

Brants, owner, Lisa's Place restaurant; Robert Wyffels and William Wyffels, Jr., owners, Wyffels Hybrids, Inc.; Warren E. Buffett, chief executive officer and chairman, Berkshire Hathaway Inc.; Erskine B. Bowles and Alan K. Simpson, Cochairs, National Commission on

Fiscal Responsibility and Reform; and Sens. Saxby C. Chambliss, Thomas A. Coburn, G. Kent Conrad, Michael D. Crapo, Richard J. Durbin, and Mark R. Warner. A questioner referred to the Low Income Home Energy Assistance Program (LIHEAP).

Remarks at a Town Hall Meeting and a Question-and-Answer Session in Alpha, Illinois

August 17, 2011

The President. Hello, everybody! Oh, it is good to be back home. Everybody have a seat, relax, take a load off there.

We've got some special guests here I want to just acknowledge. First of all, an outstanding public servant, a great Governor, Pat Quinn is in the house. Your former Congressman, now my Secretary of Transportation, great friend of mine, Ray LaHood is here.

We've got another Member of Congress who obviously took a wrong turn somewhere. [Laughter] Thought he was heading back to the West Side of Chicago, turned out he's in Alpha. [Laughter] Danny Davis is here.

We've got the mayor of Alpha, Marvin Waters is here. Where's Mr. Mayor? There he is back there. Good to see you, sir.

Two great friends of mine, Senators John Sullivan—where's John? There he is. [Laughter] And Dave Koehler is here. Good to see you, Dave.

And finally, I want to thank the owners of this great facility, Bruce and Charlie Curry, owners of Country Corner.

I need to confess something to Bruce and Charlie. One of my speechwriters, it's his birthday today, so we let him ride on the little cow pull over there. [Laughter] It said birthday parties available, so we had him sit in there. He's still only 29, and he still fit. So he had a great time there.

This is a town hall meeting. Some of you remember I used to do these when I was your Senator instead of your President. I don't want to do a lot of talking at the front, but I just want to talk to you a little bit about what I've been

seeing over the last couple of days and what's been going on in Washington.

Obviously, we've been going through as tough of a time as we've seen in my lifetime and in most people's lifetimes these last 2½ years. We went through the worst financial crisis since the Great Depression. When I took office, we had already lost 4 million jobs, and we lost another 4 million just in the few months right after I took office. And we've been fighting our way back over the last 2½ months—or last 2½ years.

We were on the verge of going into a great depression, and we were able to yank ourselves out. The economy is now growing again. Over the last 17 months, we've created over 2 million jobs in the private sector. We saved an auto industry that was on the brink. We have—we've made investments in clean energy, in rebuilding our roads and our bridges.

And thanks to the great work of Secretary LaHood, we've been getting started on the process of making sure we've got the best infrastructure around. Thanks to the great work of our Secretary of Agriculture, Tom Vilsack, we've tried to strengthen rural communities and farming communities all across the country and all across the Midwest.

And so despite the fact that we've gone through tough times, I want everybody to remember we still have the best universities on Earth, the best workers on Earth, the best entrepreneurs on Earth, the best system on Earth. There's not a country in the world that wouldn't trade places with the United States of America.

Now, the fact is, though, times are still tough. And some of the reasons times are still tough we don't have complete control over. The economy was predicted to be growing at about 3.5 percent at the beginning of this year, partly because we had worked a bipartisan package of tax cuts and investment credits to encourage businesses to invest. But then you had the Arab Spring, and that shot gas prices and fuel prices up. And I know a lot of farmers here experienced that spike. And then we had the tsunami in Japan, and that disrupted supply lines and that affected American manufacturing. And then we had the situation in Europe and the debt crisis there, and that started lapping up onto our shores.

And so there are some things we don't have control over, and the question is, how do we meet these challenges? But there are things that we do have control over. And the biggest challenge we have is in Washington. There's nothing wrong with our country, but there's a lot wrong with our politics right now. And that's what I aim to fix. That's what we have to fix.

When you look at this recent debt ceiling debacle and the downgrade, that was a self-inflicted wound, completely unnecessary. The truth of the matter is we've got a real challenge with debt and deficit. We had a balanced budget in 2000, then we fought two wars without paying for them. We ended up creating a prescription drug plan for seniors, which is the right thing to do, but we didn't pay for it. Tax cuts we didn't pay for.

