

#### Barack Obama

#### Press Conference on Intelligence Gathering Reform

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Good afternoon, everybody. Please have a seat.

Over the past few weeks, I've been talking about what I believe should be our number-one priority as a country -- building a better bargain for the middle class and for Americans who want to work their way into the middle class. At the same time, I'm focused on my number-one responsibility as Commander-in-Chief, and that's keeping the American people safe. And in recent days, we've been reminded once again about the threats to our nation.

As I said at the National Defense University back in May, in meeting those threats we have to strike the right balance between protecting our security and preserving our freedoms. And as part of this rebalancing, I called for a review of our surveillance programs. Unfortunately, rather than an orderly and lawful process to debate these issues and come up with appropriate reforms, repeated leaks of classified information have initiated the debate in a very passionate, but not always fully informed way.



Now, keep in mind that as a senator, I expressed a healthy skepticism about these programs, and as President, I've taken steps to make sure they have strong oversight by all three branches of government and clear safeguards to prevent abuse and protect the rights of the American people. But given the history of abuse by governments, it's right to ask questions about surveillance -- particularly as technology is reshaping every aspect of our lives.

I'm also mindful of how these issues are viewed overseas, because American leadership around the world depends upon the example of American democracy and American openness -- because what makes us different from other countries is not simply our ability to secure our nation, it's the way we do it -- with open debate and democratic process.

In other words, it's not enough for me, as President, to have confidence in these programs. The American people need to have confidence in them as well. And that's why, over the last few weeks, I've consulted members of Congress who come at this issue from many different perspectives. I've asked the Privacy and Civil Liberties Oversight Board to review where our counterterrorism efforts and our values come into tension, and I directed my national security team to be more transparent and to pursue reforms of our laws and practices.

And so, today, I'd like to discuss four specific steps -- not all inclusive, but some specific steps that we're going to be taking very shortly to move the debate forward.

First, I will work with Congress to pursue appropriate reforms to Section 215 of the Patriot Act -- the program that collects telephone records. As I've said, this program is an important tool in our effort to disrupt terrorist plots. And it does not allow the government to listen to any phone calls without a warrant. But given the scale of this program, I understand the concerns of those who would worry that it could be subject to abuse. So after having a dialogue with members of Congress and civil libertarians, I believe that there are steps we can take to give the American people additional confidence that there are additional safeguards against abuse.

For instance, we can take steps to put in place greater oversight, greater transparency, and constraints on the use of this authority. So I look forward to working with Congress to meet those objectives.

Second, I'll work with Congress to improve the public's confidence in the oversight conducted by the Foreign Intelligence Surveillance Court, known as the FISC. The FISC was created by Congress to provide judicial review of certain intelligence activities so that a federal judge must find that our actions are consistent with the Constitution. However, to build greater confidence, I think we should consider some additional changes to the FISC.

One of the concerns that people raise is that a judge reviewing a request from the government to conduct programmatic surveillance only hears one side of the story -- may tilt it too far in favor of security, may not pay enough attention to liberty.



And while I've got confidence in the court and I think they've done a fine job, I think we can provide greater assurances that the court is looking at these issues from both perspectives -- security and privacy.

So, specifically, we can take steps to make sure civil liberties concerns have an independent voice in appropriate cases by ensuring that the government's position is challenged by an adversary.

Number three, we can, and must, be more transparent. So I've directed the intelligence community to make public as much information about these programs as possible. We've already declassified unprecedented information about the NSA, but we can go further. So at my direction, the Department of Justice will make public the legal rationale for the government's collection activities under Section 215 of the Patriot Act. The NSA is taking steps to put in place a full-time civil liberties and privacy officer, and released information that details its mission, authorities, and oversight. And finally, the intelligence community is creating a website that will serve as a hub for further transparency, and this will give Americans and the world the ability to learn more about what our intelligence community does and what it doesn't do, how it carries out its mission, and why it does so.

Fourth, we're forming a high-level group of outside experts to review our entire intelligence and communications technologies. We need new thinking for a new era. We now have to unravel terrorist plots by finding a needle in the haystack of global telecommunications. And meanwhile, technology has given governments -- including our own -- unprecedented capability to monitor communications.

