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**Press Briefing by Press Secretary Jay Carney, 7/19/2011**

James S. Brady Press Briefing Room

1:39 P.M. EDT

MR. CARNEY: Okay.

Q Any announcements?

MR. CARNEY: Hold on one second. (Laughter.)

Q Are we going to hear from the President --

MR. CARNEY: I hope you enjoyed the warm-up act. That's probably bad, right? I do have -- (laughter) -- I do have a --

Q How much do you value your job? (Laughter.)

MR. CARNEY: I do have a readout of the President's call to General John Allen today. The President called General John Allen today to congratulate him on his promotion to the rank of general, earning his fourth star, and his assumption of command of the NATO International Security Assistance Force -- ISAF -- and U.S. Forces Afghanistan.

The President expressed his full confidence in General Allen as he begins this important assignment, and said that he looks forward to working closely with him.

And with that, I will take your questions.

Ben.

Q Thanks, Jay. I want to follow up on something the President said at the end there. He plans to call Speaker Boehner and the other leaders after the House vote to resume meetings here, is that right? Should we expect resumption of daily meetings?

MR. CARNEY: Well, no, I think the President will call Speaker Boehner, just based on what he said. He will call the Speaker -- call the leaders and arrange for a time for a meeting to happen here at the White House. This is not a series of meetings but just some time in the next few days.

Q And he also made note at the end there that even progress or agreement with the concept from six or seven senators doesn't get you through the House. How is it that the White House expects what this gang is doing to have any effect on the House Republican caucus?

MR. CARNEY: The news from the Gang of Six/Seven is really significant because it dramatizes and reinforces the fact that the only way to do a significant deficit reduction deal is to do it in a balanced way. This is now the approach that was taken by the Simpson-Bowles commission, a bipartisan commission; the Domenici-Rivlin commission, also bipartisan. It's the approach the President put forward. It is the approach that's supported broadly by the American people, even by a majority of Republicans. And it is now an approach that has been put forward in a substantial way and a substantive way by elected members of both parties in the Senate.

So, again, the specifics are, I'm sure, not exact in terms of overlapping, any more than any of these -- the four proposals that I've talked about overlap exactly. But the overall approach here is one that is now endorsed really broadly by Republicans and Democrats. And we see that more and more with some elected Republican officials endorsing a balanced approach. We see it from non-elected Republicans, former administration officials, former elected Republicans, as well as Democrats. And it's important also here that this -- the balanced approach requires a willingness, whether you're a Democrat or Republican, to compromise, to do things that you wouldn't ordinarily want to have to do for the sake of a bigger deal. So that's true of both Republicans and Democrats.

So the significance here is that there is some momentum behind the idea, the approach that the President has been supporting all along, and it, he believes, reinforces what he has been saying both publicly and privately in his discussions with Republican leaders and Democratic leaders, and that is that this is an opportunity to do something big, and that whatever we do, even if we -- even if it's the failsafe, fallback, last-ditch option crafted by Senator McConnell, it will be hard. The votes won't come easy.

So as long as that's the case, let's do something significant that addresses not just the immediate need to raise the

debt ceiling, but addresses the in many ways more serious need to get our deficits and debt under control so that we are on solid economic footing as we compete for jobs in the 21st century.

Q Is the President making any calls to individual lawmakers to sway their views, either Republicans who have expressed doubt about the consequences of default or Democrats who are reluctant to go along with entitlement cuts?

MR. CARNEY: The President said from here just moments ago that he has been in contact with members of the leadership. I don't have any other conversations to read out to you.

Our views are well known, stated by him and by me and by others in terms of the approach we should take and the approaches that aren't helpful to take. So beyond that, I'm not aware of any communications of that nature.

Jeff.

Q Jay, the President and you have mentioned the last-ditch backup McConnell plan, but the ratings agencies have said -- specifically S&P, I think -- that with that solution they would still downgrade the U.S. Is that threat a concern for the White House if that's the plan that you end up going with?

MR. CARNEY: What the ratings agencies do is -- I can't address -- that's for them to assess. The fact is that we have said that simply raising the debt ceiling is not enough; we need to get our deficits and debt under control. We should do something big that sends the signal around the country and the globe that Washington works and Washington -- elected officials in Washington from both parties can come together and do things that will improve our economic standing.

So that's certainly what the President believes. And he certainly believes that we are in this unique situation created by a confluence of events that include the state of the economy, the deficit and the debt, all the bills run up in the previous decade, the bill -- additional spending that was necessary to prevent a depression, the makeup of the House and the Senate, this President, public opinion -- these things have all -- these factors have all come together, converged together to create an opportunity to do something significant.

