

prayer, and I pray that our time here this morning will strengthen us, both individually as believers and as Americans. And with that, let me introduce my good friend, Bishop Vashti McKenzie, for our opening prayer.

[At this point, Bishop Vashti M. McKenzie, presiding bishop of the 13th Episcopal District of the African Methodist Episcopal Church, came to the podium.]

Bishop McKenzie. Thank you so much.

The President. I just had to make a quick point. You notice that these days, prayers are on an iPad. [Laughter] This is a hi-tech bishop here.

[Bishop McKenzie then offered a prayer.]

NOTE: The President spoke at 8:39 a.m. in the East Room at the White House.

## Remarks at a Town Hall Meeting and a Question-and-Answer Session in Annandale, Virginia April 19, 2011

The President. Hello, everybody! Thank you! Everybody have a seat, have a seat.

It's good to be back. Good to be back in Annandale. Good to be back at NOVA. How is everybody doing?

I want to make a couple of acknowledgments. First of all, Congressman Gerry Connolly is here. Dr. George Gabriel, the provost of Northern Virginia Community College, is here. And the president, Bob Templin, is here.

I'm—it is great to be back. I keep on coming back because Jill Biden tells me to keep on coming back. [Laughter] I tend to listen to her. I always say Vice President Joe Biden's best quality is Jill Biden. [Laughter] Though Jill couldn't be here today because she's teaching all day, and she does not skip class for anybody, including the President of the United States. [Laughter]

What I want to do is just make a few quick remarks at the top, and then I'm just going to open it up for questions. This gives me a chance to get out of the immediate environs of Washington and hear directly from voters and have a conversation with them. And so I'm grateful that all of you took the time.

Last week, I laid out a plan to get America's finances in order. It was a plan for shared prosperity through shared sacrifice and shared responsibility. So before I take your questions, I want to talk a little bit about this plan briefly, because it goes to the heart of what's happening at this campus and schools like it all across America. And my plan does two big things.

First, it cuts spending, and it brings down the deficit. We all know how important that is. Just like any student on a tight budget—and I'm assuming there are a few students on a tight budget here. Let's see a show of hands. Any students on a tight budget? [Laughter] Yes. I've been there. Just like you, America has to start living within its means.

For a long time, Washington acted like deficits didn't matter. A lot of folks promised us a free lunch. So I think everybody needs to recall, we had a surplus back in 2000, 11 short years ago, but then we cut taxes for everybody, including millionaires and billionaires. We fought two wars, and we created a new and expensive prescription drug program. And we didn't pay for any of it.

And as the saying goes, there is no such thing as a free lunch. So we were left with a big deficit as I was coming into office, and then we had the worst recession since the Great Depression. And that made it worse, because in a recession two things happen: Number one, the Federal Government helps out States and localities to prevent teacher layoffs and firefighters and police officers from being laid off, and all that costs money. It requires more money to provide additional help to people who've lost their jobs or are in danger or losing their homes. So the Federal Government is putting more money out, but because of the recession it's taking less money in tax revenues, and so that grows the depression—the deficit further.

Now, if we don't close this deficit, now that the economy has begun to grow again, if we keep on spending more than we take in, it's going to cause serious damage to our economy. Companies might be less likely to set up shop here in the United States of America. It could end up costing you more to take out a loan for a home or for a car, because if people keep on having to finance America's debt, at a certain point they're going to start charging higher interest rates. We won't be able to afford investments in education or clean energy or all the things that we care about because we know it'll help drive our economy and create jobs.

So we've got to tackle this challenge. And I believe the right way to do it is to live up to an old-fashioned principle of shared responsibility. That means everybody has to do their part.

So what my plan does is it starts with combing the budget for savings wherever we can find it. And we had a good start a few weeks ago, when both parties came together around a compromise that cut spending, but also kept the Government open and kept vital investments in things that we care about. We need to build on those savings, and I'm not going to quit until we've found every single dime of waste and misspent money. We don't have enough money to waste it right now. I promise you that. We're going to check under the cushions, you name it. *[Laughter]*

But finding savings in our domestic spending only gets you so far. We're also going to have to find savings in places like the defense budget. As your Commander in Chief, I will not cut a penny if it undermines our national security. But over the last 2 years, the Secretary of Defense, Bob Gates, has taken on wasteful spending that doesn't protect our troops, doesn't protect our Nation: old weapons systems, for example, that the Pentagon doesn't want, but Congress sometimes keeps on stuffing into the budget. Well-connected special interests get these programs stuck in the budget even though the Pentagon says we don't need these particular weapons systems.

