

GI bill. There's a long tradition of us helping people get a good education, because they know—we know that it makes everybody richer. It makes our entire country more competitive and stronger.

Some of these folks in Congress, they were saying we're just talking about student loans to distract from the economy. I guess they don't get this is the economy. Helping you get the skills that businesses are looking for, that's one of the best things we can do for the economy. Making college affordable, that's one of the best things we can do for the economy. Putting opportunity within the reach of everybody, no matter what you look like or where you come from, that's what America is about. But these guys say that students like you should pay more, so we can bring down the deficit they say.

Now, keep in mind, they ran up this deficit for over a decade. Now they want to cut loans to students while giving tax breaks to oil companies and folks like me who don't need tax breaks. They voted to let millionaires and billionaires keep paying lower taxes than middle class workers. They voted to give an average tax cut of at least \$150,000 to every millionaire in America, but they want you to pay an extra \$1,000 a year for college. It doesn't make any sense. It's wrong. It's wrong.

Look, here in America, we admire success. That's why a lot of you are going to school. We work and study for it. And if folks aren't willing to help themselves, we can't help them. But America is about more than just protecting folks who have already done well. It's about giving everybody a chance to do well. It's about hard work and responsibility being rewarded. It's about everybody having the chance to get ahead and then reach back and help somebody behind you so that everybody has a chance.

That's what makes us strong. That's what makes us strong.

So, if you agree with me, I need your help. Some of these folks in Congress are a little stubborn. So I need your help. You've got to tell Congress, don't double my rate. Call them up, e-mail them, post on their Facebook wall, tweet them. [Laughter] We've got a hashtag: #dontdoublemyrate. Don't double my rate.

Never forget that your voice matters. I know sometimes it seems like Washington isn't listening. And frankly, Congress sometimes isn't. But we're talking about issues that have a real impact on your lives, real impact on your futures. Making education more affordable, that's real. Making homes more affordable, making it a little easier for you to make your mortgage payments, that's real. Building an economy that works for everybody, that's real.

So I need you all to stand up. I need you to be heard. Tell Congress now is not the time to double the interest rates on your student loans. Now is the time to double down on the middle class. Now is the time to build an America that lasts. Now is the time to work together, to put people back to work and strengthen our housing market and help our veterans. Let's get this done.

Let's remind the world why the United States of America is the greatest nation on earth. Thank you, Las Vegas. God bless you. God bless America.

NOTE: The President spoke at 12:53 p.m. in the Cox Pavilion. In his remarks, he referred to Gorge Henriquez, student, University of Nevada, Las Vegas; Reno, NV, residents Paul and Valerie Keller; and James T. Fallon, Jr., host, NBC's "Late Night With Jimmy Fallon" program.

Remarks on the National Economy and an Exchange With Reporters June 8, 2012

The President. Good morning. I just want to say a few words about the economy, and then I will take some of your questions.

Today, we're fighting back from the deepest economic crisis since the Great Depression.

After losing jobs for 25 months in a row, our businesses have now created jobs for 27 months in a row, 4.3 million new jobs in all. The fact is, job growth in this recovery has been stronger than in the one following the last

recession a decade ago. But the hole we have to fill is much deeper, and the global aftershocks are much greater. That's why we've got to keep on pressing with actions that further strengthen the economy.

Right now one concern is Europe, which faces a threat of renewed recession as countries deal with a financial crisis. Obviously, this matters to us because Europe is our largest economic trading partner. If there's less demand for our products in places like Paris or Madrid, it could mean less businesses—or less business for manufacturers in places like Pittsburgh or Milwaukee.

The good news is, there is a path out of this challenge. These decisions are fundamentally in the hands of Europe's leaders, and fortunately, they understand the seriousness of the situation and the urgent need to act. I've been in frequent contact with them over the past several weeks, and we know that there are specific steps they can take right now to prevent the situation there from getting worse.

In the short term, they've got to stabilize their financial system. And part of that is taking clear action as soon as possible to inject capital into weak banks. Just as important, leaders can lay out a framework and a vision for a stronger euro zone, including deeper collaboration on budgets and banking policy. Getting there is going to take some time, but showing the political commitment to share the benefits and responsibilities of an integrated Europe will be a strong step.

