

# WHERE'S THE GUY WHO DOESN'T KNOW \$HIT ABOUT WALL STREET?

Steven Rattner doesn't know shit about cars.

Or at least he didn't a month and a half ago. And then, President Obama decided he was the single best person in the country to lead the auto task force—to assess the state of the auto industry, figure out whether letting one or both of the failing companies go under, and if not, how to bring them out of their doldrums.

Frankly, I'm unconvinced Rattner was the guy to assess and guide the auto restructuring—mostly though because he seems to have gotten picked because he's a schmoozy insider with a great talent for self-promotion. But I do appreciate this qualification of Rattner's:

"What I bring to this is the advantage of no preconceived notions. I don't come with an embedded view," Rattner said in an interview, calling the job "the most complex challenge I've ever had to deal with."

And here's another "qualification," pitched by his buddy Steven Weisman:

"He may not have had a particular history of interest in the auto industry, but he would bring the ability to ask basic questions and try to get basic answers and drive toward the agreement on a solution."

Sean McAlinden, who does know the auto industry, reports that at least Rattner has been learning quickly.

Now like I said, I'm not convinced having someone who is totally ignorant about an industry is the best person to come in and try

to rescue it. But at the very least, having someone as ignorant as Rattner go through the process of learning about the auto industry may help Obama to rethink his significant preconceived notions about why the auto industry is in trouble and what to do about it.

I realized today—as I was doing a radio interview about AIG bonuses with Nancy Skinner, also in MI—how dramatically different Obama's approach to assessing and resolving the finance industry (the folks who, after all, caused many of the more urgent woes of the car companies).

Obama's first instinct in assessing the auto industry was to bring in someone who was completely ignorant of the industry, to ask questions. His inherited plan to assess and resolve the finance industry—one he reinforced though his choice of advisors—was to bring in a bunch of people who consider themselves experts, who have been immersed in this world and its crappy decisions for decades, and who have operated under the same failed assumptions as the people who screwed up our economy.

Now you might say the finance industry is more complex than the auto industry—that credit default swaps are more complex than the auto supply chain. Though you're certainly dealing with the same interlocking structure that makes "too big to fail" so dangerous. In any case, there is something to be said for a smart outsider (though hopefully one who knows a little more than shit) to actually go in and ask questions before dumping billions into the industry. If nothing else, it would force the masters of the universe to actually explain what they're doing in clear enough terms to allow a real assessment of those actions.

I know I harp on the comparison of the different treatments of the auto industry and the finance industry a lot. And yes, I am biased.

But the comparison is always instructive for the way it reveals the self-deception in Obama's treatment of the two crises. On the one hand, he

decided the very best thing he could do was to send in someone who knew nothing. On the other hand he sent in only people who have been immersed in this world—many of whom have severe conflicts of interest. On the one hand, he sent in someone who may challenge the assumptions and orthodoxy of those receiving federal aid. On the other hand, he sent in only those with the same fixed ideas of what could and couldn't be done.

As a Michigander, I do, however, take solace in the possibility that the auto bailout may be more successful than the finance bailout thanks to the role of the guy who doesn't know shit.