

Administration of Joseph R. Biden, Jr., 2024

Remarks at the Economic Club of Washington, D.C.

September 19, 2024

Hello, hello, hello. Thank you, David. In my household, we refer to David as the Washington Monument. [Laughter] He's been a friend a long time—a long time. And not only thank you for the introduction, David, but thank you for your friendship.

And thank you all for being here and allowing me to be here.

Yesterday was an important day for the county, in my view. Two and a half years after the Federal Reserve began raising interest rates, it announced that it would begin lowering interest rates.

I think it's good news for consumers, and it means the cost of buying a home, a car, and so much more will be going down. And it's good news, in my view, for the overall economy, because lower borrowing costs will support economic growth.

And it's an important signal from the Federal Reserve to the Nation that after repeated interest hikes to cool down inflation, inflation has come back down, and the Fed—the Fed—is lowering—switched to lowering rates to keep the country growing—the economy growing.

At its peak, as you all know, inflation was 9.1 percent in the United States. Today, it is much closer to 2 percent. That doesn't mean our work is done. Far from it. Far from it.

No one should confuse why I am here. I'm not here to take a victory lap. I'm not here to say, "A job well done." I'm not here to say, "We don't have a hell of a lot more work to do." We do have more work to do.

But what I am here to speak about is how far we've come, how we got here, and most importantly, the foundation that I believe [we've; White House correction] built for a more prosperous and equitable future in America.

So let's be clear. The Fed lowering interest rates isn't a declaration of victory, it's a declaration of progress. It's a signal we've entered a new phase of our economy and our recovery.

You know, I believe the [it's; White House correction] important for the country to recognize this progress, because—because—if we don't, the progress we made will remain locked in the fear of negative mindset that dominated our economic outlook since the pandemic began, instead of seeing the immense opportunities in front of us right now.

It's a—this is a moment, in my view, for business to feel greater confidence to invest, hire, and to expand. It's a moment for individuals to feel greater confidence buying a home, a new car, starting a family, starting a new business.

We've—we're creating jobs. Employment [Unemployment; White House correction] remains very low. Small-business creation is at its historic highs. The economy is growing. The main challenge we've had—it's been a painful one, but—has been the pandemic and the inflation it created, causing enormous pain and hardship for families all across America. That's not true just for us, but for every major economy in the world.

But now—now—inflation is coming down in the United States. And the fact is, it's come down faster and lower than almost any other [of the; White House correction] world's advanced economies.

So now, instead of looking at interest rates increases, interest rates are going to be coming down, and they're expected to go down further. And that's a good place for us to be.

Now, a lot of people, as you all know—maybe you know a few—thought we'd never get here. When Kamala and I came to office, 3,000 people a day were dying of COVID—3,000 a day. Millions of Americans had lost their jobs, their businesses. And the global economy was in a tailspin.

Four years ago, we inherited the worst pandemic in a century and the worst economic crisis since the Great Depression. In fact, my predecessor was one of just a few—two Presidents in American history who left office with fewer jobs than the day he came into office. The other? Herbert Hoover.

When I came to office, there was no real plan in place—no plan to deal with the pandemic, no plan to get the economy back on its feet. Nothing—virtually nothing.

In fact, the nonpartisan Congressional Budget Office predicted we wouldn't—they wouldn't see a full recovery until well after the end of my first term in office. But I refused to accept that, like many of you refused to accept it.

I came into office determined not only to deliver immediate economic relief for the American people, but to transform the way our economy works over the long term; to write a new economic playbook, grow the economy from the middle out and the bottom up, not just the top down; put workers first; support unions to make sure workers have a bargaining clout they need to get a fair price to grow that pie—and after all, it's the productivity that's—they're the productivity baked into that pie, in my view; no one—leave no one behind; foster fair—fair—competition; invest in all of America and in all Americans.

When we do things for the poor and have—they have a ladder up, the middle class does very well, and the wealthy continue to do very well. We all do well. And we are doing well. Working families and the middle class are the center of the strong, equitable, and sustainable recovery.

Here are the keys from the new playbook, in my view. Within the first 2 months in office, I signed the American Rescue Plan, one of the most significant economic recovery packages in our history. Not a single person on the other team—Republicans—voted for it.

