turn this election into a contest about which party is out of touch with the struggles and the hopes of working America, that's a debate I'm happy to have," he said. "In fact, I think that's a debate we have to have. Because I believe that the
real insult to the millions of hardworking Americans out there would be a continuation of the economic agenda that has dominated Washington for far too long. I may have made a mistake last week in the words that I chose, but the other party has made a much more damaging mistake in the failed policies they’ve chosen and the bankrupt philosophy they’ve embraced for the last three decades.”

For Michelle Obama, the elitist caricature was personally offensive. The daughter of a municipal worker who had grown up in a one-bedroom bungalow on the South Side of Chicago, she was in no mood to sit back and take their rivals’ criticism. “I am a product of a working-class background. I am one of those folks who grew up in that struggle. That is the lens through which I see the world,” she told supporters at a high school in Evansville, Indiana, a few days after Obama’s “bitter” comments emerged. “So when people talk about this elitist stuff, I say, ‘You couldn’t possibly know anything about me.’”

The elitist debate was more personal than factual: an attempt to fit the candidate into the template of previous Democratic failures, like Michael Dukakis, Al Gore, or John Kerry. But the numbers suggested a very different picture of what voters believed about Obama, Clinton, and McCain. Polls showed that white working-class voters believed that Obama looked down on them no more than McCain, and slightly less than Clinton. Of the three candidates, he was seen as the least likely to favor the rich. In other words, he was elitist in neither outlook nor politics. Exit polls among the lower-income group—those earning less than $50,000 a year—suggested voting was roughly evenly divided across the country between Clinton and Obama. Indeed, between the primaries in Ohio and Pennsylvania, Obama’s performance improved by six points among low-income Democrats, despite the intense debate about his “bitter” comments.

Besides his stray words, the candidate’s elitist caricature was built on the results of two flawed pieces of analysis. One was that the results of primaries in Rust Belt states were insightful about a candidate’s economic strengths and weaknesses in the general election. To Obama’s senior staff, the votes reflected age and gender more than class, and the dynamic of the general election would be totally different. “Who won the Pennsylvania primary in 1980? It was Ted Kennedy and George Bush,” said David Plouffe soon after the Pennsylvania primary. “I think the facts completely undermine the assertion about the general election and these blue-collar Democratic voters. We have done very well with blue-collar men in the contests so far, and she has an appeal to white women.”

The other flawed analysis focused on the importance of working-class voters in general. The paraphernalia of working-class politics were central to campaign imagery, especially for Democrats: images of the candidates drinking beer or standing on the back of a pickup truck were highly prized. But they were as much of a throwback to campaigns past as the town hall meeting or the whistle-stop tour. Working-class voters had shrunk dramatically along with the manufacturing jobs that sustained them. Low-wage earners were more likely to hold down jobs as restaurant servers or office cleaners than factory workers. By education and occupation, America’s voters had changed dramatically over the past sixty years. In 1940, three-quarters of adults over twenty-five lacked a high school diploma. By 1980, that was down to less than a third, and in 2007 it was just 14 percent. Over the same period, white-collar workers doubled as a percentage of the workforce, from one-third to around two-thirds. The remaining white working-class voters steadily abandoned the Democrats after 1968. Bill Clinton split their vote with Ross Perot, but Al Gore lost them by seventeen points and John Kerry lost them by twenty-three points. Obama ultimately lost that group by eighteen points and still won a resounding victory, in part because there was an ever-shrinking pool of such voters.

Obama’s later success with the economy had its foundations in the final stages of the primary season. He reacted to successive defeats in the Rust Belt primaries by personalizing his campaign even more. He was convinced that he could, by force of character and the strength of his personal story, win the economic argument against Clinton and McCain. For it was now a three-way contest: McCain was several weeks out of his own primary season and the Republican assumption was that Obama would emerge as the Democratic nominee. After losing the Pennsylvania primary, Obama was staring at two more weeks before the last major states of Indiana and North Carolina, and another six weeks until the final votes in Montana and South Dakota.

He called two of his senior aides to his home in Chicago for a late-afternoon meeting. Instead of being angry or upset, he wanted to talk in practical terms about how to move forward. “You need to take more
ownership of your campaign,” said Pete Rouse. The candidate responded by starting a nightly conference call at the end of each day with a dozen staffers to plot the way ahead. Until then, the campaign had tried—and failed—to plan its days with a morning call that began at 8:00 a.m. on the East Coast, long after their rivals were already e-mailing press releases. The nightly call would prove critical as the financial crisis unfolded through the fall. “It was really effective through the economic crisis because he, not staff or consultants, was driving the strategy in response to the crisis,” said Rouse.

