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Office of the Press Secretary

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Remarks by the President on the Critical Role the Manufacturing Sector Plays in the American Economy

Alcoa Davenport Works
Bettendorf, Iowa

1:04 P.M. CDT

THE PRESIDENT: Thank you! Please, you can cut the music. Thank you, everybody. Have a seat, have a seat. It is great to see all of you. Good to be back in the Quads. (Applause.)

Hello, Iowa! (Applause.) I see a couple old friends here. I want to start by recognizing a few folks who are with us today. First of all, Governor Branstad is here. (Applause.) Congressman Bruce Braley is here. (Applause.) Congressman Dave Loebsack is here. (Applause.) Bobby Schilling is here. (Applause.) Michael Freemire, the mayor of Bettendorf, is here. (Applause.) And Jeff Grindle, mayor of Riverdale, is here. (Applause.) The chairwoman of the National Association of Manufacturers, Mary Andringa, is here. (Applause.) The CEO of Alcoa, Klaus Kleinfeld, is here. (Applause.) Vice president and general manager of Davenport, Malcolm Murphy, is here. (Applause.) And an old friend of mine who actually drove me around a couple times while I was traveling around Iowa, Skip McGill, is here, president of the local USW. (Applause.)

You know, I know you've been seeing a lot of politicians around lately. Something tells me that you may see a few more before February is over. But Iowa, you and I, we go a long way back. And those of you who are coming over from the Illinois side, we go even longer back. (Applause.) So we've got some history together. And together we're going to make some more history for years to come.

And that's why I'm so glad to be here at Alcoa. All of you are showing the future we can build here in eastern Iowa and all across the country. Almost every airplane in the world has some kind of Alcoa product in it. Think about that. Every airplane in the world, you guys have something to do with. (Applause.)

In fact, it turns out that you're responsible for the wings on Air Force One. (Applause.) So I want to thank all of you for getting me here in one piece. (Laughter.) It was a pretty smooth ride, thanks to Alcoa.

Now, this company was founded by a college student named Charles Martin Hall 125 years ago. And back then, it produced about 50 pounds of aluminum a day. And it was so hard to sell that folks kept on telling Charles that it was pointless even to lock up the plant at night, because nobody wanted the stuff. But when the Wright Brothers -- you heard of them, right? The Wright Brothers -- when they needed a lightweight material for their plane, they turned to Alcoa. And this company hasn't looked back ever since.

When President Kennedy challenged America to go to the moon, your engineers produced the alloys that helped get a man on the moon. In Afghanistan and Iraq, you've helped provide our troops with the armor they need to protect their vehicles from roadside bombs and IEDs. (Applause.) And let me tell you, when I go to Walter Reed or Bethesda, and I think about all the lives you guys have saved, it makes me proud of what you do right here. And today, your new aluminum-lithium alloy is making some of the world's most advanced airplanes lighter, and tougher, and more cost-effective than ever.

So you know that times change. You've seen times change. Alcoa has grown as America has grown. Now, you also know that sometimes change can be tough. Sometimes, the old ways of doing things just won't cut it anymore. I was just talking to Klaus; he was talking about some sheet metal that you guys produce, that for a while you guys lost market share completely. You got your team together, redesigned it, and now you have 80 percent of the market back. That's adapting to change. (Applause.) And see, when change happens, you've got a choice. You can either keep on doing what you were doing and hope things work out, or you can make the decision that not only you can meet the challenges of the future, but you can help set the pace.

That's true for this company, and it's true for America. For better or for worse, our generation has seen more than our fair share of economic change. Revolutions in technology have changed the way we live and the way we work. A lot of jobs can now be located anywhere there's an Internet connection. And companies have become more efficient, so they get by with fewer workers.

Now, in some ways, these changes have made our lives a lot easier. It makes products cheaper. You can produce them faster. But for a lot of our friends and neighbors, these changes have also caused a whole lot of pain. Today, for example, a high school diploma no longer guarantees you a good job. I met a couple of the guys here whose fathers had worked at the plant. Now, when the previous generation came to work at this plant, it didn't matter what kind of education you had, it just mattered whether you were willing to work hard. But these days it's hard to find a job without a high school diploma. And in a lot of cases, it's hard to find a job without a college diploma.

Over the past 13 years, about a third of our manufacturing jobs have vanished. It's not just that they've gone

overseas, it's also that you guys are just better at producing stuff now than you used to be, so you use fewer workers. And meanwhile, a lot of workers have seen their wages not keep up with rising costs.

So I spent a lot of time thinking about these issues when I ran for this office in the first place. When I ran for President, before I came to Iowa, when I was still a senator in Illinois, I kept on thinking about all the folks I would meet in my travels who were feeling that squeeze of wages flat, costs going up. And then in the closing weeks of the campaign, the bottom fell out of the economy — and the middle class got hammered some more. And I know talking to Klaus, Alcoa got hit pretty good too.

That demanded that we make some tough decisions — decisions that we now know have pulled our economy back from the brink and put us on a better path. We've created more than 2 million new private sector jobs over the last 15 months alone, including almost 250,000 in manufacturing. (Applause.) That's in the last 15 months.

And here at this plant, the workers that were laid off during the darkest days of the recession have all been hired back. And in fact, you guys are telling me that you're thinking about hiring some more folks in the near future. That's worth applauding. Somebody was -- (applause.)

