This one sentence in President Barack Obama’s victory speech brings together a number of the most important aspects of the historic events that took place on Election Day 2008. The most prominent factor, and one that may send the strongest message, is the fact that the United States has an African-American president for the first time in its history. But deeper in Obama’s remarks are other facets of our most celebrated election in decades that should not be overlooked. President Obama spoke of what “we” did. He could have been talking about a number of features of the campaign, but the two most likely are the record-setting voter turnout and the amazing grassroots efforts he and his campaign team executed in areas like voter registration, fundraising, and get-out-the-vote efforts. Finally, we cannot forget the way in which Obama got
elected, which is found in the last part of this: change. This is not a unique strategic message from a candidate from the party out of power; if he weren’t arguing for change, why should voters choose him? Rather, Obama was arguably the most effective candidate to ever use that message (even more so than Ronald Reagan).

In this article, as the title suggests, we will take a brief look back at the 2008 election and consider why it turned out the way it did, and look ahead to 2009 and beyond to consider the prospects for the new Obama Administration in both domestic and foreign policy. The challenges that confront President Obama and his team early in their first term are not only some of the most demanding that an incoming president has had to deal with, but are also likely to affect what he and his team can accomplish during his time in office.

**Why Obama?**

*Issues break his way*

There are any number of factors that can impact an electoral result—candidate characteristics, candidate issue positions or strategic decisions, voter turnout, world events, etc.—and many dynamics were certainly at work in 2008. Barack Obama’s positions on the war in Iraq and foreign policy in general, tax, energy, and health care policy (as well as others) early in the Democratic primary helped secure his base; his charisma and promise of change attracted many “independent” voters. It is also hard to overstate the importance of the nearly flawless campaign he and his team of advisors ran; this was in stark contrast to the mistake-filled campaign run by his opponent, Sen. John McCain. George W. Bush certainly played a role, as did the damage that the Republican brand experienced. Leading up to Election Day, Bush had Nixon-like approval ratings, and 85 percent of the country believed the country was “on the wrong track.”

However, one development likely assured his victory: the
economic collapse in mid-September. The events surrounding the economic meltdown fit exactly with the Obama campaign’s message and reinforced other dynamics at work, most notably the public’s desire for change and their disapproval of the sitting president. And John McCain didn’t help himself here either, proclaiming on September 15 that “the fundamentals of our economy are strong” while failing to articulate an economic policy position that broke ranks in any meaningful way with the current president’s. This created a perfect storm of sorts: it was the right time—the public was calling for change; it was the right environment—a terrible economic picture; and it was the right person—a clear alternative to George W. Bush.

The central role of the economy in the 2008 campaign is seen in Figure 1. Without question, this was the issue at the forefront of voters’ minds leading up to and on Election Day. However, the issue environment was not static in the 2008 presidential race. As the campaign began—in the aftermath of the 2006 midterm elections—one issue dominated: the war in

Figure 1. Public Opinion on the Most Important Problem Facing the Country

Source: Wilson Research Strategies (http://www.w-r-s.com/nationalassessment; data from CBS/NYT polls; 2007 exit polls)
Iraq. Even through the Democratic primary, this was a dominant issue that only faded as both Obama and McCain made the transition to the general election campaign (Iraq played a much less important role in the Republican primaries). Had Iraq remained the most important issue in the minds of the voters, we could have seen a very different campaign, and a very different result. In the same way the economy issue benefited Obama, the Iraq issue could have benefited McCain, depending on which campaign’s framing of the issue gained traction with voters. As an example of how the debate could have played out, recall the role that Iraq played in the 2004 race between Massachusetts Sen. John Kerry and President Bush. In that campaign, Bush argued that Iraq was the central front in the war on terror, while Kerry denounced it as the wrong war, in the wrong place, and at the wrong time. Exit polls from 2004 showed that 55 percent of the voters agreed with Bush, while 45 percent agreed with Kerry’s framing of the Iraq issue.

Had Iraq been the issue in the 2008 general election, as it was in the primary, the debate between McCain and Obama would have been over who was “right” on Iraq, and when exactly that judgment was correct. We saw the outline of what this type of campaign might have looked like in the single presidential television debate devoted to foreign policy issues (a debate where the first 40 minutes were dominated by discussion of the failing economy). Was McCain “right” at the beginning of 2007 when he advocated for a troop surge (and was he right to credit the surge with leading to the very real improvement in conditions on the ground in Iraq), or was Obama “right” in opposing the Iraq war from the beginning? We will never know the outcome of this debate because Iraq quickly faded from the electorate’s chief concerns, and by Election Day it was lost among the garble of other issues near the bottom of Figure 1. In part, this is because conditions in Iraq did improve, knocking the story off the front pages and off the nightly newscasts. But relatively good news in Iraq also was simply overwhelmed by the flood increasingly bad eco-
nomic news that came to dominate the public’s and the politicians’ attention.

