

responsibility to do something about it. Every day, families are figuring out how stretch their paychecks, struggling to cut what they can't afford so they can pay for what's really important. It's time for Washington to do the same thing. But for that to happen, it means that Democrats and Republicans have to work together. It means we need to put aside our differences to do what's right for the country. Everyone is going to have to be willing to compromise. Otherwise, we'll never get anything done.

That's why we need a balanced approach to cutting the deficit. We need an approach that goes after waste in the budget and gets rid of pet projects that cost billions of dollars. We need an approach that makes some serious cuts to worthy programs, cuts I wouldn't make under normal circumstances. And we need an approach that asks everybody to do their part.

So that means, yes, we have to make serious budget cuts, but it's not right to ask middle class families to pay more for college before we ask the biggest corporations to pay their fair share of taxes. It means that before we stop funding clean energy, we should ask oil companies and corporate jet owners to give up the tax breaks that other companies don't get. Before we cut medical research, we should ask hedge fund managers to stop paying taxes at a lower rate than their secretaries. Before we ask seniors to pay more for Medicare, we should ask the wealthiest taxpayers to give up tax breaks

we simply can't afford under these circumstances.

That's the heart of this approach: serious cuts balanced by some new revenues. And it's been the position of every Democratic and Republican leader who has worked to reduce the deficit, from Bill Clinton to Ronald Reagan. In fact, earlier this week, one of the most conservative Members of the Senate, Tom Coburn, announced his support for a balanced, bipartisan plan that shows promise. And then a funny thing happened. He received a round of applause from a group of Republican and Democratic Senators. That's a rare event in Washington.

So there will be plenty of haggling over the details in the days ahead. But this debate boils down to a simple choice. We can come together for the good of the country and reach a compromise. We can strengthen our economy and leave for our children a more secure future, or we can issue insults and demands and ultimatums at each another, withdraw to our partisan corners, and achieve nothing. Well, we know the right thing to do. And we know what the American people expect us to do.

NOTE: The address was recorded at approximately 4 p.m. on July 22 in the Red Room at the White House for broadcast on July 23. The transcript was made available by the Office of the Press Secretary on July 22, but was embargoed for release until 6 a.m. on July 23.

Statement on the Death of John M. Shalikashvili *July 23, 2011*

With the passing of General John M. Shalikashvili, the United States has lost a genuine soldier-statesman whose extraordinary life represented the promise of America and the limitless possibilities that are open to those who choose to serve it. From his arrival in the United States as a 16-year-old Polish immigrant after the Second World War, to a young man who learned English from John Wayne movies, to his rise to the highest ranks of our military, Shali's life was an "only in America" story. By

any measure, he made our country a safer and better place.

As Chairman of the Joint Chiefs of Staff, he strengthened our alliances in Europe and in Asia, forged closer defense ties with Russia, and championed the Partnership for Peace with the former Soviet states. At the same time, he oversaw successful military operations in Bosnia and Haiti and elsewhere. Most of all, he fought tirelessly to improve the quality of life for our soldiers,

sailors, airmen, marines, and coastguardsmen, and their families, who serve to keep us safe.

Michelle and I extend our heartfelt condolences to General Shalikashvili's wife Joan and their son Brant.

Message to the Congress Reporting on the Executive Order Blocking Property of Transnational Criminal Organizations July 24, 2011

To the Congress of the United States:

Pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*) (IEEPA), I hereby report that I have issued an Executive Order (the "order") declaring a national emergency with respect to the unusual and extraordinary threat that significant transnational criminal organizations pose to the national security, foreign policy, and economy of the United States.

Organized crime is no longer a local or regional problem; it has become a danger to international stability. Significant transnational criminal organizations have become increasingly sophisticated and dangerous to the United States, and their activities have reached such scope and gravity that they destabilize the international system. These groups have taken advantage of globalization and other factors to diversify their geographic scope and range of activities. They have increased and deepened their ties to governments and the international financial system, relying not only on bribery and violence, but also more and more on the ability to exploit differences among countries and to create and maintain legal facades to hide illicit activities.

The specific harms that significant transnational criminal organizations threaten today are many. They corrupt—and in some cases co-opt—governments, thereby destabilizing them and weakening democratic institutions and the rule of law. They threaten U.S. economic interests by subverting, exploiting, and distorting legitimate markets, and could gain influence in strategic sectors of the world economy.

Significant transnational criminal organizations that engage in cybercrime threaten sensitive public and private computer networks, undermine the integrity of the international fi-

ancial system, and impose costs on the American consumer. Those that engage in the theft of intellectual property not only erode U.S. competitiveness, but also endanger the public health and safety through the distribution of tainted and counterfeit goods. Many of them also engage in drug trafficking.

Finally, significant transnational criminal organizations increasingly support the activities of other dangerous persons. Some of these organizations are involved in arms smuggling, which can facilitate and aggravate violent civil conflicts. Others are involved in human smuggling, exacerbating the problem of forced labor. There is also evidence of growing ties between significant transnational criminal organizations and terrorists.

The Executive Order I have issued today is one part of a comprehensive strategy to address the growing threat of transnational organized crime. The order targets significant transnational criminal organizations and the networks that support them, striking at the core of those networks—their ability and need to move money. It does this by blocking the property and interests in property of four transnational criminal organizations, listed in the Annex to the order, that currently pose significant threats to U.S. domestic and foreign economic interests, as well as to U.S. promotion of transparency and stability in the international political and financial systems. The order provides criteria for the further blocking of persons determined by the Secretary of the Treasury, in consultation with the Attorney General and the Secretary of State:

- to be a foreign person that constitutes a significant transnational criminal organization;