

Remarks on the First Anniversary of the Inflation Reduction Act
August 16, 2023

Thank you, Scott. Thank you, thank you, thank you. Please, thank you.

I think your patience today exceeds your good judgment, but thank you. *[Laughter]*

And I want to say one thing to your children: I know some really great ice cream places around here—*[laughter]*—and Daddy owes you. Okay? *[Laughter]* So talk to me afterwards. Folks, thanks for the introduction. And, Scott, thank you very much.

You know, I want to thank Vice President Harris; members of the Cabinet—Secretary Vilsack, Administrator Regan; you know, Members of Congress, and particularly Chuck Schumer and Nancy Pelosi, who played such a pivotal role in getting this bill done.

Everyone was telling us there is no possibility with the divided Congress—the way it was—that we could get it done. And you got it done without a single vote on the other team, although that began to change at the end.

And all the special guests, State and local leaders, business leaders, entrepreneurs, advocates.

You know, 1 year ago, with your leadership, I signed the Inflation Reduction Act into law and—one of the most significant laws I think has ever been enacted—taking on the special interests and winning—and winning.

Delivering on promises that have long been made to the American people to lower costs for families, especially health care costs, increase America's energy security, restore fairness to a Tax Code, create good-paying jobs here in America, and to address the existential threat of climate crisis.

You know, it's part of a much broader vision for our country: growing the economy from the middle out and the bottom up, not the top down. I'm a capitalist. I think if you can go make a billion dollars, go make it. I'm all for that. Just pay your taxes. *[Laughter]*

But because when the middle class does well—all kidding aside—everybody does well. Everybody. The poor have a ladder up. The middle class are—have a good shot. And the wealthy do very well.

The Financial Times and the Wall Street Journal initially called my plan "Bidenomics." I'm not sure they meant it in a totally complimentary way at the time. *[Laughter]* But guess what? It's working.

Our economic plan—made possible by all of you in this room, and that's not hyperbole—created more than 13 million 400 thousand jobs—new jobs since I took office. Nearly 800—*[applause]*—nearly 800,000 manufacturing jobs.

Where is it written that America can't create the most vibrant and innovative economy and be the world's leading manufacturer again? Where is that written? I didn't see that anywhere.

We've created more jobs in 2 years than any administration has in a single 4-year term. And I'm very proud that unemployment has been below 4 percent for the longest stretch in over 50 years. Below 4 percent, and it's going down.

We now have more jobs than we did before the pandemic. And workers aren't just finding more jobs, they're finding better jobs, higher pay, higher job satisfaction. And unemployment is down, and so is inflation.

Remember what the experts told us, okay? And they're traditional economists, very smart women and men. They told us getting inflation under control, in order to do it, we had to lower wages and increase unemployment. Not a joke. Had to lower wages and increase unemployment.

But we never, never, never thought the problem was too many people—I—at least, I didn't—too many people that were working or that working people were making too much money. I just thought that was not the best answer to how to get it down.

Now, one reason we've seen inflation fall by two-thirds without losing jobs is, corporate profits are coming back down to earth. The excesses are being eliminated by the corporations. We have more to do, but inflation is now at the lowest point it's been in 2 years.

When the Inflation Reduction Act was passed a year ago today, inflation was—as pointed out by Chuck or Nancy; I can't remember which one—8.3 percent. It's now down to 3.2 percent—[*applause*]*—the lowest amount—and it's going to go lower.*

But here's the point: It's lowest among the world's leading economies. Take every major economy in the world. We have the lowest inflation rate. At the same time, wages are growing faster than inflation, and this matters.

The way I think about inflation is the way my dad used to talk about it around the kitchen table. Not a joke. I'm being deadly earnest about this. He'd ask: "How much is left after all the monthly bills are paid? How much do you have left over after you pay them all? And is there—at the end of the month, just to have a little bit of breathing room. Just a little bit of breathing room."

That's one of the reasons why we've worked so hard dealing with Pharma and other things. Not only do you get the overall cost of average people and the monthly bills down, in addition to inflation, the Inflation Reduction Act is giving people more breathing room, as my dad would say. And it's supercharging the economic transition in key ways.

