THE DEMOCRATIC NATIONAL COMMITTEE

# WEEKLY UPDATE

BROUGHT TO YOU BY THE DNC COMMUNICATIONS DEPARTMENT

**October 7, 2011**

This week, the President continued to travel the country to talk about the American Jobs Act, his proposal to get more Americans working again and put more money back into the pockets of middle-class families and small businesses. During a stop in Texas, President Obama highlighted the benefits of the bill to struggling schools and teachers across the country. The President followed this visit up with a White House news conference later in the week, during which he encouraged Congress to pass the jobs proposal now. Democrats lauded the special election victory in West Virginia, where Democratic Governor Earl Ray Tomblin held the governorship.

## President Obama Continues Push for American Jobs Act with Education Speech in Texas

On Tuesday, the President continued traveling across the country to discuss the importance of the American Jobs Act, stopping at Eastfield College in Mesquite, Texas to tour the school and highlight the positive impact the bill would have on America's public schools and community colleges and on the nation's economy in general. During his speech, the President said:

> "Now, this bill will prevent up to 280,000 teachers from losing their jobs. This bill will support almost 40,000 jobs right here in the great state of Texas. So here's what I need you to do: Tell Congress to pass this bill and put teachers back in the classroom where they belong.

> "It's not just teachers. Tell Congress to pass the American Jobs Act, and there also will be funding to save the jobs of firefighters and police officers and first responders who risk their lives to keep us safe. That's what happens if they pass this bill.
>
> "Pass this jobs bill, and hundreds of thousands of unemployed construction workers will get back on the job rebuilding our schools, rebuilding our roads, rebuilding our bridges, rebuilding our ports, rebuilding our airports."

To watch video of the President's speech in Texas, you can go here.

## DNC Hails Democratic Victory in West Virginia Governor's Race

On Tuesday, Democratic West Virginia Governor Earl Ray Tomblin was victorious in the special election. Following the election, Democratic National Committee Chair Debbie Wasserman Schultz released the following statement:

> "Congratulations to Governor Earl Ray Tomblin for his much-deserved victory tonight in West Virginia. This is not just a victory for Governor Tomblin but also for West Virginia's working families. The people of West Virginia saw through the millions of dollars in outside money sent from the wealthy and corporate special interests to influence this election. Instead, they voted for Governor Tomblin—someone who, like President Obama, has his eye on the ball—working to create jobs, educate children and win the future. He knows what it takes to keep West Virginia and America moving forward, and he is focused like a laser on keeping the American Dream alive.
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> "This is an exciting victory and good news for middle-class families in West Virginia, who have seen in Governor Tomblin a leader who will continue to fight on their behalf. Congratulations again to Governor Tomblin and the people of West Virginia."

## President Obama Holds News Conference on American Jobs Act, Economic Recovery

On Thursday, the President held a news conference and talked about the American Jobs Act, his jobs bill that will get more Americans working again and put more money back into the pockets of working families and small businesses. During the news conference, President Obama underscored the pressing need for Congress to pass the American Jobs Act now, saying:

> "And I think by now I've made my views pretty well known. Some of you are even keeping a tally of how many times I've talked about the American Jobs Act. And the reason I keep going around the country talking about this jobs bill is because people really need help right now. Our economy really needs a jolt right now.

> "This is not a game; this is not the time for the usual political gridlock. The problems Europe is having today could have a very real effect on our economy at a time when it's already fragile. But this jobs bill can help guard against another downturn if the situation in Europe gets any worse. It will boost economic growth; it will put people back to work.
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> "And by the way, this is not just my belief. This is what independent economists have said -- not politicians, not just people in my administration. Independent experts who do this for a living have said this jobs bill will have a significant effect for our economy and for middle-class families all across America. And what these independent experts have also said is that if we don't act, the opposite will be true. There will be fewer jobs; there will be weaker growth."

You can watch video of the President's news conference here.

