

Remarks by the President in Nomination of Secretary of the Treasury

East Room

1:40 P.M. EST

THE PRESIDENT: Good afternoon, everybody. Please have a seat. A little more than four years ago, I stood with Mr. Tim Geithner and announced him as my first nominee to my Cabinet. We were barely two months into the financial crisis. The stock market had cratered. The housing market had cratered as well. Bank after bank was on the verge of collapse. And worst of all, more than 800,000 Americans would lose their jobs in just that month. And the bottom was not yet in sight.

So I couldn't blame Tim when he tried to tell me he wasn't the right guy for the job. (Laughter.) But I knew that Tim's extensive experience with economic policy made him eminently qualified, and I also knew that he could hit the ground running. As Chairman of the New York Federal Reserve, he had just spent several sleepless and chaotic weeks immersed in the complexities of the crisis, and had been working closely with his Republican predecessor at Treasury to save the financial system.

Then, with the wreckage of our economy still smoldering and unstable, I asked Tim to help put it back together. And thanks in large part to his steady hand, our economy has been growing again for the past three years, our businesses have created nearly 6 million new jobs. The money that we spent to save the financial system has largely been paid back. We've put in place rules to prevent that kind of financial meltdown from ever happening again. An auto industry was saved. We made sure taxpayers are not on the hook if the biggest firms fail again. We've taken steps to help underwater homeowners come up for air, and open new markets to sell American goods overseas. And we've begun to reduce our deficit through a balanced mix of spending cuts and reforms to a tax code that at the time that we both came in was too skewed in favor of the wealthy at the expense of middle-class Americans.

So when the history books are written, Tim Geithner is going to go down as one of our finest Secretaries of the Treasury. (Applause.)

All right, don't embarrass him. (Laughter.)

On a personal note, Tim has been a wonderful friend and a dependable advisor throughout these last four years. There's an unofficial saying over at Treasury -- "no peacocks, no jerks, no whiners." That would be a good saying for all of Washington -- (laughter) -- "no peacocks, no jerks, no whiners." Few embody that ideal better than Tim Geithner. That's why, when Tim was thinking about leaving a couple of years ago -- (laughter) -- I had to personally get on my knees with Carole to help convince him to stay on a little bit longer. And I could not be more grateful to Carole and the entire Geithner family for allowing him to make the sacrifices that so many of our Cabinet members ask of their families in serving the country.

The fact is, while a lot of work remains, especially to rebuild a strong middle class and offer working folks new pathways to rise into the middle class, our economy is better positioned for tomorrow than most of those other countries hit by the financial crisis. The tough decisions Tim made and carried out deserve a lot of credit for that. So I understand that Tim is ready for a break. Obviously, we're sad to see him go. But I cannot think of a better person to continue Tim's work at Treasury than Jack Lew.

This is bittersweet not only because Tim is leaving, but also because Jack has been my Chief of Staff for the last year. He was my budget director before that. I trust his judgment. I value his friendship. I know very few people with greater integrity than the man to my left. And so I don't want to see him go because it's working out really well for me to have him here in the White House. But my loss will be the nation's gain.

Jack has the distinction of having worked -- and succeeded -- in some of the toughest jobs in Washington and the private sector. As a congressional staffer in the 1980s, he helped negotiate the deal between President Reagan and Tip O'Neill to save Social Security. Under President Clinton, he presided over three

budget surpluses in a row. So for all the talk out there about deficit reduction, making sure our books are balanced, this is the guy who did it -- three times. He helped oversee one of our nation's finest universities and one of our largest investment banks.

In my administration, he has managed operations for the State Department and the budget for the entire executive branch. And over the past year, I've sought Jack's advice on virtually every decision that I've made, from economic policy to foreign policy.

One reason Jack has been so effective in this town is because he is a low-key guy who prefers to surround himself with policy experts rather than television cameras. And over the years, he's built a reputation as a master of policy who can work with members of both parties and forge principled compromises.

And maybe most importantly, as the son of a Polish immigrant, a man of deep and devout faith, Jack knows that every number on a page, every dollar we budget, every decision we make has to be an expression of who we wish to be as a nation, our values. The values that say everybody gets a fair shot at opportunity and says that we expect all of us to fulfill our individual obligations as citizens in return. So Jack has my complete trust. I know I'm not alone in that.

In the words of one former senator, "Having Lew on your team is the equivalent as a coach of having the luxury of putting somebody at almost any position and knowing he will do well." And I could not agree more. So I hope the Senate will confirm him as quickly as possible.

I want to personally thank both of these men and their families, especially Carole and Ruth, for their extraordinary service to our country.

And with that, I'd like to invite them to say a few words, starting with Tim.

