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The President's News Conference With Prime Minister Gordon Brown of the Untied Kingdom in London, England

April 1, 2009

Prime Minister Brown. The whole of the United Kingdom welcomes President Obama and the First Lady on your first official visit to our country. President Obama, you have given renewed hope not only to the citizens of the United States of America, but to all citizens in all part of the world. And I want to thank you for your leadership, your vision, and your courage, which you've already shown in your Presidency, and congratulate you on the dynamism, the energy, and indeed, the achievements that you have been responsible for.

Your first 70 days in office have changed America, and you've changed America's relationship with the world. So I thank you for coming to our country, and I hope you will enjoy your visit with us.

Today we are renewing our special relationship for new times. Ours is not an alliance of convenience, it is a partnership of purpose. It's a partnership that at times of challenge is resilient and at times of change is constant.

President Obama and I are agreed about the significance of this week's G–20 meeting, that the world is coming together to act in the face of unprecedented global financial times. Our first duty is to those who are suffering most, the people anxious about their mortgages, their jobs, and their family's future. For them, the pain of recession is all too real. But let us not forget that in 1929, when the Wall Street crash happened and led to recession, it was not until 1945 that the world came together to reshape the world economy. Then it took more than 15 years.

Today, within months of this financial crisis, we are coming together to solve the common problems we face, we are cooperating to shorten the recession, and we are working together to protect and save jobs. The truth is that today's global problems require global solutions. And at this week's summit, when leaders representing 85 percent of the world's economy are gathering together, this summit cannot simply agree to the lowest common denominator. We must stand united in our determination to do whatever is necessary.

This is an unprecedented financial crisis. People have lost their homes, their jobs, and in some cases, their hope. And President Obama and I are agreed today that the actions we take are global solutions requiring for global problems.

There are really five tests for the G–20 summit, five tests for the world, tests that if met will create a new consensus for the world. The speed and scale of global economic change has overwhelmed the national systems of rules and regulations. So our first test is to agree tougher and more transparent supervision of banks, hedge funds, and what is known as the global shadow banking system. We are both agreed there will be no sustainable recovery until the banks are cleaned up and a new regulatory system is put in place. The second test is to commit to taking the action necessary to bring about a resumption of growth, push back against the global recession, and support families and businesses. The third test is to ensure, by international economic cooperation and by strengthening our international economic institutions, we support growth in emerging markets and developing countries. The fourth test is to reject protectionism and kick-start global trade, and I suggest that an absolute minimum

of $100 billion of trade finance that is so desperately needed. Fifth, we have an obligation to help the poorest, those most vulnerable, but least able to respond to the crisis, by meeting our Millennium Development Goals and keeping our pledges on aid.

Both the United Kingdom and the United States are also embarked on a transition to becoming low-carbon economies, because the President and I share the conviction that green energy technologies will be the major driver of our future economic growth, and we can create millions of green-collar jobs in the world for the future.

Now, we have some tough negotiations ahead. It will not be easy. But I know from my talks this week and from my discussions with President Obama today, that the world does want to come together, that Britain and America working together can help make this consensus not just something that is agreed on paper, but which truly delivers for people everywhere who are worried about their jobs and their hopes and their family budgets.

Today we, the G–20 leaders, will begin our discussions. Tomorrow we must make decisions. And that is what we will do.

We've also discussed how we rebuild Afghanistan by complementing our military action with defense, diplomacy, and development, putting new resources into civilian support for the Afghan reconstruction. The President and I also discussed our hopes that Iran will make the right choice and take advantage of the international community's willingness to negotiate and how we will renew our efforts to deliver security and peace for both the Palestinians and Israel.

Mr. President, I'm honored to be working with you so closely. We share a personal friendship. I believe we can continue to work together for the common good. I repeat: The whole of the United Kingdom is delighted and privileged that you're with us today. Thank you.

President Obama. Thank you so much, Gordon.

Good morning. I am very pleased to be in London, especially with weather of the sort we're seeing today. And I want to thank Prime Minister Brown for hosting us, for his wife taking Michelle on a tour of some wonderful projects around the city, for his leadership throughout this challenge. I have to say, it's not just Gordon and Sarah that have been very hospitable, I had a chance to see their two sons, and we talked about dinosaurs a little bit in between discussions of Afghanistan and Iran. [*Laughter*] So we've had a wonderful time.

