

## Dole Institute of Politic Post Election Conference

### Session Four: The General Election, Part One

*Panelist:*

Geoff Earle	Adam Nagourney	Nate Silver
Christian Ferry	Kelly O'Donnell	Jonathan Earle,
Steve Hildebrand	Matt Rodriguez	Moderator
David Kurtz	Ed Rollins	Bill Lacy, Moderator
Joe Lenski	Sarah Simmons	

**Billy Lacy:**

Thank you all for coming tonight. We're ready to start with our third session. This will be General Election Part One. I'd like to make four brief announcements at the outset. Number one, please turn off your cell phones, we would greatly appreciate that. Number two, as in the two previous sessions we will have question and answers at the end of this session. Please queue up in the back of the room to the microphone in the corner. We will take as many questions as we can. For our panelist, two things, please speak into the microphones so we not only get you on our video but so everyone can also hear in the room and secondly, the scope of tonight's session will go through the Democratic Convention. We'd like to start tomorrow with the day after the convention. There's a reason for that, it's called a serial. We want everyone to come back tomorrow morning to find out what happens. So we'll try to draw a little bit of an artificial line there.

Let me introduce, just very briefly, the participants. To my left, again appropriately, is our associate director Dr. Jon Earle here at the Dole Institute. Steve Hildebrand, campaign manager for President elect Obama. Matt Rodriguez, Western Regional Director for President Elect Obama. You're not Geoff Earle, that changed, Adam Nagourney from the New York Times. Then Geoff Earle from the New York Post. David Kurtz from Talking Points Memo. Joe Lenski from Edison Research. Joe is an exit pollster and was actually part of our 2006 Post Election Conference and we're delighted you could come back Joe. Then Ed Rollins, my long time friend. Ed and I've known each other for longer than either of us would care to admit, he is a Republican Strategist. Nate Silver from fivethirtyeight.com. Kelly O'Donnell from NBC News. Sarah Simmons, Deputy Director of Strategy for the McCain Campaign. And then Christian Ferry, who was Deputy Campaign Manager for the McCain Campaign. We're going to start this evening, again in alpha order of campaigns, and have each campaign to present their path to victory for the General Election. The McCain Campaign presentation I believe will be made by Sarah Simmons.

## **Senator McCain's general election campaign**

### **Sarah Simmons:**

Well I want to say, first of all, Christian got to tell his Dole Intern story. I too was a Bob Dole intern but when he was in the Senate Republican Leader's office. I'm a big Dole fan and it's a real honor to be here. As a kid that grew up in Lenexa, Kansas just a mere thirty miles away. I'm pleased that my parents and my friend Tom Rollins are here to be a part of the audience tonight. So thanks for having us.

I'd like to talk a little bit about our strategy during the general election. We were in a little bit of a different position than the Obama campaign. We wrapped up the primary election at the beginning of March. We had a period during March and June that provided a bit of a series for us. First, and I think Christian talked about this a bit so I'll try not to re-hash it too much. We had a little bit of a period at the end of our primary season that we still had to be involved in elections. We woke up Wednesdays thinking "are they going to drop out today?" No, we still had to defeat Huckabee and Ron Paul with some trickle of phone calls or direct mail or this little bit of radio we were running to make sure that we won by a big enough margin to not be embarrassed by MSNBC the next morning about how the election went down for us.

Other than that our biggest challenge between Super Tuesday and June 3<sup>rd</sup> was trying to drive a message. We were competing against the most interesting primary election on the Democratic side that they've seen, certainly in a long time. We would get out and say, "this is what we're going to talk about today" and the story would be, "John McCain is competing today in this very close race with Mike Huckabee in Virginia." Which we won by a blowout at the end of the day, by any other measure. So trying to run a traditional campaign where we were trying to drive a message was very very challenging.

Our basic strategy in the spring time before Obama was the official nominee was to set up a series of theme weeks that were interesting, that were colorful, that would be fun for the press to cover. We did one week that was sort of reintroducing John McCain based on his life story. We started off the week at McCain Field talking about his family history and their history of service to the country. It was the service to America tour? I always get the names wrong because we had internal names that we were like "oh, we can't call it that."

### **Ed Rollins:**

Share those with us.

### **Jonathan Earle:**

Yeah, you're invited to share them

### **Sarah Simmons:**

The next one I for sure won't remember the real name. So we did that. We ended up talking about his whole life and talked about how he got to where he was. We did a day at the Naval Academy where we talked about who he was and how it got him to be a guy that's going to put his country first. The next series of events we did, it's not called the forgotten places tour. What did we call it...

**Kelly O'Donnell**

Call for action

**Sarah Simmons:**

Yeah, call for action tour.

**Bill Lacy:**

Thank you Kelly.

**Kelly O'Donnell:**

I was on all of them.

**Adam Nagourney:**

Do you still have the bag tag?

**Kelly O'Donnell**

I do probably.

**Sarah Simmons:**

We went to this place called Gee's Bend. It's a little island where a bunch of African-American women make quilts. It's this interesting success story, both as an economic story and as a place that most Americans wouldn't know that this is still happening. It's part of American heritage. It was actually great press, the pictures that came out of it, and every campaign operative in the world would tell you that a picture tells a thousand words. So you have these great pictures of John McCain walking with these older African-American women and they're giving him quilts and they're singing him songs. It was actually an amazing story for us and I think it was fun for the press to cover, which always gets you a little bit of a better story. But it took a huge amount of effort to organize those tours and what we found out was it still wasn't nearly as much press in comparison to the other campaigns, what the Democratic primary coverage was getting.

So we battled through driving a message through the early part of June. I think one of our not so great days was the day that Obama won the primary. John McCain was going to get up and give this great message driven speech. It was a well written speech, but it was going to start to drive the contrast between who these two candidates were. We decided to do it on this interesting green back drop. Some of you may remember it. I think it was a speech, frankly I don't know if he didn't have enough time to practice it or if he wasn't comfortable with it, but it probably wasn't the best speech that he ever gave. Not by his account or by any of our accounts in the campaign. It was a flub in a big night when we actually had all the cameras on us and had an opportunity to really drive a message. So that was the beginning of June.

In June we knew that the biggest obstacle Barack Obama faced was experience and the choice was, "gosh, we really need change, things are really messed up in our country," the right direction/wrong track question that we look at in polling to decide if people want more of the same was at a dramatically low level. Our question that we were

trying to figure out through survey and focus groups was “are people really willing to take the risk on somebody who doesn’t have any experience?” And we were finding out that people were saying, “I might be willing to take that risk. I might be willing to risk his inexperience for the chance of change.”

As we ventured into July Barack Obama took that huge trip. I think that was a big boost in his credibility. You could see the numbers change overnight on that trip. We prayed everyday for a misstep. The biggest misstep they had was that Barack Obama decided not to go to a military hospital in Germany and we really maximized what we could out of that. The other part that was really interesting about it was that he gave this big speech in Berlin in front of throngs of people. Watching it, what became apparent to the strategist on our campaign is that this is not a guy that just a candidate or just a movement, he’s actually something that’s more akin to a celebrity. We started working on how to put that into a strategy.

We came up with the now very famous/infamous ad that featured Paris Hilton and Britney Spears talking about this guy being a celebrity. What we were trying to do is take his obviously biggest strength as a candidate who can draw a crowd, can motivate people, you know can get people excited, and we wanted to turn that into something of weakness. Actually, the beginning of that celebrity ad was released that at the very end of July, if I’m not mistaken. It all runs together. We released that ad and I think that was actually the beginning of our best run. From there until the end of the Republican Convention was our best run of the campaign. So the end of July, beginning into August, we set up for the Democratic convention and basically drove message through the end of the Convention. I think we limited Barack Obama’s bounce to a large degree. He had about a five point bounce coming out of the Democratic Convention that was otherwise a great convention. But everyday we drove a message. We released ads that talked about how he didn’t believe that Iran was a threat. We just highlighted some of the security messages. We highlighted the celebrity image and showed he was a guy who wasn’t in it because he had the experience to lead but because he was a celebrity. I think that was the best part of our campaign. So with that, I’ll kind of wrap up.

**Christian Ferry:**

If I could I’d like to add one other piece of strategy that we did during this time period that will probably ignite more discussion later on. We made the decision at this time that we were going to accept public financing for the General Election. What that meant was we were going to have to rely a great deal on the Republican National Committee, on their ability to put a victory field operation into effect. We were not going to have the resources to hire 1000 people on the ground in Florida, which was a daunting fact when I found out later in the campaign that the Obama campaign was doing that.