And then the recession hit, and so a lot of money was going out to help local communities keep their firefighters and police officers and teachers on staff. And Pat Quinn knows how important that was to prevent massive layoffs at the State level. Unemployment insurance to help folks get back on their feet, but that all meant a lot of money was going out, less tax revenue was going in because businesses weren't doing as well. So combined, we've got a big debt and deficit challenge that we've got to meet.

But what's frustrating is that 2 months ago, 3 months ago, 6 months ago we could have met

that challenge. We could have decided we're going to come together with a balanced package where we're closing corporate loopholes and we're closing tax breaks for the very wealthy and we're cutting spending on things we don't need.

And if we had come together on a bipartisan basis, we could have avoided all this drama over the last 2½ months. But that's not what we did, because what's happened in Washington these days is there is a group of folks who think that, I'd rather see my opponent lose than see America win. There are folks who are willing to engage in political brinkmanship even if it costs the country.

And I know you're frustrated, and I want you to know I'm frustrated. And you should be frustrated. The last 2, 2½ days I've been traveling all across the Midwest, through Iowa and Minnesota and now back home in Illinois. And everywhere I go, what I see are people who are working hard. They're looking after their families. They're farming and feeding people not just here in America, but all around the world. They're going to church. They're helping out at the food pantry. They're coaching Little League.

We just came to visit the football team over at Galesburg. They've got their new coach. And I think to myself, you know what, if folks in Washington were carrying out their responsibilities the way you're carrying out your responsibilities, we'd be just fine. We would be just fine.

So the question is, what do we do going forward? Look, even though private sector job growth is good, we've still got a long way to go before we put everybody back to work. We need to go ahead and act right now on some proposals that are before Congress, ready to be voted on. We should extend the payroll tax cut that we passed in December, put \$1,000 in the typical family's pocket. We need to extend that into next year. Because if you've got more money in your pockets, that means businesses have more customers, they're more likely to hire. There's no reason why we can't do that right now.

There's no reason why, as Ray LaHood knows, we've got over \$2 trillion worth of

repairs that need to be made around the country, and I know there are some right here in this county and right here in this State. And we've got a lot of construction workers that are out of work when the housing bubble went bust and interest rates are low and contractors are ready to come in on time, under budget. This is a great time for us to rebuild our roads and our bridges and locks in the Mississippi and our seaports and our airports. We could be doing that right now if Congress was willing to act.

Right now we could pass trade deals that we negotiated that not only have the support of business, but have the support of the UAW. That doesn't happen very often. And the reason is, is because folks know that not only is that good for agricultural America—opening up markets, because we've got the best farmers in the world—but it's also good for manufacturing. There are a whole bunch of Kias and Hyundais being driven around here. That's great. But I want some Fords and Chevys being driven in Korea. We should pass that bill right now.

We've got legislation right now that we call the "American Invents Act," basically, make patents easier so when people come up with a new product or a new service or a new invention, they're able to turn it around without a lot of redtape and bureaucracy and start businesses that could be hiring. There's no reason to wait. It should be passed right now.

The fact is this: All these things I just mentioned, historically, they've had bipartisan support. I mean, if Ray LaHood was still in there—Ray was a Republican—he'd vote for every single one of these; he'd be sponsoring them all. [Laughter] You've got a Democratic President who supports these things. There's no reason for us not to act right now.

And over the course of the next few weeks, I'm going to be putting out more proposals to put people to work right now. And some of them—yes, some of them cost money. And the way we pay for it is by doing more on deficit reduction than the plan that we had to come up with right at the last minute in order to

avoid default. We didn't do as much as we could have.

When folks tell you that we've got a choice between jobs now or dealing with our debt crisis, they're wrong. They're wrong. We can't afford to just do one or the other. We've got to do both. And the way to do it is to make some—reform the Tax Code, close loopholes, make some modest modifications in programs like Medicare and Social Security so they're there for the next generation. Stabilize those systems, and you could actually save so much money that you could actually pay for some of the things like additional infrastructure right now.

We can close the deficit and put people to work, but what's required is that folks work together. That's the big challenge. That's the big challenge.