And you're to be congratulated because you have shown extraordinary energy and leadership and initiative in laying the groundwork for this summit. All of us owe Prime Minister Brown an extraordinary debt of gratitude for his preparations in what I believe will be a historic and essential meeting of the G–20 nations.

Prime Minister Brown and I had a productive discussion this morning. Both of us greatly value the special relationship between our nations. The United States and the United Kingdom have stood together through thick and thin, through war and peace, through hard times and prosperity, and we've always emerged stronger by standing together. So I'm pleased that my first meeting overseas as President is with Gordon Brown, just as I was pleased to host him in Washington shortly after taking office. And I know that we both believe that the relationship between our two countries is more than just an alliance of interests; it's a kinship of ideals, and it must be constantly renewed.

In our meeting this morning we covered a complex and wide-ranging agenda. It begins, of course, with the global economy. All of us here in London have the responsibility to act with a sense of urgency, and I think that what Prime Minister Brown spoke about, the human

dimensions of this crisis—people losing their homes, losing their businesses that they've worked so hard for, losing their health care in the United States, people around the world who were already desperate before the crisis and may find themselves even more desperate afterwards—that's what our agenda has to begin with, and that's where it will end.

All of us here in London have the responsibility to act with a sense of urgency, and every nation that will be participating has been affected by a crisis that has cost us so much in terms of jobs, savings, and the economic security of our citizens. So make no mistake, we are facing the most severe economic crisis since World War II, and the global economy is now so fundamentally interconnected that we can only meet this challenge together. We can't create jobs at home if we're not doing our part to support strong and stable markets around the world.

The United States is committed, working alongside the United Kingdom, to doing whatever it takes to stimulate growth and demand and to ensure that a crisis like this never happens again. At home, we're moving forward aggressively on both recovery and reform. We've taken unprecedented action to create jobs and restore the flow of credit. And we've proposed a clear set of tough, new 21st century rules of the road for all of our financial institutions. We are lifting ourselves out of this crisis and putting an end to the abuses that got us here.

I know that the G–20 nations are appropriately pursuing their own approaches, and as Gordon indicated, we're not going to agree on every point. I came here to put forward our ideas, but I also came here to listen, not to lecture. Having said that, we must not miss an opportunity to lead. To confront a crisis that knows no borders, we have a responsibility to coordinate our actions and to focus on common ground, not on our occasional differences. If we do, I believe we can make enormous progress. And that's why, in preparation for these meetings, I've reached out and consulted with many of the leaders who are here or will be arriving shortly.

History shows us that when nations fail to cooperate, when they turn away from one another, when they turn inward, the price for our people only grows. That's how the Great Depression deepened. That's a mistake that we cannot afford to repeat.

So in the days ahead, I believe we will move forward with a sense of common purpose. We have to do what's necessary to restore growth and to pursue the reforms that can stabilize our financial system well into the future. We have to reject protectionism and accelerate our efforts to support emerging markets. And we have to put in place a structure that can sustain our cooperation in the months and years ahead.

The Prime Minister and I also covered several other areas of challenge that are fundamental to our common security and prosperity. As he mentioned, we discussed my administration's review of strategy in Afghanistan and Pakistan, a review that benefited greatly from the consultations with our allies.

The city of London, like the United States, was attacked by the Al Qaida terrorists who are still plotting in Pakistan, and we are committed to a focused effort to defeat them. And I want to repeat something that I said during our last visit together: I want to honor the British troops, and their families, who are serving alongside our own on behalf of our common security.

We also discussed the progress that was made yesterday at The Hague, where more than 70 nations gathered to discuss our mutual responsibilities to partner with the Afghan people so that we can deny Al Qaida a safe haven. And in the days ahead, we'll consult further with our NATO allies about training Afghan security forces, increasing our civilian support, and a

regional approach that recognizes the connection between the future of Afghanistan and Pakistan.

And just a few other points, the Prime Minister and I share a common commitment to sustain diplomacy on behalf of a secure and lasting peace between Israel and the Palestinians, and Israel and the Arab world. And we're working together to responsibly end the war in Iraq by transitioning to Iraqi responsibility. We're both committed to diplomacy with Iran that offers the Islamic Republic the opportunity of a better future if it abandons its nuclear weapons ambitions.

