

Administration of Barack H. Obama, 2010

Remarks Following a Meeting With Federal Reserve Chairman Ben S. Bernanke and an Exchange With Reporters

June 29, 2010

The President. Well, I just had an excellent conversation with Chairman Bernanke. This is a periodic discussion that we have to get the Chairman's assessment of the economy and to discuss some of the policy initiatives that we have here at the White House.

I think in our discussions, we share the view that the economy is strengthening, that we are into recovery, that it's actually led by some interesting sectors like manufacturing that we haven't seen in quite some time: the tech sectors are strong. We have gone from losing 750,000 jobs per month to 5 months of job growth now, private sector job growth that is obviously so important to consumer confidence and the well-being of the economy overall.

But what we also agreed is that we've still got a lot of work to do. There is a great concern about the 8 million jobs that were lost during the course of these last 2 years, and that we've got to continually push the pace of economic growth in order to put people back to work. That ultimately is the measure for most Americans of how well the economy is doing.

And although we've seen corporate profits go up, we have seen some very positive trends in a number of sectors, unfortunately, because of the troubles that we've seen in Europe, we're now seeing some headwinds and some skittishness and nervousness on the part of the markets and on part of business and investors. And so we're still going to have to work through that.

The thing that I think both of us emphasized was that if we can make sure that we continue to do the things that we're doing, deal with folks who need help—so passing unemployment insurance, for example; making sure that we are working to get credit flowing to small businesses that are still having some difficulties in the credit markets; strengthening consumer confidence—then we think that the general trends will be good. But we're going to have to keep on paying a lot of attention to the labor markets and helping people who have been displaced during the last couple of years get back into the labor market. So that's going to be a major challenge.

We also talked about the financial regulatory reform package that has now cleared both the House and the Senate conferees. It will now be going to both the House and the Senate. This was a result of terrific work, I think, by my economic team, by members of the committee and Chairman Dodd and Chairman Frank, and some good advice from Chairman Bernanke in consultation during this process.

Not only will completion of the financial regulatory reform bill provide some certainty to the markets about how we are going to prevent a crisis like this from happening again, but it also ensures that consumers are going to be protected like never before on all the things day to day that involve interactions with the financial system. From credit card debt to mortgages, consumers are going to have the kinds of protections that they have not had before. We're going to be taking a whole range of financial instruments that had been in the shadows and we're going to be putting them in the light of day so that regulators can provide the oversight that potentially would prevent a future crisis. We're going to be in a position to resolve the failure of one institution without seeing it infect the entire financial system.

And this weekend at the G–20, we talked about how we can coordinate effectively with the international community to make sure that high standards for capital and reduced leverage apply not just here in the United States but across the board.

So overall, I think that—listening to Chairman Bernanke, I continue to be convinced that with financial regulatory reform in place, with a recovery well underway, that we have enormous potential to build on the hard work that's been done by this team and put people back to work and keep this recovery and the economy growing over the next several years.

But we can't let up. We're going to have to continue to be vigilant. I know that the Chairman feels the same way with respect to his role. And we look forward to working together in our respective institutions to make sure that we keep this recovery going on track.

Ben.

Chairman Bernanke. Thank you. We had a wide-ranging discussion; I'm very appreciative of the chance to do that. We talked about the outlook for the economy. We talked about financial regulatory reform. The President talked about some of the issues in that area. But I think very importantly, we also talked a lot about the international context. What's happening around the world in the emerging markets, in Europe affects us here in the United States, and it's important for us to take that global perspective as we discuss the economy.

The President. All right.

Death of Senator Robert C. Byrd/Financial Regulatory Reform

Q. Mr. President, are you at all concerned that the passing of Senator Byrd jeopardizes regulatory reform? And how big a blow would that be to the economic recovery?

The President. Well, I'm concerned about the fact that a giant of the Senate and a personal friend of mine passed away. I don't think about that in the context of financial regulatory reform.

I'm confident that given the package that has been put together, that Senators, hopefully on both sides of the aisle, recognize it's time we put in place rules that prevent taxpayer bailouts and make sure that we don't have a financial crisis that can tank the economy. And I think there's going to be enough interest in moving reform forward that we're going to get this done.

But when I think about Senator Byrd, what I think about is somebody who, during the course of an unparalleled career, not only helped to transform the institution of the Senate but, through his own personal transformation, embodied the kind of changes in America that have made us more equal, more just, more fair. And he will be sorely missed.

NOTE: The President spoke at 10:44 a.m. in the Oval Office at the White House.

Categories: Addresses and Remarks : Federal Reserve Chairman Ben S. Bernanke, meeting; Interviews With the News Media : Exchanges with reporters :: White House.

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financial markets :: Stabilization efforts; Commerce, international : Group of Twenty (G–20) nations; Deaths : Byrd, Sen. Robert C.; Economy, national : Credit markets, stabilization efforts; Economy, national : Financial regulations, modernization efforts; Economy, national : Improvement; Economy, national : Recession, effects; Economy, national : Strengthening efforts; Employment and unemployment : Job creation and growth; Employment and unemployment : Job losses; Employment and unemployment : Unemployment insurance; Europe : Financial markets :: Unrest; Reserve System, Federal; West Virginia : U.S. Senator, death.

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