Where, if you have, as you do in this case, a President willing to compromise, a President willing to make tough choices and willing to urge fellow Democrats to do the same -- he is looking for partners in the Republican Party willing to do that -- and, again, referring to the Gang of Six and their proposal, he is seeing evidence that there are Republicans willing to do that.

Q Well, I think -- it sounds like the ratings agencies, S&P would agree with everything you just said. So the question is, is the McConnell plan really a backup if it doesn't lead -- if it causes a downgrade?

MR. CARNEY: Well, again, without addressing the ratings agencies, I can say that -- it's important to remember that -- and the President made clear -- we are pursuing several tracks here. And one of them very much is the proposal outlined by Senator McConnell, because it has to be there as an option to ensure that we do not get into a situation where we can no longer borrow and risk default.

The other options, including going big for a significant bipartisan deal that's balanced, remains what we're pressing for.

We've never suggested that the McConnell option in the end is preferred or optimum or would resolve these big problems that we face. And we would have to continue to address those issues going forward if, in the end, that's all we get out of this process.

Q And if it is all you get out of the process, do you have any sense that the House will support it?

MR. CARNEY: There are folks with a better sense of what the House will support than I have, and I would certainly stop first at the offices of the House Republican and House Democratic leadership.

So we make our case. We believe that the leadership in both houses shares our view that default is not an option, that allowing our capacity to borrow money end is not an option, and that will not happen, that in the end, we will maintain the full faith and credit of the United States. Meanwhile, we hope we can do something even more significant than that.

Yes, Jake.

Q Do you think it's a fair criticism at all of the President and the White House that there has not been a plan presented from him on paper to the American people that they can judge for themselves? The House has voted on a plan; I understand you don't like it. But it is a plan. It's on paper. People can judge it.

MR. CARNEY: Jake, the President put forward a budget. The President put forward a framework. The President has made clear in his negotiations with congressional leadership exactly and in great detail what a grand bargain, if you will, would look like, and the steps he'd be willing to take and the measures he'd be willing to support to make that happen.

And the suggestion --

Q Your budget would contain deficit reduction, though. I mean, that was --

MR. CARNEY: The suggestion -- he also came to an agreement with Congress for funding fiscal year 9/11 -- I mean, fiscal year, sorry, 2011 -- that represented substantial historic cuts in spending.

The fact is that any assertion that the President has not been specific and that the members of Congress who have been in the room don't know what this administration, this President, is willing to do --

Q That's not what I -- but that's not what I asked about.

MR. CARNEY: But it stems from the calls by Republicans for some plan to put -- be put forward. Our argument is: What we're willing to do is clear. He has spoken about it as recently as last week, late last week with you in general terms about what we're discussing. The parameters of what this looks like are not very complicated. And calls for plans and symbolic votes and that sort of thing are efforts to slow the process at a point where we don't have a lot of time. It's gorilla dust, as I've said in the past. This is not -- there is no mystery here about what we need to do and what a bipartisan, balanced approach would look like and what it would require of all parties. There are now substantial plans that mirror that bipartisan, balanced approach that are on the table in great detail. And, again, there was the President's framework and the conversations he's had with leaders.

Q But what you have is you have the House passing --

MR. CARNEY: That's a very long way of saying, no, I don't agree with that criticism.

Q Okay. The House is passing something that many observers feel would never pass the Senate and the President has said he would veto. The Senate is passing -- the McConnell-Reid plan, it's not clear that that could pass the House. The Gang of Seven plan, it's not clear that that could pass the House. Would this not be an opportune time for a President to lead and say, "This specifically" --

MR. CARNEY: Leadership is not proposing a plan for the sake of having it voted up or down, and likely voted down, because it is -- look, you know how this town works and how Congress works. If an individual, whether a Democrat or Republic leader, steps forward and says, "This is my plan and solely my plan," it makes it a lot harder for that plan to be the basis for a bipartisan compromise.

The way to reach a bipartisan compromise is in bipartisan negotiations, where a plan emerges that is the product of that negotiation and is supported by Republicans and Democrats and then presented. Otherwise, your chances of actually achieving something diminish greatly. And I think there is certainly plenty of history to support that idea.

And that's the approach -- I mean, this is what the President and others have talked about -- Bob Dole, former Senator Dole talked about the way these things work. You have to get in the boat together so the boat doesn't tip over. That's the approach the President has taken, not because he wants to win political points but because he wants to get a deal that the American people can support.

Q But every time there have been specifics on the table, the President has not gotten in the boat. With his own deficit commission, he didn't get in that boat.

