YPFS Lessons Learned Oral History Project: An Interview with Michele Davis

Michele Davis

Mercedes Cardona

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Lessons Learned Oral History Project Interview

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Introduction:

The Yale Program on Financial Stability (YPFS) reached out to Davis via email to request an interview regarding her time working at the Treasury Department during the Global Financial Crisis. Davis was assistant secretary for public affairs and director of policy planning for Secretary Henry M. Paulson, Jr., from 2006 until January 2009. She had held the same job at the Treasury Department under Secretary Paul O'Neill from 2001 to 2002.

Davis returned to the Treasury after a stint in the George W. Bush White House, where she was deputy assistant to the president and deputy national security adviser for global communications from 2005 to 2006. Before the White House, she had been a senior VP at Fannie Mae.

After leaving government, Davis joined the public relations agency the Brunswick Group as a partner and was responsible for overseeing communications for British Petroleum in the wake of the Deepwater Horizon accident and Gulf of Mexico oil spill in 2010. At the time of this interview, Davis was working at Morgan Stanley.

This transcript has been edited for accuracy and clarity.

Transcript:

YPFS: Let us start on a chronological basis, just to make sense of it all. You were recruited by Secretary Paulson to basically take back a job you had had before. How was working with Paulson different than Secretary O'Neill? How were the styles of communication different in each case?

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1 The opinions expressed during this interview are those of Ms. Davis, and not those of any of the institutions with which she is or was affiliated.

2 A stylized summary of the key observations and insights gleaned from this interview with Ms. Davis is available here in the Yale Program on Financial Stability's Journal of Financial Crises.
Davis: Well, neither one of them ever had jobs where there was that kind of public spotlight, that kind of public scrutiny of every word you say, markets hanging on every word you say. I think that is a challenge for every Treasury Secretary that comes from a business background or comes from somewhere else out of Washington.

It's just kind of a shock to the system to suddenly find that there's a press corps that follows you around everywhere, and that every single thing you say gets blasted across the wire, and if the markets are open, they might react. I mean, that is just a real change for anyone coming into that role.

I think Hank was probably more aware of that because he came from a financial institution. He was aware of it, but he still was not ready to live in that world right away. Whereas, I think with Paul O'Neill, coming from an industrial company background, it was maybe more of a mindset adjustment to him.

YPFS: You had an education in Economics and in Foreign Service, so I am assuming that was some help in terms of translating complex economics issues for the press that was covering the Treasury. But what were the skills and experiences helped you take on the role of explaining Treasury to people?

Davis: Well, I had worked on the Hill for six years before joining Secretary O'Neill’s Treasury, and that same thing there, it was largely explaining economic policy. I worked for the Majority Leader, so I was constantly dealing with trying to explain why the economic policy agenda was going to be good for the country. So, really my whole career had been about being an advocate for the policies that we were putting forward.

Even on The Hill, there were plenty of times where it was the government shutdown, or the debt ceiling, or any issues like that—where you were balancing market reaction on one hand, and political reaction on the other hand. So, I think what I have always enjoyed as a career has been where markets and politics meet, I think it is a really fascinating place. With my economics background, that is just the stuff I gravitate toward.

YPFS: Was your experience on the Hill helpful once the crisis began to pick up speed, and legislation had to be brought before Congress?

Davis: Absolutely, yeah. My role was not just helping Hank with what to say to the press, but with what to say to the outside groups, whether they were business advocates, or consumer advocates, or policy advocates of any sort.

Also, from the get-go, when he joined Treasury, it turned out to be really lucky timing. He joined in the summer of 2006. The agenda for the administration was very largely foreign policy stuff, so we were able to spend the first probably six months, at least like four months, just building relationships. My
time on The Hill, and my time in Washington, I knew it was important to not just build relationships with the media, but also with the other Cabinet secretaries that he needed to work with, the people in the White House, the key members of the Congressional Leadership, the key committee members, and then the heads of different business and trade Associations, and advocacy groups that he needed to know.

We were lucky in timing, in that sense, that he had at least a few months. Everyone had heard of Hank Paulson, but nobody knew him.

YPFS: When you joined Treasury back then, you also had been in the White House, and Fannie Mae, as well. Did you have a better understanding of how to best navigate intra-government communications between the departments?

Davis: Yeah, absolutely. I mean, Hank says this all the time, and President Bush says it too, that we were lucky this happened at the end of his administration, because we all had known each other so long. And having worked in the White House, knowing the cadence of communications—who was going to do what kind of press, and who do I need to call so that everybody has the right information about what we were doing.