The style of his campaigning changed quickly: he grew more personally engaged in the economic story within days. A week after losing in Pennsylvania, he and Michelle were sitting down for a lunch of Subway sandwiches and potato chips with the Fischer family in a home that was full of close relatives and knickknack angels. Mike Fischer worked at Amtrak and was worried about a new round of layoffs; he didn’t want to uproot from his community in Beech Grove, Indiana, to look for a job elsewhere. Their daughter was pregnant and her husband was being deployed to Iraq. The Obamas listened to their worries, suggested a few ideas, and shared stories about their own lives and their own support system. They empathized and humanized themselves along the way, explaining how they relied on Michelle’s mother and their network of friends in their own community. “We couldn’t be doing what we’re doing without Michelle’s mother,” said the candidate, as if his job of running for president was no different from working for Amtrak.

Winning the economic debate was nothing like working on the railroad. It was less of a slog than a few moments of opportunity, matched by the desire to reclaim control of the campaign. One of those rare moments came just before the Pennsylvania primary when John McCain suggested an old idea for helping drivers deal with record-high gas prices: a suspension, or summer holiday, for the gas tax. His proposal, announced on the April 15 tax filing deadline, was to suspend the 18.4 percent federal tax from Memorial Day to Labor Day. A week later, Hillary Clinton joined in with a slightly tweaked version of the same gas-tax holiday.

For Obama, the gas-tax suspension was a dumb idea that he had seen fail in Illinois. Instead of passing on the reduced cost, the oil companies simply pocketed the difference. Besides, the gas tax paid for road construction, which was sorely needed in a slowing economy. On a single economic issue, he could run against both McCain and Clinton and re-take control of an election that seemed to be out of his grasp for the last two months. “We had a narrative but we lost our thread trying to close this thing out,” David Axelrod said at the time. “We were the fresh chal-lengers against the Battleship Inevitable, the entitled front-runner, and somehow she moved into that position herself. This gives us an opportu-nity to go back to our narrative. Part of what we’re about is we’re not going to do politics the way it’s always been done. Politics has failed in Washington and it’s what we’re running against. What she’s doing here is right out of the Washington textbook.” Axelrod had no time to focus-group or poll-test the message before it was rolled out, as he usually did; his candidate had his own experience and was driving the train. “He thought it was demagoguery and he jumped on it,” said Axelrod. “We tested it for four or five nights and our position kept beating hers two to one.”

The argument triggered dueling TV ads and photo ops. Clinton attacked Obama for refusing to suspend the tax. To show her concern, she drove to a gas station with a sheet-metal worker on his way to work in a pickup truck, while her own motorcade idled nearby. Obama ran a long, sixty-second ad—cut from a single campaign event at an unscripted rally—condemning the idea as “typical of how Washington works.” He changed his stump speech to include the kitchen-table calculation that the gas-tax holiday would save the average family “thirty cents a day, which is less than you can buy a cup of coffee for at 7-Eleven.” His aides started referring to the “McCain-Clinton” policy and calculated how many jobs would be lost without gas-tax revenues paying for infrastructure for three months.

Polls showed that a small majority thought the gas-tax holiday was a bad idea. But more important for Obama, a large majority of 70 percent believed the idea was a case of candidates trying to help themselves politically rather than providing relief to average Americans. The argument was good enough to narrow the contest in Indiana, but not good enough to overcome the reemergence of Reverend Wright. Obama lost Indiana, but only narrowly, by one point, and he won North Carolina convincingly by fifteen points. Perhaps more important than the primary results was the strategy that emerged through those final contests. The gas-tax debate laid out a pattern that would repeat itself in the financial crisis of the fall. Obama could campaign against Washington politics—against its
gimmicks, half-truths, and indifference—and promise a presidency that understood and cared about ending the economic pain.

When Obama's high-minded strategy of reform failed to carry the economic argument, he could always fall back on the fudge of compromise. The first economic skirmish of the general election revolved around another energy issue: offshore oil drilling. Two weeks after Obama secured his party's nomination, McCain reversed his long-standing opposition to offshore drilling when he proposed that states should be allowed to decide whether oil companies could explore off their coastline. Obama condemned the idea as a flip-flop and a gimmick, pointing out that McCain had supported the ban when he last ran for president in 2000. "This is yet another reversal by John McCain in terms of his earlier positions," he told reporters on his plane. "We could set up an interesting debate between John McCain 2000 and John McCain 2008. The biggest problem with John McCain's position is that it seems like a classic Washington political solution, which is to go out there and make a statement without any clear evidence that this would result in strengthening the U.S. economy or providing relief to consumers. There's no way that allowing offshore drilling would lower gas prices right now. At best, you're looking at five years or more down the road. And even the most optimistic assumptions indicate that offshore drilling might reduce the worldwide price of oil by a few cents. So this isn't something that's going to give consumers short-term relief and it isn't a long-term solution to our problems with fossil fuels generally and oil in particular."

