

as their families. These men and women put their lives on the line for the values that bind us together as a nation. They come from different places, and their backgrounds and beliefs reflect the rich diversity of America.

But no matter what differences they might have as individuals, they serve this Nation as a team. They meet their responsibilities together. And some of them—like the 30 Americans who were lost this weekend—give their lives for their country. Our respon-

sibility is to ensure that their legacy is an America that reflects their courage, their commitment, and their sense of common purpose.

Thank you very much.

NOTE: The President spoke at 1:52 p.m. in the State Room at the White House. In his remarks, he referred to Warren E. Buffett, chief executive officer and chairman, Berkshire Hathaway Inc.

Remarks at a Democratic National Committee Fundraiser August 8, 2011

The President. Thank you, everybody. Well, first of all, let me just thank Don and Katrina, the entire clan, for welcoming us all here today.

For those of you who helped to organize this, I couldn't be more grateful. I know it's a little warm, by the way, so any gentlemen who want to take off their jackets, I'm going to lead the way. [Laughter]

Audience member. It's hot in here.

The President. That's right. You can at least take the tie off too. There you go. [Laughter]

I have to tell you that the last time I saw Don and Katrina—or the first time I saw them, rather, was down in Florida, and we had an extraordinary time there, and it was a scary time. It was a moment when we were going—we were just getting a glimmer of the worst recession in our lifetimes, how bad it might be. And we had gotten a sense of how dysfunctional politics in Washington could be.

And there was a sense that for ordinary families, the American Dream, the idea that each successive generation can do a little better than the previous one, and that if people work hard and play by the rules, that they can succeed, that that had been diminished and people had begun to doubt it.

And thanks to the support of folks like you, we were able to win in 2008 and begin a process of transformation. Now, what I think has been clear certainly this week is that this process is not complete. With respect to the economy, we've had a couple of very difficult days in the stock market, but the truth of the matter

is, is that the challenges go beyond the stock market. As Don said, we have been able to reverse what it turns out was an 8-percent contraction in the economy that quarter before I took office.

We've had 17 months now of consecutive private sector job growth. Corporate profits have been up. The credit markets have stabilized. But what's absolutely true even before these last couple days in the stock market is that recovery wasn't happening fast enough, and some of the headwinds that we've been dealing with are ones that are going to take some time to fix.

The truth of the matter is, is that we now live in a global economy where everything is interconnected, and that means that when you have problems in Europe and in Spain and in Italy and in Greece, those problems wash over into our shores.

We have competition from China and India and Brazil, places that most folks didn't think of in economic terms 30 or 40 years ago as competitors of the United States, and now they're competing and they're producing more engineers and they're producing more scientists. And they are ready to steal market share, or at least win market share, from our companies if we're not careful.

We have a health care system that still spends way too much money, considering what it gives in return. We still have a education system that's not educating enough of our kids. And Lord knows we still have a dysfunctional

political system in Washington, as we just witnessed over the last couple of weeks.

And so for all the progress that we've made over the last 2½ years—and that progress has been extraordinarily significant, not only health care reform but financial regulatory reform, making sure that we have—are starting to transform our education system with things like Race to the Top, which says we're going to give more money to schools but we expect reform in exchange for more money. Despite the transformations that have taken place in our foreign policy, where we are—we have now ended the war in Iraq and we are transitioning into a posture where in Afghanistan, Afghans can take responsibility for their own security—despite all those changes, we've got a lot of unfinished business.

And some of you have noted that I've now turned 50. [*Laughter*] And these are dog years that Presidents live, so—[*laughter*]—the gray hairs are accelerating much more rapidly than I anticipated. [*Laughter*]

But I was in Chicago for a big birthday bash—birthday celebration, and I made this point to folks. On that cold, wintry day of the Inauguration or that beautiful day in Chicago, the day we won the election, I told people that this was not the end, this was just the beginning. That this was going to be a long, difficult journey. That for us to transform this country so that all these beautiful kids who are here today are getting the kind of America that we want them to have, it means that we're going to have to get serious, and it means that we're going to have to start working together much more effectively than we have in the past.