## Holding Republicans Accountable

This week, the DNC and Democratic State Parties across the country continued to hold the Republican presidential candidates' feet to the fire regarding their failed policies and allegiance to the Tea Party and its ideology.

On Tuesday, as Republican presidential hopeful Mitt Romney visited The Villages in Florida, DNC Chair Debbie Wasserman Schultz held a press conference call on his visit.

Wasserman Schultz said:

"Working Americans are investing in Medicare and Social Security every day so that it's there when they're older…While President Obama has been focused on helping to rebuild the middle class, it's clear Republicans are still more concerned with protecting tax breaks for special interests and the wealthiest on the backs of seniors and the middle class. As a Floridian, I can say those are not our values."

On Thursday state parties across the country called on Republicans to stop standing in the way of the confirmation of Richard Cordray, President Obama's nominee to be the head of the Consumer Financial Protection Bureau. Nevada State Democratic Party Chair Roberta Lange said in a statement:

"Unfortunately, Republicans have been standing in the way of this important nomination and other efforts to grow our economy. It's simply bewildering that the Republican presidential candidates want to repeal Wall Street reform and the Consumer Financial Protection Bureau. Just a few short years since the worst recession in nearly a century, Republicans want to turn the economy back over to the same Wall Street bankers who left millions of American families reeling. In the battle between Wall Street and Main Street, the lines could not be drawn more clearly. President Obama passed Wall Street reform to rein in the excesses of bankers and protect middle class families from predatory lenders and shaky mortgage deals. Meanwhile, Republican presidential candidates are more than willing to let Wall Street bankers write their own rules and trample the middle class if it adds a few dollars to their campaign coffers.

On Friday, after Mitt Romney's speech at the Citadel in South Carolina, former Congressman and President of the Center for Middle East Peace Robert Wexler joined retired Colonel and Former DNC Chair Don Fowler for a press conference call to refute Mitt Romney's claims. While the President has kept his promises on foreign policy and national security across the globe, Mitt Romney has been all over the map. President Obama has shown the character, leadership and commitment to keeping our military strong and America safe. And his record on foreign policy could not be more clear.

**Fowler said:**

"He mentioned at the beginning of the speech that he wanted clarity and resolve on the part of American foreign policy. I doubt that al Qaeda or Osama bin Laden question President Obama's resolve."

**Wexler said:**

"There was nothing ambivalent about President Obama when he stood up against the entire world at the United Nations to oppose the Palestinian unilateral effort to declare statehood - President Obama acting entirely on behalf of Israel's interests at the United Nations. Nothing unequivocal about that. There was nothing ambivalent about President Obama's support for Israel when Israel's embassy was attacked in Cairo, and President Obama has been essentially credited with saving six Israeli lives in the Israeli Embassy in Cairo."

## Key Issues in the News and Background

## Talking Points: Trade Agreements

- On Monday, President Obama sent Congress three trade agreements that will significantly improve our export market by making it less difficult for U.S. companies to sell their goods in South Korea, Colombia and Panama.

- These three trade agreements will create jobs and build our economy by putting U.S. companies on a more level playing field and by opening up markets for goods stamped proudly with the words: "Made in America."

- These trade agreements will make it so that we're not just seeing Americans buying Kias and Hyundais – we'll be seeing South Koreans buying Chevys and Chryslers.

- These agreements have gained wide, bipartisan support in Congress, and they will produce tens of thousands of new U.S. jobs and increase our products and exports alone by more than $13 billion.

- Additionally, the Korea agreement has picked up the support of both the United Auto Workers and the Chamber of Commerce – two groups that don't typically agree on an issue.

- President Obama has called on Congress to pass these trade agreements now, and he will keep encouraging leaders in Washington to cooperate in the interest of the American people to grow our economy and get more Americans back to work.

**More Background:**

**Korea Agreement**

- Korea has the world's 12th largest economy. The Korea Agreement will raise U.S. exports by over $10 billion and will create or support 70,000 American jobs.