It was a sound policy argument, but it didn't reflect what the voters were looking for. They wanted action to deal with high gas prices, even in states with coastlines that might be threatened by oil drilling. Saying no sounded like Obama thought that the status quo was fine, or that environmentalists were more important than motorists. "McCain looked like he was being courageous and taking on the Washington establishment," conceded Axelrod, "and we looked conventional." The McCain team called Obama 'Dr. No' after the Caribbean-based villain of the James Bond movie of the early 1960s. Public opinion was squarely with McCain on more drilling for oil. The vast majority of voters supported offshore drilling through the summer, reaching as much as 73 percent in June. "They saw it before we did," said Jim Margolis, Obama's ad maker. "Intuitively we didn't understand it and we approached it with a four-year-old, six-year-old mind-set. We didn't do the research. We depended on our gut instead of looking at it in the context of a four-dollar gallon of gas."

Obama shifted his language and his position accordingly. His internal polling showed that drilling was important for voters because they wanted relief, but they also wanted something bigger, more long-term, in dealing with energy and the economy. He justified his reversal by limiting the drilling and saying it would help a bipartisan package of energy reforms. In any case, he did not want to be dogmatic about the environment. Nonetheless it was an expedient move, for Congress's sake and for his own election. "My interest is in making sure we've got the kind of comprehensive energy policy that can bring down gas prices," he told one newspaper. "If, in order to get that passed, we have to compromise in terms of a careful, well-thought-out drilling strategy that was carefully circumscribed to avoid significant environmental damage—I don't want to be so rigid that we can't get something done."

McCain's energy maneuvers did not always succeed. When Obama suggested that motorists could save money by inflating their tires correctly, McCain's aides handed out tire-pressure gauges to mock his proposals. They backed down when McCain conceded that his rival, along with the American Automobile Association, was correct.

Obama took the opposite style of campaign, preferring policy debates to visual gags. Wherever possible, he adopted a pseudo-presidential tone as the economic debate unfolded throughout the general election. He wanted to portray his concerns as being more national than local, more executive than legislative, more policy-driven than poll-tested. He was more than just a candidate; he was a nominee and president-in-waiting. So when he sat down for an early-summer discussion about the economy with several of the nation's governors, his priorities—in style and substance—were clear. His aides chose an elegant white meeting room in the Chicago History Museum, just beyond a display of posters for the 1933 World's Fair, the city's ambitious attempt to lift its spirits out of the Depression with a celebration of science and industry. Inside the meeting room, the candidate was projecting an image of the great unifier. There were state flags and Stars and Stripes along the walls. And there were both Clinton supporters and Obama supporters around the horseshoe table: governors like Janet Napolitano of Arizona, who long supported him, and Ed Rendell of Pennsylvania, one of Clinton's biggest backers, who spent most of the session looking distracted, tired, and bored.

The candidate himself was an earnest student, taking copious notes on a desktop lectern, as the governors urged more spending on infrastructure projects. Indeed, he was almost presidential, sitting behind an
oversized new seal, designed by his new media team of young tech-driven staffers. The blue-and-white circle included an eagle and his campaign's Web address, along with a Latin motto: Vero Postumus, or Yes We Can. "Is that presidential enough for you?" David Plouffe quipped at the back of the room. "I think we should sell them for $250 a pop."

Three days later, after the guffaws from the bloggers and puntists died down, the seal was no more.

Lost in the laughter was an economic strategy that survived through election day and beyond. Obama wanted to see more rebate checks as a stimulus, more aid to states for health care costs, and he was a strong advocate of greater government spending on roads and bridges: a Keynesian approach to public works, which Democrats had largely avoided since the Reagan era. Instead of skirting the issue, he used it to beat his opponent over the head. "To create new jobs, one step that I'll take as president is to invest $60 billion in a national Infrastructure Reinvestment Bank," he told the governors. "All of you understand firsthand how badly our roads and our bridges, our water systems, our locks and dams are in need of repair. You know that it's a safety and economic issue. You understand how many jobs this creates. That's why I believe Senator McCain's plan to pay for a gas-tax holiday with transportation and infrastructure funding is an especially bad idea."

