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**From:** Sullivan, Jacob J <SullivanJJ@state.gov>  
**Sent:** Wednesday, November 9, 2011 6:28 PM  
**To:** H  
**Subject:** FW: Press Briefing Previewing the President's Trip to Hawaii, Australia and Indonesia, 11/9/2011

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**From:** Rhodes, Benjamin J. [REDACTED] B6  
**Sent:** Wednesday, November 09, 2011 5:40 PM  
**To:** Nuland, Victoria J; Sullivan, Jacob J; Hammer, Michael A  
**Subject:** FW: Press Briefing Previewing the President's Trip to Hawaii, Australia and Indonesia, 11/9/2011

**From:** White House Press Office [REDACTED]  
**Sent:** Wednesday, November 09, 2011 5:30 PM  
**To:** Rhodes, Benjamin J.  
**Subject:** Press Briefing Previewing the President's Trip to Hawaii, Australia and Indonesia, 11/9/2011

THE WHITE HOUSE  
Office of the Press Secretary

For Immediate Release

November 9, 2011

PRESS BRIEFING  
 BY PRESS SECRETARY JAY CARNEY,  
 DEPUTY NATIONAL SECURITY ADVISOR FOR STRATEGIC COMMUNICATIONS  
 BEN RHODES,  
 AND NSC SENIOR DIRECTOR FOR ASIAN AFFAIRS  
 DANNY RUSSEL  
 PREVIEWING THE PRESIDENT'S TRIP  
 TO HAWAII, AUSTRALIA AND INDONESIA

James S. Brady Press Briefing Room

12:14 P.M. EST

MR. CARNEY: Hello, everyone. Welcome to today's off-camera briefing. I have with me to preview the President's upcoming trip to the Asia-Pacific region Ben Rhodes, whom you all know, the Deputy National Security Advisor for Strategic Communications, and on my right, Danny Russel, who is Senior Director at the NSC for Asia. Why don't we let them talk you through the trip, take your questions about the trip. And I will remain to take your questions on other pressing matters.

Q Can I just formally register a complaint from the television folks that this is off-camera?

MR. CARNEY: We think television is in decline, probably not going to last. (Laughter.) I hear your complaint. Thank you. Here's Ben.

MR. RHODES: Jake, you've got a good blog, too. (Laughter.) Well, thanks. We just want to take this chance to run through the President's trip to Hawaii and then to the Asia-Pacific region. This is a really important opportunity for the President to engage in this dynamic region to create American jobs, secure our interests and stand up for democratic values.

I think from the beginning of this administration, President Obama has engaged on a personal level to restore our alliances in this part of the world, to raise U.S. standing in this part of the world, and, again, to make sure that the U.S. remains the preeminent economic and security power in the Asia Pacific and more broadly.

Of course, this takes place at a time when we're making a larger pivot in our foreign policy. We're winding down the wars of the last 10 years. By the end of this year, we'll definitively end the Iraq war. We're beginning a drawdown in Afghanistan. We've devastated al Qaeda. And a lot of the shift in focus and priority that we are able to do because of those efforts has gone to the Asia-Pacific region.

And you've heard us talk about this, but we see this as, again, a region that is really going to shape the future of the 21st century. It's the fastest-growing economic region in the world. The trade that the U.S. does with the Asia Pacific supports millions of American jobs.

The markets that are growing in the Asia Pacific are ones that we want to be competitive in going forward. The U.S. exports to this region are essential to the President's goal of doubling U.S. exports in the next several years. In fact, nearly all of the efforts that we're going to be making towards that export goal take place in this part of the world. So that's the economic context.

On the security side, the U.S. has been an anchor of security in the Asia Pacific since World War II, essentially. The core of that is our alliances with Australia, Korea, Japan and several other countries, of course. But also, we've -- from the beginning of this administration -- engaged the emerging powers in the Asia Pacific -- China and India, Indonesia and others -- as well as engaged regional institutions, like APEC and the East Asia Summit that the President will be participating in.

So this flows very much out of, again, a focus of our foreign policy, which is winding down the wars and refocusing on a broader set of priorities, to include U.S. leadership in the Asia Pacific.

Just to go through the schedule, as you know, the President will leave Friday and he'll be stopping in San Diego before moving on to Hawaii, and spending the night in Hawaii on Friday night.

Saturday morning, he will begin by hosting a meeting of the Trans-Pacific Partnership. Now, as those of you who follow this know, the Trans-Pacific Partnership is really the most promising vehicle that we see for achieving economic integration across the Asia-Pacific region and advancing U.S. interests with some of the fastest-growing economies in the world.

As we've concluded the Korea Free Trade Agreement, which was an essential effort in our -- both our trade agenda and our Asia policy, the TPP is really the next phase of the U.S. trade agenda, broadly and within this part of the world. It's nine countries that have worked together over the course of this administration to try to come up with high standards for a trade agreement that can encompass, again, the countries of the Asia-Pacific region. And we can talk more about this in questions through the next couple of days.

So he'll be hosting that meeting, again, with the nine leaders of the members of the TPP. After that, he'll be attending the APEC CEO Business Summit. And there's a group of business leaders from across the Asia Pacific, who are a part of a forum that the President has participated in over the last couple of years. At this one in particular, he'll be engaging in a dialogue with Jim McNerney, the CEO of Boeing, about the economic potential of the region and the U.S. efforts to tap that potential.

After his attendance at the APEC CEO forum, he will have a bilateral meeting with Japan, Prime Minister Noda of Japan. Again, Japan is one of our key allies in the region. It's a country that we have a broad range of economic and security interests with, and this is another effort to extend those consultations. And we can discuss that more in questions if you like.

Q Is that Saturday morning or afternoon?

MR. RHODES: This is Saturday afternoon. The bilateral meeting with Japan is at roughly 12:00 p.m.

Q Local time?

MR. RHODES: Yes, local time. Everything is local time. And the local times get more and more complicated vis-à-vis U.S. time as we go through this trip.

