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Barack Obama

Post G7 Conference Presser

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Good afternoon. Let me begin by once again thanking Chancellor Merkel and the people of Bavaria and Germany for their extraordinary hospitality here at the G7. My stay here has been extraordinary. I wish I could stay longer. And one of the pleasures of being President is scouting out places that you want to come back to, where you don't have to spend all your time in a conference room. The setting is breathtaking. Our German friends have been absolutely wonderful, and the success of this summit is a tribute to their outstanding work.

The G7 represents some of the largest economies in the world. But in our G7 partners, the United States also embraces some of our strongest allies and closest friends in the world. So, even as we work to promote the growth that creates jobs and opportunity, we're also here to stand up for the fundamental principles that we share as democracies: for freedom; for peace; for the right of nations and peoples to decide their own destiny; for universal human rights and the dignity of every human being. And I'm pleased that here in Krün, we showed that on the most pressing global challenges, America and our allies stand united.

We agree that the best way to sustain the global economic recovery is by focusing on jobs and growth. That's what I'm focused on in the United States. On Friday, we learned that our economy created another 280,000 jobs in May -- the strongest month of the year so far -- and more than 3 million new jobs over the past year, nearly the fastest pace in over a decade. We've now seen five straight years of private sector job growth -- 12.6 million new jobs created -- the longest streak on record.



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The unemployment rate is near its lowest level in seven years. Wages for American workers continue to rise. And since I took office, the United States has cut our deficit by two-thirds. So, in the global economy, America is a major source of strength.

At the same time, we recognize that the global economy, while growing, is still not performing at its full potential, And we agreed on a number of necessary steps. Here in Europe, we support efforts to find a path that enables Greece to carry out key reforms and return to growth within a strong, stable and growing Eurozone. I updated my partners on our effort with Congress to pass trade promotion authority so we can move ahead with TPP in the Asia Pacific region, and T-TIP here in Europe --agreements with high standards to protect workers, public safety and the environment.

We continue to make progress toward a strong global climate agreement this year in Paris. All the G7 countries have now put forward our post-2020 targets for reducing carbon emissions, and we'll continue to urge other significant emitters to do so as well. We'll continue to meet our climate finance commitments to help developing countries transition to low-carbon growth.

As we've done in the U.S., the G7 agreed on the need to integrate climate risks into development assistance and investment programs across the board, and to increase access to risk insurance to help developing countries respond to and recover from climate-related disasters. And building on the Power Africa initiative I launched two years ago, the G7 will work to mobilize more financing for clean-energy projects in Africa.

With respect to security, the G7 remains strongly united in support for Ukraine. We'll continue to provide economic support and technical assistance that Ukraine needs as it moves ahead on critical reforms to transform its economy and strengthen its democracy. As we've seen again in recent days, Russian forces continue to operate in eastern Ukraine, violating Ukraine's sovereignty and territorial integrity. This is now the second year in a row that the G7 has met without Russia -- another example of Russia's isolation -- and every member of the G7 continues to maintain sanctions on Russia for its aggression against Ukraine.

Now, it's important to recognize the Russian economy has been seriously weakened. The ruble and foreign investment are down; Inflation is up. The Russian central bank has lost more than \$150 billion in reserves. Russian banks and firms are virtually locked out of the international markets. Russian energy companies are struggling to import the services and technologies they need for complex energy projects. Russian defense firms have been cut off from key technologies. Russia is in deep recession. So Russia's actions in Ukraine are hurting Russia and hurting the Russian people.

Here at the G7, we agreed that even as we will continue to seek a diplomatic solution, sanctions against Russia will remain in place so long as Russia continues to violate its obligations under the Minsk agreements.



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Our European partners reaffirmed that they will maintain sanctions on Russia until the Minsk agreements are fully implemented, which means extending the EU's existing sectoral sanctions beyond July. And the G7 is making it clear that, if necessary, we stand ready to impose additional, significant sanctions against Russia.

Beyond Europe, we discussed the negotiations over Iran's nuclear program, and we remain united heading into the final stages of the talks. Iran has a historic opportunity to resolve the international community's concerns about its nuclear program, and we agreed that Iran needs to seize that opportunity.

