

# **C-SPAN INTERVIEW TRANSCRIPT**

## **President Barack H. Obama**

Host: Steve Scully

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STEVE SCULLY, POLITICAL EDITOR, C-SPAN: Mr. President, as we speak to you in the White House Library, a constitutional lawyer, former law professor, as you work through the process for you personally in selecting the Supreme Court nominee, what are you thinking?

BARACK OBAMA, PRESIDENT OF THE UNITED STATES: Well, there are some benchmarks that you have to make sure that you hit. Obviously, you want somebody who is highly qualified, who knows the law. I want somebody who, obviously, has a clear sense of our constitution and its history and is committed to fidelity to the law.

Is going to make their decisions based on the law that's in front of them, but as I've said before, I think it's also important that this is somebody who has common sense and somebody who has a sense of how American society works and how the American people live.

And you know, I said earlier, that I thought empathy wasn't important quality and I continue to believe that. You have to have not only the intellect to be able to effectively apply the law to cases before you.

But you have to be able to stand in somebody else's shoes and see through their eyes and get a sense of how the law might work or not work in practical day-to-day living. And a good example of this, the Lilly Ledbetter case that came up a while back, where the justice has I believe misinterpreted the law in closing the door to a lawsuit by a woman who had worked for 20 years and had been paid less than her male counterparts.

She didn't know that she was getting paid less, when she discovered it, she immediately filed suit to get back pay and the suggestion was somehow that she should have filed suite earlier.

Well, I think anybody who has ever worked in a job like that understands that they might not know that they were being discriminated against it. It doesn't make sense for their rights to be foreclosed.

That's the kind of case, where I want a judge not only to be applying the law in front of them, but also to understand that as a practical matter. A lot of times people have weak bargaining power.

Now, in some ways it might cut the other way. I want a judge who has a sense of how regulations might affect the businesses in a practical way. And so, when they're interpreting a statute that they are saying, is congressional intent being met in this kind of circumstance. So, if there is a farm program somewhere, and you have somebody who can take the time to learn about how farmers work that's helpful.

So, in all these cases what I want is not just ivory tower learning. I want somebody who has the intellectual fire power, but also a little bit of a common touch and has a practical sense of how the world works.

SCULLY: And that's what empathy is?

Obama: Well that's what empathy is to me. And I think that that's – those criteria of common sense, practicality, a sense of what ordinary Americans are going through everyday. Putting that in the mix, when the judges are looking at cases before them, it's very important.

Keep in mind that, the Supreme Court by definition only gets the tough cases. And even at the Supreme Court level, probably 95 percent of the cases are going to be determined by some clear statutory language, a strong precedent.

But there is going to be a 5 percent of the cases there, where the language is ambiguous, where the constitutional precedent is not clear. And in those situations you want a judge who has a sense of what's going on in the day-to-day lives of the American people and has some practical experience. And I'm confident that there are people who combine both the intellectual qualities and the qualities of judgment and common sense that will make them a great Supreme Court justice.

SCULLY: Is it safe to say that an announcement in the next week or 2 with hearings in July?

OBAMA: Well, I think it's safe to say that we're going to have an announcement soon. And my hope is, is that we can have hearings in July so that we end up before Congress breaks for the summer – have somebody in place.

One of the things I would prefer not to see happen is that these confirmation hearings drag on and somebody has to hit the ground running and then take their seat in October without having the time to wrap their mind around the fact that they are going to be a Supreme Court Justice. I'd like to give them a little bit of lead time so that they can get prepared.

SCULLY: Are you worried about that?

OBAMA: No I am not worried. I think if you look at how this has worked in the past. Justice Roberts, Justice Alito, it took them approximately 70 days to get confirmed from the time that they were announced. And yes, I think that's a fair timeframe for us to work with as well.

SCULLY: Is there a justice current or former that you look at as a role model, as kind of the characteristics that you want in a Supreme Court justice?

OBAMA: Well you know, I mean each justice I think brings their own qualities, and you know, there are some justices who are wonderful writers, even justices I don't agree with, Justice Scalia is a terrific writer, and makes really interesting arguments.