It delivered shots in the arm for vaccines to vaccinate the Nation in one of the most sophisticated logistical operations in American history. I found it incredibly difficult to plan that. Without protecting our Nation from COVID, our economic recovery would never have taken off.

It also delivered immediate economic relief for those who needed it the most. An individual earning less than \$75,000 a year received a \$1,400 check. So a family of five earning less than \$150,000 a year could receive as much as \$7,000. And by the way, in middle class families like the one I grew up and many of you grew up in, that is a game changer. That saved people's sense of being.

It also prevented a wave—a wave—of evictions, bankruptcies, and delinquencies and defaults that the previous crises weakened the recovery and left working families permanently further behind.

I was determined to avoid what Secretary Yellen called the "economic scarring," scarring that hurt so many Americans and left them behind in the past. We delivered essential funding to States and local governments to keep essential services moving, to keep teachers and first responders on the job, to keep small businesses open, and to build more housing. We also expanded the child tax credit to cut child poverty in half.

And, with the Butch Lewis Act, we took the most significant action in 50 years to protect the pensions of millions of union workers and retirees. Before we acted, workers faced cuts to their pensions. Now we're restoring the full amount of their pensions, including for workers who previously saw cuts.

And there's so much more.

But we also know the pandemic led to a surge in inflation all across American and the world—and the country, I should say. And the economy shut down and then opened back up in an unprecedented manner. Shipping had stalled. Factories shut down. Inflation grew worse after Putin invaded Ukraine, which sent food prices skyrocketing and energy prices soaring around the world.

So we immediately brought together business and labor to fix the problem with broken supply chains and unclog our ports, trucking networks, and shipping lines.

Remember those massive cargo ships stuck outside the port of Los Angeles, delaying deliveries and driving up prices during the holiday season? Remember that? Remember the shortage of baby formula and the crisis that caused? Well, we got supply chains back to normal. When we did that, inflation began to ease. Doesn't solve, but ease.

It also—I also rallied our allies to stand against Putin's aggression. In the beginning, there wasn't a whole lot of support for that. I warned them all. I got clearance from the intelligence community to let them know when he was going to invade. They didn't believe it was going to happen. But he invaded exactly when I said he was. Led the world to realize that we had a real problem.

And it—releasing oil reserves to stabilize global markets to—and by the way, our gas prices are now down to \$3.22, lower than before the invasion—and \$3—below \$3 a gallon in 14 States, including Delaware. *[Laughter]* I can go home now and pass the gas station. *[Laughter]*

Energy production for all—from all sources is now at record highs in America—record highs.

And unlike my predecessor, I respect the Federal Reserve's independence as they pursued—it's a mandate—to bring inflation down. That independence has served the country well.

And by the way, I've never once spoken to the Chairman of the Fed since I became President. It will also do enormous damage to our economy if that independence is ever lost.

You know, my new economic playbook also rejects the long-held conventional view among economists—many economists—that we had to lower our ambitions to bring inflation down.

After I took action to rescue the economy, we got relief to families that needed it. Some experts predicted that people would have a—that would leave the labor market and not come back to work. They referred to this as "the Great Resignation." Remember that? The Great Resignation.

Well, to state the obvious, they were dead wrong. We now have the highest working-age employment in decades.

Other critics said it would take the loss of millions of Americans' jobs to—and a decline in real wages and, yes, the recession to get inflation back down. Possible, but I refused to accept that. I believed, sometimes over the amazement of my staff, that we should seize the moment to finally invest in all of America and all Americans for decades to come. We did just that with what I call our "Investing in America" agenda.

How can we have the strongest economy in the world without the most advanced infrastructure in the world? How can that be?

That's why I wrote and worked so hard to pass the bipartisan infrastructure law, the most significant law in generations, to modernize our roads, bridges, ports, airports, trains, buses; removing every lead pipe from schools and homes so every child could drink clean water; providing affordable—[*applause*]*—*providing affordable high-speed internet for every American, no matter where they live, not unlike what Franklin Roosevelt did.

Remember what he did? You don't remember. You weren't around, nor—by the way, I wasn't—[*laughter*]*—*I'm old, but I wasn't there either. [*Laughter*] But he decided that rural America had to have access to electricity. The internet is a—as a—is as critical as electricity was during his period.