MR. CARNEY: Jake, we can argue about this, or we could -- you could have me on and we can talk about this. The President has been very clear about what he's willing to do, and the way the President has approached these negotiations has been designed precisely to achieve a result, and not to achieve political points.

Q How's that working out for you?

MR. CARNEY: We're closer now than we've ever been.

Yes.

Q The President talked about being prepared to make some really tough choices to get a deal done here. Was he not taking that posture earlier on in the negotiations? Was he not willing, early on, to make some of these tough choices, and now because --

MR. CARNEY: No, quite the opposite. Since the beginning of these negotiations and prior to them, since the time he put forward his framework, which -- he has been calling for a balanced, bipartisan approach. And once the negotiations with the eight members of Congress began, and then separately in conversations with the -- very serious conversations the President had with the Speaker of the House, he was quite clear about the kind of -- the kinds of tough choices he was willing to make.

Q So Medicare, Medicaid, Social Security -- all of those were, early on, part of the tough choices he was willing to make?

MR. CARNEY: Certainly, in the conversations that he had with the Speaker and in the presentation of his position, the administration's position, he has been clear all along that he is willing to deal with entitlement spending in a way that strengthens those programs for the future, yes.

Q And in terms of the sell to get lawmakers to buy into this Gang of Six if the White House is comfortable with all of the details of that plan, what is the plan to reach out to lawmakers beyond just the six or the seven?

MR. CARNEY: Well, I don't want to get ahead of where we are. Obviously the House is going through an effort today that once they get through we can turn our attention back to negotiations that could lead to something that could actually emerge from Congress and the President could sign into law. And this is a fluid situation so I can't -- I know there's a lot of interest in schedules and meetings that might happen or might not happen, or when the President may or may not speak. And I confess to you that we don't have specifics for that because we don't know yet, and it depends on how these negotiations and talks unfold.

Norah.

Q So is the President's plan now the Gang of Six plan?

MR. CARNEY: No. Let's be clear. As the President stood up here and said moments ago, we haven't -- we just saw -- we've just begun to get the details of the plan. The point that the President wanted to make is that the Gang of Six, now seven, has put forward a proposal that broadly mirrors the approach that the President supports, that Simpson-Bowles support, that Domenici-Rivlin support.

And that is very helpful in making the point and making the case that a balanced approach is really the only way to get significant deficit reduction and to do it in a way that does not require undue sacrifice of any one segment of society -- of seniors or parents of disabled children, for example.

So obviously we will review the details of the Gang of Six proposal and we will compare them to the President's approach, to other approaches out there, and anything that might emerge if, in fact, we are able to do something significant would probably -- would be a negotiated settlement, if you would -- would be something that emerges from the negotiations between the President and the leadership of Congress.

So the point is that it represents something very significant, which is that public opinion is now demonstrably in support of a balanced approach; Republican public opinion is in support of a balanced approach; there are numerous former Republican officials, administration officials, elected officials who endorse a balanced approach; Democrats out there who -- both in Congress and formers -- who support a balanced approach, support the idea that Democrats need to make tough choices and accept compromises that they wouldn't normally want to accept.

And that really is the only way here if we want to do something significant. Meanwhile, we have to ensure that the process -- that the train keeps moving along the tracks that would allow for a fallback option to be ready and in place if that's, in the end, what we have to move forward with because we haven't been able to reach a compromise on something bigger -- because obviously the absolute imperative is that Congress takes action so that we do not get to August 2nd without having raised the debt ceiling.

Q Why is there optimism that Speaker Boehner would be willing to go along with a plan like this?

MR. CARNEY: Speaker Boehner should speak for himself, obviously, but the fact is the President was involved in negotiations, conversations, with Speaker Boehner; he has brought this up in the larger meetings that were held here at the Cabinet Room and I'm sure will continue to, as there are conversations and meetings in the future.

The point is that none of this is easy. We've seen a lot of stated opposition from the House Republican caucus to the McConnell proposal. So any suggestion that the failsafe option can somehow sail through and is really the easy way out doesn't seem to hold up to scrutiny. So the President's argument has been since none of this is easy, let's go ahead -- since we're going to have to do a hard thing, let's do something big. If we're all going to have to suffer a little political pain here, let's do something that the American people would be proud of; they can say, my goodness, we had begun to lose faith, but Washington -- it turns out that Washington, when pressed, can work on behalf of the American people; that Republicans and Democrats can come together and compromise and do something historic that really could be a game changer in terms of addressing this significant issue of our growing deficits and debt problem.

Wendell.