So the main thing is I'm here to enlist you in this fight for America's future. I need you to send a message to your Members of Congress, to your representatives that we're tired of the games. We're tired of the posturing. We don't want more press releases. We want action. We want everybody to work together and stop drawing lines in the sand and saying, we're so rigid, we're not going to do this or we're not going to do that, no matter what. Think about country ahead of party. Think about the next generation instead of the next election.

I had some interviews with some reporters, and they said, why don't you call Congress back right now? And I said, you know what, I hope Congress goes back to their districts. And I want them to listen to how frustrated people are, how angry they are with our politics at a time when we've got so much work to do.

Because the last thing we need is Congress to show up back in Congress and do the exact same thing they've been doing. They've got to think differently about how we're approaching problems. So I want them to be doing the same thing I'm doing, just talking to ordinary folks, and try to remember why they got into public service in the first place. It's not supposed to be to get attention. It's not supposed to be so you get interviewed on cable TV. It's not supposed to be so you have a fancy title.

You're supposed to be in public service to serve the public. And that means that, yes, you don't get your way 100 percent of the time. It means that you compromise. It means you apply common sense. And that's what I'm hoping that everybody takes from visiting their district again and getting out of Washington for a while.

I can tell you nothing is more inspiring to me than the kind of trip that I've been taking over the last few days. We're driving on this big bus, and it's all—you can't see out except when you're standing in front, so I'm out in front. And you know, having breakfast in a diner and going to a football practice, and you're passing rows of kids with flags and grandparents in their lawn chairs and mechanics out in front of their shops and farmers waving from their fields. And it inspires you, because it reminds you about what makes this country so great, why I love this country so much, and why we've got to be doing every single thing we can every minute of every day to make sure that you can continue to achieve your American Dream and pass it on to your kids and your grandchildren.

That's why I ran for President. That's why a whole bunch of you voted for me to be a U.S. Senator and then to be President.

So I need your help, everybody. Thank you. Thank you.

All right, let's see if this mike is working. It is. All right, what I'm going to do is I'm just going to call on folks as they raise their hands. The only rule is we're going to go girl, boy, girl, boy—[laughter]—so everybody gets a chance. And there are folks in the audience with microphones. So please stand up and introduce yourself before you ask your question. And I'll start with this young lady right here in the front.

Here we go. You've got a gentleman coming up with a mike.

Tax Reform

Q. Thank you, Mr. President, for being here today in Henry County. My name is Karen Urick. I'm a multigenerational farmer, member of the Henry County Board and Henry

County Farm Bureau. My question that I have today is, I have a concern over estate taxes.

In 2013, if the Senate and the Congress fails to act, we will have our estate taxes go back to the 2001 level. We have family farms that are experiencing having to sell their land in order to pay the property taxes. And I was wondering what you see for the future of the estate tax. Thank you.

The President. Well, there's no reason why we have to go all the way back to the 2001 level. There is a compromise that has been discussed where you'd essentially have a \$7 million exemption per family. There are some folks who just want to eliminate the estate tax all together. There are others who want to hike it up back to 2001.

There's a mid-level proposal that would exempt most—almost all family farms and, nevertheless, would still hit folks like Warren Buffett and make sure that he is able to pay what he wants to pay in terms of passing on something not only to his family, but also to the country that has blessed him so much.

So this is going to be part of the larger debate we have about the Tax Code. And the one thing I want to emphasize: A lot of folks don't realize this, but there are only 3 percent of the population that has an annual income of more than \$200,000 a year. Think about that: 97 percent of folks, their annual income is less than \$200,000. And there are only less than 1 percent who are making millions of dollars. And then there's less than one one-hundredth of 1 percent who are in the Warren Buffett category. That top 1 percent—in fact, that top one-tenth of 1 percent—those are the main folks who have seen their incomes skyrocket over the last 10, 15 years. Ordinary families, including family farmers, basically, your incomes and your wages have flatlined over the last decade.

And so when we think about tax reform, we should be thinking about fairness. What's fair? Nobody likes paying taxes. I promise you, I don't like paying taxes. But I do believe in paying what I use—paying for what I use. And if I want good roads and if I want good schools for kids and if I want the best universities in the world and I want to make sure that we're

continuing to invest in agricultural research at places like University of Illinois that have helped to make us the most productive farmers in the world, then I think I should have to pay for it. And if I'm better able to pay for it than a waitress who is making \$25,000 a year, I don't mind paying a slightly higher rate. There's nothing socialist about that. That's just basic fairness.