Our discussions with Prime Minister Abadi of Iraq, President Caid Essebsi of Tunisia and President Buhari of Nigeria were a chance to address the threats of ISIL and Boko Haram. The G7 countries, therefore, agreed to work — together and with our partners — to further coordinate our counterterrorism efforts.

As many of the world's leading partners in global development -- joined by leaders of Ethiopia, Liberia, Nigeria, Senegal and the African Union -- we discussed how to maximize the impact of our development partnerships. We agreed to continue our landmark initiative to promote food security and nutrition -- part of our effort to lift 500 million people in developing countries out of hunger and malnutrition by 2030. We'll continue to work with our partners in West Africa to get Ebola cases down to zero. And as part of our Global Health Security Agenda, I'm pleased that the G7 made a major commitment to help 60 countries over the next five years achieve specific targets to better prevent, detect and respond to future outbreaks before they become epidemics.

And finally, I want to commend Chancellor Merkel for ensuring that this summit included a focus on expanding educational and economic opportunities for women and girls. The G7 committed to expanding career training for women in our own countries, and to increase technical and vocational training in developing countries, which will help all of our nations prosper.

So, again, I want to thank Angela and the people of Germany for their extraordinary hospitality. I leave here confident that when it comes to the key challenges of our time, America and our closest allies stand shoulder to shoulder.

So with that, I will take some questions. And I will start off with Jeff Mason of Reuters.

Question: Thank you, Mr. President. After your meetings here, you mentioned Greece in your opening statement. Do you believe that the Europeans are being too tough on Greece in these talks? And what else needs to be done on both sides to ensure there's a deal and to ensure that there isn't the undue harm to financial markets that you've warned about?

And on a separate and somewhat related topic, the French told reporters today that you said to G7 leaders that you're concerned that the dollar is too strong. What did you say exactly? And are you concerned that the dollar is too strong?



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President Obama: First of all, don't believe unnamed quotes. I did not say that. And I make a practice of not commenting on the daily fluctuations of the dollar or any other currency.

With respect to Greece, I think that not only our G7 partners but the IMF and other institutions that were represented here feel a sense of urgency in finding a path to resolve the situation there. And what it's going to require is Greece being serious about making some important reforms not only to satisfy creditors, but, more importantly, to create a platform whereby the Greek economy can start growing again and prosper. And so the Greeks are going to have to follow through and make some tough political choices that will be good for the long term.

I also think it's going to be important for the international community and the international financial agencies to recognize the extraordinary challenges that Greeks face. And if both sides are showing a sufficient flexibility, then I think we can get this problem resolved. But it will require some tough decisions for all involved, and we will continue to consult with all the parties involved to try to encourage that kind of outcome.

Question: Are you confident it will happen before the deadline?

President Obama: I think that everybody wants to make it happen and they're working hard to get it done.

Nedra.

Question: Thank you, Mr. President. How frustrated are you that after you personally raised your concerns about cybersecurity with the Chinese President that a massive attack on U.S. personnel files seems to have originated from China? Was the Chinese government involved? And separately, as a sports fan, can you give us your reaction to the FIFA bribery scandal? Thank you.

President Obama: With respect to FIFA, I cannot comment on a pending case by our Attorney General. I will say that in conversations I've had here in Europe, people think it is very important for FIFA to be able to operate with integrity and transparency and accountability.

And so as the investigation and charges proceed, I think we have to keep in mind that although football -- soccer -- depending on which side of the Atlantic you live on, is a game, it's also a massive business. It is a source of incredible national pride, and people want to make sure that it operates with integrity.

The United States, by the way, since we keep on getting better and better at each World Cup, we want to make sure that a sport that's gaining popularity is conducted in an upright manner.



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I don't want to discuss -- because we haven't publicly unveiled who we think may have engaged in these cyber-attacks -- but I can tell you that we have known for a long time that there are significant vulnerabilities and that these vulnerabilities are going to accelerate as time goes by, both in systems within government and within the private sector. This is why it's so important that Congress moves forward on passing cyber legislation -- cybersecurity legislation that we've been pushing for; why, over the last several years, I've been standing up new mechanisms inside of government for us to investigate what happens and to start finding more effective solutions.

Part of the problem is, is that we've got very old systems. And we discovered this new breach in OPM precisely because we've initiated this process of inventorying and upgrading these old systems to address existing vulnerabilities. And what we are doing is going agency by agency, and figuring out what can we fix with better practices and better computer hygiene by personnel, and where do we need new systems and new infrastructure in order to protect information not just of government employees or government activities, but also, most importantly, where there's an interface between government and the American people.

