

# A modest pay

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President Barack Obama, noting the imminent departure of White House Press Secretary Robert Gibbs in an interview with the *New York Times* January 5, let slip a revealing remark. Obama told a *Times* reporter, “We’ve been on this ride together since I won my Senate primary in 2004... He’s had a six-year stretch now where basically he’s been going 24/7 with relatively modest pay.”

According to a White House disclosure last July, part of an annual report to Congress, Gibbs, along with 22 other senior White House aides, earns \$172,200 a year. Those also paid that sum include former Chief of Staff Rahm Emanuel, White House Counsel Robert Bauer, speechwriter Jon Favreau, energy and climate adviser Carol M. Browner and Susan Sher, chief of staff for Michelle Obama.

US census figures released in October 2010 (which should be examined critically) indicated that the top 10 percent of US *households* earn \$138,000 a year or more, and the top 5 percent, \$180,000 or more. Gibbs alone comes close to making a larger income than 95 percent of US households.

The combined income of the press secretary and his wife, a prominent attorney in Alexandria, Virginia, undoubtedly puts the Gibbsses in the wealthiest 1 or 2 percent of US households.

This is what Obama calls “relatively modest pay.”

The overall median personal income for all individuals in the US over the age of 18 was \$25,149 (\$32,140 for those aged 25 or above) in 2005.

According to the US Census Bureau, the real median income for an American family in 2009 was \$49,777, “not statistically different from the 2008 median.” Gibbs individually made more than three times that amount.

Thanks to the Obama administration, which forced General Motors and Chrysler into bankruptcy and demanded brutal cuts in auto workers’ wages and

benefits, new-hires at the US companies make \$14 an hour, half the previous rate of pay. Assuming a work week of 40 hours, these workers earn about \$29,120 a year, or slightly more than one-sixth Gibbs’ White House pay.

Thirty-five million working Americans earn the federal or state minimum wage (whichever rate is highest). Those receiving the federal minimum wage of \$7.25, assuming that same 40-hour week, make \$15,080 a year. The highest state minimum wage, in the state of Washington, \$8.55 an hour, pushes that annual figure to \$17,784, approximately one-tenth Gibbs’ pay.

Of course, when Obama speaks of Gibbs’ “relatively modest pay,” he means what he says. The president is merely acknowledging the reality for the circles in which he and the political elite travel. Government officials earning \$100,000 or more consider it a “sacrifice” to perform their public functions for such paltry sums. After all, they rub shoulders on a daily basis with figures in business, the media and entertainment earning tens of millions of dollars a year, and more.

It is now an accepted practice for members of Congress, White House staffers and cabinet members to leave office and make vast fortunes in private industry, or to alternate between positions in business and government. This is no doubt Gibbs’ ultimate future, whether or not he continues to advise Obama and help manage the latter’s 2012 presidential re-election campaign, as advertised.

Gibbs claims he is not writing a book or planning to establish his own consulting or lobbying firm, for the moment, but, according to the *Times*, “he will be represented by Robert Barnett, a Washington lawyer who negotiates book deals and speaking engagements for a range of clients that include Mr. Obama, Bill Clinton and Sarah Palin.”

One of Gibbs' former colleagues at the White House, Rahm Emanuel, Obama's previous chief of staff and currently a candidate for mayor of Chicago, cashed in during the two-and-a-half years he was out of politics (1998-2001), raking in a reported \$16.2 million at investment bank Wasserstein Perella & Co.

William Daley, who served as commerce secretary in Clinton's second administration and has been rumored to be up for the White House chief of staff position, has done considerably better than that. Daley—brother of Chicago's current mayor, Richard Daley—went into business and banking, and currently sits on the Executive Committee of JP Morgan Chase. *BusinessWeek* notes that this multi-millionaire “is connected to **163** board members in **5** different organizations across **9** different industries.”

Former Senate Majority Leader Tom Daschle, Democrat from South Dakota, after losing reelection in 2004 earned \$2.1 million as a “strategic adviser” at the lobbying firm Alston & Bird. Current CIA chief and for a time Bill Clinton's chief of staff, Leon Panetta, earned over \$1 million in 2008 as a corporate consultant and guest speaker, including advising global public relations giant Fleishman-Hillard.

The list of one-time officials in Washington feeding at the corporate trough goes on and on.

Former presidents now trade their connections and influence for vast sums upon leaving the White House. Tax filings released in the spring of 2008 revealed that then-Senator Hillary Clinton and her husband, the former president, had earned some \$109 million in the years 2000 to 2007.

The Obama family prospered in the years when Barack Obama rose from Illinois state legislator to US senator. In 2000, the Obamas' combined income was “only” \$240,505. By 2005, the year Obama was sworn in as a US senator, the family income had climbed to \$1.6 million, much of that coming in author fees. In 2006, Michelle and Barack Obama's combined income remained high, at nearly one million dollars.

Hence, President Obama's sympathy for Gibbs, obliged to struggle along on \$172,200. This is the same Obama who announced in November a freeze on the pay of 2.1 million federal workers, eliminating a scheduled 1.4 percent pay increase for 2011.

Obama, Gibbs, Emanuel, Daley and the rest of the crowd of political insiders, media pundits and corporate

executives inhabit a different world than the overwhelming majority of the American population. Different, and irreconcilably opposed.

Gibbs, based on his record, is essentially a right-wing nonentity, with a history of shilling for various Democratic Party politicians. In numerous circumstances as White House press secretary from 2009 to 2011, he demonstrated, in like manner to his boss, supreme callousness toward the suffering of the population.

As recently as December 2010, an ABC News reporter pointed out to Gibbs the plight of those running out of unemployment benefits and inquired, “Is there anything that the president can do for them?” The press secretary replied, “Well, I think the best thing that we can do as a country is to get—get a fragile economy more stable, and one that creates more jobs.”

In other words, “no,” the president would not do anything for those left without benefits in the midst of the greatest economic crisis since the Great Depression.

Gibbs may perhaps be best remembered as White House press secretary for his comments at an April 23, 2010 press conference, three days after the BP explosion in the Gulf of Mexico that killed 11 oil rig workers. “I don't honestly think [the disaster] opens up a whole new series of questions, because, you know, in all honesty I doubt this is the first accident that has happened and I doubt it will be the last,” Gibbs remarked.

This, in response to what proved to be the greatest ecological catastrophe in US history.



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