

## The President's Weekly Address *February 26, 2011*

Over the last month, I've been traveling the country, talking to Americans about how we can outeducate, outinnovate, and outbuild the rest of the world. Doing that will require a Government that lives within its means and cuts whatever spending we can afford to do without. But it will also require investing in our Nation's future: training and educating our workers; increasing our commitment to research and technology; building new roads and bridges, high-speed rail and high-speed Internet.

In cities and towns throughout America, I've seen the benefits of these investments. The schools and colleges of Oregon are providing Intel, the State's largest private employer, with a steady stream of highly educated workers and engineers. At Parkville Middle School outside of Baltimore, engineering is the most popular subject, thanks to the outstanding teachers who are inspiring students to focus on their math and science skills.

In Wisconsin, a company called Orion is putting hundreds of people to work manufacturing energy-efficient lights in a once-shuttered plant. And in the small community of Marquette, in Michigan's Upper Peninsula, widely accessible high-speed internet has allowed students and entrepreneurs to connect to the global economy. In fact, one small business, a third-generation, family-owned clothing shop called Getz's, is now selling their products online, which has helped them to double their workforce and make them one of America's 5,000 fastest growing companies in a recent listing.

Each of these places reminds us that investments in education, innovation, and infrastructure are an essential downpayment on our future. But they also remind us that the only way we can afford these investments is by getting our fiscal house in order. Just like any family, we have to live within our means to make room for the things we absolutely need.

That's why I've called for a freeze on annual domestic spending over the next 5 years, a freeze that would cut the deficit by more than

\$400 billion over the next decade, bringing this kind of spending to its lowest share of our economy since Dwight Eisenhower was President. Just to be clear, that's lower than it was under the past three administrations and lower than it was under Ronald Reagan.

Now, putting this budget freeze in place will require tough choices. That's why I've frozen salaries for hard-working civil servants for 3 years and proposed cutting programs I care deeply about, like community action programs in low-income neighborhoods. I'm not taking these steps lightly, but I'm taking them because our economic future demands it.

Still, a freeze in annual domestic spending is just a start. If we're serious about tackling our long-run fiscal challenges, we also need to cut excessive spending wherever we find it, in defense spending, spending in Medicare and Medicaid, and spending through tax breaks and loopholes.

I am willing to consider any serious ideas to help us reduce the deficit, no matter what party is proposing them. But instead of cutting the investments in education and innovation we need to outcompete the rest of the world, we need a balanced approach to deficit reduction. We all need to be willing to sacrifice, but we can't sacrifice our future.

Next week, Congress will focus on a short-term budget. For the sake of our people and our economy, we cannot allow gridlock to prevail. Both Democratic and Republican leaders in the House and Senate have said they believe it's important to keep the Government running while we work together on a plan to reduce our long-term deficit.

Given that, I urge and expect them to find common ground so we can accelerate, not impede, economic growth. It won't be easy. There will be plenty of debates and disagreements, and neither party will get everything it wants. Both sides will have to compromise.

That's what it will take to do what's right for our country. And I look forward to working with members of both parties to produce a

responsible budget that cuts what we can't afford, sharpens America's competitive edge in the world, and helps us win the future.

Thanks, everybody, and have a great weekend.

NOTE: The address was recorded at approximately 3:55 p.m. on February 25 in the Dip-

lomatic Reception Room at the White House for broadcast on February 26. The transcript was made available by the Office of the Press Secretary on February 25, but was embargoed for release until 6 a.m. on February 26.

## Statement on Government Reforms in Bahrain *February 27, 2011*

I welcome the announcement by King Hamad bin Isa Al Khalifa about making important changes to the Cabinet and restating his commitment to reform. The United States supports the national dialogue initiative led by Crown Prince Salman bin Hamad Al Khalifa and encourages a process that is meaningful, inclusive, nonsectarian, and responsive to the people of Bahrain. The dialogue offers an op-

portunity for meaningful reform and for all Bahrainis to forge a more just future together. As a longstanding partner of Bahrain, the United States continues to believe that Bahrain's stability will be enhanced by respecting the universal rights of the people of Bahrain and reforms that meet the aspirations of all Bahrainis.

## Remarks at the National Governors Association Dinner *February 27, 2011*

Well, good evening, everybody. Welcome to the White House. I want to start by acknowledging your outstanding chair, Christine Gregoire, for her wonderful work, and your vice chair, Dave Heineman, for his wonderful work. Thank you very much.

I want to welcome some of you back, and I want to welcome those who are here for the first time. I know some of you may be confused and think this is the Oscars. *[Laughter]* There are some similarities. First of all, everybody looks spectacular. And the second thing is, if I speak too long, the music will start playing. *[Laughter]* So I'm going to be very brief.

I know that the last couple of years have not been easy in a lot of your States. People have been struggling. Folks have lost jobs. Businesses have shuttered. We went through the toughest recession since the Great Depression. And nobody has felt it more than folks back home, and you see it each and every day. You have to respond in ways that go beyond just ideology or rhetoric.

The thing about Governors is you're in charge and people know where to find you and they expect you to help them during tough times. And many of you over the last 2 years have done extraordinary work. Many of you are expected for the next 2 years, next 4 years, or however long it may be, to do extraordinary work.

The main message I want to deliver tonight, in addition to asking you to have some fun this evening, is to know that you've got a partner here in the White House. If you look around the room, we come from a lot of different parts of the country, and people may have different perspectives, but one thing that we all absolutely share is the belief in the American Dream and the confidence that when our people get opportunities, they've got the ingenuity and the stick-to-it-ness and the drive to succeed.

And our job is to make sure that we are doing everything possible to ensure that each child gets a good education; that somebody who has a great idea is able to start a business