

*Chancellor Merkel.* Well, I too am very glad to have had the opportunity to meet again. I think we personally haven't met since the Toronto meetings, so I think it's a very good thing to yet again demonstrate that we are willing to share responsibility together and to use this meeting here to send a signal, really, a good signal for our global growth.

We have worked well together and continue to work well together on a number of areas, and I think in very crucial areas. And I think it's very necessary to work together because only together will we be able to tackle the crucial problems

in the world today, problems and issues such as Afghanistan, the upcoming NATO summit meeting, and also obviously this meeting of the G-20.

So I am confident that here too we shall continue to share responsibility and to work well together.

NOTE: The President spoke at 5:22 p.m. at the Grand Hyatt Seoul hotel. Chancellor Merkel spoke in German, and her remarks were translated by an interpreter.

## Remarks at a Ceremony Honoring the Group of Twenty Small and Medium-Sized Enterprises (SME) Finance Challenge Award Winners in Seoul November 12, 2010

Well, thank you very much. Good afternoon, everybody. And again, to President Lee and the people of the Republic of Korea, thank you for your incredible hospitality.

I'm just going to be very brief. I think we all recognize that economic growth is critical for all our countries. And although it's the big companies that get most of the attention, when it comes to creating jobs and opportunity, often-times, it's the small and medium-sized enterprises that make all the difference in people's lives.

And one of the biggest challenges for such companies is to make sure that they receive the financing that they need. I am very pleased that we have been able through the G-20 to launch this concrete program that is making a difference in people's lives.

Between Koreans, Canadians, and the United States, we're going to contribute \$528 million to put some of the extraordinary ideas that are represented by the winners into practice and to boost the excellent work that they're already doing.

So to all the winners who are here today, congratulations, keep up the outstanding work. And we look forward to—as a consequence of this award—seeing more and more creative mechanisms to finance worthy enterprises. And many of the lessons that are going to be learned from these projects are ones that, hopefully, can be expanded to a whole host of countries for years to come.

So thank you very much for your excellent work.

NOTE: The President spoke at 4:35 p.m. at the Coex Center.

## The President's News Conference in Seoul November 12, 2010

*The President.* Good afternoon, everybody. Before I discuss the G-20, I wanted to briefly comment on the agreement in Iraq that's taken place on the framework for a new government. There's still challenges to overcome, but all indications are that the Government will be representative,

inclusive, and reflect the will of the Iraqi people who cast their ballots in the last election.

This agreement marks another milestone in the history of modern Iraq. Once again, Iraqis are showing their determination to unify Iraq and build its future and that those impulses are

far stronger than those who want Iraq to descend into sectarian war and terror.

For the last several months, the United States has worked closely with our Iraqi partners to promote a broad-based Government, one whose leaders share a commitment to serving all Iraqis as equal citizens. Now Iraq's leaders must finish the job of forming their Government so that they can meet the challenges that a diverse coalition will inevitably face. And going forward, we will support the Iraqi people as they strengthen their democracy, resolve political disputes, resettle those displaced by war, and build ties of commerce and cooperation with the United States, the region, and the world.

Now, here in Seoul, once again, we are very grateful to our hosts—President Lee and the people of Seoul and South Korea—for your extraordinary hospitality.

We came to Seoul to continue the work that has taken us from London to Pittsburgh to Toronto. We worked together to pull the global economy back from catastrophe. To avoid the old cycles of boom and bust that led to that crisis, we committed ourselves to growth that is balanced and sustained, including financial reform and fiscal responsibility.

The actions we took were not always easy or popular, but they were necessary. As a result, the global economy is growing again. Some economies, especially emerging economies, are experiencing strong economic growth. Trade has risen. Jobs are being created, as in the United States, where we've had 10 consecutive months of private sector job growth and created more than 1 million private sector jobs this year alone.

In short, we succeeded in putting the global economy back on the path of recovery, but we also know that the progress has not come nearly fast enough, especially when it comes to my highest priority, which is putting Americans back to work.

Nor have we yet achieved the balanced global growth that we need. Many advanced economies are growing too slowly and not creating enough jobs. Some countries are running large surpluses, others running large deficits. Put

simply, we risk slipping back into the old imbalances that contributed to the economic crisis in the first place and which threaten global recovery.

