

# Obama spends bulk of State of the Union address on economy

By Scott Wilson and David Nakamura, Washington Post

President Obama warned the nation Tuesday that the decades-old promise of a secure and rising middle class is under threat because of growing disparities between the rich and everyone else in America.

In an election-year State of the Union message that will likely serve as the template for the months of campaigning ahead, Obama outlined a series of steps that he believes will reinforce the tentative economic recovery, including proposals to eliminate tax incentives for companies to move jobs overseas, to make college more affordable and to expand help for credit-worthy homeowners looking to refinance mortgages at historically low interest rates.

None of the proposals constitutes a single bold stroke to revive the economy, but the heart of Obama's message – one he has underscored in appearances around the country in recent months – was that America's wealthiest citizens must do more to cement the economic recovery and pull the country from its dire fiscal condition.

The approach was typified by his call for those who make more than \$1 million a year to pay a tax rate of at least 30 percent and to forgo a host of deductions he said they do not need.

In detailing what he called a “blueprint for an economy built to last,” Obama struck the populist chords that his Republican presidential rivals have criticized as “class warfare.” But he has seen his approval ratings rise on the strength of that message, particularly among the independent voters who helped elect him in 2008 but had grown disappointed by his leadership

in office.

“We can either settle for a country where a shrinking number of people do really well, while a growing number of Americans barely get by,” Obama told a boisterous House chamber and a prime-time television audience, “or we can restore an economy where everyone gets a fair shot, everyone does their fair share and everyone plays by the same set of rules.

“What’s at stake are not Democratic values or Republican values, but American values,” he continued. “We have to reclaim them.”

Obama spoke from a stronger position politically than he has been in for months. His approval rating, according to a new Washington Post-ABC News poll, stands at about 50 percent, and a majority of independent voters now look favorably on his performance in office.

But his advisers are well aware that his pursuit of a second term is imperiled by a still-staggering economy and a perception, even among those in his own party, that he has not effectively challenged Republicans to pass his economic plans.

Nearly all of the roughly hour-long speech Tuesday was devoted to the economy. Obama spent only a brief time on foreign policy.

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