

The President's News Conference in Chicago, Illinois
May 21, 2012

The President. Good afternoon, everybody. Let me begin by saying thank you to my great friend Rahm Emanuel, the mayor of the city of Chicago, and to all my neighbors and friends, the people of the city of Chicago, for their extraordinary hospitality and for everything that they've done to make this summit such a success. I could not be prouder to welcome people from around the world to my hometown.

This was a big undertaking, some 60 world leaders, not to mention folks who were exercising their freedom of speech and assembly, the very freedoms that our alliance are dedicated to defending. And so it was a lot to carry for the people of Chicago, but this is a city of big shoulders. Rahm, his team, Chicagoans proved that this world-class city knows how to put on a world-class event.

And partly, this was a perfect city for this summit because it reflected the bonds between so many of our countries. For generations, Chicago has welcomed immigrants from around the world, including an awful lot of our NATO allies. And I'd just add that I have lost track of the number of world leaders and their delegations who came up to me over the last day and a half and remarked on what an extraordinarily beautiful city Chicago is. And I could not agree more.

I am especially pleased that I had a chance to show them Soldier Field. I regret that I was not able to take in one of the Crosstown Classics, although I will note that my teams did okay. Now—White Sox fan in the back. [*Laughter*] Right on.

Now, as I said yesterday, NATO has been the bedrock of common security, freedom, and prosperity for nearly 65 years. It hasn't just endured; it has thrived because our nations are stronger when we stand together. We saw that, of course, most recently in Libya, where NATO afforded capabilities that no one else in the world could match.

As President, one of my top foreign policy priorities has been to strengthen our alliances, including NATO, and that's exactly what we've done. Two years ago in Lisbon, we took action in several areas that are critical to the future of our alliance. And we pledged that in Chicago we would do more. Over the last 2 days, we have delivered.

First, we reached agreement on a series of steps to strengthen the alliance's defense capabilities over the next decade. In keeping with the strategic concept we agreed to in Lisbon and in order to fulfill our Article 5 commitment to our collective security, we agreed to acquire a fleet of remotely piloted aircraft, drones, to strengthen intelligence, surveillance, and reconnaissance. We agreed to continue air patrols over our Baltic allies, which reflects our unwavering commitment to collective defense. We also agreed on a mix of conventional nuclear missile and missile defense forces that we need and importantly, we agreed on how to pay for them, and that includes pooling our resources in these difficult economic times.

We're moving forward with missile defense and agreed that NATO is declaring an interim capability for the system. America's contribution to this effort will be a phased adaptive approach that we're pursuing on European missile defense. And I want to commend our allies who are stepping up and playing a leadership role in missile defense as well. Our defense radar in Turkey will be placed under NATO control. Spain, Romania, and Poland have agreed to host key U.S. assets. The Netherlands will be upgrading radars. And we look forward to

contributions from other allies. Since this system is neither aimed at nor undermines Russia's strategic deterrent, I continue to believe that missile defense can be an area of cooperation with Russia.

Second, we're now unified behind a plan to responsibly wind down the war in Afghanistan, a plan that trains Afghan security forces, transitions to the Afghans, and builds a partnership that can endure after our combat mission in Afghanistan ends. Since last year, we've been transitioning parts of Afghanistan to the Afghan National Security Forces and that has enabled our troops to start coming home. Indeed, we're in the process of drawing down 33,000 U.S. troops by the end of this summer.

Here in Chicago, we reached agreement on the next milestone in that transition. At the ISAF meeting this morning, we agreed that Afghan forces will take the lead for combat operations next year, in mid-2013. At that time, ISAF forces will have shifted from combat to a support role in all parts of the country. And this will mark a major step toward the goal we agreed to in Lisbon, completing the transition to Afghan lead for security by the end of 2014 so that Afghans can take responsibility for their own country and so our troops can come home.

This will not mark the end of Afghanistan's challenges, obviously, or our partnership with that important country. But we are making substantial progress against our core objective of defeating Al Qaida and denying it safe haven, while helping the Afghans to stand on their own. And we leave Chicago with a clear roadmap. Our coalition is committed to this plan to bring our war in Afghanistan to a responsible end.

We also agreed on what NATO's relationship with Afghanistan will look like after 2014. NATO will continue to train, advise and assist, and support Afghan forces as they grow stronger. And while this summit has not been a pledging conference, it's been encouraging to see a number of countries making significant financial commitments to sustain Afghanistan's progress in the years ahead. Today the international community also expressed its strong support for efforts to bring peace and stability to South Asia, including Afghanistan's neighbors.

