

population indicates how much work remains to be done around the world.

So we would love to engage constructively in a discussion like that. Here's the problem: You had a previous conference—I believe it was in 2001, maybe it was 2002—I think it was 2001—in which it became a session through which folks expressed antagonism towards Israel in ways that were oftentimes completely hypocritical and counterproductive. And we expressed in the run-up to this conference our concerns that if you incorporated—if you adopted all the language from 2001, that's just not something we could sign up for.

So if we have a clean start, a fresh start, we're happy to go. If you're incorporating a previous conference that we weren't involved with that raised a whole set of objectionable provisions, then we couldn't participate, or it wouldn't be worth it for us to participate because we couldn't get past that particular issue.

And unfortunately, even though I think other countries made great efforts to accommodate some of our concerns and assured us that this conference would be more constructive, our participation would have involved putting our imprimatur on something that we just don't believe.

So what we've said—and I said this to Secretary-General Moon who was here addressing the summit—we're happy to work with them to see if we can move forward on some of these issues. Hopefully some concrete steps come out of the conference that we can partner with other countries on to actually reduce discrimination around the globe. But this wasn't an opportunity to do it.

So—okay? I think the—it's warm, and I've got to get home. But I appreciate you guys. Thank you.

By the way, whose wallet is this? Is this one of my staff's here? Did you guys put this on—is

that yours, Marvin? That was to prop up my remarks? Okay, I don't want you to forget it. Thank you, guys.

Iranian American Journalist Incarcerated in Iran

Q. Mr. President, you haven't addressed the Iranian journalist. I think people would like to hear about that.

The President. I will. Obviously, I am gravely concerned with her safety and well-being. We are working to make sure that she is properly treated and to get more information about the disposition of her case.

She is an American citizen, and I have complete confidence that she was not engaging in any sort of espionage. She is an Iranian American who was interested in the country which her family came from, and it is appropriate for her to be treated as such and to be released.

We are going to be in contact with—through our Swiss intermediaries—with the Iranian Government and want to ensure that we end up seeing a proper disposition of this case.

Okay? Thanks. Thank you, guys.

NOTE: The President's news conference began at 12:17 p.m. at the Hilton Hotel. In his remarks, the President referred to Prime Minister Patrick Manning of Trinidad and Tobago and his wife Hazel; President Daniel Ortega Saavedra of Nicaragua; President Juan Evo Morales Ayma of Bolivia; President Rafael Correa Delgado of Ecuador; President Hugo Chavez Frias of Venezuela; President Raul Castro Ruz of Cuba; Secretary-General Ban Ki-moon of the United Nations; White House trip director Marvin Nicholson; and journalist Roxana Saberi. A reporter referred to Sen. John Ensign.

Letter to Congressional Leaders on the New Arrangements to Borrow Fund
April 16, 2009

Dear _____:

I write to ask you to support an essential component of our overall strategy to restore the

health of the U.S. economy and financial system: the U.S. proposal to expand significantly the resources available to the International Monetary Fund (IMF) through its

New Arrangements to Borrow (NAB) and a set of other proposals to strengthen the IMF.

The NAB is a mechanism through which the IMF can obtain supplemental financial resources for use in its lending operations when the IMF's existing resources are substantially drawn down in the face of circumstances that threaten the stability of the international monetary system. The NAB with 26 members was established in 1998, building upon a similar mechanism, the General Arrangements to Borrow, which was created in 1962. The size of the NAB is currently \$50 billion.

The global economic crisis is seriously affecting emerging markets and developing countries, which are now experiencing severe economic declines and a massive withdrawal of capital. The deteriorating conditions threaten to worsen the recessions in these countries and could cause currencies to collapse. Together, these factors, particularly if they become more acute, will further lower global growth and, as we saw during the Asian financial crisis, they will cause U.S. growth, jobs, and exports to fall even more sharply.

Treasury Secretary Geithner concluded that the size of the NAB is woefully inadequate to deal with the type of severe economic and financial crisis we are experiencing, and I agree with him. For that reason, we proposed an expansion of the NAB of up to \$500 billion (of which the U.S. participation would be up to \$100 billion) and a further enlargement of its membership to include increased participation by the major emerging market countries, in particular China and India. We consulted broadly with the Congress on our NAB proposal before we raised it internationally at the G-20 Summit. Other countries are looking to the United States to deliver on our commitment.

