

# Transcript: Obama's News Conference at the G-20

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*Following is a transcript of [President Obama's](#) news conference at the [Group of 20](#) summit on Friday, as released by the White House.*

THE PRESIDENT: Good afternoon. Let me, first of all, thank Mayor Luke Ravenstahl, County Executive Dan Onorato, and the people of Pittsburgh for being just extraordinary hosts. Last night during the dinner that I had with world leaders, so many of them commented on the fact that sometime in the past they had been to Pittsburgh -- in some cases it was 20 or 25 or 30 years ago -- and coming back they were so impressed with the revitalization of the city. A number of them remarked on the fact that it pointed to lessons that they could take away in revitalizing manufacturing towns in their home countries. The people here have been just extraordinary, and so I want to thank all of you for the great hospitality.

I will tell you I'm a little resentful because I did not get to Pamela's Diner for pancakes. (Laughter.) Although, Prime Minister [Yukio Hatoyama](#) of Japan did get pancakes. And I don't know how he worked that, but he was raving about them.

Six months ago, I said that the London Summit marked a turning point in the G20's effort to prevent economic catastrophe. And here in Pittsburgh, we've taken several significant steps forward to secure our recovery, and transition to strong, sustainable, and balanced economic growth. We brought the global economy back from the brink. We laid the groundwork today for long-term prosperity, as well.

It's worth recalling the situation we faced six months ago -- a contracting economy, skyrocketing unemployment, stagnant trade, and a financial system that was nearly frozen. Some were warning of a second Great Depression. But because of the bold and coordinated action that we took, millions of jobs have been saved or created; the decline in output has been stopped; financial markets have come back to life; and we stopped the crisis from spreading further to the developing world.

Still, we know there is much further to go. Too many Americans are still out of work, and struggling to pay bills. Too many families are uncertain about what the future will bring. Because our global economy is now fundamentally interconnected, we need to act together to make sure our recovery creates new jobs and industries, while preventing the kinds of imbalances and abuse that led us into this crisis.

Pittsburgh was a perfect venue for this work. This city has known its share of hard times, as older industries like steel could no longer sustain growth. But Pittsburgh picked itself up, and it dusted itself off, and is making the transition to job-creating industries of the future -- from biotechnology to clean energy. It serves as a model for turning the page to a 21st century economy, and a reminder that the key to our future prosperity lies not just in New York or Los Angeles or Washington -- but in places like Pittsburgh.

Today, we took bold and concerted action to secure that prosperity, and to forge a new Framework for Strong, Sustainable and Balanced Growth.

First, we agreed to sustain our recovery plans until growth is restored, and a new framework for prosperity is in place. Our coordinated stimulus plans played an indispensable role in averting catastrophe. Now, we must make sure that when growth returns -- jobs do, too. That's why we will continue our stimulus efforts until our people are back to work, and phase them out when our recovery is strong.

But we can't stop there. Going forward, we cannot tolerate the same old boom and bust economy of the past. We can't grow complacent. We can't wait for a crisis to cooperate. That's why our new framework will allow each of us to assess the others' policies, to build consensus on reform, and to ensure that global demand supports growth for all.

Second, we agreed to take concrete steps to move forward with tough, new [financial regulations](#) so that crises like this can never happen again. Never again should we let the schemes of a reckless few put the world's financial system -- and our people's well-being -- at risk. Those who abuse the system must be held accountable. Those who act irresponsibly must not count on taxpayer dollars. Those days are over.

That's why we've agreed on a strong set of reforms. We will bring more transparency to the [derivatives](#) market. And we will strengthen national capital standards, so that banks can withstand losses and pay for their own risks. We will create more powerful tools to hold large global financial firms accountable, and orderly procedures to manage failures without burdening taxpayers. And we will tie [executive pay](#) to long-term performance, so that sound decisions are rewarded instead of short-term greed. In short, our financial system will be far different and more secure than the one that failed so dramatically last year.

