

Hello Everyone,

Over the last three weeks, I've witnessed a lot of hand-wringing among Obama supporters. Someone even called it bed-wetting.

To the contrary, I remain serenely confident that Barack will win. Let me tell you why.

#### An enthusiasm booster shot

Sen. McCain's desperate and reckless V.P. pick seems to have been just what our campaign needed. It is impossible to sustain extremely high levels of energy for 20 months. There are inevitable momentum swings in any contest.

As the shock of Sen. McCain's cynical selection started to wear off, Obama's supporters started to get "fired up" again.

Here's some evidence from the front. During a 48 hour period about 10 days ago, a flurry of unsolicited offers descended upon me.

- 9 donors told me that they were going to "max out" to the Obama campaign and in 2 cases, to the DNC, too – for a total of over \$90,000. The 2 largest had been major Clinton supporters.
- 4 people asked me how they could volunteer, including 2 Northwestern professors who want to canvas in Indiana and an Amherst professor who can help with Latino voters in the Southwest. The other was a stranger who spotted my Obama wristband in an elevator, asked me how he could help, and followed up with an email later in the day!
- This incoming barrage came from across the country – MA, CT, NY, FL, IL, CO, and CA.

#### The American Idol moment has past

The silly season that followed the Republican convention lasted about two weeks. The crisis in our financial system – including the sale of Merrill Lynch, where I had spent my entire career – has brought much needed sobriety back to our national conversation. I suspect this crisis will hold center stage through Election Day. It has become harder for the McCain campaign to distract voters and run away from his Republican roots.

I suspect that the causes of the current problems in our financial system can be traced to our cultural addiction to debt – a habit that has been acquired over the last four decades. More on that at another time.

During this crisis, voters are starting to be reminded, or are learning for the first time, of some of the primary attributes that commend Barack for the presidency. He's calm, coherent, and cerebral. That's why I was attracted to him when we first met over 5 years ago.

Because of this crisis, the nation is now seeing stark contrasts between Sen. Obama and Sen. McCain. The latter – who seems increasingly angry and confused and dishonest – is a mere shadow of himself in 2000.

The more desperate Sen. McCain gets, the more he resorts to repetitive lying. One of the whoppers: “Sen. Obama will raise your taxes.” A bold-faced lie. True, Barack will seek to roll back Pres. Bush’s income tax cuts – but only for couples earning over \$250,000 – less than 2% of the population. Even considering the complexity of taxes on unearned income, independent observers agree that Barack’s proposals will actually cut taxes more than Sen. McCain’s will for most people.

It is no wonder that a former boss of mine at Merrill, who was Sen. McCain’s National Finance Chair in 2000, has discretely become an Obama supporter.

As we face the current financial crisis, it is instructive to see Barack being advised by Bob Rubin, Larry Summers, Paul Volcker and Warren Buffett, among other respected economic leaders – a marked contrast to Sen. McCain’s lineup.

### The Ground Game

I am confident that Barack will win on Nov. 4 due to supporter enthusiasm and voter confidence.

But, as I’ve written about before, there’s one more very boring reason – his vastly superior ground game. Barack has a huge advantage in numbers of field offices, most of which have been open for months and are staffed by over 2000 paid employees and legions of volunteers. This ground game is the last, albeit boring, piece of the puzzle.

All of which costs money.

Many of us are dismayed by the excessive costs of presidential campaigns, but it’s a fact of life for now. The Republican Party continues to out raise the Democratic Party as it has for a long time. That was a principal reason why Barack couldn’t handcuff himself by taking federal funds.

We need to keep the Obama campaign well fueled for the stretch run. Paying for the staff in the field and the advertising and materials that support them is critical.

Our fundraising continues to be strong. As long as that continues, we can maintain our advantage on the ground, and our calm and coherent candidate will win. There should be dry beds all around on November 5<sup>th</sup>.

Please pass it on.

Chuck