

PROFILES IN CITIZENSHIP: PETER ORSZAG



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Management and Budget (OMB), the job was even more complex. Trying to get the right policy answer while balancing the pressure from politicians to get the right political answer was a challenge. Orszag is back in the private sector, at least for now, but he reflected for us on his years of government service and how he got there.

Orszag's family wasn't very political, but he grew up in Lexington, Massachusetts, with an acute sense of history fed by his fascination with the local reenactments of the famous Revolutionary War battles. His private-school education emphasized the value of service, culminating in his high school internship in the office of a then-new senator, Tom Daschle, D-S.D. (who would go on in time to serve as the Senate majority leader). Since the office was just finding its feet, Orszag's experience was not a run-of-the-mill internship; while his friends in other Senate offices were opening mail and running errands, he was writing speeches and working with Daschle's newly minted chief of staff, Pete Rouse.

From there Orszag went to Princeton, where he got hooked on economics. Orszag says, "At its most fundamental, I have always been interested in combining rigor and relevance, so it's what attracted me to economics in the first place. There was a book that Alan Blinder, a professor at Princeton, wrote in 1987, called *Hard Heads, Soft Hearts: Tough-Minded Economics for a Just Society*. I had been sensing that I liked this combination, but that captured it, and I love that book and it's what

drew me to economics, because you are applying this ostensibly rigorous tool to real-world situations." Orszag took an introductory class from Professor Blinder at Princeton, graduated as an econ major, and headed to England with a Marshall Scholarship to earn a master's and a Ph.D. in economics from the London School of Economics.

Before long, Orszag was able to put some of his economic theory to the test when he returned to the United States to work as an economic adviser in the second Clinton administration. He did a brief stint in the private sector after that, setting up a consultancy business with his younger brother. When they sold the business he went to work at the Brookings Institution, a liberal think tank, and then to CBO as its director.

CBO is an arm of the legislature that is charged with providing economic analysis to Congress to help it make policy and budgetary decisions. Orszag really enjoyed his work there; he found it "remarkably independent to a degree that was refreshing and astonishing." Because it was nonpartisan it was mostly free of political pressure. He was able to restructure staff and process in the office to make it more responsive to Congress.

Orszag would have liked to have stayed at CBO, but after the 2008 election, with the economy in freefall, President Obama asked him to take on the directorship of OMB. As he says, "When the president of the United States asks you to do something, unless you have a very strong counter argument, it's typically what you do." So to OMB he went, adding a dose of politics into

Though Americans don't much like to admit it, governments cost money. The collective projects they undertake are expensive, paid for largely by tax revenue. We think of public servants as glad-handing politicians, friendly police officers, and brave firefighters. But sometimes they are the brainiacs at the computers, running the numbers and trying to balance the books. In the case of Peter Orszag, former director of the Congressional Budget Office (CBO) and the Office of