- The Korea Agreement will remove tariffs on more than 95% of industrial and consumer products over five years, and it contains critical steps for expanding the market access for American automobile companies and auto workers. Additionally, it provides more chances for American farmers, ranchers and food processors to export their goods to Korea's 49 million consumers by decreasing tariffs on U.S. exports to Korea and putting a plan in place to deal with other barriers to American exports.

- Of equal importance, the U.S.-Korea trade agreement will also open up Korea's $580 billion services market to very competitive U.S. businesses – this will support jobs for U.S. workers in a range of sectors, from delivery services and telecommunications to energy, education and health care.

**Colombia Agreement**

- The Colombia Agreement will boost the export of American products by over $1.1 billion, provide support for thousands of U.S. Jobs, and strengthen our relationship with a key strategic partner as well as the third largest economy in Latin America.

- Last year, American exports to Colombia totaled $12 billion. This agreement will allow for considerable new access to Colombia's $166 billion services market – leading to more opportunities for American companies.

- More than 80% of American industrial exports will instantly become duty-free – this includes nearly all goods in farming and construction equipment, aircraft and parts, auto parts, and information technology equipment. Any industrial tariffs that do remain will be phased out over the next decade, leading to a major jump in American exports. Over 50% of American agricultural exports will instantly become duty-free. Nearly all tariffs that remain will be removed within 15 years.

- The Labor Action Plan related to this agreement will help ensure better working conditions and better observance of labor rights in Colombia, and it will lead to a more level playing field for both American workers and workers in Colombia.

**Panama Agreement**

- The Panama Agreement will lead to a jump in trade between the U.S. and Panama, which is one of the quickest growing economies in Latin America. It will provide support for thousands of U.S. jobs.

- Panama claims a unique strategic location as a primary shipping route, which only adds to the importance of the agreement. Roughly two-thirds of the Panama Canal's yearly shipments are either heading toward or coming from ports in the United States.

- This agreement provides the U.S. with new access to Panama's $21 billion services market, which includes important sectors like financial, telecommunications, distribution, computer, energy, express delivery, environmental and professional services. American products that will get instant duty-free access include: information technology equipment, environmental goods and pharmaceutical products. American agricultural exports will also get a boost – Panama will instantly remove duties on top-quality beef, frozen turkeys, a majority of oilseeds and products, nearly all fruit, wheat, and many processed goods.

**Trade Adjustment Assistance**

- Leaders in Congress have made an agreement to move Trade Adjustment Assistance (TAA) at the same time as the free trade agreements. A restoration and reauthorization of TAA – achieved through an agreement forged by Senator Max Baucus (D-MT) and Congressman Dave Camp (R-MI) – will guarantee that workers affected by trade will have the best shot at securing a good job, maintaining the strength of the middle class.

- The TAA program offers training services that will help workers develop 21st century employment skills, in addition to assistance with job searching and relocation, a tax credit to keep health coverage, and Trade Readjustment Allowances that offer vital assistance during training.

## Talking Points: Employment Situation in September

- The employment report released today shows that the private sector added 137,000 jobs in September, and the unemployment rate stayed unchanged at 9.1 percent.

- Despite strong headwinds throughout the year slowing down economic growth, we have now seen 19 straight months of private sector job growth, for a total of 2.6 million jobs over that period. Still, we need a faster rate of economic growth to get more Americans working again.

- President Obama will not rest until every single American who is seeking work can find a job. For that reason, he introduced the American Jobs Act.

- The American Jobs Act contains ideas and proposals supported by Republicans and Democrats – Congress can and must pass it immediately. The bill will grow the economy by getting more Americans back to work and putting more money back into the pockets of working families and small businesses.

- A number of independent economic analysts, such as Macroeconomic Advisers and Moody's, have predicted that the American Jobs Act would improve both economic growth and employment in 2012. Mark Zandi, Moody's chief economist, issued a report which said: "The plan would add 2 percentage points to GDP growth next year, add 1.9 million jobs, and cut the unemployment rate by a percentage point."