*Why Obama?*

*An edge in money and organization*

Some factors are important in nearly every election contested, and 2008 was no different. Fundraising and voter turnout can turn just about any election. While the candidate with the most money does not always win (Mitt Romney rings a bell?), they do in the majority of races, and it goes without saying that the campaign that does a better job of turning out its voters is going to win. In terms of fundraising, Barack Obama had more than a two-to-one advantage over his opponent; he raised nearly $742 million to McCain’s $345 million. To put this in some perspective, Obama’s total was over $140 million more than all the Republican candidates who ran for their party’s nomination combined (and it was only two election cycles ago that George W. Bush shocked nearly every observer by raising $100 million for the entire cycle). Obama was able to reach this amount and secure this advantage for two reasons: he was able to attract donors (with a special focus on small-dollar donors during the primaries) like no one has ever seen, and he eschewed the public funding for the general election (which no major party candidate had ever done, and was a reversal from an earlier pledge he had made). This funding advantage allowed him to out spend his opponent in many areas of elec-toneering, in particular television advertising. In the last three weeks of the campaign, Obama spent six times more than McCain on television.

In 2004, exit polls showed that Republicans did a better job of getting their voters out and to the polls than Democrats, contributing to Bush’s victory, despite the fact that Democrats outnumber Republicans among Americans generally in terms of party identification. This Democratic advantage in numbers in fact grew in 2008 thanks to aggressive voter registration
efforts by both the Obama campaign and the Democratic Party, which were helped again by the difficulties on the Republican side. While all these new registrants did not turn out on Election Day, it did help the Democrats reach a 7-point advantage in terms of turnout. And in terms of raw numbers, 2008 saw a record turnout of about 131 million voters. A seven percent advantage here results in more than 9 million more voters calling themselves Democrats than Republicans.

**Interpreting the results:**

*Historic but no tectonic shift*

Some observers have called Obama’s election the end of the Reagan Revolution and see the Obama victory as a major swing to the left in American politics. While Obama’s victory is historic, we do not believe this election signals this kind of realignment. Rather, the descriptions of the 2008 results as a “revolution” or “tectonic” shift are overstated. Barack Obama garnered nearly 200 more electoral votes than John McCain did (365 to 173), but this is a narrower margin than those enjoyed by Clinton (370), Reagan (489), Eisenhower (442), FDR (472), or even Calvin Coolidge (382) in their first victories. Moreover, because of the winner-take-all system used to assign electoral votes by 48 of the 50 states, the real margin of victory is somewhat overstated by the electoral vote margin. Obama had a 192 vote margin, but only a 7 percent popular vote win; past elections have overstated the winner’s margin even more: in 1892 Grover Cleveland beat Benjamin Harrison by 132 electoral votes, but only 3 points in the popular vote, while Kennedy beat Nixon by 84 electoral votes and 0.2 percent of the popular vote; and in 1880 James Garfield beat the aforementioned Cleveland by 59 electoral votes and only 0.02 percent of the popular vote.

In short, there’s little evidence to suggest that Obama’s victory represents a significant ideological shift to the left by American voters. Exit polls suggest that voters responded to
Obama’s general promise of “change” rather than a specific set of policy prescriptions. As we already noted, the electoral climate heavily favored Obama (or any Democrat for that matter). Republicans were saddled with a damaged brand, a deeply unpopular president, a less than dynamic candidate, and a general feeling that the country was headed in the wrong direction. In other words, the public was saying, “give us something different,” which created an environment in which a challenger had a great shot at success. And just as a Democrat was winning the White House, and Democrats were expanding their majorities in both the House and Senate, voters were approving a series of conservative-leaning ballot initiatives across the country, such as the gay marriage bans in Florida, Arizona, and amazingly, California. The evidence suggests voters did not overwhelmingly embrace a liberal agenda; rather, they rejected the idea of a McCain administration that would look too much like George W. Bush’s. What is more, the exit polls found only 22 percent of voters described themselves as “liberal” compared with 44 percent who said they are “moderate” and 34 percent “conservative.” These data do not signal a swing to the left. The United States remains a centrist country.

**What’s next?**

**Less change than one might think**

For the first time since 1994, Democrats are in charge of every institution at the federal level, with large majorities in the House and Senate. This gives them a chance to do just about anything they like, right? Well, it is not going to be that simple for President Obama to enact change in all the areas he might like for several reasons, many of which are related to the factors outlined above.

First, in the area of domestic policy, what was a blessing during the campaign may now be a curse. The issue that helped propel Obama to the presidency—the economy—
could now hamstring his administration. With $700 billion to Wall Street, $17 billion to GM and Chrysler, and another $800 billion in a proposed economic stimulus package, all of which is deficit spending, the president may not be able to take on all of the policy changes he would like. Major policy initiatives in the areas of health care, energy, the environment, and immigration may have to be placed on the back burner while the economy gets sorted out. At the same time, because the nation remains largely divided, the president must be careful not to overreach in his policy propositions, as Bill Clinton clearly did in 1993 with universal health care and George W. Bush did in 2005 with reforming Social Security. This can be a difficult realization for any White House team to come to, but may be more so for one with such high hopes, coming off of an election which was allegedly lopsided. Going too far too fast can result in failure from which it is difficult to recover. Pushing through with every campaign promise in a time of trillion dollar shortfalls is a likely way to overreach. It may be difficult to sell the American people on the idea that spending even more on new proposals while borrowing the money to do so for years to come is a good idea.