**Steve Hildebrand:**

It wasn’t a thousand.

**Christian Ferry.**

Well that’s what we heard.

We were not going to be able to do that sort of stuff as a campaign. In partnership with the Republican National Committee we were going to be able to do a lot of it. Not to

the extent that the Obama campaign was able to do, but we were able to use the RNC to supplement our field staff as well as our media. We decided we were going to run a series of fifty/fifty hybrid ads which meant in a thirty second spot, basically fifteen seconds of your ad had to be dedicated to the Republican Party. If you look back on that you might say that with the brand of the Republican Party it was a difficult thing for us to have to do. But that period right after winning the nomination was a real period of integration with the RNC in a way that we didn't go into the RNC and throw everyone out. We didn't install our own leadership in the RNC. The RNC had already raised a significant amount of money. They fully funded the Presidential Trust which is about \$20 million. They were ready, whoever was going to win this nomination, to start turning the field operation on, to start opening offices, hiring victory staff. And we decided that it was not a good idea to try and make wholesale changes there, but that the RNC was in great shape. We decided to really integrate our efforts with everything that they were doing on the media side, on the field side, and on the fundraising side a number of joint fundraising committees. From there on out, really after March 4<sup>th</sup> the RNC and the McCain campaign were one organization.

**Sarah Simmons:**

I do think that is really one unsung success story out of this campaign, is that our field organization wasn't as large or robust as the Obama Campaigns, largely because we just didn't have the finances even with the combined stuff. We made more phone calls at the end of the day, I can't brag about this organization enough. We made many more phone calls than the Bush Campaign did in 2004 and sort of blew out all of our goals in a very very dramatic way, which I think is not as interesting of a story when you compare it to...

**Christian Ferry:**

And it's not as interesting because we didn't win

**Bill Lacy:**

Well thank you guys

**Sarah Simmons:**

Christian is sort of a downer tonight.

**Senator Obama's general election campaign**

**Bill Lacy:**

Let's turn to Steve and Matt to talk about Senator Obama's path to victory.

**Steve Hildebrand:**

Well it's good to see you guys. Contrary to some public opinion, we weren't by all accounts 100% sure what was going to happen on election night. There were some thoughts that the McCain campaign had given up, that the Obama Campaign felt that the McCain Campaign had given up. I don't think there was one person in our organization, including our candidate, that felt like you guys for one second took your foot off the

pedal. You know, we worked as hard on election day as we did every single other day of the year.

I said this earlier, but we started planning for the general election in a serious strategic kind of planning way about eight weeks before Senator Clinton exited the race and we went through, as was trademark in our campaign, and took it very seriously. Is this going to be in the New York Times tomorrow Adam?

**Adam Nagourney:**

It's over, the whole point of these things is to be candid.

**Steve Hildebrand:**

You'll read it in David Plouffe's book. While we were trying to fight out these final primaries with Senator Clinton, the benefit we never thought we would have, the benefit we had with the campaign was our financial advantage. With that financial advantage we had the ability to hire a very large staff. And so we had a large headquarters staff and a huge staff in all of these states. We spent an incredible amount of time. We had a whole team devoted to planning the General Election, the initial parts of it. Things like what the staffing structure should look like, what states we were going to target in a very serious way, where our best opportunities were going to be, how we were going to raise the money. I say this a little bit factiously, but not entirely.

Once our campaign had the benefit of resources we sort of got, I don't want to say greedy, but we always wanted everything. The common joke in our campaign was while we were raising unprecedented amount of money in the election, if you wanted a yard sign, you had to pay for it. We sold virtually all of our paraphernalia, we got a lot of complaints about it but in the end it was the right thing to do. When David Plouffe came and said, "I think you can safely put a general election structure based on \$475 million," "300 million of it would come from the campaign," I've got to remember these numbers, "150 million from the DNC and the rest from Democratic Parties putting money directly into the Democratic Parties in the targeted states totaling 475. So, put together a budget based on that figure. On those three figures, put together three separate budgets for those entities and put together three separate fundraising plans." It was daunting. Our first crack at the budget was more like 600 million. As I said, we got a little greedy at times. So, it was difficult to pair it back to 475, which is sort of a joke.

**Sarah Simmons:**

I'm sure it was.

**Jonathan Earle:**

Everyone else is shaking their heads in disbelief.

**Steve Hildebrand:**

Look, we had our own disbelief about this. We made a very early decision before the primaries were over that in the General Election we were going to extensively change the map. We made the decision to add a whole bunch of states into the battleground that are traditionally not in the battleground. There was a lot of disbelief, also, in whether or not that was a head fake and whether or not it was real. From our standpoint it was never

a head fake. We had polling, research and ground strategies, I'm sorry not strategies, evidence that we could win every single place that we were going into. The press sort of joked that Nebraska splits their Electoral Votes based on Congressional districts. We thought we could win the second Congressional District, which is Omaha.

We got a lot of crap for suggesting that we could win there. North Dakota, Montana, Indiana, North Carolina, Virginia. There were just a lot of these places that we made the decision that a lot of people thought we were a little bit crazy for. We did it because we thought we could win. We had the opportunity to win in each and every one of those places. We did it because we wanted multiple strategies to get the nomination and not just rely on the typical Democratic battle plan, a plan which insists that you win either Ohio or Florida or both. We wanted to make sure that we had multiple ways to get there. We also did it because we had the resources financially as well as volunteers to go into those states. We did it in part to try and get the McCain Campaign to stretch their resources. We were on TV roughly nine or ten weeks in places where the McCain Campaign did not go on the air. I think it provided us the opportunity to have a base of knowledge about Barack established before they ever had the resources to go on the air in these states. I think it really helped us.

I said this earlier. We also started, I think it was May 5<sup>th</sup>, where we kicked off a fifty state voter registration drive that a lot of people thought was a head fake. We knew it wasn't. We weren't going to do that. There was not reason for us to play those games. We had a desire to expand the electorate in a dramatic way in these states or we weren't going to win. We did it in all fifty states because we also wanted to help other candidates for the Senate, for Congress, for Governor and for the Legislature and we had the volunteers in these states to help us do it. That was a very important, fundamental, operational strategy that everyone in the campaign, including the candidate, embraced. We put a lot of effort and resources, we spent a lot of money on the internet advertising in non-traditional sites to get people aware the registration was critical for the win.

**Jonathan Earle:**

Fantastic

**Matt Rodriguez:**

I just want to add something just to put a little meat on the bones. We knew early that we had paths to 270 that McCain probably didn't have. You looked at the map and it was pretty clear early that New Mexico and Iowa were in good shape. At that point they pretty much had to run the table. States like Nevada gets us to 269, Colorado gets you over 270. I don't want to go through all the math but basically we knew we had multiple ways to get there.

There were three V's. It was voter protection, volunteers and voter registration. Just go give an example, in Nevada, I forget the exact number, but in 2004 Bush had something like it was 20,000 more or 15,000 more Republicans than Democrats. When we finished our voter registration drive by law, when it closed, there was a 111,000 vote advantage. That was incredible and that was replicating itself everywhere, putting states like Georgia that we didn't win into a much closer category. I don't think that can be overstated. At the end of the day the greatest predictor of how your going to vote is what your party ID is so we were changing the map every single day. The amount of money and the

fact that we had a fifty state primary and an organization that we could turn on like that, an organization who knew what they were doing and were plugged in. I don't think that can be overstated because Steve and I were getting the reports everyday. 5,000 registered this weekend in Nevada, 10,000 in Virginia, 30,000 in Georgia. It was just a constant engine that was almost self sustaining and paid huge dividends by the time we got to November.

**Ed Rollins:**

What total do you think you registered? How many?

**Steve Hildebrand:**

I want to make sure that people understand that we didn't do all the registration. We had a huge emphasis on it. Our staff, as well as volunteers, spent an incredible amount of time doing it. There were also third party groups doing it. We learned coming out of the Pennsylvania primary that there was an incredible amount of organic stuff happening. People, through awareness, went and registered on their own. I think we can safely get credit for about a third of the voter registration that took place. I'll be brief. There are three good examples of states. We took the Democratic advantage in Pennsylvania from about 600,000 to 1.2 million. We took the Florida advantage to 230,000, something like that, to 650,000. In Colorado it roughly ended 1/3 Democrat, 1/3 Republican and 1/3 independent. But the most interesting piece out of that was at the end of the day there were more registered voters under the age of thirty than there were sixty plus. That changed the electorate in that state in a fundamental way. The final thing that I'll say about the registration, the exit polling will show, I hope you verify this since you're the expert and I'm not, I'm just reading from your exit polling, in virtually every battleground state in the country 18 to 25 year olds represented a larger percentage of the electorate than 65 plus.