The White House was able to sort of let us have the lead on communications and trusting that we will keep them informed, which was easier to do because I had worked over there. Someone I had hired at Treasury in 2001 was now working in the White House Press Office. There was a lot of cross-pollination that had happened over the course of the first six years of the administration. We had those long-term relationships and trust that made it a lot simpler to navigate.

YPFS: How well informed do you think everybody from the administration to the Congress, and the public, were about the issues that came to the floor, once the housing crisis hit its peak?

Davis: Yeah, certainly the people who work in that policy arena knew what was going on and understood it. Whether that was the economic agencies in the administration, or the economic policy people in the White House, or the Banking Committee, and the people like that on the Hill.

Those who work in that policy space have expertise and knowledge, but others in Congress had other areas of focus, and had never had to pay close attention to these issues. That is especially true if you think back to that time period. We went from 2004, 2005, 2006, everything was about Iraq, Afghanistan, War on Terror, surge in Iraq. There had not been any economic policy focus at all for several years.
All of the sudden, you get into 2007, and you starting to see evidence of the economy slowing. Everybody who's been focused on the foreign policy side, suddenly, every rank-and-file member of Congress who was just answering questions about Iraq and Afghanistan at home, all of a sudden is answering questions about: Where's the economy going? Why are we seeing foreclosures? It was just a very radical shift in public attention.

YPFS: The peak moment of the crisis 2008 i.e., Lehman, AIG, the Stock Market crash—happened at the peak of the presidential campaign.

Davis: Yes, that did not help.

YPFS: How much did that add to the level of difficulty that you were going into this recession at the moment of transition between the Bush and Obama White Houses?

Davis: No question, the Presidential Election was definitely a complicating factor. The election process itself—not just in September, and going up to Congress and asking for TARP [the Troubled Assets Relief Program] legislation, but even in the summer of 2008—every time we talked internally about what to do, we had to consider the question: “do we or don't we go ask Congress for more authority?”

It's not just that we would have to ask Congress to do something that they don't want to do, we would be asking them to do it at a time when they're all a few months away from re-election. Either or both presidential candidates could easily demagogue this, and it would be over before we even got started.

Hank definitely tried to do outreach to both Obama and McCain, and tried to keep them onside, so that we would have more freedom to take steps we felt we needed to take. If at any point either one of those two had really loudly turned on us, everybody in Congress would have just followed them, because that's what happens, you follow your presidential candidate's lead.

Then, after the election, it was a different kind of problem, but still a problem. In the ten days leading up to the election, we made a conscious decision not to make any new news. We felt like “any new policy initiative we announced in that time frame, any news, if we veer off in another direction, on anything, it will become an issue in the Presidential campaign. We just do not need to intrude ourselves. We've got to find a way to let this next week or ten days play out without us being part of the news cycle.”

So, Hank did not give any speeches. I gave a lot of background guidance to reporters that were covering the markets and things like that, but we really tried to keep a low profile.
Then, as soon as the election was over, we needed to make some announcements about some things. I think that one, that speech—it was probably the seventh or eighth, or ninth of November; I don’t remember the date—was probably the least understood thing that we did in the whole crisis period, because we had been so quiet. We had been working internally that we had been cranking along all year, getting new tools ready, making key decisions about things we had to do. But we had not communicated any of them during that period running up to Election Day. So, when we unveiled it, all at once the market, and the press, and the market participants could not keep up with us. We announced stuff, and they were like, “Whoa, where did that come from? I had no idea you were thinking about that.”

It really surprised us, but it kind of reinforced the point that you have to be communicating all the time, and at least keep market participants up to date and moving down the same path with you. Otherwise, you are catching too many people by surprise.

**YPFS:** How would you characterize the government’s communications during the crisis? You were just talking about how there were many stops and starts. Any successes or anything you wish you had done differently within Treasury?

**Davis:** There is always plenty of little things that we wished we had done. But, given the time constraints driven by how fast events were moving, it is almost impossible to do all of the communicating you would theoretically like to do. When I think about lessons learned, and what do people need to understand about communications if there’s another crisis, is: You will not be able to explain, persuade, and convince the public at the same speed at which all these events are taking place. You just cannot.

