

# The two faces of Barack Obama

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Appearing before a packed auditorium at the University of Wisconsin Tuesday on the night of his victories in the “Potomac primaries,” held in Maryland, Virginia and Washington, D.C., Illinois senator and Democratic presidential candidate Barack Obama delivered a speech that was notable for its populist demagoguery, not only on the war in Iraq but also social conditions in America.

The Wisconsin rally is the latest in a series of campaign events that have drawn large and predominantly younger crowds—20,000 at the University of Maryland and 17,000 in Virginia Beach on the eve of Tuesday’s primaries—and which have seen Obama adopt a more “left” public face.

The Illinois senator has the instincts of an agitator and seeks to give the crowds what he senses they want. In Wisconsin, he linked “record profits” for Exxon to the rising “price at the pump,” provoking enthusiastic applause. He spoke of trade agreements that “ship jobs overseas and force parents to compete with their teenagers for minimum wage at Wal-Mart.” And he pledged to be a “president who will listen to Main Street—not just Wall Street; a president who will stand with workers not just when it’s easy, but when it’s hard.”

Turning to the question of Iraq, he declared that “our troops are sent to fight tour after tour of duty in a war that should’ve never been authorized and should’ve never been waged,” and derided those who “use 9/11 to scare up votes.”

He continued by citing deteriorating social conditions facing average Americans: “the father who goes to work before dawn and then lies awake at night wondering how he’s going to pay the bills;” “the woman who told me she works the night shift after a full day at college and still can’t afford health care for a sister who’s ill;” the retiree “who lost his pension when the company he gave his life to went bankrupt;” and “the teacher who works at Dunkin Donuts after school just to make ends meet.”

He responded with promises of tax cuts for working people, health care reform, better pay and a government that would “protect pensions, not CEO bonuses.”

Echoing the rhetoric of Martin Luther King, he concluded his speech with the vow that “our dream will not be deferred, our future will not be denied, and our time for change has come.”

There is an element in these speeches that would seem to give pause to the Democratic Party establishment and the big business interests it represents. Obama’s rhetorical excursions could be seen as leading into dangerous territory. After all, the Democratic Party has served as an indispensable partner in the Bush administration’s policies of war abroad and social reaction at home.

But this populist primary rhetoric is only one face of Obama. There is another, and it is turned firmly towards the very corporate interests he publicly criticizes, which have poured tens of millions of dollars into his campaign.

On the day after the Potomac primaries, *BusinessWeek* ran a special report entitled, “Is Obama Good for Business?” While the piece provided no direct answer to this question, the attitude taken by the business magazine appeared to be a qualified “yes,” based in large part on the private discussions that the Illinois senator is holding with top Wall Street and corporate insiders even as he is delivering his public appeals for “change.”

Thus, *BusinessWeek* noted, last Sunday, after learning of his victory in the Maine Democratic caucuses, Obama sat down at his computer to exchange emails with Robert Wolf, CEO of UBS America, one of his major Wall Street “bundlers,” responsible for bringing in millions in donations from fellow multi-millionaires to finance what Obama refers to as his “movement.” According to estimates made by the Center for Responsive Politics, 80 percent of the money raised by the Obama campaign last year came from donors affiliated with business, with Wall Street leading the pack. More than half of the money came in the form of donations totaling \$2,300 or more.

In addition to Wolf, Obama stays in regular touch with Warren Buffett, the second-wealthiest individual in America, with a net worth of some \$52 billion. Among his leading economic advisors is Austan Goolsbee, a University of Chicago professor and prominent advocate of free market policies.

## The Volcker endorsement

Perhaps most significant was last month’s little reported endorsement of Obama by Paul Volcker, who was appointed Federal Reserve Board chairman by Democratic President Jimmy Carter in 1979 and remained in charge of the US central bank for nearly seven years under the right-wing Republican administration of Ronald Reagan.

Volcker was responsible for inaugurating a high-interest-rate regime demanded by the dominant sections of finance capital in the name of the battle against inflation. His monetary policy was inextricably linked to the offensive against the working class begun with the firing of the air traffic controllers and the breaking of the PATCO strike and continued with the shutdown of large sections of basic industry and the unleashing of the worst

economic downturn since the Great Depression of the 1930s. The ultimate effect of these policies was a vast transfer of wealth from the mass of working people to a narrow financial elite, a process that has continued to this day.