After the meeting with Japan, the President will be having a bilateral meeting with Russia, President Medvedev of Russia. Of course, this has been one of our key focus of our foreign policy -- has been the U.S.-Russia relationship. This meeting will take place at a time when one of the issues that we've been working very hard is the next phase of the reset, is poised to come to fruition, which is Russian accession into the WTO. There is an agreement reached between Russia and Georgia that also benefited from the participation of the Swiss government to resolve some of the outstanding questions resolving Russia accession into the WTO. So

we anticipate the leaders will have an opportunity to celebrate, again, a great deal of progress towards a key priority of the two leaders, which was completing the steps necessary to see Russia join the WTO. We'll, of course, address with the Russians a broad number of other issues, from nuclear security, nonproliferation, Iran, North Korea, and the full gamut of U.S.-Russia relations.

Following the Russia bilateral meeting, later that afternoon the President will have a bilateral meeting with Hu Jintao of China. This is the first meeting the President has had with President Hu -- formal meeting that he's had with President Hu since the state visit earlier this year.

As always with the Chinese it's an important opportunity to discuss our economic agenda, including our efforts to sustain global growth through a rebalancing of global demand as well as a range of regional security issues, including the agendas for the East Asia Summit that the President will be attending, as well as, I'm sure, nonproliferation issues and issues associated with Iran and North Korea as well.

After the --

Q Ben, what time will that one be?

MR. RHODES: Roughly at 3:45 p.m. local time.

Q Saturday?

MR. RHODES: Saturday. This is still Saturday. So, busy day on Saturday.

Following the China bilat, he will, that evening, starting at about 6:00 p.m., host a program for the APEC leaders in Honolulu. So there will be a dinner and a cultural program that night, at which the President will be making remarks. And I should add he'll have the opportunity to make some brief remarks at the TPP event as well as having his discussion with Mr. McNerney at the CEO forum.

Moving to Sunday. Sunday is the APEC Summit, and I'd just say a few words about APEC. As you know, this brings together 21 member economies from across the Asia-Pacific region. I think it's important to note that the APEC nations represent 44 percent of global trade, 55 percent of global output, and 10 -- 6 of America's 10 largest trading partners are in APEC.

Since it was created it's been a forum to really address regional economic integration and ways in which we can deepen the connections between APEC nations. Over the last couple of decades we've seen, again, U.S. exports with APEC countries nearly triple. In 2010, APEC economies purchased 61 percent of total U.S. exports, supporting nearly 4 million U.S. jobs. So what we see again here is this is a concentration of economies that are going to be essential to U.S. efforts to create jobs,

to foster economic integration among the most dynamic markets in the world right now. And the agenda at APEC very much reflects that.

I think the three components of the agenda that we'd highlight are steps that we're taking to increase trade within APEC and to strengthen regional economic integration; secondly, to support green growth and green jobs going forward, given both the economic benefits of that and the environmental concerns in the region; and then last, thirdly, promoting regulatory practices that facilitate trading and investment. So part of our efforts to integrate this regional economy involves integrating our regulatory approaches.

So the first opening plenary will be at 9:45 a.m. The President will make opening comments at that session. And then that session will focus on growth and job creation. Then at 11:30 a.m., the leaders will have a dialogue with the APEC Business Advisory Council. Again, many different business leaders from across the region will be present. Then there will be a leaders' working lunch at 12:45 p.m., followed by a family photo of the APEC leaders. And then the closing plenary session will focus on green energy, green jobs going forward.

Following the APEC Summit, at roughly 4:45 p.m., the President will have a press conference to wrap up the summit. So he'll have a chance to sum up what was done and to take your questions.

Following the APEC Summit, which will conclude at that point, we will be having the North American Leaders Summit that evening as well. As you know, this is the annual meeting among the U.S. President and the Mexican President and the Canadian Prime Minister. The leaders will have a trilateral meeting, followed by a working dinner that night. This will start at roughly 6:30 p.m. I think the focus of the North American Leaders Summit will be North American competitiveness and how the three nations can work together to support, again, growth and job creation among the three of us and also of course within the context of the APEC region.

We'll also be working together to prepare for the Summit of the Americas next year, which, again, will be the next major hemispheric event here in the Americas. And to that end, we're looking at a range of issues from citizen security, again, to regional economic growth, to efforts to combat climate change. And of course, they'll be able to follow up on their discussions at the last North American Leaders Summit, again, which hit upon, in addition to the issues I cited, support for some of the particular regional challenges such as democratic stability in Haiti. So that concludes the day on the 13th.

Monday, the 14th, the President will have a -- we anticipate he'll have a fundraiser in the morning. And that will be his only event for the day before we leave on Tuesday morning for Canberra, Australia. Now, because of the wonders of the world, the flight to Australia takes us forward a day on the clock. So we now move to Wednesday, November 16th, in terms of the schedule here. And this is Australia time.

So the President arrives in Australia -- and I'll just say by way of introduction the U.S. really has no better ally than Australia when it comes to a range of issues. On the security side, Australians are with us in Afghanistan. They've cooperated with us on Iran sanctions. They've cooperated with us on our nuclear security efforts. So this has been a very close and reliable U.S. ally. And the President will be marking the 60th anniversary of the U.S.-Australian alliance on this trip.

Australia is also a dynamic economic partner for the U.S. We actually run a trade surplus with the Australians from within the framework of our free trade agreement. So this is a relationship with deep security and economic ties that the leaders will be able to address.

After an arrival ceremony with the Governor General, the President will move into his bilateral meeting with Prime Minister Gillard. After the bilateral meeting with Prime Minister Gillard, the two leaders will have a joint press conference. And then following that joint press conference, the President will be hosted at a parliamentary dinner at the Australian Parliament House that night where he'll also have the chance to make some remarks about the U.S.-Australian relationship, and will spend that night in Canberra.

Q What time is that press conference on Wednesday?

MR. RHODES: It is, let's see -- well, Australia time, we anticipate the press conference being at 6:00 p.m. That's I think very early morning early hours Eastern Time. So I think that's like 2:00 in the morning Eastern Time. And I'll try to build in some Eastern times for you here going forward.

So on Thursday, the President begins his day by going to an Australian war memorial, laying a wreath. Then he'll go the Australian Parliament House and he will meet with the opposition leader, Tony Abbott, briefly. And then he'll give a speech to the Australian Parliament at 10:15 a.m. or so, which is roughly 6:00 or 6:15 p.m. Eastern Time the previous day. (Laughter.) Bear with me on this.