Now, here's the good news. There are no challenges that we're facing that we don't have the solutions to. We know what to do.

So the most recent discussions obviously have been about debt and deficit. Look, we do have a serious problem in terms of debt and deficit, and much of it I inherited when I showed up. And because of the financial crisis, it got worse. So there's no doubt that we've got to fix our long-term finances.

But there's a way to do this that doesn't require radical changes in our commitment to

the poor and our commitment to seniors and our commitment to building infrastructure and our commitment to medical research.

What it requires is that those of us who have the capacity can pay our fair share when it comes to taxes, like we did just as recently as 2000, when Bill Clinton was President, and requires us to make some modest adjustments in programs like Medicare that allow us to get a better bang for our buck on health care.

And if we did those things over the course of 20, 30 years, because this is a 20- or 30-year problem, then the problem would be solved. It's not rocket science. And it doesn't require us to decimate the things that we know are going to help us grow and become competitive.

This is not rocket science in terms of how we can create more jobs in this country. Let me just use an example like infrastructure. I don't know if anybody here recently has been to Asia, and you go to Shanghai or you go to Beijing or you go to Singapore. The notion that these guys have better airports than us is astonishing.

Well, the truth is now would be a great time for us to rebuild America. Interest rates are low. All these folks who worked in the housing bubble, construction workers and contractors, they're ready to work. They're willing to come on a job on time, under budget.

We could transform America right now, rebuilding our roads and our bridges and our airports and also rebuilding a new infrastructure for the 21st century: high-speed rail and a new generation of air traffic control that could actually save 15 percent of fuel costs and, as a consequence, reduce global warming. The problem is not that we can't do it. The problem is, is that we haven't shown the political will to do it.

We can easily imagine ways in which we can finally gain energy independence in this country. And the fact of the matter is, is that we've already cut oil imports since I came into office, and we can keep on going further by transforming our auto fleets and have folks driving electric cars and develop those cars right here in the United States and put those folks back to work.

And we've already shown what we did in the auto industry, that even businesses that are troubled, if you go in there and you start harnessing American know-how and American ingenuity and you give folks some support, that there is no reason why we can't be the single most efficient automakers in the world and significantly cut our dependence on foreign oil. What's missing is not the technical know-how. What's missing is the political will.

So here's the challenge, though. This is a democracy, and that means that we've got an entire other vision that's out there. And the Republican Party has been presenting its vision quite vividly over the last 6 months. And their basic vision is, is that they don't believe in Government as a partner with the private sector in creating the kind of growth that we need.

And they've made a decision that in terms of how to deal with the budget deficit, all they want to do is they just want to cut. And they don't want to cut selectively and surgically. Their basic attitude is, you know what, Medicare, we can voucherize, even if it means \$6,000 more in expenses for our seniors. And Pell grants, we can cut some of those, even though it means that young people aren't going to be able to go to college.

And when it comes to medical research and when it comes to the kind of innovation agenda that's always been the hallmark of America, you know what, that's not important. The private sector can do it, even though the private sector will acknowledge that they're not going to be willing to put up the costs that helped to create things like the Internet.

And so they've got a very different vision. And as a consequence of this debt ceiling debacle being behind us now, what we're going to have is 16 months in which we debate this vision for America. And it's going to be as fundamental a debate as 2008. In some ways, it may be even a more profound debate, because the contrast is going to be clearer and it's going to be sharp.

In the meantime, as President of the United States, my job is to work with Congress to try to get as much done as possible. Whether we're going to see any progress out of this Con-

gress right now—because so far we haven't seen much when it comes to innovative ideas that actually put people to work and grow the economy—remains to be seen. And we're going to be working as hard as we can to make progress even in the midst of this sharply divided Government.

But I want everybody to understand, if we are going to get to the vision that we all believed in, in 2008, and we still believe in, it is going to be imperative that we run a clear, forceful campaign. And I can't do that without your support.