I remember saying that to my younger staff, who looked at me, "Well, what are you talking about?" [*Laughter*]

But look, we're growing our economy. We've got more to do. We're improving our quality of life. We're literally building a better America because of all of you.

In fact, "Buy American" has been the law of the land since the 1930s. And I have to admit to you, Tommy, the—"Tommy," excuse me—Congressman Carper, my buddy—[*laughter*]*—*I didn't realize that when they wrote the law in '33 about unions organizing, they also had a provision in there: Any money—it says any money the President is sent from the Congress to invest on an investment in America should use American workers and use American products. Past administrations, including my predecessor, failed to buy American. Not anymore.

Kamala and I are making sure the Federal projects building American roads, bridges, highways, and so much more beyond that, like aircraft carriers and tanks, they will be made with American products and built by American workers, creating good-paying American jobs.

How can we be the strongest nation in the world without leading the world in science and technology? I mean, think about it. We walked away for a long while in investing in science and technology as a government.

During the pandemic, the American people learned about supply chains. You know, I remember going home and saying, "Well, the supply chain." And my family: "The supply chain? What the hell is a supply chain?" [*Laughter*] No, but I'm serious. Think about it. It became common knowledge what a supply—what we're talking about to all—the average American.

And the shortage of semiconductors, those little tiny computer chips smaller than a tip of your finger that power everything—but every—everyday lives, from smartphones, to automobiles and dishwashers, to advanced weapon systems, and so much more. Think about it. It takes over 3,000 chips to build an automobile. Remember the crisis when we didn't have access to those in the automobile industry?

And by the way, we invented those chips here in America. And we still design the most sophisticated chips in the world.

But over time, my predecessors thought it was better to manufacture those chips overseas because the labor was cheaper. That's why they went overseas.

The result: When the pandemic shut down those chip factories overseas, the price of everything went up because we didn't have enough chips here in America.

We learned the hard way that one of the best ways to strengthen our supply chain is to make sure the supply chain starts in America—starts in America.

And by the way, if I could hold in the back there, that's why I—I have great relationships with our European friends. But this is one where they go, "Whoa." [Laughter] That's why I literally wrote and signed the CHIPS and Science Act, to bring manufacturing back home and so much more.

As a result, private companies from around the world are now investing tens of billions of dollars to build new chip factories right here in America—in New York, Ohio, Arizona—all across the country.

You know, it takes time to build these factories. But the number of construction workers is way up, and they're making good salaries—already creating tens of thousands of jobs in construction facilities. But the American public is going, "Well, where's all this going, Biden?" Because they haven't seen—they expected this to happen overnight. You've got to build the factories first.

When these factories are finally built, we'll have tens of thousands of jobs running those factories—so-called fabs. As you all know—this is one audience I don't have to explain it to—they're—these fabs are bigger than football fields, creating jobs that are going to pay over \$100,000 a year, and you don't need a college degree.

And it's going to generate such economic growth when the one outside—in—outside of Columbus, Ohio—a thousand acres. I call it a field of dreams.

The old playbook was to go abroad to the cheapest labor, export American jobs, and import foreign products. Our new playbook is, we export American products and create American jobs right here in America where they belong.

But that's not all. I wrote and signed into law the Inflation Reduction Act, the most significant climate law ever, anywhere in the history of the world. When I say "I wrote," I actually did write some of this, as my daughter would say, "with my own paw." [Laughter]

Skeptics told me we couldn't get it done. Remember? We couldn't get this done; there was no possibility of this. There wasn't a consensus. And if we did it, it would be too late and too little. But we did it with your help: \$369 billion for climate and clean energy, more than ever happened in the history of the world.

Not a single one of the opposition—Republican friends—voted for it. It took Vice President Harris to cast the tiebreaking vote in the Senate.

The Inflation Reduction Act is going to help cut carbon emissions in half by 2030, and we're well on the way, including—well, I won't go into it all—and creating hundreds of thousands of good-paying clean energy jobs for American workers. I set up a Climate Corps, just like the Peace Corps; it's going to—you watch what happens with that.