Q 10:15 a.m. in Australia?

MR. RHODES: 10:15 a.m. in Australia. That's -- yes.

Q What's the Eastern Time?

MR. RHODES: 6:15 p.m. on the previous day, Wednesday.

So this -- (laughter) -- you got this, Jake?

Q It will be old news by then.

MR. RHODES: That's good. That is good. There will be a lot of time zone humor throughout this trip. (Laughter.)

This speech will actually be about the -- again, the U.S.-Australian alliance, but also this will be a broader speech about the Asia-Pacific region by the President. This will really be the kind of anchor speech by the President in his first term on how the U.S. sees the Asia Pacific, the efforts that we've taken, again, within the region over the course of the last three years to strengthen our core alliances to engage emerging powers like China and India and others, and to engage Asian regional institutions like APEC and the East Asia Summit.

I think he'll focus on the economic agenda in the Asia Pacific and the enormous potential of deepening economic ties. He'll focus on the security agenda, including the U.S. posture in the region going forward, our defense posture as well as our alliance in political relationships. And of course, he'll speak about our support for Democratic values in the region.

The last trip we took to Asia we were able to travel the four Asian democracies -- India, Indonesia, Korea, Japan. Similarly on this trip we're making two stops in Asia -- Australia and Indonesia -- notable that they are both democracies, and I think it speaks to the success of Democratic models in Asia. And so the President will speak to that. So I think both the economic -- or the economic, the security and the values components of our approach to the Asia Pacific will form that speech.

Following that speech --

Q Ben, can I interrupt again?

MR. RHODES: Yes, yes.

Q Will you have prepared remarks for that speech, do you think?

MR. RHODES: Yes. I mean, insofar as I can -- we will be very sympathetic to the need to get information to you guys in a timely way so that you're able to meet your deadlines. So we will certainly do whatever we can in that respect.

Q When you say "you guys," do you mean the entire media or just The New York Times? (Laughter.)

MR. RHODES: Basically we will go out of our way -- welcome back, by the way, Jake. (Laughter.) I'd remind you that the U.S. government did a lot to protect you over the course of the last couple weeks. (Laughter.)

But the -- yes, the complete news media to include ABC, ABC News.

So after the Australian Parliament we will visit a local primary school with Prime Minister Gillard. You may remember that when she was here the two Presidents were able to visit a local Washington school. Education is very important to both President Obama and Prime Minister Gillard.

Q What day is this? I'm sorry.

MR. RHODES: This is still Thursday. This is still Thursday, November 17th. So Wednesday, November 16th, on the East Coast.

So they'll go to a local primary school. Then the President will drop by our embassy for an embassy greet. After that the President -- again, still Thursday -- the President will fly from Canberra to Darwin, Australia. We will arrive in Darwin around 4:00 p.m. Australia time. This, of course, is an historic place in World War II history in terms of a Japanese attack, and there was U.S. sacrifices in Darwin. The President will visit a memorial to the USS Peary and lay a wreath at that memorial.

And this is -- Darwin is also the site of a Australian military base. And, again, to reinforce the close cooperation between the U.S. and Australia in Afghanistan and in many previous wars, and to mark the 60th anniversary of our alliance with Australia, the President and Prime Minister Gillard together will address Australian troops in Darwin about the alliance and about our security cooperation, and about the U.S. presence in the region and our commitment to the region.

I'd also note --

Q Are those Australian troops?

MR. RHODES: Yes.

Q Or -- there won't be any American troops?

MR. RHODES: It's principally Australian troops. So it's possible that there could be, obviously, some people traveling with the President but it's an Australian troop event.

Then I'd also note that he'll also be meeting with some of the community leaders in Darwin on the margins of that event as well.

Q Aboriginal leaders?

MR. RHODES: That will include aboriginal leaders as well. Then that concludes the Australia portion of the visit. He will fly that night to Bali and spend the night in Bali.

Then on Friday, November 18th, the President will have a number of bilateral meetings. He will meet with the Prime Minister of India. India, of course, as a rapidly growing economy, as a strong democracy and as an important security partner and counterterrorism partner in South Asia is a very important relationship to the United States. So he and Prime Minister Singh have not had the chance to meet in some time. They'll have the ability to discuss regional developments, to discuss Afghanistan, to discuss our deepening economic and commercial ties with India, as well as to discuss the East Asia Summit.

In addition to India, he'll be meeting for the first time with the leaders of two important U.S. allies in the region, Thailand and then the Philippines. We don't have specific times yet for these. But, again, these are both important U.S. allies. We have close security relationships with them. We share an interest in counterterrorism and maritime security and nuclear security with Thailand and the Philippines. So he'll have an opportunity to discuss those issues, as well as expanding commercial ties with each of these countries as well.

Q Is this still in Darwin?

MR. RHODES: No, this is in Bali. Friday, November 18th, this is all in Bali.

Q Do you have a local time for the Indian bilat?

MR. RHODES: We are tracking towards 9:30 in the morning. Then we also anticipate in Bali he'll meet with -- have a bilateral meeting with Malaysia; similarly a key partner on all of our issues in this region, but also an emerging economy with which we have a deepening commercial relationship that the leaders will be able to discuss.

Following that, the president will meet with the ASEAN nations, the 10 Southeast Asian nations. ASEAN has been a critical block of nations in terms of regional security and economic issues. And the President will address those with the ASEAN nations. Again, I think we've sent the signal that the U.S. wants to be at the table in these discussions, whether it relates to the Asia-Pacific economy or the Asia-Pacific security architecture. And the ASEAN meetings have been important to that end.

Following that ASEAN meeting, he will meet bilaterally with President Yudhoyono of Indonesia, who is the host, of course, of the East Asia Summit. Indonesia has been, again, one of the most rapidly growing economies in the region, a key partner for the U.S. on a range of issues from counterterrorism to maritime security. Following that, I anticipate the leaders will have the ability to -- well, we'll update you on kind of the press components of each of these meetings. But we'd anticipate the President will be making statements with his counterparts.