Finally, NATO agreed to deepen its cooperation with partners that have been critical to alliance operations, as in Afghanistan and Libya. Today's meeting was unprecedented. Our 28 allies, joined by 13 nations from around the world—Europe, the Middle East, North Africa, and Asia—each of these countries has contributed to NATO operations in different ways: military, political, financial. And each wants to see us do more together. To see the breadth of those countries represented in that room is to see how NATO has truly become a hub of global security.

So again, I want to thank all my fellow leaders. I think the bottom line is that we are leaving Chicago with a NATO alliance that is stronger, more capable, and more ready for the future. As a result, each of our nations—the United States included—is more secure, and we're in a stronger position to advance the security and prosperity and freedom that we seek around the world.

So with that, I'm going to take a couple of questions, and I'm going to start with Julie Pace of AP [Associated Press]. Where's Julie? There she is.

Pakistan

Q. Thank you, Mr. President. You've said that the U.S. can't deal with Afghanistan without also talking about Pakistan. And yet there has been little public discussion at this summit about Pakistan's role in ending the war. In your talks with President Zardari today, did you make any

progress in reopening the supply lines? And if the larger tensions with Pakistan can't be resolved, does that put the NATO coalition's gains in Afghanistan at risk?

The President. Well, keep in mind my discussion with President Zardari was very brief, as we were walking into the summit, and I emphasized to him what we have emphasized publicly as well as privately. We think that Pakistan has to be part of the solution in Afghanistan, that it is in our national interest to see a Pakistan that is democratic, that is prosperous, and that is stable. That we share a common enemy in the extremists that are found not only in Afghanistan, but also within Pakistan, and that we need to work through some of the tensions that have inevitably arisen after 10 years of our military presence in that region.

President Zardari shared with me his belief that these issues can get worked through. We didn't anticipate that the supply line issue was going to be resolved by this summit. We knew that before we arrived in Chicago, but we're actually making diligent progress on it.

And I think ultimately everybody in the alliance, all of ISAF, and most importantly, the people of Afghanistan and Pakistan understand that neither country is going to have the kind of security, stability, and prosperity that it needs unless they can resolve some of these outstanding issues and join in common purpose with the international community in making sure that these regions are not harboring extremists. So I don't want to paper over real challenges there. There is no doubt that there have been tensions between ISAF and Pakistan, the United States and Pakistan over the last several months. I think they are being worked through both military and diplomatic channels.

But ultimately, it is in our interest to see a successful, stable Pakistan, and it is in Pakistan's interest to work with us and the world community to ensure that they themselves are not consumed by extremism that is in their midst. And so we're going to keep on going at this. And I think every NATO member, every ISAF member is committed to that.

Hans Nichols [Bloomberg News]. Where is Hans?

2012 Presidential Election

Q. Yes, thank you, Mr. President. Yesterday your friend and ally Cory Booker said that an ad that you released, that your campaign released, was nauseating. And it alleged that Romney at Bain Capital was, quote, "responsible for job losses at a Kansas City steel mill." Is that your view that Romney is personally responsible for those job losses? Will comments from Booker and your former auto czar Steve Rattner that have criticized some of these advertisements call on you to pull back a little bit? And generally, can you give us your sense—three part, Mr. President—

The President. [Inaudible]

Q. Could you give us your sense of just what private equity's role is in stemming job losses as they seek a return on investment for their investors? Thank you.

The President. Well, first of all, I think Cory Booker is an outstanding mayor. He is doing great work in Newark and obviously helping to turn that city around. And I think it's important to recognize that this issue is not a, quote, "distraction." This is part of the debate that we're going to be having in this election campaign about how do we create an economy where everybody from top to bottom, folks on Wall Street and folks on Main Street, have a shot at success, and if they're working hard and they're acting responsibly, that they're able to live out the American Dream.

Now, I think my view of private equity is that it is set up to maximize profits. And that's a healthy part of the free market; that's part of the role of a lot of business people; that's not unique to private equity. And as I think my representatives have said repeatedly, and I will say today, I think there are folks who do good work in that area. And there are times where they identify the capacity for the economy to create new jobs or new industries, but understand that their priority is to maximize profits. And that's not always going to be good for communities or businesses or workers.