So here in Seoul, the question was whether our nations could work together to keep the global economy growing. I know the commentary tends to focus on the inevitable areas of disagreement, but the fact is, the 20 major economies gathered here are in broad agreement on the way forward, an agreement that is based on a framework that was put forward by the United States. And for the first time, we spelled out the actions that are required, in four key areas, to achieve the sustained and balanced growth that we need.

First, we agreed to keep focusing on growth. At home, the United States has been doing our part by making historic investments in infrastructure and education, research and clean energy. And as a consequence, our economy is growing again, even as we must do more to ensure that that growth is sustained and translates into jobs for our people.

Here at Seoul, we agreed that growth must be balanced. Countries with large deficits must work to reduce them, as we are doing in the United States, where we're on track to cut our deficit in half by 2013 and where I'm prepared to make tough decisions to achieve that goal. Likewise, countries with large surpluses must shift away from unhealthy dependence on exports and take steps to boost domestic demand. As I've said, going forward, no nation should assume that their path to prosperity is paved simply with exports to the United States.

Second, we agreed that exchange rates must reflect economic realities. Just as the major advanced economies need to keep working to preserve stability among reserve currencies, emerging economies need to allow for currencies that are market driven. This is something that I raised yesterday with President Hu of China, and we will continue to closely watch the appreciation of China's currency. All of us need to avoid actions that perpetuate imbalances and give countries an undue advantage over one another.

Third, we took further steps to implement financial regulatory reform. At home, we are implementing the toughest financial reform since the Great Depression, and we are expecting the same sense of urgency, rather than complacency, among our G-20 partners. Here in Seoul, we agreed to new standards, similar to those that we've passed in the United States, to make sure that banks have the capital they need to withstand shocks and not take excessive risks that could lead to another crisis. And we agreed on an approach to ensure that taxpayers are not asked to pay for future bank failures.

Fourth, we agreed to focus on development as a key driver of economic growth. The work we did here today builds on a new development policy that I announced in September and recognizes that the most effective means of lifting people out of poverty is to create sustainable economic growth, growth that will create the markets of the future. We also agreed on an action plan to combat corruption, which in some countries is the single greatest barrier to economic progress.

Finally, we reaffirmed the need to avoid protectionism that stifles growth and instead pursue trade and investment through open markets. That's why, for example, we will continue to work towards a U.S.-Korea free trade agreement in the coming weeks, not just any agreement, but the best agreement to create jobs both in America and Korea.

And that's why I spoke very frankly to my G-20 partners today about the prospects of the Doha round. For just as emerging economies have gained a greater voice at international financial institutions, in part because of the work we've done here at the G-20, so too must they embrace their responsibilities to open markets to the trade and investment that creates jobs in all our countries.

So again I want to thank our South Korean hosts for a very successful summit. I want to thank my fellow leaders for their partnership. Here in Seoul, we've laid out the steps we must take to realize the balanced and sustained growth that we need. And now and in the days

ahead, these are the commitments that we're going to have to meet.

So with that, let me take a few questions. And I'll start off with Julianna Goldman of Bloomberg.

*South Korea-U.S. Free Trade Agreement*

*Q.* Thank you, Mr. President. A question on the South Korea free trade agreement. If U.S. concerns on autos and beef aren't adequately addressed over the next few weeks, at that point would it be better to just have no deal at all?

*The President.* Well, I've always said that I'm not interested in signing a trade agreement just for the sake of an announcement, I'm interested in trade agreements that increase jobs and exports for the United States and, hopefully, also increase opportunities for our trading partners. I think that is achievable between the United States and Korea.

But the whole issue here from my perspective, and has always been over the last couple of years, is do we have a deal that works for us? That's my first obligation. President Lee's obligation obviously is to make sure it works for Korea. I think we can get a win-win, but it was important to take the extra time so that I am assured that it is a win for American workers and American companies as well as for Korean workers and Korean companies, because I'm the one who's going to have to go to Congress and sell it.

