

A closer look at Obama's transition team

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7 November 2008

Barack Obama's transition team is a collection of Washington insiders, former Clinton administration officials, corporate and banking executives, and individuals with roots in the Chicago Democratic Party political machine.

The Obama-Biden Transition Project is led by three co-chairmen. They are John Podesta, former chief of staff for Bill Clinton; Valerie Jarrett, a long-time Obama adviser, Chicago real estate executive and influential figure in the Chicago Democratic Party; and Pete Rouse, Obama's Senate chief of staff.

John Podesta

Podesta, chief of staff for Clinton from 1998 to 2001, will serve as the Transition Project's leader. Podesta is a long-time Washington insider, where he served, beginning in the early 1980s, as legal counsel for a number of congressional committees. As is the custom in Washington, Podesta made use of his political influence to establish a lucrative Washington lobbying firm, the Podesta Group.

Podesta authored a recent book entitled *The Power of Progress: How America's Progressives Can (Once Again) Save Our Economy, Our Climate, and Our Country*. The lobbying firm of this "progressive" includes among its top clients the oil giant BP, defense industry corporations Lockheed Martin and General Dynamics, biotech firms Genentech and Amgen, Swiss pharmaceuticals corporation Novartis International AG, and Wal-Mart.

Podesta has the dubious distinction of having been ranked the third most powerful lobbyist in Washington DC by the *Washingtonian*. According to the newspaper,

BP, whose "pipeline problems and refinery fires have created regulatory and public relations issues," has turned to Podesta, who "has quietly been guiding BP through congressional hearings."

For Lockheed Martin and General Dynamics, Podesta has been busy "trying to sell Congress and the Pentagon on another version of their Stryker troop transport vehicle."

Podesta is president and chief executive officer of the Center for American Progress, a Washington think tank. The center was set up with substantial funding from billionaire investor and Obama adviser Warren Buffet.

Valerie Jarrett

Jarrett began her political career in 1987 under then-Chicago Mayor Harold Washington. She became deputy chief of staff for Mayor Richard Daley and later served as Chicago's commissioner of the Department of Planning and chair of the Chicago Transit Board.

Jarrett has also held leading positions on the Chicago Stock Exchange (member of the board from 2000 to 2007 and chairman from 2004 to 2007), the University of Chicago Medical Center (chairman of the board of trustees), the University of Chicago (vice chairman of the board of trustees) and the Chicago Museum of Science and Industry (board of trustees).

Jarrett is the CEO of The Habitat Company, a real estate development firm in Chicago. She has been a top executive at the company since 1995, becoming CEO in 2007. Habitat has worked closely with the Chicago city administration to oversee public housing, receiving millions in local and federal subsidies.

A *Boston Globe* article from June 27, 2008 ("Grim

Proving Ground for Obama's Housing Policy," by Binyamin Appelbaum) describes the state of one 504-unit public housing complex, Grove Parc Plaza, located in Obama's former state Senate district.

"About 99 units are vacant, many rendered uninhabitable by unfixed problems, such as collapsed roofs and fire damage. Mice scamper through the halls. Battered mailboxes hang open. Sewage backs up into kitchen sinks. In 2006, federal inspectors graded the condition of the complex an 11 on a 100-point scale—a score so bad the buildings now face demolition."

"Grove Parc has become a symbol," the newspaper noted, "for some in Chicago of the broader failures of giving public subsidies to private companies to build and manage affordable housing—an approach strongly backed by Obama as the best replacement for public housing."

The *Globe* reports "thousands of apartments" throughout Chicago, overseen by Habitat, that are characterized by similar disrepair. The Habitat Company "managed Grove Parc Plaza from 2001 until this winter and co-managed an even larger subsidized complex in Chicago that was seized by the federal government in 2006, after city inspectors found widespread problems."

There is some talk that Jarrett will be named housing secretary in the Obama administration.

Pete Rouse

Pete Rouse is an interesting case, whose political trajectory says much about the Obama campaign. Rouse was the chief of staff to Tom Daschle, the former Democratic leader in the Senate. Rouse was known as the "101st senator" in Washington circles due to the power he commanded, particularly when Daschle was the majority leader. He has worked on Capitol Hill for over 30 years.

After Daschle lost his seat in 2004, Rouse decided to take a position as chief of staff for Obama, then just beginning his first term in the Senate. The fact that an individual with Rouse's history and political ties decided to throw in his lot with a freshman senator with little political power or influence indicates that Obama

was being groomed at an early stage by sections of the Democratic Party establishment, including Daschle, for bigger things.

Rouse has been a strong advocate of bipartisanship and "reaching across the aisle" to work with Republicans.

Also included on the Transition Project are:

* Carol Browner, administrator of the Environmental Protection Agency for eight years in the Clinton administration. After 2001, Browner took a position at the Albright Group, a firm headed by former Clinton administration Secretary of State Madeleine Albright that advises businesses on policy.

* William Daley, brother of Chicago Mayor Richard M. Daley. Daley was special counsel to President Clinton on trade (helping pass the North American Free Trade Agreement) and Clinton's secretary of commerce from 1997 to 1998. After leaving government, Daley took a position as president of SBC Communications and later served as Midwest chairman of JPMorgan Chase and Bank One. He serves on the boards of directors of airline manufacturer and defense contractor Boeing and drug giant Merck.

* Michael Froman is president and CEO of CitiInsurance, a branch of banking giant Citigroup. During the 1990s, Froman served in the US Department of Treasury as deputy assistant secretary for Eurasia and the Middle East, and later as chief of staff.

* Federico Peña was secretary of transportation (1993 to 1997) and secretary of energy (1997 to 1998) under Clinton. After leaving government, he took a post in Vestar Capital Partners, an investment firm.



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