



CONGRESS BLOG HOME | CONGRESS BLOG TOPICS | THE HILL | PUNDITS BLOG | BLOG BRIEFING ROOM

Search

[« Previous Post](#)
[Next Post »](#)

[The Big Question, June 19: Government and Business](#)

June 19th, 2009

The Big Question for Friday, June 19:

Is Obama injecting the government too much into business affairs?

See responses below from Rep. Jeff Flake (R-Ariz.), Rep. John Adler (D-N.J.), Rep. Michael Turner (R-Ohio), Rep. Russ Carnahan (D-Mo.), Rep. Elijah Cummings (D-Md.) Rep. Bill Delahunt (D-Mass.), Tom Collamore, Grover Norquist, John Castellani, Dean Baker, Tom McClusky, Tad DeHaven, William Redpath, and Rob Johnson.

[Rep. Michael Turner \(R-Ohio\)](#), [said](#):

“You can’t get more government. Definitely too much. He’s gone from regulating business to owning business.”

[Rep. Jeff Flake \(R-Ariz.\)](#), [said](#):

Yes, of course. The auto companies, the banks. And there doesn’t seem to be an end in sight. The intervention has been far too deep. We need to set a...timetable for withdrawal.

[Rep. Elijah Cummings \(D-Md.\)](#), [said](#):

No. They’re doing what they have to do. These unusual time call for unusual measures.

[Rep. John Adler \(D-N.J.\)](#) [said](#):

“It’s almost too broad a question, you almost have to break it down by sector. I don’t think Americans wants the government in the business of running business.

[Rep. Russ Carnahan \(D-Mo.\)](#), [said](#):

I think they are striking a balance between acting in a crisis situation in our economy and also trying to spur innovation and new, green jobs that I think is going to be so important to our economy’s success and getting us out of this economic hole.

[Rep. Bill Delahunt \(D-Mass.\)](#), [said](#):

Just perfect. How’s that for an answer?

Dean Baker, Co-Director at the [Center for Economic Policy and Research](#), [said](#):

This is a very strange question. The opposite has really happened. Our businesses, especially in the financial sector, have thrust themselves into the lap of the government through their extraordinary incompetence. While the Republicans have been busy whining about President Obama being too involved in the economy, not many of them have been saying loudly that they want to see Citigroup Bank of America and the rest just go into bankruptcy.

I guess that people in Washington have very short memories, but President Obama was handed an economy in free fall. We were losing more than 600,000 jobs a month. We have seen the fastest rise in unemployment since the Great Depression. Complaining that Obama is injecting the government too much into business affairs is like complaining that the fire department is using too

much water as it attempt to control a fire in a crowded school building. That might be a question that Republicans without a real agenda would raise, but it is not a question for serious people.

Grover Norquist, President of [Americans for Tax Reform](#), said:

Yes.

The old rule was that you never wanted generals to become president because they believe things are created by being requisitioned.

People are drafted and told what to do. Stuff appears when you fill out forms. Academics and politicians think prices move up and down at the demand of the law. They don't understand or like markets and messy decisions made by tens of millions of Americans who decide the price of gasoline by what they do, don't do and how much they wish to do or not do same. They never write it down or pass a law or debate this or that or send a memo...their actions drive prices and prices tell producers what to do. [READ THE FULL RESPONSE HERE.](#)

Tad DeHaven, budget analyst at [The Cato Institute](#), said:

Asking if the Obama administration is injecting the government too much into business affairs is like asking if Tiger Woods can swing a golf club. Whether it's regulating executive pay, orchestrating a politically-planned bankruptcy proceeding for Chrysler, taking ownership stakes in General Motors or keeping housing market manipulators Fannie Mae and Freddie Mac on taxpayer life-support, the Obama administration's young record makes it abundantly clear that it prefers the iron fist of government.