And from my perspective, again, I'm not interested in an announcement but then an agreement that doesn't produce for us. We've had a lot of those in the past, a lot of announcements, but at the same time, we see American manufacturing deteriorate and, as a consequence, a lot of concern back home. And understandably, I think there's a lot of suspicion that some of these trade deals may not be good for America. I think this one can be, but I want to make sure that when I present that trade agreement to Congress, I am absolutely confident that we've got the kind of deal that is good for both countries.

Dan Lothian of CNN.

*Impact of Midterm Elections on U.S. Image Abroad/Tax Reform*

Q. Thank you. After the midterm elections you said that you were open to compromise on the Bush tax cuts. I'm wondering if you're prepared today to say that you're willing to accept a temporary extension for the wealthiest Americans? And then on an unrelated question, do you feel that the election has weakened you on the global stage?

*The President.* The answer to the second question is no. I think what we've seen over the last several days as we've traveled through Asia is that people are eager to work with America, eager to engage with America on economic issues, on security issues, on a whole range of mutual interests. And that's especially true in Asia, where we see such enormous potential. This is the fastest growing part of the world. And we've got to be here, and we've got to work. And I'm absolutely confident that my administration, over the next 2 years, is going to continue to make progress in ensuring that the United States has a presence here not just for the next couple of years, but for decades to come.

With respect to the Bush tax cuts, what I've said is that I'm going to meet with the—both the Republican and Democratic leaders late next week, and we're going to sit down and discuss how we move forward. My number-one priority is making sure that we make the middle class tax cuts permanent, that we give certainty to the 98 percent of Americans who are affected by those tax breaks. I don't want to see their income taxes spike up, not only because they need relief after having gone through a horrendous recession, but also because it would be bad for the economy.

I continue to believe that extending permanently the upper income tax cuts would be a mistake and that we can't afford it. And my hope is, is that somewhere in between there we can find some sort of solution. But I'm not going to negotiate here in Seoul. My job is to negotiate back in Washington with Republican and Democratic leaders.

Ben Feller of AP [Associated Press].

*U.S. Economy/Job Creation and Growth*

Q. Thank you, Mr. President. You came to Asia talking about the deep frustration that Americans feel about the slow pace of recovery in the economy, and over your travels in the past 10 days, you've been talking a lot about sustainable growth. But the American people don't seem as interested in gradual growth as much as they want real, noticeable help right now. Can you promise them that there will be, in fact, noticeable job growth during your 4-year term? And do you think that the unemployment rate will still be north of 9 percent when you run for reelection?

*The President.* Well, I don't have a crystal ball, Ben, but I will say this. First of all, we've grown the economy by a million jobs over the last year. So that's pretty noticeable. I think those million people who've been hired notice those paychecks. And that's 10 consecutive months of private sector job growth.

In order to speed up job growth, we've put forward a range of proposals that I hope to discuss with Democratic and Republican leaders, because I don't think we can just stand pat. I continue to believe that we need to invest in a creaky infrastructure back home. And I think as you travel around Asia, you start seeing other countries investing in infrastructure. That's what the United States has done in the past, but we've been living off the investments that we made back in the thirties, forties, fifties, and sixties. And it's time for us to make sure that we've upgraded our roads and our railways and our airports. That will make us more productive and will put people back to work right now.

I continue to believe that it is important for us to work with businesses to see if we can incentivize them to invest now rather than holding cash waiting for the future. They've got cash to spend. And so we've put forward a series of tax proposals that historically Republicans have supported. And my expectation would be, there's no reason for them not to support it just because I'm supporting it. And so that's a conversation that I hope to have next week.

But we have a recovery. It needs to be speeded up. Government can't hire back the 8 million

people who lost their jobs. Ultimately, that's up to the private sector. But I think we can set the conditions whereby we're seeing significant improvement during the course of the next year, the next 2 years, and we can chip away at the unemployment rate so that we get back to the kinds of levels that reflect a growing middle class and increased opportunity for all people.

Jake Tapper [ABC News].

### *China/U.S. Congress*

Q. Thank you, Mr. President. This communique has a commitment that all countries will refrain from competitive devaluation of currencies. I'm wondering what you think that means concretely when it comes to China's behavior, what you expect from them?

And also, I'm wondering, when it comes to Congress, if you think your party, the Democratic Party, would benefit from new blood, new leadership?

