

we need and gives each party a strong incentive to get a balanced plan done before the end of the year.

Most importantly, it will allow us to avoid default and end the crisis that Washington imposed on the rest of America. It ensures also that we will not face this same kind of crisis again in 6 months or 8 months or 12 months. And it will begin to lift the cloud of debt and the cloud of uncertainty that hangs over our economy.

Now, this process has been messy; it's taken far too long. I've been concerned about the impact that it has had on business confidence and consumer confidence and the economy as a whole over the last month. Nevertheless, ultimately, the leaders of both parties have found their way toward compromise. And I want to thank them for that.

Most of all, I want to thank the American people. It's been your voices—your letters, your e-mails, your tweets, your phone calls—that have compelled Washington to act in the

final days. And the American people's voice is a very, very powerful thing.

We're not done yet. I want to urge members of both parties to do the right thing and support this deal with your votes over the next few days. It will allow us to avoid default. It will allow us to pay our bills. It will allow us to start reducing our deficit in a responsible way. And it will allow us to turn to the very important business of doing everything we can to create jobs, boost wages, and grow this economy faster than it's currently growing.

That's what the American people sent us here to do, and that's what we should be devoting all of our time to accomplishing in the months ahead.

Thank you very much everybody.

NOTE: The President spoke at 8:40 p.m. in the James S. Brady Press Briefing Room at the White House.

## Statement on the Observance of Ramadan *August 1, 2011*

As Ramadan begins, Michelle and I would like to send our best wishes to Muslim communities in the United States and around the world. Ramadan is a festive time that is anticipated for months by Muslims everywhere. Families and communities share the happiness of gathering together for iftar and prayers. Bazaars light up the night in many cities from Rabat to Jakarta. And here in the United States, Muslim Americans share Ramadan traditions with their neighbors, fellow students, and co-workers.

For so many Muslims around the world, Ramadan is also a time of deep reflection and sacrifice. As in other faiths, fasting is used to increase spirituality, discipline, and consciousness of God's mercy. It is also a reminder of

the importance of reaching out to those less fortunate. The heartbreaking accounts of lost lives and the images of families and children in Somalia and the Horn of Africa struggling to survive remind us of our common humanity and compel us to act. Now is the time for nations and peoples to come together to avert an even worse catastrophe by offering support and assistance to ongoing relief efforts.

Times like this remind us of the lesson of all great faiths, including Islam, that we do unto others as we would have them do unto us. In that spirit, I wish Muslims around the world a blessed month, and I look forward to again hosting an iftar dinner here at the White House. *Ramadan Kareem.*

## Remarks on the Federal Budget August 2, 2011

Good afternoon, everybody. Congress has now approved a compromise to reduce the deficit and avert a default that would have devastated our economy. It was a long and contentious debate. And I want to thank the American people for keeping up the pressure on their elected officials to put politics aside and work together for the good of the country.

This compromise guarantees more than \$2 trillion in deficit reduction. It's an important first step to ensuring that as a nation we live within our means. Yet it also allows us to keep making key investments in things like education and research that lead to new jobs and assures that we're not cutting too abruptly while the economy is still fragile.

This is, however, just the first step. This compromise requires that both parties work together on a larger plan to cut the deficit, which is important for the long-term health of our economy. And since you can't close the deficit with just spending cuts, we'll need a balanced approach where everything's on the table. Yes, that means making some adjustments to protect health care programs like Medicare so they're there for future generations. It also means reforming our Tax Code so that the wealthiest Americans and biggest corporations pay their fair share. And it means getting rid of taxpayer subsidies to oil and gas companies and tax loopholes that help billionaires pay a lower tax rate than teachers and nurses.

I've said it before, I will say it again: We can't balance the budget on the backs of the very people who have borne the biggest brunt of this recession. We can't make it tougher for young people to go to college or ask seniors to pay more for health care or ask scientists to give up on promising medical research because we couldn't close a tax shelter for the most fortunate among us. Everyone is going to have to chip in. It's only fair. That's the principle I'll be fighting for during the next phase of this process.

And in the coming months, I'll continue also to fight for what the American people care most about: new jobs, higher wages, and faster economic growth. While Washington has been absorbed in this debate about deficits, people across the country are asking what we can do to help the father looking for work. What are we going to do for the single mom who's seen her hours cut back at the hospital? What are we going to do to make it easier for businesses to put up that "Now Hiring" sign?

That's part of the reason that people are so frustrated with what's been going on in this town. In the last few months, the economy's already had to absorb an earthquake in Japan, the economic headwinds coming from Europe, the Arab Spring, and the rife [rise]<sup>o</sup> in oil prices, all of which have been very challenging for the recovery. But these are things we couldn't control. Our economy didn't need Washington to come along with a manufactured crisis to make things worse. That was in our hands. It's pretty likely that the uncertainty surrounding the raising of the debt ceiling—for both businesses and consumers—has been unsettling and just one more impediment to the full recovery that we need. And it was something that we could have avoided entirely.

So voters may have chosen divided Government, but they sure didn't vote for dysfunctional Government. They want us to solve problems. They want us to get this economy growing and adding jobs. And while deficit reduction is part of that agenda, it is not the whole agenda. Growing the economy isn't just about cutting spending; it's not about rolling back regulations that protect our air and our water and keep our people safe. That's not how we're going to get past this recession. We're going to have to do more than that.

And that's why, when Congress gets back from recess, I will urge them to immediately take some steps—bipartisan, commonsense steps—that will make a difference, that will

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<sup>o</sup> White House correction.