And the reason this is relevant to the campaign is because my opponent, Governor Romney, his main calling card for why he thinks he should be President is his business experience. He is not going out there touting his experience in Massachusetts. He is saying, I'm a business guy, and I know how to fix it, and this is his business.

And when you're President, as opposed to the head of a private equity form—firm, then your job is not simply to maximize profits. Your job is to figure out how everybody in the country has a fair shot. Your job is to think about those workers who get laid off and how are we paying for their retraining. Your job is to think about how those communities can start creating new clusters so that they can attract new businesses. Your job as President is to think about how do we set up a equitable tax system so that everybody is paying their fair share that allows us then to invest in science and technology and infrastructure, all of which are going to help us grow.

And so if your main argument for how to grow the economy is I knew how to make a lot of money for investors, then you're missing what this job is about. It doesn't mean you weren't good at private equity, but that's not what my job is as President. My job is to take into account everybody, not just some. My job is to make sure that the country is growing, not just now, but 10 years from now and 20 years from now.

And so to repeat: This is not a distraction. This is what this campaign is going to be about—is: What is a strategy for us to move this country forward in a way where everybody can succeed? And that means I've got to think about those workers in that video just as much as I'm thinking about folks who have been much more successful.

Q. Just for—[inaudible]—is Romney personally responsible for those 750 job losses?

The President. What I would say is that Mr. Romney is responsible for the proposals he is putting forward for how he says he is going to fix the economy. And if the main basis for him suggesting he can do a better job is his track record as the head of a private equity firm, then both the upsides and the downsides are worth examining.

Hold on a second. Alister Bull [Reuters].

Greece/Global Economy

Q. Thank you, Mr. President. I'd like to take you back to not this summit, but the one you hosted at Camp David a couple of days ago and whether you feel that you can insure—assure investors there are contingency plans in place to cope, if Greece leaves the euro, to prevent a Lehman-like shock to the U.S. and the global economy?

The President. We had an extensive discussion of the situation in the euro zone, and obviously, everybody is keenly interested in getting that issue resolved.

I'm not going to speculate on what happens if the Greek choose to exit because they've got an election and this is going to be an important debate inside of Greece. Everybody who was

involved in the G-8 summit indicated their desire to see Greece stay in the euro zone in a way that's consistent with the commitments that it's already—that have already been made. And I think it's important for Greece, which is a democracy, to work through what their options are at a time of great difficulty.

I think we all understand, though, what's at stake. What happens in Greece has an impact here in the United States. Businesses are more hesitant to invest if they see a lot of uncertainty looming across the Atlantic because they're not sure whether that's going to mean a further global slowdown. And we're already seeing very slow growth rates and in fact contraction in a lot of countries in Europe. So we had an extensive discussion about how do we strengthen the European project, generally, in a way that does not harm world economic growth, but instead moves it forward.

And I've been clear, I think, in—not just this week, but over the last 2 years about what I think needs to be done. We've got to put in place firewalls that ensure that countries outside of Greece that are doing the right thing aren't harmed just because markets are skittish and nervous.

We've got to make sure that banks are recapitalized in Europe so that investors have confidence. And we've got to make sure that there is a growth strategy to go alongside the need for fiscal discipline, as well as a monetary policy that is promoting the capacity of countries—like a Spain or an Italy—that have put in place some very tough targets and some very tough policies to also offer their constituencies a prospect for the economy improving, job growth increasing, incomes expanding, even if it may take a little bit of time.

And the good news was you saw a consensus across the board, from newly elected President Hollande to Chancellor Merkel, to other members of the European community, that that balanced approach is what's needed right now. They're going to be meeting this week to try to advance those discussions further. We've offered to be there for consultation to provide any technical assistance and work through some of these ideas in terms of how we can stabilize the markets there.

Ultimately, what I think is most important is that Europe recognizes this euro project involves more than just a currency. It means that there's got to be some more effective coordination on the fiscal and the monetary side and on the growth agenda. And I think that there was strong intent there to move in that direction. Of course, they've got 17 countries that have to agree to every step they take. So I think about my 1 Congress, then I start thinking about 17 congresses, and I start getting a little bit of a headache. It's going to be challenging for them.

The last point I'll make is, I do sense greater urgency now than perhaps existed 2 years ago or 2½ years ago. And keep in mind just for folks here in the States, when we look backwards at our response in 2008 and 2009, there was some criticism because we had to make a bunch of tough political decisions.