Lower energy costs for families with tax credits to install rooftop solar and efficient energy appliances, to weatherize your windows and doors with high-tech insulation, more efficient heating and cooling systems—and get a tax credit for doing it and grow employment and grow the economy—and so much more.

And, again, many of you are doing—you're the ones doing it. You're creating these good-paying jobs.

The Inflation Reduction Act also focused on lowering costs for prescription drugs.

There was a law in America that I fought like hell as a Senator—and a lot of others who did for a long, long time—to change the law: The only agency that could not negotiate prices was Medicare. For years, many other Members of Congress fought—for decades—to change that and

give Medicare the power to negotiate lower drug prices, like the VA is able to lower drug—negotiate drug prices for veterans.

Well, with the Inflation Reduction Act, we finally beat Big Pharma. And we finally gave Medicare the power to negotiate lower prescription drug prices.

And now—millions of seniors have diabetes, as one example, but now, instead of paying up to \$400 a month for that insulin for their diabetes, they're only paying 35 bucks a month—35 bucks.

And they're still making a hell of a profit, by the way. You know how much it costs to make that insulin? Ten dollars. T-e-n dollars. Ten dollars. Package the whole thing, you get up to \$13.

And by the way, if I had Air Force One sitting out there, I could get you in the plane and take you anywhere in the world, any major capital. Whatever prescription you have, I can get it for you cheaper in Toronto, London, Berlin, Rome—anywhere around the world.

But it's just beginning. The same law says that starting this January—we don't have to change—any new changes with the law, the existing law—every senior's total prescription drug cost will be capped at \$2,000 a year, no matter how expensive their drugs are, even expensive cancer drugs that cost 10-, 12-, 14,000 bucks a year.

And these reforms don't just save seniors money, but, equally important, they save every American taxpayer money. Just so far, these reforms will save American taxpayers \$160 billion over the next decade because Medicare won't have to pay—spend—[inaudible].

And by the way, that weight-loss medicine is just getting going, man, that debate. [Laughter] Watch.

All told, we're proving that we can bring down inflation while safeguarding hard-won gains in jobs and real wages in American workers.

Today, a record 16 million jobs created, more than any other single Presidential term.

When I took office, more than 2 million women left the workforce due to the pandemic. If you listen to these other guys, they think women don't want to work. They don't know women in America. [Applause] Oh, I'm serious. Watch. Watch, watch, watch.

And speaking of watches, on my watch—[laughter]—we reversed the loss. We actually increased the number of women working by an addition 2 million women in the workforce.

And by the way, we have the highest share of working-age women on jobs since 1948, when we started—and we're—and we started to keep track that—back then. With wages up, incomes up for women workers, we've always believed women should be paid equally for equal work. And there's not a single damn job a woman can't do that a man can do, including being President of the United States of America.

You all think I'm kidding. My younger sister used to be 3 years younger than me. She's now 20 years younger. [Laughter] Went to the same university, took the same courses. She graduated with honors; I graduated. [Laughter] She's the one who should be—anyway. [Laughter]

Nineteen million people have applied to start new businesses. That's a record. And here's the thing about those new businesses: Every application to start a new business is an act of hope. It's an act of optimism, hope.

More Americans have health insurance than ever before, and I don't think that should be something we should sneeze at. Everyone deserves basic health care.

The racial wealth gap is the smallest in 20 years.

Remember how many economists thought we'd need a recession to bring down inflation? There was even a major financial news headline, which I'll not reference, saying, "100-percent chance of a recession in 2023." Well, instead, our economy grew by more than 3 percent last year, and inflation came way down.

American households came out of the crisis—American households—with stronger balance sheets, higher incomes, greater wealth. And all that progress is a remarkable testament to the resilience and determination of the American people. They're the one—I mean, determination of American workers; of American entrepreneurs, like all of you; American business.

It's in stark contrast to my predecessor's record. His failure in handling the pandemic led to hundreds of thousands of Americans dying because of COVID. Remember "just inject a little dye, you'll be okay"?

His failure to lead the economic crisis that followed that created millions of Americans—caused them to lose their jobs. In fact, the last month of his failed term was the last month our economy lost jobs. On my watch, the economy has created jobs every single month for nearly 4 years. Because of you.