And this is going to be a big project and we're going to have to keep on doing it, because both state and non-state actors are sending everything they've got at trying to breach these systems. In some cases, it's non-state actors who are engaging in criminal activity and potential theft. In the case of state actors, they're probing for intelligence or, in some cases, trying to bring down systems in pursuit of their various foreign policy objectives. In either case, we're going to have to be much more aggressive, much more attentive than we have been.

And this problem is not going to go away. It is going to accelerate. And that means that we have to be as nimble, as aggressive, and as well-resourced as those who are trying to break into these systems.

Justin Sink.

Question: Thanks, Mr. President. I wanted to ask about two things that were on the agenda at the G7 this weekend. The first was the Islamic State. You said yesterday, ahead of your meeting with Prime Minister Cameron, that you'd assess what was working and what wasn't. So I'm wondering, bluntly, what is not working in the fight against the Islamic State. And in today's bilateral with Prime Minister Abadi, you pledged to step up assistance to Iraq. I'm wondering if that includes additional U.S. military personnel.

Separately, on trade, Chancellor Merkel said today that she was pleased you would get fast track authority. I'm wondering if that means that you gave her or other leaders here assurance that it would go through the House. And if it doesn't, what does it say about your ability to achieve meaningful agreements with Congress for the remainder of your time in office?



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President Obama: Well, on the latter question, I'm not going to hypothesize about not getting it done. I intend to get it done. And, hopefully, we're going to get a vote soon because I think it's the right thing to do.

With respect to ISIL, we have made significant progress in pushing back ISIL from areas in which they had occupied or disrupted local populations, but we've also seen areas like in Ramadi where they're displaced in one place and then they come back in, in another. And they're nimble, and they're aggressive, and they're opportunistic.

So one of the areas where we're going to have to improve is the speed at which we're training Iraqi forces. Where we've trained Iraqi forces directly and equipped them, and we have a train-and-assist posture, they operate effectively. Where we haven't, morale, lack of equipment, et cetera, may undermine the effectiveness of Iraqi security forces. So we want to get more Iraqi security forces trained, fresh, well-equipped and focused. And President Abadi wants the same thing.

So we're reviewing a range of plans for how we might do that, essentially accelerating the number of Iraqi forces that are properly trained and equipped and have a focused strategy and good leadership. And when a finalized plan is presented to me by the Pentagon, then I will share it with the American people. We don't yet have a complete strategy because it requires commitments on the part of the Iraqis, as well, about how recruitment takes place, how that training takes place. And so the details of that are not yet worked out.

Question: Is it fair to say that additional military personnel -- U.S. military personnel are of what's under consideration?

President Obama: I think what is fair to say is that all the countries in the international coalition are prepared to do more to train Iraqi security forces if they feel like that additional work is being taken advantage of. And one of the things that we're still seeing is -- in Iraq -- places where we've got more training capacity than we have recruits. So part of my discussion with Prime Minister Abadi was how do we make sure that we get more recruits in. A big part of the answer there is our outreach to Sunni tribes.

We've seen Sunni tribes who are not only willing and prepared to fight ISIL, but have been successful at rebuffing ISIL. But it has not been happening as fast as it needs to. And so one of the efforts that I'm hoping to see out of Prime Minister Abadi, and the Iraqi legislature when they're in session, is to move forward on a National Guard law that would help to devolve some of the security efforts in places like Anbar to local folks, and to get those Sunni tribes involved more rapidly.

This is part of what helped defeat AQI -- the precursor of ISIL -- during the Iraq War in 2006. Without that kind of local participation, even if you have a short-term success, it's very hard to hold those areas.



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The other area where we've got to make a lot more progress is on stemming the flow of foreign fighters. Now, you'll recall that I hosted a U.N. General Security Council meeting specifically on this issue, and we've made some progress, but not enough. We are still seeing thousands of foreign fighters flowing into, first, Syria, and then, oftentimes, ultimately into Iraq.

And not all of that is preventable, but a lot of it is preventable -- if we've got better cooperation, better coordination, better intelligence, if we are monitoring what's happening at the Turkish-Syria border more effectively. This is an area where we've been seeking deeper cooperation with Turkish authorities who recognize it's a problem but haven't fully ramped up the capacity they need. And this is something that I think we got to spend a lot of time on.