SECRETARY GEITHNER: Mr. President, it's been a privilege to serve you. I'm honored and grateful that you asked me to do this, really I am. And I'm very proud of what my colleagues at Treasury and your economic team was able to

help you accomplish these first four years.

When you stepped into this building as President, you were confronted with a world in crisis, the worst crisis in generations. And you made the necessary, the hard, the politically perilous choices that saved the American people, saved American industry, saved the global economy from a failing financial system. And your successful response to the crisis of course did not solve all the nation's challenges. It could not have done so. But the actions you took along with those of a forceful and creative Federal Reserve have made the country stronger and have put us in a much better position to face the many challenges still ahead of us -- and they are many.

I have the greatest respect for Jack Lew. I know him as a man of exceptional judgment, calm under pressure, with an extraordinary record of accomplishment and experience over decades spent at the center of American economic policy. He's committed to defending the safety net for the elderly and the poor. He understands what it takes to create the conditions for stronger economic growth and broader economic opportunity. And he understands that to govern responsibly is to govern with a recognition that we have limited fiscal resources.

Now, like Jack, I've spent my professional life in this world of public policy and public service. And as all of you know, our families carry a large share of the burdens we assume in public life. And I feel incredibly fortunate that my wife Carole and my family have been willing to allow me to do this. And I thank them for their support and their patience. And I understand their occasional impatience. (Laughter.)

I want to express my admiration and my appreciation for the women and the men of the Treasury Department. Those who came to serve you these years of crisis and the civil servants of the Treasury with whom I first started working in 1988, they are exceptionally talented and honorable public servants. I'm very proud of what they have helped you accomplish. And I am confident that my successor will find them the extraordinary asset they are to the nation.

And I also hope that Americans will look at the challenges we face today and

decide, as many of you in this room have, that in spite of the divisive state of our political system today that serving your country is compelling and rewarding work. That was my experience, and I am grateful and will always be grateful to you for having given me the opportunity to serve you as the 75th Secretary of the Treasury. (Applause.)

MR. LEW: Mr. President, it has been my honor to serve as your Chief of Staff and before that at OMB and the State Department. It's really been a privilege to come to work every day as part of a team that's dedicated to building a sound economy and a safer world.

Tim, you have been a friend and a colleague for many years -- actually, decades -- and the American people are better off for your outstanding service. And I thought I knew you pretty well, but it was only yesterday that I discovered that we both share a common challenge with penmanship. (Laughter.) Tim, I join the President and everyone here in wishing you and Carole and your whole family well.

As a kid growing up in Queens, I had dreams of making a difference in the world. These dreams were nurtured in a home where the gifts of American freedom and opportunity were cherished and never taken for granted, and the responsibility to engage in issues of public concern were part of daily life. I will always be grateful to my parents for grounding me in the values that have remained central to my personal and professional life.

I grew up professional in the office of Speaker O'Neill, whose compass was always clear and who demanded unvarnished advice on how best to reach the desired destination. Mr. O'Neill cared little about your age or rank, and only about whether or not you did the hard work to inform the decisions of the day. And he took a big chance giving a lot of responsibility to a very young man, and for that I'll always be thankful.

Serving at OMB first under President Clinton and more recently in this administration, I worked with one of the finest teams in the government to execute a responsible fiscal policy while advancing policies to promote economic

growth. I'm delighted to see so many of my friends from OMB here today.

At the State Department, I worked closely with our great Secretary of State and my friend, Hillary Clinton, to advance our nation's national security agenda, including our international economic policies.

And as Chief of Staff, I've had the pleasure of working with a tremendously talented White House team, which manages policy, politics, communications, and complex operations every day with grace, skill, and loyalty.

If confirmed, I look forward to joining the Treasury Department, whose people are legendary for their skill and knowledge. It's a team that I've collaborated with closely over many years and have come to respect greatly.

Finally, thank you to Ruth, Shoshi, Danny, Zahava, and the kids for your endless tolerance with the demands of a schedule that tests all family patience. And thank you, Mr. President, for your trust, your confidence, and friendship. Serving in your administration has allowed me to live out those values my parents instilled in me, and I look forward to continuing with the challenges ahead.
(Applause.)

THE PRESIDENT: These are two outstanding public servants. I think the only point that I want to make -- leave you with is the fact that I had never noticed Jack's signature -- (laughter) -- and when this was highlighted yesterday in the press, I considered rescinding -- (laughter) -- my offer to appoint him. Jack assures me that he is going to work to make at least one letter legible -- (laughter) -- in order not to debase our currency should he be confirmed as Secretary of the Treasury.

Thank you very much, everybody. (Applause.)