

# Ex-car czar Steven Rattner touts Obama's "pro-worker" record

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Steven Rattner, multimillionaire investment banker, *New York Times* columnist and former head of the Obama administration's Auto Task Force, has published a cynical commentary attributing the social anger reflected in the support for Republican presidential aspirant Donald Trump to Republican opposition to the supposedly pro-worker agenda of the Democratic White House.

The author was Obama's "car czar" in the initial stages of the administration's 2009 bailout of General Motors and Chrysler, overseeing the imposition of an across-the-board 50 percent pay cut for new-hires along with sweeping reductions in retiree benefits and thousands of layoffs. He also ordered the closure of 2,000 auto dealerships, with the loss of tens of thousands of related jobs.

In the aftermath of the bailout, Rattner lamented that he had not imposed even deeper cuts. In December 2011, he told reporters: "We didn't ask any active worker to cut his or her pay. We didn't ask them to sacrifice any of their pension and we maybe could have asked them to do a little bit more."

Rattner was forced to leave his post on the auto panel when he and his firm, Quadrangle Group, were cited by the Securities and Exchange Commission on corruption charges involving payoffs to New York State pension officials. He ended up settling the SEC charges, as well as separate charges from New York State, by agreeing to pay more than \$16 million in penalties. His net worth has been estimated as high as \$600 million.

His column, headlined "Foiling Obama, Congress Made Trump," makes the absurd argument that Obama has striven mightily to improve the lot of workers and would have succeeded had he not been blocked at every turn by the Republicans in Congress. Discussing Trump's big win in the Michigan primary, he

acknowledges that manufacturing wages there have fallen from a high of \$28 in 2004 to \$21 at present, and that manufacturing jobs have declined by 300,000—without any reference to the massive wage cut he and Obama imposed on autoworkers in the bailout!

Instead, he touts Obama administration policies, citing in particular the 2011 "American Jobs Act," which he says would have led to the creation of thousands of construction jobs had it not been scotched by the Republicans. In fact, the so-called "jobs act" was a fraud from start to finish—a collection of business tax breaks and incentives that, if passed, would have barely made a dent in the ocean of unemployment caused by Wall Street's crashing of the economy in 2008 and compounded by mass layoffs of teachers and other public employees encouraged by the White House.

The reality is that, in response the deepest crisis since the Great Depression, the Obama administration rejected any program of public works and refused to create a single government-funded job. Its response, from the multi-trillion-dollar bailout of the banks to the multiple rounds of tax windfalls and incentives to big business, was focused on rescuing the financial elite and making it even richer.

Rattner goes on to denounce the Republicans for blocking the renewal of extended unemployment benefits. But the decision to cut off this lifeline for millions of struggling families was bipartisan. The White House accepted the ending of federally funded extended benefits as part of a cost-cutting budget deal with the Republicans.

The former "car czar" proceeds to urge the establishment of a "much stronger safety net" to contain the growth of popular anger and anti-establishment sentiment. But he says nothing about



Obama's role in further shredding what remains of the social reforms enacted in the 1930s and 1960s.

This includes attacks on the most vulnerable layers of society. Obama signed into law an \$8.7 billion cut in the food stamp program. Earlier this month, tens of thousands of food stamp recipients began losing their benefits due to work requirements enacted under the administration of Bill Clinton.

Under the guise of reforming health care, the administration imposed a huge attack on workers' medical coverage with the passage of the Affordable Care Act. The measure is a boondoggle for the health insurance industry. It undermines the principle of employer-paid coverage, shifting the burden of health care to individual "consumers," who must buy overpriced, bare-bones policies or pay a fine.

As a social type, Rattner represents the semi-criminal element that has risen to the top of the US political and corporate establishment over the past three decades. The prominence of such figures in the Democratic Party is itself an indication of how far to the right this party has shifted. Far from being a party of the working "middle class," the Democratic Party is, like the Republicans, an instrument of the financial aristocracy, completely hostile to the interests of working people.



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