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For Immediate Release  
Office of the Press Secretary  
October 11, 2008

## President's Radio Address

[In Focus: Economy](#)

[President's Radio Address](#)

THE PRESIDENT: Good morning. Over the past few days, we have witnessed a startling drop in the stock market -- much of it driven by uncertainty and fear. Many Americans have serious concerns about their economic well-being.

[Audio](#)

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Here's what the American people need to know: The United States government is acting -- and will continue to act -- to resolve this crisis and restore stability to our markets. The Federal government has a comprehensive strategy and the tools necessary to address the challenges in our economy.

Here are the problems we face and the steps we are taking: First, key markets are not functioning because there is a lack of liquidity. So the Federal Reserve has injected hundreds of billions of dollars into the system. The Fed has joined with central banks around the world to coordinate a cut in interest rates -- a step that should help free up credit. The Fed has also announced a new program to provide support for a vital tool that many American businesses use to finance their day-to-day operations -- the commercial paper market, which is freezing up. As this program kicks in over the next week or so, it will help revive a key source of short-term financing for businesses and financial institutions.

Second, some Americans are concerned about whether their money is safe. So the Federal Deposit Insurance Corporation and the National Credit Union Administration have significantly expanded the amount of money insured in savings accounts and checking accounts and certificates of deposit. That means that if you have up to \$250,000 in one of these insured accounts, every penny of that money is safe. The Treasury Department has also acted to restore confidence in a key element of America's financial system by offering government insurance for money market mutual funds.

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[2008](#)  
[2007](#)  
[2006](#)  
[2005](#)  
[2004](#)  
[2003](#)  
[2002](#)  
[2001](#)

Third, we are concerned that some investors could take advantage of the crisis to illegally manipulate the stock market. So the Securities and Exchange Commission is launching rigorous enforcement actions to detect fraud and manipulation in the market.

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[2005](#)  
[2004](#)

Fourth, the decline in the housing market has left many Americans concerned about losing their homes. My Administration launched the HOPE NOW Alliance, which brings together homeowners and lenders and mortgage servicers and others to find ways to prevent foreclosure. We're also making it easier for responsible homeowners to refinance into affordable mortgages insured by the Federal Housing Administration. Americans listening today can know that if you're struggling to meet your mortgage there are ways you can get help.

### FAQ

I can't find a radio

These actions are helping to address a key problem in the housing market: The supply of homes now exceeds demand. And as a result, home values have declined. Once supply and demand balance out, our housing market will be able to recover -- and that will help our broader economy begin to grow.

station that carries the radio address. Do any stations in Pomona carry it?  
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Fifth, we have seen that problems in the financial system are not isolated to the United States. So we're working closely with partners around the world to ensure that our actions are coordinated and effective. Today, I'm meeting with the finance ministers from our partners in the G-7 and the heads of the World Bank and the International Monetary Fund. And Treasury Secretary Paulson is also hosting finance ministers from the world's 20 leading economies.

Finally, American businesses and consumers are struggling to obtain credit. So my Administration worked with Congress to pass a \$700 billion financial rescue package. This new law authorizes the Treasury Department to use a variety of measures to help banks rebuild capital -- including buying or insuring troubled assets and purchasing the equity of financial institutions. The Department will implement measures that have maximum impact as quickly as possible. Seven hundred billion dollars is a significant amount of money, and as we act, we will do it in an effective way.

In the short term, we'll continue to face challenges. But in the long run, Americans have reason to be confident. We have the strongest and most resilient economy in the world. When we have faced difficult tests in the past, the American people have always risen to meet them. And that is exactly what we're going to do again.

Thank you for listening.

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