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Interview with President Obama: The full transcript

On Friday, December 9, 2011, 60 Minutes correspondent Steve Kroft interviewed President Barack Obama in the Cabinet Room of the White House. The President discussed both his accomplishments and the challenges he faces as he begins his quest for reelection. Below is a transcript of that interview. The video of this interview is also available on this website.

STEVE KROFT: The speech on Tuesday in Kansas sounded very much like a campaign speech. What were you trying to get across?

PRESIDENT OBAMA: Our economy is in a transition of the sort that America's gone through maybe every 70-75 years. We went from an agriculture economy to an information, to an industrial economy during Teddy Roosevelt's period. We've now gone from an industrial to a knowledge-based, innovation society. And, you know, there are a lot of disruptions.

And the middle class in America has really taken it on the chin, during this period. They haven't seen their wages go up, they haven't seen their incomes go up. You know, women went into the workforce to try to keep family incomes up. But then that wasn't enough; they ended up getting into debt. And they're not seeing enough prospects for a future where their kids are gonna do better than they are.

Now the good news is, we can solve these problems and meet these challenges, because America, by definition, is an innovation society. We constantly remake ourselves. So there's no reason why we should not succeed in this era, just like we've succeeded in past eras. But it requires us to make some adjustments. And it requires everybody to have a fair chance, everybody to do their fair share, and rules of the road that create fair play for everybody.

And what people have been frustrated about, especially since the financial crisis, is the sense that the rules are rigged against middle-class families and those aspiring to get in the middle class. So, if we're willing to make investments in education so that everybody gets a fair chance and kids aren't coming out with \$100,000 worth of debt to go to college.

If we make sure that everybody's doing their fair share, to pay for things like infrastructure improvements in basic science and research and advanced manufacturing and innovation, we ask those who've benefited the most over the last three decades, we ask them to do a little bit more. And if we've got tough rules of the road -- like the financial reform package that we passed into law last year -- there's no reason why over the next five, ten years, we cannot reposition ourselves so that every single American, no matter what they look like, no matter where they come from, they can succeed. And that's my goal as President. That's what I think about every day. And that's what led me to run for president in the first place.

KROFT: Since the midterm elections, you've made an effort at bipartisanship. It hasn't worked out that way. In Kansas, you didn't mention it. And it seems to me, it appears, watching you the last month or so, that you have stopped reaching out to Republicans. That you're going on the offensive... and taking your message to the voters.

PRESIDENT OBAMA: Well, I think that when I came into office in 2008, it was my firm belief that at such an important moment in our history, there was no reason why Democrats and Republicans couldn't put some of the old ideological baggage aside and focus on common sense, what works, practical solutions to the tough problems we were facing. And I think the Republicans made a different calculation, which was, "You know what? We really screwed up the economy. Obama seems popular. Our best bet is to stand on the sidelines, because we think the economy's gonna get worse, and at some point, just blame him."

And so we haven't gotten the kind of engagement from them that I would have liked. And the best example of this was when we were negotiating around reducing the deficit. The truth is that, compared to other countries around the world, our deficit problems are completely manageable. If we had a balanced package that reforms some of our health care programs, like Medicare and Medicaid, that cuts discretionary spending, which I've already agreed to do - and we've cut a trillion dollars' worth of spending so far, and I'm willing to do more. And I've put forward specific plans to do more.

And we ended up asking the wealthiest Americans to do a little bit more in terms of taxes. Going back to rates that would still be lower than they were under Ronald Reagan, our deficit problems would be solved. And I could not get Republicans to go ahead and say, "You're right. We're gonna put country ahead of party."

Now what I've said to them is, "That deal remains on the table. My offer to cooperate on a whole range of issues remains on the table. But I can't wait, because the American people can't wait. They need help right now. " And so what we've done, since this debt ceiling debacle, is to look at every single thing I can do through executive actions to go ahead and help provide some relief to middle-class families. So helping families to take advantage of low interest rates to refinance their homes, putting [a] couple extra thousand dollars in their pockets, helping students so that their debt burden when they come out of school is lower.

We're just gonna keep on looking for specific things that we can do without Congressional cooperation. But Steve, I would love nothing more than to have the Republicans say, "We're gonna be focused on trying to solve problems and not score political points." And the best example is the debate we're having right now around the payroll tax cut extension. This is a deal that we cut last year that every economist says we need to help sustain the recovery.

And traditionally, Republicans have tried to claim the mantle of being in favor of every tax cut. They never want to raise taxes. And yet, we have the prospect in 20-some days that 160 million Americans will see their taxes go up by an average of a thousand bucks. And yet, it's become a negotiation, where they think that in order for us to do something that's common sense and needed for our economy, that somehow they're doing me a favor. This isn't something you do for me.