First, it's taking the most aggressive action ever on climate energy—ever. I've long said—and I've—that's why I think all the unions have come along. I've long said: When I think climate—not a joke—I think jobs. I think jobs. For real.

And by the way, none of this would have happened had the unions not stepped up and supported us. The idea—[*applause*]. They wouldn't have. It would not have happened.

This law is one of the biggest drivers of jobs and economic growth this country has ever seen.

Since I took office, the private sector has announced nearly 400—excuse me—\$240 billion in new clean energy manufacturing investments. That's private sector—\$240 billion invested.

And the law has already created an estimated 170,000 clean energy jobs in 1 year. It's estimated that it will—that will grow to 1.5 million more jobs over the next decade. First, it was one year. Now we're talking about the decade.

You know, just don't take it from me. The CEO of U.S. Steel called the Inflation Reduction Act "Manufacturing"—he called it the "Manufacturing Renaissance Act" because it's bringing jobs back to America, manufacturing here in America. Made in America.

According to leading Wall Street firms Morgan Stanley and Goldman Sachs, my broader investment—our broader investment in "Investing in America" agenda is unleashing a boom—a boom—of manufacturing investments.

And we're leaving nobody behind. We're investing in all of America: in the Heartland and coast to coast. You know, I saw some of our—a few of my Democratic friends—not in Congress—but friends said, "Look, you're investing more in red States than in blue States." Well, I made a commitment. This is about all of America. I was the President—[*applause*]. No, I really mean it.

And we've seen progress across the country, from Maine to South Carolina, to Minnesota, to New Mexico. The Vice President and I and the Cabinet have seen progress across the country.

Just yesterday I was in Wisconsin at a company that makes clean energy equipment, including wind turbines. Because of the Inflation Reduction Act, they expect their market in American-made wind turbine generators to double next year.

And by the way, the guy who was the most ardent opponent of all this was talking about what great benefits are coming to Wisconsin. [*Laughter*]

[At this point, the President made the sign of the cross.]

Bless me, Father. I have—[*laughter*]. I'm going to be a good boy. [*Laughter*] I'm going to keep the Irish in me down a little bit here. [*Laughter*]

At the same time, we're also boosting our Nation's energy security. For years, China dominated the clean energy supply chains. We became—we let the American jobs and factories go overseas. For how long have we gone through this period where the answer for the previous—mostly in Republican, but some Democratic administrations—the answer had been: Find the cheapest labor in the world; go—close the factory here, build it over there, wherever that is; and then import the product from abroad?

Not anymore. We are building it here and sending the product over there. No, I mean it. We're bringing critical supply chains and technologies home for electric vehicle batteries, solar panels, wind turbines, critical minerals.

And because of the CHIPS and Science Act, we've generated \$231 billion in private investment, in making semiconductors—\$231 billion. A small—that small computer chip, the size of the end of your fingertip that affects nearly everything in our lives, from cell phones, to automobiles, to the most sophisticated weapons systems.

You know, we invented these chips. We used to produce these chips. We stopped. And we saw it during the pandemic—we paid a high price for things that went overseas. Factories shut down; we paid a big price. But now we're bringing semiconductors home.

In 2030, the Inflation Reduction Act is projected to help triple wind power and increase solar power by eightfold. By 2030, electric—electrically deployed—excuse me, electricity deployed through the U.S. power grid is expected to be powered by 81-percent clean energy. Hear me? Eighty-one-percent clean energy.

Imagine the impact on climate and the air we breathe. The law is going to help meet all of my bold climate goals by cutting carbon pollution in half by 2030—in half by 2030. And between the Inflation Reduction Act and the bipartisan infrastructure law, we're investing more than \$50 billion to build up resilience in impacts on climate change.

These laws support important priorities, from addressing historic drought along the Colorado River Basin. Remember when I said we had a concern about the Colorado River literally going dry? You all thought I was crazy. I wish I had been. But guess what? I was just out there and looking down on the Grand Canyon. And guess what? It's coming back.

But at any rate, we're responding to coastal erosion, sea level rise in the Gulf of Mexico, and helping reduce the effects of extreme heat by investing nearly \$1.5 billion to plant trees and expand community parks and forests.