In fact, there's still criticism about some of the decisions we made. But one of the things we were able to do was to act forcefully to solve a lot of these problems early, which is why credit markets that were locked up started loosening up again. That's why businesses started investing again. That's why we've seen job growth of over 4 million jobs over the last 2 years. That's why corporations are making money, and that's why we've seen strong economic growth for a long time.

And so acting forcefully, rather than in small bite-sized pieces and increments, I think, ends up being a better approach, even though obviously we're still going through challenges ourselves. I mean, some of these issues are ones that built up over decades.

All right? Stephen Collinson [Agence France-Presse]. Where's Stephen?

Yemen

Q. Thank you, Mr. President. As you at this summit try to continue the work of stopping Afghanistan from reverting to its former role as a terrorist haven, terrorists today in Yemen massacred a hundred soldiers. Are you concerned that despite U.S. efforts, Yemen seems to be slipping further into anarchy? And what more can the U.S. do to slow that process?

The President. We are very concerned about Al Qaida activity and extremist activity in Yemen. A positive development has been a relatively peaceful political transition in Yemen, and we participated diplomatically along with Yemen's neighbors in helping to lead to a political transition, but the work is not yet done.

We have established a strong counterterrorism partnership with the Yemeni Government, but there's no doubt that in a country that is still poor, that is still unstable—it is attracting a lot of folks that previously might have been in the FATA before we started putting pressure on them there. And we're going to continue to work with the Yemeni Government to try to identify AQAP leadership and operations and try to thwart them. That's important for U.S. safety. It's also important for the stability of Yemen and for the region.

But I think one of the things that we've learned from the Afghanistan experience is for us to stay focused on the counterterrorism issue, to work with the Government, to not overextend ourselves, to operate smartly in dealing with these issues. And it's not unique to Yemen, by the way. I mean we've got similar problems in Somalia; what's happening now in Mali and the Sahel. And so this is part of the reason why not only is NATO important, but these partnerships that we're establishing is important, because there are going to be times where these partners have more effective intelligence operations, more diplomatic contacts, et cetera, in some of these parts of the world where the state is a little wobbly and you may see terrorists attempting to infiltrate or set up bases.

Yes, I'm going to call on Jake Tapper [ABC News] because, Jake, Jay Carney told me that you've been talking to some of our troops in Afghanistan. And since so much of the topic of this summit has been on Afghanistan, obviously, none of this would be working were it not for the extraordinary sacrifices that they're making, so——

Military Operations in Afghanistan

Q. Thanks, Mr. President. I appreciate it. I put out an invitation for some troops and their families that I know, and I'll just give you two or three of them. Mr. President, if this handoff and withdrawal prove premature, what plans are in place for dealing with an Afghanistan that's fallen apart or is possibly again under Taliban rule? And I'll just do one more. Do you feel that the reporting you receive from the Pentagon fully represents what the on-ground commanders assess? Is there any disconnect between what leaders feel the public and President want to hear versus what is actually occurring on the ground? These are from troops I've met who served in Nuristan Province.

The President. Let me take the second question first. I mean—I think that one of the things that I emphasize whenever I'm talking to John Allen or the Joint Chiefs or any of the officers who are in Afghanistan is, I can't afford a whitewash. I can't afford not getting the very

best information in order to make good decisions. I should add, by the way, that the danger a lot of times is not that anybody is purposely trying to downplay challenges in Afghanistan. A lot of times, it's just the military culture is, we can get it done. And so their thinking is: How are we going to solve this problem? Not: Boy, why is this such a disaster? That's part of the reason why we admire our military so much and we love our troops, because they've got that can-do spirit.

But I think that we have set up a structure that really tries to guard against that. Because even in my White House, for example, I've got former officers who have been in Afghanistan, who I will send out there as part of the national security team of the White House—not simply the Pentagon—to interact and to listen and to go in and talk to the captains and the majors and the corporals and the privates to try to get a sense of what's going on.

And I think the reports we get are relatively accurate in the sense that there is real improvement. In those areas where we've had a significant presence, you can see the Taliban not having a foothold, that there is genuine improvement in the performance of Afghan National Security Forces.

But the Taliban is still a robust enemy. And the gains are still fragile, which leads me then to the second point that you've made in terms of a premature withdrawal. I don't think that there is ever going to be an optimal point where we say: This is all done, this is perfect, this is just the way we wanted it, and now we can wrap up all our equipment and go home. This is a process, and it's sometimes a messy process, just as it was in Iraq.

