



## Barack Obama

### *Announcement of Economic Team*



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**AUTHENTICITY CERTIFIED:** Text version below transcribed directly from audio

The news this past week, including this morning's news about Citigroup, has made it even more clear that we are facing an economic crisis of historic proportions. Our financial markets are under stress. New home purchases in October were the lowest in half-a-century. Recently, more than half-a-million jobless claims were filed, the highest in 18 years. And if we do not act swiftly and boldly, most experts now believe that we could lose millions of jobs next year.

While we can't underestimate the challenges that we face, we also can't underestimate our capacity to overcome them, to summon that spirit of determination and optimism that has always defined us, and to move forward in a new direction to create new jobs, reform our financial system, and fuel long-term economic growth.

We know this won't be easy, and it won't happen overnight. We'll need to bring together the best minds in America to guide us, and that is what I've sought to do in assembling my economic team. I've sought leaders who could offer both sound judgment and fresh thinking, both a depth of experience and a wealth of bold, new ideas, and most of all who share my fundamental belief that we cannot have a thriving Wall Street without a thriving Main Street, that in this country we rise or fall as one nation, as one people.

Today, Vice President-elect Biden and I are pleased to announce the nomination of four individuals who meet these criteria to lead our economic team: Timothy Geithner, as secretary of treasury; Lawrence Summers, as the director of our National Economic Council; Christina Romer, as chair of the Council of Economic Advisers; and Melody Barnes, as director of the Domestic Policy Council.



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Having served in senior roles at Treasury, the IMF, and the New York Fed, Tim Geithner offers not just extensive experience shaping economic policy and managing financial markets, he also has an unparalleled understanding of our current economic crisis in all of its depth, complexity, and urgency. Tim will waste no time getting up to speed. He will start his first day on the job with a unique insight into the failures of today's markets and a clear vision of the steps we must take to revive them. The reality is that the economic crisis we face is no longer just an American crisis; it's a global crisis. And we will need to reach out to countries around the world to craft a global response. Tim's extensive international experience makes him uniquely suited to do that work.

Growing up partly in Africa and having lived and worked throughout Asia, having served as undersecretary of the treasury for international affairs, one of the many roles in the international arena, and having studied both Chinese and Japanese, Tim understands the language of today's international markets in more ways than one. Tim served with distinction under both Democrats and Republicans and has a long history of working comfortably and as an honest broker on both sides of the aisle. With stellar performances and outstanding results at every stage of his career, Tim has earned the confidence and respect of business, financial, and community leaders, members of Congress, and political leaders around the world. And I know he will do so once again as America's next treasury secretary, the chief economic spokesman for my Administration.

Now, like Tim, Larry Summers also brings a singular combination of skill, intellect, and experience to the role he will play in our Administration. As undersecretary, deputy secretary, and then secretary of the treasury, Larry helped guide us through several major international financial crises and was a central architect of the policies that led to the longest economic expansion in American history, with record surpluses, rising family incomes, and more than 20 million new jobs. He also championed a range of measures, from tax credits to enhanced lending programs to consumer financial protections, that greatly benefited middle-income families.

As a thought leader, Larry has urged us to confront the problems of income inequality and the middle-class squeeze, consistently arguing that the key to a strong economy is a strong, vibrant, growing middle class. This idea is at the core of my own economic philosophy and will be the foundation of all of my economic policies.

And as one of the great economic minds of our time, Larry has earned a global reputation for being able to cut to the heart of the most complex and novel policy challenges. With respect to both our current financial crisis and other pressing economic issues of our time, his thinking, writing, and speaking have set the terms of the debate. I'm glad he will be by my side, playing the critical role of coordinating my Administration's economic policy in the White House, and I will rely heavily on his advice as we navigate the uncharted waters of this economic crisis.



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As one of the most expert people in America on economic crises and how to solve them, my next nominee, Christina Romer, will bring a critically needed perspective to her work as chair of my Council of Economic Advisors. Christina is both a leading macroeconomist and a leading economic historian, perhaps best known for her work on America's recovery from the Great Depression and the robust economic expansion that followed.