Q Some freshmen Republicans came to the White House today, stood outside the fence and accused the President of scare tactics for saying that Social Security payments and other things would have to be cut if we don't raise the debt ceiling in time. Can reasonable minds, at this late date, still disagree about that, or do they just not understand the nature of the debt ceiling?

MR. CARNEY: I would simply point them to the vast array of voices who argue the opposite, that this is a real deadline, that the fact of the matter is, come August 2nd, the United States, if we do not take action, will not be able to borrow money, which means that for every dollar they get in a bill -- for a dollar they get in the mail, they have 60 cents in their pocket to pay it. Therefore, choices have to be made.

Some people say, oh, just pay the holders of debt, pay the Chinese, pay everybody else who owns Treasury bonds, and therefore forestall default. Well, at some point, the money runs out because there's a limited amount of money, and something gets unpaid. And it could be Social Security benefits, veterans' benefits, or any of the other obligations that the federal government has. There is no way around that.

Q Given that, can you compromise with them, or do you have to move them to the side and find other votes?

MR. CARNEY: Have you seen any evidence of a willingness to compromise on this issue, if there's even a fundamental misunderstanding of what happens on August 2nd? The fact is we take great heart from the statements of leaders of both parties in both houses who have made clear that default is not an acceptable option and will not happen and that Congress will act accordingly.

Q You've got 230-plus House members who've signed a no new taxes pledge. Can you compromise with them? Can you get there without their vote?

MR. CARNEY: What I would say is the American people -- there was a Gallup poll today I think that said that most -- an overwhelming percentage of Americans, even those with strongly held views one way or the other on this issue, do not want their elected representatives to hold out and do nothing if they don't get exactly what they want; that they expect their members, their elected officials to compromise, to do the right thing. And that is the approach that we should all take. That is not --

Q Even if it means violating the pledge?

MR. CARNEY: Well, there is a fascinating debate going on about the usefulness of pledges. But beyond that, I think Senator Coburn said in one of the newspapers this morning, made a good point about -- that holding out and refusing to eliminate corporate loopholes that provide special interest subsidies to certain industries or manufacturers or purchases of corporate jets, for example, hardly seems like a stand on principle, if your stand is that taxes should not go up on average Americans, because that is certainly not what the President is proposing. In fact, this President has reduced taxes on middle-income Americans consistently since he came into office, and is proposing that we extend the payroll tax cut for everyone who pays payroll taxes into another year.

So I think that members of Congress have to make a choice about what line they want to draw in the sand and for what purpose and whose interests they're serving by doing it. And the interests that need to be served here are the broad interests of the American public. And those interests are best served if Congress, working with this President, takes a balanced approach.

Q Is Lamar Alexander number seven in the Gang of Seven?

MR. CARNEY: I think there were reports about this, but I'd direct that to Congress. That's what -- I'm just -- based on what I've read and seen, yes. But I --

Q That's who he was referring to --

Q That's the seventh person.

MR. CARNEY: Yes.

Q Okay.

Q I'm just wondering, is there no such thing as the Social Security trust fund, by the way? Is that what we've learned in all this?

MR. CARNEY: Is this a question?

Q No, I know. It's just that, I mean, is it -- does it not really exist? It's really just an accounting deal?

MR. CARNEY: This is probably for experts beyond my --

Q I mean, if no checks -- if you're saying that the checks can't go out, doesn't that imply that there really isn't a trust fund?

MR. CARNEY: But the trust fund has -- I think they hold debt. They hold -- right. So at some point, all the obligations have to be paid, and there are more obligations than there are dollars to pay them. So something has to give if this were -- eventuality were ever to come to pass; we do not believe it will.

Q And on this legislation, who's going to -- first of all, who's going to get invited now to these leaders? The Gang of Six, not one of them is a member of the leadership. And this was always a question, I think, some people posed to you last week -- you didn't seem to be having the people in the room that were in the mood to compromise.

MR. CARNEY: Well, I can't tell you because I don't know who exactly will be invited for the next meeting that might

happen at the White House. I assume it will be leaders.

Look, you can't do this without the leadership. Obviously --

Q One member of leadership, Durbin is in the Gang --

MR. CARNEY: Other members have played a significant and important role here, specifically the members of the Gang of Six, with regard to what the President talked about earlier. But in the end, you need to move something through Congress, through both Houses; you need to work with leadership to do that, and so that's why the President met so many times with leadership last week, and why he'll meet with them again.

Q And one of the arguments that the -- that some are making about this issue of default and how real it is, is this distrust that they have of Wall Street for the last decade. So what do you say to the Americans that sit there and say, you know what, Wall Street has been full of it for a decade; why should I trust them on this?