So we've begun to cut those out. And Secretary Gates has found a lot of waste like that and has been able to save us \$400 billion so far. I

believe we can do that again. Four hundred billion dollars, even in Washington, that's real money. That funds a lot of Pell grants. That funds a lot of assistance for communities like this one.

We'll also reduce health care spending and strengthen Medicare and Medicaid through some commonsense reforms that will get rid of, for example, wasteful subsidies to insurance companies. Reforms that can actually improve care, like making it easier for folks to buy generic drugs or helping providers manage care for the chronically ill more effectively. And we can reform the Tax Code so that it's fair and it's simple, so that the amount of taxes you pay doesn't depend on whether you can hire a fancy accountant or not.

And we've also got to end tax cuts for the wealthiest Americans. Now, let me say, this is not because we want to punish success. I suspect there are a bunch of young people in this gym that are going to end up being wealthy, and that's good. We want you to. We want you to be able to go out there and start a business and create jobs and put other people to work. That's the American way. But we are going to have to ask everybody to sacrifice. And if we're asking community colleges to sacrifice, if we're asking people who are going to see potentially fewer services in their neighborhoods to make a little sacrifice, then we can ask millionaires and billionaires to make a little sacrifice.

We can't just tell the wealthiest among us, you don't have to do a thing. You just sit there and relax, and everybody else, we're going to solve this problem. Especially when we know that the only way to pay for these tax cuts for the wealthiest Americans is by asking seniors to pay thousands of dollars more for their health care; or cutting children out of Head Start; or doing away with health insurance for millions of Americans on Medicaid, seniors in nursing homes or poor children or middle class families who may have a disabled child, an autistic child.

This is not a tradeoff that I'm willing to make. It's not a tradeoff that, I think, most Americans think is fair, no matter what party you belong to. That's not who we are as a country. We're better than that.

So that's the first part of the plan: cutting spending in a way that is fair and asks for shared responsibility. But here's the second part of the plan, and that's why I'm here at this campus today. Even as we're making sure that Government lives within its means, we've still got to invest in the future. We've still got to invest in you. We've still got to strengthen the middle class, and we've still got to grow the economy.

So yes, we're going to have to save wherever we can, and my proposal makes some tough cuts to some worthy programs and services that if we were in better times I'd continue to fund. But I'll tell you what I'm not going to do. We're not going to reduce the deficit by sacrificing investments in our infrastructure. We're not going to allow our roads and our bridges to grow more and more congested while places like China are building new roads and new airports and thousands of mile of high-speed rail. If we want businesses to locate here in the United States of America and create jobs here, we've got to make sure that America is built to compete. We've got to have the best roads. We've got to have the quickest trains. We have to have the fastest broadband networks. That's who we are.

Some folks in Washington also want to close the deficit by gutting our investments in things like clean energy or medical research or basic science. That's not a viable choice. America has always been the world's engine of innovation and discovery. That's who we are. That's how we've prospered. I don't want other countries to lead in the industries of tomorrow. I want new technologies invented here in the United States. I want new solar panels and wind turbines and fuel-efficient cars and advanced batteries all to be made right here in the United States of America. I want us to invent them right here.

I mean, let's just take energy as an example. Folks are out there dealing with gas at 4 bucks a gallon. It's just another hardship, another burden, at a time when we're just coming out of a recession and things are already pretty tight for folks. Now, whenever this happens, just like clockwork, you see politicians going in front of

the cameras, and they'll say they've got a three-point plan for 2-buck-a-gallon gas. *[Laughter]* The truth is the only real solution to helping families at the pump in the medium and the long term is clean energy. That's how we'll save families money. That's how we'll reduce our dependence on foreign oil. We've got to develop new technologies to lessen our reliance on a fuel that is finite and that we've got to import from other countries, including some very unstable parts of the world. And that's why I think that cutting clean energy investments by 70 percent—70 percent, which has been proposed by some in Congress—would be such a mistake.

Finally, and I know this is near and dear to your hearts, we're not going to reduce our deficit by cutting education and eliminating college scholarships. In a world where our students face stiff competition from students from other countries, why would we make it harder for you to compete?