**Joe Lenski:**

That was even more so in the battleground states. In Pennsylvania, Florida, Colorado, the states you concentrated on, that was even more so.

**Christian Ferry:**

It was big, what we were seeing during the period after we had wrapped up our nomination and yours was still going on, as has been mentioned on a number of panels. We were watching this ongoing democratic primary and saying a couple of things. One, gosh I'm glad I'm not doing that because I'm exhausted already and I don't know how these guys are continuing to fight the primaries every week, going on for three months after our nomination was wrapped up. But they also had an incredible advantage because that was continuing to go on, not just in the media attention that Sarah addressed, but also in building the organizations and in generating this voter registration and voter turnout and excitement on the Democratic side that just wasn't replicated on the Republican side because there was no race going on.

## **On the value of the extended Democratic Primary**

### **Jonathan Earle:**

This leads me into a question that I want to open up to the rest of our panelist here. I've heard a lot about how everything with the extended Democratic primary was great for the Democratic Party and, as a Democrat, I don't remember feeling that well. Yet, hindsight being 20/20, with all Barack Obama was exposed to with seed organizations that were developed in places like Indiana and North Carolina that ended up flipping those states, what I want to ask you guys on the other end of the table is what was your sense of the political environment after the nominations were wrapped up? Was it good that the primary campaign, on the Democratic side, went on all the way until June 5<sup>th</sup>?

### **Adam Nagourney:**

I'd say it was good but there were definitely some doubts. There were some awfully brutal exchanges between Clinton and Obama. There was a lot of distance between Clinton and Obama. I think they would have had a lot of trouble bringing their supporters on had it not been for the selection of Sarah Palin, which was really bad for you guys. It was a good thing but I don't think it was that apparent at the time and lots of Democrats were freaking out over it. But the thing was, again, you here stories about them coming out of states where they have extensive operations built up, that paid off in the end.

### **Christian Ferry:**

Had the rift between Senator Clinton and Barack Obama continued than it would have been a problem. But I disagree about whether Sarah Palin was the reason that it came back together. I think well before, well not well before she was picked, but it came back together at that convention. It was an extremely successful convention when the Clintons and the Obama campaign came together. And you had the economic collapse and a reminder to all those Democrats who might not have been 100 percent comfortable with Barack Obama that we're on the wrong track or George Bush is leading the country in a direction we don't want to go. I think that played a huge role in bringing the Democratic Party together. The rift that we had tried to exploit, and we really had some good hope for exploiting, particularly in Pennsylvania, didn't materialize on Election Day. I think it was a lot of what Barack Obama and Hillary Clinton had done together to bring the party together.

### **Joe Lenski:**

The polling data indicates that the rift was pretty much healed, at least by Election Day. Our polls showed that only sixteen percent of those who supported Clinton in the primary voted for McCain. There were polls in May that were 25, 30 percent of Hillary Clinton supporters.

### **Jonathan Earle:**

I didn't mean to get us to far forward into the fall.

**Ed Rollins:**

First of all I think both of them became better candidates. Hillary was a tremendous candidate. Up until Pennsylvania I think your candidate was a little bit timid. He got much stronger after that Pennsylvania debate. He grew in stature. You can test it big time and it prepared you very well for the fall where you never were timid. So I think it worked immensely for you both from the organizational perspective an equally important in training the candidate.

**Steve Hildebrand:**

I think in some respects Barack really got his sea legs during the Indiana primary where we had to fight basically the three way fight with Clinton, McCain and Obama on the gas tax and his position being different than the other two. Frankly it's typical Barack in that he had huge confidence in his position being the correct one, I think he really gained a lot of confidence.

**Geoff Earle:**

This is also the period at the tail end of the Clinton-Obama struggle where Clinton really effectively honed her attacks and effectively paved the way for what to do about Bill Ayres, for how to make that argument, "I'm the one that has the experience." These arguments that she figured out immediately started popping up as soon as the nomination battle was over, coming from you guys on the McCain Campaign. I can't tell you how much I was sitting there watching TV after being on the trail and hearing lines and saying "I've heard that before, that's Hillary's attack."

**Sarah Simmons:**

I think its naïve to thing that the Obama Campaign was doing tremendous amounts of research, \$21 million as my pollsters always remind me, compared to our much smaller number. We were doing research too and a lot of that is what people repeat back to you and say, "what's your hesitation? If you're still unsure about why you're going to vote, why is that?" And they say "it's because he represents change and I don't know what change could be. It could be something bad. And number two, yeah, he wants change but does he really have the experience to do it." The minute we lost the sort of experience advantage in terms of attributes, it was the most serious problem we had.

**Adam Nagourney:**

Was the Hillary Clinton experience to you an indicator that the experience argument was going to be problematic?

**Sarah Simmons:**

Yeah, it was problematic, which is why we tried a bunch of other stuff. The underlying thing that remains true, true with the first focus group in January 2007 when I was with the campaign and the next series of focus groups I did when I came back to the campaign and the very last series of focus groups I did in September and October, voters were saying the same thing about Barack Obama. The ones that were unsure were always concerned about his experience.

**Adam Nagourney:**

It wasn't experienced or not experienced, it was whether or not he had enough experience. I think what the Clinton people discovered was that the voters finally realized that even though McCain clearly has more experience than Obama and Clinton had more experience...

**Sarah Simmons:**

The environment was so bad that it was worth the chance.

**Adam Nagourney:**

...and also that they'd had enough. That's what the debates did for him as well.

## **Republican fundraising**

**Bill Lacy:**

Let's isolate the McCain campaign for just a few minutes. You guys touched upon a couple of these factors in your opening remarks. Tell us a little bit about, and then we'll shift over to the Obama campaign, tell us a little bit about the fundraising. You mentioned the mood of the campaign and those celebrity TV ads to really strike the mood. Talk about when Steve Schmidt came into the campaign. Speak to the political environment because I think that needs to be reviewed in some depth.

**Sarah Simmons:**

I think across the board, Republican political consultants that I've talked to who've been in this business for a long time have said the same things. Number one, the worst right direction, wrong track in the history of asking the question in American politics. The first person to ask that question asked it in the early 1960s. The numbers we saw on our internal surveys, the people who did our survey research joked that they only time they had seen numbers that low is when they did polling in Bulgaria, which is hilarious until you're on our campaign. Combine that with an incumbent President who's party we shared that has the lowest job approval rating in history. Mix that in with job approval of House and Senate, which by the way, most people still think Republicans control, which is also the lowest in history. Mix in there a global economic meltdown. Now you have a candidate who's 72 years old and the media, god bless you all, are in love with our opponent. From our perspective, and we can debate that later on as we go, I would say it was a very difficult media environment for us at best.

Ultimately we were up against a political environment that I think, Christian and I had this conversation on the plane on the way back from Phoenix, well gosh, at least it wasn't that last \$100 thousand that we put into media in Indiana that was the death of the campaign. It was a pretty dramatic political environment, not to say, you guys did amazing things. We were out spent in Florida, just for an example, \$19 million from the Obama campaign to \$10 million from us. Dramatic dramatic differences in terms of what we were up against. Money, the political environment, the whole thing.

**Ed Rollins:**

Did you think you could not raise the money? Is that why you took the matching funds?

**Sarah Simmons:**

We took the matching funds because John McCain wrote the bill that provided the matching funds.

**Ed Rollins:**

I understand, but you violated it in the primaries.

**Sarah Simmons:**

We didn't violate anything in the primaries, the Federal Election Commission actually just said it was ok, so...

**Adam Nagourney:**

I think Obama gave you, when Obama turned down the matching funds you guys had a path to do it. In retrospect do you think that was a mistake?

**Christian Ferry:**

I think at the time we started thinking about fundraising for the general election, unlike the Obama campaign, we were not thinking about the General Election eight weeks before our primary was over. It was, "we just won Texas, oh my god we're the nominee, let's get the thirty people who actually work on this campaign together and try to decide what we're doing next." We were a small hodgepodge organization that, while we weren't an insurgent campaign, we were kind of operating like one. So we had to get ourselves organized and get going. And what we started to see in the fundraising is that we actually started raising a good amount of money, but never to the extent that the Obama campaign was able to raise. I think it would have been very much against John McCain's brand to reject the public financing in the General Election. We can sit here and discuss whether or not we should have done that. I think the bottom line was that John McCain was not going to do it, so it wasn't really an issue for discussion inside the campaign.