Third, we agreed to phase out subsidies for fossil fuels so that we can transition to a 21st century energy economy -- an historic effort that would ultimately phase out nearly \$300 billion in global subsidies. This reform will increase our energy security. It will help transform our economy, so that we're creating the clean energy jobs of the future. And it will help us combat the threat posed by [climate change](#). As I said earlier this week in New York, all nations have a responsibility to meet this challenge, and together, we have taken a substantial step forward in meeting that responsibility.

Finally, we agreed to reform our system of global economic cooperation and governance. We can no longer meet the challenges of the 21st century economy with 20th century approaches. And that's why the G20 will take the lead in building a new approach to cooperation. To make our institutions reflect the reality of our times, we will shift more responsibility to emerging economies within the [International Monetary Fund](#), and give them a greater voice. To build new markets, and help the world's most vulnerable citizens climb out of poverty, we established a new [World Bank](#) Trust Fund to support investments in food security and financing for clean and affordable energy. And to ensure that we keep our commitments, we agreed to continue to take stock of our efforts going forward.

We have learned, time and again, that in the 21st century, the nations of the world share mutual interests. That's why I've called for a new era of engagement that yields real results for our people --

an era when nations live up to their responsibilities, and act on behalf of our shared security and prosperity.

And that's exactly the kind of strong cooperation that we forged here in Pittsburgh, and earlier this week in New York. Indeed, on issue after issue, we see that the international community is beginning to move forward together. At the G20, we've achieved a level of tangible, global economic cooperation that we have never seen before, while also acting to address the threat posed by climate change. At the [United Nations Security Council](#), we passed a historic resolution to secure loose nuclear materials, to stop the spread of [nuclear weapons](#), and to seek the security of a world without them. And as we approach negotiations with Iran on October 1st, we have never been more united in standing with the United Kingdom, France, Russia, China and Germany in demanding that Iran live up to its responsibilities.

On all of these challenges, there is much more work to be done. But we leave here today more confident and more united in the common effort of advancing security and prosperity for all of our people.

So I'm very grateful to the other world leaders who are here today. And with that, let me take a few questions. I'll start with Ben Feller of AP.

Q: Thank you, Mr. President. The Iranian President said today that your statement of this morning was a mistake, and that your mistakes work in Iran's favor. What gives you any sense that you can genuinely negotiate with them? And also, when you talk about holding Iran accountable, is the military option growing more likely?

THE PRESIDENT: I think it's important to see what happened today building on what happened in New York. You had an unprecedented show of unity on the part of the world community saying that Iran's actions raised grave doubts in terms of their presentation that their nuclear program was for peaceful purposes. Not only did the United States, France, and the United Kingdom who initiated the intelligence that brought this to light, stand before you, but you had China and Russia as well issue statements calling for an immediate IAEA investigation.

That kind of solidarity is not typical. Anybody who's been following responses to Iran would have been doubtful just a few months ago that that kind of rapid response was possible.

So I think Iran is on notice; that when we meet with them on October 1st, they are going to have to come clean and they are going to have to make a choice: Are they willing to go down the path which I think ultimately will lead to greater prosperity and security for Iran, giving up the acquisition of nuclear weapons, and deciding that they are willing to abide by international rules and standards in their pursuit of peaceful [nuclear energy](#); or will they continue down a path that is going to lead to confrontation? And as I said before, what has changed is that the international community I think has spoken. It is now up to Iran to respond.

I'm not going to speculate on the course of action that we will take. We're going to give October 1st a chance. But I think you've heard that even countries who a year ago or six months ago might have been reluctant to even discuss things like sanctions have said that this is an important enough issue to peace and stability in the world that Iran would make a mistake in ignoring the call for them to respond in a forthright and clear manner, and to recognize that the choice they make over the next

several weeks and months could well determine their ability to rejoin the international community or to find themselves isolated.

Last point I'll make specifically with respect to the military, I've always said that we do not rule out any options when it comes to U.S. security interests, but I will also reemphasize that my preferred course of action is to resolve this in a diplomatic fashion. It's up to the Iranians to respond.

Patricia Zengerle at Reuters.

Q: You said a couple months ago that the war in Afghanistan is a war of necessity. Do you think it's possible to meet U.S. objectives there without an extra infusion of U.S. troops? And as you consider this, how does the public's lagging support for the war affect your decision-making now? And how has your review process been affected by the allegations of election fraud? Thank you.