The candidate and his senior staff knew there would be one, and only one, battlefield in the general election: the economy. Their certitude was rooted in the only extensive national polling they conducted through the entire election, soon after the primaries were over. All their other polling focused on statewide surveys designed to help them win in the Electoral College. But the single investment in national research gave them the big picture of where and how they had to win. Axelrod brought together his entire media and polling team for the first time to hear the data at his consulting firm's loft-style offices overlooking the elevated track of the El. There were two dozen operatives: a combination of the core group of consultants who toiled through the primaries and newcomers who could add more regional expertise. They would later focus on twenty-two battleground states, which would ultimately shrink to sixteen, as some states, like Washington and Maine, grew more blue, and some, like Georgia and Alaska, grew more red. But for now, the poll of 1,172 voters nationwide at the end of May gave them some clear guidance about the priorities of the general election.

The survey was the brainchild of Joel Benenson, the campaign's chief pollster, a blunt and meticulous New Yorker and former political reporter for the Daily News. Benenson used what he called a bake-off between three basic propositions. One was that voters wanted a strong commander in chief to deal with a troubled world; another was that they wanted a leader to turn around the economy in a time of hardship; the third was about changing politics to fix the broken ways of Washington.

When they asked voters to choose between fixing the economy and a strong commander in chief, the economy won by six points among all voters. But among what Benenson called "up for grabs" voters—those most likely to change their vote before election day—the economy won by eleven points. The numbers were far higher than the conventional wisdom suggested at that point, in the early summer, when Obama was facing intense questions about his commander-in-chief credentials against John McCain's.

When Benenson squared the economic argument against the need for change, the economy won again by eight points among the up-for-grabs voters. Even in the final combination, of change versus the commander in chief, the national security argument lost narrowly. "We didn't need a poll to tell us it wasn't going to be about change," Benenson said. "But what we did find out was how much the economy was going to be driving the campaign." Voters were concerned not just about the pure economy of prices and jobs but about the broadest range of pocketbook challenges. "We knew that energy, health care, education weren't just issues in their own silos," Benenson said. "They linked into the economy for voters. Voters saw those as fundamental linchpins of our economic future from both their personal perspective and business."

When the pollster later shared his data with the candidate and other senior advisers, he wasn't surprised. "You know," Obama told him, "voters are always just ahead of the politicians, aren't they?"

Who were the voters who were up for grabs? They had loose party affiliation and were either undecided now or had previously switched their votes between parties. Three-fourths of them were independents, and they hated partisan bickering and negative campaigning. They were independent middle-class women living in rural towns like Bristol, in the southwestern Appalachian corner of Virginia—Obama's first stop after clinching the nomination—or Pueblo, forty-five minutes south of
Colorado Springs—his last western stop of the election. The group included a lot of suburban parents under forty-five years of age, who were slightly more affluent, earning more than $75,000 a year. There were some independent urban young men and women, too. But what knitted them all together was their focus on the economy. Even the war in Iraq, which they opposed, was seen as an economic hole as well as a national security disaster. Together they made up around 18 percent of the electorate—more than enough to decide the presidency.

The national poll suggested that McCain was surprisingly vulnerable in some of his core areas. McCain was selling himself as commander in chief and while there was no challenging him on his military record, the concept was surprisingly elastic and so was the contest. Obama’s aides figured that commander in chief was just a title. When they narrowed the questions down to the essential qualities required for the job, their candidate rebounded. The results were out of line with the media image of a president in the Bush era. Being ready to serve as commander in chief ranked at the same level as restoring respect for America around the world, and several points behind general “toughness.” Lagging far behind all the other Bush-like qualities was the notion of being patriotic. When the question was about who was ready as commander in chief, Obama was down by eighteen points—a number that was far less than they expected for a war hero pitted against a freshman senator. But that was the same margin Obama led McCain on the question of who could restore respect for America.

McCain’s main branding as a maverick seemed to resonate only inside the Beltway. Across the nation, Obama was twenty-six points ahead when it came to putting working families ahead of special interests, and he was twelve points ahead on the question of putting partisan politics aside. If a maverick candidate was all about change, McCain was no maverick: Obama led him on the issue of change by twenty-two points.

Obama’s own numbers were themselves a reversal of the conventional wisdom at the end of the long primary contest. After several rounds of Reverend Wright and his own comments about the bitter nature of small-town America, the candidate’s aides were concerned that voters would see Obama as some kind of alien or unsympathetic figure. Instead, he was leading McCain on the central question: does he share my values? Obama led McCain by eight points, despite McCain’s stirring biography and service to his country. “This was one of the things that did surprise us at the outset,” said Benenson. “Here was this guy, McCain, who people thought had this incredibly powerful biography, and they thought that it translated into all these other big qualities about him. But it didn’t. His campaign seemed to put so much stock in that, but there were so many other things going on with the electorate that they never tended to. They never really seemed to try to connect him with people, to really demonstrate that he really got their lives.” When it came down to empathy—whether the candidates cared about people like the voters themselves—Obama enjoyed a twenty-one-point lead at the start of the general election.