*The President.* I've been very clear and persistent since I came into office that we welcome China's rise. We think the fact that China has grown as remarkably as it has, has lifted millions of people out of poverty, and that is ultimately good for the world and good for America, because it means that China has the opportunity to be a responsible partner. It means that China can be an enormous market for the United States, for Korea, for countries throughout Asia and around the world. And it's just good to get people out of poverty and give them opportunity.

What I've also said is that precisely because of China's success, it's very important that it act in a responsible fashion internationally. And the issue of the RMB is one that is an irritant not just to the United States, but is an irritant to a lot of China's trading partners and those who are competing with China to sell goods around the world. It is undervalued, and China spends enormous amounts of money intervening in the market to keep it undervalued.

And so what we've said is, it's important for China in a gradual fashion to transition to a market-based system. Now, this is something that China has done in the past. And China has also acknowledged that it needs to transition to

a more balanced growth strategy internally, where they're focusing on their enormous domestic market and giving their people the opportunity to buy goods and services and consume, all of which will promote their growth, but also will reduce some of the imbalances around the world.

And so what this communique, I think, communicates, not just to China, but to all of us, is letting currencies reflect market fundamentals, allowing your currency to move up and down, depending on the role that you're playing in the international trading system, is the best way to assure that everybody benefits from trade rather than just some. And the communique strongly communicates that principle.

My expectation is that China is going to make progress on this issue. President Hu is going to be visiting me in Washington in January, and our hope and expectation is, is that we will continue to see progress on this front.

It means some adjustments for China. And so we're—we understand that this is not solved overnight. But it needs to be dealt with, and I'm confident that it can be.

Sheryl Stolberg.

Oh, I think that what we will naturally see is a whole bunch of talented people rise to the top as they promote good ideas that attract the American people when it comes to jobs and investment and how to grow the economy and how to deal with our challenges. I think Speaker Pelosi has been an outstanding partner for me. I think Harry Reid has been a terrific partner in moving some very difficult legislation forward. And I'm looking forward to working with the entire leadership team to continue to make progress on the issues that are important to the American people.

Sheryl [Sheryl Gay Stolberg, New York Times].

### *U.S. Influence Abroad/President's Relationships With World Leaders*

Q. Thank you, Mr. President. I'm hoping to get you in a little bit of a reflective mode. You spoke in your press conference in DC about your relationship with the American people. You said then that it had built slowly, it peaked at this incredible high, and then during the

course of the last 2 years it had gotten rockier and tougher. And I'm wondering if you think the same could be said of your relations with foreign leaders, who maybe were just a teensy bit falling all over you when you first arrived on the world stage.

*The President.* That's not how I remember it. I remember our first G-20, you guys writing the exact same stories you're writing now about the exact same issues. Don't you remember that, Sheryl?

The United States obviously has a special role to play on the international stage, regardless of who is President. We are a very large, very wealthy, very powerful country. We have had outsized influence over world affairs for a century now. And you are now seeing a situation in which a whole host of other countries are doing very well and coming into their own, and naturally, they are going to be more assertive in terms of their interests and ideas. And that's a healthy thing. That's why we now have a G-20, because the old arrangements didn't fully reflect these new realities.

But let's just reflect on this summit. The framework for balanced and sustainable growth is one that we helped to originate. The financial reforms and Basel III are based on ideas that came out of our work and reflect many of the principles that are in Dodd-Frank. The development document that was set forward in this communique tracks the development ideas that I put forward several weeks ago in terms of how we can encourage not just aid, but also self-sufficiency. The corruption initiative that's reflected in the communique was prompted by recommendations and suggestions that we made.

So sometimes, I think, naturally, there's an instinct to focus on the disagreements, because otherwise, these summits might not be very exciting; it's just a bunch of world leaders sitting around intervening. And so there's a search for drama. But what's remarkable is that in each of these successive summits, we've actually made real progress.

And sometimes the progress—charting the progress requires you to go back and look at previous summits, starting off with—let's say, on financial regulatory reform. In Toronto, we

said, here's what we need to do; let's have this ready by the time we get to Seoul. It wasn't real sexy back in Toronto, and nobody really wrote about it, but it actually moved the ball forward in terms of a coordinated response to financial regulation.

