Will Obama Cave Again To Business Pressure?

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Progressives and liberals should hope that before he delivers his speech to Congress next Thursday, President Barack Obama channels the fictional President Andrew Shepherd in the film The American President.

In the 1995 movie, President Shepherd (a young liberal Democrat and widower, played by Michael Douglas) abandons support for a strong environmental bill (to reduce car emissions) opposed by Democrats in Congress from auto-dependent areas like Detroit. By killing the environmental bill, Shepherd hopes to pick up enough votes to pass a flawed crime bill that, he knows, will do little to reduce crime because it does nothing to limit gun sales. Facing a tough re-election campaign, Shepherd is convinced that by sacking the pollution bill and highlighting the crime bill, he'll win enough swing voters to secure his re-election.

Shepherd's girlfriend, Sydney Ellen Wade (Annette Bening), a lobbyist for a liberal environmental group, angrily storms into the White House and expresses her disgust over the cynical backroom deal. "I don't want to lose you over this," the president says. "Mr. President," Wade responds coldly, "you have bigger problems than losing me. You've just lost my vote."

On the morning that he is scheduled to give his State of the Union Address to Congress, Shepherd has a change of heart -- or conscience. He makes a surprise appearance in the White House press room and announces that he's withdrawing his support for the do-nothing crime bill and putting the full weight of his office behind the tough environmental legislation. The film ends as Shepherd walks into the House chamber to thunderous applause. The filmmakers -- director Rob Reiner and writer Aaron Sorkin -- obviously want us to believe that this is a turning point in Shepherd's political career and that he wins re-election.

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This week, in an attempt to win support from business lobby groups, Republicans in Congress, and moderate voters, Obama announced he was putting a tough environmental rule on the shelf. He justified doing so by saying that he didn't want to jeopardize the economic recovery with yet another burdensome regulation on business. After years of review, the Environmental Protection Agency had proposed new air quality standards to bring smog-causing ozone levels down to those recommended by a panel of scientists. The current ozone standard hasn't been updated since 1997. Ozone is the main ingredient in smog, a leading cause of respiratory and other diseases.

Obama's action should have come as no surprise. Since taking office in January 2009, but particularly since the Republicans took back the House last November, Obama has frustrated liberals and progressives by scaling back his agenda in order to accommodate business interests and Republicans. For example, he agreed to extend the Bush tax cuts on wealthy Americans and consistently put Wall Street rescue ahead of helping distressed homeowners in or near foreclosure. All presidents have to compromise, but Obama often seems ready to surrender before he's tested his own strength or rallied public support. His once-enthusiastic supporters don't know whether Obama was always a closet moderate, whether he's just been getting bad advice from his inner circle of advisors (none of whom come from the progressive wing of the Democratic Party), or whether he thinks his re-election chances hinge on appearing to be more centrist and bi-partisan.

Regardless of his motivations, Obama's explanation for killing the environmental regulation is bogus. Businesses have been repeating the "job killer" mantra for decades against every attempt to create rules that improve the environment and public health, make workplaces safer, and protect consumers from fraud and unsafe products. In 1990, they opposed efforts to deal with acid rain with the same overblown rhetoric -- regulations that the conservative magazine, The Economist called the "greatest green success story of the decade." The economy has continued to grow and our air has gotten cleaner despite decades of similar conservative claims about the Clean Air Act since it first passed in 1970. We expect the U.S. Chamber of Commerce and its business lobbying allies to cry wolf about "big government" and "job killers." But Obama doesn't have to repeat the mantra as his own.

To make matters worse, Obama's buckling to business and GOP pressures could backfire politically. Many progressives and liberals are now echoing Sydney Ellen Wade's warning that Obama has lost their vote. In reality, liberals and progressives are unlikely to vote for any Republican candidates. Nor are many of them likely to get behind an insurgent third party -- as some did with Ralph Nader in 2000, which contributed to George W. Bush's victory over Al Gore (with an assist from the Supreme Court).