At the Democratic convention in Denver, Obama’s senior aides sat with Joe Biden to brief him on their findings—and on his mission to reach those up-for-grabs voters. The media commentary suggested that Biden would be deployed to win his fellow Catholic voters, because Obama had struggled with them against Hillary Clinton. But the campaign’s polling showed him almost tied with McCain among Catholics. Biden liked the focus for his mission, which included wealthier voters—a group Obama was losing at that time by fifteen points in the battleground states.

Biden also liked the campaign’s ability to connect and empathize with regular voters. On the second day of the convention, he walked onto a small stage in a theater in Denver, where Michelle Obama was holding a public discussion with several women, including women governors from across the country. A sign on the podium hit the campaign’s general election theme in all its up-for-grabs generality: Economic Security for American Families. Biden praised working women, especially single mothers, and he steered clear of anything partisan. And he heaped praise on Michelle Obama for her convention speech, before saying that she, like her husband, had touched a nerve across the nation.

“I ran against him, man,” he told the audience to a nervous burst of laughter. “I thought I should be president. I ran like the devil but I tell you what: I watched something. These folks get it. They tapped into a fundamental essence of what the country is: that people don’t want you to give them a handout. They want you to give them a chance.”

Obama’s economic approach combined the wine and beer tracks beloved by the political pundits. His policies emerged from an unusual source for a freshman senator: a personal think tank. As a new senator in
Washington, Obama hired a shrewd and pragmatic policy director, Karen Kornbluh, a senior Clinton Treasury official under Robert Rubin, to help shape his thinking. To that end, Kornbluh organized a series of dinners and briefings with experts and advocates across the policy spectrum. Obama wanted to test his ideas and analysis, hear fresh thinking, and fashion an agenda that would inform his speeches, his new book, and his legislation. One dinner, at the modern French restaurant Bistro Bis close to Capitol Hill, brought together John Holdren, a physicist-environmentalist, Bill Klinefelter from the United Steelworkers of America, and scientists from the Natural Resources Defense Council. Democrats had traditionally found it hard to square the interests of labor and the environment, but Obama wanted to bring the two together. The green movement wanted to protect the planet at all costs; the labor unions wanted to protect jobs at all costs. Now national security needed to be factored in, with Democratic hawks backing the development of alternative energy. With the help of new technologies, government subsidies, and tougher regulation, Obama thought he might be able to meet several goals at the same time, around a dinner table with wine and beer drinkers together.

What emerged were a series of speeches—and a chapter of his book *The Audacity of Hope*—which forecasted his campaign promises and his administration’s policies. Soon after Hurricane Katrina struck New Orleans, Obama spoke at Resources for the Future, a nonpartisan think tank on energy and the environment. Katrina had demonstrated how a natural disaster could deepen the nation’s energy crisis, shutting down Gulf Coast refineries and pushing gas prices even higher. "As usual, the American people are already way ahead of Washington," he said.

Whether it’s Galesburg farmers growing the corn that can fuel our cars or the Chicago factory workers making the microchip that lets us plug them in, people across the country have been taking America’s energy future into their own hands with the same sense of innovation and optimism that sent the Wright brothers into the sky, led Dr. Salk to a cure for polio, and fueled Henry Ford’s confidence that his workers could afford the cars they made. But for too long now, this can-do spirit has been stifled by a can’t-do government that seems to think it has no role in solving great national challenges or rallying a country to a cause.

This was not just a laundry list of policies about energy and security; it was an attempt to place the policy options in the middle of a bigger story about everyday Americans. Obama was trying to connect with an audience outside the think-tank world of Washington, and as the campaign polling suggested, it was something voters valued highly. "As we cut through all the talk and the politics in the energy debate, we can see what the debate is really about," he said. "We see the family that thinks twice about what they’ll spend at the grocery store this week, because they’ve been paying forty dollars to fill up the tank for the last month. We see the grandmother who isn’t sure how she’ll make her Social Security check cover January’s heating bill. The autoworker who isn’t sure what the future at Ford holds for him. And the mother who sees turmoil in the Middle East and worries that someday her son might have to fight to secure our oil supply. Ultimately, we see a nation that cannot control its future as long as it cannot control the source of energy that keeps it running."