- Those same established, private economic experts cast doubt on the effectiveness of the Republicans' plan for job creation. Joel Prakken, chairman of Macroeconomic Advisers, stated that the GOP plan "would have little immediate effect relative to a plan that stimulates aggregate demand."

- Mark Zandi with Moody's added that the Republicans' proposals "won't mean much for the economy and job market in the next year." Zandi noted that "given the high odds of another recession in the next few months, it is vital for Congress and the administration to provide some near-term support to the economy."

- Congress needs to pass the American Jobs Act now in the interest of working families across the country. Here's how the American Jobs Act works:

    - First, **it gives a tax cut to small businesses**, not large corporations, that expand and hire more employees now, and it provides a tax cut to small businesses that decide to raise salaries for current workers.

    - Second, **it gets Americans back to work**, including our nation's first responders, veterans returning from Iraq and Afghanistan, as many as 280,000 teachers who were laid off due to state budget cuts, and construction workers who will repair our crumbling infrastructure and make badly needed renovations to more than 35,000 public schools. These are projects chosen based on their necessity and their impact, not on special interests or political influence. It also increases employment opportunities for hundreds of thousands of low-income young people and adults via a new Pathways Back to Work Fund, which provides resources for: summer and full-year jobs for young Americans, newly designed job training programs to quickly place low-income workers in jobs, and vetted programs encouraging employers to hire disadvantaged workers.

    - Third, **it aids Americans who are out of work**, by extending unemployment benefits that provide families a lifeline as they seek new employment, and by offering a reformed system with programs that build new skills, connect unemployed Americans with actual jobs, and provide needed assistance to those who have been out of work long-term. It also prevents companies from discriminating against out-of-work Americans in hiring and offers a tax credit to companies who hire those who have been unemployed for more than 6 months.

    - Fourth, **it helps everyday Americans keep more of their hard-earned money**, by slashing in half the payroll tax that is taken out of every employee's paycheck – for the average working family making $50,000 annually, this will save them roughly $1,500 per year. It also eliminates existing barriers in the current federal refinancing program, the Home Affordable Refinance Program (HARP), allowing more Americans to refinance their mortgages at historically low rates, keep their homes and save their money.

    - Finally, **the plan won't increase the deficit and is fully paid for**, as the President has instructed the Congressional Joint Committee on Deficit Reduction to do additional deficit reduction to cover the cost of the bill. If the committee fails to do so, the bill will be paid for by a range of offsets.

- Americans know the recession and our national economic crisis did not occur overnight, and we won't have it solved overnight either. Middle class Americans have watched their economic security erode for decades. And we need to regain that security by rebuilding the economy the American way – calling on the basic values that made our nation great.

- America works best when we work together. We need a balanced and fair approach that ensures Wall Street and Main Street are playing by the same set of rules – where honest, hard work is rewarded and folks who game the system are penalized.

- Our nation can't simply cut and slash our way to economic security. We need to out-innovate, out-educate and out-build the rest of the world.

- The American Jobs Act is about rebuilding the economy for the long haul, producing the jobs of the future and making American-made products that will sell in the global economy – rather than outsourcing jobs, allowing for costly loopholes, and making reckless fiscal deals at the expense of America's middle class.

- The American Jobs Act is part of President Obama's plan for growing our economy, and Congress needs to pass it now to get more Americans back to work and put more money back into their pockets.

**Additional Information on Job Numbers**

- Sectors that saw an increase in employment in September include: professional and business services (+48,000), health care and social assistance (+40,800), information (+34,000, including roughly 45,000 returning Verizon employees who had been on strike), and construction (+26,000).

- Sectors that saw a decrease in employment include: government (-34,000) and manufacturing (-13,000). Local government saw a loss of 35,000 jobs, building on a total loss of 383,000 jobs since February 2010, which includes 225,000 jobs in educational services.