Then that night there is an East Asia dinner that the Indonesians are hosting. So that wraps up Friday the 18th. And Saturday the 19th is the East Asian Summit, which will take place throughout the day. So there are a number of summit sessions throughout the day. Again, I think our main interests are both to reinforce the importance of the East Asia Summit as an organization that addresses political and security challenges in the region. If you think about it, APEC is really a venue to address economic issues and economic integration in the region.

And we've invested in the East Asia Summit as the venue to address political and security challenges in the region. And all of this is in

service of having institutions and organizations through which the United States can join with Asian countries to address pressing issues. I think in the East Asia Summit context that will include our nonproliferation agenda. A lot of our efforts on nuclear security, including the President's goal of securing all nuclear materials in the world, depend upon cooperation from East Asian Summit members.

Of course, you have an ongoing proliferation concern in the region with North Korea. So I'm sure the President will be addressing in his meetings our commitment to denuclearization on the Korean Peninsula. We also have an interest in maritime security at the East Asia Summit. And, again, for instance, whether you look at the South China Sea specifically or maritime security generally, we have a deep security and commercial interest in seeing that there be clear rules of the road in terms of how nations approach maritime security. And so that will be an important agenda item.

Disaster relief will be an important agenda item. And, again, I think I'd highlight that this is a region that saw both the Indonesian tsunami and the recent Japanese earthquake and tsunami. So strengthening our ability to work together to respond to those types of natural disasters is very much in the interest of not just the region, but the United States as well.

So with that, that concludes the schedule on Saturday. And with that, we'll be returning to the United States. I don't know, Danny, if you want to make any comments.

Q What time is he scheduled to leave?

MR. RHODES: The current schedule has him leaving Indonesia in kind of the mid to late afternoon on Saturday the 19th. And we'll take your questions. But, Danny, anything by way of opening?

MR. RUSSEL: Well, that was very comprehensive. I'd say briefly from the Asia perspective two or three things. Mostly, the trip needs to be looked at in context. Part of the context is that this isn't a trip to the far-flung corners of Asia. This is a trip to the Asia Pacific. The U.S. is very much an Asia-Pacific nation. We're a resident power. And the fact that the President begins by hosting APEC in Honolulu is a good demonstration of that.

Secondly, the other continuum -- the other context of the trip is the overall policy that the President has pursued with respect to Asia and rebalancing in Asia, mainly that when he came into office, he came in with the insight that the U.S. was overall underbalanced with respect to Asia, and that in the effort to remedy that, the three basic elements of the policy that the President articulated and pursued were in the first instance to bolster, shore up, and modernize America's alliances in the region; secondly, to develop effective strategic ways of engaging the emerging powers in the region; and thirdly, to engage with and shape and

to lead the regional institutions that were developing either in embryonic form or that were already in place.

And this trip reflects the approach very clearly in that he is, having come off the heels of a very successful state visit by President Lee, he will be on this trip meeting -- visiting Australia, meeting with the Prime Minister of Japan, and meeting with two other important allies, as Ben mentioned, Thailand and the Philippines.

In terms of engagement with the emerging powers in Asia, he'll be meeting with the Chinese President Hu Jintao, with the Indonesian President Yudhoyono, and with the Indian President Minister Singh.

And in terms of engaging with and shaping institutions, not only is, as Ben mentioned, the President putting forward an activist agenda at APEC, and not only is the President taking the Trans-Pacific Partnership trade arrangement -- a very high-quality, high-level set of standards -- to the next level in a way that's prompted great interest in the region, but for the first time -- and this is historic -- he will be participating in the East Asia Summit.

While respectful of the existing agendum of that group, we have advocated for and found support to expand the dialogue among the leaders to include key strategic and security issues, specifically nonproliferation and maritime security.

The President identified that there is a gap in Asia, that while the infrastructure for collaborative discussion on economic issues is fairly well developed, there was nothing adequate on the political and security side. And he has already begun the effort to try to transform the existing East Asia Summit into a venue where the leaders can not only discuss but provide guidance and leadership to the other regional institutions, such as the ASEAN Regional Forum and the meetings of the ministerials.

So I think on balance, you can see this trip as emblematic of the maturation of the Obama approach towards Asia. It's not declaratory, it's not promising we're coming back, it's manifesting the benefits of U.S. sustained and deepened engagement in the region.

MR. RHODES: Questions? Ben?

Q Thanks. I had two questions. First, a broader one for either gentleman. The timing of these foreign trips can often be tricky because of domestic concerns, and of course there will be things happening in Congress related to the economy, appropriations and the super committee while all this is happening.

Can you synthesize for the American electorate why spending so much time in Asia is important? I know you've talked about exports and so forth, but people will see him overseas now after the G20, APEC in Hawaii,

and then all the way through to Indonesia, spending a lot of time out of the country. How does this affect them? How does the President --

MR. RHODES: Yes. Well, I'd make a number of points. First of all, the President's number-one priority is job creation. And our efforts to create American jobs are tied very directly to the engagement in the Asia Pacific. Our trade with APEC nations supports millions of American jobs. Our ability -- if you look at the growth of the U.S. economy and if you look at the ways in which we are creating jobs, our ability to export is critical, again, to our job creation and growth agenda. And, again, the vast majority of the export potential in the world is in the Asia Pacific.

So when the President sets a goal of doubling U.S. exports to support hundreds of thousands of American jobs, again, that's very much going to be rooted in our ability to open markets in the Asia Pacific, to achieve export deals with governments in the Asia Pacific.

So the first -- in the first instance, the domestic portion of this trip -- and Hawaii, of course, is a domestic stop -- is going to be rooted very much in an economic agenda that supports U.S. exports, that increases trade, that breaks down barriers to markets in the region and that fosters the type of integration across the Asia Pacific that is going to be essential to U.S. jobs and U.S. competitiveness.

And, again -- so all the themes that we talk about domestically -- our ability to compete, our ability to create good-paying jobs, our ability to invest in the industries of the future -- all of that is going to be directly related to U.S. leadership in this particular part of the world.

So I think when the American people see the President traveling in the Asia Pacific, they will see him advocating for U.S. jobs and U.S. businesses. He will be trying to open new markets, and he will be trying to achieve new export initiatives, and he will be trying to foster a trade agreement through the, for instance, the Trans-Pacific Partnership, that takes us beyond the Korea Free Trade Agreement towards a multilateral agreement that, again, has very high standards to ensure that our interests are being protected.