We see why it matters right here. More than 10,000 students at this college, at this college alone, are relying on Pell grants to help pay their tuition. It's almost 3,000 students at the Annandale campus alone, 3,000 students just at this campus. How many of you who are in the audience have gotten a Pell grant to help you pay your way? How many of you can't afford to pay another \$1,000 to go to school? I know what this is like. Scholarships helped make it possible for me and for Michelle to go to college. It's fair to say I wouldn't be President if it hadn't been for somebody helping me be able to afford college. That's why I think it would be such a huge mistake to balance the budget on the backs of students, by cutting scholarships by as much as \$1,000, forcing students to go without them altogether.

I just spent the last 2 years making sure that instead of giving subsidies to banks, we were giving that money directly to students in the form of more grants and better deals on their loans. I'm not going to undo that after all the work we've done over the last 2 years. That's not a smart way to close our deficit.

So that's the bottom line. Just as it would undermine our future to ignore our deficits, it would also undermine our future to ignore the

promise of students like you, young people who come to this school to get a degree in the hopes of living out a better life, giving your children and your grandchildren a better life. That's the core of the debate that we're having right now. Both Democrats and Republicans agree that we should reduce the deficit. In fact, there is general agreement that we need to cut spending by about \$4 trillion over the medium term. And when folks in Washington agree on anything, that's a good sign. So the debate isn't about whether we reduce our deficit. The debate is about how we reduce our deficit.

And my view is, we need to live within our means while still investing in our future, cutting where we can while investing in education, investing in innovation, investing in infrastructure, and strengthening the safety net provided by programs like Medicare so that they're there for this generation and for next generations.

And here's the good news. I believe that Democrats and Republicans can come together to get this done. It won't be easy. There are going to be some fierce disagreements. Shockingly enough, there will be some politics played along the way. *[Laughter]* There will be those who say that we're too divided, that the partisanship is too stark. But I'm optimistic. I'm hopeful. Both sides have come together before. I believe we can do it again.

And here's why this is important. Ultimately, this debate is not just about numbers on a page. It's about making sure that you can make the most of your futures, that you can find a good job and achieve the life that you're studying for in a nation that's prosperous and rich with opportunities for anybody who's willing to work hard to get ahead. That's my focus. That's what I think about first thing I wake up in the morning. That's what I think about when I go to bed at night, and that's what I think about all the hours in between.

That's why I'm going to need your help. This is probably my most important message today: I'm going to need your help. I can't afford to have all of you as bystanders in this debate. I want everybody to be in the game. I want you to hold me accountable. I want you to hold all

of Washington accountable. There's a way to solve this deficit problem in an intelligent way that is fair and shares sacrifices so that we can share opportunity all across America. But I can't do that if your voices are not heard.

There are powerful voices in Washington; there are powerful lobbies and special interests in Washington. And they're going to want to reduce the deficit on your backs. And if you are not heard, that's exactly what's going to happen.

If you are heard, then we're going to meet this challenge. We are going to secure our future. We're going to make our country stronger and more prosperous than it has ever been before.

With that, I want to take some questions. Thank you very much, everybody.

All right, we've got some——

*[At this point, the President tested the microphone.]*

Testing, there we go. All right, so we've got some people in the audience, our wonderful volunteers, with microphones. When I call on you, if you could introduce yourself—wait for the microphone so we can all hear you, and then introduce yourself and try to keep the question relatively short. *[Laughter]* I will try to keep my answers relatively short. And I'm going to go boy, girl, boy, girl—*[laughter]*—just to make sure things are fair. All right?

Let me start with this young lady right there. That's right, you. Yes, you. *[Laughter]* I'll call on you too. *[Laughter]* Go ahead.

#### *Education Reform/Federal Budget*

*Q.* My name is Aissata Sow, and I'm a student here at NOVA. And I'd like to know your plan to cut \$4 trillion in up to 12 years—is any of that toward the education budget?

*The President.* No, what we've done is we have actually said that even as we are making all these spending cuts, we actually think that education spending should go up a little bit. And the reason is not that money solves all the problems in education. It doesn't. But whether

it's K through 12 or higher education, money does make a difference if it's used intelligently.