The meeting in London with the leaders of the other G-20 countries focused on adopting a common strategy to restart global growth and secure international financial stability for the future. A central element of that strategy was the U.S. proposal to increase the capacity of the IMF to lend to its members, primarily to developing and emerging market countries facing economic and financial difficulties. We

also pledged our support for several other aspects of our participation in the IMF that require congressional action: an IMF quota reform to allow the IMF's governance structure to keep pace with the rapid growth and increasing significance of dynamic emerging economies; an IMF gold sale and related amendments to reform the IMF's income model and provide support for the poorest countries; and an amendment to permit a special one-time allocation of Special Drawing Rights, reserve assets created by the IMF based on a basket of key currencies, that will increase global liquidity and will support the IMF in promoting global financial stability. These reforms should be considered alongside the proposed NAB expansion.

An increase in our participation in the NAB requires the Congress to pass legislation authorizing such participation, which is what we are requesting. Such participation effectively represents an exchange of assets rather than a budgetary expenditure, and it will not result in budgetary outlays or any increase in the deficit. That is because when the United States transfers dollars to the IMF under the NAB, the United States receives in exchange another monetary asset in the form of a liquid, interest-bearing claim on the IMF, which is backed by the IMF's strong financial position, including its significant holdings of gold. Similarly, our increased participation in the NAB does not constitute a request for budget authority; it is conceptually similar to investing government funds in a financial asset with minimal or no risk and is consistent with the findings of the 1967 President's Commission on Budget Concepts.

Our proposal to increase U.S. participation in the NAB by up to \$100 billion as part of an overall increase of \$500 billion was warmly endorsed by the G-20 Leaders. We jointly committed to making substantial progress in reforming and expanding the NAB by the spring IMF meetings on April 25 with a view to having the NAB expansion in place within a few months. I am asking for your help to deliver on that commitment by supporting inclusion of the NAB and related IMF proposals in the most timely legislative vehicle that will enable

the United States to act quickly. Rapid progress is essential to the restoration of confidence in the global economy and financial system so that the global economy can emerge from recession to recovery and to sustained growth.

Therefore, I would welcome your strong endorsement of speedy congressional action on these important initiatives and your agreement that a reformed and expanded NAB as part of a stronger and more responsive IMF is essential to reestablishing the well-being of the global

economy and financial system and, consequently, our own economic recovery.

Sincerely,

BARACK OBAMA

NOTE: Identical letters were sent to Speaker of the House of Representatives Nancy Pelosi; House Minority Leader John A. Boehner; Senate Majority Leader Harry Reid; and Senate Minority Leader Addison M. "Mitch" McConnell. This letter was released by the Office of the Press Secretary on April 20.

Remarks Following a Meeting With Cabinet Members and an Exchange With Reporters

April 20, 2009

The President. Hello, guys. Good to see you. Well, I just had my first official Cabinet meeting. We have one future Cabinet member missing, but everybody else is present and accounted for.

I delivered a few messages. Number one, I am extraordinarily proud of the talent, the diversity, and the work ethic of this team in an unprecedented situation where we had to hit the ground running and get enormous amount done in the first 3 months. Everybody here has performed, I think, at the highest levels. And I'm extraordinarily proud of the quality of this Cabinet.

Number two, I emphasized to this Cabinet that we have had to take some extraordinary steps in order to shore up our financial system and to deal with an unprecedented economic crisis. And as a consequence, we've had to spend a significant amount of money, both on the Recovery Act to create and save jobs and to lay the foundations for long-term sustainable economic growth, also, in order to make sure that the financial systems are strong enough to start lending to businesses and communities so that we can start creating jobs again. That was the right thing to do, and the necessary thing to do.

However, moving forward, we have an obligation, as I talked about in my weekly radio address—or Internet address now—to make sure that this Government is as efficient as possible,

and that every taxpayer dollar that is spent is being spent wisely. Joe Biden is doing an outstanding job working with all the Cabinet members to make sure that the Recovery Act is moving out in—with unprecedented transparency and effectiveness, and I'm very grateful to him and his team for the work that's being done there.

Many of the agencies have already taken some extraordinary steps to consolidate, streamline, and improve their practices. Just a couple of examples: Veterans Affairs has canceled or delayed 26 conferences, saving nearly \$17.8 million, and they're using less expensive alternatives like videoconferencing. The USDA, under Secretary Vilsack, is working to combine a hundred and—1,500 employees from seven office locations into a single facility in 2011, which we estimate will save \$62 million over a 15-year lease term. Janet Napolitano, at the Department of Homeland Security, estimates that they can save up to \$52 million over 5 years just by purchasing office supplies in bulk.

So there are a host of efficiencies that can be gained without increasing our personnel or our budget, but rather decreasing the amount of money that's spent on unnecessary things in order to fund some of the critical initiatives that we've all talked about. Obviously, Bob Gates just came out with a historic budget proposal with respect to the Pentagon, and we expect to follow up with significant procurement reform that's going to make an enormous difference.