Could we have raised more than \$84 million? I think after Sarah Palin joined the ticket fundraising really skyrocketed. We probably could have raised more than \$84 million and we had great success raising money at the RNC. You just couldn't use the money raised at the RNC in the way that the Obama campaign was able to use all of their resources.

**Sarah Simmons:**

I want to pivot off that for one second. The combined commercials, the commercials that we did that were with coordinated money, as Christian said, fifteen seconds for supporting the party, fifteen seconds for us. Well actually, for most campaign commercials thirty seconds is about sixty words. The last ten words are a disclaimer, so now you're down to fifty words. So we were at the point that sometimes we were counting words. I was in the script approval process and I'd be counting and it would

come down to, “okay we have 23 for the party and 25 for us. Do we add some words to the Republican or do we somehow subtract some words that say Obama is bad?” I can’t tell you how many hours we probably wasted doing that when we should have said, “okay, we’re going to release that money and let the RNC do whatever they want with it,” which was probably going to mean they were going to put it into some other kind of expenditure, or are we going to sit here and battle about these two or three word differences with our very persnickety but effective lawyers?

## **The role of Steve Schmidt**

### **Jonathan Earle:**

Let me get back to the Steve Schmidt part of the question that Bill asked, because it seemed that during the summer, which you guys said was your best run, when Steve Schmidt became kind of the message Czar and things changed on the campaign. There were a lot less of those free wheeling press conferences on the bus, the message seemed much more tightly focused. What was going on from everyone’s point of view during that summer period that Sarah mentioned?

### **Christian Ferry:**

Let me just address two points of that. One was the mood inside the campaign. You said that towards the end of the campaign people thought that McCain had given up. We never did. We always believed that there was a path to victory, from March 4<sup>th</sup> when we wrapped up the nomination to the election. Enthusiasm within our campaign remained very high. People were fired up, excited. People recognized the incredibly difficult atmosphere that we were operating in but through that summer period into the general election and right up to that point of economic collapse we were running tied or ahead in the polls in an atmosphere that was really really difficult for Republicans. So, the mood inside the campaign always remained very strong and very positive.

On Steve Schmidt and him “coming into the campaign,” I’m not really sure that’s an accurate way to describe it. Steve had been a part of our campaign for a very long time. He’d been a part of our campaign in early 2007. So, Steve had always been a part of the campaign. We had a group that had made most of our decisions together and Steve was always a part of that team. I think that he took on a bigger role in the messaging department and in kind of scheduling and message driven events. But I’m not sure that the whole idea that Steve jumped into the campaign at this point is exactly correct. Steve had been a part of the team and remained a part of the team for the entire time.

### **Sarah Simmons:**

I’d agree with that. I’d also say that one of the things that was really remarkable, as much drama as we’d had in July of 2007, which was a lot – I think both Christian and I could attest that that was not a fun time to be around there – but when Steve took over day to day operations or became the message Czar, what I thought was remarkable was the lack of drama. He and Rick had a staff meeting basically told everybody that some people’s assignments were rearranged but ultimately it was a much stricter messaging operation. It changed how we scheduled everything. It probably ruined everyone’s life that was used to being able to talk to John McCain on a regular basis, just reigning that

in. Because we found that the way John McCain likes to campaign is by doing town hall meetings. You kind of alluded to this before, he'll take all comers which, is part of the beauty of John McCain. If you ask him about autism in children he'll answer to the best of his ability. If he doesn't know the answer he's going to find it for you. What that means from a campaign perspective is that it is impossible to drive a message about taxes, the economy or the war in Iraq. He wants to answer the question of the person in the audience, it's very important to them. He wants to make sure that he's making them feel very very important.

Ultimately that makes it a lot more difficult to get a message from the campaign. So we did eliminate a lot of the day to day press conferences. We developed a lot more discipline about how we planned events, where we were going, how we were going to do things, how everything was going to roll out. I think that was hard for McCain on some days. He wants to talk to everybody, wants to answer questions, wants to be in touch. He wants to answer people's questions. It's just who he is as a human being. I think that's part of what's really great about him. I think that's what's commendable about him. We had to change that going up against a campaign that we knew was going to outspend us by dramatic numbers. We had to take every opportunity we could to try and drive the message that we wanted to drive.

**Christian Ferry:**

And the Obama campaign was incredibly good at message discipline and I'm not sure I've seen a campaign as good at it as your campaign was. We were now facing a very different set of circumstances running against Barack Obama than we had been in the Republican primary where there were six other candidates. The message needed to tighten up. You go into the day wanting to talk about national security and national defense and the media wants to talk about something else and if the media is there asking these questions all day long you have to end up answering these questions. I always thought it was funny, there were all these articles saying, "oh the McCain campaign has changed and us poor reporters don't get to ask questions anymore." But the reporters and the way news organizations work is the reason that we had to change the way things happen. I think there's a mutual kind of back and forth as to why things change.

**Sarah Simmons:**

There's a natural adversarial relationship, I think.

**Kelly O'Donnell:**

Well it did change a lot. One of the great things about covering a candidate like John McCain is that he was quite unusual in national politics. He would talk to you every day at times for such a long time that you'd have to say, "excuse me Senator, I have to go." At times you would run out of questions, which was when we got into some very interesting things that you never talk to candidates about. For example, I didn't know that he had been a Jeopardy contestant. We got down to that kind of level of background. He enjoyed telling stories. So if you're a political reporter and you have access to someone who's been on the national stage for this long and you can ride in the bus and hear him tell stories, give you some insight into how he thinks, and then be able to interpret what he says in front of a groups of voters based on your conversations, it's enormously

valuable. We all also understand how it can derail what you want to do. And so while I think reporters were very frustrated, we understood why the decision was made. You could certainly see that Senator McCain felt frustrated. There were many times that he would say, "I'd really like to talk to you, but you know." And you knew that there might be a point later on, we certainly did interviews with him. He was accessible on the record periodically, but it was much more controlled.

**Nate Silver:**

It seems to me that the in between would be to have one message but to have it be John McCain's message. Sometimes it felt like it was a more generic Republican, Steve Schmidt message and not John McCain's message.

**Kelly O'Donnell:**

For example?

**Nate Silver:**

Well, the celebrity thing, which I think was effective in the short term. That's not really McCain's brand. If you're concerned about campaign finance and not going with public financing being against his brand, well so is Britney Spears, I think.

**Sarah Simmons:**

I actually thought that was completely consistent with his brand. He was saying that he was a guy of substance. We were running against a guy who had basically gotten into this race and had turned into a celebrity such that reporters didn't ask him serious questions. Voters would parrot back his message with, "we'll fix that economy with a dash of hope and a splash of change." Part of our argument was that there wasn't a substantive message coming out of the Obama campaign. I think that is a reasonable thing to discuss on a political campaign. You guys probably disagree, I hope you disagree, but I think that's a reasonable thing to be discussing on a campaign.

**Christian Ferry:**

We decided early on, and I'd be curious to know your thoughts, that this campaign was about Barack Obama. This was a change election. We've said it over and over again. The primaries were about change. There was going to be a new direction and a new president and change. From our perspective this campaign was going to be about Barack Obama. If Barack Obama could clear the hurdle and show that he had the experience, that he had what it takes to be President of the United States, chances were he was going to win this election. The celebrity ad, you say that is not John McCain's brand, but it wasn't about John McCain, it was about Barack Obama.

**Nate Silver:**

This is where I disagree. If you look at the head to heads with Obama and other Republican candidates back in the primaries, Romney was losing to Obama by 12 or 15 points. Fred Thompson was losing by 12 or 15 points. Giuliani was losing by 10 points. Only McCain was competitive in the first place. That says that it is a lot about McCain.

The things that make McCain not Mitt Romney were important and some of those were lost.

**Christian Ferry:**

I would disagree. I mean, this was a change election. Looking back on primary polling to make that conclusion is useful but at the end of the day it was going to be a match between someone who had won a Republican primary and someone who had won a Democratic primary and at that point you've got to reexamine the race and look at it all over again.

