

# Obama doesn't "begrudge" bankers their multi-million-dollar bonuses

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11 February 2010

In an interview with *Bloomberg BusinessWeek*, President Barack Obama said he does not "begrudge" the bonuses of Wall Street tycoons Jamie Dimon and Lloyd Blankfein, who together were awarded \$26 million last week.

*Bloomberg.com* published Obama's remarks on the bonuses Wednesday in a preview of an interview that will appear on the newsstands Friday. The interview is evidently part of an effort by Obama to placate Wall Street executives who have complained about his occasional exercises in anti-banker rhetoric and his announcement of token proposals to rein in speculative practices by commercial banks and impose a modest surtax on financial firms that received government bailout funds.

"Obama sought to combat perceptions," *Bloomberg.com* wrote, "that his administration is anti-business and trumpeted the influence corporate leaders have had on his economic policies. He plans to reiterate that message when he speaks to the Business Roundtable, which represents the heads of many of the biggest US companies, on Feb. 24 in Washington."

In response to a question about the 2009 year-end bonuses announced last week—\$17 million for JPMorgan Chase CEO Dimon and \$9 million for Goldman Sachs CEO Blankfein—Obama said, "I know both those guys; they are very savvy businessmen. I, like most of the American people, don't begrudge people success or wealth. That is part of the free-market system."

He went on to make light of the bankers' pay packages, saying that while \$17 million is "an extraordinary amount of money" for Main Street, "there are some baseball players who are making more than that and don't get to the World Series either, so I'm shocked by that as well."

These remarks expose the hypocrisy and cynicism of Obama's scripted denunciations of Wall Street, invariably timed to coincide with signs of popular outrage against the banks and his administration's role in plundering the treasury to cover their bad debts. They come in the context of reports that financial firms have shifted their political donations—which played a huge role in bankrolling Obama's election campaign—to the Republicans.

Recent news stories have cataloged the attempts by the Obama administration to get back into the bankers' good graces. Obama had lunch with business executives at the White House last Thursday and invited another group of corporate CEOs to watch the Super Bowl at the White House, according to a February 5 *Wall Street Journal* article entitled "Obama, Business Leaders Inch Toward Rapprochement."

The *New York Times* on February 2 reported: "Chief executives of big banks have been in Washington for meetings with White House and Treasury officials and lawmakers on Capitol Hill. Jamie Dimon, chief executive of JPMorgan Chase, had lunch with Mr. Obama last Tuesday, and then met separately on Friday with the Federal Reserve chairman, Ben S. Bernanke, and the treasury secretary, Timothy F. Geithner. And industry lobbyists and chief executives have been lining up outside the doors of senators."

Only a few weeks ago, as his poll numbers were plunging, Obama condemned the "fat cat bankers on Wall Street," complaining that they were "drawing down 10, 20 million dollar bonuses after America went through the worst economic year ... in decades, and you guys caused the problem."

He stepped up his fake populism around the time of last month's Senate election in Massachusetts, delivering a demagogic stump speech two days before

the vote in a vain attempt to prevent the humiliating loss of a seat that had been held since 1952 by members of the Kennedy family. That was preceded by his announcement of a tax on bailed-out banks, during which he denounced the “obscene” bonuses of the bankers.

Obama’s remarks to *Bloomberg BusinessWeek* reflect the real relationship between Wall Street and his administration—already amply demonstrated in the record of his first year in office—and the political system as a whole, including both parties. They also expose Obama’s personal dishonesty, contempt for the American people, and servility toward the financial aristocracy.

As for his claim to speak for “most of the American people,” one can only say: “Speak for yourself, Mr. Obama!” Most of the American people are disgusted and appalled at the spectacle of financial parasites awarding themselves seven- and eight-figure bonuses after bringing the US and world economy to its knees, throwing millions into unemployment and poverty, and shifting their bad debts onto the government. Working people know that they are losing their jobs and seeing their wages and social services cut to pay for the criminal activities of the likes of Dimon and Blankfein.

They would like to see these people frog-marched to jail and prosecuted for their predatory and illegal banking practices.

When Obama goes on to casually declare, “That is part of the free-market system,” he is saying more than he means to say. The plundering of society by a rapacious plutocracy is indeed an integral part of the “free-market system,” which is why that system must be overthrown and replaced with a socialist system based on the satisfaction of human needs, not the personal enrichment of a wealthy few.



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