So I would see -- when you ask why are we so focused on this region, an overwhelming reason why is because of the economic potential, and the direct tie-in to people at home.

Secondly, the U.S. is a Pacific power, and we have been a Pacific power since World War II. And we have a deep and abiding commitment to allies in this part of the world. And when you look at the security challenges we face, whether it's terrorism or proliferation or piracy or natural disasters, our ability to work cooperatively and to lead in the Asia Pacific is going to be essential to our ability to remain a world leader.

And the American people want to see America living up to its responsibilities as a world leader in a way that protects our interests. And our ability to, again, shape the future in the Asia Pacific is going to be essential to that, particularly in a context where you have a region that's very dynamic, that has emerging democracies, that has a rising China. And I think the American people want to know that the United States is going to play the historic role that it's always played in terms of being the anchor of stability in this part of the world and being able to project our influence on behalf of American interests.

So I think that's -- the bottom line is that they will see the President as an effective advocate for U.S. interests. They will see him taking steps to support economic growth and job creation here at home. And they will see him standing up for both the security interests that we have in counterterrorism and nonproliferation, but also the democratic values that have spread across Asia, frankly because of the sacrifices of the American people -- whether it was in World War II, whether it was in Korea, or in a range of other relationships.

And then I'd just add that when the President is on these trips he's always able to deal with any matters anywhere in the world. So whether it was the beginning of the Libya operation on our Latin America trip, or whether it was being able to engage with his administration and other leaders back in the United States, he's more than capable of doing that during his four days here in Asian countries.

Q Just a quick follow on a more narrow point. It seems unusual that the President would take such an extensive trip and have such a down day -- which sounds like Monday will be in Hawaii with the exception of the fundraiser. Can you explain why he's doing that?

MR. RHODES: Well, look, it's principally because we had a summit that we're hosting in Hawaii, the APEC Summit that has been long planned. And the Indonesians had a summit that they're hosting in Bali, the East Asia Summit. And we're working an Australia stop. But those summit schedules are set far in advance, and so therefore that created the context for the trip.

But, again, it's an opportunity for him to engage supporters in Hawaii, which is obviously a place where he has a lot of backing and a lot of roots. So I think it also presents an opportunity for him to have that engagement.

Q Thanks.

Q As you pursue this pivot to Asia, some of the allies in the region are worried about the effects of budget cuts here on the defense posture in Asia. And I'm wondering what kind of assurances the President will be able to give them. I understand that some of them are even following the super committee process closely, and the possible sequestration of defense funds.

MR. RHODES: I actually -- I do think this will be a topic throughout the trip, in which the President will be providing assurance that the U.S. is going to continue to play its role within the Asia-Pacific region, and that we see both our defense commitments and our commitments to our allies as indispensable to the United States and to the Asia-Pacific region more broadly.

I'd also say that he will be making it clear that because the U.S. is -- the reason that the Asia Pacific has been able to develop in the way that it has with the enormous economic growth, with the emergence of democracies, is precisely because the U.S. has been able to be an anchor of security and stability. And so our force posture, our troop presence, our naval presence in the region has been fundamental to the peaceful development and democratic development of Asia. And so I think there will be a theme of strong reassurance from the President that we're going to continue to play that role, even in a time of addressing fiscal consolidation and deficit reduction here at home.

Q And can you also talk about what the President will say in the meeting with Hu about the European crisis, and also about China's own currency?

MR. RHODES: Obviously, both President Hu and President Obama were at the G20 in Cannes, and so were participating in discussions about the European crisis. I think we saw China indicate some steps that they were prepared to take, along with emerging economies, to bolster domestic demand going forward. They have taken steps on currency, but, again, we don't believe that those are sufficient. So I'm sure that the President will be raising with President Hu the broader need for global growth that is supported by demand in China and other emerging economies. Currency is a part of that picture.

Similarly, I think they'll be addressing some of the APEC agenda items, which get at how do you support an innovation agenda across the region; how do you support regulatory convergence that gives businesses confidence that they can sell their products and that they can be competitive across the region. So I think there is a broad economic agenda with President Hu that includes rebalancing, that includes currency, but also includes, again, the broader APEC themes as well.

Brianna.

Q Ben, can you talk about the dialogue with the CEO of Boeing at the business summit? I mean, whose idea was it? How did you come to choose the Boeing CEO? And what is the President hoping to achieve from that?

MR. RHODES: Well, if you look at -- the President has spoken to this group -- to those of you who covered the last two APEC summits -- he has spoken to this group the last few years. It's an important group. Part of what APEC does is it structures an ability for leaders and government officials, but also business leaders to communicate about economic issues

on a regular basis, and to work through problems, work through challenges. So that's the context for this forum.

Given the fact that he's spoken to this group a couple of times already, and the fact that we're hosting it, we thought it would be an interesting venue for him to have a dialogue that focuses on, again, the potential of the Asia-Pacific region, as well as the President's commitment to U.S. exports. Boeing, of course, is an American company that has a great deal of -- does a great deal of export business in the Asia Pacific and around the world. So in many respects, both the President's engagement with Mr. McNerney, but also Boeing's presence in the Asia Pacific and around the world makes it a natural fit to have that type of discussion.

So I think, again, it's allowing him to have a dialogue with the business community, allowing him to discuss his own export agenda, and also hear from leaders and business leaders about, again, how they approach the region as well. And Mr. McNerney is a natural fit for that dialogue.

Q And then aside from sort of emphasizing economic and military ties, is he going to really make news? Or is a lot of this about keeping up relations?

MR. RHODES: No, I'd expect over the course of this trip that there'd be specific items that we're looking to make progress on. I mean, at APEC, we want to take the Trans-Pacific Partnership trade agreement to the next level. At APEC there are also going to be a number of specific items within the categories that I talked about where they're going to be looking to reach some agreement.

I think in Australia we'll be able to speak about what is the U.S. commitment to our force posture in the region; what is the next phase in the U.S.-Australian alliance.

And then I think at EAS there are obviously specific things that we're trying to do on the nuclear security side that are important to us, on maritime security, on human rights.