You have people like Judge – Justice O'Connor, who again, I might not have agreed with her on every issue, but you always had a sense that she was taking the law and seeing what the practical applications of the law in this case. She wasn't a grand theoretician, but she ended up having an enormous influence on the law as a whole.

And on the other hand there are Justices like Brennan or Marshall, who really focused on the broader sweep of history and came at a time during the Civil Rights movement, where they recognized the unique role that – the unique role that courts could play in breaking the political logjam that had locked out too many people in the political process.

And so, different times call for different justices, each justice has their own strengths as well as weaknesses. And what I just want to make sure of is that any justices I appoint are people who have not only the academic qualifications or intellectual capacity, but also the heart and the feel for how Americans are struggling in their day-to-day lives.

And also, an appreciation I think for how, even though, we live in new times there are some time tested principles embodied in our constitution that have to be respected.

SCULLY: Let me follow-up on that, because you could have 2 or 3 more appointments in the next couple of years.

OBAMA: Right.

SCULLY: Is that the imprint that you want on the Supreme Court?

OBAMA: I don't want to jump the gun. Obviously, nobody else has announced their retirements, but the criteria that I described, a strong intellectual grasp of the law, an appreciation for the timeless principles of the constitution, and a sense of common sense and compassion and empathy for ordinary Americans, so that everybody is heard. Those are all qualities that I think make for a great Supreme Court justice.

SCULLY: William Howard Taft served on the court after his presidency, would you have any interest in being on the Supreme Court?

OBAMA: You know, I am not sure that I could get through Senate confirmation.

SCULLY: Mr. President, let's move on to health care, because some of the same people who were at odds with President Clinton trying to block his initiatives 15 years ago are at the table today. What's changed?

OBAMA: Well, a lot has changed. What hasn't changed is the ever escalating cost of health care. And so, people are seeing since '93 when we failed to reform health care that costs have continued to skyrocket.

I think the biggest change politically is, is that businesses now recognize that if we don't get a handle on this stuff that they are going to continue to be operating at a competitive disadvantage with other countries. And so they anxiously seek serious reform.

The fact that we've got hospitals and doctors who also recognize that the system is unsustainable on its current path, fiscal conservatives who recognize that the single biggest component of driving down our deficits and long-term debt is getting control of Medicare and Medicaid costs and that health care reform is critical to bend the curve.

All those things I think are converged. And you are absolutely right. The meeting we had here with insurance companies, drug companies, doctors, hospitals, labor, all the stakeholders involved, nurses, we haven't seen that before.

Now, it's still going to be very difficult to get a bill passed. But I'm absolutely committed to keeping this process moving, keeping the conversation going, focusing on how do we reduce costs, how do we increase efficiency, how do we make sure that families have some confidence that they can get health care when they need it and that they won't go bankrupt because their child gets sick.

I really think that the stars may be aligned here and we potentially can get it done if everybody comes at it with a spirit not of ideological rigidity. But if they come at it with a sense that in a practical hard-headed way, we can really negotiate and compromise and get something done for the American people.

SCULLY: But do you think that's something that – what ultimately will it look like and when will it happen?

OBAMA: Well, I've put forward a plan, a very extensive plan during the course of the campaign that I continue to think was the best approach. And what I would say is you will keep your health care if you already have health care. You can have your choice of doctors. You can have your choice of plans.

But what we are going to do is to invest more in prevention and wellness programs. We are going to manage how treatments are provided more effectively. We are going to initiate things like electronic medical record, something we invested in already in the recovery program that I passed. All these things will drive down costs.

Then what we want to do is also to make sure that everybody has basic coverage. Now, they may not have the gold-plated Cadillac health insurance, but it doesn't make sense in a country as wealthy as ours that if you are working full time, you should be able to afford health care.

If you are a small business owner, you should be able to get the same low rates that somebody who works for a big company gets. And so, the principle of driving down costs at the same time providing greater care for more people, higher quality care, and making sure that we as a country as a whole are getting a better bang for our health care dollar.