The big fear facing the Obama re-election campaign is that the president's capitulations have created a huge "enthusiasm gap" among his one-time supporters. This can have two disastrous consequences. One is that enough potential supporters, including liberals and progressives, may stay home on election day to deny him a re-election victory. This is particularly worrisome among young voters. Three years ago, the number of under-30 voters increased dramatically, and two-thirds of them supported Obama, helping him win key swing states. Many of them are now disillusioned and may not vote. The other big concern is that Obama's campaign will have a hard time attracting the millions of grassroots volunteers that energize his 2008 crusade and catapulted him into the presidency.
Moreover, Obama's instinct for caving in to business and Republican demands won't bring the political benefits he apparently hopes for. It should be clear to Obama by now that no matter what he tries to do, the Republicans in Congress will oppose it. Although cutting taxes is at the heart of conservative dogma, Republicans now even oppose Obama's proposed payroll tax reductions that all economists agree would create jobs. If Obama came out for making Ronald Reagan's birthday a national holiday, Speaker John Boehner, Rush Limbaugh, the Tea Party, and the Wall Street Journal would declare that an extra vacation day would be bad for business and kill jobs.

If Obama thinks that his re-election chances hinge on getting legislation through Congress before November 2012 that will significantly reduce joblessness, stop the epidemic of foreclosures, and address urgent environmental threats, he's living in fantasy land. The GOP leaders and their allies in the right-wing blogosphere have already announced that their top priority is to deny Obama a second term and deprive him of any legislative victories, even if it requires more suffering on the part of the American people.

So Obama has nothing to lose, and everything to gain, by coming out swinging on Thursday, proposing a bold plan for economic recovery, housing reform, and environmental renewal that will be seen as his version of the New Deal and the Great Society. But to make it work, he also has to do three more things.

First, he has to clearly explain why this bold policy agenda is the solution to the problems facing the country, point out his successes so far but also admit that the $800 billion recovery/stimulus plan was not big enough, and that the future of the country depends on making big plans.

Second, he needs to point out that the Republicans in Congress and their corporate backers will oppose his agenda regardless of what he proposes. They have no interest in bipartisanship. They will do anything to defeat his re-election. And they are ideologically committed to breaking the back of government. They are carrying on the tradition of their predecessors that opposed Social Security, the minimum wage, the Clean Air Act, OSHA, and Medicare.

Third, he should urge voters to elect a Democrat Congress to help enact his plans to put Americans back to work and tackle the brewing environmental crisis choking our cities and threatening our planet.

Political observers view Obama's speech to Congress on Thursday as a make-or-break moment for his Presidency. Despite a number of major accomplishments over three years -- health care reform, the creation of a Consumer Financial Protection Bureau, more affordable student loans, repeal of the "Don't Ask Don't Tell" rule, and others -- the odds of Obama winning re-election next year appear to be sinking fast. Voters are angry and discouraged. Unemployment remains at 9% nationwide and higher in many key swing states. Millions of Americans have already lost their homes and millions more are on the brink of foreclosure.

Unlike Andrew Shepherd, Obama cannot expect an enthusiastic response by the Republican-dominated House for a New Deal-like economic recovery plan. And he can expect many reporters and editorial writers to chastise him for being bold rather than "pragmatic" small-bore agenda of a few tax credits and a bite-size infrastructure initiative.

Obama has shown in the past that he can use his bully pulpit to rally the country, and energize a nation. No doubt his "Yes We Can" campaign spirit has been beaten down by a focused and dogmatic "Just Say No" GOP Congress.

Great Presidents are made by how they respond to crises. This week, Obama must once again inspire the country with both vision and audacious ideas that give Americans hope in battered times. He needs to show Americans that he understands their daily struggles, is on their side, and will propose and fight for a bold solution equal to the size of the their distress.

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