We even had a Republican quoted in the newspapers yesterday, saying that "If we load up a whole bunch of additional stuff that Obama doesn't like, then maybe we'd pass the payroll tax -- and the more Obama doesn't like it, the more I like it." That attitude just drives people crazy.

KROFT: But have you stopped reaching out? Have you given up on the Republicans? Have you stopped reaching out to them? Are you just out there now trying to get your message across?

PRESIDENT OBAMA: Every opportunity that I see for us to be able to actually get something done, I will seize. So we passed three trade agreements that the Republicans agreed to. And I lined up my party behind it, even though it wasn't popular in certain segments of my party. And that's a good example of any time we can see areas of potential cooperation, we want it desperately. Because my biggest incentive right now is to get this economy moving and put people back to work.

And I'll worry about the politics sometime next year. But right now, what I'm worrying about are the letters that I'm getting and the people I'm talking to every single day, who are working hard, have been working hard for five years, ten years, 20 years, and don't feel like they're getting ahead. And I want to make sure that we're doing right by them.

KROFT: There are people that think that you took a very hard line. That the Republicans weren't the only ones that were being intransigent. That . . .

PRESIDENT OBAMA: That's based off . . .

KROFT: Let's take the issue of tax reform. It seems to be an issue everybody's interested in right now. Your own Simpson-Bowles Commission, recommended a balanced approach, and they recommended big reforms in the tax system.

PRESIDENT OBAMA: All for 'em.

KROFT: Cutting the basic rates, getting rid of deductions, and making the tax form simpler. The Republicans made a couple of overtures during those negotiations to raise revenues. And you didn't...

PRESIDENT OBAMA: No, Steve. Steve, that's just not the case. What happened was that they made overtures, where they were willing to raise about \$200 billion in exchange for \$2 trillion or so worth of cuts of core programs like Medicare that seniors depend on for their security in their golden years. And what I said to them was, "A balanced approach means exactly what it says. It means it's balanced." I would love to see tax reform. And if we can get a commitment from the Republicans that they want to work on a serious tax reform package that makes sure that the wealthiest Americans are paying their fair share, that is simplifying the tax code, that is lowering rates, but by broadening the base, that's something I'm all for. It's part of my plan. But what we haven't seen is any serious movement on the other side. Let's take another example...

KROFT: Well, they say they're ready to do it. They say it's your insistence on raising the taxes to the wealthiest Americans, that you're fixated on that. And that there are other ways to raise revenue.

PRESIDENT OBAMA: Steve, the math is the math. You can't lower rates and raise revenue, unless you're getting revenue from someplace else. Now, either it's coming from middle-class families or poor families or it's coming from folks like you and me that can afford to pay a little more. I mean, I think the average American understands that.

KROFT: The argument has been that if you reform the deduction process...

PRESIDENT OBAMA: The deductions mean home mortgages for middle-class families. The deductions mean things that a lot of people of modest means rely on. Now we can have a discussion about potentially reforming some of those deductions, but you can't get away

from the basic concept that either we have a system in which the people who have benefited the most from this new economy -- by a magnitude of 200%-300% increases in their income. Either they're doing a little bit more or they're not.

I think they should. And this is not because I'm interested in punishing the rich. I want everybody to be rich, that's great. It has to do with the fact that the less I'm asking you or me to do, the more I'm asking somebody who's in a much tougher position to sacrifice. And that is basic math. I want to be very clear here, Steve. Democrats have moved significantly on a whole range of issues, in part, because of my leadership.

I went out there in August and I said, "We should take on entitlement reform," despite the fact that there were a lot of people in my party who felt that, "You know what, this is something we should preserve and we can beat Republicans over the head as trying to weaken Social Security and Medicare and Medicaid." And I said, "You know what? These are long-term programs that we need to fix. We need to make sure that they're sustainable for the future so that the next generation of seniors have them."

But in order to do that, we've got to start reducing health care costs. And I took a lot of heat for it. We haven't seen the equivalent willingness on the other side. And the bottom line is this: If there is a serious proposal out there that's balanced, I want to seize it. And I'm ready tomorrow to sign a bill that's balanced.

KROFT: Look, you gave up a lot. You said you wanted a balanced approach. You didn't get it. You cut a trillion dollars and set up the framework to cut another trillion plus and the Republicans gave up nothing. I mean, there are people in your own party who think that you were outmaneuvered. That you were stared down by [House Speaker] John Boehner and [Republican lobbyist] Grover Norquist and capitulated.