So without getting ahead of the actual meetings and events, I think that the trip will -- we have very specific objectives in mind. Similarly, we're meeting with very -- we're meeting with, in addition to almost all of our key allies in the region, we're meeting with China, Russia, India. So they will have the opportunity to discuss issues like Iran, which are particularly important in the wake of the IAEA report, as well as discussing Afghanistan in the lead-up to some important international conferences on Afghanistan.

So it's also an opportunity to check in on Asia-Pacific issues, but also a number of other global issues.

Q Ben, two quick questions. On the TPP, what is the long-range hope for when that can finally be in place?

MR. RHODES: I think that there have been -- I don't want to put a date on it. I think we'll have more clarity, frankly, out of these meetings. There have been negotiations at the trade ministerial level, of course. And now at the leaders level I think they'll want to essentially codify the progress that's been made and lay down a marker as to where they see those TPP negotiations, and then look to the next phase.

So I think we'll be able to fill in some of those details out of that -- out of their meeting. But I wouldn't put a timeline on it. But Danny, do you have anything to add? I mean, the other thing I'd note that -- is that as they seek to conclude the broad outlines of an agreement, and then -- and move forward with finalizing that, there are also a range of other countries that will continue to indicate an interest potentially in joining the Trans-Pacific Partnership.

So part of the innovation of the agreement is that it provides a framework for these nine countries as the charter members of the TPP, and that going forward we can also see if other nations can meet the standards that have been set on labor, environmental issues, regulatory issues going forward.

Q And also, on the scheduling, since you said these things, the summits are known, the dates of them far in advance, when the -- at the end of July when the debt agreement was negotiated and the provisions for the deficit committee were negotiated, was it discussed or did the White House bring up the fact that that November 23rd deadline would potentially conflict and have the President out of the country for the run-up to that?

MR. RHODES: No. I mean, again, the East Asia Summit has been on the books for some time now, obviously preceding that. And of course the President will be back in the United States the weekend before that deadline of the 23rd. So he'll certainly be there that week.

Q Have you made any special provision for him to get regular bills on what's going on?

MR. RHODES: He always -- when he's traveling like this he always gets -- he's always in regular contact with White House staff back here. So it's -- I don't think we need to do anything special beyond him having that type of contact throughout the day with his White House staff.

Q Couple of questions on Australia. First of all, the much anticipated basing agreement, enhanced basing agreements between the two sides. You didn't mention that.

MR. RHODES: Yes.

Q What is in the offing for that?

MR. RHODES: Again, I don't want to get -- I mean, what I would say is that I think what we'll be discussing in Australia is the future bilateral cooperation between the U.S. and Australian militaries, and also the U.S. force posture in the Asia-Pacific region more generally.

I don't want to get ahead of the discussions that the leaders will have on those matters, but I certainly think that those issues will be key to what they'll be talking about.

Q There is a new formal agreement in the works, though, right?

MR. RHODES: Again, before an agreement is -- I don't want to get ahead of any agreement. I'll just say that we're discussing with the Australians, again, the future of our alliance in the context, also, of our future force posture in the region.

Q And then one quick scheduling question on Australia. When we've talked to Australians they've wondered why the President didn't take that day that he's devoting to a downtime in Hawaii and tack that onto his visit there since it had been canceled twice before. They're, as you know, sensitive about this.

MR. RHODES: Well, look, he'll have two days in Australia, two stops -- speech to Parliament, bilateral meeting, other events. So I think we have a very robust schedule in Australia. Again, being in Hawaii we have two very full days there, and then the opportunity to have -- to meet with some supporters.

MR. RUSSEL: It's also considered good manners to allow the host to get back to the house before the guest arrives. (Laughter.)

Q Planes are fast.

MR. RHODES: Very well put. Very well put. Do you have anything else?

Laura.

Q Thanks. You sort of alluded to this, but I'm wondering if you could address more specifically whether the trip to the EAS, and in general to the region, is meant to reassure U.S. allies that the -- of the U.S. interest and presence in the region, at a time when China is acting in, in some cases, aggressive ways and ways that are uncertain for the future. Is it specifically meant to sort of counter that rising Chinese influence?

MR. RHODES: Well, again, I think it's absolutely the case that this is a region that sees a lot of rapidly developing change, including the rise of China. But in that context, the U.S. wants to, again, make it clear that we are going to continue to be a strong Asia-Pacific power; that we're going to continue to stand by our core alliances; that we're

going to build positive relationships with emerging powers like China and India.

But also, what we want to foster is an environment where all this change is channeled to effective regional solutions, because we want to see, essentially, the success of a rules-based system in this part of the world. We want to see countries follow the rules of the road on economic issues. Again, whether that's adhering to intellectual property norms, whether it's adhering to regulatory norms. So on the economic side we very much want to have rules of the road in place that all nations are committed to.

And then similarly on the security side, we want to have institutions set up like the East Asia Summit to address multinational issues like maritime security, or nuclear security, so that we have a rules-based framework to deal with that as well. So what the U.S. can do is both reassure our allies, develop strong ties with emerging nations, and then try to build a regional framework to deal with issues. But Danny might want to --

MR. RUSSEL: Yes. Well, I'd add these are institutions in which China is an active participant. And I would mention that China was the first country to welcome the President's decision to join the East Asia Summit. So it's not as if there is a zero-sum condition being set here.

There's no question but that the Asia -- that the nations in the region -- the EAS members -- have warmly welcomed the President's personal participation. They surely see that as yet another indication of the seriousness of purpose on the part of the Obama administration and the U.S. government, not only in meeting our commitments to Asia but also the level of investment that we are making for the reasons that Ben outlined.

Q Do you anticipate that he'll specifically address the South China Sea and the nine-dash line as part of the maritime issues you're referring to?

MR. RUSSEL: Well, as Ben mentioned, the three areas of focus that we have identified and that the Indonesians as chair of the EAS this year have agreed will be under discussion among the leaders, are disaster relief -- where the U.S. has already provided tremendous support in specific cases and now has put forward proposals for how we can broaden and institutionalize our ability to be helpful in disaster relief; nonproliferation and the broad range of issues both on a bilateral and a multilateral issue; and maritime security. The East Asia Summit brings together the leaders of the entire Asia-Pacific region. They are at a forum that allows them to discuss freely the strategic and political issues of concern to their nations and to their publics.