If you set that out as a goal, or a measure of success, then you are setting yourself up to fail. Because things were just happening too fast. The world was unwinding way too fast. No matter what you said to the average homeowner who was struggling to pay their mortgage, and who’s really mad at the guy next door who took out a loan he couldn’t afford and then went into foreclosure. And now there’s weeds growing, his property value is dropping, and now the economy’s slowing, and he is going to lose his job, and not be able to pay his mortgage. That average homeowner never had reason to pay attention to the market for mortgage securities or the interconnectedness of financial institutions. And now he does not have time to absorb all of that. He is just mad. He is just going to be mad at everybody who “let this happen,” and rightly so. That is just a normal human reaction.

Nothing you do is going to fully assuage that. It does not mean you should not try to explain, or to explain yourself better. We absolutely needed to communicate as much as possible to that audience, not just to markets and
politicians. But Hank talks about all the time—how at one point, the bank bailouts were even more unpopular than torture. He is right, and I do not think that can be chalked up just to, “Oh, we failed to communicate.” The whole financial system let people down.

There is no way to win the communications in a crisis, if you define winning as public opinion approving of the actions you take. Things move too quickly, and the public, who does not follow markets, does not understand the role banks play, maybe does not even know what the Fed is. You cannot bring them along fast enough, to understand that policies to support the financial system—"Wall Street"—were critical to keeping their own personal financial situations from getting a lot worse. That if more big banks failed, it would mean an even deeper housing crisis and economic crisis for Main Street. That is not a natural leap for someone who is not versed in financial markets.

YPFS: And at the same time, you must go to the Hill with the bailout bill, and the members of Congress are thinking of what their constituents back home are going to say.

Davis: Especially running up to the election, yeah. That’s where I think, in hindsight, where I wish we could have done more, I would have done more with respect to trying to give better resources to members of Congress, so they could explain it.

YPFS: What about you? Did you have adequate staff for the challenge?

Davis: No, no. Treasury is very lightly staffed as a general matter, and when a crisis hits, you have what you have. You do not get to call in an army of help. A private company can go hire a PR firm and have 100 more people there to help you do what you need to do.

We did not, and we had our hands full just connecting with reporters every day. Maybe we could have engaged the White House communications staff more, to produce simple materials to help explain to the public. Maybe we could have created and made available some materials like simple slides that explain how the banking system works, and why bank capital is part of the solution. Because when you see a story on the news every day about someone losing their home, and how there are foreclosure signs everywhere, and then the news cuts away to an image of Hank and (Fed Chairman Ben) Bernanke standing there talking about bank capital, that’s a real disconnect. That does not make any sense to the average guy, average man, or woman, who is not in the industry.

That is the one place I wish we had done more. I wish we had prepared some primers or slides and pushed them out to people. And for congressmen to use in their town meetings, at least a framework for how to start the conversation. Not that they were going to win people over, and suddenly have lots of support
for TARP, but some basic materials like that could at least make them a little less anxious about having to try to explain to their constituents.

YPFS: I saw an interview you did with PBS a while back, where you mentioned at the first meeting of the Economic Team, Paulson had suggested developing a crisis strategy.

Davis: Yeah.

YPFS: So, I take it there were some discussions about the possibility of crisis, even before the global financial crisis?

Davis: Oh yeah, of course, definitely.

YPFS: Was there a debate about increasing transparency. I mean, we were sort of at the dawn of the 24-hour news cycle, and mobile communications.

Davis: Certainly, it was part of the discussion.

We were behind the times as an institution at Treasury in terms of Twitter feeds, and that kind of stuff. We did not even have that. Even if we had had a very robust social media presence, you would need a team of people creating content in real time, and there just were not enough bodies to do that.

YPFS: When did it start to recognize that this was not a simple cyclical recession, but something far more critical?

Davis: I would say right after Bear Stearns. I would say within a few weeks of that. That was kind of out of the blue, at least for me. The week it happened, it was like, "Wow, that was really crazy." But my initial thought was that must be an idiosyncratic thing, they are smaller, and they are over exposed to mortgages.

But then, pretty quickly, the market started questioning Lehman, and I think it became very apparent that this was a systemic problem. Especially as it started to impact Fannie Mae and Freddie Mac's share prices over the course of the summer. It was very clear, I would say by April or May, that this was not your normal cycle. It was just kind of like, "This is going to be a big one."

YPFS: I also saw a quote that you said that it is not easy to explain how a fire extinguisher works while you are trying to put out the fire. So, was it difficult then, once everything came to a head, to get the people in charge to focus on communicating with the public, with the press, with The Hill, while they were trying to stave off the apocalypse, so to speak?

