

Obama's staff shake-up

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By Richard Wolf, USA TODAY

The White House is undergoing a major staff shake-up at the halfway point of President Obama's first term. Here's a look at the key open positions -- and who might be in line to fill them:

WASHINGTON — President Clinton and his family weren't home when a single-engine Cessna airplane crashed into the White House shortly before 2 a.m. on Sept. 12, 1994. But the joke around the West Wing was that Gene Sperling was still there.

Starting Friday, he's baaaack.

Perhaps the White House's most famous workaholic, Sperling returns to head the National Economic Council under President Obama — the top economic policy position in the White House, and the same job he held for Clinton from 1997 to 2001, with few breaks for sleep.

"I've never known Gene to sleep," says Erskine Bowles, Sperling's boss as White House chief of staff in Clinton's second term. "No matter how late I worked or how early I got in, Gene was there."

It's a trait that dates back to Michael Dukakis' presidential campaign in 1988. As a young economic policy adviser for the Massachusetts governor, Sperling worked with Robert Shapiro, who routinely arrived at 8 a.m. and left at 11 p.m. — saying hello and goodbye to Sperling at both ends of the day.

"The backs of all of his shoes were broken," Shapiro recalls, because Sperling seldom took the time to wear them properly. "Gene is a force of nature. He was legendary at the time, and it hasn't changed since."

Obama cited Sperling's "work ethic" while naming him to the post Friday during an appearance at a door-and-window-manufacturing business in suburban Maryland. Noting this is Sperling's "second tour of duty," Obama said he helped formulate policies that turned deficits to surpluses during the Clinton years.

A lawyer who circulates among economists, Sperling is the epitome of a "policy wonk." He was wooed away from former New York governor Mario Cuomo 's fledgling presidential campaign in 1992 to work for Clinton in Little Rock. He was still working for Clinton until the keys to the White House were transferred to George W. Bush in 2001.

During that time, Sperling worked for Robert Rubin, who went on to become Treasury secretary, and then for Laura Tyson, who had chaired the Council of Economic Advisers, before taking charge of the National Economic Council. In that job for the next four years, he was Clinton's chief economic adviser when the federal budget deficit was eliminated and four years of surpluses followed.

He has championed economic policies that help lower-income families, such as expanding the Earned Income Tax Credit, bringing private investment to disadvantaged U.S. communities and educating girls in developing countries.

"He loves policymaking more than anyone I've ever come across," says Bruce Reed, Clinton's domestic policy adviser and another eight-year veteran of that administration. "He's the type of guy who can help a president get done what he wants to get done."

As the successor to uber-economist Lawrence Summers, a former Treasury secretary and Harvard University president, Sperling has big shoes to fill. Douglas Holtz-Eakin, former Congressional Budget Office director and the top adviser for Republican Sen. John McCain's 2008 presidential campaign, says he may not be up to the task.

"Gene is not a good economics thinker," Holtz-Eakin says, because his background is policy rather than economic theory. "I worry about him as your messenger."

After leaving the White House, Sperling worked at the Council on Foreign Relations and the Center for American Progress, a liberal think tank, wrote a book entitled *The Pro-Growth Progressive*, and was a consultant to the NBC television series *The West Wing*.

In 2008, he earned nearly \$900,000 as a consultant to Goldman Sachs on a philanthropic campaign aimed at providing business education to women in the developing world — a sum that has fueled criticism from some liberals such as Dean Baker of the liberal Center for Economic and Policy Research.

"It's hard to believe it doesn't buy you some goodwill," Baker says of Goldman's payment. More foreboding, he says, is the perspective that what's good for Wall Street is good for America. Such thinking in the late 1990s during the technology boom, Baker says, "is what got us here. It was not a sustainable growth model."

During the 2008 campaign, Sperling advised Hillary Rodham Clinton on economic policy, and when Obama came into office, he didn't win any of the top economic jobs. He later joined the Treasury Department as counselor to Secretary Timothy Geithner.

Along the way, Sperling married and had two children, causing him to mellow a bit as he aged. Now 52, he returns to the White House less as a workaholic and more as a seasoned expert on budget, tax and health policy.

Says Jake Siewert, a fellow Treasury Department counselor and former White House press secretary: "If he's writing e-mails at 2 a.m. now, it's because he's been up with his kids."