MR. CARNEY: But this isn't an issue of -- I mean, this is -- I understand skepticism. The fact is that this is a question of Wall Street reacting to something that it's not controlling, and it's reacting to -- Wall Street and markets around the globe -- to a situation that would come to pass where the United States no longer has the capacity to borrow money, which could put the U.S. at risk of default.

So that -- anticipation of that could affect markets. And certainly, if that were to pass, it would affect interest rates. And the ripple effects, the impacts of that would go on and on and on and affect every American who holds a mortgage or has to pay down a credit card debt. And then the ripple effects would continue --

Q But you -- I mean, there's no magic --

MR. CARNEY: It's not an issue of financial markets making up something or -- this is a reality that would come to pass.

Q Have Republican leaders explained in these meetings this skepticism that they hear when they try to explain this?

MR. CARNEY: Well, I don't want to -- without putting words in their mouths, I think that we all have a general understanding about how unappealing it is to raise the debt ceiling, in part because it is a somewhat misunderstood vote that members of Congress have to cast. It is not a vote for more spending. It is a vote to pay the bills of spending previously agreed upon by Congress. But that's hard to explain. And it's one of those votes that members of Congress don't look forward to having to take.

It is, however, a vote that, as I pointed out in the past, members of Congress have taken numerous times, including the leadership that's met with the President, of both parties. And the resistance to this stems from a legitimate concern about the need to get our deficits under control, the need to reduce spending, the need to address our long-term debt. However, it is cutting off your nose to spite your face, because refusing to raise the debt ceiling would be consigning the economy potentially to another recession, certainly to reducing growth and job creation -- to the kinds of eventualities that would precisely -- would do the most damage to the cause of creating jobs and growing the economy.

So in the end, this is all about hypotheticals, because we believe very strongly that Congress will take the action necessary.

Yes, Carol.

Q The President said that -- he made the point that a Democratic President, obviously himself, Republicans and Democrats in the Senate, and the American people support what he describes as a balanced approach. Was his intent to isolate House Republicans?

MR. CARNEY: No, it was not to isolate; it was to urge, cajole, persuade members of Congress of both parties -- and let's be clear, there are Democrats who don't relish the idea of making the kind of compromises that would be necessary here for them to make. But it was to point out to members of both parties -- yes, Republicans, but also Democrats -- that the public expects their representatives in Washington to compromise, and in this case to deal with the long-term deficit and debt problem that we have in a balanced way that spreads the sacrifice, spreads the burden, so that seniors, others who are vulnerable in our society don't have to bear the brunt, bear the cost of the measures that we need to take to get our deficits under control.

Q How closely was he in contact with Senator Coburn and others in the lead-up to the announcement today?

MR. CARNEY: Well, I think as he pointed out, we're just getting the details of the plan. So obviously throughout this period of months now, there have been periodic conversations that have been had from members of the administration with senators who make up that group. And as you know, the President is friendly with Senator Coburn. But on the specifics of this proposal, I think we're just looking at them now.

Q But he's spoken with him in the last week or so?

MR. CARNEY: I don't know that for sure, but it's entirely possible because they speak every once in a while.

Q Jay, you said a minute ago that Americans expect their representatives to compromise. Not all constituents want their representatives to compromise. Many constituents say, we elected you not to raise spending, not to raise the debt limit; we expect you to abide by that.

MR. CARNEY: Right. I certainly wasn't suggesting that every American felt that way; just that majorities feel that way. And I think that's reflected in some of the polling data that we've seen recently.

Q Has there been any outreach today with members of the Gang of Seven?

MR. CARNEY: I think that's similar to Carol's question. You mean at the presidential level?

Q Yes.

MR. CARNEY: Or at any level -- I'm not sure. I think it's possible, but I don't know. We are just getting -- just reviewing the details of their proposal, so I don't know if there's been conversations. I don't think the President has spoken to any member of the Gang of Seven. I could check that. But the details are just -- we're reviewing now.

Julianna.

Q Thanks. The President warned that we're at the 11th hour and if compromise isn't seen soon, then markets here and around the world are going to begin to react adversely. You, yesterday, said, though, that Americans don't have anything to worry about when it comes to whether or not the debt ceiling will be raised. So what level of certainty does this administration have that, come August 2nd, the debt ceiling is going to be raised?

MR. CARNEY: As the President said, and as I've said, we remain highly confident that Congress will act to ensure that we retain as the United States government our capacity to borrow money after August 2nd. The question now is, what measures do we take to get there? Do we do something relatively small to ensure that we do that, or do we do something bigger? Do we just deal with the issue, the need to raise the debt ceiling, or do we deal with the bigger problems here and address our deficits and debt?