So I am tasking this independent group to step back and review our capabilities -- particularly our surveillance technologies. And they'll consider how we can maintain the trust of the people, how we can make sure that there absolutely is no abuse in terms of how these surveillance technologies are used, ask how surveillance impacts our foreign policy -- particularly in an age when more and more information is becoming public. And they will provide an interim report in 60 days and a final report by the end of this year, so that we can move forward with a better understanding of how these programs impact our security, our privacy, and our foreign policy.

So all these steps are designed to ensure that the American people can trust that our efforts are in line with our interests and our values. And to others around the world, I want to make clear once again that America is not interested in spying on ordinary people. Our intelligence is focused, above all, on finding the information that's necessary to protect our people, and -- in many cases -- protect our allies.

It's true we have significant capabilities. What's also true is we show a restraint that many governments around the world don't even think to do, refuse to show -- and that includes, by the way, some of America's most vocal critics.



We shouldn't forget the difference between the ability of our government to collect information online under strict guidelines and for narrow purposes, and the willingness of some other governments to throw their own citizens in prison for what they say online.

And let me close with one additional thought. The men and women of our intelligence community work every single day to keep us safe because they love this country and believe in our values. They're patriots. And I believe that those who have lawfully raised their voices on behalf of privacy and civil liberties are also patriots who love our country and want it to live up to our highest ideals. So this is how we're going to resolve our differences in the United States -- through vigorous public debate, guided by our Constitution, with reverence for our history as a nation of laws, and with respect for the facts.

So, with that, I'm going to take some questions. And let's see who we've got here. We're going to start with Julie Pace of AP.

**Question:** Thank you, Mr. President. I wanted to ask about some of the foreign policy fallout from the disclosure of the NSA programs that you discussed. Your spokesman said yesterday that there's no question that the U.S. relationship with Russia has gotten worse since Vladimir Putin took office. How much of that decline do you attribute directly to Mr. Putin, given that you seem to have had a good working relationship with his predecessor? Also will there be any additional punitive measures taken against Russia for granting asylum to Edward Snowden? Or is canceling the September summit really all you can do given the host of issues the U.S. needs Russian cooperation for? Thank you.

**President Obama:** Good. I think there's always been some tension in the U.S.-Russian relationship after the fall of the Soviet Union. There's been cooperation in some areas; there's been competition in others.

It is true that in my first four years, in working with President Medvedev, we made a lot of progress. We got START done -- or START II done. We were able to cooperate together on Iran sanctions. They provided us help in terms of supplying our troops in Afghanistan. We were able to get Russia into the WTO -- which is not just good for Russia, it's good for our companies and businesses because they're more likely then to follow international norms and rules. So there's been a lot of good work that has been done and that is going to continue to be done. What's also true is, is that when President Putin -- who was prime minister when Medvedev was president -- came back into power I think we saw more rhetoric on the Russian side that was anti-American, that played into some of the old stereotypes about the Cold War contests between the United States and Russia. And I've encouraged Mr. Putin to think forward as opposed to backwards on those issues -- with mixed success.

And I think the latest episode is just one more in a number of emerging differences that we've seen over the last several months around Syria, around human rights issues, where it is probably appropriate for us to take a pause, reassess where it is that Russia is going, what our core interests are, and calibrate the relationship so that we're doing things that are good



for the United States and hopefully good for Russia as well, but recognizing that there just are going to be some differences and we're not going to be able to completely disguise them.

And that's okay. Keep in mind that although I'm not attending the summit, I'll still be going to St. Petersburg because Russia is hosting the G20. That's important business in terms of our economy and our jobs and all the issues that are of concern to Americans.

I know that one question that's been raised is how do we approach the Olympics. I want to just make very clear right now I do not think it's appropriate to boycott the Olympics. We've got a bunch of Americans out there who are training hard, who are doing everything they can to succeed. Nobody is more offended than me by some of the anti-gay and lesbian legislation that you've been seeing in Russia. But as I said just this week, I've spoken out against that not just with respect to Russia but a number of other countries where we continue to do work with them, but we have a strong disagreement on this issue.