Davis: No, they definitely all understood how important communications were. I think all of them, whether it's Hank, or Ben, or Tim [Geithner, Obama's Treasury Secretary], they beat themselves up a lot about, "What we should
have done to communicate better." But I think they did really well, given the pace of events. It is very hard to have multiple different institutions maintain a single public communications strategy so that there is no light between them. That alone is really difficult.

That should not be taken for granted. If there had been any kind of dissonance between Treasury and the Fed at all, the whole thing would have been so much worse. Market reactions would have been worse. Uncertainty would have been so much worse. In a lot of ways, because it was so natural for them to kind of be joined at the hip, we forget how important that is.

Then, other times, we did need to pull in the FDIC, or try to do a statement with all the G-7 Finance Ministers, to show a unified global approach. You know, that's a ton of work to try to get multiple people signing off on a single statement, and then to make sure that statement, even after all the edits come in, still says something that is clear and definitive enough for the market to appreciate.

Those were probably the most difficult communications in some ways, but they all knew the importance of doing it. Hank very much understood that he needed to be visible, sending the right messages on a regular basis, because the markets were looking to him for any kind of sense of confidence.

YPFS: With the hindsight of ten years, what would be your advice to your past public servant self? What would serve the public and the government best in terms of establishing communications, should something like this were to happen again?

Davis: You need to know your counterparts in all the relevant agencies. Like I said before, the fact that people I knew really well were in the White House Press Office, and other White House offices, and having those relationships. You cannot get to know each other in a crisis. It is too late.

To be able to call my counterpart at the OCC, or the FDIC, or the Fed, or wherever, and say, "Okay, we need to get this done." It just makes it work a lot faster.

Then, there is a lot of really practical things that were kind of funny. I mean, not funny, but the first time we had to have a Sunday news announcement, the building and the Secret Service was staffed for a Sunday, so there wasn't enough security in the building to bring the press in. So, you know, just the really practical stuff like, think ahead of time how would you gather the people you need to gather, at all hours.

Those were the things we laugh about now, but running around the building trying to find a podium that we could put outside, because we couldn't bring anybody into the
building on a Sunday, it's just sort of the practical stuff that gets in your way of being effective.

YPFS: Well, that goes with the global nature of the economy. Sunday, the markets in Asia are open. It is a 24-hour cycle.

Davis: Right. So, we learned the lesson immediately. Okay, from now on, we need to do things on Sundays, so let us be ready. Let us make sure that physically we can make it happen. The staff was all there, we were ready to go. It was just the logistics.

YPFS: What about staffing? You said, you did not have enough staff?

Davis: Yeah, I do not know what the solution for that is, because there is no budget to bring in extra arms and legs. Maybe, we should have been able to draft people from other parts of the government to help build out the staff.

That never even crossed my mind at the time, but maybe if somebody from, for example, the Commerce Department could have been detailed over to helped, and somebody from, I don't know, somewhere else, could have come over and helped, then maybe we'd have been able to do more. But there just were not enough people on my team. The number of phone calls that come in every day from reporters all over the world wanting answers to questions instantly. It was triaging all day long.

YPFS: You talked also about how Treasury sometimes pushed out a lot of information, and then went quiet. What is the ideal cadence of news? Should there have been regular briefings, just to get people used to receiving news on a regular basis, so they would not jump every time they get an announcement from Treasury?

Davis: Yeah, I mean, we certainly did that behind the scenes. I did that every single day on the phone and over email. Even before the crisis hit, I would say even going back to 2001, and 2002, when I was at Treasury the first time, we considered whether Treasury should have regularly scheduled press briefings - do what the State Department does. We ruled it out because reporters behave differently in that on-camera environment, and that can prompt volatility that otherwise would not exist. When we were considering it back in 2001. Argentina had defaulted on its debt. One of the regular questions I got every time I gathered the press was, "When will you sign off on the IMF package for Argentina?" Every day, I would have to say, "When they've identified a path to recovery."

I did not see any value in stand up in the briefing room on camera and saying that every single day. It just becomes an event of its own that could just be more volatile. I still think that was the right call.
We decided it was better that every day I had to be in regular and constant contact with all the major news outlets: CNBC, Bloomberg, the Wall Street Journal, the New York Times, the Washington Post, etc. The most important thing was that we got back to them in real time every day to make sure that they were not going down the wrong path in what they were expecting us to do or weren’t speculating about what we were doing. And in doing that, we had to make sure that we were not giving away news that was not public.