The President supports doing as much as possible, trying to reach an agreement on the biggest deal possible. And the biggest deal or a big deal requires balance, requires an approach that reduces spending in non-defense discretionary, reduces defense spending, reduces spending through entitlements by reforming them, and spending in the tax code.

And that option remains on the table and is reinforced by the approach taken and announced today by the Gang of Six.

Q So if the administration is saying that Congress will get its act together and that the debt ceiling will be raised, then why should the markets react adversely if they don't see --

MR. CARNEY: Well, as the President said, they have not yet. They have demonstrated a fair amount of confidence that Congress will act, and that's confidence that we think is merited. Obviously we have to move through the next several days to get to that point and make sure that it happens, but we believe it will.

Yes.

Q The President said there are some parts of the Gang of Six or Seven proposal that don't line up with what the White House would like. What's he referring to?

MR. CARNEY: Again, we're just reviewing the specifics. I haven't -- I don't have specifics to point you to that --

Q Why did he think there's something in there that the White House doesn't --

MR. CARNEY: Again, we're just reviewing it. I think that my understanding from a very cursory reading is that there are some similarities and some differences. Everybody -- the approach is precisely -- precisely mirrors the approach the President took, the approach that the Simpson-Bowles commission took, and Domenici-Rivlin took. In its particulars, it may not and it may not overlap precisely with our approach.

And what I said in answer to an earlier question is that what has to emerge is a balanced package that everyone can agree to in the leadership or the negotiators who are participating in this, and then sell it to members of Congress. So it's unlikely to look in exact form -- in precise form like any of the different proposals.

But we have to get to work. We have to see if that's possible. And as we see if that's possible, we have to make sure that we continue to work on the fallback option.

Q And what's the current drop-dead date? At one point the White House said this Friday, July 22nd, was the date there had to be a deal by for Congress to get it passed --

MR. CARNEY: It really is Groundhog Day here. (Laughter.) Let me be clear about -- for what has to be the dozenth time -- but the July 22nd date is an estimation based on a general understanding of how Congress works and the time it needs to move legislation through. And if you have something move through the Senate and then move through the House and then had to be reconciled and had to vote on again and has to get to the President in time -- it is not a precise date.

What we have to have this week is significant, very clear progress, where we know where we're going and we're close to getting there.

Q I guess what I'm saying is, we all know Washington likes to go right up to the deadline. If the White House isn't giving a specific, concrete deadline, where is Washington going to go --

MR. CARNEY: Well, there are grownups in Congress who understand how they work and understand what they would need to do to ensure that action is taken and a law is signed by the President prior to August 2nd --

Q Why not give a hard deadline?

MR. CARNEY: Why give a hard deadline? I mean, again, this is -- because it's hard to -- you would always have people who -- what we know is a hard deadline is August 2nd, because that is driven by numbers analyzed by experts, careerists at the Treasury Department. Beyond that, you're making estimates about how fast Congress can act and how it will react -- 535 members of Congress -- through a process that is never precise. This is not the central committee of the communist party, right, this is the United States Congress, and each individual has a voice and has a vote. And it's hard to anticipate in every detail how this thing will play out.

That's why you need to build in a cushion of a certain amount of time. But you cannot be exact about how much time you need because we can't predict the future.

David.

Q Yes.

MR. CARNEY: Welcome.

Q Thanks, Jay. You continue to say that you're just getting the details of the Gang of Six plan. I'm just curious if you could just explain how you intend to respond to that plan once you've digested those details. Do you intend to come tomorrow and say this is the part of the plan we agree with, this is what we don't?

MR. CARNEY: I confess I don't anticipate -- I don't know how we will react to it. We, in general, as the President made clear, support the approach. It's entirely likely that not every specific will be exactly the way we would do it, or exactly the way Simpson and Bowles would do it or Domenici-Rivlin, or exactly the way a bipartisan balanced compromise would look if it emerged from these negotiations. But the general approach is something that we endorse, and we welcome the role that it's playing in making clear that that's the way we have to go if we want to do something big.

Peter.

Q Thanks, Jay. The President just expressed general support for the framework backed by the Gang of Six. This work itself tracks the work of the Bowles-Simpson Commission. So doesn't this raise the question about why the President didn't engage up the Gang of Six earlier or maybe support Bowles-Simpson in a more full-throated way, and maybe build public support for this kind of grand bargain without a looming federal default?