And one of the things I'm really looking forward to is maybe some gay and lesbian athletes bringing home the gold or silver or bronze, which I think would go a long way in rejecting the kind of attitudes that we're seeing there. And if Russia doesn't have gay or lesbian athletes, then it probably makes their team weaker.

**Question:** Are there going to be any additional punitive measures for Russia, beyond canceling the summit?

**President Obama:** Keep in mind that our decision to not participate in the summit was not simply around Mr. Snowden. It had to do with the fact that, frankly, on a whole range of issues where we think we can make some progress, Russia has not moved. And so we don't consider that strictly punitive.

We're going to assess where the relationship can advance U.S. interests and increase peace and stability and prosperity around the world. Where it can, we're going to keep on working with them. Where we have differences, we're going to say so clearly. And my hope is, is that over time, Mr. Putin and Russia recognize that rather than a zero-sum competition, in fact, if the two countries are working together we can probably advance the betterment of both peoples.

Chuck Todd.

**Question:** Thank you, Mr. President. Given that you just announced a whole bunch of reforms based on essentially the leaks that Edward Snowden made on all of these surveillance programs, is that change -- is your mindset changed about him? Is he now more a whistle-blower than he is a hacker, as you called him at one point, or somebody that shouldn't be filed charges? And should he be provided more protection? Is he a patriot? You just used those words. And then just to follow up on the personal -- I want to follow up on a personal --



**President Obama:** Okay, I want to make sure -- everybody is asking one question it would be helpful.

**Question:** No, I understand. It was a part of a question that you didn't answer. Can you get stuff done with Russia, big stuff done, without having a good personal relationship with Putin?

**President Obama:** I don't have a bad personal relationship with Putin. When we have conversations, they're candid, they're blunt; oftentimes, they're constructive. I know the press likes to focus on body language and he's got that kind of slouch, looking like the bored kid in the back of the classroom. But the truth is, is that when we're in conversations together, oftentimes it's very productive.

So the issue here really has to do with where do they want to take Russia -- it's substantive on a policy front. And --

**Question:** [Inaudible]

**President Obama:** No. Right now, this is just a matter of where Mr. Putin and the Russian people want to go. I think if they are looking forward into the 21st century and how they can advance their economy, and make sure that some of our joint concerns around counterterrorism are managed effectively, then I think we can work together. If issues are framed as if the U.S. is for it then Russia should be against it, or we're going to be finding ways where we can poke each other at every opportunity, then probably we don't get as much stuff done.

See, now I've forgotten your first question, which presumably was the more important one. No, I don't think Mr. Snowden was a patriot. As I said in my opening remarks, I called for a thorough review of our surveillance operations before Mr. Snowden made these leaks.

My preference -- and I think the American people's preference -- would have been for a lawful, orderly examination of these laws, a thoughtful fact-based debate that would then lead us to a better place. Because I never made claims that all the surveillance technologies that have developed since the time some of these laws had been put in place somehow didn't require potentially some additional reforms. That's exactly what I called for.

So the fact is, is that Mr. Snowden has been charged with three felonies. If, in fact, he believes that what he did was right, then, like every American citizen, he can come here, appear before the court with a lawyer and make his case. If the concern was that somehow this was the only way to get this information out to the public, I signed an executive order well before Mr. Snowden leaked this information that provided whistleblower protection to the intelligence community -- for the first time. So there were other avenues available for somebody whose conscience was stirred and thought that they needed to question government actions.



But having said that, once the leaks have happened, what we've seen is information come out in dribs and in drabs, sometimes coming out sideways. Once the information is out, the administration comes in, tries to correct the record. But by that time, it's too late or we've moved on, and a general impression has, I think, taken hold not only among the American public but also around the world that somehow we're out there willy-nilly just sucking in information on everybody and doing what we please with it.

That's not the case. Our laws specifically prohibit us from surveilling U.S. persons without a warrant. And there are a whole range of safeguards that have been put in place to make sure that that basic principle is abided by.