**Sarah Simmons:**

Barack Obama's candidacy changed between the primary and the general election too. I think he became, I do think the process was very good for him as a candidate. I think he became stronger. He became more articulate. He became better at delivering his message. I watched a lot of the primary debates and there was a lot of "um" and "uh." You guys are right, he is better in a long format because it's difficult for him. I don't know if it's difficult for him or if he wasn't as practiced at delivering his message in a short format. I also think that's like comparing apples to oranges.

**Christian Ferry:**

I do believe that in this environment John McCain was a particular kind of Republican who had a chance to win in this difficult environment. But in order for him to have that shot people needed to come to the conclusion that the change Obama was offering wasn't the direction the country needed to go.

**Bill Lacy:**

Let me follow up on that because I think Christian said a very good point and I'd like to hear from people who aren't on the campaigns on this. Do you guys feel that this race was ultimately about Senator Obama proving that he was ready for the job?

**Adam Nagourney:**

Totally, I completely agree with that analysis.

**David Kurtz:**

I think that that was largely true, from my perspective. But from my own perspective it seemed to me that McCain still had a very viable shot to win this election despite all of the difficult circumstances that you're talking about. Part of what ruined the brand, and we probably need to talk more about tomorrow, was the reaction to the economic crisis. Before that point, during the summer, when he was polling ahead going into the Democratic Convention, it still looked like him winning was a very likely outcome. Not that it was a done deal. But it seems, from listening to you, you talk about the challenges during that period when the Republican primaries were done and the Democrats were still going. And that is certainly true from a messaging standpoint, but it seems like there were some unforced errors. The rearranging of the whole messaging strategy in the campaign later that summer, the green screen incident as well. In retrospect, are there things that you could have been doing to lay the foundation for the

general election that you wish you had done? They were talking about the voter registration drives that they were doing and some of the more basic, foundational, campaign work that was being done in that time.

**Sarah Simmons:**

I think retrospectively, yes, if we had had unlimited access to cash. Christian made a point earlier that I want to make sure to follow up on because I think it is important for everybody to recognize. I came back to the campaign the 28<sup>th</sup> of January, the Friday before the primaries. When I came back to campaign headquarters to take my seat at my desk I had to step over 16 different internet cords. I unplugged one underneath my desk. I unplugged Trevor Potter's, our general council who sat at the cubicle next to mine. We had about fifty people. Right? Not counting people in the field? There were about fifty people in the headquarters. We would wake up every Wednesday morning and it was like, "oh crap, we've got another primary next week. We have to beat these guys again next week and we have to beat them by enough so we don't have a nasty story about how we didn't beat them by enough."

We had that in one pot, and Rick and Christian I think were a part of trying to figure out how to we build out the rest of our campaign structure within our resource limitations. Do I wish we had been able to start a giant voter registration drive in April or in March? Yes, we didn't have resources for that at that time and neither did the RNC.

**Christian Ferry:**

We could have done it in New Hampshire and South Carolina. Those were really the only places we had staff.

**Adam Nagourney:**

These issues aside, one of the things that I was sort of struck by during that period, I didn't see you try to build any kind of ties to other people in the party and you didn't reposition yourselves on some issues. For example, and I think these guys could talk to this, by the time the general election came ahead he was vulnerable on the tax issue because Obama was able to say he wants to cut taxes for the wealthy. Why not use that period when we aren't paying attention to sort of change your tax plan a bit so there is some tax relief for middle class voters? I'm interested in hearing what you guys think about this, but Obama won the tax issue, which is amazing.

**Sarah Simmons:**

I think he did too.

**Christian Ferry:**

I think he did and I think a big part of him winning it was his ability to take our healthcare plan and say that it was a tax increase.

**Adam Nagourney:**

Could you have preemptively done something? Could you have talked about it? Did you realize it was going on? During that period could you have adjusted your own plans?

**Christian Ferry:**

We probably could have. We were, like I said, a small staff trying to do a lot of things at once. One was build a fundraising structure to get us through the next period because on March 4<sup>th</sup> we were \$3 million in debt. Two was recruiting people into the campaign to take over field jobs, to run states, to run the RNC victory operation, to integrate ourselves totally into that. I think we built a very robust field organization through that period. We opened hundreds of offices where they hadn't existed on March 4<sup>th</sup>. By the time the end of June came around and we were really starting to go head to head we had our infrastructure in the field.

We had built a field organization inside the campaign where we had taken some really senior folks who had run states before or run field organizations before or been regional field directors and we really gave them a lot of power to run tactical campaigns in their field operation as they saw fit to implement the strategy. That kind of got warped in the press as to what we were trying to do. We were not saying to our regional campaign managers, "you guys go run your own campaign and pick your own media spots, run whatever you want in your regions." That wasn't the point of it. The point was to find very experienced folks who could integrate what was going on with communications, what was going on with finance, what was going on with political, and bring all of that under one manager in the field rather than just saying, "ok the regional field director is in charge of political operation and the regional communications director does communications." It was to make one person responsible for everything that was going on. It took a lot of playing around with different strategies to figure out how to put it together. I think we were effective in it. I think we built a good field organization that competed against a team that had nearly unlimited resources, a lot more staff, a lot more offices.

**Sarah Simmons:**

I'm sure it was hard to cut from 600 to 470.

**Obama's summer of 2008: the celebrity ad, public financing and a trip to the Middle East**

**Jonathan Earle:**

I want to turn to the Obama folks. If you want to address some of those points that were made, I think you'll have an easy time doing it. But I also want, before we get to things like vice presidential vetting and things, you to tell us about things in the campaign like the decision to forgo public financing, the world tour to the Middle East and to Europe and how the campaign planed to manage this rift with Hillary Clinton's folks. We also want to add two other things that I want to talk about both today and tomorrow. You mentioned ground game in the last session, planning for the eventual ground game and how technology became a central part of the Obama campaign over the summer.

**Steve Hildebrand:**

I'll say one good thing and one bad thing regarding the earlier comments. One, the good thing regarding the celebrity ad, I was spending the bulk of my time leading up

to the convention in Denver, where we were running television ads, unlike Chicago where we weren't. Every night when you turn on the TV to watch the late news or whatever you would see these ads. It was the first time during the general election when I started to worry. I thought, "if they can brand him as a celebrity and not as a leader, we're going to be in some serious trouble." I was very consumed with the convention so I wasn't thinking about what the response should be but our smart folks back in Chicago were. In hindsight, I don't know, about two weeks after you stopped running that ad, I thought our response should have been very simple. The reason 15 thousand people show up to see Barack Obama at a rally is because they are hungry for change, it's not because he's a celebrity. We should have enlisted our ground forces to rise up and criticize you and say that he's not a celebrity, he's the leader we need at this time. Hindsight is hindsight.

The comical thing, which is sort of mean to say in this setting, the difference between your headquarters and ours was that we were about 230 people over fire code at our headquarters, which we never wanted to let out.

**David Kurtz:**

I was specifically told that I couldn't report that when I went to headquarters.

**Steve Hildebrand:**

The happiest people in the campaign were those that didn't have to exist in those headquarters, which is why I went on the road almost all the time.

**Jonathan Earle:**

World tour, forgoing public financing, some of the big decisions of summer '08.

**Steve Hildebrand:**

I'll do public financing if you do world tour. I'd say the decision about public financing was about 95 percent to forgo public financing and about 5 percent figuring out how much we were going to get punished for breaking a commitment that Barack had made, that if his opponent in the general election took public financing he would too. In the end, polling over the years has suggested that people don't really care where your money comes from they just want to know what kind of leader you're going to be, as long as it's not completely illegal or unethical. The fact that we had the ability to go out and say that we had X hundreds and thousands of donors that we relied on, I thought it was pretty easy.

**Matt Rodriguez:**

The trip overseas is what I think you would imagine with Barack. As Adam points out, there was always a threshold with Barack through the primaries and the general that he needed to cross. It existed on a lot of different levels. It existed politically, if this guy gets into Washington can he be a leader, can he lead overseas, what kind of credible voice does he bring to the table and can he be president.

To respond a little bit to the substance comments on Barack or his lack of substance, I tend to totally disagree. I thought that put the McCain campaign into somewhat of a rhetorical trap. This campaign was fairly substantive. The fact is that

McCain was on the wrong side of a lot of these issues. I don't think you can say on Iraq policy, on Iran policy, talking to dictators, tax policy, deregulation, when the economy started falling apart or the healthcare plans, they spent a lot of time saying it wasn't substantive or it was all rhetoric. That set up after the trip, which gave him a lot of credibility, having him on stage with Senator McCain and holding his own if not winning. I think it ended up vaulting him forward frankly, so I don't think it wasn't substantive. Barack was where the voters were. I think he crossed the threshold not only with the Middle East trip but in the debates when, in most people's minds, he looked competent, calm, able to lead. That pushed us forward even more. Once the economic meltdown happened we were there to stay. So I just disagree that it wasn't substantive.