And in the context of maritime security, while there are a number of technical issues about piracy, about capacity building, about information sharing, and there are a number of programs that are under discussion in the context of the East Asia summit, within that framework, clearly, the

South China Sea is relevant. It is both natural and inevitable that the leaders will address the South China Sea issues in the context of maritime security, looking at the shared principles, the consensus around these shared principles of international norms and law -- freedom of navigation, the right to unimpeded legitimate commerce, and efforts -- collaborative efforts to avoid the accidental conflict or miscalculation and see an incident that could lead to a spike in tensions.

Now, you should be clear that this is a dialogue forum for leaders; it is not a tribunal. So it is as if a territorial dispute is being referred to the EAS. It's not on the agenda, per se. But as I said, I think it is natural, if not inevitable, that in the context of maritime security leaders will touch on the principles that should apply not just in the Bali Sea, but in the South China Sea as well.

Q Can I follow on China as well? All important issues you just laid out, but you mentioned at the beginning this is the first bilateral meeting the President is going to have with President Hu since the state visit. A lot has happened since then. The U.S. debt, the super committee -- that's been discussed -- but European debt, China's role in maybe buying some of that up. How important do you think that will be in the bilateral meeting as well?

MR. RHODES: Well, first of all, on the Europe issue, there was a lot of questions when we were up here as if the Chinese were going to ride into Cannes and buy up the European debt. And I think what we've seen is that it was vastly overstated in terms of the role that China was going to play, per se, in that issue, that frankly it's a European solution that we're still trying to support. And the Europeans have made some steps forward. They continue to do so in terms of their agreement.

But I do think that they will certainly discuss the global economy, the U.S. and China, the two largest economies. So I think that they'll discuss the progress that has been made on the European financial crisis. I think that they'll discuss what we'd like to see, again, on rebalancing demand by China taking steps to increase demand within their own economy, to take steps on currency and other issues.

So I think that, yes, a lot has developed, but we had kind of a constant dialogue with the Chinese that's grounded in one principle, which is that to sustain global growth going forward, the U.S. is going to have to grow our economy while also addressing fiscal consolidation in the medium and long term. And the Chinese are going to be a part of rebalancing global demand, because as their economy grows, they have more capacity and ability to be consumers of goods.

So I think that that remains the basis for our dialogue, even as many events intervened. That's what they talked about in January. They had some good progress on IPR issues -- intellectual property rights issues -- on innovation policy, and some on currency. But I think we're always looking to move that dialogue forward.

MR. CARNEY: Margaret.

Q So I guess I had two. One is, how much do you think that President Obama's background, having grown up in Hawaii and spent some years in Indonesia, has shaped his views of Asia? And would you say that he thinks that Americans are beginning to change the way they think of Asia? Or does he still think -- does he think that most Americans still think of Asia as China and outsourcing?

MR. RHODES: We've invested a lot in this -- the second part of your question, so I'll take that first. I think that there's both the kind of foreign policy piece of this and then the economic piece of this. On the economic piece of this, I think for a very long time, Asia was a region that Americans associated with outsourcing and with cheap labor and cheaper products here at home.

I think what we've seen over the course of the last several years is because of the enormous economic growth in Asia, that that is changing because as these countries develop, and as they develop very large middle classes, they are going to be markets for our goods. And suddenly you're going to have -- so when the President went to India, you saw some substantial export deals reached that supported tens of thousands of jobs.

In each of these countries -- countries like, of course, China, Korea, Japan, very large economies -- but even in countries that Americans don't usually think of as markets for our goods like Thailand, Malaysia, Indonesia, you're going to increasingly see U.S. job growth supported by exports to these countries.

So on the economic side, I think there is an important shift where we've tried to communicate clearly to the region, to the American business community and to the American people how much of an enormous stake we have in the future of this region and how much our economic growth at home is going to be tied directly to our ability to be competitive in these markets.

On the political and security side, similarly, I think traditionally, Americans -- well, all of us, I think when we were coming of age often the most important relationships that we saw in the world were with the then Soviet Union at the time and of course European capitals. The Middle East has been a focus of our foreign policy for some time.

And I think another point that we're making is increasingly the center of gravity in the 21st century is going to make the Asia Pacific critical to all of our interests and that that is manifested in a rising China. But, again, all of these countries are emerging. And we have a huge stake in seeing them emerge as successful, peaceful, developing economies. And we also have a stake, of course, in the success of a lot of the emerging democracies in this part of the world.

And so whether it's our ability to stop proliferation or to stop the smuggling of nuclear material, to deal effectively with a massive natural

disaster like a tsunami, America's ability to remain engaged and be a leader in the Asia Pacific is going to be directly tied to our ability to be a world leader in the 21st century. So if you want America to be a world leader in this century, that leadership is going to have to include Asia Pacific.

And in terms of the President, I think he has a unique understanding of this part of the world because he has lived in it. He obviously was born in Hawaii, which, again, symbolizes America's Pacific presence, but also lived in Indonesia. So I think he has a deep appreciation of Asian cultural -- Asian and Pacific culture.

But I think his personal engagement has been very well received in the region. I think you'll see he has enormous -- he's enormously well thought of in the region as -- the perceptions of the U.S., of President Obama and of U.S. leadership are very high in nearly all of these countries. And that, frankly, allows us to get stuff done, because it makes countries want to do business with us, it makes leaders want to have good relationships with us, and it allows us to build cooperative approaches on the issues that matter to us.

So, again, I think his personal standing in the region and the personal investment he's made in the region has opened a lot of doors for American business and American security interests, and it's why trips like this are so important to us.

MR. CARNEY: I just want to -- I've just got a couple of minutes and I have to leave to make an appointment, if you had anything for me.