But what is clear is that whether, because of the instinctive bias of the intelligence community to keep everything very close -- and probably what's a fair criticism is my assumption that if we had checks and balances from the courts and Congress, that that traditional system of checks and balances would be enough to give people assurance that these programs were run probably -- that assumption I think proved to be undermined by what happened after the leaks. I think people have questions about this program.

And so, as a consequence, I think it is important for us to go ahead and answer these questions. What I'm going to be pushing the IC to do is rather than have a trunk come out here and leg come out there and a tail come out there, let's just put the whole elephant out there so people know exactly what they're looking at. Let's examine what is working, what's not, are there additional protections that can be put in place, and let's move forward.

And there's no doubt that Mr. Snowden's leaks triggered a much more rapid and passionate response than would have been the case if I had simply appointed this review board to go through, and I had sat down with Congress and we had worked this thing through. It would have been less exciting. It would not have generated as much press. I actually think we would have gotten to the same place, and we would have done so without putting at risk our national security and some very vital ways that we are able to get intelligence that we need to secure the country.

Major Garrett.

**Question:** Thank you, Mr. President. I'd like to ask you about this debate that's playing itself out in editorial pages, in the blogosphere, even in the Senate Democratic caucus, about the choice you eventually will make for the next Federal Reserve chairman. There is a perception among Democrats that Larry Summers has the inside track, and perhaps you've made some assurances to him about that. Janet Yellen is the vice chair of the Federal Reserve. There are many women in the Senate who are Democrats who believe that breaking the glass ceiling there would be historic and important.

President Obama: Right.



**Question:** Are you annoyed by this sort of roiling debate? Do you find it any way unseemly? And do you believe this will be one of the most important -- if not the most important -- economic decisions you'll make in the remainder of your presidency?

**President Obama:** It is definitely one of the most important economic decisions that I'll make in the remainder of my presidency. The Federal Reserve chairman is not just one of the most important economic policymakers in America, he or she is one of the most important policymakers in the world. And that person presumably will stay on after I'm President. So this, along with Supreme Court appointments, is probably as important a decision as I make as President.

I have a range of outstanding candidates. You've mentioned two of them -- Mr. Summers and Mr. Yellen -- Ms. Yellen. And they're both terrific people.

I think the perception that Mr. Summers might have an inside track simply had to do with a bunch of attacks that I was hearing on Mr. Summers preemptively, which is sort of a standard Washington exercise, that I don't like. Because when somebody has worked hard for me and worked hard on behalf of the American people, and I know the quality of those people, and I see them getting slapped around in the press for no reason -- before they've even been nominated for anything -- then I want to make sure that somebody is standing up for them. I felt the same way when people were attacking Susan Rice before she was nominated for anything. So I tend to defend folks who I think have done a good job and don't deserve attacks.

But I consider them both outstanding candidates. My main criteria -- I've stated this before, but I want to repeat it -- my main criteria for the Fed Reserve chairman is somebody who understands they've got a dual mandate. A critical part of the job is making sure that we keep inflation in check, that our monetary policy is sound, that the dollar is sound. Those are all critical components of the job. And we've seen what happens when the Fed is not paying attention. We saw, prior to Paul Volcker coming into place, inflation shooting up in ways that really damaged the real economy.

But the other mandate is full employment. And right now, if you look at the biggest challenges we have, the challenge is not inflation; the challenge is we've still got too many people out of work, too many long-term unemployed, too much slack in the economy, and we're not growing as fast as we should. And so I want a Fed chairman who's able to look at those issues and have a perspective that keeps an eye on inflation, makes sure that we're not seeing artificial bubbles in place, but also recognizing, you know what, a big part of my job right now is to make sure the economy is growing quickly and robustly, and is sustained and durable, so that people who work hard in this country are able to find a job.

And, frankly, I think both Larry Summers and Janet Yellen are highly qualified candidates. There are a couple of other candidates who are highly qualified as well. I'll make the decision in the fall.