I think we did that well. Since 2008, I spoke with a lot of the reporters I interacted with regularly then. They felt like we did reach out to them and keep them as informed as we could. But because of the volume of media calls every day, and the limited staff, sometimes the reporters who wrote for USA Today or regional papers, who weren’t covering markets every day, didn’t always get all the attention they needed. With more staff, maybe we could have spent more time with, those reporters, who were probably more widely read by the average man on the street.

YPFS: There’s always been a bit of a distrust of banks, going back to, "It's a Wonderful Life."

Davis: Yeah. Banks are never going to be popular.

YPFS: After this came Occupy Wall Street. Elizabeth Warren just announced she is running for president. So, there is a sense of public distrust of the banks and the institutions that regulate them. How do you prepare for the next time that we get another big meltdown? How do you get the public invested in something like mortgage bank securities, or collateralized debt?

Davis: We’ve all talked a lot over the last 10 years about how do we educate the public about the important role the financial system plays, how access to capital is what enables you to buy a car and a house and fund your small business. But, you know, that sort of educational campaign, it does not really sink in. People are not paying attention to the market, to the financials, to the banks when there are not problems. Today they are paying attention to tech companies and what they do with their data.

We are not going to get that mind share. You only get that public mind share when there is a problem. I’m sure right now, I’m willing to bet you that Facebook, Google, all these companies are sitting around going, "What could we have done ten years ago, so that everyone was more comfortable with our practices today?"

After I left Treasury, and I was at Brunswick, BP was a client during the Gulf oil spill, and we saw something similar. All of a sudden, you’re trying to explain the technology behind an oil rig in the midst of a crisis. It is not a unique thing for banks. When something bad happens within a company or an industry,
there is suddenly a much larger audience paying attention to how that industry works. And there is no pre-existing base of knowledge, just lots of questions about what went wrong and how to fix it. For banks in particular, it’s a difficult challenge because banks are to the economy what the plumbing is to your house—its vitally important and we expect it to work. We do not spend a lot of time understanding how it works until something goes wrong.

Again, I am not at all saying we should not do more to communicate, but I do not think expectations should ever be that next time there is a crisis, everyone will just get it. We will never reach a point where everyone is knowledgeable enough about the financial system to understand instantly that if there is no liquidity in the overnight market, that is a disaster. You know?

"If I can’t roll over my commercial paper, the world’s going to end." The vast majority of people just won’t understand that on its face. It will have to be explained when people are paying attention – and they will only be paying attention when something’s wrong.

YPFS: Back in 2008, the 24-hour news cycle was in full swing, but now everything goes viral. So, should we keep that in mind and always have some kind of plan for a crisis? Because everything now is a crisis.

Davis: I think there is something to be said for just pushing out a lot of content in today’s world. Like you said, it is 24-hour day cycle. It is instant. If it is an hour old, it is old, and I want to know what is new. I think that’s where you run into really a staffing and resource issue, if you’re a government agency, because you do need to just be pushing stuff out the door to sort of help people understand what’s happening. Everyone has gotten used to being flooded with information and finding info at their fingertips any time they want it. Treasury or another agency managing a crisis will need to produce a lot of materials all day long, to feed that appetite.

Even if what you’re pushing out the door to explain is not getting the penetration you wished it would, there has to be a steady drumbeat of "Here’s why what we’re doing is the right thing to do," in common language that the average person can understand who doesn’t know the industry. That takes a whole other body of people to work on that, separate from the people who are managing the media inquiries, and talking to reporters all day, and helping design the press events and helping the secretary and others prepare what they are going to say publicly.

YPFS: So, just summing up, if you were just writing a memo or a PowerPoint to guide the government in the next crisis, what would you say would be the top line there?

Davis: First, actually, something we haven’t even talked about is, choose your audience. What the public wanted to hear, and what the markets wanted to
hear were two very different things. We had to decide which one mattered more. That it was more important to slow the market meltdown.

That was a more immediate need, than to sway just the public. Because the cost of not stabilizing markets was going to make the whole public impact even worse.

YPFS: It is tough in an election year, though.

Davis: It is very tough, but if you do not do that, then you are sending mixed messages all the time and you are just making both problems worse. That to me is the number one priority. Again, we made it our priority to communicate effectively to the people in the markets, people who are making decisions minute-by-minute all day long that we're going to either make the situation worse or might at least help stabilize it.

