

## Statement on the Election of Janice K. Hahn to the United States House of Representatives

July 13, 2011

I want to extend my congratulations to Congresswoman-elect Janice Hahn for her victory in California's 36th Congressional District. Janice and I both believe that in order to win the future, we need to create jobs and grow our economy and pursue a balanced approach

to deficit reduction. In Congress, Janice will continue to fight for the people of the South Bay and add another chapter to her family's long history of dedicated service to the people of California. I look forward to working with her.

## The President's News Conference

July 15, 2011

*The President.* Hello, everybody. As you know, yesterday we had another meeting with the congressional leaders. We're not having one today, so I thought it would be useful to give you guys an update on where we are.

All the congressional leaders have reiterated the desire to make sure that the United States does not default on our obligations and that the full faith and credit of the United States is preserved. That is a good thing. I think we should not even be this close to a deadline on this issue; this should have been taken care of earlier. But it is encouraging that everybody believes that this is something that has to be addressed.

And for the general public—I've said this before but I just want to reiterate—this is not some abstract issue. These are obligations that the United States has taken on in the past. Congress has run up the credit card, and we now have an obligation to pay our bills. If we do not, it could have a whole set of adverse consequences. We could end up with a situation, for example, where interest rates rise for everybody all throughout the country, effectively a tax increase on everybody, because suddenly, whether you're using your credit card or you're trying to get a loan for a car or a student loan, businesses that are trying to make payroll, all of them could end up being impacted as a consequence of a default.

Now, what is important is that even as we raise the debt ceiling, we also solve the problem of underlying debt and deficits. I'm glad

that congressional leaders don't want to default, but I think the American people expect more than that. They expect that we actually try to solve this problem, we get our fiscal house in order.

And so during the course of these discussions with congressional leaders, what I've tried to emphasize is we have a unique opportunity to do something big. We have a chance to stabilize America's finances for a decade, for 15 years or 20 years, if we're willing to seize the moment.

Now, what that would require would be some shared sacrifice and a balanced approach that says we're going to make significant cuts in domestic spending. And I have already said I am willing to take down domestic spending to the lowest percentage of our overall economy since Dwight Eisenhower.

It also requires cuts in defense spending, and I've said that in addition to the \$400 billion that we've already cut from defense spending, we're willing to look for hundreds of billions more.

It would require us taking on health care spending. And that includes looking at Medicare and finding ways that we can stabilize the system so that it is available not just for this generation, but for future generations.

And it would require revenues. It would require, even as we're asking the person who needs a student loan or the senior citizen or people—veterans who are trying to get by on a disability check, even as we're trying to make