

## OBAMA IS PRAGMATIC, SOMETIMES OVERLY CAUTIOUS, AND DISTRESSINGLY CENTRIST

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When my friend “Big Nick” (I’m “Little Nick”) called President Obama a “socialist,” I reminded him of the definition of socialism—the systematic nationalization of the means of production. He had to concede that Obama did not fit that definition, so he then called him a “fascist.” When I reminded him that fascism was the systematic collusion of government and private corporations, I did not get an answer.

If President Obama is a socialist because he passed an economic stimulus bill just as former President Bush did, and if he is a socialist because he continued Bush’s bank bailout, then that makes Bush a socialist as well. As my logic professor would say: “This is a *reductio ad absurdum*.”

It is very rare that I agree with Ron Paul, but I think he is close to the truth when he said that Obama is a “corporatist” not a socialist. At the Southern Republican Leadership Conference Paul explained that according to “in the economic definition of what a socialist is, no, he's not a socialist.” Paul correctly pointed out that Obamacare has put our medical futures firmly in hands of private insurance companies, which have much higher administrative rates than Medicare. The U.S has the highest medical costs among industrialized countries, where government supported programs offer universal coverage. For all the money—on average twice as much per capita—the U.S. medical system still scores last on nearly every health indicator.

Obama should be given credit for investing in green energy, but he is still a friend of Big Oil. On April 2, 18 days before the blowout in the Gulf of Mexico, Obama assured an audience that deep water oil drilling was “absolutely safe.” Columnist Alexander Cockburn states that “in the first year of the Obama administration, Ken Salazar's Interior Department put 53 million acres of offshore oil reserves up for lease, far eclipsing the records set by the Bush administration.” Even though the Department of Minerals and Management was known to be in bed with the oil industry, Salazar did nothing about the Bush appointees who preferred to party (sex and drugs were rampant at the Denver office) rather than police Big Oil.

Obama appears to be a corporatist in continuing the bank and the auto industry bailout, but I think that he and Bush were only being prudent and pragmatic. In October 2008 the world financial markets were on the verge of total collapse, so the Bush administration passed, with the help of 91 GOP representatives and 34 senators, the Troubled Asset Relief Program (TARP). People somehow forget that it was Bush who took \$17 billion of TARP funds and gave them to GM and Chrysler.

When bank deregulation under President Reagan led to the savings and loan crisis in the late 1980s, the U.S. bailed out these institutions at the tune of \$212 billion (3.2 percent of GDP) with no repayment whatsoever. After repayments the latest figure on the TARP balance sheet is \$89 billion (less than 1 percent of GDP) of the \$245 billion doled out. The largest debtor outstanding is AIG, which is soon expected to send \$83 billion back to the U.S. Treasury. Rather than being angry, the American people should be proud of the fact that Bush and Obama saved the world from another Great Depression.

I have mixed feelings about saving GM and Chrysler, although some claim that one million jobs were saved in the process. I'm impressed when I read that some Chrysler models are now getting 30-40 mpg, but I cringed when I heard an ad for the new Jeep Cherokee (15 mpg city). I cheer when I read that the Chevy Volt has received very positive reviews. Let us hope that at least GM's stock will, once again, climb to a level where the taxpayers can cash out their equity and get out of the car business.

The Obama stimulus plan has been a great disappointment in the area of job creation, but we should remind ourselves that in February of 2008, the Bush administration passed a \$168 billion stimulus package. (The House vote was 380-34 and the Senate's was 81-16.) That bill increased consumer spending by 3.5 percent, but the unemployment rate jumped from 5 to 7.7 percent by the time Obama took office. Bill Clinton left Bush with a 4.2 percent rate, so unemployment rose 3.5 percent under Bush but only 2 percent so far under Obama.

The current GOP program calls for leaving the Bush tax cuts in place, but let's look the employment record of the Bush administration to see if we, as Obama says, "want to give these guy the keys" economic car again. In his 2006 State of Union speech Bush boasted that his administration had created 4.6 million jobs since 2001. What Bush neglected to say was that 2.6 million jobs had been lost during that same time. Significantly enough, most of the jobs that Bush created were by government spending and not by private enterprise. The number of federal employees increased from 12.1 million in 2002 to 14.6 million in 2006. During the Clinton administration the number of federal employees went down by 200,000, an impressive 13 percent reduction.

During 2004-5 jobs grew at a paltry 1.5 percent compared to Clinton's 3.1 percent in 1994-95. Contrary to Republicans who claim that their policies produce more jobs, Lyndon Johnson's 3.6 percent (1964-65) and Jimmy Carter's whopping 5.3 percent (1977-78) was far better than Ronald Reagan's 2.1 percent (1985-1986), all non-recession years.

Republicans are complaining about Obama's deficit, but it is important to note that much of Obama's debt is due to a recession not of his making, but most of \$4.9 trillion that Bush added to the national debt was due to his massive tax cuts, which gave us very few private sector jobs and only modest economic growth.

A study done by the Center for American Progress shows the percentage shares of the fiscal deterioration in 2009-10 as follows: (1) 40 percent due to Bush's policies and 12 percent to the financial rescue initiated by his administration; (2) 20 percent was caused by the economic downturn; (3) 16 percent was because of Obama's policies; and (4) 12 percent was due to other causes. See [www.americanprogress.org/issues/2009/08/deficit\\_numbers.html](http://www.americanprogress.org/issues/2009/08/deficit_numbers.html)

The charge that Obama is the most leftist president ever is ludicrous. In right-wing rhetoric "leftist" can mean just about anything with which they disagree, but I guess a lefty would be one who is soft on terrorism. Under Obama detainees in Afghanistan still do not have *habeas corpus* rights, Gauntanamo is still open, and Bush's military tribunals, with a few more legal safeguards, are still in session. The Obama has not ruled the use of "extraordinary renditions," the means that detainees may be sent to countries known to torture their prisoners.

Obama's use of drones in Pakistan, Afghanistan, and Oman makes Bush's record look rather whimpy. The attacks amount to arbitrary executions and as such they stand as violations of international law. In the last 18 months Obama has ordered more drone attacks than Bush did in his last three years.

With regard to the drug war in South American, a decidedly non-leftist Obama has continued the U.S. policy of fumigating coca crops and supporting the Columbian military, whose human rights record is abysmal. The American aid is obviously not working: Columbian coca production has increased 27 percent.

Elena Kagan, Obama's most recent nomination to the Supreme Court, has declared the Roberts Court's decisions on individual gun ownership is "settled law," so we can be certain that nothing will be done about American gun shops providing 90 percent of the arms to Mexican drug lords, who have responded with ferocious brutality to the U.S. supported military campaign against them. Over 26,000 people have lost their lives because of this misguided policy.

Charges from the right about Obama's policies are mostly unfounded, and they say more about how extreme right his critics are, not about how far left he is. The facts prove that he is pragmatic, sometimes overly cautious, and distressingly centrist.

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