**Sarah Simmons:**

The only thing I would say about that, having sat through countless focus groups and asking what does Barack Obama think about X policy and literally having voters... I remember doing focus groups in Pennsylvania right after the primary, you guys had been on TV, Hillary had been on TV. It wasn't like it had been an absence of message driven communication to voters. Voters that had voted in the primary said, "I don't really know about the taxes, I don't really know about healthcare," and they couldn't parrot it back, not that parroting back means your being substantive or not, but they couldn't talk about policy in any sort of way that they had any idea what you guys were talking about. Maybe that was just the primary.

**Christian Ferry:**

But I think one thing they could do was say that he's different than George Bush and he's change. Which in the end was pretty substantive and enough to...

**Sarah Simmons:**

It was significantly substantive.

**Joe Lenski:**

You can explain just about every state on that one measure, Bush approval. In our exit poll Bush had a 27 percent job approval, which is what all the pre-election polls. McCain won every state but one where Bush's approval was 30 percent or above. If George Bush's approval rating had been 33 percent or something, you guys would have actually been in the game. The fact of the economic meltdown sent Bush's approval rating down to 27 percent. You had 23 points to make up over Bush.

**Sarah Simmons:**

The double edged sword of that was that everyday the economic meltdown was on TV, George Bush was on TV which, as you said earlier, had a direct impact.

**Kelly O'Donnell:**

There were times that you had an event and Bush had an event at the exact same time. There appeared to be no coordination. It certainly was not helpful for Senator McCain to have the President come out and dominate something and blow him off the air. It was puzzling to me that there was not more coordination.

## **Negative advertising and considerations on President Bush**

### **Steve Hildebrand:**

Something we learned late in the general election when I thought we stood a pretty good chance of winning was in our focus groups, what voters were telling us – these were obviously undecideds – voters were telling us, “we like Barack Obama, we like John McCain, we now understand what kind of change Barack Obama wants to bring but all we see from John McCain is negative ads. He’s running 100 percent negative ads. If he would just tell us,” this was so telling, “if he would tell us what he’s going to do as opposed to trying to tear his opponent down, because we don’t know what he’s going to do. We like him, we would probably support him, if we just knew what he was going to do.” And I thought, “keep running those negative ads.”

### **Sarah Simmons:**

Here’s where I think our media plans or our best laid intentions ran into a big problem. Because of your spending advantage you all had the ability to run a positive set of ads and underneath be beating the ever loving bejebes out of us. You could do both because you had significant enough resources to drive those messages. We didn’t have that ability and on top of that our ability to drive messages was cut in half by these sort of coordinated ads we were doing with the RNC. So not only did we only have 30 seconds to drive our message, we actually had 15 seconds to drive our message in this sort of obscure construct that campaign finance lawyers have come up with for how to use those coordinated funds. I think that was a legitimate thing. That’s one reason why around the second week in October, first week in October we said we don’t want any more RNC coordinated money, that joint spending. We’re going to go ahead and spend our money. We don’t want any more hybrid. We’re just going to go ahead and do our thing and they can do whatever they want with their money.

### **Christian Ferry:**

The other difficult thing regarding what you were just saying about focus groups, if we had gone out there and just run ads on what John McCain is going to do it still would have been a contrast between what Barack Obama says he’s going to do. This is what John McCain says he’s going to do and this is what George Bush is doing, which of these two is actually closer to George Bush? Being a Republican and being a conservative and having a philosophy that is close to George Bush than Barack Obama is ever going to be, we were never going to out change Barack Obama.

### **Steve Hildebrand:**

No but you could separate yourself out. John McCain is a different kind of leader than George Bush is.

### **Christian Ferry:**

I agree with you totally.

**Steve Hildebrand:**

He has different positions on how to solve America's problems. There are enough examples to provide a voter to say, "this is what I want to do. This is the kind of President I will be, different than the one..."

**Sarah Simmons:**

I think fundamentally though, our clearest path to victory was making sure that Barack Obama was disqualified to lead based on experience or his position on the issues.

**Nate Silver:**

I think maybe it's a necessary step but it's not sufficient. People still need to have some kind of alternative or they might not vote at all or they might vote for a third party or something else. I think you have to present some kind of baseline alternative.

**Sarah Simmons:**

I don't think it's fair to say that we weren't presenting any kind of baseline alternative. John McCain didn't go out and attack him, he went out and drove a positive message.

**Nate Silver:**

That's not really an attractive alternative because the climate is different for Republicans.

**Sarah Simmons:**

Hold on a second, we did present a relatively attractive alternative. We won close to fifty percent of the vote. Just from a structural standpoint let me say what I'm trying to say anyway. When John McCain went out on the stump, what he did was drive a positive message. Our television message was negative because I think that was our cleanest path towards victory. So to say that we weren't representing any sort of alternative I don't think that's accurate. Not to mention all of our surrogate activity, like when Romney went out and he probably did some attack and some positive.

**Nate Silver:**

But the fact that you guys ran a campaign that Romney could have run. What was making it a McCain campaign by the time you got to September or October and not a generic Republican campaign?

**Christian Ferry:**

John McCain.

**Sarah Simmons:**

Yeah.

**Nate Silver:**

But we were seeing a lot of Sarah Palin and a lot of negative ads.

**Kelly O'Donnell:**

I don't agree with that. I lived with it day in and day out.

**Bill Lacy:**

Let me interrupt, because I want to change the course of the discussion. I think you guys will agree and I think the Obama folks will understand this too, if you had had unlimited funding for your campaign you could have spent a lot of money on positive ads. One of the keys to your success was that you ran so many positive ads that the negative ads didn't look like they were out of proportion or anything.

**Sarah Simmons:**

He ran long format positive ads where he got to talk for sixty seconds and he, all of the stuff that was said before, he's amazing in front of a camera. He's a great communicator. Whenever he spoke he was reassuring. We ran through all of these scenarios in our campaign: could we say taking the chance on Obama was too scary or that it was a risk for our country? All of these kinds of things. Ultimately we kept coming back to the fact that when he gets in front of the camera there's nothing about the guy that seems terribly inexperienced, nothing that says he doesn't know what's going on. He's not making these huge gaffs when he gets in front of a camera, so I think from a strategic standpoint that was a huge advantage that your candidate and your money gave you.

## **The state of the election before the Democratic Convention**

**Bill Lacy:**

Let me shift gears for a second, and Kelly I want to start with you and just go around to the panelist that weren't associated with campaigns and ask this: going into the Democratic Convention, give us your quick assessment on where the race was and what you thought was going to happen. Then we're going to talk about the democratic convention and then we're going to open it up to questions.

**Kelly O'Donnell:**

I think one of the challenges for John McCain from the period of March to the Democratic convention was that much of his schedule was driven by fundraising. You went to places where you had fundraisers. They are not always in battleground states, they aren't always in places where you needed to have him be present. Much of his days, very long days, were spent doing those things. He would do local media and appearances, but you had to devote a lot of time to trying to raise money.

You in the Obama campaign also had the tremendous benefit. You rightly identified change early. You had the advantage of that message where you in the McCain campaign had to flail at times to find what would work. You didn't do country first until very late. There were lots of other themes, and so it struck me that John McCain's identity, he was well known, he was well regarded in many respects. At that point he seemed competitive in a way that it was possible, but there were a lot of structural challenges. It was not as smooth as what you had in the Obama campaign, which was a function of the candidate and your moment and your image. It all seemed to gel. Not that

you didn't have your challenges too, but those things were certainly helpful. Having to refocus issues was obviously a challenge.

**Nate Silver:**

I thought going into Denver Obama was in a bit of a slump. You guys in the McCain campaign were a little bit stronger in terms of messaging and stuff like that. It was stuff that we haven't talked about like offshore drilling. I thought that was one of your most perfected moments. I thought we would also see some consolidation of the Democratic base in Denver, that he might get the larger bounce out of the convention, which wasn't true. I was wrong about that. But I didn't think that Barack had a great summer in particular.

**Bill Lacy:**

Ed, make sure you speak into the mic for me.