IMF reform is something that the United States has said we need to get done. And in previous summits, we said we're going to find a way to get that done. And lo and behold, here we are at this summit, and we've actually achieved what is a huge shift in how power is assigned in these international financial institutions.

So the work that we do here is not always going to seem dramatic. It's not always going to be immediately world changing. But step by step, what we're doing is building stronger international mechanisms and institutions that will help stabilize the economy, ensure economic growth, and reduce some tensions.

Now, last point I'll make on this: Part of the reason that sometimes it seems as if the United States is attracting some dissent is because we're initiating ideas. We're putting them forward. The easiest thing for us to do would be to take a passive role and let things just drift, which wouldn't cause any conflict. But we thought it was important for us to put forward more structure to this idea of balanced and sustained growth. And some countries pushed back. They were concerned about what might this—is this somehow going to lock us in to having to change our growth patterns or our trade policies or what have you. And that resistance is natural. It arises out of the fact that the U.S. is showing leadership and we are pushing to try to bring about changes.

*Q. [Inaudible]*—foreign leaders and if you had noticed any change during your time in office—

*The President.* And I guess what I'm saying is, is that I actually think that my relationships have grown much stronger with the people who I've worked with here.

I mean, when I first came into office, people might have been interested in more photo ops because there had been a lot of hoopla surrounding my election. But I now have a genuine friendship with Prime Minister Singh of India,

and I think that he and I share a level of understanding and interest in working together that didn't exist when I first came onto the scene. I think the same is true for Chancellor Merkel, the same is true for Prime Minister Erdogan, the same is true for President Lee.

That doesn't mean that there aren't going to be differences, but—the same is true for my relationship with President Hu. It wasn't any easier to talk about currency when I had just been elected and my poll numbers were at 65 percent than it is now. It was hard then, and it's hard now. Because this involves the interests of countries and not all of these are going to be resolved easily. And it's not just a function of personal charm; it's a function of countries' interests and seeing if we can work through to align them.

All right. Savannah Guthrie [NBC News].

#### *U.S. Tax Reform/Deficit and National Debt*

Q. A quick follow-up. Some are interpreting your senior adviser David Axelrod's comments to a newspaper back home that your compromise position is to temporarily extend the Bush tax cuts. Is that the wrong interpretation?

*The President.* That is the wrong interpretation, because I haven't had a conversation with Republican and Democratic leaders. Here's the right interpretation. I want to make sure that taxes don't go up for middle class families starting on January 1. That's my number-one priority for those families and for our economy.

I also believe that it would be fiscally irresponsible for us to permanently extend the high-income tax cuts. I think that would be a mistake, particularly when we've got our Republican friends saying that their number-one priority is making sure that we deal with our debt and our deficit.

So there may be a whole host of ways to compromise around those issues. I'm not going to negotiate here in Seoul on those issues. But I've made very clear what my priorities are. All right?

Q. Oh, sorry, that was actually my quick follow-up.

*The President.* Oh, I see. [Laughter]

Q. —but this leads me right to my real question, which is, speaking of fiscal responsibility—

*The President.* Yes.

Q.—given the fact that the bulk of the expense of extending the tax cuts to the middle class would be trillions of dollars, in the interest of telling the truth to the American people, can we afford that? Thank you.

*The President.* Well, the middle class in the United States saw their real wages go down 5 percent over the period of 2001 to 2009, at the same time as all their costs were going up. And so giving them permanent relief is good for those families. I also believe strongly it is good for our economy right now, at a time when we are still in recovery.

The costs are significant, and we are going to have to have a discussion about, over the medium and long term, how do we match up our spending with our revenues, because right now they are way out of balance. That's why we have a deficit. That's why we have a debt. And it is our responsibility to the next generation to make sure that that gets solved.

I don't start thinking on the revenue side. I start thinking on the spending side—where can we potentially save money? I'm looking forward to getting the official Bowles-Simpson recommendations. I'm going to study those carefully, consult widely, and see what we can do on the spending side that will have an impact. And then we've got to see how much of a shortfall do we have. And then we're going to have to have a debate, which will probably be a tough debate and has to be an honest debate with the American people about how do we pay for those things that we think are really important.