In a statement announcing his backing for Obama, Volcker noted that he had previously avoided involvement in partisan politics. He said that he was moved to intervene now not “by the current turmoil in markets,” but because of “the breadth and depth of challenges that face our nation at home and abroad.” He added, “Those challenges demand a new leadership and a fresh approach.” Obama’s leadership, he concluded, would be able to “restore needed confidence in our vision, our strength and our purposes right around the world.”

Larry Kudlow, the right-wing pundit and former Reagan administration economic advisor, commented on the endorsement earlier this month, noting that he had once worked as a speechwriter for Volcker and describing him as “a great American... a classic conservative... a man of fiscal and monetary rectitude.”

Volcker, Kudlow wrote, “would not have made this endorsement on a whim. Believe me. He never gets involved in these kinds of political decisions.” He concluded by asking: “Is Volcker the new Robert Rubin [the Wall Street insider who directed the Clinton administration’s economic policy]? Is it possible that Mr. Volcker is somehow tutoring Obama? Is it possible that Obama is more financially conservative than originally believed?”

These are the real relations that are being forged behind the scenes as Obama delivers left phrases from the podium. Those like Volcker see the Illinois senator as a useful vehicle for effecting major changes aimed not at ameliorating the conditions of life for masses of working people, but rather at securing the global interests of American finance capital.

No doubt, they believe Obama, who would be America’s first African-American president, is best suited to confront the dangers posed by continuing economic crisis and rising social tensions. Who better to demand even greater sacrifices from the working class, all in the name of national unity and “change?” At the same time, he would present a fresh face to the world, which they hope would help extricate US imperialism from the foreign policy debacles and growing global isolation that are the legacy of the Bush administration.

Given these big business ties, Obama’s campaign rhetoric about confronting poverty and social inequality involve a level of cynicism and demagoguery that is truly staggering. His incessant promises of change are not tied to any radical economic program that fundamentally challenges the profit interests of the giant corporations and Wall Street.

On the contrary, Obama has advanced a conservative fiscal policy, pledging himself to a “pay as you go” approach and stressing the need to reduce debt and deficits. Given that he would take office with a near-record \$400 billion deficit inherited from the Bush administration, this already determines an agenda of austerity measures.

On Wednesday, the candidate toured a General Motors plant in Janesville, Wisconsin and put forward a so-called jobs program involving investments in infrastructure and alternative energy that

would total \$210 billion over 10 years. In the face of the deepening crisis confronting American capitalism, this is less than a drop in the bucket—and even this drop would quickly evaporate in the face of demands for deficit reduction.

Those who don’t want to talk about capitalism should by rights keep their mouths shut when it comes to poverty and unemployment. One cannot deal with either seriously without confronting the private ownership of society’s productive forces and the immense social inequality that it has created. The defense of jobs and living standards, the right to decent housing, health care and education for hundreds of millions of Americans can be advanced only through a far-reaching redistribution of wealth from the super rich to the broad mass of working people.

Clearly, the likes of Wolf, Buffett and Volcker are backing Obama because they know that he has no intention of going anywhere near such a policy.

As for the question of war, those looking to the Obama campaign as a means of ending American militarism will be sorely disappointed. The Illinois Senator has vowed not to reduce the ballooning US military budget—which consumes an estimated \$700 billion annually—but rather to increase it. He has called for the recruitment of another 65,000 soldiers for the Army as well as 27,000 more Marines. He has vowed to put “more boots on the ground” in the “war on terror,” the pretext invented by the Bush administration to justify “preemptive war,” i.e., military aggression aimed at asserting US hegemony over the oil-rich regions of the Middle East and Central Asia.

As for Iraq itself, his promises to end the war are belied by his pledge to keep American forces in Iraq to defend “US interests” and conduct “counterterrorism operations,” a formula that would see tens of thousands of US soldiers and Marines continuing to occupy Iraq and repress its population for many years to come.

To the extent that Obama’s rhetoric arouses popular expectations—and there are indications that it does—these will inevitably be dashed. In all probability, this will happen once the primary season is over and Obama is confronted by the Republican right as well as elements within the Democratic Party itself with the demand that he clarify his program. Should he capture the White House in November, he will head an administration committed to defending the interests of the American oligarchy both at home and abroad.

Those turning towards the Obama campaign as a means of effecting progressive social change in the US and bringing an end to US militarism abroad will find that the Democratic Party and the corporate and financial interests it represents will allow neither.

These necessary goals can be achieved only through a decisive break with the Democrats and the entire two-party system and the independent mobilization of the working class through the building of a mass socialist movement.



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