With respect to Greece, which has important elections next weekend, we've said that it is in everybody's interest for Greece to remain in the euro zone while respecting its commitments to reform. We recognize the sacrifices that the Greek people have made, and European leaders understand the need to provide support if the Greek people choose to remain in the euro zone. But the Greek people also need to recognize that their hardships will likely be worse if they choose to exit from the euro zone.

Over the longer term, even as European countries with large debt burdens carry out necessary fiscal reforms, they've also got to promote economic growth and job creation. As

some countries have discovered, it's a lot harder to rein in deficits and debt if your economy isn't growing. So it's a positive thing that the conversation has moved in that direction and leaders like Angela Merkel and François Hollande are working to put in place a growth agenda alongside responsible fiscal plans.

The bottom line is, the solutions to these problems are hard, but there are solutions. The decisions required are tough, but Europe has the capacity to make them. And they have America's support. Their success is good for us. And the sooner that they act, and the more decisive and concrete their actions, the sooner people and markets will regain some confidence, and the cheaper the costs of cleanup will be down the road.

In the meantime, given the signs of weakness in the world economy, not just in Europe, but also some softening in Asia, it's critical that we take the actions we can to strengthen the American economy right now.

Last September, I sent Congress a detailed jobs plan full of the kind of bipartisan ideas that would have put more Americans back to work. It had broad support from the American people. It was fully paid for. If Congress had passed it in full, we'd be on track to have a million more Americans working this year. The unemployment rate would be lower. Our economy would be stronger.

Of course, Congress refused to pass this jobs plan in full. They did act on a few parts of the bill, most significantly, the payroll tax cut that's putting more money in every working person's paycheck right now. And I appreciate them taking that action. But they left most of the jobs plan just sitting there. And in light of the headwinds that we're facing right now, I urge them to reconsider. Because there are steps we can take right now to put more people back to work. They're not just my ideas, they're not just Democratic ideas, they're ideas that independent, nonpartisan economists believe would make a real difference in our economy.

Keep in mind that the private sector has been hiring at a solid pace over the last 27 months. But one of the biggest weaknesses has been State and local governments, which have

laid off 450,000 Americans. These are teachers and cops and firefighters. Congress should pass a bill putting them back to work right now, giving help to the States so that those layoffs are not occurring.

In addition, since the housing bubble burst, we've got more than a million construction workers out of work. There's nothing fiscally responsible about waiting to fix your roof until it caves in. We've got a lot of deferred maintenance in this country. We could be putting a lot of people back to work rebuilding our roads, our bridges, some of our schools. There's work to be done; there are workers to do it. Let's put them back to work right now.

The housing market is stabilizing and beginning to come back in many parts of the country. But there are still millions of responsible homeowners who've done everything right, but still struggle to make ends meet. So, as I talked about just a few weeks ago, let's pass a bill that gives them a chance to save an average of \$3,000 a year by refinancing their mortgage and taking advantage of these historically low rates. That's something we can do right now. It would make a difference.

Instead of just talking a good game about job creators, Congress should give the small-business owners that actually create most of the new jobs in America a tax break for hiring more workers.

These are ideas that, again, have gotten strong validation from independent, nonpartisan economists. It would make a difference in our economy. And there's no excuse for not passing these ideas. We know they can work.

Now, if Congress decides, despite all that, that they aren't going to do anything about this simply because it's an election year, then they should explain to the American people why. There's going to be plenty of time to debate our respective plans for the future. That's a debate I'm eager to have. But right now people in this town should be focused on doing everything we can to keep our recovery going and keeping our country strong. And that requires some action on the part of Congress. And so I would urge them to take another look at some

of the ideas that have already been put forward.

And with that, I'm going to take a couple of questions. And I'm going to start with Caren Bohan, who is with Reuters, but as we all know, is about to go get a fancy job with National Journal. [Laughter] And we're very proud of her. So congratulations to you, Caren. You get the first crack at me.

Economic Stabilization Efforts in Europe/National Economy

Q. Thank you very much, Mr. President. Could you tell the American people what role the United States is playing in the European debt crisis? And also, do you think European leaders have a handle on what's needed to stem the crisis? And finally, you talked about a number of ideas that you've already put forth to shield the American economy. Do you plan to give a speech or lay out additional ideas now that the crisis is really escalating?

