

Who is Biden's top economic adviser Brian Deese?

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President-elect Joe Biden has reportedly selected Brian Deese, an executive at the Wall Street investment firm BlackRock, as director of the National Economic Council, according to several major news outlets. “In his new post, which doesn’t require Senate confirmation, Mr. Deese will play a lead role in implementing Mr. Biden’s economic agenda,” the *Wall Street Journal* wrote Monday.

While Deese was not among those Biden introduced Tuesday as his “economic team,” an announcement is expected soon. Deese, the Global Head of Sustainable Investment at BlackRock, would be the second executive chosen by the incoming administration from the world’s largest asset manager, which controls \$7 trillion in assets and is a major shareholder in Deutsche Bank, Wells Fargo, Apple, Microsoft and other global corporate giants.

On Tuesday, Adewale “Wally” Adeyemo, a former chief of staff to BlackRock’s CEO Larry Fink, was named top deputy to Janet Yellen, the former Federal Reserve Chairwoman who Biden picked for Secretary of the Treasury. Tom Donilon, chairman of BlackRock Investment Institute and brother of Biden’s chief campaign political strategist, had been considered for the director of the Central Intelligence Agency, but the *Wall Street Journal* reported Monday that Donilon decided to stay in the “private sector.”

The selection of Deese and Adeyemo—who both previously served in the Obama administration—exemplifies the revolving door between Wall Street and Washington, DC, which operates constantly, regardless of which party controls the White House.

It is a further signal to the financial oligarchy that a Biden administration will dispense with its rhetoric about raising taxes on the wealthy and continue

funneling trillions into the stock markets. “By picking folks with deep ties to large asset managers,” Tyler Gellach, executive director of investor trade group Healthy Markets Association, told the *Journal*, “the administration can help assuage financial executives’ concerns. It sends a clear signal to the industry to breathe easier: They can plan for stability without likely facing massive new regulatory or tax risks.”

After working on Obama’s 2008 election campaign, Deese was appointed Special Assistant to the President for economic policy and served on the National Economic Council as Obama took over the Troubled Asset Relief Program (TARP) from the outgoing George Bush administration, and pumped massive resources into the same banks and financial institutions whose criminal activities had crashed the economy.

Deese, who had no formal training as an economist, then made a name for himself for being the most aggressive advocate of throwing General Motors and Chrysler Corp. into bankruptcy in 2009.

In a May 2009 *New York Times* article, headlined “The 31-Year-Old in Charge of Dismantling G.M.,” David Sanger wrote, “It is not every 31-year-old who, in a first government job, finds himself dismantling General Motors and rewriting the rules of American capitalism.

“But that, in short, is the job description for Brian Deese, a not-quite graduate of Yale Law School who had never set foot in an automotive assembly plant until he took on his nearly unseen role in remaking the American automotive industry.”

Deese was part of the White House Auto Task Force, which was made up of Wall Street asset strippers, including billionaire investor and Democratic Party fundraiser Steven Rattner and Ron Bloom, another Wall Street “turnaround specialist” with a long history

of collaborating with the unions during the bankruptcy restructuring of the airline and steel industry.

While publicly claiming that they wanted to avoid bankruptcy, court document would show that Deese and others in Obama's inner circle were determined to force the auto companies into a forced restructuring from the earliest days of the new administration.

After Rick Wagoner, then GM's chief executive, said publicly that bankruptcy was not a viable option, the administration would fire him and threaten to withhold any further money from GM unless it imposed far more "painful" cuts than outlined in its initial plan, which called for the elimination of 47,000 jobs worldwide, including 21,000 hourly workers in the US.

The "managed bankruptcy" of GM and Chrysler ordered by the Obama administration set into motion the destruction of tens of thousands of jobs, including 35,000 GM production jobs in the US alone, the shuttering of dozens of assembly and parts plants and the closing of more than 1,000 car dealerships. Obama worked with the United Auto Workers to slash the wages of new hires in half, abolish the eight-hour day, ban strikes for six years and relieve the corporations of retiree health care obligations by handing the provision and cutting of retiree medical benefits to the UAW.

As the *World Socialist Web Site* wrote at the time, "Obama's Auto Task Force has focused on one thing from the beginning: how to exploit the crisis of the auto industry to create conditions for Wall Street to reap huge profits. Its leading figures—Treasury Secretary Timothy Geithner and White House economic [adviser] Lawrence Summers—played a key role in the Wall Street bailout, opposing the slightest restrictions on compensation paid to banking executives receiving public money. When it has come to the auto industry, however, they have demanded the most brutal job cuts and wage and benefit concessions from autoworkers."

"The outcome of the dismantling of the auto industry," the WSWS continued, "will mean that the industrial base of the US will shrink even more and the economy will be further dominated by the type of reckless and socially destructive speculation that is responsible for the worst economic and social crisis since the 1930s."

A year after the forced bankruptcies, Citi Investment Research analyst Itay Michaeli boasted that GM's fixed cost per vehicle would drop from \$10,400 in 2009

to \$7,280 in 2010 and fall to \$5,772 by 2012. In the five years following, labor costs at GM and Chrysler—which declared bankruptcy on April 30, 2009—were predicted to be lower than any Japanese automaker operating nonunion plants in the US, making it profitable for the company to build small cars in the US, rather than in Mexico.

The auto restructuring became a template for the decimation of wages throughout the working class during the eight years of the Obama administration, which oversaw the greatest transfer of wealth from the bottom to top in US history up until today.

Deese's "success" during the auto restructuring earned him a rapid set of promotions in the Obama White House. He was soon named deputy director of the National Economic Council and then the deputy director and acting director of the Office of Management and Budget. In 2015, he helped negotiate the 2015 Bipartisan Budget Act.

After finding limitless funds to bail out Wall Street, the Obama administration would insist there was no money to bail out states and municipalities, which had laid off hundreds of thousands of educators and other public employees during the Great Recession.

When Biden introduced his economic team Tuesday, he claimed that "help was on the way" to the tens of millions of workers, small business owners and unemployed who are facing an unprecedented economic and social catastrophe. But his selection of Deese, Yellen, Adeyemo and others directly from Wall Street make it clear that a Biden administration will be committed to austerity and back-to-work campaign aimed at forcing workers to pay for the corporate bailout no matter how many lives are needlessly lost to the pandemic.



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