So, for example, what we're doing at the K-through-12 level is we've designed a program called Race to the Top. And it's a pretty straightforward program. What it says to school districts and States all across the country is, in addition to the usual money that you get for disadvantaged kids, the usual money that you get for disabled kids—most of which is given out in formulas so it just depends on how many kids are there and how many kids are disadvantaged or disabled—we're also going to have a little bit of money that we save to give to schools and school districts that are really digging deep to reform themselves and to find new ways to improve performance.

So if you are doing a great job in recruiting and training new teachers, if you're doing a great job in lifting up schools that are underperforming—and there are about 2,000 schools in the country that are what are called dropout factories. I mean, they just are not doing the job. So if in that State you say, we've got a special plan to make sure those schools are doing a great job, if you've got innovative programs in math and science education, if you're doing some things that increase accountability, improve excellence, then we're going to give you a little extra money, but you're going to have to reform to do it.

So the idea is not just spending more money for its own sake. It's tying more money to improved performance and real reform. That's what we're doing at K through 12.

Now, what we're doing at the community college and university levels is we've redesigned some of the programs like Pell grant and student loan programs. As I mentioned, it used to be that the student loan programs used to go through banks, and they would skim billions of dollars in profits, even though they weren't really taking any risk because the Federal Government was guaranteeing the loans.

So we said, well, let's just give the money directly to students. That will give us an extra several billion dollars that we can use to provide all of you additional scholarships, higher levels for your Pell grants. But we're also working with

community colleges to see can we make sure that the programs at the community colleges are as effective as they can be to provide the training and the skills you need to succeed.

So, for example, one of the things that we're doing is identifying where are the jobs of the future. Can we get the private sector and businesses to help design curriculums ahead of time so that young people when they go through, and if they're taking out these loans and making these big investments, they know there's going to be a job at the end of the tunnel?

So we need more money, but we also need more reform. And in order to provide more money for education, we're having to make some cuts in some other areas that are going to be difficult in some cases. I mean, I just mentioned the defense budget, for example. There are certain aspects of the defense budget that I will not touch. For example, making sure that our troops have the equipment they need to be safe when they're in theater, making sure that when they come home, veterans are getting the help that they need for posttraumatic stress disorder or to be able to go to college themselves.

So there are certain commitments that we make to our men and women in uniform that are sacred, and we can't cut back on those. But as I said, there are some weapons systems that just don't work. There are some that may work, but we don't need. There are some that we just can't afford. So we're going to have to make some difficult decisions on some of those issues.

And let's face it, there are also some social service programs that don't work. I mean, one of the things that I always say is if you're really progressive, you've got to be willing to examine whether something that you're paying for is actually working, because if it isn't working, that money could be used somewhere else to help people. So we've got to have a much more rigorous review of how effective various programs are. Some work, and some don't. And if they don't work, we should eliminate them and put that money into programs that do. Okay? All right.

It's the gentleman's turn, right back there. Yes.

*Medicare/Health Care Reform/Cost of Prescription Drugs*

Q. Hi, Mr. President. I've lived overseas for the last 15 years, and there has been very good medical care, but now that I'm here back in the States and on Medicare, I find something interesting, and that is that Medicare won't pay for any expenses overseas; it has to be here in this country, and that costs you money, the Government, and it costs me money, but it's good, of course, for the health care industry. Would you be interested in changing that?

*The President.* Well, I think you're raising an interesting point. First of all, Medicare is one of the most important pillars of our social safety net. And so before I get to your specific point, I want everybody to understand what the debate right now about Medicare that's taking place between Democrats and Republicans is, because you're going to need this as this debate unfolds over the next several months.

The House Republicans just passed a proposal, and their main plan to reduce our long-term deficits and debt is to turn Medicare into a voucher program. What would happen would be that right now seniors, when they get—once they're on Medicare, you basically are able to get the care that you need, and Medicare covers it for you. What would happen under this proposal is you'd get a set amount of money; you could then go out under the private market place and buy insurance, but if the voucher you were getting for 6 or \$7,000 and the insurance company said it's going to cost you \$12,000, well, you're going to have to make up that difference.

And so it's estimated by the Congressional Budget Office, which is an independent, bipartisan sort of referee in Congress that determines these things, they figure that seniors would end up paying twice as much for their health care as they are currently—at least twice as much. And more importantly, it would get worse over time, because health care inflation goes up a lot faster than regular inflation. So your health care costs keep on going up and

up and up; the voucher doesn't. Each year, more and more costs coming out of pocket.