**Question:** Can you see how the perception of you defending Larry Summers as vigorously as you just did and in other quarters lead some to believe you've already made up your mind?

**President Obama:** Well, except I just told you I haven't. Major, I'd defend you if somebody was saying something that wasn't true about you. I really would. In fact, I've done that in the White House some times.

Carol Lee. And, Carol, congratulations on Hudson.

**Question:** Thank you, Mr. President.

President Obama: Do you have pictures?

Question: I do. I'll have to show you --

**President Obama:** Okay, I'm going to have to see them.

**Question:** I appreciate you making it a slow news week.

I wanted to ask you about your evolution on the surveillance issues. I mean, part of what you're talking about today is restoring the public trust. And the public has seen you evolve from when you were in the U.S. Senate to now. And even as recently as June, you said that the process was such that people should be comfortable with it, and now you're saying you're making these reforms and people should be comfortable with those. So why should the public trust you on this issue, and why did you change your position multiple times?

**President Obama:** Well, I think it's important to say, Carol, first of all, I haven't evolved in my assessment of the actual programs. I consistently have said that when I came into office I evaluated them. Some of these programs I had been critical of when I was in the Senate. When I looked through specifically what was being done, my determination was that the two programs in particular that had been at issue, 215 and 702, offered valuable intelligence that helps us protect the American people and they're worth preserving. What we also saw was that some bolts needed to be tightened up on some of the programs, so we initiated some additional oversight, reforms, compliance officers, audits and so forth.

And if you look at the reports -- even the disclosures that Mr. Snowden has put forward -- all the stories that have been written, what you're not reading about is the government actually abusing these programs and listening in on people's phone calls or inappropriately reading people's emails. What you're hearing about is the prospect that these could be abused. Now, part of the reason they're not abused is because these checks are in place, and those abuses would be against the law and would be against the orders of the FISC.



Having said that, though, if you are outside of the intelligence community, if you are the ordinary person and you start seeing a bunch of headlines saying, U.S.-Big Brother looking down on you, collecting telephone records, et cetera, well, understandably, people would be concerned. I would be, too, if I wasn't inside the government.

And so in light of the changed environment where a whole set of questions have been raised, some in the most sensationalized manner possible, where these leaks are released drip by drip, one a week, to kind of maximize attention and see if they can catch us at some imprecision on something -- in light of that, it makes sense for us to go ahead, lay out what exactly we're doing, have a discussion with Congress, have a discussion with industry -- which is also impacted by this -- have a discussion with civil libertarians, and see can we do this better.

I think the main thing I want to emphasize is I don't have an interest and the people at the NSA don't have an interest in doing anything other than making sure that where we can prevent a terrorist attack, where we can get information ahead of time, that we're able to carry out that critical task. We do not have an interest in doing anything other than that. And we've tried to set up a system that is as failsafe as so far at least we've been able to think of to make sure that these programs are not abused.

But people may have better ideas and people may want to jigger slightly sort of the balance between the information that we can get versus the incremental encroachments on privacy that if haven't already taken place might take place in a future administration, or as technologies develop further.

And the other thing that's happening is, is that as technology develops further, technology itself may provide us some additional safeguards. So, for example, if people don't have confidence that the law, the checks and balances of the court and Congress are sufficient to give us confidence that government is not snooping, well, maybe we can embed technologies in there that prevent the snooping regardless of what government wants to do. I mean, there may be some technological fixes that provide another layer of assurance.

And so those are the kinds of things that I'm looking forward to having a conversation about.

**Question:** Can you understand, though, why some people might not trust what you're saying right now about wanting to --

President Obama: No, I can't.

Question: -- that they should be comfortable with the process?

**President Obama:** Well, the fact that I said that the programs are operating in a way that prevents abuse, that continues to be true, without the reforms. The question is how do I make the American people more comfortable.



If I tell Michelle that I did the dishes -- now, granted, in the White House I don't do the dishes that much -- but back in the day -- and she's a little skeptical, well, I'd like her to trust me, but maybe I need to bring her back and show her the dishes and not just have her take my word for it.

