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**CRFB Reacts to the State of the Union  
January 25, 2011**

Tonight, President Obama delivered his State of the Union address to Congress, presenting his vision for the next year. In the speech, President Obama dedicated significant time to discussing the fiscal situation, arguing that we must “make sure we aren’t buried under a mountain of debt.”

CRFB appreciates the President’s focus on addressing our mounting debt, but urges him to show leadership – not just openness – on addressing the nation’s most important fiscal challenges.

“It’s great to hear the President support a 5-year domestic discretionary freeze, and to argue for health care cost controls, Social Security reform, and individual tax reform,” said CRFB president Maya MacGuineas. “But the President needs to get specific, and he needs to show members of both parties that he is willing to spend his political capital on getting our fiscal situation under control.”

Though President Obama did not endorse any of the Fiscal Commission’s recommendations, he did recognize that “they made important progress,” and that they concluded “the only way to tackle our deficit is to cut excessive spending wherever we find it – in domestic spending, defense spending, health care spending, and spending through tax breaks and loopholes.” Still the purpose in appointing a Commission is to provide good ideas and political cover. It would have made more sense for the President to have used his Commission’s report to begin the national discussion on deficit reduction in earnest, and focus the conversation on comprehensive reforms.

“The speech was encouraging in that the President sounded like someone ready to get serious about fixing the deficit. But if he is going to get serious, he is going to need to get specific, and if not now, when?” said MacGuineas. “The longer we wait, the greater the risk we don’t get it done in time.”

“We see this speech as a helpful opening, and we’re hopeful President Obama will spend the next year negotiating and ultimately enacting a comprehensive plan to bring revenues and spending more closely in line. But the challenges we face are serious, and we need the President to fight strongly to address these challenges if we are going to avoid catastrophe,” said MacGuineas. “The time for leadership is now.”