THE PRESIDENT: First of all, let me be clear on our goals. We went into Afghanistan not because we were interested in entering that country or positioning ourselves regionally, but because al Qaeda killed 3,000-plus Americans and vowed to continue trying to kill Americans.

And so my overriding goal is to dismantle the al Qaeda network, to destroy their capacity to inflict harm, not just on us but people of all faiths and all nationalities all around the world, and that is our overriding focus.

Stability in Afghanistan and in Pakistan are critical to that mission. And after several years of drift in Afghanistan, we now find ourselves in a situation in which you have strong commitments from the ISAF coalition, our NATO allies. All of them are committed to making this work. But I think there's also a recognition that after that many years of drift, it's important that we examine our strategies to make sure that they actually can deliver on preventing al Qaeda from establishing safe havens.

Obviously the allegations of fraud in the recent election are of concern to us. And we are still awaiting results. We're awaiting the IEC and the ECC issuing their full report. What's most important is that there is a sense of legitimacy in Afghanistan among the Afghan people for their government. If there is not, that makes our task much more difficult.

In terms of the review process that we're going through, the minute I came into office we initiated a review, and even before that review was completed, I ordered 21,000 additional troops into Afghanistan because I thought it was important to secure the election, to make sure that the Taliban did not disrupt it. What I also said at the time was that after the election, we are going to reassess our strategy, precisely because so much of our success has to be linked to the ability of the Afghan people themselves to provide for their own security, their own training, the Afghan government's ability to deliver services and opportunity and hope to their people.

So we are doing exactly what I said we would do in March. I put in a new commander, General McChrystal, and I asked him to give me an unvarnished assessment of the situation in Afghanistan, and he has done that, as well. But keep in mind that, from the start, my belief was -- and this is shared with our ISAF allies, that our military strategy is only part of a broader project that has to include a civilian component, has to include a diplomatic component, and all those different factors are being weighed and considered at this point. And I will ultimately make this decision based on

what will meet that core goal that I set out at the beginning, which is to dismantle, disrupt, and destroy the al Qaeda network.

With respect to public opinion, I understand the public's weariness of this war, given that it comes on top of weariness about the war in Iraq. Every time we get a report of a young man or woman who's fallen in either of those theaters of war, it's a reminder of the extraordinary sacrifice that they're making. I know that our partners in Afghanistan feel that same pain when they see their troops harmed.

So this is not easy. And I would expect that the public would ask some very tough questions. That's exactly what I'm doing, is asking some very tough questions. And we're not going to arrive at perfect answers. I think anybody who's looked at the situation recognizes that it's difficult and it's complicated. But my solemn obligation is to make sure that I get the best answers possible, particularly before I make decisions about sending additional troops into the theater.

Jon Delano of KDKA. Is Jon around?

Q: Right here.

THE PRESIDENT: Good to see you, Jon.

Q: Thank you, Mr. President. Let me ask you, while we were inside this very safe and secure and beautiful convention center, some 5,000 at least demonstrators were on the outside. Some caused some property damage; others just shouted their messages, much of which had to do that while you believe the G20 summit was a success and represents a positive sign, they see it as something devilish and destructive of the world economy, and particularly the economy of the poor. What's your response to those who are demonstrating and those who oppose this summit?

THE PRESIDENT: Well, first of all, I think it's important just to keep things in perspective for the people of Pittsburgh. If you have looked at any of the other summits that took place, I mean, in London you had hundreds of thousands of people on the streets. In most of these summits, there has been a much more tumultuous response. And I think the mayor and the county executive and all the people of Pittsburgh deserve extraordinary credit for having managed what is a very tranquil G20 summit.

You know, I think that many of the protests are just directed generically at capitalism. And they object to the existing global financial system. They object to free markets. One of the great things about the United States is, is that you can speak your mind and you can protest; that's part of our tradition. But I fundamentally disagree with their view that the free market is the source of all ills.