Folks, there's a lot more, and you've heard a lot today, and I'm going to not go into it all. But this law is helping families save thousands of dollars on energy bills every year through the tax credit and rebates to buy new and efficient electric appliances, weatherize their homes, install heat pumps, rooftop solar.

As a consequence of this, it's estimated that the consumer is going to save at least \$27 billion in electric bills between now and 2030. We're also offering tax credits up to \$7,500 to buy new electric vehicles—and I've worked it out with the European Union—[*laughter*]*—*and fuel cells made here in America.

For the first time, we can get a tax credit to buy used electric vehicles. And thanks to the law, new electric vehicles are going to save—this is a fact, if we do this—and we're doing it now—tens of billions of gallons of gasoline between now and 2030. That's a lot less pollution.

And I'm not even going to start to talk to you about Amtrak. [*Laughter*] It's going to save billions of dollars—and I really mean it—in energy costs. But we'll get into that later on. [*Laughter*]

Let me be clear on this point: When I say climate means jobs, I mean good-paying union jobs. And the law—[*applause*]. The law will give an added boost to clean energy products that pay a prevailing wage, employ registered apprenticeships, and use made-in-America parts and products, and not violate any international trade agreements. It's all in the law.

And we're reincentivizing companies to build clean energy projects in the same communities that powered our Nation with fossil fuels. We owe them—whether it was Scranton, Pennsylvania, or West Virginia or wherever it has been. The they've supplied the fossil fuels we needed for generations.

For example, next generation batteries are being made in an old steel mill in West Virginia. Solar panels are going to be—to go—going to a closed coal plant in New Mexico.

These incentives are going to help make clean energy jobs good-paying union jobs and ensure the benefits of clean energy economy reaching communities left behind. And they're left behind—when they left behind, they lost their pride. They lost a sense of who they were. They lost what was going on. To reach communities too often left behind—and that's the focus.

And we're already seeing it happen. Laborers and carpenters are building solar farms. Iron workers and operating engineers building wind projects. Electricians installing solar panels and electric vehicle chargers. By the way, 500,000 of those suckers. And it's going to mean a lot. And it's a big deal.

The clean energy economy should also be a win-win for auto companies and union workers. You know, as the Big Three automakers and companies—the United Auto Workers negotiate a new collective bargaining agreement, I'm asking them to work together to forge a fair agreement. Together—together—we can make this transition to a clean energy future fair and just.

And that means ensuring that auto jobs continue to be good jobs that can—you can support a family on. That auto companies honor the right of workers to organize, taking every possible step to avoid painful plant closings; and that when transitions are needed, they are fair and designed to retool, reboot, and rehire the same—in the same factory and communities at a competitive wage while the existing workers get the first shot to fill those jobs. That's only fair. It matters.

Second, because the Inflation Reduction Act, we're talking about lifesaving steps to reduce health care costs. It locks in place the lower health care premiums for millions of American families under the Affordable Care Act, saving them an average of \$800 a year. And I see my friends in the Congress who saw that—in the Senate and House who saw that—make that happen.

Plus, we pay more for our prescription drugs than any country—major country in the world. The product made here in the United States sold in Montreal or Paris or anywhere around the world is cheaper than it's made here, where it was—where it's been produced.

For years, many of us have been trying to give Medicare the power to negotiate lower drug prices, which would reduce, by the way, the Federal deficit at the same time. Because when Medicare doesn't have to pay the high price, guess what? It cuts your taxes. It cuts the amount of money that the Federal Government has to pay. For years, Big Pharma won. Big Pharma blocked us. But not this time.

I know I don't look it, but I've been around—I've been around for 400 years. *[Laughter]* And I've been fighting Pharma on this since the 1970s. No, not a joke. This time, we finally beat Big Pharma. Medicare finally has the power to negotiate lower prescription drug prices, like the Department of Veterans Affairs has—had the power.

That's not all. We've heard—you've heard—this was already spoken to: insulin. Companies pay—it costs—and by the way, the guy who invented the insulin, he never patented it because he wanted it available for everybody. It never was patented.