And so the program is -- I am comfortable that the program currently is not being abused. I'm comfortable that if the American people examined exactly what was taking place, how it was being used, what the safeguards were, that they would say, you know what, these folks are following the law and doing what they say they're doing.

But it is absolutely true that with the expansion of technology -- this is an area that's moving very quickly -- with the revelations that have depleted public trust, that if there are some additional things that we can do to build that trust back up, then we should do them.

Jonathan Karl.

**Question:** Thank you, Mr. President. You have said that core al Qaeda has been decimated, that its leaders are on the run. Now that we've seen this terror threat that has resulted in embassies closed throughout the Arab world, much of Africa, do you still believe that al Qaeda has been decimated? And if I can ask in the interest of transparency, can you tell us about these drone strikes that we've seen over the last couple of weeks in Yemen?

**President Obama:** What I said in the same National Defense University speech back in May that I referred to earlier is that core al Qaeda is on its heels, has been decimated. But what I also said was that al Qaeda and other extremists have metastasized into regional groups that can pose significant dangers.

And I'd refer you back to that speech just back in May where I said specifically that although they are less likely to be able to carry out spectacular homeland attacks like 9/11, they have the capacity to go after our embassies. They have the capacity, potentially, to go after our businesses. They have the capacity to be destabilizing and disruptive in countries where the security apparatus is weak. And that's exactly what we are seeing right now.

So it's entirely consistent to say that this tightly organized and relatively centralized al Qaeda that attacked us on 9/11 has been broken apart and is very weak and does not have a lot of operational capacity, and to say we still have these regional organizations like AQAP that can pose a threat, that can drive potentially a truck bomb into an embassy wall and can kill some people.

And so that requires us, then, to make sure that we have a strategy that is strengthening those partners so that they've got their own capacity to deal with what are potentially manageable regional threats if these countries are a little bit stronger and have more effective CT and so forth.



It means that we've got to continue to be vigilant and go after known terrorists who are potentially carrying out plots or are going to strengthen their capacity over time -- because they're always testing the boundaries of, well, maybe we can try this, maybe we can do that. So this is a ongoing process. We are not going to completely eliminate terrorism. What we can do is to weaken it and to strengthen our partnerships in such a way that it does not pose the kind of horrible threat that we saw on 9/11.

And I'm not going to discuss specific operations that have taken place. Again, in my speech in May, I was very specific about how we make these determinations about potential lethal strikes, so I would refer you to that speech.

**Ouestion:** So you won't even confirm that we carried out drone strikes in Yemen?

President Obama: I will not have a discussion about operational issues.

Ed Henry.

Question: I hope you would defend me as well.

President Obama: I would.

**Question:** Okay, thank you. I want to ask you about two important dates that are coming up. October 1st you've got to implement your signature health care law. You recently decided on your own to delay a key part of that. And I wonder, if you pick and choose what parts of the law to implement, couldn't your successor down the road pick and choose whether they'll implement your law and keep it in place?

And on September 11th we'll have the first anniversary of Benghazi. And you said on September 12th, "Make no mistake, we'll bring to justice the killers who attacked our people." Eleven months later, where are they, sir?

**President Obama:** Well, I also said that we'd get bin Laden, and I didn't get him in 11 months. So we have informed, I think, the public that there's a sealed indictment. It's sealed for a reason. But we are intent on capturing those who carried out this attack, and we're going to stay on it until we get them.

Question: And you're close to having suspects in custody?

**President Obama:** I will leave it at that. But this remains a top priority for us. Anybody who attacks Americans, anybody who kills, tragically, four Americans who were serving us in a very dangerous place, we're going to do everything we can to get those who carried out those attacks.



With respect to health care, I didn't simply choose to delay this on my own. This was in consultation with businesses all across the country, many of whom are supportive of the Affordable Care Act, but -- and many of whom, by the way, are already providing health insurance to their employees but were concerned about the operational details of changing their HR operations, if they've got a lot of employees, which could be costly for them, and them suggesting that there may be easier ways to do this.