I think that is a really tough thing to do. If we had wanted to play to the public, we would have been out there saying, "Some of these bankers should go to jail." And "We're going to spend all our days designing a program to take to Congress to refinance mortgages for people who are under water." If we had spent all our time on that, the market meltdown would have just gotten worse.

So, it is a very tough thing to do, to pick an audience, but it is probably the most crucial first step. And then after that, I would say: be as transparent as you possibly can be about where you're going, so that there are as few surprises as possible, and to help the media and the echo chamber out there. Help them to understand where you are headed, and what you are trying to do.

There were times when things were just happening so fast, that the criticism would be: "We don't know where you're headed. What are you trying to get done? We do not understand what the goal is here. It just seems like action for action's sake." That is a problem. It needs to be, "This is where we are laser-focused: On X. And all of these steps are things to help accomplish that X." Whether it's loosening up frozen credit markets, or making sure that Fannie and Freddie don't fail, or whatever it is —you must be able to articulate that North Star, because when everyone understands what your North Star is, then the steps you are taking make more sense to them.

YPFS: What about the internal communications? What should be the priority there, between the departments, and the governments, and with The Hill?

Davis: Okay, yeah, well to separate those two, I think within in the Administration, the number one priority is to speak with one voice. We certainly had times when the press would get distracted by something that one person in the Administration said that the press did not think aligned with what everyone else was saying. It rarely happened, but when it did, it takes media attention
away from what you want to present which is the image of, "We're all on the same side. We're all one team pushing this forward and trying to solve the problem."

Speak with one voice. That requires that you constantly reach out to your counterparts in those agencies, in addition to all the other things you have to do. And, then there are the things that you have to do ahead of time. The reason the White House was willing to let us take the lead on the crisis, was because there was already a pre-existing trust. You must have that.

YPFS: So, all the internal relationships paid off?

Davis: Yeah, and you needed those ahead of time. Then, in terms of The Hill, I think what you have to always remember is: You're not just trying to convince the congressman sitting in front of you, you're trying to make sure the congressman sitting in front of you has at least some sort of comfort that he knows what to say back home.

That is where we could have done more. We did not always arm them. We kind of left them to figure out for themselves what to say at home. I think we could have helped them more with that.

YPFS: I was talking to Tony Fratto last week, and he said that that was the one piece of legislation that went to the Hill with everybody knowing that everybody was going to hate it. But they would still have to vote for it.

Davis: Tony's a perfect example. He had worked for me at Treasury. He was at the White House. That is what I mean when I say I wish I had asked for more resources. I should have asked the White House communications team to help develop some of these materials for the Hill and the press,

YPFS: Yeah, he suggested they should always have a system where there is someone seconded to another department on economic matters, so they can back each other up.

Davis: Yeah, no question. That is exactly right. The fact that Tony had worked for me already, and then he was over there, we were going to be on the same page, no matter what.

The Comms Director at the White House, Ed Gillespie, was my former boss on the Hill, so we had worked together forever. He had confidence in me. There were all of those preexisting relationships, they are what made it work.

The Obama Administration did not have that when they got started. Instead, it was a new team of people who sort of know each other, some of whom had worked together before, but not like this. The media sensed the difference, but the new team needed time to get up to speed.
YPFS: Well, the first days of any administration are slightly chaotic, aren't they?

Davis: Very, yeah.

YPFS: They came in right in the middle of this.

Davis: I had a lot of sympathy for them.

YPFS: Now, we have a president who tweets. We have CEOs getting pushed out of their own companies for tweeting about IPOs before they are ready.

Davis: Right.

YPFS: Going into the future, we will have to consider that, won't we?

Davis: Yeah, everything you say at a cocktail party in Washington gets passed out to the media.

YPFS: Well, that was always that way.

Davis: Right, I know. Hank and I would get on a plane, get on the shuttle to come up to New York, and before we landed, there would be people reporting on CNBC that Hank was on his way to New York.

We would be a little stunned, and then realize that someone tweeted from the plane. It was just ... It was amazing.

YPFS: Yeah, I do not envy the people who have to deal with the next big crisis.

Davis: I think you can only do your best. It will never be perfect. I do not think anyone should hold themselves up to the standard of "you need to win a popularity contest." Because that is just not doable when dealing with a disaster or a crisis that negatively impacts people’s lives.