

Insourcing American jobs

Written by Remarks by President Barack Obama
Wednesday, 25 January 2012 14:06

Thank you. Thank you, everybody. Please, please have a seat. Thank you. Well, welcome to the White House, everybody. And Tim, thank you for that introduction.

I could not have enjoyed more the meeting that I had this morning, because what these companies represent is a source of optimism and enormous potential for the future of America. What they have in common is that they're part of a hopeful trend: They are bringing jobs back to America.

You've heard of outsourcing. Well, these companies are insourcing. These companies are choosing to invest in the one country with the most productive workers, the best universities, and the most creative and innovative entrepreneurs in the world, and that is the United States of America. That's worth applause.

That's exactly the kind of commitment to country that we need -- especially right now, when we're in a make-or-break moment for the middle class and those aspiring to get in the middle class here in the United States.

All across this country, I meet folks who grew up with a faith that in America, hard work paid off and responsibility was rewarded, and anybody could make it if they tried -- no matter where you came from, no matter what you looked like, no matter how you started out. Those are the values that my grandparents and my mother taught me. Those are the values that built the best products and the strongest economy and the largest middle class that the world has ever known.

I think we understand that over the last few decades, that bargain has eroded for too many Americans. The economy has changed rapidly. And for many, that change has been painful. Factories where people thought they would retire packed up and went overseas, where labor costs were cheaper.

At the same time, we live in a global economy, and as other countries grow and develop middle classes of their own, of course global companies are going to pursue those markets and employ workers and make investments all over the world.

But right now, we're at a unique moment, a inflection point, a period where we've got the opportunity for those jobs to come back. And the business leaders in this room, they're ahead of the curve, they recognize it. I'll give you just a few examples. After shedding jobs for more than a decade, American manufacturers have now added jobs for two years in a row. That's good news. But when a lot of folks are still looking for work, now is the time for us to step on the gas.

So that's why I pushed Congress to extend the payroll tax cut this year, so that 160 million

Insourcing American jobs

Written by Remarks by President Barack Obama
Wednesday, 25 January 2012 14:06

working Americans weren't hit with a tax hike. Now is the time to extend that middle class tax hike for -- tax cut for all of this year. It's the right thing to do, and we need to get that done.

But we're going to have to do more. And that's why, in the next few weeks, we're also going to put forward new tax proposals that reward companies that choose to bring jobs home and invest in America. And we're going to eliminate tax breaks for companies that are moving jobs overseas.

Because there is an opportunity to be had right here and right now. There are workers ready to work, right now. That's why I set a goal of doubling our exports of goods and services by 2014 -- and it's a goal, by the way, that we're on track to meet; in fact, we're a little ahead of schedule in meeting that goal.

That's why, with the help of our outstanding USTR, I was able to sign trade agreements with Korea and Colombia and Panama so our businesses can sell more goods to those markets. That's why I've fought for investments in schools and community colleges, so that our workers remain the best you'll find anywhere, and investments in our transportation and communication networks, so that your businesses have more opportunities to take root and grow.

I don't want America to be a nation that's primarily known for financial speculation and racking up debt buying stuff from other nations. I want us to be known for making and selling products all over the world stamped with three proud words: "Made in America." And we can make that happen.

I don't want the next generation of manufacturing jobs taking root in countries like China or Germany. I want them taking root in places like Michigan and Ohio and Virginia and North Carolina. And that's a race that America can win. That's the race businesses like these will help us win.

These are CEOs who take pride in hiring people here in America, not just because it's increasingly the right thing to do for their bottom line, but also because it's the right thing to do for their workers and for our communities and for our country. And they're leading by example. I'm proud of that, as an American. But as President, I also want to make sure they get some credit for it.

Just three years ago, for example, we almost lost the American auto industry. Today, the Big Three automakers are turning a profit and manufacturing the next generation of fuel-efficient cars that the rest of the world wants to buy. Ford Motor Company -- that's represented by workers and management on this stage -- has committed to investing \$16 billion in the United States by 2015, \$16 billion. And that includes bringing back about 2,000 jobs and shifting production from countries like Japan, Mexico and China to states like Michigan and Ohio and Missouri.