I think those things are achievable. They are not going to be easy. And some of the savings you won't see for five or 10 years, because the system is going to have to work through some of these inefficiencies.

Health information technology, for example, can be a huge cost saver, because it can eliminate duplicative records, reduce medical errors, but it's going to take some time for us to build out the infrastructure so that every provider, every small community hospital has these things in place. And that's part of the role that the government can play.

But the key point here, which I think I want to emphasize again, is if you've got health care – I don't want to take away your choices. I want to add your choices. I want you to be able to keep your doctor, keep your health care, but I want to be able to drive down costs. And if you are dissatisfied with your health care, I want to make sure you get some other options out there.

SCULLY: Yet, it all takes money. You know the numbers, \$1.7 trillion debt, a national deficit of \$11 trillion. At what point do we run out of money?

OBAMA: Well, we are out of money now. We are operating in deep deficits, not caused by any decisions we've made on health care so far. This is a consequence of the crisis that we've seen and in fact our failure to make some good decisions on health care over the last several decades.

So we've got a short-term problem, which is we had to spend a lot of money to salvage our financial system, we had to deal with the auto companies, a huge recession which drains tax revenue at the same time it's putting more pressure on governments to provide unemployment insurance or make sure that food stamps are available for people who have been laid off.

So we have a short-term problem and we also have a long-term problem. The short-term problem is dwarfed by the long-term problem. And the long-term problem is Medicaid and Medicare. If we don't reduce long-term health care inflation substantially, we can't get control of the deficit.

So, one option is just to do nothing. We say, well, it's too expensive for us to make some short-term investments in health care. We can't afford it. We've got this big deficit. Let's just keep the health care system that we've got now.

Along that trajectory, we will see health care cost as an overall share of our federal spending grow and grow and grow and grow until essentially it consumes everything. That's the wrong option.

I think the right option is to say, where are the game changers, the investments that we can make now that are going to reduce costs, even if they don't reduce them this year or next year, but 10 years from now or 20 years from now, we are going to see substantially lower costs.

And if – one of the very promising areas that we saw was these insurance companies, drug companies, hospitals, all these stakeholders coming together, committing to me that they would reduce costs by 1.5 percent per year.

If we do that, it seems like small number, we end up saving \$2 trillion. \$2 trillion, which not only can help deal with our deficit and our long-term debt, but a lot of those savings can go back into the pockets of American consumers in the form of lower premiums. That's what we are driving for.

SCULLY: You mentioned the auto industry. What will GM look like a year from now?

OBAMA: Well, my hope is, is that we will see both GM and Chrysler having emerged from this restructuring process leaner, meaner, more competitive with a set of product lines that appeal to consumers, good cars that are fuel efficient and that look at the markets of tomorrow.

Keep in mind what's happened in the auto industry. Right now, we're seeing – we're projecting that maybe this year the auto industry as a whole sells 10 million cars in the United States. Well, replacement numbers for the auto industry, you know, that the number of cars to replace cars on the road is closer to 14, 15, 16 million. And what that means is when the economy recovers and consumers say, you know the old clunker has finally given out. I need to get a new car.

You are looking at a substantial market that is going to be available for U.S. automakers if they've made some good decisions now, and if they are building the kinds of fuel efficient, high performance cars that American consumers are hungry for.

I think GM and Chrysler can do that. I think they have been weighed down by a legacy of some bad management decisions, health care costs and the whole host of other things that they are now in the process of cleaning up.

We're confident that they can emerge and take advantage of that new market and actually be very profitable and thrive, but it means going through some pain now, and the thing I worry about most is that so much of that pain is borne by workers and communities that have historically been the backbone of the auto industry and so we're going to have to work intensely with those communities.

If some of those auto jobs don't come back, then what we've going to have to do is make sure that those workers are effectively retrained. We've got to make sure that those communities are supported that we are promoting green energy and green jobs as an alternative manufacturing base for many of these communities and that's going to be one of the single-minded focuses of this administration.

SCULLY: When you see GM though as “Government Motors,” you're reaction?