I'm not going to be able to mobilize the country around some of the tough, necessary choices that need to be made unless we've got the kind of grassroots support at every level that you guys so vividly displayed back in 2008.

But I believe we can do it. I joke sometimes not only is my hair gray, but I got a little dings here and there—*[laughter]*—from some of the battles we've been fighting. But I remain as fundamentally optimistic now as I was when I started running in 2007. And the reason I'm optimistic is because of you.

When I meet the American people, they believe in commonsense solutions to problems. When I meet the American people, they know that if somebody works hard, they should be able to find a job and get paid a decent wage. And they should have some basic protections when they retire. They shouldn't go bankrupt when they get sick. And every kid should be able to get a great education and be able to go to college.

When I talk to the American people, they understand that we can't just have a foreign policy that's based on our military, but diplomacy matters as well, and that our commitment to help other countries develop their own capacities is something that is good for us.

And they understand, most of all, that what makes America great is not just the height of our skyscrapers or the size of our GDP, but it's also our mutual regard for each other and our ability in this incredible diversity that we have to see that as a strength and not a source of weakness, and to be able to bring people together.

So that's the project, and it is unfinished. And I don't know about you, but I think we have no choice but to finish it. We cannot go backwards at this point, so we're going to have to go forward. We're going to have to go forward. And the only way I'm going to be able to go forward is with you.

So I appreciate you guys coming out on a muggy, Washington-style summer night. And my hope is, is that this is just the beginning of your commitment to what is going to be a tough road ahead over the next 18 months. But then, another 4 years of tough stuff that we're

going to have to do in order to deliver the kind of America we want.

So with that, I'm going to take two questions, and then I'm going to move on to the next thing. But I'm sure that somebody here must have a couple of questions.

[At this point, the President took questions from participants, and no transcript was provided.]

NOTE: The President spoke at 6:40 p.m. at the residence of R. Donahue Peebles and Katrina L. Peebles.

Remarks at a Democratic National Committee Fundraiser August 8, 2011

Thank you. All right, everybody have a seat here. Thank you so much. It is wonderful to be here. And I was doing a quick taping outside, and it sounded like—I don't know if it was Matthew or Barzun who were warming you up pretty good. [Laughter] But I appreciate it.

I want to spend most of my time answering questions and then going from table to table, so I'm not going to make a lot of remarks at the top.

Obviously, we've had a tough couple of weeks in the economy. Too much of it was self-inflicted. It had to do with political paralysis here in Washington. And that's not a surprise to a lot of folks, but I think for the American people they recognize that we don't have time for some of the squabbling that's been taking place because there are too many folks who are still out of work, too many businesses who are still trying to grow. And for us to have seen the kind of brinkmanship that we saw on the debt ceiling made absolutely no sense in terms of where we need to take the country.

Having said that, despite the tough couple of weeks that we've had, I think the bigger challenge that we face is to keep our eye focused on the underlying challenges that we're going to have to solve here in the United States of America over the next 4 or 5 years so that we can be competitive and we can pass on the kind of America we want to future generations.

Markets will go up and down, but the underlying challenges have held steady for too long. We have an education system that is failing too many of our kids. And if we don't fix that, then we're not going to be able to compete with China or India or Brazil, who are very hungry and know that whichever country has the best workforce, the most highly skilled workforce, is going to be the country that succeeds economically.

We've had a health care system that, for too long, costs way too much and doesn't produce good enough results. And so we started with health care reform to move that in the right direction, but we've still got more work to do, particularly in Medicare and Medicaid, which is the main driver of our Federal debt.

We're going to have to fix our Tax Code, because for years it has been rife with loopholes and for years it's been inefficient and for years it hasn't been fair. And we're going to have to raise more revenue to close our deficit and deal with our debt over the long term, but we've got to do it in a way that is reflective of who we are as Americans, and that means that everybody pitches in, in order to make sure that the country is successful.

We know that we've got to invest in basic research, and nowhere is that more necessary than in the energy sector, because whatever is happening on any particular day in the spot oil