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## Robert Kuttner: BP and the Bankers

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The logo for The Huffington Post, featuring the words "THE HUFFINGTON POST" in a teal, serif font, centered within a light gray rectangular box with a subtle gradient.

Question of the Day: What do the oil catastrophe and the Wall Street collapse have in common?

Three big things, I'd say.

In both cases, a powerful, politically protected industry invented something that could not easily be repaired when it broke. We seem to be entering an age when complex technologies, whether financial or physical, sometimes literally have no solutions when they go haywire in unanticipated ways. We thought this might happen with nuclear power (and it still could); but for now deepwater drilling is the bigger menace.

Secondly, in both cases the proverbial ounce of prevention was not applied. Had existing laws been enforced, and had the political process not corrupted the regulatory process, these man-made calamities didn't need to happen.

In the case of the oil disaster, which is fast becoming the worst single environmental catastrophe ever, America's long-term failure to move away from dependence on carbon fuels combined with pure short-run political capture. By now, we should have been at the point of energy conversion where high risk, mile-deep undersea wells were not used at all. But even so, this blowout would have been averted had existing laws been enforced.

It's the same story with the financial collapse. We didn't need these exotic, doomsday financial instruments. And had the regulators not been in bed with the industry, the crisis would have been headed off at any of several earlier stages.

But the worst common element is this: both crises are teachable moments that our president could be using to transform public opinion. Yet despite these gifts from the progressive gods, President Obama seems congenitally unable to rise to the occasion.

It appeared, in the end game of the health reform effort and at moments in the financial reform fight, that we were seeing sparks of the Obama whom we so admired on the campaign trail. But Obama's performance in the oil disaster seems a case of one step forward, two steps backward.

If ever there were a moment to make clear that our energy future cannot be left to the energy industry, and to rally the public on behalf of a long term shift away from carbon fuels to renewable sources, it is now. Will we ever have a better, more graphic villain than BP? Will we ever have the public more on our side? Will we ever have Republicans with dirtier hands?

In the late sixties and early 1970s, the environmental movement burst on the national stage because the environmental assaults of that era were immediate and undeniable -- from oil spills to smog to the Cuyahoga River catching fire. Thanks to the victories of that era, environmental damage has become less palpable and pyrotechnic.

Global climate change, the ultimate menace, is gradual, insidious, ineluctable, contested, and seldom vividly symbolized. By contrast the BP blowout is immediate, tangible, and terrifying. Even the Limbaughs and the Becks cannot deny what is dominating TV week after week, and the right is making a fool of itself by lurching from attacking the president's daughter to blurting out that "accidents happen."

There is more than a germ of truth, however, in the right's argument that Obama was slow off the mark to get on top of this crisis, just as he was pitifully slow to clean house at the Minerals Management Service he inherited from Bush. And if the administration does not pick up its game, the Tea Party right will make the Gulf catastrophe Obama's fault, just as it has made the slow pace of recovery and the bank bailouts Obama's fault.

I have been in a number of conversations, as a journalist, a public lecturer, privately, and as author of the new book [A Presidency in Peril](#), in which Obama loyalists urge me to cut the president a little more slack. It's only sixteen months into his presidency. He is still learning. He did, after all, deliver health insurance reform. In that battle, with two outs in the ninth inning, he discovered his inner partisan and fought for a Democrats-only bill, and prevailed.

And he is about to deliver financial reform, right?

But in both cases, the credit goes more to legislative leaders who would not let the bills die and to progressive lobby groups such as H-CAN and Americans for Financial Reform. There is still a furious fight over key provisions in the House and Senate reform bills, and in many cases Treasury Secretary Tim Geithner is weighing in on behalf of weaker rather than stronger measures.

With the spotlight off legislative floor action, and a lot of the deals being made in backrooms, the financial industry hopes to gain back ground that it lost as public opinion shifted in favor of tougher reform measures.

The financial reform battle is an epic David-Goliath contest. The banking lobby spends more in a day than Americans for Financial Reform's annual budget. The leadership of AFR combined with the actions of courageous senators such as Maria Cantwell, Jeff Merkley, Al Franken, and a couple of dozen others, shows how public opinion could be rallied.

But imagine how much more reform we could get if the President of the United States clearly weighed in on

behalf of David rather than Goliath.

This could also be a defining moment in the fight for a clean energy future if President Obama used it as such.

Time is running out for this president to lead. If he continues temporizing rather than leading, the moment passes, and the Republicans pick up substantial numbers of seats in Congress. The window closes, both for transformative progressive reform and for a successful Obama presidency. Even worse, the initiative passes to a truly lunatic rightwing.

I would say to the loyalists: Yes, this president faces multiple challenges that are really hard, as well as a fiercely obstructionist Republican Party and a grass-roots right in league with a media machine. But all crisis-presidents faced obstacles and the great ones turned them to opportunities.

The other day, one of the president's enthusiasts told me that Obama has been very successful in terms of the agenda that he set out to achieve. Sorry, but that doesn't cut it. A president has to play the hand history dealt him.

Robert Kuttner's latest book is [A Presidency in Peril](#). He is co-editor of [The American Prospect](#) and a senior fellow at [Demos](#).

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