PRESIDENT OBAMA: Right. Steve, you've got to get your story straight, though. The first argument was that I don't compromise at all. Now you're saying I gave up too much.

KROFT: It seems to be all the compromising is being done by you.

PRESIDENT OBAMA: Both stories can't be true. Right? So I think what you'll see is that we were willing to make some tough cuts on programs, some of which I like and would like to see in place. But we can't afford them right now. So yes, we made some tough cuts. But that trillion dollars' worth of cuts were cuts that we had helped identify, that we were willing and prepared to make anyway.

And we did so partly because we think it is important to send a strong signal that we're serious about deficit reduction. But also because, in order for us to free up resources to do the things that will help us win the future -- like making sure, for example, that students have an easier time financing college -- it means we've got to get rid of some programs that don't work.

So, I've got no problem with that. What is going to really solve the deficit over the long term and not just the short term, [is if] we Democrats to agree to make some modifications on entitlements so that they're sustainable and stronger over the long term. And it requires Republicans to get off the dime when it comes to revenues. And to make sure that everybody's doing their fair share. And if we do that, we can solve this problem.

KROFT: We have a new CBS poll, which is out this weekend. And I'll give you the news that's good for you first: People like you. They respect you. They think that you're working hard. And they realize that you faced an enormous amount of trouble and problems, many of them inherited. And your approval rating is four times higher than the Congress.

PRESIDENT OBAMA: That's a low bar, I gather.

KROFT: But they're not happy with the way you're doing your job. You've got 75% of the people in the country think it's headed in the wrong direction, 75%. And 54% don't think that you deserve to be reelected. I mean, those are not good numbers with 11 months to go before the election.

PRESIDENT OBAMA: Well look, we've gone through an incredibly difficult time in this country. And I would be surprised if the American people felt satisfied right now. They shouldn't feel satisfied. We've got a lot more work to do in order to get this country and the economy moving in a way that benefits everybody, as opposed to just a few.

And we didn't get into these problems overnight. We're not gonna get out of them overnight. And as long as I'm President, I'm gonna be held responsible, in some fashion, to fix the problem. And, you know, that is why I don't spend a lot of time worrying about polls. I spend a lot of time worrying about, "Are the steps that we're taking the right ones, in order to get a better result for ordinary families who are working hard? "

I think when it comes to election time, what the American people are gonna be asked is: Does the vision I'm putting forward have a better chance of succeeding than the vision that the other side is putting forward? And it becomes a choice. And I'm very confident that the choice is one that we can win. Because I think our ideas are better. And I say that not because of personal ambition, it's because I think that this country has to move in a direction that builds from the bottom up, an economy where everybody has a chance to succeed.

And the only way we're gonna do that is to improve our education system, make investments in infrastructure, roads, bridges, broadband lines, basic research, increase the number of engineers we've got, number of scientists that we have, encourage entrepreneurship -- all the things that I've been talking about over the last several years.

And what we're not gonna succeed in doing is somehow creating a you're-on-your-own economy, in which just a handful of people are succeeding and the expectation is somehow those benefits are gonna trickle down to everybody. It hasn't worked. It hasn't worked in the past, it's not gonna work in the future.

KROFT: You've talked a lot about the Republican intransigence. Isn't it your job as President to find solutions to these problems, to get results, to figure out a way to get it done?

PRESIDENT OBAMA: It is my job to put forward a vision of the country that benefits the vast majority of Americans. It is my job to make sure that my party is behind those initiatives, even if sometimes it's breaking some china and going against some of the dogmas of our party in the past. We've done that on things like education reform. And it's my job to rally the American people around that vision.

And on all three fronts, we've been able to do that. If I can't get Republicans to move, partly because they've made a political, strategic decision that says, "Anything Obama's for, we're against, because that's our best chance of winning an election," I don't think the American

people would see that as a failure on my part. My preference is that they'd have a different attitude. You know, I've been joking with my staff lately that I think in my next speech, I am gonna say, "I am adamantly opposed to investing in education and putting teachers in the classroom. I'm adamantly opposed to rebuilding America and putting construction workers back to work." And I'm thinking maybe suddenly Republicans might be for it. But, you know, keep in mind, I'm talking about Republican members of Congress. I'm not talking about Republicans around the country.

KROFT: They don't like you much better. It's only 7% approval rating.

PRESIDENT OBAMA: Yeah, no, I understand. But I think that they like the ideas that we put forward. I mean, the interesting thing is the majority of Republicans actually think we should have a balanced approach to deficit reduction, including tax increases for the wealthy. The majority of Republicans do think that we should make investments in roads and bridges and improving our airports and investing in basic research and medical research.

