



Written by [Sheldon Richman](#) on April 19, 2012

Barack Obama: Corporatist

Last November, President Obama stood before an audience and said government needs to be “responsive to the needs of people, not the needs of special interests.” He added, “That is probably the biggest piece of business that remains unfinished.”

He made these remarks, the [New York Times reports](#), before a \$17,900-a-plate fundraising dinner at the home of Dwight and Antoinette C. Bush, two heavy contributors to his reelection. But according to the *Times*, that wasn't Antoinette Bush's only contact with Obama. Six months earlier, she had visited the White House, bringing with her a “top entertainment industry lobbyist.” This was when a big brouhaha was erupting between that industry and Internet companies over online piracy.



The visit of a big political contributor and an industry lobbyist to the White House may not normally raise eyebrows, but this is the Obama White House. The *Times* notes,

Although Mr. Obama has made a point of not accepting contributions from registered lobbyists, a review of campaign donations and White House visitor logs shows that special interests have had little trouble making themselves heard. Many of the president's biggest donors, while not lobbyists, took lobbyists with them to the White House, while others performed essentially the same function on their visits....

[T]he regular appearance of big donors inside the White House underscores how political contributions continue to lubricate many of the interactions between officials and their guests, if for no other reason than that donors view the money as useful for getting a foot in the door.

Welcome to Obama's new world. It looks a lot like the old.

And this is not the only way it resembles politics as usual.

Like his predecessors, Obama has been a good friend to big companies, especially banks. Take Bank of America. BoA is what you'd expect of a financial institution coddled by government subsidies and privilege: inefficient, corrupt (unjustly foreclosing on homeowners), and a frequent corporate-welfare recipient.

Rolling Stone contributing editor [Matt Taibbi](#) reports that when BoA needs help, Obama is there. Taibbi writes that BoA is

a de facto ward of the state that depends heavily upon public support to stay in business. In fact,



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without the continued generosity of us taxpayers, and the extraordinary indulgence of our regulators and elected officials, this company long ago would have been swallowed up by scandal, mismanagement, prosecution and litigation, and gone out of business. It would have been liquidated and its component parts sold off, perhaps into a series of smaller regional businesses that would have more respect for the law, and be more responsive to their customers.

But Bank of America hasn't gone out of business, for the simple reason that our government has decided to make it the poster child for the "Too Big To Fail" concept.

Who can we thank? In part, President Barack Obama, who's planning to run a populist reelection campaign pitting the wealthy and well-connected against the rest of us. Hypocrisy lives — even in Obama's allegedly post-political world.

According to Taibbi,

Bank of America ... is perhaps the biggest welfare dependent in American history, with the \$45 billion in bailout money and the \$118 billion in state guarantees it's received since 2008 representing just the crest of a veritable mountain of federal bailout support, *most of it doled out by the Obama administration*. (Emphasis added.)

Revealingly, BoA soothed nervous creditors last year by shifting \$73 trillion in derivatives to the part of the bank covered by federal deposit insurance — aka the taxpayers. Writes Taibbi,

This move, *encouraged by the Obama administration*, put the American taxpayer on the hook for an entire generation of irresponsible gambles made by another failed investment firm that should have gone out of business, but was instead acquired by Bank of America with \$25 billion in taxpayer help — Merrill Lynch. (Emphasis added.)

This is just one of the many ways in which Obama reveals himself as a friend of big, well-connected business interests — that is, as an advocate of the corporate state.

Considering that Mitt Romney also favors having government as business's ally, we can look forward to an election between two variations on this corporatist theme.

Sheldon Richman is senior fellow at [The Future of Freedom Foundation](#) and editor of The Freeman magazine.



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