But think about it: We've been there now 10 years. We are now committing to a transition process that takes place next year, but the full transition to Afghan responsibility is almost 2 years away. And the Afghan security forces themselves will not ever be prepared if they don't start taking that responsibility.

And frankly, the large footprint that we have in Afghanistan over time can be counterproductive. We've been there 10 years. And I think no matter how much good we're doing and how outstanding our troops and our civilians and diplomats are doing on the ground, 10 years in a country that's very different, that's a strain not only on our folks, but also on that country, which at a point is going to be very sensitive about its own sovereignty.

So I think that the timetable that we've established is a sound one; it is a responsible one. Are there risks involved in it? Absolutely. Can I anticipate that over the next 2 years there are going to be some bad moments along with some good ones? Absolutely.

But I think it is the appropriate strategy whereby we can achieve a stable Afghanistan that won't be perfect. We can pull back our troops in a responsible way, and we can start rebuilding America and making some of the massive investments we've been making in Afghanistan here back home, putting people back to work, retraining workers, rebuilding our schools, investing in science and technology, developing our business climate.

So—but there are going to be challenges. The one thing that I'm never doubtful about is just the amazing capacity of our troops and their morale. When I was in Bagram just a couple of weeks ago, the fact that you still have so much determination and stick-to-it-ness and professionalism, not just from our troops, but from all our coalition allies, all of ISAF, is a testament to them. It's extraordinary. And we are very proud of them.

All right, the—since I am in Chicago, even though my Press Secretary told me not to do this, I am going to call on a Chicagoan to ask a Chicago question.

Jay [Jay Levine, CBS 2].

North Atlantic Treaty Organization Summit in Chicago, Illinois

Q. Mr. President.

The President. Good to see you. How you been?

Q. Good to see you too, Mr. President, and good to see you in Chicago. Chicagoans look at you standing there with Chicago, Chicago, Chicago, on the wall behind you. There is an undeniable——

The President. [Inaudible]

Q. ——sense of pride. In your view, how did reality match up to fantasy in welcoming the world leaders to Chicago? And did the demonstrators in any way on the streets undermine your efforts, Mayor Emanuel's efforts, to project the image of Chicago you would have liked to have seen?

The President. I have to tell you, I think Chicago performed magnificently. Those of us who were in the summit had a great experience. If you talk to leaders from around the world, they love the city. Michelle took some of the spouses down to the South Side to see the Comer Center, where wonderful stuff is being done with early education. They saw the Art Institute.

I was just talking to David Cameron. I think he's sneaking off and doing a little sightseeing before he heads home. I encouraged everybody to shop. I want to boost the hometown economy. We gave each leader a "Bean"—a small model—for them to remember, as well as a football from Soldier Field. Many of them did not know what to do with it. [Laughter] So people had a wonderful time. And I think the Chicagoans that they interacted with couldn't have been more gracious and more hospitable. So I could not have been prouder.

Now, I think with respect to the protesters, as I said: This is part of what NATO defends, is free speech and the freedom of assembly. And frankly, to my Chicago press, outside of Chicago, folks really weren't all that stressed about the possibility of having some protesters here, because that's what—part of what America is about. And obviously, Rahm was stressed, but he performed wonderfully, and the Chicago police, Chicago's finest, did a great job under some significant pressure and a lot of scrutiny.

The only other thing I'll say about this is thank you to everybody who endured the traffic situation. Obviously, Chicago residents who had difficulties getting home or getting to work or what have you—that's what can I tell you; that's part of the price of being a world city. But this was a great showcase. And if it makes those folks feel any better, despite being 15 minutes away from my house, nobody would let me go home. I was thinking I would be able to sleep in my own bed tonight. They said I would cause even worse traffic. So I ended up staying in a hotel, which contributes to the Chicago economy. [Laughter]

Thank you, everybody.

NOTE: The President's news conference began at 3:26 p.m. at the South Building. In his remarks, the President referred to Republican Presidential candidate former Gov. W. Mitt Romney of Massachusetts; President Francois Hollande of France; Chancellor Angela Merkel of Germany; White House Press Secretary James F. "Jay" Carney; Gen. John R. Allen, USMC, commander, NATO International Security Assistance Force, Afghanistan; and Prime Minister

David Cameron of the United Kingdom. He also referred to the Federally Administered Tribal Areas (FATA) of Pakistan and Al Qaida in Arabian Peninsula (AQAP).

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