

White House Says Stimulus Won't Be a Quick Fix

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As [President Obama](#) prepares to sign the \$787 billion stimulus bill, administration officials sought to temper expectations, warning that the economy has not yet reached bottom and that increased economic activity as a result of the legislation would “take time to show up in the statistics.”

Mr. Obama is spending the holiday weekend in Chicago and is expected to sign the bill on Tuesday in Denver, kicking off another campaign-style trip to drum up support for the [stimulus package](#).

“There will be signs of activity very quickly,” [David Axelrod](#), the White House senior adviser, said on “Fox News Sunday.” “But it’s going to take time for that to show up in the statistics. The president has said it’s likely to get worse before it gets better.” He added that the economy would most likely not begin gathering steam until the second half of the year.

[Robert Gibbs](#), the White House press secretary, echoed that sentiment on CNN’s “State of the Union,” saying that while the stimulus package will put the country on the right track, “it is safe to say” the economy has not reached bottom.

Lindsay Graham, one of the Republican senators who voted against the stimulus bill, said the [nationalization](#) of the banking industry should not be taken off the table as Congress looks for ways to shore up the teetering financial system. “This idea of nationalizing banks is not comfortable,” Mr. Graham, who is from South Carolina, said on ABC’s “This Week With [George Stephanopoulos](#).” “But I think we have gotten so many toxic assets spread throughout the banking and financial community throughout the world that we’re going to have to do something that no one ever envisioned a year ago.”

Republicans, bolstered by their coordinated opposition to the package, remained on the offensive over the weekend. On CNN, Senator [John McCain](#) continued to brand the stimulus bill a “generational theft,” and accused Mr. Obama of not reaching across the aisle despite promises of bipartisanship. The measure gained the votes of only three moderate Republican senators in the Senate. No Republicans voted for it in the House.

“Let’s start over now and sit down together,” Mr. McCain said.

The administration seemed to be laying the groundwork for a double-edged strategy in advance of the president’s trip, talking up the stimulative effects of the new bill while hedging on any promises of immediately noticeable relief. Mr. Obama will sign the stimulus bill into law in Denver and plans to unveil his mortgage rescue proposal Wednesday in Phoenix. In taking his arguments on the road, this time out West, the president is repeating a tactic he employed during the debate over the stimulus package. Before the bill was passed, Mr. Obama traveled to hard-pressed cities in Indiana and Florida, where he was greeted with campaign-like rallies.

After the bruising battle on Capitol Hill over the stimulus, the administration now turns its attention to the nation’s struggling automakers, who must submit plans by Tuesday describing how they would return to viability.

“We need an auto industry in this country,” Mr. Axelrod said on [NBC’s](#) “Meet the Press.” “But it’s going to be something that’s going to require sacrifice.”

In exchange for \$13 billion in bailout funds approved by President [George W. Bush](#), General Motors and [Chrysler](#) agreed to a Feb. 17 deadline to deliver their plans to the Treasury Department. Both companies are requesting additional government support as part of their plans.

General Motors received \$9.4 billion and would get an addition \$4 billion if the Treasury Department approves its plan. Chrysler is seeking \$3 billion on top of the \$4 billion it has already received.

Mr. Axelrod did not say whether more bailout money would be approved or whether the administration would let the automakers go into bankruptcy.

