

Help Wanted: Leadership
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TO Barack Obama, John Boehner, Harry Reid, Mitch McConnell, Nancy Pelosi and Eric Cantor, I just have two words of advice: Herbert Hoover.

I know you're all familiar with that name. Hoover lives in infamy in U.S. history for having been on duty when the Great Depression happened. You're all courting a similar fate. Your collective behavior is setting all of you up to be known as our generation's Herbert Hoovers — the leaders who were on duty when we entered our second great economic meltdown.

But unlike Hoover, who was just practicing the conventional economic wisdom of his day when we fell into the Depression, you have no excuses. We know what to do — a Grand Bargain: short-term stimulus to ease us through this deleveraging process, debt restructuring in the housing market and long-term budget-cutting to put our fiscal house in order. None of this is easy and the economy will not be fixed overnight; it will take years. But there is every chance it will get healed if our two parties construct the Grand Bargain we need.

But the more I read the papers the more I'm convinced that "we the people" are having an economic crisis and "you the politicians" are having an election — and there is frighteningly little overlap between the two.

What's worse — both parties seem to have concluded lately that no compromise is possible and therefore their differences will just have to be settled by the 2012 election. No problem! I'm sure our markets will be patient until the next president is in place in early 2013! And I am sure the European debt crisis will be happy to take the next year off. In fact, that must be why Republicans held another presidential debate on Thursday night and the European economic crisis and how it might affect us — and what we must do to insulate ourselves — merited no discussion.

Has our leadership lost its mind? Do these people go home on weekends to some offshore island, where everyone's retirement fund is doing fine, everyone's kids have jobs and no one's mortgage is under water? Where is the urgency? This is code red. We are facing a possible global financial contagion triggered by European banks choking with sovereign debt spreading their woes to an already weakened U.S. financial system.

President Obama says that he tried to strike a Grand Bargain with Mr. Boehner on taxes and spending but that the speaker of the House backed off, when it became clear that he could not deliver his own caucus. Boehner says it was the president who undercut the deal, when he asked for more tax revenues than the two of them had already agreed upon.

All I know is this: If either of you had been a real leader truly committed to a Grand Bargain — which you both know is what we need — you wouldn't have just walked away from your negotiations. You would have taken the issue to the country and not let up until the other guy came back to the table.

Instead you both mumbled publicly about a Grand Bargain and how you were prepared for it but the other guy folded — and then retreated to your bases. Boehner went back to his base, arguing that more tax cuts can get us out of this, and Obama moved back to

his base, with his focus on taxing millionaires. (In my next life, I want to be a member of the "base" — any base. They seem to have so much more fun and influence.)

If the president really wants to lead from the front, he should summon the Democratic and Republican leadership, along with all 12 members of the House-Senate deficit "supercommittee," to join him at Camp David and tell the world that they are not coming back without a Grand Bargain — one that offers some short-term jobs stimulus, a credible long-term debt reduction plan with entitlement cuts and tax reform that increases revenues.

We desperately need that for two reasons: We need to do our part in leading the world out of this crisis by stabilizing our own economy. And we need to show that we can still act collectively. The toxic paralysis in Washington is, in and of itself, slowing growth. It is keeping a black cloud over the center of the country and creating a sour mood wherein people just want to hold on to what they have. As one banker in Dallas put it to me: "Today, you only hire someone when you absolutely have to."

Do I feel that Republicans have tried to make President Obama fail from Day 1? Yes, I do. And their dabbling with another government shutdown now is pure madness. But the president is not blameless. He walked away from his own Simpson-Bowles deficit reduction commission, which still could be the foundation for a sane Grand Bargain.

Most important, Mr. Obama is in charge. He is going to be held most responsible by history for what happens and therefore he needs to take the lead in getting the leaders of both parties back to the Grand Bargaining table.

If between now and November 2012 all we are going to have from our two parties is a death duel, not a Grand Bargain — Republicans blaming Mr. Obama for the bad economy and Mr. Obama running on how crazy the G.O.P. has become — we will pay a very, very dear price.

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