And finally, we discussed two of the other long-term challenges that will define our times, which I will be focused on throughout my trip in Europe, the need for global action to confront climate change and a renewed effort on behalf of nuclear nonproliferation, which I will be discussing later today with President Medvedev.

Our immediate task, however, is the critical work of confronting the economic crisis. As I've said, we've passed through an era of profound irresponsibility; now we cannot afford half-measures, and we cannot go back to the kind of risk-taking that leads to bubbles that inevitably bust.

So we have a choice. We can shape our future, or let events shape it for us. And if we want to succeed, we can't fall back on the stale debates and old divides that won't move us forward. Every single nation who's here has a stake in the other. We won't solve all our problems in the next few days, but we can make real and unprecedented progress. We have an obligation to keep it—keep working at it until the burden on ordinary people is lifted, until we've achieved the kind of steady growth that creates jobs and advances prosperity for people everywhere. That's the responsibility we bear; that must be the legacy of our cooperation. And I'm extraordinarily grateful to Gordon for his friendship and his leadership in mobilizing at a time of such significant moment.

Prime Minister Brown. Thank you very much. I said to Barack I was going to introduce him to my friends in the British media.

Nick.

Global Economic Situation

Q. Prime Minister, thank you very much indeed. Nick Robinson, BBC News. A question for you both, if I may. The Prime Minister has repeatedly blamed the United States of America for causing this crisis. France and Germany blame both Britain and America for causing this crisis. Who is right? And isn't the debate about that at the heart of the debate about what to do now?

President Obama. I would say that if you look at the sources of this crisis, the United States certainly has some accounting to do with respect to a regulatory system that was inadequate to the massive changes that had taken place in the global financial system.

I think what is also true is that here in Great Britain, in continental Europe, around the world, we were seeing the same mismatch between the regulatory regimes that were in place and the highly integrated global capital markets that had emerged.

So at this point, I'm less interested in identifying blame than fixing the problem. And I think we've taken some very aggressive steps in the United States to do so, not just responding to the immediate crisis, ensuring that banks are adequately capitalized, dealing with the

enormous drop-off in demand and the contraction that's been taking place, but more importantly over—for the long term, making sure that we've got a set of regulations that are up to the task.

And that includes a number that will be discussed at this summit. I think there's a lot of convergence between all the parties involved about the need, for example, to focus not on the legal form that a particular financial product takes or the institution that it emerges from, but rather what's the risk involved; what's the function of this product and how do we regulate that adequately; much more effective coordination between countries so that we can anticipate some of the risks that are involved; dealing with the problem of derivatives markets and making sure that we've set up systems that can reduce some of the risk there. So I actually think that there's enormous consensus that has emerged in terms of what we need to do now, and I'm a big believer in looking forward rather than backwards.

Prime Minister Brown. You know, I was in Brazil last week, and I think President Lula will forgive me for saying this, he said to me: "When I was leader of the trades unions, I blamed the Government; when I became leader of the opposition, I blamed the Government; when I became the Government, I blamed Europe and America." [*Laughter*]

And he recognizes, as we do, that this is a global problem. It's a global problem that requires a global solution. What essentially happened is that the speed and the pace and the scope of global financial changes, the mobility of capital around the world, overwhelmed system of national regulation. And if we don't accept that as the problem that we've got to solve, then we will not solve the problems this week.

This is a problem to build cross-border supervision, to actually deal with the rules globally that can govern the financial supervision of banks and markets and to root out the bad practices that have partly existed because of the scope by which—because of the speed by which financial markets moved and the scope that they had to cross national boundaries.

So we need global solutions to what is a global problem, and I think we will agree a number of measures, as President Obama said, that will clean up the global financial system.

President Obama. And just one last point I want to make, because it's relevant to this issue of responsibility versus blame. I had a professor when I was in law school who said some are to blame but all are responsible. And I think that's the best way for us to approach the problem that we have right now.

I do think that, across borders, there has been a tendency to believe that whatever the global capital markets were doing was ultimately beneficial. I am a big believer in global capital markets and their potential to provide capital to countries that might not otherwise be able to grow, the possibilities of increasing living standards in ways that we have not seen previously in world history. But what we have to understand is, is that that's going to require some sort of regulatory framework to make sure that it doesn't jump the rails. And that, I think, is something that we're going to be able to put together.