In trying to please everyone and solve every problem, Obama handed his opponents plenty of ammunition. He had just voted for the Bush administration’s energy bill because it gave some support to alternative energy. Clinton would later attack his vote as support for President Bush and Vice President Cheney. McCain attacked the same vote for supporting ethanol subsidies and the oil industry. His post-Katrina speech also called for higher fuel efficiency standards, as well as support for American automakers to produce more hybrid cars—either through direct subsidies or by helping them with health care costs for their retirees. But there was one policy he rejected outright: more drilling. "We could open up every square inch of America to drilling," he said, "and we still wouldn’t even make a dent in our oil dependency."

He took the same approach to the Detroit Economic Club, four months into his presidential campaign, in a speech that he regularly cited as an example of delivering tough talk to America’s special interests. "I went to Detroit to insist that we have to increase fuel efficiency standards," he said to a group of voters in one early TV ad. "Now, I have to admit, the room got kind of quiet. We can’t just tell people what they want to hear. We need to tell them what they need to hear. We need to tell them the truth."

The story got more dramatic with each retelling, as the candidate turned his policy wonkery into political strategy. The only problem was
that the room in Detroit was not exactly quiet, as an anonymously edited YouTube video showed. His policies were crafted to help all sides: there were incentives for the industry to change its ways, and those proposals won applause from his audience. Obama could be an independent and innovative politician when he wanted to. He could also act like a politically skilful salesman when he needed to.

Both sets of skills were critical as his campaign skirmished with McCain's team over energy and the economy throughout the general election. McCain started the summer trailing far behind on empathy with voters. That deficit was partly the result of political necessity: he was straddling the line between supporting some of President Bush's policies and acknowledging the deeply disgruntled mood of the voters. Yet he continued to hedge on the economy even after he had secured the Republican nomination.

Soon after Obama's "bitter" comments, McCain attacked his opponent for being "out of touch" before describing an economy that was at odds with the experience of many Americans. "I think if you look at the overall record and millions of jobs that have been created, etcetera, etcetera, you could make an argument that there's been great progress economically over that period of time," he told one TV interviewer. "But that's no comfort. That's no comfort to families now that are facing these tremendous economic challenges. But let me just add...the fundamentals of America's economy are strong."

Strong was not how the economy seemed as it slowed and contracted through 2008. McCain sounded like he was cheerleading for Bush's economic policies, and at least one of his advisers compounded the problem. His economic adviser, Phil Gramm, the former Texas senator and economics professor, ridiculed those suffering economic pain in the early summer. Gramm was more than just another figure inside McCain's inner circle; McCain had chaired Gramm's ill-fated presidential campaign in 1996, and Gramm was now cochair of McCain's campaign. He spoke with authority on the economy, yet he dismissed talk of economic decline by saying the country had become "a nation of whiners." He told the Washington Times that there were small amounts of economic growth. "You've heard of mental depression," he said. "This is a mental recession." When challenged the next day, Gramm stood by his comments, insisting that the data did not point to a recession. The start of the recession would later be officially pinpointed to six months earlier, at the end of 2007.

Obama jumped on Gramm's remarks within twenty-four hours. It was an opportunistic attack but nonetheless effective, as the candidate tied his own childhood to the troubles facing regular Americans today. First he spoke of his mother's difficulties as a single parent. "I remember when she was young and still getting her degree, struggling to provide for us, worrying sometimes about how she was going to pay the bills while she was raising us and going to school on her own," he told supporters at a school in Fairfax, Virginia. "There were a couple of times when she had to swallow her pride and get some food stamps to make sure that we had enough to eat. So I know how hard it can be for a lot of women out there." Then he went on to attack McCain and Gramm together. "Senator McCain unfortunately doesn't seem to see the problem. He surveyed the Bush economic record and said we had made 'great progress' with the economy. Today one of his top economic advisors, former senator Phil Gramm, said that we're merely in a mental recession. I guess what he meant was it's a figment of your imagination, these high gas prices. Senator Gramm then called the United States 'a nation of whiners.' This comes after Senator McCain recently admitted that his energy proposals—for the gas-tax holiday and drilling—would have mainly 'psychological benefits.' Now I want all of you to know that America already has one Dr. Phil. We don't need another one when it comes to the economy. We need somebody to actually solve the economy. It's not just a figment of your imagination. It's not only in your head."

McCain added to his own troubles a month later when he struggled to answer the simple question of how many homes he owned. "I think," he hesitated, "I'll have my staff get to you." It may have been a gootch question but for the vast majority of people, it was not a difficult one to answer. "It's condominiums where..." he trailed off. "I'll have them get to you." The answer was not easy to pin down. His staff said four; reporters counted seven or eight, while some outside groups said ten. The same day, he told the conservative radio talk show host Laura Ingraham that the fundamentals of the economy were still strong.