OBAMA: Well, you know – look we are trying to help an auto industry that is going through a combination of bad decision making over many years and an unprecedented crisis or at least a crisis we haven't seen since the 1930's. And you know the economy is going to bounce back and we want to get out of the business of helping auto companies as quickly as we can. I have got more enough to do without that. In the same way that I want to get out of the business of helping banks, but we have to make some strategic decisions about strategic industries.

Our financial system is the life blood of our economy and if banks collapse then businesses across America collapse. We had to make some decisions that insured that the financial system was strong.

In the same way, our auto industry is the foundation for economies all across the Midwest, and ultimately, for the country as a whole and had we allowed GM or Chrysler simply to liquidate that would have been a huge anti-stimulus on the economy as a whole, and could have dragged us even deeper into recession or even depression. Ultimately, I think that GM is going to be a strong company and we are going to be pulling out as soon as the economy recovers and they've completed their restructuring.

SCULLY: States like California in desperate financial situation, will you be forced to bail out the states?

OBAMA: No. I think that what you're seeing in states is that anytime you got a severe recession like this, as I said before, their demands on services are higher. So, they are sending more money out. At the same time, they're bringing less tax revenue in. And that's a painful adjustment, what we're going end up seeing is lot of states making very difficult choices there.

They are cutting programs some of them unfortunately essential and that's why in our recovery package we provided dollars to make sure that teachers, police officers weren't laid-off, but there is still some contraction that's taking place at the state government level.

At the same time you know states have to balance their budgets and so they have got to make some very difficult choices. In California, because of the unique way that California's government operates, you not only have a legislature and the government, but also have referendum that help determine some of these decisions. You know that's probably a little bumpier working out some of those issues.

Probably, the biggest place where the states are needing some help right now is, just rolling over their debt issuing bonds. They are still being affected by some of the freezing in the credit markets and the uncertainty and anxiety in the credit markets. And so, we are talking to state treasurers across the country, including California, to figure out are there some creative ways that we can just help them get through some of these difficult times.

SCULLY: Your Senior Advisor David Axelrod describes you as a pragmatist, what does that mean?

OBAMA: Well, I think what it means is that I don't approach problems by asking myself, is this a conservative – is there a conservative approach to this or a liberal approach to this, is there a Democratic or Republican approach to this. I come at it and say, what's the way to solve the problem, what's the way to achieve an outcome where the American people have jobs or their health care quality has improved or our schools are producing well educated workforce of the 21st century.

And I am willing to tinker and borrow and steal ideas from just about anybody if I think they might work. And we try to base most of our decisions on what are the facts, what kind of evidence is out there, have programs or policies been thought through.

I spend a lot of time sitting with my advisors and just going through a range of options. And if they are only bringing me options that have been dusted off the shelf, that are the usual stale ideas, then a lot of times I ask them, well, what do our critics say, do they have ideas that maybe we haven't thought of.

So, in that sense – I don't have a lot of pride of authorship on this. I don't have some need to constantly say, my way or the highway. I think the attitude is let's sit down and create a process where we can work through and find the best ideas that will help the American people the most.

SCULLY: Have you had any conversation with former President Bush since the inauguration?

OBAMA: I have.

SCULLY: And?

OBAMA: Well, I think that although I've only been president four months, I think a general policy of keeping confidence with your predecessors is important.

SCULLY: Yesterday, your speech followed by the former Vice President was described as historic. Was it?

OBAMA: I am not sure it's historic. I think that I tried to create a context for what we're doing around issues like Guantanamo, my decision to ban enhanced interrogation techniques, how we can, both preserve our values, uphold our ideals and wage an aggressive battle against organizations like Al-Qaeda that want to do us harm.

And I am confident that we are stronger when we uphold our principles, that we are weaker when we start pushing them aside.

I think there was a period of time right after 9/11, understandably, because people were fearful, where I think we cut too many corners and made some decisions that were contrary to who we are as a people.

