



Finally Obama can tackle his own agenda

After the mess he inherited, new fights lie ahead for the US President, writes **Geoffrey Garrett**

MOST headlines these days are bad news for Barack Obama. After Hillary Clinton's arrival in Pakistan was met with a bomb blast killing a hundred people, her next stop in the Middle East only poured more cold water on the peace process. No sooner had Afghanistan President Hamid Karzai agreed to a runoff to settle his dubious re-election than his main opponent withdrew to destabilise the process still further.

Despite months of planning, the US doesn't have nearly enough vaccine for a swine-flu riddled country. Once-mighty Ford announced plans to sell part of its failing empire to China.

Obama's America faces more enduring problems too. The US budget is haemorrhaging red ink. Unemployment is touching the double digits. Obama is seen as in bed with too many Wall Street villains. Murmurs grow louder that Afghanistan is becoming Obama's Vietnam.

Washington's partisan rancour seems worse than ever. Opinion polls show that Obama is the least popular president at this point in his term since Gerald Ford before the US's ignominious exit from Saigon.

But despite all these negatives, history may well end up being much kinder to the first year of Obama that will be marked tomorrow by the anniversary of his historic election. Obama inherited a mess and he has fought his way doggedly through it, always taking the disciplined long view even when this has played poorly in the 24/7 news cycle.

The US and the world were desperately seeking the anti-Bush in 2008. Obama was a perfect fit. Bush believed Iraq was the right war while Obama's meteoric ascent was based on his pristine anti-Iraq credentials. Bush demanded to know whether you were with or against him; Obama is always looking for points of connection with even his most bitter opponents. Bush shot from the folksy hip. Obama is all

about cosmopolitan deliberation.

When Obama won the White House, expectations for his presidency were sky high. The reality he faced was daunting. The economy was on the brink of collapse, the US was mired in two intractable wars, and its global standing was at rock bottom.

Today, American economic growth is back in positive territory. Obama decided early on that that doing too much was better than doing too little in response to the global financial crisis. Twelve months later, this was the right call. American troops are out of Iraq's cities, and Iraqis, not Americans, are debating the country's democratic future.

Obama will very likely end the year by signing a new healthcare act that will constitute the biggest expansion to American healthcare coverage since the 1960s. Completed American climate change legislation before Copenhagen is a pipedream. But Obama will go to the summit in good position to chart a path to a global climate change deal.

When it comes to Islamic extremism Obama's more talk less sabre rattling is bearing some fruit, though in a two steps forward, one step back manner. Perhaps most importantly of all, Pakistan President Asif Zardari is taking the fight to Taliban and al-Qa'ida extremists the way the US has long wanted it to.

The ultimate question with any new government is whether things are better today than when the government won office. After one year of no drama Obama, the answer is a quiet yes — though without any of the delirious triumphalism of last year's Obamamania.

Looking ahead to next year, the challenges Obama will face will be of his own making. He will no longer be able to hide behind the notion that he is making the best of the bad lot he inherited. In many ways, this might prove a tougher hurdle for the Presi-

dent to clear.

Afghanistan is increasingly the US's, and Obama's, war, but the President still lacks a clear objective and strategy. His generals want many more troops to fight a major counter-insurgency war to stabilise Afghanistan once and for all. His Vice-President advocates a more focused counter-terrorism strategy only designed to keep Afghanistan from becoming again a global launching pad for terrorism. Obama is sitting silent in the middle, knowing full well that the policy drift cannot continue for long.

Obama said the GFC was too good a crisis to waste, piling an ambitious and expensive reform agenda on top of his mega GFC-fighting package. But the US is drowning in debt, with government debt slated to double to 100 per cent of GDP over the next five years. Higher taxes, less spending, higher interest rates, higher inflation, a sinking greenback — these are Obama's invidious choices.

Candidate Obama said he believed in fair trade, not free trade. President Obama joined his G20 colleagues in solemnly forsaking protectionism. But the Obama administration has not moved on any of the free trade deals on its docket, including the Doha Round, while succumbing to domestic pressure to get tough on trade with China. The time has come for Obama to put a stake in the ground on an open global economy.

The past year has been full of headline-grabbing crises for Obama, many that were not of his making. All things considered, he has coped well with them in a quiet manner belying his global rock star status. In the coming year, Obama will have to deal with a bed he has now made. The world will no doubt continue to pay close attention to the next chapter in an extraordinary story.

Professor Geoffrey Garrett is chief executive of the US Studies Centre at the University of Sydney.