

THE CHIEF OF STAFF FROM JP MORGAN

Joe Subday has a post focusing on Bill Daley's role in the serial capitulation Obama is making to the debt hostage-takers.

Politico's David Rogers and Carrie Budoff Brown report on the \$3 trillion deal under discussion between Obama and Boehner. And, despite denials, it appears that Obama and Boehner are negotiating and the number is \$3 trillion, mostly in spending cuts. Towards the end of the article is this nugget:

At the same time, the White House's tactics in this situation most infuriate Senate Democrats, who complain that the president's chief of staff, Bill Daley, is too quick to make concessions to Boehner, even at the party's expense.

Yes, they are quick to make concessions at the White House. Like everyone, I've been trying to figure out what's really going on. One trusted source told me that one problem is definitely Daley:

Bill Daley is behind the White House's capitulation. He's the Democrat's Neville Chamberlain. It's dominoes of caving – one cave leads to another. They are so desperate for a deal that they'll take anything at any price. They won't fight for anything.

Now, of course, Daley works for Obama. He hired Daley, who used to be on the Board of Third Way, the group always

willing to sell out on Democratic principle. And, that's what Daley is doing on Obama's behalf.

Now, Joe's right: Daley ostensibly works for Obama, and so Obama is ultimately responsible for those capitulations.

But is Obama the only one Daley's working for?

Daley was hired, after all, because the bankers had convinced Obama that seemingly endless supplies of free money wasn't enough for them; they also needed a banker in the White House.

And so here we have an unelected banker in a key role at a moment of crisis. And every time Boehner asks, Daley reportedly offers up yet more austerity in the hopes that he can prevent uncertainty in Jamie Dimon's world.

It's funny. Unlike Obama, Daley men aren't exactly known for their poor negotiating skills. But this one sure seems to be acting helpless in the face of a bunch of demands for more. And ultimately, it won't be the TeaPartiers who benefit from that process. It will be Jamie Dimon.