Jennifer Loven of AP [Associated Press]. Where's Jennifer? There you are.

America's Influence Abroad/Global Economic Stabilization

Q. Thank you, Mr. President, Mr. Prime Minister. Mr. President, you come here with several signs of fairly broad challenges to American economic leadership. There's the resistance to big, new stimulus spending; there's talk of a global—new global currency, talk of even

stricter regulations than are on the table now. How do you answer that? And what do you say to the talk that there's a decline in the American model and American prominence?

And then to the Prime Minister, if I could. French President Sarkozy said he might walk out of the summit if the regulations that are on the table do not get more strict, say, on offshore tax havens and on risky financial products. Can you answer that?

President Obama. Well, I think if you pulled quotes from 10 years ago, 20 years ago, 30 years ago, from previous news reports, you might find similar contentions that America was on decline. And somehow it hasn't worked out that way, because I think that there is a vibrancy to our economic model, a durability to our political model, and a set of ideals that has sustained us through even the most difficult times.

Now, with respect to the current crisis, I think that there is no doubt that at a time when the world is fearful, that there is a strong tendency to look for somebody to blame. And I think that given our prominence in the world financial system, it's natural that questions are asked—some of them very legitimate—about how we have participated in global financial markets.

Having said that, I am absolutely confident that this meeting will reflect enormous consensus about the need to work in concert to deal with these problems. I think that the separation between the various parties involved has been vastly overstated. If you look at where there has been the biggest debate—and I think that the press has fastened on this as a ongoing narrative, this whole issue of fiscal stimulus. And the fact of the matter is, is that almost every country that's participating in this summit has engaged in fiscal stimulus. The ones that are perceived as being resistant to fiscal stimulus have done significant fiscal stimulus. There has not been a dispute about the need for Government to act in the face of a rapidly contracting set of markets and very high unemployment.

Now, there have been differences in terms of how should that stimulus be shaped. There have been arguments, for example, among some European countries that because they have more of a social safety net, that some of the countercyclical measures that we took—for example, unemployment insurance—were less necessary for them to take. But the truth is, is that that's just arguing at the margins. The core notion that Government has to take some steps to deal with a contracting global marketplace and that we should be promoting growth, that's not in dispute.

On the regulatory side, this notion that somehow there are those who are pushing for regulation and those who are resisting regulation is belied by the facts. Tim Geithner, who's sitting here today, went before Congress and proposed as aggressive a set of regulatory measures as any that have emerged among G–20 members. That was before we showed up.

And in conversations that Gordon and I had with our teams, I think there's great symmetry in our belief that even as we deal with the current crisis, we've got to make sure that we're preventing future crises like this from happening again.

On the topic of emerging markets and making sure that they have the finances that they need to weather the storm, poor countries are getting help, and they're not being lost in the shuffle, there is complete concurrence.

So I know that when you've got a bunch of heads of state talking, it's not visually that interesting—[*laughter*]—and it—you know, the communiques are written in sort of dry language, and so there's a great desire to inject some conflict and some drama into the occasion. But the truth of the matter is, is that I think there has been an extraordinary

convergence, and I'm absolutely confident that the United States, as a peer of these other countries, will help to lead us through this very difficult time.

Prime Minister Brown. Let me also add that I'm confident that President Sarkozy will not only be here for the first course of our dinner, but will still be sitting as we complete our dinner this evening.

And I think, as President Obama has said, look, never before has the world come together in this way to deal with an economic crisis. Any of the crises that we've seen since the Second World War, you have not had this level of international cooperation. And never before have the world come together with so many countries represented from so many different continents to address this crisis. So we have China, we have India, we have Argentina, Brazil, we have South Africa, we have Russia, as well as Europe and America and Japan.

And we are within a few hours, I think, of agreeing a global plan for economic recovery and reform. And I think the significance of this is that we're looking at every aspect. It is American leadership on the reshaping the financial system, on recapitalizing the banks, on restructuring the banking system that will inform our discussions on the future of the financial system. So I praise President Obama for the work that has been done within only a few days of coming into office.

But we will also be discussing how we can help the emerging markets and the industrializing countries, how they can be protected against the financial storm that is facing them. We will not forget that we have obligations to the poorest countries in the world as well. And so the significance of this is not just that everybody is coming together, but in all those different dimensions of the economic activity of the world, how we can restructure the financial system; how we can get growth back and create jobs in the world; how we can rebuild our financial institutions for the future; how we can help the poorest countries of the world; how we can move forward on low-carbon recovery. You're going to see action.