Now, what's true, Ed, is, is that in a normal political environment, it would have been easier for me to simply call up the Speaker and say, you know what, this is a tweak that doesn't go to the essence of the law -- it has to do with, for example, are we able to simplify the attestation of employers as to whether they're already providing health insurance or not -- it looks like there may be some better ways to do this; let's make a technical change to the law. That would be the normal thing that I would prefer to do.

But we're not in a normal atmosphere around here when it comes to "Obamacare." We did have the executive authority to do so, and we did so. But this doesn't go to the core of implementation. Let me tell you what is the core of implementation that's already taken place. As we speak, right now, for the 85 percent of Americans who already have health insurance, they are benefiting from being able to keep their kid on their plan if their kid is 26 or younger. That's benefiting millions of young people around the country, which is why lack of insurance among young people has actually gone down. That's in large part attributable to the steps that we've taken.

You've got millions of people who have received rebates, because part of the Affordable Care Act was to say that if an insurance company isn't spending 80 percent of your premium on your health care, you get some money back. And, lo and behold, people have been getting their money back. It means that folks who have been bumping up with lifetime limits on their insurance, that it leaves them vulnerable. That doesn't exist.

Seniors have been getting discounts on their prescription drugs. That's happening right now. Free preventive care -- mammograms, contraception. That's happening right now. I met a young man today on a bill signing I was doing with the student loan bill who came up to me and said thank you -- he couldn't have been more than 25, 26 years old -- thank you; I have cancer, thanks to the Affordable Care Act working with the California program, I was able to get health care and I'm now in remission. And so right now people are already benefiting.

Now, what happens on October 1st, in 53 days, is for the remaining 15 percent of the population that doesn't have health insurance, they're going to be able to go on a website or call up a call center and sign up for affordable quality health insurance at a significantly cheaper rate than what they can get right now on the individual market. And if even with lower premiums they still can't afford it, we're going to be able to provide them with a tax credit to help them buy it. And between October 1st into March there will be an open enrollment period in which millions of Americans for the first time are going to be able to get affordable health care.



Now, I think the really interesting question is why it is that my friends in the other party have made the idea of preventing these people from getting health care their holy grail, their number-one priority. The one unifying principle in the Republican Party at the moment is making sure that 30 million people don't have health care and, presumably, repealing all those benefits I just mentioned -- kids staying on their parents' plan; seniors getting discounts on their prescription drugs; I guess a return to lifetime limits on insurance; people with preexisting conditions continuing to be blocked from being able to get health insurance.

That's hard to understand as an agenda that is going to strengthen our middle class. At least they used to say, well, we're going to replace it with something better. There's not even a pretense now that they're going to replace it with something better.

The notion is simply that those 30 million people, or the 150 million who are benefiting from the other aspects of Affordable Care, will be better off without it. That's their assertion -- not backed by fact, not backed by any evidence. It's just become an ideological fixation.

Well, I tell you what, they're wrong about that. There is no doubt that in implementing the Affordable Care Act, a program of this significance, there are going to be some glitches. No doubt about it. There are going to be things where we say, you know what, we should have thought of that earlier. Or this would work a little bit better. Or this needs an adjustment. That was true of Social Security. That was true of Medicare. That was true of the Children's Health Insurance Program. That was true of the prescription drug program, Part D, that was rolled out by a Republican President and supported by Republicans who are still in the House of Representatives. That's true, by the way, of a car company rolling out a new car. It's true of Apple rolling out the new iPad.

So you will be able to, whenever you want during the course of the next six months and probably the next year, find occasions where you say, ah-ha, you know what, that could have been done a little bit better. Or that thing, they're kind of making an administrative change; that's now how it was originally thought this thing was going to work. Yes, exactly. Because our goal is to actually deliver high-quality, affordable health care for people and to reform the system so costs start going down and people start getting a better bang for the buck. And I make no apologies for that.

And let me just make one last point about this. The idea that you would shut down the government unless you prevent 30 million people from getting health care is a bad idea. What you should be thinking about is how can we advance and improve ways for middle-class families to have some security so that if they work hard, they can get ahead and their kids can get ahead.

Jessica Yellin.