And by the way, when you hear folks saying, "Well, you know what, that's job killing," that's not job killing. When Bill Clinton was President we created 22 million jobs with a tax rate that was much higher across the board than it is now. We don't have to go all the way back up there on the estate tax or any other taxes for us to close our deficit and our debt, but we should ask oil and gas companies that are making record profits that they don't benefit from a special tax loophole that the mom-and-pop store in Alpha doesn't get. And I don't think there's anything wrong with asking me to pay a little more so our senior citizens don't have to pay an extra \$5,000, \$6,000 a year for their Medicare. That's what we're looking for, is balance, in terms of our tax policy.

All right. Who's next? This is an old friend of mine right here. Introduce yourself for everybody.

Environmental Regulations/Agriculture

Q. Phillip Nelson. Welcome back to Illinois, Mr. President.

The President. Good to see you, Phil.

Q. And I just want to say on behalf of Illinois agriculture, we're glad that you're in the heartland. And as you know, Illinois agriculture is the major economic driver in this State that employs close to a million people. And my concern is this: As a fourth-generation farmer, we're very concerned with some of the regulatory challenges that are coming our way as it relates to the Clean Air Act, the Clean Water Act. We're concerned with what's going in the Chesapeake Bay, and the fears that that might come to the Mississippi River Basin. And I guess my challenge, Mr. President, is that you work with the EPA Administrator to put some common sense back into some of these regula-

tory discussions so we don't regulate farmers out of business.

The President. Well, let me say this about—because I got this question when I was in Atkinson. Some of these regulatory concerns that people have, frankly, are unfounded in the sense that if somebody even has an idea or a thought about some regulation, then right away the message is sent out: They're coming, and they're going to make it impossible for you to farm and this and that and the other. And this thing may still be completely in a theoretical stage, where folks are trying to figure out how do we make sure that our streams and our rivers aren't messed up. And there may not even be a regulation in place before people are already getting worried about what's coming down the pipe.

There is not a rule or regulation that we don't do a complete cost-benefit analysis at this point and that we don't have intensive discussions with those who would potentially be affected. Now, what I do think is true is that in the past—I'll say not under my administration, but, I think, in the past, historically—there have been times where the EPA or other regulatory agencies don't listen to farmers and figure out how can we provide them flexibility in meeting some of their goals.

So I was talking to Tom Vilsack yesterday, and he was using as an example that in the State of Washington—maybe it was Oregon; it was in the Pacific Northwest—there was concern about some of the runoff was making it harder for salmon in those regions, which is also a big industry in Washington. And the problem was—it wasn't pollution, it was actually heating. Some of the runoff from some of the plants in the area were getting too hot, and that was inhibiting salmon. So instead of just coming up with a regulation that prohibited these industries, what they came up with was working with farmers and conservationists, planting trees along the rivers that cooled the waters so that the salmon were unaffected.

Well, that's the kind of creative approach where, if you're listening to folks on the ground and you say, here, we've got a problem that we do need to solve, but is there a smarter way to

doing it that ends up being a win-win instead of end up being a lose-lose? Let's work together. And that's the kind of approach that we need to take.

Don't be fooled. I think if somebody goes out and says, we can't afford clean air and clean water, that's wrong. I don't believe that. And I don't think most farmers would agree with that, because, ultimately, nobody is better stewards of the land. And the reason we've got these incredible farms all around us is because we've got incredibly rich soil. We've got to make sure that we're conserving that soil. We've got to make sure that our air and water is—continues to be healthy for our kids. And I think farmers care about that more than anybody.

So we've got the same goal. The question is, are we able to work together to figure out a smart way to achieve these goals? And that's what my administration is going to be committed to doing, all right?

Right there. Yes.

Tourism/U.S. Health

Q. Thank you, President Obama, and welcome to this area. My name is Judy Guenseth, and I'm director of tourism for Galesburg and Knox County. So thank you for coming for—

The President. This is a great tourist location right here, County Corner.

Q. Exactly. Well, and I—

The President. Bring your families.

Q. I also want to congratulate you on recently turning 50. I passed that milestone recently, and it's not as bad as what people think.