MR. CARNEY: Well, again, let's be clear. We never linked the fairly routine procedure of voting to increase the debt ceiling, voting to ensure that Congress pays the bills that it has already taken on to action on the deficit or the debt. That was not a link we ever made. And there is not a necessary link. We believe that an opportunity has been created by that political linkage, if you will, to do something significant, and that we ought to do it now when the opportunity is here.

The fact is that -- and a little history in perspective is important. The Simpson-Bowles commission exists, or existed rather, because the President of the United States created it. Why? Because there was a move to create something similar legislatively that had the support of Democrats and Republicans. Once the President endorsed that idea, seven, I believe, co-sponsors on the Republican side of that legislative proposal withdrew their support. Okay? So it failed. Therefore, it had to be created by executive action. The President did that, demonstrating again his seriousness in addressing this problem.

When the Simpson-Bowles commission emerged we talked about how much we appreciated its approach, and it has been a frame and a guide to the President's actions ever since. We did not agree with every specific in it. But it has been a huge contribution to this debate. And, again, it was a contribution that did not -- only existed because the President of the United States made sure that it existed.

So I think that -- we have to understand when people talk about, oh, Simpson-Bowles, as if it were some, like,

immaculate conception that just arrived onto the doorstep here and that the President somehow didn't embrace -- he created it. He caused it to happen, and he has been -- the approach he took in his budget, the approach he took in his framework adopted many of the provisions within the Simpson-Bowles commission report.

Q Did you make the link, Jay, because you saw an opportunity politically to get that done, or did you make a link because you -- after the reality that the Republicans were not going to vote for a debt ceiling increase without attached deficit reduction?

MR. CARNEY: Well, they asserted that. We obviously -- we live in a democracy with a divided government and a two-party system that's very robust and competitive, and we deal with that reality. And presented with that fact, we have, with great focus, worked with and negotiated with Congress to try to get a deal that ensures that we do not default, that we maintain the full faith and credit of the United States government, and that we address the need to reduce our deficits and get our debt under control.

And this President feels very strongly that as long as we're doing hard things we should do the hardest of all, which is go big and try to get significant deficit reduction in line with the \$4 trillion over 10 to 12 years that everyone who's put forward proposals in this debate thinks is the right answer.

Yes, Keith.

Q Jay, as I understand it, one of the major provisions of this Group of Seven deal is a --

MR. CARNEY: You're going to ask me a question about specifics that I won't be able to answer, because I think as we made clear and I -- the President made clear, I don't know the specifics of the proposal.

Q But it's the elimination of the alternative minimum tax, which would in fact be scored as a \$1.5 trillion tax decrease, just generally. Is the President willing to look at a bill that would actually be a net tax decrease?

MR. CARNEY: Again, as I think I just pointed out, I don't even know the specifics of the provision. They put their proposal forward not that long before the President came out. So I don't know how to address that or speculate about how the President will react to it.

Q Okay, and one more. You've covered these things on the Hill for a long time. You know this can take a very long time. If they are close to some kind of deal like this that is palatable to the President, would he consider extending the debt ceiling for a couple weeks or something like that, to allow a good deal to get done?

MR. CARNEY: I'm not going to speculate about how that might play out.

Q Well, he said before that he would veto that.

MR. CARNEY: Again, it's a question that -- whatever he said in the past stands. I don't want to speculate.

Chris Geidner.

Q Yes, the President has said in the past that he opposes the Defense of Marriage Act, but he is yet to endorse the Respect for Marriage Act, which is the specific piece of legislation --

MR. CARNEY: With Senator Feinstein?

Q -- aimed to repeal the bill. Tomorrow, the Senate will hold the first hearing into that bill. Is the administration ready to endorse that bill?

MR. CARNEY: I can tell you that the President has long called for a legislative repeal of the so-called Defense of Marriage Act, which continues to have a real impact on the lives of real people -- our families, friends and neighbors.

He is proud to support the Respect for Marriage Act, introduced by Senator Feinstein and Congressman Nadler, which would take DOMA off the books once and for all.

This legislation would uphold the principle that the federal government should not deny gay and lesbian couples the same rights and legal protections as straight couples.

Q And a follow-up. In line with that, the administration is also still in court defending "don't ask, don't tell." When is -- tomorrow also will be three weeks since the President said that certification will come in weeks, not months. Has the President spoken with Secretary Panetta or Admiral Mullen about these certifications since he made that statement, and where does it stand?

MR. CARNEY: I don't know if the President has had those conversations, either with Secretary Panetta or his predecessor or with Admiral Mullen. What the President said remains the case on our expectation, but I don't have any more information for you on that.