Now, I think that is the wrong way to go. That would fundamentally change Medicare as we know it, and I'm not going to sign up for that. Having said that, we are going to have to reform Medicare and our entire health care system in order to improve quality for the amount of money that we spend, because we spend much more money in this country on health care than any other industrialized country, and our outcomes aren't better.

And that's what we started doing with health care reform last year. Essentially, what we said was let's not just dump these additional costs on seniors. I mean, it's not hard to save the Government money if you're willing to just say, here, you pay for it. That's not a solution. The question is, how do we actually make health care costs lower overall? That means that we work with providers to say, how can you do a better job providing care to the chronically ill?

About 15, 20 percent of the patients account for 80 percent of the costs because they have chronic illnesses like diabetes. Can we incentivize providers, doctors, hospitals to do a better job monitoring those illnesses, preventing those illnesses, treating those illnesses in a comprehensive way so that the overall costs to the system go down? Can we stop with the five or six tests, all of which cost money, and just give you one test and have them—the results e-mailed to everybody that you need to deal with? That can save us money.

So there are a whole host of steps that we can take that could make a big difference in reducing health care costs overall. And keep in mind, even if you're not on Medicare, the overall costs of health care are being driven up for you and for—even if you're on private health care, it's—you're paying about \$1,000 per family in extra costs because of all the uncompensated care that comes in, all the folks who show up at the emergency room, all the medical errors that take place at hospitals that end up costing the system money as a whole. So if we can squeeze those inefficiencies out of the health care system, then we can maintain Medicare as we know it, but still reduce the

cost to the Federal Government and to everybody in society.

Now——

[*Something fell in the background.*]

Uh-oh. [*Laughter*] We don't need any health care, do we? Nobody fell.

To get to your question, then, my preference would be that you don't have to travel to Mexico or India to get cheap health care. I'd like you to be able to get it right here in the United States of America that's high quality.

So before we went on the path of, you can go somewhere else to get your health care, let's work to see if we can reduce the costs of health care here in the United States of America. That's going to make a big difference. And Medicare is a good place to start because Medicare is such a big purchaser that if we can start changing how the health care system works inside of Medicare, then the entire system changes. All the doctors, all the hospitals, they will all adapt to these best practices.

And the same is true, by the way, for prescription drugs. I mean, one of the things that we want to do as part of our health care reform package is let's start doing a better job of negotiating better prices for prescription drugs here in the United States so that you don't feel like you're getting cheated because you're paying 30 percent more or 20 percent more than prescription drugs in Canada or Mexico.

Reimportation is a short-term solution that a lot of seniors are resorting to, but why should drugs that are invented here in the United States end up being more expensive than another country? Well, the reason is, is because drug companies can get away with it here and they can't get away with it there, and we should change some of those systems to make it cheaper for everybody here. But that's going to make a huge difference in terms of reducing our deficit.

So thank you.

All right, it's a young lady's turn, right here. Hold on, let's—can we get a mike over here, or do I need to lend her my mike? Okay.

### *Social Security/Federal Budget*

Q. Hi, Mr. President. My name is Benita Griffin. I'm a late student here at Northern Virginia Community College. I'm in my second career now. My question is, in about 15 years, I'll be eligible for Medicare—I mean, for Social Security. And I'm part of the baby boomer generation, and I don't know if there will be Social Security when I get ready to—and I probably won't retire for another 25 years, I'm thinking.

*The President.* Yes, you look pretty young. [*Laughter*] You look like you're—you look like you've got a lot of career left in you.

Q. I'm about your age. But yes, so I figure another 25 years I'll be working. But I don't know if it will be there when I need it, and I'm concerned about that.

*The President.* Well, let me talk about Social Security. The big drivers of our deficit are health care costs. I mean, the thing that we've really got to get control of is Medicare and Medicaid. That's what's skyrocketing really fast. Because not only is the population getting older, but health care costs are just going up a lot faster than people's wages and salaries or tax revenues to the Federal Government.

Social Security is a problem, but one that we can solve much more easily. So the first answer to your question is, I—Social Security will definitely be there when you retire. I'm absolutely confident about that. [*Applause*] I am absolutely confident about that.

