

Remarks on the National Economy

July 23, 2010

Hello, everybody. Trying a little change of venue here—mix it up.

I want to talk about the progress that we made this week on three fronts, as we work to repair the damage to our economy from this recession and build a stronger foundation for the future.

First, I signed a Wall Street reform bill that will protect consumers and our entire economy from the recklessness and irresponsibility that led to the worst recession since the Great Depression. It's a reform that will help us put a stop to the abusive practices of mortgage lenders and credit card companies and ensure that people get the straight, unvarnished information that they need before they take out a loan or open a credit card. It will bring the shadowy deals that caused the financial crisis into the light of day. And it will end taxpayer bailouts of Wall Street firms and give shareholders a say on executive compensation.

The need for this reform, by the way, was underscored by the report issued by Ken Feinberg this morning, identifying a number of financial companies that continued to pay out lavish bonuses at the height of the financial crisis, even as they accepted billions of dollars in taxpayer assistance.

Second, I signed a law that will improve our ability to crack down on improper payments made by our Government. Every year, the Government wastes tens of billions of dollars—taxpayer dollars—on erroneous payments to companies that haven't paid their taxes or to prison inmates or even to people who died a long time ago. Today, we have the technology to block these payments, and the law I signed will give us new tools to do so. I've set a target to save at least \$50 billion in—by 2012, savings that are more important today than ever because we simply don't have any money to waste.

Third, we finally overcame the procedural blockade of a partisan minority in the Senate to restore unemployment insurance for about 2.5 million Americans who are out of work and looking for a job.

So taken together, we made enormous progress this week on Wall Street reform, on making sure that we're eliminating waste and abuse in Government, and in providing immediate assistance to people who are out there looking for work.

But ultimately, our goal is to make sure the people who are looking for a job can find a job. And that's why it's so important for the Senate to pass the additional steps that I've asked for to cut taxes and expand lending for America's small businesses, our most important engine for hiring and for growth. And a small-business jobs bill that contains these measures may come up for a final vote in the Senate in the next few days.

With this small-business bill, we'll set up a new lending fund to help community banks offer small-business men and women the loans they need to grow and to hire. We'll help States encourage more private sector loans to small businesses in industries like manufacturing or construction that have been especially hard hit by this recession. We'll expand our most successful small-business initiatives and more than double the size of loans our small-business owners can take out.

And to unlock the growth of our entrepreneurs, we'll finally do what I've been advocating since I ran for President, which is to eliminate capital gains taxes entirely for key investments in small businesses.

Now, last night, after a series of partisan delays, the Senate took an important step forward by supporting a lending fund in the overall small-business jobs bill. I want to thank Senators Mary Landrieu and George LeMieux for their leadership and advocacy on behalf of the millions of small-business people for whom this will make a meaningful difference. I was heartened that Senators LeMieux and Senator George Voinovich crossed party lines to help pass this lending provision last night, and I hope we can now finish the job and pass the small-business jobs plan without delay and without additional partisan wrangling.

You know, the small-business men and women who write to me every day and the folks who I've met with across this country, they can't afford any more political games. They need us to do what they sent us here to do. They didn't send us here to wage a never-ending campaign. They didn't send us here to do what's best for our political party. They sent us here to do what's best for the United States of America and all its citizens, whether Democrats or Republicans or Independents. In other words, they sent us here to govern. And that's what I hope we will do in the remaining days before the Congress takes its August recess.

Thank you very much, everybody.

NOTE: The President spoke at 12:10 p.m. in the Roosevelt Room at the White House. In his remarks, he referred to Special Master for TARP Executive Compensation Kenneth R. Feinberg. The Office of the Press Secretary also released a Spanish language transcript of these remarks.

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