Yes, sir, and then Cecilia. Yes.

res, sir, and then Connie. Yes.

Q Thank you. The clashes -- Syrian forcibly still cracking down on the protesters, and just today mourners in a funeral actually again were attacked by the Syrian regime forces. When your administration is going to say enough, as you said in Libya at Qaddafi? And second is, Secretary Clinton was in Istanbul just over the weekend for the Libyan contact meeting. Can you please tell us -- and your administration just recognized TNC -- how you are going to proceed the unfreeze the assets so that the TNC can use much-needed --

MR. CARNEY: Well, let me address your question about Syria first. I mean, we have made clear that enough is enough when it comes to the brutal treatment that the Syrian government has brought to bear against its own citizens. We've continued to call on that regime to halt its campaign of violence, to pull its security forces back from Hama and other cities, and to allow the Syrian people to express their opinions freely so that a genuine transition to democracy can take place.

Furthermore, we've made clear that President Assad has lost legitimacy. He had the opposition to -- the opportunity, rather, to lead a transition, and he did not take it and he's lost legitimacy because of it. So we continue to work with our international partners to increase pressure on the Syrian regime to end the violence and meet the aspirations of the Syrian people.

With regard to Libya -- and you noted that we have recognized the TNC as the provisional government -- and it's clear that every metric shows the situation is moving against Colonel Qaddafi: He controls less territory; the opposition is on the offensive in a variety of areas of the country; Qaddafi is cut off from fuel and cash. The international community, like the United States, is moving to recognize the TNC.

And the meeting that -- well, I would just simply say that we continue to work with our partners to continue to put pressure on Qaddafi. And we are working to free up -- part of the recognition process was precisely because we wanted to make it easier to free up funds for the TNC. So that process is ongoing.

Q Can you tell us the level of partnership with Turkey, since Turkey has been more active? Some U.S. officials already can state that Turkey is not going as much as the U.S. or EU in terms of pushing Assad. Do you agree with that? Is this a fair assessment?

MR. CARNEY: I would refer you to the State Department on that; I don't have anything for you on that.

Connie.

Q Thank you. President Obama meets with the Prime Minister of New Zealand, Key, on Friday. What do you hope to accomplish? And is it time to end this archaic nuclear dispute with New Zealand and welcome them back at the ANZUS alliance?

MR. CARNEY: Well, I'll have to take the question on the alliance. But New Zealand is a very important partner and ally. The President looks forward to the meeting. But you'll have to -- I'll have to get back to you on more specifics.

Q Are you going to give New Zealand anything?

MR. CARNEY: I don't want to get ahead of the meeting itself.

Q Turning back to Libya, what specifically happened during that meeting between U.S. diplomats and officials in Qaddafi's inner circle that makes you think he's actually closer to stepping down?

MR. CARNEY: Well, I didn't say that that meeting makes us think that. There's ample evidence -- I mean, not that -- again, without addressing the question about him closer to stepping down, what's clear is that the pressure is on Qaddafi; he's running out of options; he's running out of fuel and cash; the opposition is moving against him.

The meeting that you reference with regime representatives was meant and succeeded as an opportunity to deliver a clear and firm message that the only way forward is -- to move forward, rather, is for Qaddafi to step down. It was not a negotiation; it was the delivery of a message. And the message was simple and unambiguous: Qaddafi must leave power so that a political process can begin that reflects the will and aspirations of the Libyan people. And that message was heard.

Q And who called the meeting?

MR. CARNEY: It was arranged, I'm sure, by both parties, but we -- it's been -- we've acknowledged that we were participants in it to deliver this message.

Q Going back to the debt ceiling briefly. You say you don't know the specifics of the deal, and yet it seems like the President was quite positive and almost supportive on the Gang of Six.

MR. CARNEY: You're thinking about the Gang of Six. Yes.

Q Gang of Six proposal.

MR. CARNEY: Well, because we know that it is a balanced -- I mean, the top lines are very much in keeping with the approach that we've taken, which is cuts in discretionary spending, cuts in defense spending, savings through entitlement reform, and savings through the tax code.

And that is the kind of balanced approach that we have endorsed because we think it's the only way to get that number up to get to a significant amount of deficit reduction, the kind of deficit reduction which will really change the dynamic in terms of how people view Washington's capacity to take action to tackle a tough problem, and the elected leaders, their capacity to come together and compromise to get something done that's significant.

So the President was simply endorsing the overall approach, which mirrors not just his approach but the approach that so many others who have looked at this seriously have taken.

Q Thank you.

MR. CARNEY: Thanks a lot.

END 2:28 P.M. EDT