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Remarks at the Opening Session of the Jobs and Economic Growth Forum

December 3, 2009

Thank you, everybody. Thank you very much. Please, have a seat. Good afternoon, everybody. I'm glad you all could join us today for this job forum here at the White House. Now, we've got leaders from just about every sector of the economy: government, labor, academia, nonprofits, and businesses of all sizes. And I know that your unions or universities or cities or companies don't run themselves, so I appreciate that you've taken the time to be here today. And I appreciate the unique perspective each of you brings to the great economic challenge before us: the continuing plight of millions of Americans who are still out of work.

Sometimes in this town, we talk about these things in clinical and academic ways. But this is not an academic debate. With 1 in 10 Americans out of work and millions more underemployed, not having enough hours to support themselves, this is a struggle that cuts deep, and it touches people across this Nation. Every day, I meet people or I hear from people who talk about sending out resume after resume, and they've been on the job hunt for a year or a year and a half and still can't find anything and are desperate. They haven't just lost the paycheck they need to live; they're losing the sense of dignity and identity that comes from having a job. I hear from businessowners who face the heartbreak of having to lay off longtime employees or shutting their doors altogether, in some cases businesses that they've taken years to build, in some cases businesses that they inherited from their parents or their grandparents. And I see communities devastated by lost jobs and devastated by the fear that those jobs are never coming back.

Now, as Joe mentioned, it's true that we've seen a significant turnaround in the economy overall since the beginning of the year. Our economy was in a freefall. Our financial system was on the verge of collapse. We were losing 700,000 jobs per month. And it was clear then that our first order of business was to keep a recession from slipping into a depression, from preventing financial meltdown and getting the economy growing again, because we knew that without economic growth, there would be little to nothing we could do to stem job losses. And we knew that trying to create jobs in an economy based on inflated home prices and maxed-out credit cards and overleveraged banks was akin to building a house on sand.

So we implemented plans to stabilize the financial system and revive lending to families and businesses. We passed the Recovery Act, which stopped our freefall and help spur the growth that we've seen. Today, our economy is growing again for the first time in a year and at the fastest pace that we've seen in 2 years, and productivity is surging. Companies are reporting profits. The stock market is up.

But despite the progress we've made, many businesses are still skittish about hiring. Some are still digging themselves out of the losses they incurred over the past year. Many have figured out how to squeeze more productivity out of fewer workers, and that cost-cutting has become embedded in their operations and in their culture. That may result in good profits, but it's not translating into hiring. And so that's the question that we have to ask ourselves today: How do we get businesses to start hiring again? How do we get ourselves to the point where more people are working and more people are spending and you start seeing a virtuous cycle and the recovery starts to feed on itself?

Now, we knew from the outset of this recession—particularly a recession of this severity and a recession that is spurred on by financial crisis rather than as a consequence of the business cycle—that it would take time for job growth to catch up with economic growth. We all understood that. That's always been the case with recessions. But we cannot hang back and hope for the best when we've seen the kinds of job losses that we've seen over the last year. I am not interested in taking a wait-and-see approach when it comes to creating jobs.

What I'm interested in is taking action right now to help businesses create jobs—right now, in the near term. And that's why we made more credit available to small banks that provide loans to small businesses. That's why we provided tax relief to help small businesses stay afloat and proposed raising SBA loan limits to help them expand. That's why we created the Cash for Clunkers program and made sure the Recovery Act included investments that would start saving and creating jobs this year, as Joe mentioned, as many as 1.6 [million][*] so far is estimated, according to the most recent analysis. And that's why I've been working continuously with my economic advisers as well as congressional leaders and others on new job creation ideas. And I'll be speaking in greater detail about several ideas that have already surfaced early next week.

But I want to be clear: While I believe that government has a critical role in creating the conditions for economic growth, ultimately, true economic recovery is only going to come from the private sector. We don't have enough public dollars to fill the hole of private dollars that was created as a consequence of the crisis. It is only when the private sector starts to reinvest again, only when our businesses start hiring again and people start spending again and families start seeing improvement in their own lives again that we're going to have the kind of economy that we want. That's the measure of a real economic recovery.

So that's why we've invited all of you here today. Many of you run businesses yourselves. Each of you is an expert on some aspect of job creation. Collectively, your views span the spectrum. That was deliberate. We've looking for fresh perspectives and new ideas.

I want to hear about what unions and universities can do to better support and prepare our workers, not just for the jobs of today, but for the jobs 5 years from now and 10 years from now and 50 years from now. I want to hear about what mayors and community leaders can do to bring new investment to our cities and towns and help recovery dollars get to where they need to go as quickly as possible. I want to hear from CEOs about what's holding back business investment and how we can increase confidence and spur hiring. And if there are things that we're doing here in Washington that are inhibiting you, then we want to know about it.

And I want to continue this conversation outside of Washington, which is why I'll be meeting with some of the small-business owners that you saw in the video, in Allentown, Pennsylvania, tomorrow to get their ideas. It's also why we've asked State and local officials and community organizations to hold their own jobs forums over the next week or so and to report back with the ideas and recommendations that result.

Now, let me be clear: I am open to every demonstrably good idea, and I want to take every responsible step to accelerate job creation. We also, though, have to face the fact that our resources are limited. When we walked in, there was an enormous fiscal gap between the money that is going out and the money coming in. The recession has made that worse because of fewer tax receipts and more demands made on government for things like unemployment insurance.

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[*] White House correction.

So we can't make any ill-considered decisions right now, even with the best of intentions. We're going to have to be surgical, and we're going to have to be creative. We're going to have to be smart and strategic. We'll need to look beyond the old standbys and fallbacks and come up with the best ideas that give us the biggest bang for the buck.

So I need everybody here to bring their A-game here today. I'm going to be asking some tough questions. I will be listening for some good answers. And I don't want to just brainstorm up at 30,000 feet. I want details in our discussion today. I'm looking for specific recommendations that can be implemented that will spur on job growth as quickly as possible.

Now, I want to be clear: We won't overcome our unemployment challenge in just a few hours this afternoon. I assure you there is extraordinary skepticism that any discussions like this can actually produce results. I'm well aware of that. I don't mind skepticism. If I listened to the skeptics, I wouldn't be here. [*Laughter*]

But I am confident that we'll make progress. I'm confident that people like you, who've built thriving businesses or revolutionized industries or brought cities and communities together and changed the way we look at the world and innovated and created new products, that you can come up with some additional good ideas on how to create jobs. And I'm confident that the spirit of bold, persistent experimentation that FDR talked about and that's gotten this country through some of our darkest hours remains alive and well, not just in this room, but all across the country.

We still have the best universities in the world. We've got some of the finest science and technology in the world. We've got the most entrepreneurial spirit in the world, and we've got some of the most productive workers in the world. And if we get serious, then the 21st century is going to be the American century, just like the 20th century was. But we're going to have to approach this with a sense of seriousness and try to set the politics and the chatter aside for a while and actually get to work.

So, welcome. Thank you for participating. We are going to maximize the productivity of this effort over the next several hours. And I will be returning back with you so that I can get a report on what kinds of ideas seem to make the most sense. Thank you very much, everybody.

NOTE: The President spoke at 1:42 p.m. in the South Court Auditorium in the Dwight D. Eisenhower Executive Office Building. In his remarks, he referred to Vice President Joe Biden, who introduced the President. The transcript released by the Office of the Press Secretary also included remarks by Vice President Biden.

Categories: Addresses and Remarks : Jobs and Economic Growth Forum, opening session.

Locations: Washington, DC.

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