**Question:** Thank you, Mr. President. And following on what you just said, Republicans in the House might give you that choice soon to either allow the government to shut down or see Obamacare defunded. Would you choose to let the government shut down to ensure that Obamacare remains funded?

**President Obama:** Well, I'm not going to engage in hypotheticals. I can tell you that the American people would have difficulty understanding why we would weaken our economy, shut down our government, shut down vital services, have people who are not getting paid who then can't go to restaurants or shop for clothes, or all the other things that we're doing here because Republicans have determined that they don't want to see these folks get health care.

Again, they used to say they had a replacement. That never actually arrived, right? I mean, I've been hearing about this whole replacement thing for two years -- now I just don't hear about it, because basically they don't have an agenda to provide health insurance to people at affordable rates. And the idea that you would shut down the government at a time when the recovery is getting some traction; where we're growing, although not as fast as we need to; where the housing market is recovering, although not as fast as we would like; that we would precipitate another crisis here in Washington that no economist thinks is a good idea -- I'm assuming that they will not take that path. I have confidence that common sense, in the end, will prevail.

Question: And if they do, sir, you will have to make that choice?

President Obama: We'll see what happens. We've got a couple of months.

Question: When's the last time you spoke to Speaker Boehner about the budget?

**President Obama:** Fairly recently, yes. Probably right before they left.

Okay. Scott Horseley.

**Question:** Thank you, Mr. President. Part of the political logic behind immigration reform was the strong showing by Latino voters last November. That doesn't seem to resonate with a lot of House Republicans who represent overwhelmingly white districts. What other political leverage can you bring to bear to help move a bill in the House?

**President Obama:** Well, we've got an economic report that shows that our economy would be a trillion dollars stronger if we get immigration reform done. We've got evidence that our housing market would be stronger if immigrants are in a situation in which, having paid a fine, having paid back taxes, that they now have the ability to actually enter into the housing market. We've got strong evidence that our technological and research edge would be better if we get immigration reform done.



We know that the Senate bill strengthens border security, puts unprecedented resources on top of the unprecedented resources I've already put into border security. So if your main priority is border security, I'd think you'd want to vote for this bill. We know that the Senate bill creates a system in which employers are held accountable for when they hire undocumented workers. This is something that people say is a bad thing. I agree. Let's make sure that that system for holding employers accountable is in place.

So when I hear the opposition to immigration reform, I just run through the list of things they're concerned about, I look at what the Senate bill does, and I say to myself, you know what, the Senate bill actually improves the situation on every issue that they say they're concerned about.

Now, what they may argue is it doesn't solve the problem 100 percent. I don't know a law that solves a problem 100 percent. Social Security lifted millions of seniors out of poverty, but there are still some poor seniors. The Civil Rights Act and the Voting Rights Act drastically reduced discrimination in America, but there's still discrimination. That doesn't make them bad laws, it just means that there are very few human problems that are 100 percent solvable.

So what I see right now is a strong bipartisan vote coming out of the Senate. I think that the Speaker and others have said they need to do something, and I'd urge, when they get back, to do something -- put forward a bill that has an opportunity to actually pass. It may not be precisely what's in the Senate bill. My preference would be for them to go ahead and call the Senate bill. But if they've got some additional ideas, I think the Senate is happy to consider them. And get that bill on the floor, put it up for a vote.

I am absolutely certain that the votes for the Senate bill -- which strengthens border security; demands responsibility from undocumented workers to pay a fine, pay a penalty and get to the back of the line; reforms our legal immigration system; holds employers accountable -- I am absolutely confident that if that bill was on the floor of the House, it would pass.

So the challenge right now is not that there aren't a majority of House members, just like a majority of Senate members, who aren't prepared to support this bill. The problem is internal Republican caucus politics. And that's what the American people don't want us to be worrying about. Don't worry about your Washington politics. Solve problems.

And this is one where you've actually got some pretty broad consensus. I don't know an issue where you've got labor, the Chamber of Commerce, evangelicals, student groups -- you name it -- supportive of a bill. Let's get it done.

Thank you very much, everybody.