So if you take my name out of it and just look at the ideas that we've been presenting, these are common sense, mainstream ideas that Republican presidents in the past have supported. And that, by the way, includes a health care plan that a certain Republican governor in the past has supported.

KROFT: Fifty-one percent don't like yours.

PRESIDENT OBAMA: Yeah.

KROFT: You say that you rallied the country, but these poll numbers show otherwise. They show that 75% thinks the country's on the wrong track. And it shows that actually 54% don't feel that you have the same priorities as they do.

PRESIDENT OBAMA: Steve, here's the thing. As long as [the] unemployment rate is too high and people are feeling under the gun -- day in, day out -- because their bills are going up and their wages and incomes aren't, or they're out of a job, they're gonna feel unsatisfied. I mean, there's no secret to this.

KROFT: No question about it.

PRESIDENT OBAMA: And the fact of the matter is that if unemployment was at 5% right now, I suspect all those numbers would be pretty different.

KROFT: It's not.

PRESIDENT OBAMA: Well, and that's the point. So all I can worry about is making sure that every single day, the steps I'm taking, I believe, are advancing an agenda that leads to America's success over the long term. And until you actually see results, people are gonna continue to be frustrated. If the results begin to come, then I think we'll do very well.

KROFT: With the unemployment [rate at] 8.6 [percent], you still got soft consumer demand. You've got no business investment, there's still a fairly steady downturn in housing prices. Do you know something that these 29% don't know? I mean, do you see some hope? Do you think that things are gonna get better? Do you think that you might have the unemployment rate down to 8% by the time the election rolls around?

PRESIDENT OBAMA: I think it's possible. But, you know, I'm not in the job of prognosticating on the economy. I'm in the job of putting in place the tools that allow the economy to thrive and Americans to succeed. And keep in mind that when I came into office, it turns out that in the three months before I was sworn in, the economy had contracted by 9%. Almost unprecedented, certainly since the 1930s. We lost four million jobs before I was sworn in and another four million jobs in three months after I was sworn in, but before any of our economic policies had a chance to take effect. Eight million jobs were gone. And things were cratering.

Six months later, the economy was growing again. And we've now had nine consecutive quarters, two and a half years, in which the economy's grown. About nine months later, we were creating jobs again. And we've had 21 consecutive months of private sector job growth. So, does that make people feel better? No. You know, we did all the right things to prevent a great depression and to get the economy growing again and to get job creation going again.

But it hasn't made up for the hole that was created in those six, nine, 12 months before my economic policies took effect. Now the second challenge, though, is a set of structural problems in the economy that date back ten years, 15 years -- where wages and incomes haven't been going up -- that were papered over because the housing bubble was going on and people could borrow from their homes and use credit cards.

And so they could keep up their standard of living, even though the underlying economy was going through profound changes and weakening. We have two challenges: Number one is recovering what was lost during the financial crisis. But the second problem is dealing with those long-term structural problems. That's gonna take some time. And, you know, sometimes when I'm talking to my team, I describe us as, you know, I'm the captain and they're the crew on a ship, going through really bad storms. And no matter how well we're steering the ship, if the boat's rocking back and forth and people are getting sick and, you know, they're being buffeted by the winds and the rain and, you know, at a certain point, if you're asking, "Are you enjoying the ride right now?" Folks are gonna say, "No." And [if you] say, "Do you think the captain's doing a good job?" People are gonna say, "You know what? A good captain would have had us in some smooth waters and sunny skies, at this point." And I don't control the weather. What I can control are the policies we're putting in place to make a difference in people's lives.

KROFT: I'm not saying this as fact, and hindsight is always 20-20. But there's [a] general perception that the stimulus was not enough. That it really didn't work. That...

PRESIDENT OBAMA: Let me stop you there, Steve. First of all, there's not general perception that the stimulus didn't work. You've got John McCain's former economist and a whole series of prominent economists, who say that it created or saved three millions jobs and prevented us from going into a great depression. That works.

So that's not true. It is true that some people have argued, given the magnitude of the crisis we were in, we should have done an even larger Recovery Act. And then I'm bumping up against the realities of Congress, which is this Recovery Act was twice as large as most people thought was even possible. And yet, because the problem was so big, you can make an argument that it might have been larger.

There are some people who argue, "Well, you could have done a different mix." Well, a third of this was tax cuts to the American people, putting more money into their pockets. And I

suspect the average American who was spending that money probably thought that was a pretty good use of Recovery Act dollars. A third of it was helping states make sure that we're not laying off teachers and firefighters and police officers.

