The Obamas prepare to cash in

By David Walsh
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Barack Obama certainly did his part. Corporate profits soared during his eight years in office. The wealth of the richest 400 Americans grew from $1.57 trillion to $2.4 trillion. Social inequality increased at an accelerating rate.

With Obama in the White House, the stock market enjoyed one of its most successful runs in history (the Dow Jones Industrial Average rose by 148 percent, a greater percentage increase than under Ronald Reagan).

Concretely, according to CNN Money, "Dow components JPMorgan Chase and Goldman Sachs have skyrocketed since the [2008-2009] bailout and are not far from their record highs. … Apple's shares have surged more than 415% since he [Obama] took office. Amazon's are up an astonishing 900%. And Facebook, which went public during the last few months of Obama's first term in 2012, is up 230% from its offering price."

The *New York Times* gloated last year, "The facts are inescapable: The Obama years have been among the best of times to be a stock investor, going all the way back to the dawn of the 20th century. Consider that had you been prescient enough to buy shares of a low-cost stock index fund on Mr. Obama's first inauguration day, on Jan. 20, 2009, you would now have tripled your money. Stock market performance of this level has rarely been surpassed."

Supplementing that, *Time* magazine pointed out that while under Obama, "U.S. stocks more than tripled investors' money, generating total returns (which include the value of reinvested dividends) of 235%...shares of companies based in Europe, Japan, and other developed economies gained just 96% in total."

So it only seems fair that having made the already immensely rich a great deal richer, at the expense of the working class, Obama should reap the appropriate reward. He and his wife certainly seem to be of that opinion.

One recent startling headline reads, "Obama could make up to $242 million after leaving Washington, D.C." It is based on a study carried out by a researcher at the business school of the American University in Washington. The study itself, a little less sensationally headlined, "How Presidents Make Their Millions," indeed argues that "the Obamas could earn as much as $242.5 million from speeches, book deals and pensions. (Assuming a retirement age of 70.) Not bad for a couple that entered office with $1.3 million in total net worth."

The great question the study addresses is whether the Obamas will outdo the Clintons in amassing wealth after leaving the White House. "Could the Obamas equal or even exceed the Clintons' $75 million in their 15th year out of office? That seems likely. President Obama leaves office with two best-sellers already to his name to add to the estimated $40 million in book fees he and Michelle will receive. Add $3 million in pension income and about 50 speeches a year at a conservative $200,000 apiece and you're already close to $200 million before taxes. Enough to put the Obamas high up on the list of wealthiest former first families."

The *Washington Post* suggests other options. "Any corporate board would probably be happy to have a former president at the table. Corporate boards pay well, with many offering healthy six-figure fees and private jet travel to and from the meetings. Obama has said he does not want to travel by commercial air in the future."

The Obamas are already wealthy. Columnist Andrew Lisa notes, "Barack Obama earned $400,000 a year throughout his entire eight-year term. … The president also receives a $50,000 annual expense account, a $100,000 nontaxable travel account and a $19,000 entertainment budget.

"On April 15, 2016, President Obama released his 2015 tax returns, which showed that he and first lady Michelle Obama filed jointly and reported an adjusted gross income of $436,065. They paid $81,472 in taxes according to their 18.7 percent tax rate. … According to CelebrityNetWorth.com, Obama has a net worth of $12.2 million and Michelle Obama is not far behind with a net worth of $11.8 million." Obama's pension payment for 2017 will be $207,800.

Upon leaving the White House January 20, and following a vacation in Palm Springs, California, Obama and his family were scheduled to move into a quasi-mansion in the Kalorama section of northwest Washington, D.C. The house, with nine bedrooms "and eight-and-a-half bathrooms spanning three stories (not including a lower level)" (*Forbes*), is a "lavish residence in a desirable neighborhood. It was built in 1928, and it has 8,200 square feet" (*Business Insider*).

Business Insider adds, "Both Amazon founder Jeff Bezos and the family of Ivanka Trump and Jared Kushner can be counted as the Obamas' new neighbors in Kalorama, as both have also recently purchased homes in the neighborhood. The Obamas will lease the home from Joe Lockhart, who served as press secretary in President Bill Clinton's White House, until their younger daughter, Sasha, finishes high school. It was listed for sale at $5.3 million before going off the market in May." *Forbes* suggests the property is worth $7 million, "a figure expected to increase by over $300,000 in the coming year."

The Obamas will be paying $22,000 a month in rent for their residence. In addition, they own a $1.5 million home in Chicago, and, if the *Washington Post* is to be believed, "Obama, an avid golfer, is also reportedly noodling around for a home in Rancho Mirage [in the Palm Springs area], where golf is akin to a religion." The *Palm Desert Patch* indicates that, according "to the rumor mill, the Obama family is looking to buy a home in Rancho Mirage, possibly in the [exclusive] Thunderbird Heights neighborhood." The area is known "as the 'Playground of the Presidents.'"

Karl Marx and Frederick Engels argued more than a century and a half ago that the "executive of the modern state" was nothing more than "a committee for managing the common affairs" of the entire ruling class. That is more transparently and obscenely true and the officials of this "executive" are more highly compensated than ever.