My predecessor enacted a \$2 trillion tax cut that made—overwhelmingly benefited the very wealthy and the biggest corporations. Made you feel good, I'm sure. But guess what? We don't have to hurt corporations. We don't have to—I come from the corporate State of the world. For 36 years, I represented the State—Tom and I—that had more corporations incorporated in Delaware than every other nation in the United States of America—every other State in the Nation—the entire Nation—in the State of Delaware.

But what did his policies do? It increased the Federal deficit significantly, more than any other previous Presidential term. And the Federal deficit went up every single year of his Presidency and left office with the largest annual deficit in American history: \$3 trillion.

And now he not only would give another \$5 trillion tax cut for the very wealthy and the biggest corporations, he wants a new sales tax on imported goods: food, gasoline, clothing, and more. As most of you know, such policies would cost the average American family nearly \$4,000 a year.

And he and his allies say they support workers and the middle class. Give me a break.

On my watch, we've created over 700,000 manufacturing jobs. He lost 170,000 manufacturing jobs in 4 years. On our watch, factory construction is at a record high. It increased 210 percent. On the other team's watch, factory construction barely increased 2 percent.

On my watch, the trade deficit with China declined to its lowest level in a decade. On his watch, the trade deficit with China soared.

On my watch, we're seeing a record stock market and record 401(k)s. And the bottom line is, I'm a capitalist. I wish I had more stock. *[Laughter]* But I believe capitalism is the greatest force to grow the economy for everybody. I really mean it.

Now, don't point to the fact that for 36 years—as Tom would point out to you—when they did the income of all the Members of Congress, I was listed as the poorest man in Congress. *[Laughter]* I never thought I was poor. I had a decent salary as a Senator.

But we face a fundamental choice. For the past 40 years, too many leaders have sworn by an economic theory that has not worked very well at all: trickle-down economics. Cut taxes for the very wealthy—and they deserve having taxes cut—but cut for the very wealthy and hope the benefits trickle down.

Well, guess what? Not a whole lot trickled down to my dad's kitchen table. It's clear, especially under my predecessor, that trickle-down economics failed. And he's promised it again—trickle-down economics—but it will fail again.

In fact, President Clinton pointed out that since the end of the cold war in '89, America has created about 51 million jobs. Of those 51 million jobs in that period, the economy under Democratic Presidents created 50 million—a fact—50 million of those. And the economy under Republican Presidents created 1 million of those new jobs.

Folks, I've laid out a better choice, in my view, to grow the economy from the middle out and the bottom up. I promised to be a President to all Americans, whether they voted for me or not. And I kept that promise, making a lot of Democrats very angry because studies show that I signed actually—what—the laws I signed actually delivered more benefits to red States than to blue States. That's a fact. More went to Republican States than Democratic States. That may not have been good politics, but I believe it's good for the country. And I kept my promise.

Today, we are better positioned than any nation in the world to truly win the economic competition of the 21st century, in my view. And there's so much more we can do.

We're going to continue bringing down prices for families by building more affordable housing, making childcare more affordable—and by the way, you make it more affordable, it increases economic growth—growth—growth—by continuing to lower health care costs as well.

We're continuing fighting to make sure everyone—everyone pays their fair share in taxes.

And by the way, I hope some of you out there are billionaires, but paying 8.2 percent ain't quite enough. If you just paid 25 percent, it would generate enough income—\$500 billion over the next 10 years. We could cut the deficit. And be paying 25 percent wouldn't—anyway, I don't want to get into it. If I get going, might—[laughter].

But my point is that includes restoring the—extended the childcare tax credit to cut child poverty in half.

We're determined to lower prescription drug costs not just for seniors, but for everyone, helping the Federal budget and household budgets and so much more.

I'm sorry to go on so long. Let me close with this. I probably—you know, early in my term, I traveled—to the skepticism of some of my own team and many of the Democrats—to South Korea to meet with President Xi—[inaudible]—and—President Hu and—in South Korea and the CEO of Samsung. They were manufacturing a significant portion of the chips in the world.

And I sat with them and I encouraged both of them to invest in America. And they agreed. What surprised me, when I asked the CEO of Samsung why he was prepared to invest billions of dollars to build chip factories in the United States, they mentioned two reasons: because of our workforce, which I know we have the best workers in the world. And second, they said we have the safest, the most secure nation in the world in which to invest.