Tipped off about the story a full day before it appeared, Obama's team was ready to take full advantage with a powerful ad featuring McCain's gaffe. They had been looking for a way to explain why McCain agreed with Bush's economic policies. Now they had the answer: he was so wealthy that he was totally out of touch. Obama reinforced the message as he campaigned in Virginia again, this time in a wooded picnic area outside a high school in Chester, south of Richmond. "If you don't
know how many houses you have, then it’s not surprising that you might think the economy was fundamentally strong,” Obama shouted into his microphone, feigning shock and surprise. “But if you’re like me, and you got one house, or you were like the millions of people who are struggling right now to keep up with their mortgage so they don’t lose their home, you might have a different perspective. By the way, the answer is, John McCain has seven homes. So there’s just a fundamental gap of understanding between John McCain’s world and what people are going through every single day here in America.” In southern Virginia, a battleground state rich in up-for-grabs voters, the economic argument was vital for the Democratic candidate. Obama could connect with undecided voters on their top priority while also trashig his rival as being out of touch—in terms of politics, personal values, and perspective.

There was an added benefit to the strategy: subtly suggested a candidate who was too old to understand the world. At campaign headquarters, David Plouffe insisted they had never discussed the idea of going after McCain on the question of age. But several senior figures working alongside Plouffe seemed to enjoy references to McCain’s age and infirmity, while one referred to him simply as “the old man.”

Whether age or temperament lay behind McCain’s response to the meltdown of the financial sector, his behavior was simply erratic. In the middle of the biggest crisis of the entire two-year-old election cycle, his statements and his behavior were off-kilter. He “suspended” his campaign to return to Washington to work on a rescue package, but stayed in New York City. He promised only to return to the trail when the crisis was resolved, but resumed campaigning well before that point. And he threatened to miss the first TV debate, but showed up all the same. When he finally sat down in the White House to debate the rescue package, he remained silent for most of the meeting. Obama’s team collectively and theatrically rolled their eyes at their rival’s histrionics. “We’d be saying the same thing if he was forty-two years old,” said Plouffe. “The response to the economic crisis wasn’t about age at all. It was about impatience.”

Obama himself seemed bemused and surprised by McCain’s “suspension” of his campaign, coming minutes after a phone conversation in which the candidates agreed to issue a joint statement on the crisis—and defer all talk of halting the election. “Can you believe this? I just got off the phone with him,” he told his aides at his debate camp in Florida. “A president has to be able to do more than one thing at a time.”

In contrast, Obama savored the opportunity to call economic experts and walk deep into the weeds with Clinton-era officials like Bob Rubin, Larry Summers, and Gene Sperling. Their analysis was shocking. Unemployment could rise into double digits, as high as 10 or 15 percent—levels far higher than the worst of the early-1980s recession. If he weren’t such a serious-minded politician in the first place, the dire warnings would have sobered up even the most optimistic candidate. “Obama stepped up his game during the economic crisis and McCain looked lost,” said Pete Rouse.

McCain did not help his cause by elevating a single, unvetted voter to become the mascot of his campaign. At their final TV debate in Hempstead, New York, the two candidates debated intensively about their economic plans. But more precisely, they debated the tax position of one Joe Wurzelbacher, otherwise known as Joe the Plumber. Wurzelbacher turned out to be neither a trained nor licensed plumber, nor was he called Joe (his real name was Samuel). But he was a hero in the conservative media for confronting Obama at a campaign stop near Toledo, Ohio. There he told the candidate that he wanted to buy his plumbing business but faced higher taxes under the Democrat’s plans. After a long discussion about Obama’s tax proposals, Wurzelbacher asked the candidate if he supported a flat tax. Obama said no, explaining that the rate would need to be too high for average workers, and that richer people (including himself) should pay more. “My attitude is that if the economy’s good for folks from the bottom up, it’s going to be good for everybody,” Obama said. “If you’ve got a plumbing business, you’re going to be better off if you’ve got a whole bunch of customers who can afford to hire you, and right now everybody’s so pinched that business is bad for everybody and I think when you spread the wealth around, it’s good for everybody.”

Spreading wealth around is one of the fundamental principles of a progressive tax system. The wealthy pay higher rates of tax than the working poor, and those taxes disproportionately help those at the bottom of the economy by paying for government programs. But in McCain’s retelling, the phrase became a socialist nightmare. “You know, when Senator Obama ended up his conversation with Joe the Plumber,” he said at the TV debate, snatching at his words, “we need to spread the wealth around. In other words, we’re going to take Joe’s money, give it to Senator Obama, and let him spread the wealth around. I want Joe the Plumber to spread that wealth around. You told him you wanted to
spread the wealth around. The whole premise behind Senator Obama's plans are class warfare, let's spread the wealth around. I want small businesses—and by the way, the small businesses that we're talking about would receive an increase in their taxes right now."