I think it is really important for us to invest in research and development because that's going to be the key to innovation and our long-term economic success. But we've got to figure out how to pay for that. I think it's really important to invest in our education system. That's going to be a key to our long-term economic growth and competitiveness. How are we going to pay to make sure that young people can go to college? I think it's important to make sure that Social Security and Medicare are there, not just

for this generation, but for the next. How do we make that sustainable?

So that's going to be a series of tough conversations. What I know is that if we're spending \$700 billion—if we're borrowing \$700 billion to pay for tax breaks for folks like me who don't need them and where I'm least likely to spend that money and circulate it in the economy, that's probably not a great approach.

But again, I know that the other side feels very strongly about it, and I'm willing to have a tough, hard-headed discussion with Democratic and Republican leaders about that issue.

Chip Reid [CBS News].

#### *U.S. Federal Reserve System/National Economy*

Q. Thank you, Mr. President. I know it's not your habit to comment on Fed decisions, but there's been quite a bit of reporting, if you believe it, and I'm sure you do, that there's quite a bit of unhappiness among G-20 countries over that decision. And I'm not asking you to comment on the decision. But did you get an earful from other leaders here on the Fed decision? Could you share with us what some of them said? And if you're not willing to delve too deeply into that, what was the number-one complaint, concern, or piece of advice that you got from foreign leaders about the U.S. economy and your stewardship of the economy?

*The President.* What about compliments? You didn't put that in the list. There was only complaints, concerns, or—[laughter]. You know, there was not a lot of discussion about the Fed decision in the leaders' meetings. I think a couple of times there were some veiled references to monetary policy that may have effect on other countries. But it wasn't central to any of the discussions that we had.

I know that on the margins, there was a lot of discussion, and in the press, there was a huge amount of discussion about it. But I have to tell you, that wasn't part of the discussion that we had inside the leaders' meetings.

Most of the discussion had to do with how do we translate this idea of rebalancing into concrete steps. And the communique accurately reflects the consensus. It's puzzling to me that the reporting is all talking about conflict when the

communique actually reflects a hard-won consensus that the world's 20 largest economies signed up for and that gives us some mechanisms to start monitoring, looking at indicators, seeing how countries are doing on this front.

It doesn't provide an enforcement mechanism that says to Korea or the United States or Germany or Brazil, "You have to do something," but it does give the international community the ability to monitor and see exactly what countries are doing and to see if the policies they're pursuing are fair to their trading partners. And if they're not, then it gives a mechanism to apply at least some peer pressure on those countries to start doing something about it.

I think when people talk to me about the U.S. economy, their main concern is, is it growing fast enough. Because a lot of countries, including South Korea, depend a lot on exports, and the U.S. is the world's largest market. They want to see us grow. They want unemployment to go down in the United States. And so I think they're very interested in what are additional strategies that can be used to encourage takeoff in the U.S. economy. And I described to them some of the steps that we're taking and that we're going to be continuing to take in order to make that happen.

I guess the last point I would just make about the Fed decision, when I am asked about it my simple point is to say that, from everything I can see, this decision was not one designed to have an impact on the currency, on the dollar. It was designed to grow the economy.

And there's some legitimate concern that we've had very low inflation, that a huge danger in the United States is deflation, and that we have to be mindful of those dangers going forward because that wouldn't be good for the United States or for the rest of the world. Beyond that, that's just an observation about what I think the intent was.

Last question. Scott Horsley [National Public Radio].

#### *Group of Twenty (G-20) Summit*

Q. One of your top advisers said this morning that the challenges facing the G-20 now are much more manageable than they were at the

height of the crisis. How does that affect the dynamic? Is there some taking the eye off the ball among your fellow leaders?

*The President.* I think what it means is that in the absence of crisis people probably are willing to hunker down a little bit more on some of the negotiations. Speed seems less of the essence, and so people think, well, if it doesn't get solved now, maybe we can put this off for another day.

What's remarkable to me, though, is despite some of those impulses, we're still getting stuff done. And as I emphasized before, we should not anticipate that every time countries come together that we are doing some revolutionary thing. Instead of hitting home runs, sometimes we're going to hit singles. But they're really important singles. And I just listed some of these out.

