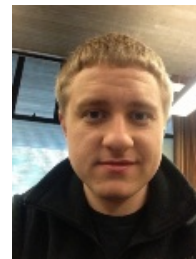


Takeaways From the 2013 State of the Union



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President Barack Obama gave his State of the Union address Tuesday to both houses of Congress and other political dignitaries and guests. Many assumed he would target his speech directly to his Democratic base, and while he was guilty of this at times, he reached across the aisle at times, citing the need for compromise in such an important moment in history for the United States. He discussed many of the same topics he addressed in his inaugural address, lauding some of the efforts made over the last year as well as highlighting the progress to be made in the future. Here were the key points from his address that could be affecting the southcoast community:

The President stressed the need to come to compromise before the “Sequester” that occurs on March 1st, in which \$85 billion in budget cuts would automatically take effect. He cited the need for smart and modest reforms to the Medicare program that would save costs and improve healthcare. According to Census data, there are approximately 14,000 citizens aged sixty-five or older in New Bedford, making up 14.6% of the city’s population.

He also echoed a frequent talking point of the 2012 presidential election – the need to close the tax loopholes

that are being taken advantage of by the wealthy, resulting in business owners sometimes paying less in taxes than the employees that work under them. He also embraced efforts to simplify the tax code and the filings necessary in order to expedite the process.



President Obama discussed a need to bring back manufacturing jobs that are the root of US success. Creating tax incentives for businesses to bring manufacturing back seems like a good idea. Several large corporations are already moving some manufacturing jobs back to

the United States, including Apple. Obama announced the formation of several new “manufacturing hubs” – organizations throughout America devoted to training people for manufacturing work and linking those workers with the companies. One of these centers in the southcoast could prove extremely valuable, reviving some of the hard-working mill culture that the region was known for.

President Obama suggested we continue a heavy investment into improving education. He cited a stunning statistic, saying that every one dollar spent on education saves us seven dollars in the future. Returning to the topic of expanding manufacturing, and science and engineering fields, President Obama pointed to the example of German high schools, which prepare students with typical academics as well as skills learned in US trade schools.

The President also mentioned the increasing costs and decreasing returns of higher education in the United States, and vowed to create a “College Scorecard,” a tool that would evaluate whether or not individual schools were worth their costs.

In order to stimulate the economy, he suggested we raise the federal minimum wage to \$9 an hour, up from the \$7.25 rate used currently. This could prove extremely beneficial to the southcoast area, where there are a number of low-paying service jobs. The minimum wage in Massachusetts is \$8, but a bump of just a dollar could make a major difference in the paychecks of most of our hourly workers.

Finally, Obama cited concerns over gun control policy in the U.S., as well as measures we should take to be more environmentally friendly and less dependent on oil. He announced that while there were some executive actions he could take, he would much prefer to come to a compromise with legislators and continue to work toward equitable solutions.

Public opinion of the speech was high in the aftermath of the event. Many polled by CNN indicated they were more moved by the State of the Union than they were the inaugural address. We'll see if the speech serves to close or further the divide that exists between Democrats and Republicans in Congress and we'll closely monitor how these potential changes affect the southcoast.