**Ed Rollins:**

I think John always had a very difficult task getting away from Bush. That was the challenge for any Republican. I don't think any other Republican could have done a better job. The uniqueness of McCain is that he is independent, people know that he's a significant leader, his personal story is a great story. I think the campaign really was about whether Barack Obama could become an acceptable alternative. The debates allowed that to happen. It's real easy to second guess a losing campaign. I've been in them and I've been in winning campaigns and it's too easy to get credit. But I think you guys ran a brilliant campaign for whatever reason it was, money, resources, thousands of people in your headquarters or you were smart or you were an outsider and it was a new campaign. You stole the brand of change. You beat a very significant candidate in the Democratic primary and you became a very strong candidate by the general election.

I don't think John defined himself beyond that initial story. I think you missed an opportunity, for all the reasons that you lay out here from March through the convention. There never was an energizing the base. You were going after independents. You were going after money, that's what you were really going after. There wasn't the reaching out to Huckabee. There wasn't the reaching out to Romney. At least in their vision there wasn't the reaching out. I think your choice of VP energized the base again. You had a very competitive race. I think it was always yours to lose and at the end of the day it was always going to be that three or four percent. The economy just finished you off.

**Bill Lacy:**

Joe

**Joe Lenski:**

A lot of the polling data that we were looking at was from the primaries at that point. It was clear from all the polling data that a generic Democrat would beat a generic Republican this year with approval at 27 percent and wrong track at 75 percent. All that meant a generic Democrat would beat a generic Republican. The question for Obama at that point was could he perform up to the Democratic potential this year? Would the Hillary supporters come back? Would the lower income, lower educated democrats come

back? There was tons of talk at this time of the Bradley Effect. Would the racial influence be masked in the polling? It turned out it doesn't look like that was the case at all, but in August that was the talk in the polling community. So there were all these uncertainties about in the exit polling data from the primaries. Would Obama be able to coalesce the Democratic base to the point that a generic Democrat would beat a generic Republican? And the final numbers turned out pretty close to what a generic Democrat and a generic Republican was going to be this year.

**David Kurtz:**

Yeah, I thought going into Denver that it was still a very tight race, very competitive and that, in fact, since the arrival of Steve Schmidt and the tightening up of the message and the much more hard hitting focus on the Republican side, that Obama had been off balance. There was a lot of talk in Democratic circles about you guys not fighting back hard enough and rhetorically not amping it up to match the level of negativity because, I think at that point we were the first to report, they had gone 100% negative in their ad buys, so there was a real concern. Obviously it was very successful as a convention, and we'll never know the answer to whether the more studied and aloof responses to the attacks would have hurt him, because it turned out with the economic collapse it just worked perfectly, especially with the cancelation or suspension of the McCain campaign. It worked perfectly to overcome any concerns about him not being suited. Between that, and we'll get more into this tomorrow, and the Sarah Palin pick it utterly eliminated the experience question, which was all the McCain camp had going at that point. I think the race was over at that point, but certainly not going into Denver.

**Geoff Earle:**

I think the race was pretty much Obama's to lose all along. By this point he had such a massive organization. The money was coming in, each month it seemed, more than the next. He had this long primary that we talked about. Even during the tail end of this primary he was dominating the news cycle. You guys were left, you had well thought out and scripted activities but those kinds of things just weren't breaking through. I do think it was just an incredibly tough road. But I view this brief period we're talking about where you guys took a lot of heat from going negative on the air, I was just amazed at how this was the one time in the campaign that you guys in the McCain campaign seemed to be setting the agenda. And you guys were on what must have been a shoe string budget. I take your word on how many people you had in the building, but each day for a period of two to four weeks a web ad comes out, it's not even up on the air and hundreds of papers are covering it. So, you did have Obama on his heels for awhile but it wasn't a sustainable sort of push.

**Kelly O'Donnell:**

And when you ran positive ads, they did not get the kind of attention.

**Sarah Simmons:**

They got no attention. We did release positive ads. They didn't get points behind them but we did release those in hopes that they would get coverage.

**Geoff Earle:**

The numbers were stark though right? You had a limited budget and you were trying to bloody him up.

**Ed Rollins:**

I think when he hit that three point basket it was the turning point. Part of that image was he was bowler who couldn't bowl. Shot that basket, just changed the image.

**Bill Lacy:**

Adam do you have any comments on the status of the campaign prior to the convention.

**Adam Nagourney:**

I was going to steal, what was that John McCain line when he used to go last in debates? I feel like Elizabeth Taylor's eighth husband, I know what to do but none of it is that exciting. John McCain's line, not mine. I agree with Nate. I think Obama was in a slump during that period. I think that was the best period you guys had in the general election. That was the only good period you guys had in the general election, frankly, with one other exception. The idea of putting off Sarah Palin until the interim between the two conventions was really smart. It's what limited the bounce more than anything else. The question I look at is which campaign did a better job, however you want to define the period at the end of the primary campaign to the general election. The more I think about it, the more I thin these guys at the Obama campaign did. Sorry, I know you had some problems and turmoil in the campaign and resource problems, but in terms of what I was talking about before, repositioning, building an organization, I'm just not convinced that you took as much advantage of that period as you could have.

The trip was a big deal. I think it gave you ammunition for extremely effective ads and it gave you an opening. The question is was it a net gain? I think at the time it was a net gain. That's the way this campaign was, even though I guess you were flipping out during that period.

**Sarah Simmons:**

It was a net gain. I think absolutely it was a net gain.

**Adam Nagourney:**

It wasn't clear at the time, but I remember thinking that you've got to think about the general election and the fall. At some point people will forget the celebrity ad but they will remember images of him meeting with foreign leaders. The last point I would say...

**Sarah Simmons:**

The pictures on that trip were amazing.

**Adam Nagourney:**

Those were amazing except for that rally, the Berlin rally.

**Sarah Simmons:**

That was true, because we really did drive the message on that for 72 hours. That was pretty good for us.

**Adam Nagourney:**

Obama has a pattern that we discovered. Again, tell me if you guys disagree. He sometimes goes into these lulls. If he's not feeling under pressure he sometimes gets unfocused. We saw that during that period in August. Somebody wrote a really good column about this and knowing Obama I knew at some point he was going to kick in and this is tomorrows, which I think is what happened when the economic crisis happened.

## **The Democratic Convention**

**Jonathan Earle:**

We are going to open to some questions, so if you have one you can move to the mike but I want to finish with maybe short-ish answers from you guys. Did the Democratic Convention in Denver meet the strategic and political objectives that you had? There were some pretty daunting ones potentially.

**Steve Hildebrand:**

Until the next day when Sarah Palin was announced, yes.

**Bill Lacy:**

Talk about that tomorrow Steve.

**Steve Hildebrand:**

We recognized early on that there were several benchmarks in a general election that mattered more to the endgame than anything else. The convention was one of those, the debates, the vice presidential choice. You know, there's a hand full. We took the convention very seriously. Our message team, god love them, sometimes they fell apart sometimes they didn't, they had a very difficult time coming to a decision on what the program should look like each of the four nights. Nagourney, if you report this, I'll kill you.

**Adam Nagourney:**

There's too many people here. No one cares anymore, it's over.

**Steve Hildebrand:**

They're my friends.

**Christian Ferry:**

Get the guy a drink.

**Sarah Simmons:**

Where's that wine?

**Steve Hildebrand:**

There was one point, several days before the convention, we were debating at what point Stevie Wonder should sing on Thursday night. I was about ready to kill myself.

**Adam Nagourney:**

Was the debate over whether it was after Obama?

**Steve Hildebrand:**

Is it primetime, is it before primetime? It was ridiculous. I was asking, “seriously, that’s the most important thing we have?” The convention. We were trying to do the convention, we set out with a desire to do the convention in a little bit non-traditional way. We ended up probably 2/3rds non-traditional and 1/3<sup>rd</sup> traditional. We intended not to have every politician in America give a 30 minute speech. In the end, we had virtually every politician in America, except the Republicans, we had one, show up and give a speech.

What we tried to do was mix in real people. People who could get up and tell their stories, really compelling stories and talk about why they’re supporting Barack Obama. I think we had 18 to 20 over the course of the four nights. By all accounts, some of the best feedback we got about our convention from people that were at the convention were the compelling stories told by these real people who frankly, if I had to get up in front of 80 thousand people and speak I would have been scared to death. These people got up and told very compelling stories. They were incredible.