But for a lot of Americans, those numbers don't matter much if they're still out of work, or if they have a job that doesn't pay enough to make the mortgage or pay the bills. So we've got more work to do. And that work is going to take some time. The problems that we developed didn't happen overnight. We're not going to solve them overnight either. But we will solve them.

We'll solve them because after all we've been through, we are still the United States of America. We've got the largest economy. We've got the best universities. We've got the most successful companies. We've got the best innovators and entrepreneurs. We've got the best workers in the world. (Applause.) Together, we've got the capacity not only to get back to where we were, but to get to where we need to be.

That's why I ran for President -- to get us where we need to be. I ran because I believe in an America where working families aren't just treading water but they're moving forward, and where our businesses lead the change on new technologies like clean energy and advanced manufacturing of the sort you're doing right here at this plant.

I believe in an America where our government lives within its means while investing in things that will help us grow, like a world-class education system and cutting-edge innovation and the best transportation and communication systems anywhere in the world. That's how we're going to make America the best place to create good, middle-class jobs. That's how we're going to win the future -- by doing the smart things right now to help the middle class grow and feel more secure.

And a big part of that, a big part of our future has to be a robust and growing manufacturing sector. We've got to make things right here in America. (Applause.) We've always made things here in America. It's in our blood. This plant has been in operation for 60 years. And what you've learned is that if you want to beat the competition, then you've got to innovate. You've got to invest in new skills, you've got to invest in new processes, you've got to invest in new products. I was just learning that some of the equipment right behind us -- this was a huge investment. How much did you guys -- \$90 million. Think about that. That's what made you guys competitive, having the best workers but also having the best equipment. You had to up your game. And that's what we've got to do as a country as a whole. I want the cars and planes and wind turbines of the future to bear the proud stamp that says "Made in America." That's what I want. (Applause.)

That's why two years ago, we stood by the auto industry and kept some of our nation's largest automakers from being sold for parts. And today, for the first time in years, the Big Three automakers are adding jobs and turning a profit and putting steel workers to work. (Applause.) We also told those companies, though, that they'd have to make some changes to compete, so we brought people together and set the first new fuel-mileage standards in more than 30 years. And that means fewer trips to the pump and less harmful pollution. And this plant has something to do with it, because I was just seeing some doors and some hoods made right here -- more lightweight, more efficient, saves on fuel economy. And that means your business is improved as well. Everybody wins.

That's also why I announced last week a new partnership between our top engineering schools, our most innovative manufacturers, and the federal government to get American products from the drawing board to the factory floor to the marketplace as quickly as possible. And today, I'm proud to announce that Alcoa is joining that partnership. (Applause.) The idea is to create jobs now, and to make sure America stays on the cutting edge of manufacturing for years to come.

Now, we also know that strengthening our manufacturing sector requires workers getting the skills and training they need. Today, there are more than four job-seekers for every job opening in America. Every one job, there are four folks looking for work. But when it comes to the high-tech fields, the opposite is true: Businesses say they're having trouble finding enough skilled workers to fill the openings that they have.

And so three weeks ago, we announced new commitments from businesses and universities to make it possible for 500,000 community college students -- half a million students -- to earn industry-accepted credentials for manufacturing jobs that companies across the country are looking to fill. So basically what happens is the companies, they'll say to the community colleges, here's what we need. The community colleges will design a training program that certifies that if you get through that training program, and you're working hard, you are prepared and equipped to get that job. And we're also making it easier for workers to get retrained and move in

prepared and equipped to get that job. And so we're also making it easier for workers to get retrained and move up into better positions.

Now, these steps won't help solve every problem that we face. No matter what you may hear, there's no silver bullet to reverse a decade of economic challenges. We've had problems for 10 years now. It's not going to reverse overnight. But these steps will help us move forward. They'll help us grow our economy today, and they'll guarantee a better future for our children.

I know these are difficult times. And many of you probably have friends who are looking for work, or family members who are looking for work or are just getting by. And when that happens, sometimes it's tempting to turn cynical and to be doubtful about the future, and to start thinking maybe our best days are behind us.

But that's not the America that I know. That's not the America I see here in the Quads and in communities all across the country today. I see an America where people don't give up, where people don't quit. I see companies like Alcoa where reinvention is a part of life. Whatever the future may bring, I know you want to be a part of it. And that spirit has always been at the heart of our American story.

You know, as I was walking in, your team talked about I guess a saying around Alcoa, it says, "Nobody is perfect, but a team can be perfect." Well, none of us individually are perfect, but as a team, America can perfect ourselves. But we got to start working like a team. Instead of having the kind of squabbling we see in Washington all the time, everybody has got to start thinking together the way engineers and workers and the business side of Alcoa thinks together. What's our market? What's the product we want to produce? How can we make it better? How can we make the plant safer? How can we cut costs? How can we retrain our workers? Problem-solving all the time, that's what's made you successful. That's what will make America successful -- by adapting and innovating, but also thinking like a team, instead of turning on each other.

And I promise you, if we continue to adapt and we continue to innovate, and we work together to compete around the world, America will come back stronger than before. We will lead the way forward. And we will make the next century another great American century.

So thank you very much, Alcoa, for leading the way. God bless you, and God bless the United States of America. Thank you. (Applause.)