And guess what? It costs 10 bucks to make. And if you use everything including packaging, it could be as high as 12 and a half dollars. Now those companies are charging 30 times that amount.

Now seniors on Medicare—and by the way, it should be beyond seniors and Medicare, but I'll come back to that at another time—were paying as much as \$400 a month for insulin. And they're now just paying 35 bucks a month.

We're also capping total out-of-pocket expense for drugs for seniors on Medicare to \$2,200 a year—\$2,000 a year for even the expensive cancer drugs that could cost as much as \$10-, \$12-, \$14,000 a year. Combine all the costs of their drugs, by 2025, they'll never have to pay more than a total of \$2,000 after 2025.

One in three—one in three—seniors on Medicare is going to save an average of \$400 a year. Seniors with the highest drug costs are going to save an average of \$2,500 a year. And the Pharma companies are still going to do very, very well.

The laws require that drug companies will raise prices faster than inflation. If they do that, they're going to have to pay the difference back to Medicare. That will create an incentive to keep prices from skyrocketing. And negotiating drug prices alongside other parts of the law will save the Federal Government \$160 billion—reducing the cost of Government by \$160 billion.

It will lower the Federal deficit because it means—what happens here is, Medicare is going to be paying less for the prescription drugs they deliver to the American people. So it not only lowers cost for the person receiving the drug, it lowers the cost for taxpayers—lowers the cost for taxpayers.

And it gets to a third win for the American people with this law: We've made all the progress without raising taxes on the middle class.

I made a commitment—and some thought it was too much of a commitment; it's too high—that no one making less than \$400,000 a year will pay a single penny more in Federal taxes. It's a commitment I've kept so far. And as long as I'm President, I will keep it.

Unlike the last President, in my first 2 years in office, we actually cut the Federal debt—the deficit by \$1.7 trillion. You hear me? The first 2 years—we cut the debt [deficit; White House correction] by \$1.7 trillion.

And through this law, we're going to continue cutting the deficit and cutting subsidies to Big Pharma and ensuring the wealthy and big corporations begin to pay their fair share of Federal taxes.

Does anyone here think that the tax system is fair? In 2020—you remember, I was a pain in the neck about this; I know—there were 55 of the largest corporations in America who paid zero in Federal taxes—55 of the 500—of the Fortune 500. And they made \$40 billion in profits. Didn't pay a penny.

Not anymore. The law requires a minimum tax of 15 percent on our biggest corporations and a 1-percent excise tax on stock buybacks when they pay profits to shareholders.

The law also saves money by cracking down on superwealthy tax cheats, making sure billionaires—who pay—by the way, there's about a thousand now; we used to have 750 before the pandemic. And by the way, if you're going to be a billionaire—not a problem. I'm a capitalist. I also was listed for 36 years the poorest man in the Senate, but that's a different issue. [Laughter] But billionaires and the biggest corporations should at least pay the taxes they owe.

Do you know what the average tax on a billionaire in America is today—Federal tax: 8.2 percent. You know, a janitor makes—pays a higher tax than that.

Folks, this law is transformative. And it feel—you know, it fell entirely to Democrats to deliver it. I hope we've seen—with all the people out there claiming the credit for it—they've decided that we're going to—they're going to join the fight. They're going to join the fight.

I took a—well, I guess I shouldn't get into that. [Laughter] But one Congressperson, who has been particularly strident about me, laid out all that we did. We just took it and used it as an ad. I didn't realize—[laughter]. You think I'm kidding. [Inaudible]

Look, the idea that not one single Republican voted for it—you know, I—and I know my colleagues know this, and I've had seven of my Republican—former Republican colleagues in the Senate come to me and say they agreed with us. And—but I promised I'd never say their names, and I never will tell anybody. But the reason they did that was—they said, "Joe, if I vote for x, y, or z, it's going to—they're going to primary, and it will cost me my election."

Not a lot of political courage, but an explanation as to why there's a lot of people who believe what we're doing is right, but just are a little worried in this environment.

In fact, Republicans have repeatedly tried to repeal key parts of the Inflation Reduction Act, including the Speaker of the House now, taking credit for the billions of dollars in private investments and thousands of jobs coming into their States.