Now, here's the thing. If we don't do anything on Social Security, if we just don't—if we don't touch it at all, then what would happen is, by the time you retire, or maybe just a couple years after you retire, you might find that instead of getting every dollar that you were counting on, you're only getting 75 cents out of that dollar. Because what's happening is the population is getting older, there are more retirees per worker, and more money starts going out than is coming in.

So we do have to stabilize Social Security's finances, but we can do that with some relatively modest changes, unlike health care, where we've got to get in and work with providers and

really get some much more substantial reforms. With Social Security, it's just a matter of tweaking how it currently works.

Now, politically, it's hard to do. Politically, it's hard to do. For example, I'll just give you one example of a change that would make a difference in Social Security. Right now you only pay a Social Security tax up to a certain point of your income. So a little bit over \$100,000, your Social Security—you don't pay Social Security tax.

Now, how many people are making less than \$100,000 a year? Don't be bashful. [Laughter] The point is, for the vast majority of Americans, every dime you earn, you're paying some in Social Security. But for Warren Buffett, he stops paying at a little bit over \$100,000, and then the next 50 billion, he's not paying a dime in Social Security taxes.

So if we just made a little bit of an adjustment in terms of the cap on Social Security, that would do a significant amount to stabilize the system. And that's just an example of the kinds of changes that we can make.

So we are going to have to make some changes in Social Security, but it's not the major driver of our deficit. And what I've proposed is let's work on Social Security, but let's not confuse that with this major budget debate that we're having about how we deal with both spending and revenues, because that is the problem that is going to require some really hard work and some bipartisan cooperation. Okay?

All right. It's a gentleman—gentleman in the white shirt right there in the middle. You got three guys right in a row; I'm choosing the guy right in the middle. There you go, right there.

*Price of Gasoline/Oil Supply/Alternative and Renewable Energy Sources and Technologies*

Q. Mr. President, my name is Mitchell Holman. I'm a student here at NOVA, electrical and computer engineering. And I'm really concerned about the clean energy solutions because with the deficit that we have, most of those solutions and alternatives are far more expensive than the things that we have in place

now. So how are we going to reduce the deficit and, at the same time, develop clean energy alternatives as well as removing the current systems that we have in place that are dependent on oil and other things from other countries?

*The President.* Well, it's a great question. And so let me start with gas prices because I know that that's on everybody's minds, and it'll—you can sit down. [Laughter] I'll admit to you, it's been a while since I filled up at the tank—filled up at the pump. [Laughter] You know, Secret Service doesn't let me get out—[laughter]—and they don't let me drive anymore.

But it wasn't that long ago that I did have to fill up my gas tank. And I know that if you've got a limited budget and you just watch that hard-earned money going away to oil companies that will once again probably make record profits this quarter, it's pretty frustrating. And if you're driving, out of necessity, 50 miles a day to work and you can't afford to buy some fancy new hybrid car, so you're stuck with the old beater that is getting you 8 miles a gallon, that's pretty frustrating.

Now, I wish I could tell you that there was some easy, simple solution to this. It is true that a lot of what's driving oil prices up right now is not the lack of supply. There's enough supply. There's enough oil out there for world demand. The problem is, is that oil is sold on these world markets, and speculators and people make various bets, and they say, you know what, we think that maybe there's a 20-percent chance that something might happen in the Middle East that might disrupt oil supply, so we're going to bet that oil is going to go up real high. And that spikes up prices significantly.

We're now in a position where we can investigate if there's unfair speculation. We're going to be monitoring gas stations to make sure there isn't any price gouging that's taking advantage of consumers. But the truth is that it is a world commodity, and when prices spike up like this, there aren't a lot of short-term solutions. What we have are medium- and long-term solutions.

Now, one solution is making sure that we're increasing production of U.S. oil. And we have



actually continually increased U.S. production, so U.S. production is as high as it's ever been. The problem is we only have about 2 to 3 percent of the world's oil reserves and we use 25 percent of the world's oil. So when you say we should be using traditional sources, the problem is we've got finite sources when it comes to oil. And that means we've got to find some replacements.

There are a couple of alternatives. One are biofuels. I was down in Brazil; a third of their cars are run on biofuels, mostly ethanol made out of sugar cane. We should be able to develop technologies where we are building more efficient biofuels than we're currently using. Right now we use—most of our ethanol comes from corn. It would be better if we can get farmers to work with industry to figure out whether we can use woodchips or algae or switchgrass or other biomass that can create fuel that is competitive with gasoline. So that's point number one.