And now, as I stand here in front of some of the most significant business leaders and successful business leaders in the country, we also know we have the best research universities in the world—the best in the world. We have the most dynamic capitalist system in the world.

But here's what we can't take for granted. We have stability because we have a rule of law. Our democracy is unparalleled.

I know I talk about the—a lot about democracy from the first time I ran. But it's really under stress. For real. We can never lose those democratic principles. American business, our economic dynamism can't succeed, in my view, without a stability and security that makes us the envy of the world—and we are.

Four years ago, we've gone from a historic crisis to greater progress than any of us thought possible. We did it with a new playbook based on one of the most—oldest truths of our Nation: Believe in America. Invest in America. That's the truth.

Give the American people half a chance. They have never, ever, ever, ever, ever let the country down. Give them a full chance and watch them lift us up to endless possibilities.

That's what I see in this room. Incredible—I really mean this, and I'm not trying to be solicitous with you—an incredibly—incredible business leaders, innovators who embody that sense of possibilities.

You know, I spent more time with Xi Jinping than any world leader has: over 90 hours with him alone, traveled 17,000 miles with him in the United States and a—and in China.

We were in the Tibetan Plateau, and he looked at me. He said, "Can you define America for me?" And by the way, I gave all my notes in, so they have this. [*Laughter*] And I said, "Yes, I can define America in one word"—and I mean this from the bottom of my heart; I mean this from the bottom of my heart—"Possibilities."

We're a nation of possibilities. We think big. We believe big. We sometimes fail, but we think big.

I have never been more optimistic about America's future. We just have to remember who the hell we are and how far we've come together. We're the United States of America, and there's nothing—virtually nothing—we cannot do when we act together.

So keep it up, folks. We need you badly.

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

NOTE: The President spoke at 1:15 p.m. at the Westin Washington, DC Downtown hotel. In his remarks, he referred to David M. Rubenstein, president, Economic Club of Washington, D.C.; former President Donald J. Trump, in his capacity as the 2024 Republican Presidential nominee; President Vladimir Vladimirovich Putin of Russia; Jerome H. Powell, Chairman of the Board of Governors, Federal Reserve System; Sen. Thomas R. Carper; President Yoon Suk Yeol of South Korea; Lee Jae-yong, vice chairman, Samsung Electronics Co., Ltd.; and President Xi Jinping of China. He also referred to his sister Valerie Biden Owens.

Categories: Addresses and Remarks : Economic Club of Washington, D.C.

Locations: Washington, DC.

Names: Biden Owens, Valerie; Biden, Ashley B.; Carper, Thomas R.; Clinton, William J.; Harris, Kamala D.; Lee Jae-yong; Powell, Jerome H.; Putin, Vladimir Vladimirovich; Rubenstein, David M.; Trump, Donald J.; Xi Jinping; Yellen, Janet L.; Yoon Suk Yeol.

Subjects: Broadband and wireless technologies; Carbon emissions, reduction efforts; Child tax credit; China, President; China, trade with U.S.; COVID-19 pandemic; COVID-19 vaccines; Economic Club of Washington, D.C.; Economic improvement; Economic stimulus legislation; Energy efficiency and weatherization, homes and buildings; Federal deficit and debt; Federal Reserve System; Gasoline costs; Global supply chain disruptions, efforts to address; Health insurance, access and availability; Inflation; Infrastructure improvements; Insulin cost controls; Job creation and growth; Labor movement and organized labor; Lead service lines, replacement efforts; Manufacturing industry, domestic investment; Medicare and Medicaid programs; Pensions and retirement accounts, strengthening efforts; Poverty reduction efforts; Prescription drug costs, reduction efforts; Renewable energy sources and technologies; Research and development; Russia, conflict in Ukraine; Russia, President; Secretary of the Treasury;

Semiconductor manufacturing; Small businesses, promotion efforts; Solar and wind energy, promotion efforts; South Korea, President; Tax Code reform; Ukraine, Russian invasion and airstrikes; Unemployment rate; Vice President.

DCPD Number: DCPD202400798.