I’m gong to tell a Chuck Todd story, NBC News. As I was leaving Mile High Stadium after the convention on Thursday night, pretty much everybody in the press corps, pundits, the people that were there, the people that watched it on TV were saying that was the best convention Democrats have ever had and it was a proud moment. I ran into Chuck Todd for the first time in the four days of the convention and I said, “why didn’t you guys cover, why did you guys always take a break and bring it back to the pundits instead of televising the real people speeches?” And he says, “because no one cares about them.” It was a moment where I got a little bit disillusioned with cable television, not that I hadn’t in the past, but I am a big fan of MSNBC.

**Christian Ferry:**

I’m sure you are.

**Steve Hildebrand:**

Several hours a day. But it was a real telling point, where there were certainly pundits and producers and network executives thought that their pundits and their reporters were more compelling to people than the American voices that were being provided at the convention. I thought that it was a real missing piece that the American people didn’t get to see, these very compelling people. I mean, these were people who got up and made people cry because of their stories. And it’s what we thought the election was about. Not about whether or not we postured ourselves properly or if a pundit on TV was going to say good things or bad things. It was a disappointing moment.

Moving the convention on Thursday night to Mile High Stadium was high risk in all aspects. Were we going to turn out 80 thousand people? We had huge criticism from the networks who were building huge and expensive sets with technology and everything else at the Pepsi Center in Denver and now we were asking them to forgo that on the most important night and set up different operations in Mile High. We felt that they would get a lot better pictures, frankly, and we could continue to argue it. It was also going to add about \$6 million in cost to our convention when we were about 30 million behind in our fundraising as we were making the decision.

In hindsight and one of the things that I'll give our campaign a lot of credit for, when we built a large crowd, it wasn't just about building a large crowd and having a lot of people hear a speech, but we always made organizational moments. Whether it was the 18 thousand people who showed up in South Carolina to hear Barack and Oprah or the world's largest phone bank asking everyone in that stadium or arena to make phone calls to undecided voters, or whether it was the text messaging and everything else that we did at the convention. That was very important to us. In the end we asked those 80 thousand people to leave the stadium and go help get Barack Obama get elected and devote as much of their life as possible to do it. So in the end it was high risk. I think we would have gotten a much larger bump out of that convention had it not been for a Friday announcement.

## **Questions from the audience**

### **Jonathan Earle:**

Which we'll talk about tomorrow. Let's get to the Q and A from the audience. We'll start with Judge Joe Pierron.

### **Question:**

I'm better known in university circles as Mr. Dianna Carlin. What puzzles me is that the Democratic Party had a great candidate, a great staff, a great battle plan, mountains of money, an unpopular President and an economic meltdown but with all that the popular vote was still relatively close, even though the electoral vote was pretty spread out.

### **Steve Hildebrand:**

The popular vote, if I remember correctly, we won by 8.5 million.

### **Ed Rollins:**

It's actually more than that now. It's about 9 million.

### **Steve Hildebrand:**

9 million. So it wasn't that close.

### **Ed Rollins:**

It's the biggest Democrat margin since Lyndon Johnson after the Kennedy assassination. There's only been three democrats that have gone over 50 percent since. Don't underestimate it.

**Sarah Simmons:**

It was huge

**Ed Rollins:**

Don't underestimate the victory. It was a big victory.

**Bill Lacy:**

We'll be exploring a lot of those factors too tomorrow Joe, so we'll get back to that. Ann.

**Question:**

Hi, I'm Ann Gardner. Obviously both of these campaigns assembled wonderful staffs that ran the day to day campaign but I'd be interested in hearing from both sides about the role of the candidates in the specific day to day decision making processes. How hands on were they and how much did they leave to other people in the campaigns.

**Steve Hildebrand:**

Great question.

**Sarah Simmons:**

We were filibustering before, so we'll let you guys go first.

**Steve Hildebrand:**

As we were leading up to a decision, Barack's decision as to whether or not he was going to run for the presidency, the only real race he had ever run – and you could argue that it wasn't that real of a race – was his race for the US Senate in which he basically assumed the manager's role, the political director's role, the communications director's role. By all accounts, he managed that race. There was certainly a discussion about what kind of candidate are you going to be, leading into the Presidency, the Presidential race, I should say. Are you going to let go? Are you going to let your team, with your input of course, run the day to day operations, make the bulk of the decisions and trust them to do the job that you're hiring them to do? And, I got to tell you, he assumed his role and the candidate and with rare exception did he deviate from that. I think in part it was because he had Valery Jaret, David Plouffe, David Axelrod and a whole lot of people around him who were a strong team with low drama and did the kind of job he wanted them to do. So, he was good.

**Christian Ferry:**

I would say that Senator McCain also allowed the staff to run the campaign on a day to day basis, to make a bulk of the decisions but quite frankly, we valued his input and we asked for his input on a lot of key decisions. If you go back to our primary campaign, he was not very engaged in the day to day role of the campaign and that was one of the things that kind of changed in July. It was not so much that he got involved in day to day management but we started to rely a lot more on his instincts and his judgment.

The focus on the surge – and I hate to go back to the primaries so I apologize, but I think it’s relevant in answering this question – the focus on the surge was not really a decision that the campaign made. John McCain was going to go out and do that. The campaign decided to trust John McCain’s instincts. Nine times out of ten he is right. Maybe 9.5, 9.6 of the time he’s correct on that. What we did was really try to find a way to make the campaign work and follow his instincts. I think we did the same thing, often in the general election. He was involved in those decisions because we did trust his judgment. We did trust his instincts on those issues.

**Sarah Simmons:**

I think a lot of times on commercials and stuff the situation was such that we think this is the direction we’re going to go, everyone in the room agrees and Rick or Steve are in a position to call John and say “we’ll let you know if that’s the direction we’re going to go.” I wouldn’t have ever described it as meddling or disruptive or anything like that. That’s the best case scenario. At the level of candidacy we’re talking about, it’s nearly impossible. Christian had a lot more line item authority to deal with budgets and that kind of stuff but everyone had enough in their own lane with our relatively small staff that there wasn’t a lot of drama. I think we were pretty low drama. I wasn’t going over to the political department and saying, “you guys should do this” and they weren’t coming in and saying, “here’s how you should do the polling.” Usually if someone had an idea, they tried to present it in a productive, good way. Not by saying, “you guys are screwing up the political shop, here’s the twenty things you should do.”

**Steve Hildebrand:**

I would add one other thing, which is any time we ever sort of navigated into difficult waters it was always Barack Obama who pulled us out. It was his foresight, his intellect, his judgment. Whether it was the speech on race that he wanted to give and did a masterful job with or the reverend Wright situation. He was the one who said, “I want to go tell the press right now that regarding Sarah Palin and her family, family should be off limits.” That was his judgment, his decision and it was smart and strategic. I would really say, when there was trouble, he pulled us out.

**Matt Rodriguez:**

Just very briefly, because I don’t want to take too long on this question, there was one point in the campaign – Barack was great about letting things run, he would come to New Hampshire and do the states or do whatever he was doing in Chicago – but there was a time I remember in August or September in the primary that we weren’t doing well and I remember Nagourney’s piece about why it was not going well. It was sort of a pseudo obituary. A full-blown obituary from Adam Nagourney. Barack did get involved at that point. What was great about Barack is he just had a very good feel for how the organization was running at any point, a good feel for the people that were working for him. It was enough for him to say, “there is a problem, we’re not winning, we’re losing, what do we need to do differently.” He had very specific conversations. Everything with him was a matter of degree. Everyone would always say that we need to be more negative on Hillary or McCain. He was very good at not listening to the echo chamber but at the same time not ignoring it. At that point it looked like Hillary was running a

fantastic campaign. He didn't have a panic attack, but he also knew that he needed to make some changes. At that point he didn't have a problem saying, "this is my campaign and I'm going to get involved." It's hard to navigate, to thread that needle and most candidates can't. I thought he did a great job.

**Bill Lacy:**

On that note we'll conclude tonight. I want to make a couple quick announcements. We'll begin our session tomorrow morning at 9:15. Continental breakfast is at what time? 8:30 continental breakfast for everyone here. I want to thank all the members of the Dole Institute team, they've done an awesome job putting all of this together. Lawrence Bush, who's handled all of the AV, all of the student workers, the whole staff, but I especially want to single out Maggie Mahoney. Maggie, stand up. Maggie coordinated all the details and the logistics of this conference and took care of our wonderful guests. We'll have a video of this up on our website in the next couple days and we'll have a pdf available as well for distribution through our website. If you would, join me in thanking our panelist for tonight's discussion. Thank you for joining us, we'll see you in the morning. Thank you very much.