Master Lock -- iconic company. When Master Lock looked at their numbers, they saw that union workers -- in America could do the same job at competitive costs as non-union workers in China. In fact, Master Lock is now exporting their products from the United States to China and

Insourcing American jobs

Written by Remarks by President Barack Obama
Wednesday, 25 January 2012 14:06

Europe. And today, for the first time in 15 years -- today, for the first time in 15 years, Master Lock's Milwaukee complex is running at full capacity.

But you don't have to be a big manufacturer to insource jobs. Bruce Cochrane's family had manufactured furniture in North Carolina for five generations. But in 1966 -- 1996, rather, as jobs began shifting to Asia, the family sold their business and Bruce spent time in China and Vietnam as a consultant for American furniture makers who had shifted their production. While he was there, though, he noticed something he didn't expect: Their customers actually wanted to buy things made in America. So he came home and started a new company, Lincolnton Furniture, which operates out of the old family factories that had been shut down. He's even re-hired many of the former workers from his family business.

You also don't have to be a manufacturer to insource jobs. You just heard Tim, CEO of a health care IT company in New Jersey called GalaxE Solutions. They've already hired 150 workers with their "Outsource to Detroit" program, and they plan on hiring up to 500. And Tim was quoted as saying, "There are some really talented people in Detroit, and we're putting them back to work."

Whether you're a small business that are -- some of which are represented here -- or a large manufacturing corporation, or a technology company; whether you're a historic brand or a brand-new startup, insourcing jobs is a smart strategy right now. We live in a global economy with opportunities for global investment. But we heard from several experts this morning and business leaders that we're at this point in time where factors like incredibly rising American productivity and increasingly competitive costs mean the economic case to invest in America and bring jobs back home is strong -- and it's getting stronger.

Labor costs are going up in places like China. We have become much more productive. We continue to be the largest market in the world. And so we have this outstanding opportunity if everybody is partnering and getting together. That's the economic case.

I believe there's also a moral case. Andy Grove, the former CEO of Intel, said it well. He said, "Those of us in business have two obligations. One that's undebatable is that we have a fiduciary responsibility to the shareholders who put us in our place." But he also said, "There's another obligation that I feel personally, given that everything I've achieved in my career and a lot of what Intel has achieved in its career were made possible by a climate of democracy, an economic climate and investment climate provided by our domicile -- the United States."

All these folks onstage, they are businesspeople first, and they're looking at the bottom line. But they also feel good about the fact that they're restoring hope and creating jobs here in the United States. And that's part of the responsibility that comes with being a leader in America -- a responsibility not just to the shareholders or the stakeholders, but to the country that made all this incredible wealth and opportunity possible. That's a responsibility that we all have to live up to -- whether we're in the private sector or the public sector; whether we're in Washington or we're on Wall Street. Because the more Americans who succeed, the more America succeeds.

So my message to business leaders today is simple: Ask yourselves what you can do to bring

Insourcing American jobs

Written by Remarks by President Barack Obama
Wednesday, 25 January 2012 14:06

jobs back to the country that made our success possible. And I'm going to do everything in my power to help you do it. We're going to have to seize this moment. American workers are the most productive and competitive in the world right now. When you factor in all the costs, we have a outstanding market; we have the most innovative entrepreneurs, the best research universities. And part of what our session this morning was all about was just helping people to take a look at what this moment is and where we're going to be five years from now. Because when people take a second look, it turns out that the potential for job growth and American manufacturing and the service industry is incredible.

I said in a speech a while back, this moment is perfectly suited for our advantages. It's perfectly suited for who we are. The global marketplace is becoming more innovative, more creative, more transparent, faster, more adaptable -- that's who we are. That's our strength. We've got to take advantage of it.

And if we've got leadership of the sort that we're seeing on this stage, I'm absolutely confident that not only can it make a difference for our middle class and folks who are working their way into the middle class, it also gives us an incredible opportunity to assure the future for our children and our grandchildren. And that's my central goal and focus as President. That should be our central goal as a country -- how we rebuild an economy where hard work pays off, responsibility is rewarded -- a nation where those values continue for generations to come.

So thanks to all the people on this stage for being such a great example. For all the press who are here, I hope you get a chance to hear their stories, because it's exciting, and it gives you a sense of why I'm incredibly optimistic about our prospects.

Thank you very much, everybody.