That's okay. I ran for President, and I said I would represent all Americans. And like I said at the State of the Union, "I'll see you at the groundbreaking." [Laughter] You think I'm kidding. [Laughter] You know I'm not.

Let me close with this. I'm not here to declare victory on the economy. Our economy is stronger and better than any industrial nation in the world right now. We—but we have more work to do. We have a plan that's running—turning things around. The Inflation Reduction Act is a part of that plan.

Bidenomics is just another way of saying "restoring the American Dream." I believe every American willing to work hard—and I mean this from the bottom my heart. My dad used to say, "Joey, a job is about a lot more than a paycheck." I give you my word. "A lot more than a

paycheck. It's about your dignity. It's about respect. It's about being able to look your kid in the eye and say, 'Honey, it's going to be okay,' and mean it."

Any person willing to work hard should be able to get a job no matter where they live, raise their kids on a good paycheck, and keep their roots where they grew up.

How many of you from Midwestern States and border States have found yourself in a position where—they provide a good education, and you've got a—the son or daughter comes to you, "Mom, Dad, I've got to move." When you were Governor of Iowa, how many times did you hear that? You have one of the best education systems in the country. "But I've got to move, Mom. There's no job for me."

Bidenomics is anchors—anchored in what's always worked best for the country: investing in America, investing in Americans. Because when we invest in ourselves, when we strengthen the middle class, we see stronger economic growth. It benefits everybody.

Look, folks, I'm proud of the historic law my administration has passed, but it's not about me, and I mean that from the bottom of my heart. It's about you: all of you in this room, particularly, but the American people. Folks like the ones standing behind me here today.

The most important thing I want to say today is: Thank you, America. Thank you, Americans. We've faced some tough times in recent years. But you, the American people, didn't give up. You're the ones getting up every single day going to work. You're the ones taking the risks, opening the doors, hiring workers, fulfilling dreams.

And all we hear from our friends on the other side of the aisle is what they claim is what's wrong with America. Well, let me tell you—let me tell you: They're telling us America is failing? They're dead wrong. They're dead wrong. America isn't failing, America is winning.

And I've said it a thousand times—[*applause*]. I've said it a thousand times—a thousand times: There is no quit in America. Name me a single objective we've ever set out to accomplish that we failed on. Name me one in all of our history. Not one.

It's never been a good bet to bet against America, and it's still not a good bet today. This is still a country that believes in honesty, decency, and integrity. We're still a country that believes in hard work.

We're still a country that believes that each and every one of us is created equal. We've never fully lived up to it, but we never walked away from it. And I guarantee you, we're still the beacon for the world. You ought to come with me to all these international meetings. Listen to the rest of the world, what they say to the President of the United States.

Everyday, ordinary people every day get up and do extraordinary things. That's who we are. America's best days aren't behind us, they're ahead of us. This isn't about the past, this is about the future we're going to build. And I've never been more optimistic about America's future.

Just remember who in God's name we are. We're the United States of America. And there's nothing, nothing, nothing beyond our capacity when we do it together.

God bless you all, and may God protect our troops.

Thank you, thank you, thank you.

NOTE: The President spoke at 3:10 p.m. in the East Room at the White House. In his remarks, he referred to Scott L. Strazik, chief executive officer, GE Vernova, who introduced the President, and his children Lauren, Jack, and Clarissa; Senate Majority Leader Charles E. Schumer; Rep. Nancy Pelosi, in her former capacity as Speaker of the House of Representatives; David B. Burritt, president and chief executive officer, U.S. Steel Corp; Sen. Ronald H. Johnson; former

President Donald J. Trump; Rep. Marjorie Taylor Greene; and Speaker of the House of Representatives Kevin O. McCarthy.

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Locations: Washington, DC.

Names: Burritt, David B.; Greene, Marjorie Taylor; Harris, Kamala D.; Johnson, Ronald H.; McCarthy, Kevin O.; Pelosi, Nancy; Regan, Michael S.; Schumer, Charles E.; Strazik, Clarissa; Strazik, Jack; Strazik, Lauren; Strazik, Scott L.; Trump, Donald J.; Vilsack, Thomas J.

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