And by the way, as that money has run out, our biggest problem right now, in terms of job loss, is actually precisely those folks whose jobs we saved during the Recovery Act, now being laid off because states and local governments have seen the difficulties of managing their budgets in the face of these difficult economic times. So we made the right moves, even when they were politically difficult.

Our intervention in the auto industry probably saved about a million jobs. And, by the way, taxpayers have been paid back a big chunk of the money, much faster than anybody anticipated. And we're now competing with other automakers from other countries in ways that we hadn't seen before. But it's not enough. And the recurring challenge here, Steve, is always gonna be, even if we've done the right things, if people's reality right now is still difficult, they're gonna be frustrated. And they should, because I'm frustrated. The question in the election...

KROFT: And they hold you equally accountable with the Congress.

PRESIDENT OBAMA: And the question next year is gonna be -- and this is how democracy's supposed to work -- do they see a more compelling vision coming out from the other side? Do they think that cutting taxes further, including on the wealthy, cutting taxes on corporations, gutting regulations. Do we think that that is gonna be somehow more successful? Rolling back Wall Street reform? You know, rolling back clean air and clean water laws?

And if the American people think that that's a recipe for success and a majority are persuaded by that, then I'm gonna lose. But I don't think that's where the American people are gonna go, because I don't think the American people believe that, based on what they've seen before, that's gonna work.

KROFT: I mean, nobody, if you look at the poll numbers, nobody's particularly happy with you. Certainly not the Republicans, not the Democrats, either. I mean, you've got like 19% don't think that you deserve to be reelected. But the biggest problem seems to be with the independents, who played such a big role in your last election. Right now, you've only got 37% believing that you deserve to be reelected. And 55% of the independents don't think you deserve to be reelected. How can you change that? How do you explain it? You think this is just the economy?

PRESIDENT OBAMA: Absolutely, it's just the economy. I think, you know, if you ask people, "Have we done the right moves in a difficult situation around foreign policy? Have we gone after al Qaeda? Have we ended the war in Iraq, as promised? Have we prepared for a responsible transition in Afghanistan? Have we restored respect around the world?" If you ask them how we've performed on things that don't have to do with the economy and don't have to do with Congress, they'll give me high grades, right? So yes, it has to do with the economy. And there's nothing wrong with the American people holding me accountable, holding Congress accountable. I want that accountability.

But what I think is gonna be important, not just next year, but over the next five years, is the American people looking at the choices we face, because we are at a crossroads. And

determining, do we want a society in which we have a tax code where everybody's paying their fair share? Do we want a society in which we're making sure that young people have the chance to get a great education with excellent teachers and are able to go to college without incurring huge debt? Do we want a society in which we've still got, you know, the best science and the best research in the world, and the most innovative entrepreneurs in the world? Or do we think that an economy in which you're on your own and big corporations can write their own rules and we're gutting regulations... Which one is more likely to help middle-class families and people trying to get in the middle class?

And that's the question that people are gonna be presented with. And I welcome that debate. I think it's a healthy debate for the country to have. And I think it's a debate we can win. Because I am absolutely convinced that the vision I'm presenting is one that is true to the history of this country. And that's part of what I was talking about in this Kansas speech. It's true to the notion that we rise or fall together. And that, you know, when we are firing on all cylinders, because the guy on the factory floor and the guy on the executive suite are both doing well and they're both focused on making great American products and providing great American services and exporting around the world... That's the recipe for success that I think the American people are hungry for. It's just, right now, they haven't seen enough of it yet.

KROFT: You definitely have some impressive accomplishments.

PRESIDENT OBAMA: Thank you, Steve.

KROFT: No, you do. And more than a lot of presidents who manage to get reelected. My question is, is it enough? Why do you think you deserve to be reelected?

PRESIDENT OBAMA: I think under some extraordinary circumstances, we not only saved the country from a potential disaster -- not only did we manage our national security at a time where there were severe threats and two wars going on, in a way that has made America stronger and more respected and put us in a better strategic position around the world and almost decimated our number one enemy, which is al Qaeda -- but what I've also been able to do is to, in very practical ways, put in place a series of steps that will allow middle-class families and those trying to get in the middle class to take back some of what they've lost over the last couple of years. Now, we're not there yet, but what I can say unequivocally is that everything I've done, every single day, and everything I will do as long as I'm in this office is designed to make sure that every kid in America has the same opportunities that I had.

