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For Immediate Release
Office of the Press Secretary
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President's Radio Address

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THE PRESIDENT: Good morning. This week, Congress passed a bipartisan rescue package to address the instability in America's financial system. This was a difficult vote for many members of the House and Senate, but voting for it was the right choice for America's economy and for taxpayers like you. I appreciate their efforts to help stop the crisis in our financial markets from spreading to our entire economy. And I appreciate their willingness to work across party lines in the midst of an election season.

The legislation Congress passed provides the necessary tools to address the underlying problem in our financial system. The root of this problem is that, as assets that banks hold have lost value, their ability to provide credit has been restricted, making it more difficult for businesses and consumers to obtain affordable loans.

Without decisive action, this credit crunch threatens to harm our entire economy. With this legislation, the Federal government can help banks and other financial institutions resume lending. This will allow them to continue providing the capital that is essential to creating jobs, financing college educations, and helping American families meet their daily needs.

Though the \$700 billion dedicated to this plan is a large amount, the final cost to taxpayers will actually be much lower. Many of the assets that the government will be purchasing still have significant underlying value. As time passes, they will likely go up in price. And this means that the government should eventually be able to recoup much, if not all, of the original expenditure.

This package will also increase the safety of Americans' personal finances. For 75 years, the FDIC has provided insurance for savings accounts, checking accounts, and certificates of deposit. A similar insurance program is in effect for deposits in credit unions. And since these programs were instituted, no one has ever lost a penny on an insured deposit. The rescue package expands this protection by temporarily increasing the amount insured by the Federal government in banks and credit unions from \$100,000 to \$250,000. These steps should reassure Americans, especially small business owners, that their money is safe -- and it should restore confidence in the health of our banking system.

In addition to addressing the immediate needs of our financial system, this package will also help to spur America's long-term economic growth. This week, we learned that our Nation lost more jobs in September. Under these circumstances, it is essential for the government to reduce the burdens on workers and business owners. And that is why the rescue package includes

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relief from the Alternative Minimum Tax, which would otherwise increase taxes for 26 million taxpayers by an average of \$2,200. And that is why it includes tax relief for businesses, which can use these savings to hire new employees and finance new investment.

By taking all these steps, we can begin to put our economy on the road to recovery. While these efforts will be effective, they will also take time to implement. My Administration will move as quickly as possible, but the benefits of this package will not all be felt immediately. The Federal government will undertake this rescue plan at a careful and deliberate pace to ensure that your tax dollars are spent wisely.

I know many of you listening this morning are anxious about the state of our economy and what it means for your personal finances. I am confident that the implementation of this relief package can begin to address those concerns. I'm confident by getting our markets moving, we will help unleash the key to our continued economic success: the entrepreneurial spirit of the American people.

Thank you for listening.

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