I think there were adjustments that were made even within the Bush administration to try to deal with some of those mistakes. There are still consequences, though, to some of those earlier poor decisions, and I think Guantanamo was one of them. And it's a messy situation. It's not easy.

We've got a lot of people there who we should have tried early, but we didn't. In some cases, evidence against them has been compromised. They may be dangerous, in which case we can't release them. And so finding how to deal with that I think is going to be one of our biggest problems.

On the other hand, I am very confident that if we approach this in a way that isn't trying to score political points, but is trying to create a legal and institutional framework with checks and balances, respectful of due process and rule of law, if we set up that system, then there is no reason why we can't try either in a military commission or in a federal court people who've done us harm and also spend a bulk of our time preventing people from doing us harm in the first place.

SCULLY: When in your day or in your schedule do you have time to think?

OBAMA: Well, you know what? I try to make time during the course of the day. I mean usually I've got some desk time during the course of the day where I can review materials that I think are important for decisions that I'm going to have to make later in the day.

I tend to be a night-owl. So after I have had dinner with the family and tucked the girls in, then I have a big stack of stuff that I have taken up to the residence. And I'll typically stay up until midnight, just going over stuff and sometimes push the stack aside and just try to do some writing and focus on not the immediate issue in front of me, but some of the issues that are coming down the pike that we need to be thinking about.

And there are a whole host of those issues. I'll give you a good example. We don't have I think the kind of comprehensive plan to deal with cyber security that the country needs. Now, there is not a cyber attack right now. There is not some emergency virus right now. But that's a big critical system that is vital to our economy. It's vital to our public health infrastructure.

And so you're figuring out how do we set up systems where government is working with the private sector in a way that doesn't put a crimp on innovation and discovery, but also make sure that the data is secure and the American people are protected. That's something where you got to get the wheels turning now. And so we're doing that.

There are a range of examples like that that if you don't build in some thought time, end up being pushed aside by the constant churning of events.

SCULLY: Let me just ask you one last question about your wife and your family. Time Magazine, out with a cover story about your wife and saying, "No first family has lived with the weight of hope and a hope that has landed on the Obamas." Do you feel that way?

OBAMA: No, we don't feel a lot of stress. We don't think in those terms. We think in terms of mom and dad and kids and now a dog and how do you make sure that your kids are doing their homework, brushing their teeth, treating each other nicely.

When I think about Michelle, I am thinking, am I listening to her and responsive to some of the things she is going through. And I think she is trying to do the same for me. And, we really think of ourselves as a family like every other family. We've got some issues like every other family has that they have to work through.

But I – one of the things we've found actually is that the White House has been terrific for family life compared to some of our other previous situations like campaigns, because we are all in the same place. I have got this pretty nice home office, and I am home for dinner every night just about that I'm in town. And I can read to the girls, and they can tell me about their day.

I've even gotten to go to a couple of soccer games. And so, we also happen to be blessed by two almost perfect children. So we are pretty lucky there.

SCULLY: But you sell a lot of magazines.

OBAMA: Well, you know, Michelle sells a lot of magazines. I don't about how magazines with me on the cover do. I think Michelle's do very well.

SCULLY: Let me conclude with the U.S. Supreme Court. What would you tell your wife, your mother-in-law and your two daughters if it weren't a woman that you are about to appoint?

OBAMA: You know, it's interesting to me. Actually I can't tell you the number of women, including Michelle, who say chose the person you think is going to be best. If I end up having more than one nominee, I am pretty confident that it would be reflective there of some diversity.

I think in any given pick, my job is to just find somebody who I think is going to make a difference on the courts and look after the interest of the American people. And so, I don't feel weighed down by having to choose a Supreme Court Justice based on demographics. I certainly think that ultimately we want a Supreme Court that is reflective of the incredible variety of the American people.

SCULLY: Is this job what you expected?

OBAMA: You know, this is an extraordinary honor and an extraordinary privilege, and it exceeds expectations, both in terms of the challenges, but also the opportunity to just everyday be involved in issues that really matter. It's a great privilege.

SCULLY: Mr. President, thank you.

OBAMA: Thank you. I appreciate it.

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