And of course it's difficult, of course it's complex; you have a large number of countries. But I'm very confident that people not only want to work together, but we agree a common global plan for recovery and reform.

Tom.

Global Economic Stabilization

Q. Tom Bradby, ITV News. Mr. President, I hear what you say, but you've committed a vast sum of your country's money to a huge fiscal stimulus, and we had the clear impression that you wanted other countries to come in behind you a bit more strongly. It appears that we've been told by the governor of the Bank of England we can't do more for the moment, and the French and the Germans won't. Are you disappointed by that? And are you actually still calling on other countries to go further?

President Obama. Well, as I said before, I think that there is broad recognition that in the midst of the worst crisis we've seen since the thirties that governments are going to have to act. And certainly, the United States does not intend to act alone, and we're not. Great Britain has taken serious steps. The European Union has taken serious steps. Australia, Canada, Japan, China have all initiated significant stimulus packages. And I think that our goal is simply to make certain that each country, taking into account its differences in economic circumstances as well as political culture, is doing what is necessary to promote economic growth.

The United States will do its share, but I think that one of the things that Gordon and I spoke about is the fact that in some ways the world has become accustomed to the United States being a voracious consumer market and the engine that drives a lot of economic growth worldwide. And I think that in the wake of this crisis, even as we're doing stimulus we have to take into account our own deficits. We're going to have to take into account a whole host of factors that can increase our savings rate and start dealing with our long-term fiscal position as well as our current account deficits.

Those are all issues that we have to deal with internally, which means that if there's going to be renewed growth, it can't just be the United States as the engine. Everybody is going to have to pick up the pace. And I think that there's a recognition, based on the conversations that I've had with leaders around the world, that that is important.

I should add, by the way, that to the extent that all countries are participating in promoting growth, that also strengthens the arguments that we can make in our respective countries about the importance of world trade, the sense that this isn't a situation where each country is only exporting and never importing, but rather that there's a balance in how we approach these issues. And again, I've actually been pleased with the degree to which there's common agreement on that front.

Prime Minister Brown. Tom, if you were asking this question in a situation where America had done a fiscal stimulus and no one other country except Britain had followed it, then your question would have some legitimacy. But, look, what has happened around the world in the last few months is country after country have contributed to the biggest fiscal stimulus, the biggest injection of resources, the biggest amount of new investment provided by governments into the world economy in the history of the world. And we are in the midst of the biggest fiscal boost that the world economy has ever had.

And so Germany has invested 80 billions; France invested 25 billions; we've invested; other countries in the European have invested. Different countries have their different times for announcing their decisions. Some will do it in their budget, some will do it be financial statements. The combination of all of this, as you will see when you get our communique tomorrow, is the most substantial fiscal stimulus, something on the order of $2 trillion, indeed, more than that. And that is the world coming together to cut interest rates, the world coming together to give a boost to the economy, and of course, the world coming together to deal with the other problem, which is restructuring our financial systems for the future.

And I think it is remarkable that things that people could not have thought possible 10 years ago, even 5 years ago, that you have this coordinated action from all the countries. It is remarkable this is happening. Of course, we want to push it forward tomorrow, and I believe we will.

President Obama. Where's Caren [Caren Bohan, Reuters]? There you are. Hey, Caren.

President's Meeting With President of Russia/Russia-U.S. Relations

Q. Thank you, Mr. President, Prime Minister. You mentioned that you will be meeting later with Russian President Medvedev. What are your aims for that meeting? And could you elaborate on this idea of resetting U.S.-Russian relations? And also, does that mean, as Russia hopes, that you're willing to give ground on issues like missile defense and NATO expansion?

President Obama. Well, this will be the first time that I'm meeting with President Medvedev. I'm very much looking forward to the meeting. We've had a series of conversations on the telephone and exchanged letters.

As I spoke about during the campaign, as Secretary of State Clinton has amplified in some of her remarks and her meetings with top Russian officials, what we've seen over the last several years is drift in the U.S.-Russian relationship. There are very real differences between the United States and Russia, and I have no interest in papering those over. But there are also a broad set of common interests that we can pursue. Both countries, I believe, have an interest in reducing nuclear stockpiles and promoting nuclear nonproliferation. Both countries have an interest in reducing the threat of terrorism. Both countries have an interest in stabilizing the world economy. Both countries have an interest in finding a sustainable path for energy and dealing with some of the threats of climate change that we've discussed.