The President. Well, a couple of things. First of all, the situation in Europe is not simply a debt crisis. You've got some countries like Greece that genuinely have spent more than they're bringing in, and they've got problems. There are other countries that actually were running a surplus and had fairly responsible fiscal policies, but had weaknesses similar to what happened here with respect to their housing market or the real estate markets, and that has weakened their financial system. So there are a bunch of different issues going on in Europe. It's not simply a debt crisis.

What is true is, is that the markets getting nervous have started making it much more expensive for them to borrow, and that then gets them on a downward spiral.

We have been in constant contact with Europe over the last—European leaders over the last 2 years, and we have consulted with them both at the head of Government and head of state level. I frequently speak to the leaders not only at formal settings like the G-8, but also on the telephone or via videoconference. And our economic teams have gone over there to consult.

As I said in my opening remarks, the challenges they face are solvable. Right now their focus has to be on strengthening their overall banking system—much in the same way that we did back in 2009 and 2010—making a series of decisive actions that give people confidence that the banking system is solid, that capital requirements are being met, that various stresses that may be out there can be absorbed by the system. And I think that European leaders are in discussions about that and they're moving in the right direction.

In addition, they're going to have to look at how do they achieve growth at the same time as they're carrying out structural reforms that may take 2 or 3 or 5 years to fully accomplish. So countries like Spain and Italy, for example, have embarked on some smart structural reforms that everybody thinks are necessary—everything from tax collection to labor markets to a whole host of different issues—but they've got to have the time and the space for those steps to succeed. And if they are just cutting and cutting and cutting, and their unemployment rate is going up and up and up, and people are pulling back further from spending money because they're feeling a lot of pressure, ironically, that can actually make it harder for them to carry out some of these reforms over the long term.

So I think there's discussion now about, in addition to sensible ways to deal with debt and government finances, there's a parallel discussion that's taking place among European leaders to figure out how do we also encourage growth and show some flexibility to allow some of these reforms to really take root.

Now, keep in mind that this obviously can have a potential impact on us because Europe is our largest trading partner. The good news is, is that a lot of the work we did back in 2009 and 2010 have put our financial system on a much more solid footing. Our insistence of increasing capital requirements for banks means that they can absorb some of the shocks that might come from across the Atlantic. Folks in the financial sector have been monitoring this carefully and, I think, are prepared for a range of contingencies.

But even if we weren't directly hit in the sense that our financial system still stayed solid, if Europe goes into a recession, that means we're selling fewer goods, fewer services, and that is going to have some impact on the pace of our recovery. So we want to do everything we can to make sure that we are supportive of what European leaders are talking about. Ultimately, it is a decision that they've got to make, in terms of how they move forward towards more integration, how they move forward in terms of accommodating the needs for both reform and growth.

And the most important thing, I think, we can do is make sure that we continue to have a strong, robust recovery. So the steps that I've outlined are the ones that are needed. We've got a couple of sectors in our economy that are still weak. Overall, the private sector has been doing a good job creating jobs. We've seen record profits in the corporate sector.

The big challenge we have in our economy right now is State and local government hiring has been going in the wrong direction. You've seen teacher layoffs, police officers, cops, firefighters being laid off. And the other sector that's still weak has been the construction industry. Those two areas we've directly addressed with our jobs plan. The problem is that it requires Congress to take action, and we're going to keep pushing them to see if they can move in that direction. Okay?

Jackie Calmes [New York Times]. Where did Jackie go? She was—there she is.

Economic Stabilization Efforts in Europe

Q. Thank you, Mr. President. I'd like to ask you a couple—about what a couple of other people have said about Europe. And one is that I'd like to know if you agree with former President Bill Clinton, who said in the past week that the Europeans' policies that you've described here today are much like those of the Republicans in this country—politics of austerity that would take us in the same direction as Europe—if you agree with that. The Republicans, for their part, have said that you're simply blaming the Europeans for problems that have been caused by your own policies. So I'd like

you to respond to both of those. And also, tell us precisely how much time you personally spend on the European situation.

The President. Any other aspects to the question? [*Laughter*]

Q. I do have more questions. [*Laughter*]

Q. Is she going to National Journal? [*Laughter*]

The President. First of all, in terms of the amount of time I spend, look, I think it's fair to say that over the last 2 years I'm in consistent discussions with European leadership and consistent discussions with my economic team.