Ironically, if they had been paying attention to what was taking place inside the summit itself, what they would have heard was a strong recognition from the most diverse collection of leaders in history that it is important to make sure that the market is working for ordinary people; that government has a role in regulating the market in ways that don't cause the kinds of crises that we've just been living through; that our emphasis has to be on more balanced growth, and that includes making sure that growth is bottom up, that workers, ordinary people, are able to pay their bills, get -- make a decent living, send their children to college; and that the more that we focus on

how the least of these are doing, the better off all of us are going to be. That principle was embodied in the communique that was issued.

And so I would recommend those who are out there protesting, if they're actually interested in knowing what was taking place here, to read the communique that was issued.

Laurent Lozano. Is Laurent here? There he is.

Q: I am here. Thank you, Mr. President. I would like to follow up on Iran. Since Iran seems to be so blatantly in breach of its international obligations and with some of your allies, main allies, obviously growing impatient, why even meet with the Iranians on October 1st? And can you also explain to us what happened between the end of 2007 when an intelligence estimate cast doubts on the fact that Iran was pursuing nuclear weapons and this year? What credit should be given to such intelligence?

THE PRESIDENT: Well, first of all, with respect to the intelligence that we presented to the IAEA, this was the work product of three intelligence agencies, not just one. These intelligence agencies checked over this work in a painstaking fashion, precisely because we didn't want any ambiguity about what exactly was going on there. And I think that the response that you saw today indicates the degree to which this intelligence is solid and indicates the degree to which Iran was constructing an enrichment facility that it had not declared, contrary to U.N. resolutions and contrary to the rules governing the IAEA.

In terms of meeting, I have said repeatedly that we're going to operate on two tracks; that our preferred method of action is diplomatic, but if that does not work, then other consequences may follow. I also said -- and this was debated extensively here in the United States because there were some who suggested, you can't talk to Iran, what's the point -- that by keeping the path of diplomacy open, that would actually strengthen world unity and our collective efforts to then hold Iran accountable. And I think you're starting to see the product of that strategy unfold during the course of this week.

What we saw at the United Nations in the Security Council was a strong affirmation of the principles of the Nuclear Non-Proliferation Treaty, and as a consequence, the IAEA is strengthened, and those countries who follow the rules are strengthened when it comes to dealing with countries like North Korea and Iran that don't follow the rules. And that means that when we find that diplomacy does not work we will be in a much stronger position to, for example, apply sanctions that have bite.

Now, as I said, that's not the preferred course of action. I would love nothing more than to see Iran choose the responsible path. Whether they do so or not will ultimately depend on their leaders and they will have the next few weeks to show to the world which path they want to travel.

I'm going to take one last question. I've got to call on one of these guys, you know, they're my constituency here. All right, Chip.

Q: Thank you, Mr. President. You just mentioned sanctions that have bite. What kinds of sanctions -- and I know you can't get into details -- but what kinds of sanctions at all would have bite with Iran? Do you really think any kind of sanction would have an effect on somebody like Ahmadinejad?

Secondly, some of your advisors today said that this announcement was a "victory." Do you consider it a victory? And if so, why didn't you announce it earlier since you've known since you were President-elect?

THE PRESIDENT: This isn't a football game, so I'm not interested in victory; I'm interested in resolving the problem. The problem is, is that Iran repeatedly says that it's pursuing nuclear energy only for peaceful purposes, and its actions contradict its words. And as a consequence, the region is more insecure and vital U.S. interests are threatened.

My job is to try to solve that. And my expectation is that we are going to explore with our allies, with the P5-plus-1, a wide range of options in terms of how we approach Iran, should Iran decline to engage in the ways that are responsible.

You just told me I'm not going to get into details about sanctions, and you're right, I will not. But I think that if you have the international community making a strong united front, that Iran is going to have to pay attention.

In terms of why we didn't come out with it sooner, I already mentioned to Laurent that it is very important in these kinds of high-stakes situations to make sure that the intelligence is right. And we wanted all three agencies -- the French, the Brits, and the Americans -- to have thoroughly scrubbed this and to make sure that we were absolutely confident about the situation there. We are, and now it's up to Iran to respond.

Okay? Thank you very much, everybody. I hope you enjoy Pittsburgh. Thank you. (Applause.)