Point number two is we should be looking at electric cars and how can we produce more effective electric cars, cheaper electric cars, here in the United States. There's—technologically, it's now feasible to get a car that runs 150 miles a gallon or maybe no gallons of gas. And you just get your car, you plug it in at night in your garage; whatever energy is stored in your car battery goes back into your house, and then, when you come back out at night, it's recharged and you're ready to go.

You're right, right now, that hybrid cars and electric cars are more expensive than regular cars, but partly, that's because we haven't increased demand enough for it that the unit costs have gone down. And the more you produce of something, the cheaper it gets, right?

You remember what it used to cost you for a flat-screen TV or a laptop computer. But as volume picked up, technology improves, costs go down. Well, the same thing could be true for electric cars, so one of the things we're trying to do is to increase demand on electric cars.

It turns out that the Federal Government has a lot of cars, so we're saying let's have the Federal Government make sure that 100 percent of our cars are energy-efficient cars to

create a better market for those cars that can help drive costs down.

We've also increased fuel efficiency standards on cars for the first time in 30 years. That will save about 1.8 billion gallons—or barrels of oil, billion barrels of oil. And we can now increase fuel efficiency standards on cars and trucks, and that could make a huge difference because now consumers are just—whenever they go to buy a new car, by necessity, that car is going to have higher mileage standards. All that drives down demand and can reduce gas prices overall.

But there's one last component to this, and you just pointed out if we're going to have electric cars, we still have to have electricity, and how do we produce electricity?

Now, it's true that coal is something that's very plentiful in America. We're sort of the Saudi Arabia of coal. The challenge with coal is that although it's very cheap, it's also dirty. And it can create the kinds of air pollution that not only is contributing to climate change, but it's also creating asthma for kids nearby.

You got asthma? Okay. And so sucking that stuff in is not ideal.

So what we've said is, let's invest in clean coal technology that potentially can capture some of these particulates and some of the carbon dioxide that's going into the atmosphere. If we can do that in a energy-efficient—in a cost-efficient way, then that would be hugely helpful to us.

But we also have to look at other ways of generating electricity. It's true that solar and wind right now are more expensive than coal, for example, or natural gas. But that doesn't mean that it will always be the case, it just means that we haven't developed the technologies to maximize our ability to capture and store electricity through those means.

I just mentioned natural gas. We have a lot of natural gas here in this country. The problem is, is that extracting it from the ground, the technologies aren't as developed as we'd like and so there are some concerns that it might create pollution in our ground water, for example. So we've got to make sure that if we're going to do it, we do it in a way that doesn't poison people.

The point is, is that there's not going to be any single silver bullet. What we've got to do is develop all these energy alternatives. All of them, though, are going to require some investment in new ways of thinking, new basic science, new research. And typically, no single company is going to be making those investments because it's not profitable for them to do it.

And that means that the Federal Government historically has stepped in and said, you know what, we'll make this investment in basic research, and then we'll let somebody else commercialize it and make money on it. That's how we invented the Internet. That's how we invented the GPS system. That's how we invented the barcode.

Those were all Federal investments that eventually spread out throughout the economy and made everybody richer and better off. And that's what we've got to do with energy as well, but that requires an investment, and I'm prepared to make that investment. I think we all should be. All right? Thank you.

All right. It's a young lady's turn. Right there, yes.

#### *Bipartisanship in Congress/Federal Budget*

Q. Hi, Mr. President. I'm Dr. Rebecca Hayes. I'm a history professor at Manassas. And my question is, are you encouraged to see more of the bipartisanship like the Gang of Six that has formed recently addressing some of the very concerns you've mentioned? Do you think we're going to see more of that, and are you going to stay behind it?

*The President.* Well, I am encouraged that over the last 4 or 5 months we've been able to strike some deals between Democrats and Republicans that a lot of people didn't expect us to be able to do. Our conflicts and our disagreements tend to get more attention than our agreements. And the easiest way to be on TV is to call somebody a name. *[Laughter]* Right?

I mean, if you are—if you say something mean about somebody, that will get you on TV. If you say something nice about somebody, ev-

erybody—you figure that's—well, that's boring, I'm not interested.

