

Daley brings business and political smarts to job

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WASHINGTON — With decades of political and business experience, newly named White House chief of staff William Daley is solidly positioned to help President Barack Obama navigate the troubled waters of divided government and prepare for the 2012 presidential race.

A Democratic centrist, Daley can serve as a liaison to business in a White House that has faced criticism from some as being anti-business. A former commerce secretary and banking powerhouse, he can also give Obama real-world advice on economic matters. No stranger to sharp-elbow politics, Daley can be a trusted campaign adviser.

"Bill Daley is entirely comfortable in the world of business as in the world of politics," said William Galston, a longtime associate of Daley's who was a White House domestic adviser in the Clinton administration.

And while Daley is soft-spoken, "he has all the toughness of the Daley family, and then some," said Galston, now with the Brookings Institution, a liberal-leaning think tank.

Daley is not the only Clinton administration alumnus joining Obama's team. Obama on Friday named Gene Sperling, a Democratic centrist who worked for Goldman Sachs before joining the Obama administration, to replace the departing Larry Summers as head of the White House National Economic Council. It is a job that Sperling, now an adviser to Treasury Secretary Timothy Geithner, held late in the Clinton administration.

Sperling helped to negotiate the White House tax deal with Republicans last month, Obama noted in making the announcement.

The migration of Clinton-era figures began in January 2009 when Obama nominated former Clinton chief of staff Leon Panetta as CIA director. More recently, Obama made Jacob Lew his budget director — the same job Lew held in the Clinton presidency.

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Daley is the brother of retiring Chicago Mayor Richard M. Daley and the youngest son of legendary Chicago Mayor Richard J. Daley. He is Midwest chairman of JPMorgan Chase and oversees global government relations for the banking giant. Daley also sits on boards of other major companies, including Abbott Laboratories, Boeing and Merck.

He has long been a Democratic operative, both publicly and behind the scenes, in city, state and national politics. In addition to serving as commerce secretary in Bill Clinton's second term, he was chairman of Al Gore's 2000 campaign. And despite his closeness to both Bill and Hillary Clinton, he was a key supporter of the Obama presidential candidacy.

Daley served on the Obama-Biden transition team and considered a run for governor. He also helped lead his brother's failed 2009 effort to land the 2016 Olympics. During the Bush administration, Daley worked for a time in Texas as president of SBC Communications, now part of AT&T.

Some on the left consider Daley too close to Wall Street. JPMorgan Chase, after all, accepted \$25 billion in federal bank bailout money, if reluctantly. In the early 1990s, Daley helped Clinton pass the North America Free Trade Agreement, still blamed by many union workers and liberals for helping to move jobs overseas.

He was also one of the first prominent Democrats to urge Obama to move toward the political center. In an opinion piece published in The Washington Post in December 2009, Daley said his party must either "plot a more moderate, centrist course" or risk major election losses.

In announcing Daley's appointment on Thursday, Obama said Daley "possesses a deep understanding of how jobs are created and how to grow our economy." And in a humorous reference to the Daley family dynasty, the president said, "Bill also has a smidgen of awareness of how our system of government and politics work. You might say it is a genetic trait."

Cook County Commissioner John Daley called his brother Bill a good compromiser – a knack he said the Daley children got as youngsters. "They both knew – both my mom and my dad – that people should listen to other people's points of view and no one is right all the time."

Daley extends the close-knit fraternity of Chicago advisers in the White House. He fills the job originally held by Rahm Emanuel, who returned to Chicago to run for mayor. He's also close to senior presidential adviser David Axelrod, who is also from Chicago and is expected to leave the White House soon.

Emanuel, who represented Chicago in the House, was good in marshaling support in the House from former Democratic colleagues – a talent not as needed now that Republicans have taken the majority. A pragmatist, Daley also doesn't have some of the hard edges or volatility that Emanuel exhibited, said American University political scientist James Thurber.

"He's going to run a business-like operation, keeping people in the White House focused on their strategy, theme and message," said Thurber. "He's different than Rahm. His ego is not as big and I think that's good for the White House. He's not going to be sending a fish to anybody." Emanuel once sent a dead fish to a Democratic pollster he didn't like.

Democratic pollster Doug Schoen, who once worked for Bill Clinton, said Obama knows he can't get re-elected unless he moves to the center, and Daley is well-positioned to help him complete this move, begun with the lame-duck Congress deal to extend Bush-era tax cuts.

"Daley is a pragmatist," Schoen said. "He's pro-business. He's a centrist. He gets it."

Economic consultant Rob Shapiro, who was commerce undersecretary while Daley was commerce secretary, said his former boss "has great political experience and instincts."

"He has a real understanding of business and great ties to business," Shapiro said. "And he has no

public ego. He's not interested in the limelight. He just wants to be effective."

Business groups welcomed the appointment. "He is a very accomplished and strong business leader," said Jay Timmons, executive vice president of the National Association of Manufacturers. "The NAM had a strong relationship with him during his days as secretary of commerce, and we look forward to working with him again on policies that will move our country forward – especially on job creation, economic growth and global competitiveness."

Associated Press writer Deanna Bellandi in Chicago contributed to this report.