The President. How come you look so much better than me? [*Laughter*]

Q. I live in Galesburg. [*Laughter*]

The President. That's why. Okay. All right. That makes sense; that makes sense.

Q. I also want to commend your wife, our First Lady, on her efforts to encourage healthy eating.

The President. Yes.

Q. I believe that people who eat healthy are healthy, and a healthy nation is a productive nation. And I think a lot about our children, our school children, and people who are on

food stamps, and just the entire Nation needs to live healthy. But it also, in the long term, it reduces health care costs, and we're thinking about short-term health care costs, but we're also thinking in long-term health care costs.

The President. Right.

Q. So what I'd like to hear is maybe just your philosophy from your administration—ways to expound upon what your wife is doing and encouraging—and positive incentives to encourage people to eat healthy, to live healthy, especially for our schoolchildren.

The President. Well, it's a great question. And first of all, thank you for what you're doing to promote tourism here in Galesburg. I want to point out that America as a whole needs to do a better job of promoting tourism, because—it used to be we just took for granted everybody wanting to come here. Now countries all around the world are promoting their countries, and we want tourism dollars to come here. And so I've set up a tourism council to make sure that they visit not just San Francisco and Manhattan, but they also understand what an incredible travel opportunity there is here in the Midwest and in small towns all across America.

Michelle has done a great job with a combination of nutrition facts, but also exercise. And you're right, the reason she thought it was so important is because she's a mom with two kids. And she knows that Malia and Sasha, if they start off with healthy habits now, they're going to be healthier when they get older. And it turns out—we were just talking about the budget—about a third of our increase in health care cost is directly attributable to obesity and illnesses like diabetes that are entirely preventable and curable if folks got back into the same habits that our parents and our grandparents had.

Now, a lot of it is just movement and exercise and getting kids off the couch. And that's why you see Michelle, she goes to these events, and I will tell you, she is in very good shape. And she was running routes with the—running routes with NFL players and throwing in first pitches and doing double-dutch and—I can't keep up with her.

But food is an important component of it, and this is something that actually can benefit farmers, particularly family farmers. We want more produce, more vegetables and more fruit, consumed all across the country. And a lot of times, farmers are not making all the money from their products because it goes through this chain of shipping and processing and distribution, and there are a lot of middlemen between the farmer and the end user. And so there's an economic component as well as a health component, where if we can get farmers more directly linked to consumers, they're selling their products more directly, they're getting more fresh vegetables, more fresh fruit, then everybody can benefit.

And the way we're trying to do it—Michelle is doing it not by regulation, not by telling folks they have to do something, but by just information. And they've been able to get a lot of agreements with companies. You had Wal-Mart, for example, realizing that more and more people were asking for healthier products in their stores. Voluntarily, they and a whole bunch of other big retailers have said, "We're going to start linking up with family farmers; we're going to start setting up better grocery stores in underserved communities"—like in Danny's district where you can go for miles without seeing a fresh vegetable—"and linking up—setting up farmers markets in urban areas where people can sell produce." And a lot of this stuff we've been able to do voluntarily without legislation.

Now, there are still some legislative elements to this thing. So, for example, we passed the Child Nutrition Act just to make sure that our meals in schools are a little bit healthier so that kids are getting not just processed food, but they're also getting fresh produce as well. And some of the time that's a little bit more expensive in the schools. So the question is, are there some things we can cut out in order to pay to make sure that our kids are healthier? But they'll learn more, they'll be healthier in the long term, and in the long term we will save money, and it's good for farmers as well.

Thanks for the great question. All right. The gentleman right here. You just stood up. There you go.

Entitlement Programs

Q. Thank you, Mr. President. My name is Alfred Ramirez. I'm president of the Hispanic Chamber in the Quad Cities area and an employee of Group O in Milan. I'm going to—this is one of the most painful places I think our country has been in decades or centuries, where we have those in power and influence who are literally tearing our country apart between the haves and the have-nots. We are willing to dismantle programs that they call entitlement programs, and those recipients or beneficiaries of those programs don't have a mind of their own and are merely asking for a handout. And as we look for our adjustments to the budget and our cuts, could you please speak to some of those very programs that are not necessarily sacred, but must stay in place to even have a ripple effect for those who benefit from them?

