

President Obama, Robert Gibbs, and the public sector pay debate
By Ed O'Keefe

When President Obama thanked Robert Gibbs for his service on Wednesday, he suggested it made sense for his outgoing press secretary to want to go earn big money.

"He's had a six-year stretch now where basically he's been going 24/7 with relatively modest pay," Obama told the New York Times.

But at a time of persistent unemployment and a sagging economy, Obama's comment begged a question: Is a six-figure government salary really "relatively modest"?

Gibbs -- along with 22 other senior aides -- earned \$172,000 last year, according to White House salary figures. (He's unlikely to earn a government pension because he's only served about five years as a congressional and White House staffer, according to federal pay experts.)

Gibbs's pay is far less than the \$400,000 collected by Obama and sums earned by top Congressional leaders. But it is much more than the vast majority of employees in the private sector -- and comes at a sensitive moment, as rank and file federal workers earning various sums begin a two-year pay freeze.

Whether or not he did so intentionally, President Obama has inadvertently provided a new line of debate in the growing fight regarding public sector compensation. Mayors, governors and lawmakers of both parties are targeting government workers and their unions in the wake of a midterm election season that exposed voter displeasure with pay and benefits earned by government workers.

Even by West Wing standards, Gibbs is highly paid: Junior White House staffers earn between \$40,000 and \$60,000, and Obama has frozen West Wing salaries for the last two years.

Rank and file federal workers earned an average \$67,691 in 2008 -- about \$7,600 more than private sector employees, according to Bureau of Labor Statistics.

When pay and benefits are calculated together, feds earned an average \$123,049 in 2009 -- topping non-government workers by at least \$60,000, according to the Bureau of Economic Analysis.

Federal union leaders prefer "apples to apples" comparisons of workers performing the same job in the public or private sectors. But here again feds come out on top: According to BLS, federal "public relations managers" (the position description closest to Gibbs's press secretary work) earned an average \$132,410 in 2008 -- about 44,000 more than private-sector PR bosses. (In fairness, top-earning outliers working as spokespeople for Fortune 500 companies or major non-profits surely earn more than Gibbs.)

Obama might express his comments on Gibbs differently if given the opportunity, and his financial frame of reference is perhaps skewed by well-heeled members of his tight-knit inner circle.

Gibbs has spent a career jumping between congressional and campaign jobs, earning far less than White House senior advisers David Axelrod and Valerie Jarrett (who are millionaires), incoming adviser David Plouffe (who earned handsome advances for his book about the 2008 campaign), former chief of staff Rahm Emanuel (a former investment banker) and presumed successor William Daley (currently a JP Morgan executive).

Obama's decision to freeze federal pay upset John Gage, president of the American Federation of Government Employees, the government's largest union. But when asked Wednesday, he defended Obama and Gibbs.

"In this economy, when jobs are the issue, criticizing what people are making is just not the way to go," Gage said. "Him making \$172,000 I think just shows that's not very much pay for a job like that."

Cato Institute fellow Chris Edwards, a leading critic of government pay scales, said federal workers should stop considering themselves as victims. "High-level staffers like Gibbs will go on to earn very high pay in the private sector as lobbyists, so we shouldn't shed tears about their supposedly 'modest pay' in government," he said.

Indeed Gibbs is sure to earn top dollar. He has hired Robert Barnett, a Washington super-lawyer representing Bill and Hillary Clinton, Tony Blair and Sarah Palin, who all earned six- and seven-figure sums for speeches, corporate consulting gigs, television and book deals after leaving government.

Gibbs didn't rule out corporate work when asked Wednesday and said he has no immediate plans to write a book. He is expected to consult Obama's reelection campaign and make frequent TV appearances.

As Gibbs leaves the role as the second-most televised government official, perhaps Obama best understands and appreciates what awaits his press secretary on the outside. Following years in the nonprofit and public sectors as a community organizer, state legislator and senator, Obama has earned millions from book sales and will likely bank much more in his post-presidential life.

For now, he's provided fodder to a debate already roiling city halls and state houses and set to intensify in Washington as the White House and Congress prepare to debate future spending levels and find ways to cut back.

Staff writer Anne E. Kornblut contributed to this report.