So I think that there is a huge opportunity for us to be able to work together, particularly on this deficit issue. As I said, we now agree that it's a problem. Everybody agrees it's a problem. Everybody agrees about how much we have to lower the deficit by over the medium term and that we've got to deal with long-term health care costs in order to get this under control. So it's pretty rare where Washington says this is a problem, everybody agrees on that, and everybody agrees on about how much we need to do to solve the problem.

The big question that is going to have to be resolved is, how do we do it? And there is—I don't want to lie to you, there is a big philosophical divide right now. I believe that you've got to do it in a balanced way. I believe that you've got to, yes, have spending cuts, but you can't cut things like education or basic research or infrastructure down to the bone.

I believe that people who have been really blessed in this society like me and have a very, very, very good income can afford to pay a little bit more, nothing crazy, just go back to the rates that existed when Bill Clinton was President. That wasn't that long ago. That's a fair thing to do, especially if it makes sure that seniors are still getting their Medicare and kids are still going to Head Start. Why wouldn't I want to make that sacrifice? Look—and I think most wealthy Americans feel the same way.

I want to live in a society that's fair, not just out of charitable reasons, but because it improves my life. If there are young people out there who are going to good schools and have opportunity, if I'm not driving by and seeing homeless folks on the streets, why wouldn't I want to have a society where I knew that the American Dream was available for everybody?

So the question is, how do we achieve the same goal? Can we do it in a more balanced way? And the House Republican budget that they put forward, they didn't just not ask the wealthy to pay more, they actually cut their taxes further.

Now, we just had tax day, so nobody wants to pay taxes. Let me tell you, I looked at my tax re-

form [return],<sup>\*</sup> and I thought, hmm—there is a moment there where you look at the figure you're paying, and you say, wow, I don't—let me think about my position on taxing the wealthy here. [Laughter] I understand that. Nobody volunteers and says, boy, I'm just wild to pay more taxes. But it's a matter of values and what we prioritize. And I certainly don't think my taxes should be even lower. That's—I think America wants a smart Government. It wants a lean government. It wants a accountable government. But we don't want no government.

I mean, according to the Republican budget that was passed, for example, we would have to eliminate transportation funding by a third. We'd have to cut transporting funding by a third. You remember when that bridge in Minnesota collapsed with all those people on it? And there was a big hue and cry: How can this happen in America? Well, the National Society of Engineers, they've looked around, and they give us a D when it comes to infrastructure. Our roads, our bridges, our sewer systems are all deteriorating.

We don't even have a serious high-speed rail infrastructure in this country. Our broadband lines are slower than places like South Korea. Well, how—so what, we cut transportation by another third, and what's going to happen to America? We're just going to have potholes everywhere? [Laughter] We're just going to have bridges collapsing everywhere? Are we going to continue to have airports that are substandard? Are we going to go to other countries and suddenly realize that China and South Ko-

rea and all of Europe all have better infrastructure than we do, and we think that businesses are going to come here and invest? Or do we think that at some point companies say, you know what, America has got a second-rate infrastructure, and it costs us too much money because our trucks going over those potholes are getting messed up?

So that's the choice that we're going to have to make. This debate is going to be very important though. And as I said before, I'm going to need all of you involved in this debate. You've got to make your voices heard. And I would say—I'm not just talking to Democrats here. Republicans, I want you to be able to talk to your Members of Congress and say, yes, I'm serious about reducing the deficit; yes, I want limited government; yes, I want reductions in spending, but I do think that we've got to make investments in basic research and infrastructure and education, and so let's do it in a balanced way.

And if we do that, we can come up with a compromise that is effective, that puts America's fiscal house in order, but also allows us to win the future. That's my goal. I'm going to need your help though.

Thank you very much, everybody. God bless you. Thank you.

NOTE: The President spoke at 10:33 a.m. at Northern Virginia Community College. In his remarks, he referred to Warren E. Buffett, chief executive officer and chairman, Berkshire Hathaway Inc.

## Statement on the 16th Anniversary of the Oklahoma City Bombing *April 19, 2011*

Sixteen years ago today, America witnessed a horrific attack in Oklahoma City, killing more than 160 men, women, and children and wounding hundreds of others. Michelle and I send our deepest condolences to the families and friends who lost a loved one and suffered through this

tragic event. We also need to remember the resilience and toughness of the American people and know that our Nation's resolve to fight terror and combat violent extremism in all its forms will not waver. As a nation, we should take a moment to recognize the courage and spirit of our

---

<sup>\*</sup> White House correction.