Q I may bank off the comment directly on the hot-mic comments from the G20, but I wanted to ask Ben: Abraham Foxman of the Anti-Defamation League issued a statement yesterday, and obviously a lot of Republicans have also, but I'll -- without getting into the politics of this, Foxman said that he was "deeply disappointed and saddened by the decidedly un-presidential exchange between Presidents Sarkozy and Obama. President Obama's response to Mr. Sarkozy implies that he agrees with the French leader when he called Netanyahu a liar." And I was just wondering if you could explain the conversation from the President's perspective, and his opinion about President Sarkozy's calling Prime Minister Netanyahu a liar?

MR. RHODES: Well, I mean, in the first instance I'll echo what Jay said in that I don't think we're going to get into the details of this conversation. I think what I will say that's important to note is, first of all, throughout the course of the G20 -- even as we were dealing with a pressing economic crisis -- the President was personally engaging foreign leaders to review his opinion that he opposed Palestinian membership in U.N. agencies. He personally did register his view, not just with President Sarkozy but with other leaders, that this was counterproductive, that unilateral Palestinian efforts at the U.N., whether it was to seek full U.N. membership or membership in U.N. agencies, was counterproductive. And so I think it speaks to his commitment to Israel's

security that he was doing that even in the context of a very pressing and urgent economic crisis.

As relates to Israel, he has a very close working relationship with Prime Minister Netanyahu. They speak very regularly. I think they've probably spent more time one on one than any other leader that the President has engaged in. That's rooted in the fact that the U.S. and Israel share a deep security relationship but also a values-based relationship. And I think our actions speak very loudly, which is that this President has taken security cooperation with Israel to unprecedented levels, he has stood up time and again against delegitimization of Israel -- whether it was the Goldstone report, the flotilla or, of course most recently, Palestinian efforts to seek unilateral measures at the U.N. to shortcut negotiations.

So our record speaks very clearly about the President's commitment to Israel, and he, again, I think has maintained a very close working relationship with Prime Minister Netanyahu where they've been able to communicate clearly on these issues. And insofar as these matters -- insofar as the Middle East came up at all at the G20, it was President Obama raising with other leaders his opposition to Palestinian membership in U.N. agencies.

Q I understand that's what you want to talk about, but the other part of it is Sarkozy insulting Netanyahu and President Obama saying something along the lines of, "You think it's bad -- I have to deal with him every day." Again, getting into that close working relationship that you just referred to, I suppose, I'm wondering, has there been any attempt by the White House or the State Department to reach out to Netanyahu to explain this away, to smooth it over? It's obviously been covered quite a bit in the European media and the Israeli media.

MR. RHODES: Again, what we have here is reports of a private conversation that we're not going to comment on the details of. We communicate at a variety of levels with the Israeli government on a near-daily basis, so I think it's certainly the case that we're in contact with them about a lot of pressing issues.

I think, frankly, in the context of the coming days we'll be consulting with them about not just the ongoing issues at the U.N. but about a very important IAEA report on the Iranian nuclear program. So it's certainly true that we're going to be in close contact at a variety of levels with the Israeli government, and I think that speaks to the depth of our relationship.

Q Thanks.

MR. CARNEY: Yes.

Q Jay, has the President followed the scandal at Penn State? What's his reaction to it, and including the retirement of Joe Paterno?

MR. CARNEY: I haven't discussed it with him. I'm sure he's aware of it because of the widespread media reports, but I don't have a reaction to it.

Yes.

Q On the cost-cutting initiative today, how much money does the President expect it will save? And is it going to change the budget figures that we can expect, or is it money that's going to be used for other things?

MR. CARNEY: Well, on the first part, I think we're talking about a 20 percent reduction in spending on the areas that are included. And that would be, by my fifth-grade math, about \$4 billion.

Q How much?

MR. CARNEY: Four billion -- is that correct?

Q Four billion?

MR. CARNEY: Yes, four billion.

Q Does that get saved or spent elsewhere?

MR. CARNEY: Well, I mean, it's saved, but, again, there are budget processes going on. But I don't --

Q Annually.

MR. CARNEY: Annually, yes.

Q Over a year.

MR. CARNEY: Annually. Yes. (Laughter.) Is that a trick question?

Q No. But is it money that's going to change, like, the budget figures that he's already released or --

MR. CARNEY: Well, I think --

Q Or is it part of the savings that's already been agreed to?

MR. CARNEY: I don't -- this is a new initiative. So -- but would that \$4 billion would be all that it took to deal with our meeting the long-term deficit issues; obviously it doesn't. But this is important to do because it demonstrates the need to tighten our belts and make sure that we're spending taxpayer dollars wisely. And it's another action that this President can take using his executive authority to make sure that we're doing just that.

Q On the President's executive authority, there is -- Fannie Mae reported their third-quarter results. They lost a lot more money, and they're now saying to the Treasury Department they want \$7.8 billion more, even more bailout funds than they got previously at the tail end of the Bush administration.

Is the President going to do anything to step in? There are a lot of law makers, including Rockefeller on the Democratic side and McCain on the Republican side, saying enough is enough between the bonuses, and now they're seeking more bailout.

MR. CARNEY: Well, this is a broader issue. I mean, our position about GSEs and the need to deal with them. But I don't have a specific response for that, to that request. Maybe Treasury does.

MR. CARNEY: Kristen.

Q Thank you, Jay. On Iran -- can you discuss what, if any, stiffer sanctions the administration might be looking into, and who the President has spoken to about the IAEA report?

MR. CARNEY: Well, obviously he's had a lot of internal discussions about it, but the -- or not a lot, but he's been briefed on it and it's been discussed here. I don't have any other conversations to report, or any predictions to make about steps that we might take in our efforts to further isolate and pressure Iran to change its behavior with regards to its nuclear program.

Q Has he spoken to any other leaders?

MR. CARNEY: I don't have any foreign leader calls or conversations to report.

I'll take Ann. Last one.

Q Jay, can I ask you one more on the cost-cutting?

Q Will he curtail his own travel under this order today? The President?

MR. CARNEY: The President makes trips as part of his capacity as Commander-in-Chief and President of the United States. There are no --

Q So he's not affected by this?

MR. CARNEY: -- plans to change his travel.

Q So where is the White House going to cut under these --

MR. CARNEY: I can get you more details on the -- which I think there was paper put out, and we can get you more details on the actual program. I'll get you more details on it.

Thanks, guys.

Q Thank you.

END

1:25 P.M. EST

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