So, on a whole range of issues, from Afghanistan to Iran to the topics that will be consuming most of our time here at the G–20, I think there's great potential for concerted action. And that's what we will be pursuing.

Now, as has I think been noted in the press, a good place to start is the issue of nuclear proliferation. And one of the things that I've always believed strongly is that both the United States and Russia and other nuclear powers will be in a much stronger position to strengthen what has become a somewhat fragile, threadbare nonproliferation treaty if we are leading by example, and if we can take serious steps to reduce the nuclear arsenal.

I think people on both sides of the Atlantic understand that as much as the constant cloud, the threat of nuclear warfare has receded since the cold war, that the presence of these deadly weapons, their proliferation, the possibility of them finding their way into the hands of terrorists, continues to be the gravest threat to humanity. What better a project to start off than seeing if we can make progress on that front. I think we can.

Prime Minister Brown. Adam.

Timeframe for Economic Stabilization

Q. Both of you today have conjured the alarming specter of the Great Depression, but let's take your most optimistic hopes for this summit. Assuming you're successful, I suspect what millions of people around the world want to know is how much worse is this going to get and how long is it going to last and when is it going to end and growth return.

Prime Minister Brown. It will get worse if people do not act. The option of doing nothing is not available to us. And I think we've seen from past crises, both internationally and in regions of the world, that if people fail to take the decisive action at the beginning, then you risk a longer recession; you risk more businesses being lost; you risk more jobs lost. So of course, these are difficult decisions because governments are moving in where markets have failed and banks have collapsed. But to take these decisions is the right course for the world economy.

Now, I believe that the degree of international cooperation that we can get will determine how quickly all our economies can recover. If there is a stimulus in one country and it's repeated in another country and repeated in other countries, then you can magnify the effect of that stimulus round the world, both for the benefit of the individual country that's making it and for the rest of the world. And if you can see the coordinated cuts in interest rates coming together, then you've got to push for recovery and for new economic activity. And if you can

see the banks, which operate internationally, being cleaned up in every country, then you have a situation where the world will feel confidence and there will be trust in the banking system for people to resume saving, investing, and preparing for the future.

So I believe the level of international cooperation will be one of the major factors that will determine how quickly we can recover. But what we are determined to do is, in this difficult time, protect people in their jobs, make sure that we can get money to mortgage holders and to businesses, and of course, make sure that countries that are in peril at the moment, who don't have their own resources and aren't able to restructure their banking systems, are given resources from the world to enable them to do so.

So the way forward is not to do nothing. The way forward is to take the action that's necessary.

President Obama. I agree with everything that Gordon said. It's been said repeatedly that every financial crisis comes to an end. So it will come to an end at some point. The question is, what have been the costs and how long the downturn.

I think people should take heart from the fact that governments have learned lessons from the thirties; central banks have learned lessons from the thirties. There has been much swifter action, much bolder action, much more coordinated action even prior to this summit than we have seen in previous financial crises. And that means that the prospects of restoring world growth and trade are that much greater.

I do think that Gordon is absolutely right. How well we execute it in the months to come, how well we button down these regulations, how well we each in our own respective countries help banks to deal with the impaired assets that they have on their books so that they can start lending again to businesses and consumers, how effective we are in managing the huge outflows of capital from emerging markets and provide a buffer for very poor and developing countries that are seeing huge contractions in their trade and just don't have a lot of margin for error, how well we reform our international financial institutions so that they can be a more effective player in this whole process, all those things will help determine whether this ends up being a slow-rolling crisis that takes a lot more time to cure, or whether we start seeing significant recovery.

I don't think there's any doubt that 2009 is going to be difficult, and again, when you put a human face on this crisis, the way people experience it most immediately is losing their job, losing their home, losing their savings, losing their pensions. And what I think each of us is committed to doing is to make sure that people are getting immediate help, even as we're solving these broader structural problems, because we don't want that kind of suffering.