Obama calmly tried to explain that almost all taxpayers would get a tax cut under his plan. Only small businesses making more than $250,000 a year would see a tax rise (and even those would only pay more tax if they chose to pay personal income tax, not corporate tax, on their business profits). "I want to cut taxes for 95 percent of Americans," Obama replied to McCain in the TV debate. "Now, it is true that my friend and supporter Warren Buffett, for example, could afford to pay a little more in taxes." At which point, McCain grew even more exasperated. "We're talking about Joe the Plumber!" he declared.

McCain wanted to talk about "Joe the Plumber" until election day. Speaking to a Miami radio station two weeks later, the GOP nominee was asked if Obama's policies were socialist. "His economic policies are clearly those that have been used by other countries that you could describe as socialist," McCain said. "I mean redistribution of wealth, take money from one group, give it to others, is a fundamental principle of some of these 'socialist' countries. . . . That's what George McGovern wanted to do, that's what Jimmy Carter did, and we're not going to do it." Obama responded with a touch of humor at a huge outdoor rally in downtown Raleigh, North Carolina, just days before the election. "Because he knows that his economic theories don't work, he's been spending these last few days calling me every name in the book," the candidate said as he wound up for the punch line. "Lately he's called me a socialist for wanting to roll back the Bush tax cuts for the wealthiest Americans so we can finally give tax relief to the middle class. I don't know what's next. By the end of the week, he'll be accusing me of being a secret communist because I shared my toys in kindergarten. I shared my peanut butter and jelly sandwich." If Obama and his team sounded relaxed about the socialist line of attack, that was because they had polled and focus-grouped the term down to its underwear. "It's excessive," said David Plouffe. "We've exposed people to the socialism thing in any number of venues and people reject it out of hand. They say, 'I might not agree with him on taxes, but I don't think anybody running for president is socialist.'"

As the attacks rained down, the candidate seemed energized. Unlike his performance during the primaries, he grew more engaged in the economic debate as it dragged on. Inside campaign headquarters, his aides saw a clear difference from six months earlier. "He was intellectually engaged in this challenge because it's so immediate and so complicated and so consequential, both politically and substantively," said Pete Rouse.

The politics of the final stretch were consequential but not entirely accurate. As the recession took hold, the candidates presented an exaggerated caricature of each other and an understated picture of the economy. Obama wanted to turn the United States into North Korea; McCain wanted to hand the federal budget to big corporations. The economy was deteriorating through each week of the closing phase of the 2008 election. Yet neither candidate shared with voters what to expect from a long-term recession, or even depression. Perhaps they were unaware of what was going on in the real economy, or perhaps they feared that such dire warnings were unlikely to win them any votes. The economic debate amounted to neither straight talk nor change we could believe in. The only question was which caricature would lose the day.

The disparity between the needs of a campaign and the needs of the country were painfully obvious in midtown Manhattan on the morning after the New York debate. Even at this late stage of the election, Obama needed cash to sustain his vastly expensive, and privately funded, campaign machine. So he shared his insights with around one hundred high-rolling donors over breakfast under the gilded opulence of the Metropolitan Club, established by the great financier, industrialist, and robber baron J. P. Morgan. Sitting at one of the round tables was James Wolensohn, the former investment banker and ex-president of the World Bank. Standing along the wall was Richard Parsons, the former CEO of Time Warner and one of the most prominent African Americans in the Republican Party. Each of the guests paid more than $30,000 for their seat. "I don't need to tell the people of New York that we are going through the worst economic crisis since the Great Depression, and families all across America are frightened," the candidate explained to New Yorkers with tens of thousands of dollars in spare cash. "They're frightened about their jobs. They're frightened about their savings. They're frightened about their ability to send their kids to college."

The financial crisis was a real-time test, and the voters formed their judgments of the candidates as the economy ground to a halt. The polls moved within a narrow range for the last month of the election, but the
conclusions were clear. Obama had demonstrated that he could be pragmatic and nonpartisan; that he could master policy substance in Washington and street politics on the trail; that he could be calm and cautious in a crisis yet a rule breaker in times of trouble.

Winning a two-year-long election was just the beginning. Now all he had to do was lift the economy out of a deep recession, rescue the collapsed financial system, end two long wars, halt climate change, and fix the nation’s health care. There was little that was conventional about the scale of the challenges that awaited him. To tackle them all, he would need the common sense of a political outsider and the sensibility of a Washington insider. For now, the making of a renegade president was complete. Soon it would be time for the president to remake the world.