The President. Well, first of all, let me separate out some of these programs. And I'm going to start with Social Security. People pay into Social Security. It's a social insurance program. They're not getting it for free. It's not a handout. It's taken out of your check. It's been taken out of your check for a lifetime. And it provides you a floor when you retire.

Now, hopefully, people have other savings that help supplement their incomes in their golden years. But we've got to make sure Social Security is there not just for this generation, but for the next generation. Now, Social Security is not posing a huge problem with respect to our debt and our deficit. There is a problem that if we don't make any modifications at all, then in a few years what will start happening is, is that the amount of money going out is more than the amount coming—amount of money going in. And people debate how soon, but in a couple of decades, you'd start having a situation where you'd only get 75 cents on the dollar that you expected on Social Security.

If we make some modest changes now, the kind of changes that Ronald Reagan and Tip O'Neill agreed to back in 1983, we can preserve Social Security, make sure it's there for the future 75 years out. So Social Security is something that we can solve relatively easily. It doesn't mean that we don't make any changes at all, because there may be some tweaks that we can make to the program, but we can assure that Social Security is there for future generations.

The bigger problem is Medicare and Medicaid. And the reason that's a problem is because health care costs keep on going up faster than inflation, people's wages, people's incomes at the same time as folks are getting older, so we've got more people into the system. And if we didn't do anything, then Medicare and Medicaid would gobble up basically the entire Federal budget, and we couldn't pay for our schools, we couldn't pay for fixing our airports, we couldn't pay for basic research. All the things that we expect out of our Federal Government, we couldn't do. All we'd be doing is just paying doctors and hospitals and nursing home facilities. That would take up the whole budget. That's no way to run a country.

The health care bill that I passed begins the process of trying to reduce the cost of health care, reforming the cost of health care by, for example, telling providers instead of having five tests that you charge for each one, have one test and e-mail to the five specialists who may need the test. Start using electronic medical records. Instead of reimbursing you for how many procedures you do, we're going to reimburse you for how well you help the patient get well overall. We're going to say to hospitals, how good are you at reducing infection rates in your hospital so that people aren't being readmitted, getting sick all the time?

So there are a whole bunch of things we can do to make the health care system more efficient. But even if we do all those things, we're still going to have a problem with Medicare and Medicaid. And my basic principle is, let's make sure that we keep this program intact, both programs—Medicare and Medicaid—for people in need: for our seniors, for disabled

kids, for folks who've got a parent who's severely ill and they've only got a certain capacity to support them and help them. But let's also make sure that we're making some common-sense changes that allows the program to be there in the future. This is in contrast to the approach that's been taken, I've got to admit, by the House of Representatives when they passed their budget.

They passed a budget that basically called for voucherizing the Medicare system. This is the Republicans in the House of Representatives. And basically, what they say is, here's a flat rate that you get for Medicare, and you know what, if it turns out that it doesn't buy you enough insurance, that's your problem; that's not our problem.

Now, this will cut the deficit. It will save the Government money, but it does so by shifting the costs from the Government to individual seniors. It doesn't solve the problem by actually reducing health care costs. So I think that's the wrong approach to take. I think that's the wrong approach to take.

But I want to be honest with folks: We are going to have to make some modifications to Medicare and Medicaid. They don't have to be radical, but we're going to have to make some modifications to them in order for them to be there for the next generation. That's part of our obligation, because we can't just be not thinking about our kids and our grandkids as we move forward.

But we can do it in a way where the average senior is still protected, is still getting all the help that they need. It's not a voucher program. It is guaranteed health care, because I think that's a core principle that we've got to preserve. All right?

All right. It's getting a little warm out here, huh? You guys doing all right? You guys hanging in there? All right. It's a young woman's turn. Right over there in the striped shirt. You. Yes.

County Fairs/Tourism/Agriculture

Q. Our family does a lot of—
The President. What's your name?

Q. Allie Hand.

The President. Hey, Allie.

Q. Our family does a lot of farming and stuff. And we've noticed the county fairs are shrinking. Is there anything you're going to do about that?

The President. Well, one thing I'm going to do is I went to a county fair today, and they were showing some cows. And I didn't judge them. [*Laughter*] They all looked pretty good to me. [*Laughter*]

But I think the county fair tradition is so important, not only because it's an economic attraction for the community, but also because it brings the community together. It's a focal point for a county, and it reminds people of what holds America together and the heartland together.