IMF reform, this is something that folks have been talking about for a decade or more. It's gotten done. Financial regulatory reform—huge lift that we talked about in my first G-20 summit—it is now coming to fruition. We've still got some more work to do, but we've made enormous progress in a huge—really short period of time. Basel II, I think, took a decade to negotiate. We got this done basically in a year and a half.

The development agenda that's been put forward will make a difference. This rebalancing is still a work in progress, but everybody is on record now saying surplus countries and deficit countries both have to be mindful of their policies and think about the adjustments that they need so that we can sustain economic growth and keep our borders open to goods and services over the long term.

So those are all positives, and I think that's an indication of the seriousness with which people take these meetings, even if, as I said, it's not always going to be revolutionary progress, but sometimes evolutionary progress.

I feel obliged to take maybe one question from the Korean press, since you guys have been such excellent hosts. Anybody? This gentleman right here. He's got his hand up. He's the only one who took me up on it. Go ahead. And I'll probably need a translation, though, if

you're asking the question in Korean. In fact, I definitely will need a translation. [Laughter]

Q. Unfortunately, I hate to disappoint you, President Obama, I'm actually Chinese. [Laughter]

*The President.* Well, it's wonderful to see you.

Q. But I think I get to represent the entire Asia.

*The President.* Absolutely.

Q. We're one family here in this part of the world.

*The President.* Well, your English is better than my Mandarin also. [Laughter]

Q. Thank you.

*The President.* But—now, in fairness, though, I did say that I was going to let the Korean press ask a question. So the—I think that you held up your hand anyway.

Q. How about will my Korean friends allow me to ask a question on your behalf? Yes or no?

*The President.* Well, it depends on whether there's a Korean reporter who would rather have the question. No, no takers?

Q. [Inaudible]

*The President.* Oh, this is getting more complicated than I expected. [Laughter]

Q. Take quick, one question from an Asian, President Obama.

*The President.* Well, the—as I said, I was going to—go ahead and ask your question, but I want to make sure that the Korean press gets a question as well. Go ahead.

#### *U.S. Perception of the President's Actions*

Q. Okay. My question is very simple. You mentioned interpretation. I know part of the difficulty being the American President is that some of the decisions that you take, actions you make will be interpreted in a way that are not what you thought they would be or what you meant they would be. For instance, some of the actions you've taken were interpreted as anti-business domestically in the United States. And as someone just mentioned, some of the actions taken by the U.S. Government that you represent as well were interpreted as sacrificing other countries' interests for America's own benefit. So it's—you find yourself constantly being

interpreted in a thousand different ways. How do you address these interpretations?

*The President.* With wonderful press conference like this that give me the opportunity, hopefully, to provide my own interpretation. But look, you make a valid point. We live in a connected world. Everything I say, everything my administration does, anything one of my aides does is interpreted in one fashion or another. In America, we call it spin. And there's a spin cycle that is going on 24 hours a day, 7 days a week. And I think that in this media environment, it is in some ways more challenging to make sure that your message and your intentions are getting out in a consistent basis.

But I think that if I'm consistent with my actions and I'm consistent with my goals, then over time, hopefully, people look at my overall trajectory and they can draw accurate conclusions about what we're trying to do.

With respect to business, for example, we've had in the United States some battles between myself and some in the business community around issues like financial regulation or health care. At the same time, I've said repeatedly and I said on this trip, we can't succeed unless American businesses succeed. And I'm going to do everything I can to promote their ability to grow and prosper and to sell their goods both in the United States and abroad. And the fact that the economy is now growing and trade is expanding and the stock market is up, I think, is an indication that I mean what I say. And hopefully, by the end of my administration businesses will look back and say, you know what, actually the guy was pretty good for business, even if at any given point in the road they may be frustrated.

So all right, now I'm stuck with this last one, but I think I've got to go fly a plane.

#### *South Korea-U.S. Free Trade Agreement*

*Q.* [Inaudible]—some of the South Korean citizens have suggested—

*The President.* Right.

*Q.* What led your administration to decide to try and extract further concessions from Korea on imports of American beef? And did you miscalculate the extent that this appears to be non-negotiable here in Korea? Do you really think you can convince people living in Korea to buy more American beef?