But it's also not good for the overall health of the economic system. And that's part of where stimulus has been very helpful. I mean, in our country, the unemployment insurance, the food stamps, the other mechanisms that have put money directly into people's pockets, that's not just good for those individual families; it's also helped to lift consumer spending or at least stabilize consumer spending in a way that will promise better growth in the future.

So, Hans Nichols [Bloomberg News].

Weathering the Economic Climate

Q. Thank you, Mr. President, Mr. Prime Minister. Mr. President, you just spoke about looking forward and not backward, and you also referenced the voracious appetite of the American consumer. What role should the European and American consumer then play in the

quarter that starts today? Should they be spending or saving to alter the velocity of what you just called a slow-rolling crisis?

President Obama. Well, I think that each family has got to look at its circumstances and make those determinations. Obviously, there are a lot of people who are concerned about their job security, or they're concerned about seeing their savings having diminished if they were in the stock market, and I think it's an understandable response to be somewhat cautious in the midst of this kind of uncertainty.

I think the best advice I would have would be to say that despite the current hardships, we are going to get through this, and so you should plan sensibly, in anticipation that this economy is going to recover and new families, young families are going to want to buy new homes, and sooner or later that clunker of a car is going to wear out and people are going to want to buy a new car. And so that basing decisions around fear is not the right way to go.

We are going to get through this difficult time. And I think it is sometimes important to step back and just have some perspective about the differences between now and the Great Depression, when there were no social safety nets in place, when unemployment was 25 or 30 percent. I mean, this is a difficult time, but it's not what happened to our grandparents' generation.

And so I would ask people to be confident about their own futures. And that may mean, in some cases, spending now as investments for the future. There's been a debate back home about our budget. In the midst of this crisis, should we deal with health care? Should we deal with energy? Should we deal with education? And one of the analogies I've used is a family who is having a difficult time—and I actually get letters like this occasionally from voters—one of our parents has lost their job, savings have declined, and so I'm wrestling with whether or not I should go to college, because that will require me taking out a lot of debt, and maybe it would be more responsible for me to go find any job that I can to help the family.

And, you know, when I write back to those families or those individuals I say, you've obviously got to make these decisions yourself, but don't shortchange the future because of fear in the present. And that I think is the most important message that we can send not just in the United States but around the world.

Prime Minister Brown. Barack is absolutely right. Look, surely the most important thing is that people, by the decisions that are made, can have confidence in the future, confidence to be able to make decisions about whether to save or to spend. And all the measures that we are taking—restructuring the banks, putting money into the economy, the public works, and of course, the low-carbon activities that we're encouraging as well—are designed to give people the confidence that their savings are safe; that we've sorted out the problems and are sorting out the problems in the banking system; that we have put resources into economic activity in the economy so that jobs can be saved and jobs can be created. And then people, as consumers, can make their own decisions about what they want to do.

And I think that's the key to the future, that people can see that the problems are being addressed and they themselves can have the confidence either to save or to spend or to invest, confidence in the future. And I believe that we can make a big step towards creating that confidence by some of the decisions that we can make together.

President Obama. All right?

Prime Minister Brown. George. Fine.

World Cup/Great Britain/Upcoming Elections in the United Kingdom

Q. Thank you. George Pascoe-Watson from The Sun. Mr. President, as a President who won with a landslide, have you got any advice for Gordon Brown, the Prime Minister? [*Laughter*] Secondly, what are your things you like most about Great Britain and London? And lastly, England are playing in a World Cup qualifying match in soccer, a game you love. Have you got any good luck message for the England team tonight?

President Obama. Well, let me take all these in turn. I have had enough trouble back home picking my brackets for the college basketball tournament that's taking place there, called March Madness—stirred up all kinds of controversy. The last thing I'm going to do is wade into European football. [*Laughter*] That would be a mistake. I didn't get a briefing on that, but I sense that would be a mistake. [*Laughter*]

Prime Minister Brown. England will win, I can tell you.

President Obama. So that would be point number one.

The thing I love about Great Britain is its people. And there is just a extraordinary affinity and kinship that we have. We owe so much to England, that when you come here there's that sense of familiarity, as well as difference, that makes it just a special place.