The biggest threat to an Obama agenda in his first term relates to the “permanent campaign” phenomenon in the U.S. where it seems that there is always an election right around the corner (which there is), or where re-election seems to be perpetually on the minds of elected officials (which it is). With these dynamics at work on Capitol Hill, President Obama has 12 to 18 months to accomplish what he wants in his first term. With the economic crisis dominating the attention of the new administration as they move through the first 100 days, other issues such as those mentioned above may not get the attention the President would like.

After that, Republicans (and Democrats) in Congress will begin to focus on the approaching midterm election; Obama may quickly find that his priorities do not mesh with parties in Congress seeking to retain and preferably expand their number of seats, even his own party. Say, for instance, major health
care reform has not yet been enacted by the start of 2010. Will Democrats in Congress move a major piece of legislation, or will it serve them best to hold the issue to use during the campaigns? If history is our guide, the latter is more likely. Moreover, prospects for President Obama’s domestic agenda do not get any better after the midterms. The president’s party typically loses seats in Congress during his first midterm, and historic patterns show the number of losses are usually substantial (see Figure 2). In fact, all but two presidents—Franklin Roosevelt and George W. Bush—lost seats in the House in their first midterm. Senate losses have been more modest, with some presidents even gaining minimal seats. When the president’s party loses seats in the House, they typically lose a large number of them: Clinton lost 52, Reagan 26, LBJ 47, and Truman 45. If President Obama experiences these kinds of losses in 2010, the second half of his term becomes exponentially more difficult.

The picture is little better when it comes to foreign policy.
Obama enters office having to contend with two wars in progress, renewed fighting between Israel and the Palestinians, an Iran whose nuclear ambitions remain an unresolved issue, a (nuclear-armed) Pakistan teetering on the brink of failed-state status, an international standing that has been severely damaged, the scandals of prisoner abuse and torture, and a global economic crisis to top it all off. The Obama administration will be able to make headway on some of these issues, but not on all of them; and as with domestic policy, Obama is likely to find, as all incoming presidents have found, that it is far more difficult fundamentally to shift the course of American foreign policy than they thought when they ran or even when they took the oath of office.

To his credit, Obama may have recognized this earlier than some of his predecessors, like Jimmy Carter and Bill Clinton. His decision to back away from a promise of early withdrawal of American forces from Iraq and to keep Robert Gates on as Secretary of Defense to oversee a draw-down in Iraq and escalation of U.S. troop levels in Afghanistan (policies already put in place by the Bush administration) is a fair indication of this (and a disappointment to his political base). And in terms of repairing the United States’ damaged reputation abroad, much was already accomplished in the global acclaim that greeted Obama’s own election. There is more work to be done in this area, however, and in this sense Obama’s choice of Hillary Clinton to be Secretary of State may also be an inspired one for more reasons than meet the eye: it leverages the vast stock of international connections and goodwill that the Clintons had amassed during their eight years in office while deprivining a political rival (and her loose-cannon husband) an independent power base in the Senate.

It is also likely that the war on terror as waged by the Bush Administration will undergo significant change under Obama. The choice of Leon Panetta to head the CIA, assuming he is confirmed, signals a clear departure from the methods—domestic surveillance, secret prisons, “enhanced interrogations”—of the past eight years. We should expect to see the clos-
ing of the detention center at Guantanamo Bay and an abandon-
dment of the military tribunal system developed by the Bush
Administration for dealing with detainees in the war on terror.
What will replace these, however, remains to be seen, and han-
dling such suspects through the ordinary judicial system pres-
ents problems of its own that will have to be worked out.

Concluding thoughts

The election of Barack Obama to be the country’s 44th presi-
dent represents a watershed moment in American history. But
he comes into office at a time when the combination of do-
meric and foreign policy challenges facing the nation are
nearly unprecedented. In such circumstances it is probably
wise not to expect too much from the new administration. And
yet the American public is not known for its patience. In fact,
the American public had high expectations for President
Obama even before he moved into the White House resi-
dence. In addition to approval ratings similar to those George
W. Bush enjoyed immediately after 9/11, large majorities of
the American public have what will likely be an unrealistic level
of confidence in the new president’s ability to deliver on the
promise of change. For instance, in a mid-December poll by
ABC News and the Washington Post, 64 percent said they believe
Obama will be able to “End the U.S. involvement in Iraq”; 68
percent said they think he will be able to “Make significant im-
provements in this country’s health care system”; and 67 per-
cent said they think he will be able to “Implement policies to
try to reduce global warming.” As we have noted, many of Pre-
ident Obama’s priorities may have to wait, but if the adminis-
tration waits too long they will be in the middle of an election
season where members of Congress will be looking out for
their own interests rather than those of the guy at the other
end of Pennsylvania Avenue.

The president cannot govern alone. He needs Congress
and/or the public to support his policies. The Congress—even
the president’s own party—can quickly abandon him. Maybe the public will be more patient, but we have our doubts. If this is not the case, and if President Obama fails to deliver on the change that voters clearly sought from his candidacy, the 2010 midterms could come as a reckoning.