This is one of the things that's changed in the world economy over the last two or three decades, is that this is a global economy now, and what happens anywhere in the world can have an impact here in the United States. Certainly, that's true after the kind of trauma that we saw in 2008 and 2009.

And if you think about the situation in Europe, they're going through a lot of the things that we went through back in 2009, 2010, where we took some very decisive action. The challenge they have is they've got 17 governments that have to coordinate; 27 if you count the entire European Union, not just the euro zone. So imagine dealing with 17 Congresses instead of just one. That makes things more challenging.

But what we've tried to do is to be constructive, to not frame this as us scolding them or telling them what to do, but to give them advice, in part based on our experiences here in having stabilized a financial situation effectively. And ultimately, though, they're going to have to make a lot of these decisions, and so what we can do is to prod, advise, suggest. But ultimately, they're going to have to make these decisions.

Now, in terms of characterizing the situation over there, what is absolutely true—this is true in Europe, and it's true here in the United States—is that we've got short-term problems and long-term problems. And the short-term problems are: How do we put people back to work? How do we make the economy grow as rapidly as possible? How do we ensure that the recovery gains momentum?

Because if we do those things, not only is it good for the people who find work, not only is it good for families who are able to pay the bills, but it actually is one of the most important things we can do to reduce deficits and debt. It's a lot easier to deal with deficits and debt if you're growing, because you're bringing in more revenue and you're not spending as much because people don't need unemployment insurance as much; they don't need other programs that are providing support to people in need because things are going pretty good.

Now, that's true here in the United States, and that's true in Europe. So the problem, I think, President Clinton identified is that if, when an economy is still weak and a recovery is still fragile, that you resort to a strategy of "let's cut more"—so that you're seeing government layoffs, reductions in government spending, severe cutbacks in major investments that help the economy grow over the long term—if you're doing all those things at the same time as consumers are pulling back because they're still trying to pay off credit card debt, and there's generally weak demand in the economy as a whole, then you can get on a downward spiral where everybody is pulling back at the same time. That weakens demand, and that further crimps the desire of companies to hire more people. And that's the pattern that Europe is in danger of getting into.

Some countries in Europe right now have an unemployment rate of 15, 20 percent. If you are engaging in too much austerity too quickly, and that unemployment rate goes up to 20 or 25 percent, then that actually makes it harder to then pay off your debts. And the markets, by the way, respond in—when they see this kind of downward spiral happening, they start making a calculation, well, if you're not growing at all, if you're contracting, you may end up having more trouble paying us off, so we're going to charge you even more. Your interest rates will go up. And it makes it that much tougher.

So I think that—what we want both for ourselves, but what we've advised in Europe as well is a strategy that says let's do everything can to grow now, even as we lock in a long-term plan to stabilize our debt and our deficits

and start bringing them down in a steady, sensible way.

And by the way, that's what we proposed last year; that's what's proposed in my budget. What I've said is, let's make long-term spending cuts; let's initiate long-term reforms; let's reduce our health care spending; let's make sure that we've got a pathway, a glide path to fiscal responsibility, but at the same time, let's not underinvest in the things that we need to do right now to grow. And that recipe of short-term investments in growth and jobs with a long-term path of fiscal responsibility is the right approach to take for, I think, not only the United States, but also for Europe. Okay?

National Economy

Q. What about the Republicans saying that you're blaming the Europeans for the failures of your own policies?

The President. The truth of the matter is that, as I said, we've created 4.3 million jobs over the last two—27 months, over 800,000 just this year alone. The private sector is doing fine. Where we're seeing weaknesses in our economy have to do with State and local government, oftentimes, cuts initiated by Governors or mayors who are not getting the kind of help that they have in the past from the Federal Government and who don't have the same kind of flexibility as the Federal Government in dealing with fewer revenues coming in.

And so if Republicans want to be helpful, if they really want to move forward and put people back to work, what they should be thinking about is, how do we help State and local governments and how do we help the construction industry. Because the recipes that they're promoting are basically the kinds of policies that would add weakness to the economy; would result in further layoffs, would not provide relief in the housing market, and would result, I think, most economists estimate, in lower growth and fewer jobs, not more.

