

Administration of Barack H. Obama, 2010

Remarks on Fiscal Responsibility

November 29, 2010

Good morning, everybody. Let me begin by pointing out that although Washington is supposed to be a town of sharp elbows, it's getting a little carried away. For those of you who are worried about my lip, I should be okay. The doctor has given me a clean bill of health, and I will continue to be playing basketball whenever I get a chance. In fact, I played yesterday with Sasha and Malia, and they took it easy on me because they were feeling pity.

I hope everybody had a great Thanksgiving, but now it's time to get back to work. Congress is back in town this week. And I'm looking forward to sitting down with Republican leaders tomorrow to discuss many issues, foremost among them the American people's business that remains to be done this year. My hope is that tomorrow's meeting will mark a first step towards a new and productive working relationship. Because we now have a shared responsibility to deliver for the American people on the issues that define not only these times, but our future, and I hope we can do that in a cooperative and serious way.

Our two most fundamental challenges are keeping the American people safe and growing our economy, and it's in that spirit that I look forward to sitting down tomorrow and talking about urgent matters like the ratification of the new START Treaty, which is so essential to our safety and security, and the status of the Bush-era tax cuts that are set to expire at the end of this year. And this is just one of the many economic issues we've got to tackle together in the months ahead.

As I said a few weeks ago, the most important contest of our time is not the contest between Democrats and Republicans, it's between America and our economic competitors all around the world. And winning that contest means that we've got to ensure our children are the best educated in the world, that our research and development is second to none, and that we lead the globe in renewable energy and technological innovation.

It also means making sure that in the future we're not dragged down by long-term debt. This is a challenge that both parties have a responsibility to address: to get Federal spending under control and bring down the deficits that have been growing for most of the last decade.

Now, there's no doubt that if we want to bring down our deficits, it's critical to keep growing our economy. More importantly, there's still a lot of pain out there, and we can't afford to take any steps that might derail our recovery or our efforts to put Americans back to work and to make Main Street whole again. So we can't put the brakes on too quickly. And I'm going to be interested in hearing ideas from my Republican colleagues, as well as Democrats, about how we continue to grow the economy and how we put people back to work.

But we do have to correct our long-term fiscal course. And that's why earlier this year I created a bipartisan deficit commission that is poised to report back later this week with ideas that I hope will spark a serious and long-overdue conversation in this town. Those of us who have been charged to lead will have to confront some very difficult decisions, cutting spending we don't need in order to invest in the things that we do.

As President, I'm committed to doing my part. From the earliest days of my administration, we've worked to eliminate wasteful spending and streamline Government. I promised to go through the budget line by line to eliminate programs that have outlived their

usefulness, and in each of the budgets I've put forward so far, we've proposed approximately \$20 billion in savings through shrinking or ending more than 120 of such programs.

I've also set goals for this Government that we're on track to meet: reducing improper payments by \$50 billion, saving \$40 billion in contracting, and selling off \$8 billion of unneeded Federal land and buildings.

I've also proposed a 3-year freeze on all nonsecurity discretionary spending, a step that would bring that spending to its lowest level as a share of the economy in 50 years. And we've brought unprecedented transparency to Federal spending by placing all of it online at USAspending.gov and recovery.gov, so Americans can see how their tax dollars are spent.

The hard truth is that getting this deficit under control is going to require some broad sacrifice. And that sacrifice must be shared by the employees of the Federal Government.

After all, small businesses and families are tightening their belts. Their Government should too. And that's why, on my first day as President, I froze all pay for my senior staff. This year, I've proposed extending that freeze for senior political appointees throughout the Government and eliminating bonuses for all political appointees.

And today I'm proposing a 2-year pay freeze for all civilian Federal workers. This would save \$2 billion over the rest of this fiscal year and \$28 billion in cumulative savings over the next 5 years. And I want to be clear: This freeze does not apply to the men and women of our Armed Forces, who along with their families continue to bear enormous burdens with our Nation at war.

I did not reach this decision easily. This is not just a line item on a Federal ledger, these are people's lives. They're doctors and nurses who care for our veterans, scientists who search for better treatments and cures, men and women who care for our national parks and secure our borders and our skies, Americans who see that the Social Security checks get out on time, who make sure that scholarships comes through, who devote themselves to our safety. They're patriots who love their country and often make many sacrifices to serve their country.

In these challenging times, we want the best and brightest to join and make a difference. But these are also times where all of us are called on to make some sacrifices. And I'm asking civil servants to do what they've always done: play their part.

Going forward, we're going to have to make some additional very tough decisions that this town has put off for a very long time. And that's what this upcoming week is really about. My hope is that, starting today, we can begin a bipartisan conversation about our future, because we face challenges that will require the cooperation of Democrats, Republicans, and Independents. Everybody is going to have to cooperate. We can't afford to fall back onto the same old ideologies or the same stale sound bites. We're going to have to budge on some deeply held positions and compromise for the good of the country. We're going to have to set aside the politics of the moment to make progress for the long term. And as I've often said, we're going to have to think not just about the next election, but about the next generation, because if there's anything the American people said this month, it's that they want their leaders to have one single focus: making sure their work is rewarded so that the American Dream remains within their reach. It would be unwise to assume they prefer one way of thinking over another. That wasn't the lesson that I took when I entered into office, and it's not the lesson today.

So while our ideas may be different, our goals must be the same: growing this economy, putting people back to work, and securing the dream for all who work for it; to summon what's best for each of us to make lives better for all of us. And that's why we are here, and that's why we serve. That's how we've moved this country forward in the past, and I'm absolutely confident that that is how we are going to move this country forward once again.

Thank you very much, everybody.

NOTE: The President spoke at 12:05 p.m. in the Dwight D. Eisenhower Executive Office Building.

Categories: Addresses and Remarks : Fiscal responsibility.

Names: Obama, Malia; Obama, Natasha "Sasha".

Subjects: Armed Forces, U.S. : Military families; Armed Forces, U.S. : Servicemembers :: Service and dedication; Arms and munitions : Nuclear weapons and material :: Strategic Arms Reduction Treaty (START) with Russia, expansion; Budget, Federal : Deficit and national debt; Budget, Federal : Deficit Reduction Commission; Budget, Federal : Government programs, spending reductions; Business and industry : Global competitiveness; Congress : Bipartisanship; Economy, national : Recession, effects; Economy, national : Strengthening efforts; Education : Global competitiveness; Elections : 2010 Congressional elections; Employment and unemployment : Job creation and growth; Energy : Alternative and renewable sources and technologies; Government organization and employees : Accountability and transparency, strengthening efforts; Government organization and employees : Federal buildings, operating costs inefficiencies, elimination efforts; Government organization and employees : Federal employee pay freeze, proposed; Government organization and employees : Federal political appointees, freeze on awards, bonuses, and payments for; Government organization and employees : Federal programs, performance of, improvement efforts; Government organization and employees : Improper payments in Federal programs, reduction efforts; Russia : Strategic Arms Reduction Treaty (START) with U.S., expansion; Science and technology : Research and development; Taxation : Tax relief.

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