And so, working with the State of Illinois, working with tourism bureaus, we want to continue to promote county fairs all across Illinois. One of the things I'd like to see is—and Danny may agree with this, coming from Chicago. There are kids in Danny's district—in fact, the overwhelming majority of kids in Danny's district—they've never seen a cornfield like this. They've never seen a cow. If you asked them what does a tomato plant look like, they'd have no idea.

So part of what I'd like to see is actually more tourism maybe organized through school trips and others for people from outside of rural areas to appreciate what's happening in rural areas. Where are they getting their food from? It doesn't just show up in cellophane in a supermarket. Somebody is growing that. And part of the challenge is America has become so productive agriculturally that you now only have a couple percent of the people who are actively involved in farming. Ninety-eight percent of people, they just eat. [*Laughter*] And I think a county fair can be a powerful education tool, and I'd like to see more kids just coming out here and be able to appreciate all the hard work that goes into the food on their table. And so maybe that's something that your outstanding Governor might want to work on. All right?

I got time for two more questions. Two more questions. Young man in the green, right

there. Well, there are two young men in green, but I was calling on this guy right here. Yes.

Social Security

Q. Hello. My name is Eric Palmer, and I go to Augustana College.

The President. Great school.

Q. Yes, it is. First of all, I just want to let you know of one thing: I am not disappointed in you like Michele Bachmann wants everyone to believe.

The President. Thank you. I appreciate that.

Q. My question is about Social Security. I know that one of your ideas to fix the solvency of it is to reevaluate the equation that determines the COLA, the cost-of-living adjustment. But as the law stands right now, we are only taxed on the first \$107,000 that we make.

The President. Right.

Q. That means every dime that I make is taxed for Social Security.

The President. Right.

Q. I don't make \$107,000. [*Laughter*] But that means that—

The President. Somebody said you will—

Q. Someday, I hope.

The President. Yes, you sound pretty smart. It sounds like you're going to do just great.

Q. Thanks. But that means that people like Mitt Romney only pay into Social Security on the first one-tenth of 1 percent of what they make.

The President. Right.

Q. Can we look forward to you telling the Republicans that it's time that the wealthy pay their fair share?

The President. Well, the—first, this is a very well informed young man here. [*Laughter*] You're exactly right that the way the Social Security system works, there's what's called—there's basically a cap on your Social Security, which there isn't, by the way, on Medicare. But Social Security, it only goes up to the first \$107,000. And you're right, somebody who makes—who has net assets of \$250 million and are making maybe \$5 million a year just on interest or capital gains or something, just a fraction of it's going to Social Security. I think there's a way for us to make adjustments on the

Social Security tax that would be fairer than the system that we use right now.

I do think, in terms of how we calculate inflation, that's important as well. By the way, seniors—a bunch of them were upset over the last couple years because some of—because seniors didn't get a cost-of-living adjustment. I got a lot of letters: "Mr. President, how come I didn't get a COLA this year for my Social Security?" And I answered this question at the previous town hall; I figured I'd clear something up now. The way the system works is you automatically get a cost-of-living adjustment based on the inflation rate. The President doesn't make that decision; it's based on a formula.

And when the economy was really in the drink in 2009 and 2010, there was basically no inflation; prices were actually going down. That's why seniors did not get the cost-of-living adjustment. That doesn't mean that they weren't still having a hard time because food prices or gas prices or what have you might have been going up, or the cost of medicine. So as a consequence, we actually proposed—and I'm sure Danny was one of the cosponsors of this—legislation that would have given an extra \$250 to seniors just to help make ends meet. We couldn't get Republican support for it. But seniors who are still upset about not getting your COLA—or if they're not here, but when you go back and you're talking to your grandma and they're still mad at me about it, I just want you guys to set the record straight, okay?

All right, I've got one last question, and I'm going—I've got to ask this young lady right here, the next generation. She gets the last word.

Equipping Law Enforcement Officers

Q. Mr. President, my name is Jordan Vinolcavak, and my stepdad is the sheriff of Henry County. This year could set a record on the number of law enforcement officers killed in the line of duty. Does your administration have any plans that would include better equipping, training, or anything else that would help keep all officers safe?

The President. Well, it's a great question. How old are you, Jordan?