I have—the only advice I would give Gordon Brown is the same advice that I gave myself during the campaign and that I've been giving myself over the last 3 months, which is, over time, good policy is good politics. And if every day you are waking up and you are making the very best decisions that you can, despite the fact that sometimes the cards in your hand aren't very good and the options are narrow and the choices are tough, and you are assured to be second-guessed constantly, and that occasionally you're going to make mistakes, but if every day you're waking up saying, how can I make the best possible decisions to create jobs, help young people imagine a better future, provide care to the sick or the elderly or the vulnerable, sustain the planet, if those are the questions that you're asking yourself, then I think you end up doing pretty good.

And the best part is you can wake up and look at yourself in the mirror. And that, I think, is the kind of integrity that Gordon Brown has shown in the past and will continue to show in the future.

Prime Minister Brown. It's been an extraordinary visit already, and I've benefited from Barack's advice not just about elections, but about fitness; we've been talking about not the treadmill of politics, but the treadmill that we're both on every day, the running machines, and how you can manage to do that when you're traveling around the world and going to different countries, and we've been exchanging ideas.

Can I also say it's an extraordinary privilege to have Secretary of State Clinton here and Secretary of State [the Treasury][*] Geithner, and we wish them well in everything that they do as well.

President Obama. And we thank the entire team. As I said, everybody has worked extraordinarily hard to make this successful. We are very grateful for the hospitality. There's one last thing that I should mention that I love about Great Britain, and that is the Queen. And so I'm very much looking forward to—[*laughter*]—I'm very much looking forward to meeting her for the first time later this evening. And as you might imagine, Michelle has been really

[*] White House correction.

thinking that through—[*laughter*]—because I think in the imagination of people throughout America, I think what the Queen stands for and her decency and her civility, what she represents, that's very important.

Prime Minister Brown. Well, I know the Queen is looking forward to welcoming you, and she's very much looking forward to her discussion with you.

So, thank you very much.

President Obama. Thank you. Good to see you.

NOTE: The President's news conference began at 10:15 a.m. at the Foreign and Commonwealth Building. In his remarks, the President referred to John and Fraser Brown, sons of Prime Minister Brown; Secretary of the Treasury Timothy F. Geithner; and Queen Elizabeth II of the United Kingdom. A reporter referred to Mervyn Allistair King, governor, Bank of England.

Categories: Interviews With the News Media : Joint news conferences :: United Kingdom, Prime Minister Brown.

Locations: London, England.

Names: Brown, Gordon; Brown, James "Fraser"; Brown, John; Brown, Sarah; Clinton, Hillary Rodham; Geithner, Timothy F.; Medvedev, Dmitry A.; Obama, Michelle; Queen Elizabeth II.

Subjects: Afghanistan : Afghan military and security forces; Afghanistan : U.S. policy review; Agriculture, Department of : Food Stamp program; Arms and munitions : Nuclear weapons and material :: Nonproliferation efforts; Arms and munitions : Nuclear weapons and material :: U.S. nuclear weapons stockpile, reduction; Budget, Federal : Deficit; Budget, Federal : Fiscal year 2010 budget; Commerce, international : Financial regulations, modernization efforts; Commerce, international : Free and fair trade; Commerce, international : Global financial markets :: Stabilization efforts; Commerce, international : Global financial markets :: Unrest; Commerce, international : Group of Twenty (G–20) nations; Developing countries : International assistance; Developing countries : Recession, effects; Economy, national : Credit markets, stabilization efforts; Economy, national : Economic concerns; Economy, national : Financial regulations, modernization efforts; Economy, national : Market volatility; Economy, national : Recession, effects; Economy, national : Strengthening efforts; Employment and unemployment : Job creation and growth; Employment and unemployment : Unemployment insurance; Environment : Climate change; Environment : Climate change ; Iran : Diplomatic relations with U.S.; Iran : Nuclear weapons development; Iraq : U.S. military forces :: Deployment; Middle East : Peace and democracy efforts; North Atlantic Treaty Organization; Pakistan : Federally Administered Tribal Areas, suspected terrorist safe havens; Russia : Nuclear weapons and material, risk of proliferation; Russia : Nuclear weapons stockpile, reduction; Russia : President; Russia : Relations with U.S.; Russia: Energy cooperation with U.S.; Sports : Basketball; Sports : Soccer; State, Department of : Secretary; Taxation : Tax relief; Terrorism : Al Qaida terrorist group; Terrorism : Counterterrorism efforts; United Kingdom : Afghanistan :: British military forces, deployment; United Kingdom : Prime Minister; United Kingdom : Relations with U.S.

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