If we can cut off some of that foreign fighter flow then we're able to isolate and wear out ISIL forces that are already there. Because we're taking a lot of them off the battlefield, but if they're being replenished, then it doesn't solve the problem over the long term.

The final point that I emphasized to Prime Minister Abadi is the political agenda of inclusion remains as important as the military fight that's out there. If Sunnis, Kurds, and Shia all feel as if their concerns are being addressed, and that operating within a legitimate political structure can meet their need for security, prosperity, non-discrimination, then we're going to have much easier time.

And the good news is Prime Minister Abadi is very much committed to that principle. But, obviously, he's inheriting a legacy of a lot of mistrust between various groups in Iraq -- he's having to take a lot of political risks. In some cases, there are efforts to undermine those efforts by other political factions within Iraq. And so we've got to continue to monitor that and support those who are on the right side of the issue there.

Colleen Nelson.

Question: Thank you, Mr. President. You mentioned that the U.S. and its European allies have reached a consensus on extending the sanctions against Russia. Is there a consensus, though, about what specifically the next step should be if Russia continues to violate the Minsk agreement? And also, can you deter Russian aggression in other parts of Eastern Europe without a permanent U.S. troop presence?

And separately, I wanted to ask you about the possibility that the court battle over your actions on immigration could extend late into your term. Do you think that there's anything more that you can do for the people who would have benefitted from that program and now are in limbo? And how do you view the possibility of your term ending without accomplishing your goals on immigration?



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President Obama: On Ukraine and Russia and Minsk, there is strong consensus that we need to keep pushing Russia to abide by the terms of the Minsk agreement; we need to continue to support and encourage Ukraine to meet its obligations under Minsk -- that until that's completed, sanctions remain in place.

There was discussion about additional steps that we might need to take if Russia, working through separatists, doubled down on aggression inside of Ukraine. Those discussions are taking place at a technical level, not yet at a political level -- because I think the first goal here going into a European Council meeting that's coming up is just rolling over the existing sanctions. But I think at a technical level, we want to be prepared.

Our hope is, is that we don't have to take additional steps because the Minsk agreement is met. And I want to give enormous credit to Chancellor Merkel, along with President Hollande, who have shown extraordinary stick-to-itiveness and patience in trying to get that done.

Ultimately, this is going to be an issue for Mr. Putin. He's got to make a decision: Does he continue to wreck his country's economy and continue Russia's isolation in pursuit of a wrong-headed desire to re-create the glories of the Soviet empire? Or does he recognize that Russia's greatness does not depend on violating the territorial integrity and sovereignty of other countries?

And as I mentioned earlier, the costs that the Russian people are bearing are severe. That's being felt. It may not always be understood why they're suffering, because of state media inside of Russia and propaganda coming out of state media in Russia and to Russian speakers. But the truth of the matter is, is that the Russian people would greatly benefit. And, ironically, one of the rationales that Mr. Putin provided for his incursions into Ukraine was to protect Russian speakers there. Well, Russian speakers inside of Ukraine are precisely the ones who are bearing the brunt of the fighting. Their economy has collapsed. Their lives are disordered. Many of them are displaced. Their homes may have been destroyed. They're suffering. And the best way for them to stop suffering is if the Minsk agreement is fully implemented.

Oh, immigration. With respect to immigration, obviously, I'm frustrated by a district court ruling that now is winding its way through the appeals process. We are being as aggressive as we can legally to, first and foremost, appeal that ruling, and then to implement those elements of immigration executive actions that were not challenged in court.

But, obviously, the centerpiece, one of the key provisions for me was being able to get folks who are undocumented to go through a background check -- criminal background check -- pay back taxes, and then have a legal status. And that requires an entire administrative apparatus and us getting them to apply and come clean.



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I made a decision, which I think is the right one, that we should not accept applications until the legal status of this is clarified. I am absolutely convinced this is well within my legal authority, Department of Homeland Security's legal authority. If you look at the precedent, if you look at the traditional discretion that the executive branch possesses when it comes to applying immigration laws, I am convinced that what we're doing is lawful, and our lawyers are convinced that what we're doing is lawful.