Because I didn't come from privilege. I've said before and I mean this -- this is the only country on Earth where my story is possible. And if I, as the child of a single mom, raised by a couple of grandparents -- one of whom would never have got more than a high school degree, the other of whom got some college because of the G.I. Bill -- was able to succeed. And my wife, who was the daughter of a blue-collar worker and a secretary was able to become First Lady of the United States.

I want to make sure that that continues to be true for every child born in this country. And I don't think there's gonna be anybody out there who feels that more passionately or more personally, and who's gonna fight harder for those families, because they're my family. And they're my family's family. And they're Michelle's family. And ultimately, I think that the American people, as frustrated as they are, are gonna say to themselves, "You know what? This guy's on our side. He's fighting for us." Because I am.

KROFT: Look, political campaigns are hard, being president's hard. Even among some of your supporters, strongest supporters, there is a sense, a little sense of disappointment. That they thought that you were gonna be bolder. That you were gonna take more steps. That you were gonna work outside the box, so to speak. Be a little unconventional. And they think you've been too cautious. That you've just kind of played it by the numbers.

PRESIDENT OBAMA: That's opposed to my critics, who think I've been this radical socialist. Look, Steve, you know, there was actually a good article written a while back, taking a look at the old press clips from every Democratic president, dating back to Franklin Roosevelt, including Roosevelt. And, you know, nobody was happy with them. Nobody was happy with them. You know?

Bill Clinton, who's beloved by the Democratic Party, at this point -- and I consider to be an extraordinarily successful president -- you look at his old press clippings, he was getting beat up with some of the same stuff I was getting beat up with.

Harry Truman, now lionized, you know? "Give 'em hell, Harry." At the time, everybody was calling him a complete and utter disaster. F.D.R., people, for the first couple of years of his presidency, were saying, "What he's doing's not working." You know? He was being called a radical by the business community. He was being called a sellout by the left.

So this all comes with the territory, but this isn't about me. This isn't about me. You're absolutely right that if my goal was to maintain the extraordinary popularity that I had right after I made my convention speech in 2004, then I would have never left the Senate. I would have been sitting on 70% approval ratings. I wouldn't have been leading this country, but people would be really attracted, because I wouldn't have had to make any choices and make any decisions and exercise any responsibility.

I took a different path. And as Michelle reminds me, "You volunteered for this thing." So I don't spend a lot of time worrying about the criticisms day to day. What I do spend time worrying about is making sure that we're getting the policies right that will help people succeed, and give Americans the tools they have to navigate a new economy that is global, that is skills based, that is knowledge based. And we're doing that.

KROFT: Have you and Michelle ever had a conversation about whether you should really seek a second term? Have there been any doubts in your mind about not running again?

PRESIDENT OBAMA: No. Not because our quality of life might not be better if I were not president. Not because Michelle is so enamored with me being President. But because we both think that what we're doing is really important for a lot of people out there. And we meet people every day, who tell us it's important. You know, it's interesting, there was a letter in...

KROFT: Well, you do have 44% approval rating.

PRESIDENT OBAMA: Well, there are a lot of people around the country. I was thinking in more personal terms. There was a letter recently in the Los Angeles Times from a disillusioned Obama supporter, who was extraordinarily frustrated that I'd compromised over and over again. And the health care bill was a perfect example of compromise. We didn't get the public option, you know? We trimmed our sails.

KROFT: Well, a lot of Democrats feel that way.

PRESIDENT OBAMA: And then this person had gotten sick. And because of the health care bill, they had health care. And the person wrote to the Los Angeles Times saying, "Since this health care bill saved my life, maybe I have a slightly different attitude about these things." And the point is that every day I'm meeting people, you know, young people who because we increased the Pell Grant and we stopped subsidizing banks in the student loan program and sent more money to kids, they're able to go to college.

And every day we're meeting a military family who says, "You know what? Because you reformed how the V.A. is doing business, or because of Michelle's efforts in supporting us, things are a little easier, given all the sacrifices we've made." Or we've got Mom, who's writing back, saying, "You know what? My son just came back from Iraq. Thanks for keeping your promise." And so, that's why I don't have doubts, because those people tell me that in steady steps, not always as fast as I would like, we're moving this country in the right direction.

KROFT: One of the things that surprised me the most about this poll is that 42%, when asked who your policies favor the most, 42% said Wall Street. Only 35% said average Americans. My suspicion is some of that may have to do with the fact that there's not been any prosecutions, criminal prosecutions, of people on Wall Street. And that the civil charges that have been brought have often resulted in what many people think have been slap on the wrists, fines. "Cost of doing business," I think you called it in the Kansas speech. Are you disappointed by that?