But let's not pretend that the administration's interventions are the breath of fresh air as some on the left would have us believe, or the sudden outrage that some folks on the right would like to pretend. The Obama administration is more or less continuing down the path the Bush administration embarked upon. This week, former President George W. Bush had the audacity to implicitly criticize his successor's policies by telling an audience that "it's going to be the private sector that leads this country out of the current economic times we're in." But it was his administration that rammed the \$700 TARP bailout down Congress's throat, which the Obama team is now using to manage the economy. [READ THE FULL RESPONSE HERE.](#)

Tom McClusky, Senior Vice President for [FRC Action](#), said:

If President Obama injected himself anymore into business affairs they could have a real paternity suit on their hands. This week the First Lady told an audience that "Washington can only do so much." that is advice she should share with her husband. His Administration's actions in taking ownership in so many different aspects of American business shows a general distrust of the American people in favor of bureaucratic governmental control. If I may quote Ronald Reagan (and for those "Republicans" who say the party should abandon President Reagan as an example to live up - perhaps "abandoning" Reagan's principles is why your party is in the minority) "Government does not solve problems; it subsidizes them.

Tom Collamore, Senior Vice President of Communications and Strategy, [U.S. Chamber of Commerce](#), said:

President Obama in his Inaugural Address stated that "The question we ask today is not whether our government is too big or too small, but whether it works..." In addition to how well government is doing its job, what exactly its job is has always been an important part of defining our nation. Out-of-the-ordinary economic circumstances have certainly justified the out-of-the-ordinary remedial actions by government intended to be temporary, but we must never forget that it was a free enterprise system based on the values of individual initiative, hard work, risk, innovation, and profit which built our great country.

So look around and what do you see?

Various parts of our government are involved in trying to buy up companies, set CEO salaries, and meddle in production and product lines. There are proposals to create new entitlement programs, transfer trillions of dollars in wealth, and substantially raise taxes. There are efforts at home and abroad to hide behind protectionism or to lock down capital markets with rules that seek to eliminate all risk from our economic activities. These are not the values that made America the envy of the world. [READ THE FULL RESPONSE HERE.](#)

John Castellani, President of the [Business Roundtable](#), said:

Given the current instability in the international economy, it has never been more important for business and government to work together, while not losing sight of the specific, appropriate roles they must play to put our nation back on the path to economic recovery. Business Roundtable is working with the Administration to ensure the best interests of America's workers and businesses are paramount. This requires working to maintain a level playing field, through proposed tax plans that will not stifle U.S. economic recovery, or risk American jobs. Also, by working to ensure health care legislation builds upon the successes of the current employer-based system. And finally, by encouraging compensation plans that are balanced and do not encourage unnecessary risk taking, which helps to prevent special and disparate interests from dominating corporate boards. Business Roundtable knows that only through thoughtful collaboration will business and government be able to create jobs and increase investments in areas that will enhance our ability to compete in the global marketplace.

Rob Johnson of the Franklin and Eleanor Roosevelt Institute and Americans for Financial Reform, said:

It is important to ask what is meant by “too much”? The corollary question is whether business is injecting too much money into government affairs.

Obama is responsible for society. Market systems are a means to solve social goals. The business community often confuse means and ends when they project a view that business should make the rules for society. By the way, business is very very happy to take subsidies from the government. Military contracts, subsidies to banks, NIH research that gets privatized by pharmaceutical corporations and tax breaks for oil exploration. Patents and intellectual property rights are enforced by government. I cannot imagine business would like to see the enforcement of those rights abandoned. [READ THE FULL RESPONSE HERE.](#)

William Redpath, Chairman of the [Libertarian National Committee](#), said:

Absolutely, positively, yes. From a poll that I saw this morning, over two-thirds of Americans think so. How does U.S. government majority ownership of General Motors square with the President’s professed desire to use a “light hand”? Ditto for government regulation of executive compensation in private businesses. Maybe the Administration will pull their horns back somewhat in this regard now that the American public has started paying more attention to the substance of the Obama presidency.

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By **Michael O'Brien**

This entry was posted on Friday, June 19th, 2009 at 4:42 pm and is filed under [Politics](#) .

