

found some willing allies on the other side of the aisle in Congress who have been trying to carve out a lot of exceptions and special loopholes so that folks on Wall Street can keep making these risky bets without any oversight.

I hope that we can pass a bipartisan bill. But bipartisanship cannot mean simply allowing lobbyist-driven loopholes that put American taxpayers at risk. That would not be real reform.

So in the coming weeks, every Member of Congress is going to have to make a decision: Are they going to side with the special interests and the status quo, or are they going to side with the American people? And anyone who opposes this reform is going to be leaving taxpayers on the hook if a crisis like the one that we've just seen ever happens again. And I consider that unacceptable.

My hope and belief is that all of us, Democrats and Republicans, are going to be able to find some common ground on this issue and move it forward. It is too important to become bogged down in the same partisan gridlock and politics that we've seen. It's time that we demanded accountability from Wall Street and protections for consumers so that we don't find ourselves in this same mess again.

All right. So with that, we're going to officially convene the meeting, which will be live-streamed. So let's clear out the room a little bit.

All right. Everybody was much better behaved than usual. [Laughter]

Board Chairman Paul A. Volcker. Well, I guess we're making progress.

The President. Yes, obviously. Usually, I get at least one shouted question. This time everybody was very well behaved. It was good.

Participant. Friday afternoon.

The President. Yes, exactly. [Laughter]

Use of Presidential Veto on Financial Regulatory Reform Legislation

Q. Well, Mr. President, can I ask you—[laughter]—

Participant. You took the bait.

The President. Go ahead. Go ahead.

Q. —if you would veto legislation if the derivatives language isn't as strong as what Senator Dodd has?

The President. You know, I want to see what emerges, but I will veto legislation that does not bring the derivatives market under control and some sort of regulatory framework that assures that we don't have the same kind of crises that we've seen in the past.

Okay. All right. With that, I'm going to turn it over to our chairman, Mr. Paul Volcker.

NOTE: The President spoke at 1:38 p.m. in the Roosevelt Room at the White House. In his remarks, he referred to William H. Donaldson, member, President's Economic Recovery Advisory Board.

Statement on the Anniversary of Washington, DC, Emancipation Day *April 16, 2010*

On this occasion, we remember the day in 1862 when President Lincoln freed the enslaved people of Washington, DC, 9 months before he issued the Emancipation Proclamation. I am proud that an original copy of that document now hangs in the Oval Office, and we remain forever grateful as a nation for the struggles and sacrifices of those Americans who made that emancipation possible.

Americans from all walks of life are gathering in Washington today to remind Members of Congress that although DC residents pay Federal taxes and serve honorably in our Armed Services, they do not have a vote in Congress or full autonomy over local issues. And so I urge Congress to finally pass legislation that provides DC residents with voting representation and to take steps to improve the Home Rule Charter.

The President's Weekly Address *April 17, 2010*

There were many causes of the turmoil that ripped through our economy over the past 2 years. But above all, this crisis was caused by the failures in the financial industry. What's clear is that this crisis could have been avoided if Wall Street firms were more accountable, if financial dealings were more transparent, and if consumers and shareholders were given more information and authority to make decisions.

But that didn't happen. And that's because special interests have waged a relentless campaign to thwart even basic, commonsense rules, rules to prevent abuse and protect consumers. In fact, the financial industry and its powerful lobby have opposed modest safeguards against the kinds of reckless risks and bad practices that led to this very crisis.

The consequences of this failure of responsibility—from Wall Street to Washington—are all around us: 8 million jobs lost, trillions in savings erased, countless dreams diminished or denied. I believe we have to do everything we can to ensure that no crisis like this ever happens again. And that's why I'm fighting so hard to pass a set of Wall Street reforms and consumer protections.

A plan for reform is currently moving through Congress. Here's what this plan would do. First, it would enact the strongest consumer financial protections ever. It would put consumers back in the driver's seat by forcing big banks and credit card companies to provide clear, understandable information so that Americans can make financial decisions that work best for them.

Next, these reforms would bring new transparency to financial dealings. Part of what led to this crisis was firms like AIG and others making huge and risky bets, using things like derivatives, without accountability. Warren Buffett himself once described derivatives bought and sold with little oversight as "financial weapons of mass destruction." That's why through reform we'd help ensure that these kind of complicated financial transactions take place on an open market. Because ultimately,

it is a marketplace that is open, free, and fair that will allow our economy to flourish.

We'd also close loopholes to stop the kind of recklessness and irresponsibility that we've seen. It's these loopholes that allowed executives to take risks that not only endangered their companies, but also our entire economy. And we're going to put in place new rules so that big banks and financial institutions will pay for the bad decisions they make, not taxpayers. Simply put, this means no more taxpayer bailouts. Never again will taxpayers be on the hook because a financial company is deemed too big to fail.

Finally, these reforms hold Wall Street accountable by giving shareholders new power in the financial system. They'll get a say on pay, a vote on salaries and bonuses awarded to top executives. And the SEC will ensure that shareholders have more power in corporate elections so that investors and pension holders have a stronger voice in determining what happens with their life savings.

Now, unsurprisingly, these reforms have not exactly been welcomed by the people who profit from the status quo, as well their allies in Washington. This is probably why the special interests have spent a lot of time and a lot of money lobbying to kill or weaken the bill. Just the other day, in fact, the leader of the Senate Republicans and the chair of the Republican Senate campaign committee met with two dozen top Wall Street executives to talk about how to block progress on this issue.

Lo and behold, when he returned to Washington, the Senate Republican leader came out against commonsense reforms that we've proposed. In doing so, he made the cynical and deceptive assertion that reform would somehow enable future bailouts, when he knows that it would do exactly the opposite. Every day we don't act, the same system that led to bailouts remains in place, with the exact same loopholes and the exact same liabilities. And if we don't change what led to the crisis, we will doom ourselves to repeat it. That's the