But the United States is a government of laws and separations of power, and even if it's an individual district court judge who's making this determination, we've got to go through the process to challenge it. And until we get clarity there, I don't want to bring people in, have them apply and jump through a lot of hoops only to have it deferred and delayed further.

Of course, there's one really great way to solve this problem, and that would be Congress going ahead and acting, which would obviate the need for executive actions. The majority of the American people I think still want to see that happen. I suspect it will be a major topic of the next presidential campaign.

And so we will continue to push as hard as we can on all fronts to fix a broken immigration system. Administratively, we'll be prepared if and when we get the kind of ruling that I think we should have gotten in the first place about our authorities to go ahead and implement. But ultimately, this has never fully replaced the need for Congress to act. And my hope is, is that after a number of the other issues that we're working on currently get cleared, that some quiet conversations start back up again, particularly in the Republican Party, about the shortsighted approach that they're taking when it comes to immigration.

Okay. Christi Parsons.

Question: Thank you, Mr. President. More than six million Americans may soon lose health insurance if the Supreme Court this month backs the latest challenge to the Affordable Care Act. A growing number of states are looking for assistance as they face the prospect that their residents may lose federal insurance subsidies and their insurance markets may collapse. Yet, your administration has given very little to no guidance on how states can prepare. What can you tell state leaders and advocates who worry that health care markets in half the country may be thrown into chaos?

President Obama: What I can tell state leaders is, is that under well-established precedent, there is no reason why the existing exchanges should be overturned through a court case. It has been well documented that those who passed this legislation never intended for folks who were going through the federal exchange not to have their citizens get subsidies. That's not just the opinion of me; that's not just the opinion of Democrats; that's the opinion of the Republicans who worked on the legislation. The record makes it clear.



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And under well-established statutory interpretation, approaches that have been repeatedly employed -- not just by liberal, Democratic judges, but by conservative judges like some on the current Supreme Court -- you interpret a statute based on what the intent and meaning and the overall structure of the statute provides for.

And so this should be an easy case. Frankly, it probably shouldn't even have been taken up. And since we're going to get a ruling pretty quick, I think it's important for us to go ahead and assume that the Supreme Court is going to do what most legal scholars who've looked at this would expect them to do.

But, look, I've said before and I will repeat again: If, in fact, you have a contorted reading of the statute that says federal-run exchanges don't provide subsidies for folks who are participating in those exchanges, then that throws off how that exchange operates. It means that millions of people who are obtaining insurance currently with subsidies suddenly aren't getting those subsidies; many of them can't afford it; they pull out; and the assumptions that the insurance companies made when they priced their insurance suddenly gets thrown out the window. And it would be disruptive -- not just, by the way, for folks in the exchanges, but for those insurance markets in those states, generally.

So it's a bad idea. It's not something that should be done based on a twisted interpretation of four words in -- as we were reminded repeatedly -- a couple-thousand-page piece of legislation.

What's more, the thing is working. I mean, part of what's bizarre about this whole thing is we haven't had a lot of conversation about the horrors of Obamacare because none of them come to pass. You got 16 million people who've gotten health insurance. The overwhelming majority of them are satisfied with the health insurance. It hasn't had an adverse effect on people who already had health insurance. The only effect it's had on people who already had health insurance is they now have an assurance that they won't be prevented from getting health insurance if they've got a preexisting condition, and they get additional protections with the health insurance that they do have.

The costs have come in substantially lower than even our estimates about how much it would cost. Health care inflation overall has continued to be at some of the lowest levels in 50 years. None of the predictions about how this wouldn't work have come to pass.

And so I'm -- A, I'm optimistic that the Supreme Court will play it straight when it comes to the interpretation. And, B, I should mention that if it didn't, Congress could fix this whole thing with a one-sentence provision.

But I'm not going to go into a long speculation anticipating disaster.



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Question: But you're a plan-ahead kind of guy. Why not have a plan B?

President Obama: Well, you know, I want to just make sure that everybody understands that you have a model where all the pieces connect. And there are a whole bunch of scenarios not just in relation to health care, but all kinds of stuff that I do, where if somebody does something that doesn't make any sense, then it's hard to fix. And this would be hard to fix. Fortunately, there's no reason to have to do it. It doesn't need fixing. All right?

Thank you very much.

Thank you to the people of Germany and Bavaria.

You guys were wonderful hosts.