PRESIDENT OBAMA: Well, I think you're absolutely right in your interpretation. And, you know, I can't, as President of the United States, comment on the decisions about particular prosecutions. That's the job of the Justice Department. And we keep those things separate, so that there's no political influence on decisions made by professional prosecutors. I can tell you, just from 40,000 feet, that some of the most damaging behavior on Wall Street, in some cases, some of the least ethical behavior on Wall Street, wasn't illegal.

That's exactly why we had to change the laws. And that's why we put in place the toughest financial reform package since F.D.R. and the Great Depression. And that law is not yet fully implemented, but already what we're doing is we've said to banks, "You know what? You can't take wild risks with other people's money. You can't expect a taxpayer bailout. We're gonna ask you to set up a living will, so that if you are going down, we've already figured how to break it up, without harming the rest of the economy."

So all those pieces are starting to be put in place right now. This is an example of where the resistance that we're getting out of congressional Republicans makes absolutely no sense. I mean, here we've got a situation where we set up a director of the Consumer Finance Protection Bureau. A consumer watchdog, whose sole job it is to look out for ordinary folks, when they're dealing with mortgage brokers or payday lenders or debt collectors, so that they're not paying 400% interest or they're not signing a mortgage that they don't understand and lose their home after having paid for a year, because they were in over their heads.

By the way, armed service members are some of the folks most likely to be affected by this. And the guy we nominated is uniformly considered qualified. Richard Cordray from Ohio, former attorney general, former treasurer. Democratic and Republican attorney generals say this is the right guy for the job. We can't get him through. That's the kind of stuff that drives the American people nuts.

Now if you ask them, whose fault is that? They'll say everybody. You know? It's sort of a plague on all your houses. Because this place looks dysfunctional. And I understand that. But what I'm gonna do is, I'm just gonna keep on pushing and we're gonna find ways to get this guy in place to protect the American people, because it's the right thing to do.

KROFT: I'm sure your poll numbers will probably automatically go up as soon as there is a Republican candidate in the race. I mean, that's normal. I mean, you're being judged now on your performance.

PRESIDENT OBAMA: No, no, no. I'm being judged against the ideal. And, you know, [Vice President] Joe Biden has a good expression. He says, "Don't judge me against the Almighty, judge me against the alternative."

KROFT: You've spent a lot of time -- your staff and the Democratic National Committee -- going after Mitt Romney, but the person that now seems to be definitely on the move is [former House Speaker] Newt Gingrich.

PRESIDENT OBAMA: Well, first of all, we haven't spent a lot of money going after anybody. We've spent a lot of money building grassroots support and rebuilding the incredible infrastructure we had back in 2008. But I'll tell you, Steve, whoever the Republican nominee is, they all seem to have the same philosophy.

You were talking earlier about whether or not I was willing to compromise, because Republicans seemed prepared to compromise on deficit reduction. They had a debate, in which all of them who were on stage were asked, "Would you be willing to take a deal to reduce our deficit that involved \$10 of spending cuts for every dollar of revenue increases?" And none of them raised their hands. None of them raised their hands.

Now think about that. So, it doesn't really matter who the nominee is gonna be. The core philosophy that they're expressing is the same. And the contrast in visions between where I want to take the country and where they say they want to take the country is gonna be stark. And the American people are gonna have a good choice and it's gonna be a good debate.

KROFT: What do you make of this surge by former Speaker Gingrich?

PRESIDENT OBAMA: Look, he's somebody who's been around a long time. And is good on TV, is good in debates. But Mitt Romney has shown himself to be somebody who's good at politics, as well. He's had a lot of practice at it. And so, you know, I think that they will be going at it for a while. But, you know, I think having gone through the longest primary, I think, in the history of modern American politics, I can tell you that there are always a lot of twists and turns and ups and downs. And so I don't spend time worrying about what's happening with the Republicans on a day-to-day basis and fluctuations in poll numbers. When the Republican Party has decided who its nominee is gonna be, then we'll have plenty of time to worry about it.

KROFT: There is this appearance that you did not really engage yourself during the deficit reduction negotiations that were taking place with the [Joint] Special [Committee on Deficit Reduction].