Q. Thirteen.

The President. Thirteen. You're Malia's age. So you're going into eighth grade?

Q. Yes.

The President. Did you already start?

Q. Yes.

The President. Yes? How's school going so far?

Q. Good. Today was my first day. [*Laughter*]

The President. Yes? No wonder you look so cheerful. [*Laughter*] Well, thank you for the question, Jordan, and tell your stepdad we're proud of him for his service. This is an example of what we have to pay for. You're right, we've seen—even though the crime rate overall and the violent crime rate has been going down, fatalities among law enforcement have actually been going up. And part of it is because criminals are getting more powerful weapons than they ever have before.

And so we've got to help our law enforcement, provide them with better protection, provide them with better crime-fighting strategies. That's true in big cities; it's also true in rural communities. We've got to do a better job of tracing weapons that are going to criminals.

I'm a big believer in the Second Amendment. And I'm a big believer in hunting and sportsmen. But I also think that making sure that we're keeping guns out of the hands of criminals is something all of us should be able to agree on.

So—but, Jordan, let me tell you something. We actually have been doing a lot. We've been giving a lot of money to local law enforcement, partly to prevent layoffs, partly to ensure they've got better equipment, things like interoperable radios so that when something happens—let's say you've got all power out, one of these tornadoes hit like hit in Joplin—that they're able to come together and still communicate effectively.

We've got things called burn grants that are very important to local law enforcement in dealing with, for example, methamphetamine production here in the Midwest. But all that costs money. And that's why I want everybody to remember you're going to hear a lot of stuff

over the next year and a half, just like you have for the last 2½ years, people attacking government and saying government is the problem.

And I think Jordan just reminded us, government are our police officers and our firefighters. Government is all those young men and women who have been serving, protecting us in Afghanistan and Iraq. Government are the folks who work for FEMA, who when there's a flood come in and help communities get back on their feet. Government is our astronauts. Government are the folks who are helping make sure that our food is properly inspected.

So don't buy into this notion that somehow all our problems would be solved if we eliminate government. Part of the reason we had this financial crisis was because we didn't have government doing a good enough job looking over the shoulders of the banks to make sure that they weren't taking crazy risks.

And part of what happens is that people get so frustrated with politics that they just get fed

up and they kind of lump government together with politics. Well, no, government needs to improve. It needs to get more efficient. We've got to be smarter about how we regulate issues. We've got to make sure that we're not wasting taxpayer money.

But there's a difference between politics and government. And what's really broken is a politics that doesn't reflect the core values and the decency and the neighborliness of the American people.

And that's what I'm fighting for, and that's what I need you fighting for. Thank you very much, Alpha. Love you. Appreciate you.

NOTE: The President spoke at 4:51 p.m. at the Country Corner Farm. In his remarks, he referred to State Sens. John M. Sullivan and David Koehler of Illinois; Tim Dougherty, coach, Galesburg High School football team in Galesburg, IL; and Warren E. Buffett, chief executive officer and chairman, Berkshire Hathaway Inc. A participant referred to 2012 Republican Presidential candidate W. Mitt Romney.

Message to the Congress Reporting on Blocking Property of the Government of Syria and Prohibiting Certain Transactions With Respect to Syria August 17, 2011

To the Congress of the United States:

Pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*) (IEEPA) and in light of the Syria Accountability and Lebanese Sovereignty Restoration Act of 2003 (Public Law 108-175) (SAA), I hereby report that I have issued an Executive Order (the "order") that takes additional steps with respect to the Government of Syria's continuing escalation of violence against the people of Syria and with respect to the national emergency declared in Executive Order 13338 of May 11, 2004, as modified in scope and relied upon for additional steps taken in Executive Order 13399 of April 25, 2006, Executive Order 13460 of February 13, 2008, Executive Order 13572 of April 29, 2011, and Executive Order 13573 of May 18, 2011.

In Executive Order 13338, the President found that the actions of the Government of Syria constitute an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States and declared a national emergency to deal with that threat. To address that threat and to implement the SAA, the President in Executive Order 13338 blocked the property of certain persons and imposed additional prohibitions on certain transactions with respect to Syria. In Executive Order 13572, I expanded the scope of that national emergency and imposed additional sanctions.

The order blocks the property and interests in property of the Government of Syria. The order also provides criteria for designations of persons determined by the Secretary of the