*The President.* Well, first of all, beef was not the only issue that was of concern. In fact, a larger concern had to do with autos. And the concern is very simple. We've got about 400,000 Korean autos in the United States and a few thousand American cars here in Korea. And people are concerned about whether the standards, the nontariff barriers with respect to autos, is something that is preventing us from being able to compete with very good products.

Now, I think that we can find a sweet spot that works both for Korea and the United States. But I repeat, I'm not interested in trade agreements just for the sake of trade agreements. I want trade agreements that work for the other side, but my main job is to look out for the American people, American workers, and American businesses. And I want to make sure that this deal is balanced. And so we're going to keep on working on it. But I'm confident we can get it done.

All right, thank you very much, everybody. I'm late for my flight.

NOTE: The President spoke at 4:43 p.m. at the Coex Center. In his remarks, he referred to Chancellor Angela Merkel of Germany; Prime Minister Recep Tayyip Erdogan of Turkey; President Lee Myung-bak of South Korea; and Erskine B. Bowles and Alan K. Simpson, Co-chairs, National Commission on Fiscal Responsibility and Reform.

Remarks at the Asia-Pacific Economic Cooperation CEO Summit in  
Yokohama, Japan  
*November 13, 2010*

Thank you so much. Thank you. Good morning. And thank you to Mr. Yonekura for the kind introduction. And thanks to everyone at Nippon Keidanren for hosting APEC's CEO summit this year.

I also want to thank my good friend, Prime Minister Kan, and the Japanese people for their generosity and their hospitality in hosting APEC. It is wonderful to be back in this beautiful country. And we in America are very much looking forward to hosting APEC next year in my home State of Hawaii.

Now, Yokohama is my last stop on a journey that's taken me from Mumbai to New Delhi to Jakarta and to Seoul. And in each place, we have deepened friendships, we have strengthened partnerships, and we have reaffirmed a fundamental truth of our time: In the 21st century, the security and prosperity of the American people is linked inextricably to the security and prosperity of Asia. That's why this was not my first trip here and why it will not be my last. America is leading again in Asia, and today I'd like to talk about why.

Now, the story of Asia over the last few decades is the story of change that is so rapid and transformative that it may be without precedent in human history. The economic miracle that began here in Japan after the Second World War has now swept across the Pacific and throughout the wider region. Countries where people once lived on a few dollars a day are now some of the fastest growing economies in the world, with incomes and living standards that few could have imagined 40 or 50 years ago.

For example, when I lived in Jakarta as a young boy, I can remember the buildings being no more than a few stories tall. There was just one modern shopping center. On Tuesday, I returned to a teeming city of nearly 10 million, filled with skyscrapers and thriving centers of culture and commerce. In Seoul, I noted that there are Koreans who can still remember when their country was little more than rice paddies and small villages. And today, it is one of the

most prosperous democracies in the world. When I was in Mumbai, I met with young entrepreneurs who were putting American technology into Indian electric cars and selling clean water to Indians from filtration equipment purchased from the United States. These are breakthroughs that will continue to fuel growth in a nation that has already lifted millions from poverty.

In barely two generations, these sweeping changes have improved the lives and fortunes of millions of people here in the Asia-Pacific. But in today's interconnected world, what happens in Japan or China or Indonesia also has a direct effect on the lives and fortunes of the American people. That's why I came here.

The Asia-Pacific is where the United States engages in much of our trade and our commerce, where our businesses invest and where we attract investment to our shores, where we buy and where we sell many of our goods and services, exports that support millions of jobs for our people.

Seven of America's 15 top trading partners are now APEC members. Sixty percent of the goods we export go to this region of the world. The United States is also the largest export market for Asia, which has led to more affordable goods and services for American consumers.

And what's more, this is a relationship that will only become more important as this region continues to grow. Within 5 years, Asia's economy is expected to be about 50 percent larger than it is today. And for at least the next 4 years, Asia-Pacific economies will grow faster than the world average.

Now, undoubtedly, this rapid growth will lead to a healthy competition for the jobs and industries of the future. And as President of the United States, I make no apologies for doing whatever I can to bring those jobs and industries to America. But what I've also said throughout this trip is that in the 21st century, there is no need to view trade, commerce, or economic growth as zero-sum games, where