PRESIDENT OBAMA: Well, we, before they even met, we put out a very specific plan. "Here's how to get, not just \$1.2 or \$1.5 trillion of deficit reduction. Here's how we can get \$3.5 trillion of deficit reduction. This would actually stabilize our debt. Here's our plan. Very

detailed. Here's how you do it." And then what we said was, "Any kind of help you guys need. Any advice, any consultation that you want to engage with the White House on, we're there." But what we heard from both Democrats and Republicans, who were on the super committee was it wouldn't necessarily be helpful for me to interject myself into the debate, precisely because of the dynamic in the Republican Party right now. Which is, if I'm for it, it's very hard for Republicans to be for it, as well. They've gotta be against it. And so the thinking here was what we didn't want to do is create a dynamic where actually solving the problem would be considered an Obama victory that would help him somehow in 2012. We wanted to make sure that if they were able to do it in a way that was unencumbered by politics, that we were fully supportive of that.

KROFT: Four years ago, Springfield, cold...

PRESIDENT OBAMA: It was freezing.

KROFT: You declared your candidacy. And you said, "The reason we've not met our challenges is a failure of leadership, the smallness of our politics, the ease with which we're distracted by the petty and the trivial, our chronic avoidance of tough decisions, our preference for scoring cheap political points instead of rolling up our sleeves and building a working consensus to take on big problems." And those were eloquent words and true words. Unfortunately, they're still largely true today. Did you overpromise? Did you underestimate how difficult this was gonna be?

PRESIDENT OBAMA: I didn't overpromise. And I didn't underestimate how tough this was gonna be. I always believed that this was a long-term project; this wasn't a short-term project. And, you know, for individual Americans, who are struggling right now, they have every reason to be impatient. They should want all these things solved tomorrow. It doesn't matter how good my economic theories are. If you don't have a job right now, the only economic policy you want to hear is, "I'm hired. I've got a job. I can pay my bills. I can look after my family."

But what I understood coming in was that reversing a culture here in Washington, dominated by special interests, reversing a political culture that was dominated by polls and sound bites and [a] 24-hour news cycle, reversing structural problems in our economy that have been building up for two decades, that was gonna take time. It was gonna take more than a year. It was gonna take more than two years. It was gonna take more than one term. Probably takes more than one president.

So I try to keep in mind the immediate challenges in front of me, day in and day out. How do I put people back to work and put steps in place that can help people get in the middle class and stay in the middle class? But then I also gotta take a long view and say, you know, "How are we doing in moving this big aircraft carrier a few degrees to the left then or a few degrees to the right so that we're getting to the place where we need to go?"

And-- here's the good news. You know, America usually gets there. We do it in fits and turns, but we usually get there. You know, when I was dedicating the memorial to Dr. King, I reminded people, we had a couple hundred years of slavery, and a civil war, and segregation. And it wasn't until 1954 that Brown vs. Board of Education was issued, after enormous battles, generations of freedom fighters. And then it took another ten years before legislation was passed in Congress that could actually give effect to Brown vs. Board of Education, through the Voting Rights Act and the Civil Rights Act. Then it took another ten

years of enforcement before you actually started to see real differences in people's day-to-day lives. Then it took another ten years before, you know, both the economic and the political advancement of African Americans occurred. And we're still not there yet.

Well, that's true of everything we do. That's true of the ability of working people to get a foothold in this new global economy. It's true of us making sure that we're cleaning up our environment, but also doing it in a way that encourages economic growth as opposed to discourages it. It's true of fixing our education system, so that every kid is learning what they need to. You know?

These are things that take time. And so we're just gonna keep on plugging away. The one thing I've prided myself on before I was President -- and it turns out that continues to be true as President -- I'm a persistent son of a gun. I just stay at it. And I'm just gonna keep on staying at it, as long as I'm in this office. And we're gonna get it right. And America will succeed. I am absolutely confident about that.

KROFT: Tell me, what do you consider your major accomplishments? If this is your last speech. What have you accomplished?

PRESIDENT OBAMA: Well, we're not done yet. I've got five more years of stuff to do. But not only saving this country from a great depression. Not only saving the auto industry. But putting in place a system in which we're gonna start lowering health care costs and you're never gonna go bankrupt because you get sick or somebody in your family gets sick. Making sure that we have reformed the financial system, so we never again have taxpayer-funded bailouts, and the system is more stable and secure. Making sure that we've got millions of kids out here who are able to go to college because we've expanded student loans and made college more affordable. Ending Don't Ask, Don't Tell. Decimating al Qaeda, including Bin Laden being taken off the field. Restoring America's respect around the world.

The issue here is not gonna be a list of accomplishments. As you said yourself, Steve, you know, I would put our legislative and foreign policy accomplishments in our first two years against any president -- with the possible exceptions of Johnson, F.D.R., and Lincoln -- just in terms of what we've gotten done in modern history. But, you know, but when it comes to the economy, we've got a lot more work to do. And we're gonna keep on at it.

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