Since 2003, she's been co-director of the National Bureau of Economic Research Monetary Economics program. She's also a member of the bureau's Business Cycle Dating Committee, the body charged with officially determining whether a recession has started and ended, experience which will serve her well as she advises me on our current economic challenges. Christina has done groundbreaking research on many of the topics our Administration will confront, from tax policy to fighting recessions. And her clear-eyed, independent analyses have received praise from both conservative and liberal thinkers alike. I look forward to her wise counsel in the White House.

Finally, we know that rebuilding our economy will require action on a great variety of fronts: from education and health care to energy and Social Security. Without sound policies in these areas, we can neither enjoy sustained economic growth nor realize our full potential as a people. So I am extraordinarily pleased that Melody Barnes, one of the most respected policy experts in America, will serve as my director of the Domestic Policy Council, and that she will be working hand in hand with my economic policy team to chart a course to economic recovery. An integral part of that course will be health care reform, and she will work closely with my secretary of health and human services on that issue.

As executive vice president for policy at the Center for American Progress, Melody directed a network of policy experts dedicated to finding solutions for struggling middle-class families. She also served as chief counsel to the great Senator Ted Kennedy on the Senate Judiciary Committee, working on issues ranging from crime to immigration to bankruptcy, and fighting tirelessly to protect civil rights, women's rights, and religious freedom. Melody's brilliant legal mind and her long experience working to secure the liberties on which this nation was founded, as well as to secure the opportunities for those who've been left behind, make her a perfect fit for DPC director.

I'm grateful that Tim, Larry, Christina, and Melody have accepted my nomination, and I am looking forward to working closely with them in the months ahead. That work starts today, because the truth is, we do not have a minute to waste. Right now, our economy is trapped in a vicious cycle: The turmoil on Wall Street means a new round of belt-tightening for families and businesses on Main Street, and as folks produce less and consume less, that just deepens the problems in our financial markets. These extraordinary stresses on our financial system require extraordinary policy responses. And my Administration will honor the public commitments made by the current Administration to address this crisis.

Further, beyond any immediate actions we may take, we need a recovery plan for both Wall Street and Main Street, a plan that stabilizes our financial system and gets credit flowing



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again, while at the same time addressing our growing foreclosure crisis, helping our struggling auto industry, and creating and saving 2.5 million jobs, jobs rebuilding our infrastructure, our roads, our bridges, modernizing our schools, and creating the clean energy infrastructure of the 21st century. Because at this moment, we need to restore both confidence in the markets and restore confidence of middle-class families, who find themselves working harder, earning less, and falling further and further behind.

I've asked my economic team to develop recommendations for this plan and to consult with Congress, the current Administration, and the Federal Reserve on immediate economic developments over the next two months. I've requested that they brief me on these matters on a daily basis. And in the coming weeks, I will provide the American people and the incoming Congress with an overview of their initial recommendations. It is my hope that the new Congress will begin work on an aggressive economic recovery plan when they convene in early January so that our Administration can hit the ground running.

With our economy in distress, we cannot hesitate and we cannot delay. Our families can't afford to keep on waiting and hoping for a solution. They can't afford to watch another month of unpaid bills pile up, another semester of tuition slip out of reach, another month where, instead of saving for retirement, they're dipping into their savings just to get by. And I want to repeat: This will not be easy. There are no shortcuts or quick fixes to this crisis, which has been many years in the making, and the economy is likely to get worse before it gets better. Full recovery will not happen immediately. And to make the investments we need, we'll have to scour our federal budget, line by line, and make meaningful cuts and sacrifices, as well, something

Despite all of this, I am hopeful about the future. I have full confidence in the wisdom and ingenuity of my economic team and in the hard work, courage, and sacrifice of the American people. And most of all, I believe deeply in the resilience and the spirit of this nation. I know we can work our way out of this crisis because we've done it before. And I know we will succeed once again if we put aside partisanship and politics and work together.

That's exactly what I intend to do as President of the United States.