All right. David Jackson [USA Today].

National Security/Classified Information

Q. Thank you, sir. There are a couple of books out with, essentially, details about national security issues. There are reports of terrorist kill lists that you supervised, and there are reports of cyber attacks on the Iranian nuclear program that you ordered. Two things. First of all, what's your reaction of this information getting out in public? And secondly, what's your reaction to lawmakers who accuse your team of leaking these details in order to promote your reelection bid?

The President. Well, first of all, I'm not going to comment on the details of what are supposed to be classified items. Second, as Commander in Chief, the issues that you've mentioned touch on our national security, touch on critical issues of war and peace, and they're classified for a reason, because they're sensitive and because the people involved may, in some cases, be in danger if they're carrying out some of these missions. And when this information, or reports, whether true or false, surface on the front page of newspapers, that makes the job of folks on the frontlines tougher, and it makes my job tougher, which is why since I've been in office, my attitude has been zero tolerance for these kinds of leaks and speculation.

Now, we have mechanisms in place where if we can root out folks who have leaked, they will suffer consequences. In some cases, it's criminal—these are criminal acts, when they release information like this. And we will conduct thorough investigations, as we have in the past.

The notion that my White House would purposely release classified national security information is offensive. It's wrong. And people, I think, need to have a better sense of how I approach this office and how the people around me here approach this office.

We're dealing with issues that can touch on the safety and security of the American people, our families, or our military personnel, or our allies. And so we don't play with that. And it is a source of consistent frustration, not just for my administration, but for previous administrations,

when this stuff happens. And we will continue to let everybody know in Government, or after they leave Government, that they have certain obligations that they should carry out.

But as I think has been indicated from these articles, whether or not the information they've received is true, the writers of these articles have all stated unequivocally that they didn't come from this White House. And that's not how we operate.

Q. Are there leak investigations going on now? Is that what you're saying? Of these stories?

The President. What I'm saying is, is that we consistently, whenever there is classified information that is put out into the public, we try to find out where that came from. All right?

Okay? Thank you very much, everybody. Thank you.

NOTE: The President spoke at 10:40 a.m. in the James S. Brady Press Briefing Room at the White House. In his remarks, he referred to Chancellor Angela Merkel of Germany; and President François Hollande of France.

Remarks Following a Meeting With President Benigno Aquino III of the Philippines and an Exchange With Reporters

June 8, 2012

President Obama. Well, it is a great pleasure to welcome President Aquino to the Oval Office and to the White House.

I had the opportunity to spend a lot of time with him, most recently during my Asia trip, when we met most recently in Bali. And at that time, we discussed how important the U.S.-Philippine relationship was, the historic ties, the 60 years of a mutual defense treaty, the extraordinary links between Filipino Americans that have brought our two countries so closely together. And we pledged to work on a whole host of issues that would continue to strengthen and deepen the relationship for the 21st century.

We talked about how we could work on security issues, on economic issues, on people-to-people exchanges, and on a whole host of regional issues. And I just want to thank President Aquino for his excellent cooperation, because we've made a great deal of progress since that time.

On economic issues, the Philippines is the recipient of a Millennium Challenge grant that is helping to foster greater development and opportunity within the Philippines. We have a partnership for growth that is working on how we can make sure that we are structuring a relationship of expanding trade and commerce between our two countries.

I want to congratulate President Aquino for the work that he's done on the Open Government Partnership, which is consistent with his campaign to root out corruption that can facilitate greater economic development within the Philippines.

And on security and military issues, we've had discussions about how we can continue to consult closely together, engage in training together, work on a range of regional issues together, all of which is consistent with the announced pivot by the United States back to Asia and reminding everybody that, in fact, the United States considers itself and is a Pacific power.

Throughout all these exchanges and all the work that we've done, I've always found President Aquino to be a thoughtful and very helpful partner. And I think that as a consequence of the meeting today in which we discussed not only military and economic issues, but also regional issues—for example, trying to make sure that we have a strong set of international norms and rules governing maritime disputes in the region—that I'm very confident that we're going to see continued friendship and strong cooperation between our two countries.

So, Mr. President, thank you for visiting.

President Aquino. Thank you.