

White House press briefing  
06/01/22  
4:17:48 p.m.  
34 seconds

ZEKE MILLER: In the meeting with formula executives, one after another executive said they knew immediately within — within hours or days of the shutdown of that Abbott plant the magnitude of the crisis facing the U.S. — the baby — infant formula industry was going to face that supply crunch that we saw play out here over the last several months. The President though said he wasn't informed of that until April and then waited a full month to invoke the Defense Production Act and begin Operation Fly Formula, which we started seeing affecting the marketplace now. So, what is the reason for the disconnect there and is he going to hold anyone accountable?

(...)

4:21:01 p.m.  
3 minutes and 47 seconds

ED O'KEEFE: So, you — you did — February 17 was the recall. February 18 the FDA issued instructions to states. Let's — let's — can we continue that through April? When did somebody call the White House to say this is a problem, you guys may need to get involved?

KARINE JEAN-PIERRE: So, I can say that again, the recall happened — on day one of the recall, we took action as a whole of government approach — right — with FDA, USDA as I just laid out. And the President understands — again, he understands how difficult this is. He understands how challenging this is and we have acknowledged that. He understands that this is the job of the President to be able to multitask, to get things done, especially when it comes to making sure that your child gets healthy — healthy food.

O'KEEFE: [INAUDIBLE] in February

JEAN-PIERRE: And so, that is what we have been doing.

O'KEEFE: When was someone called here at the White House to say, "this could be an issue that requires Presidential involvement.

JEAN-PIERRE: So, I don't have a timeline on that. All I can tell you as a whole of government approach, we have been working on this since the recall in February.

O'KEEFE: The independent regulatory agency, the FDA, the one questions that have been referred to in the past, is now being embraced as whole of government. Let's point that out. The other thing: Why wasn't Abbott invited today?

JEAN-PIERRE: Oh, well, because Abbott, as we know, they agreed on a path to safely re-open

the Sturgis facility after safety concerns the FDA called them out on. So, look, we understand Abbott is working hard to get back to safely making infant formula. That process is ongoing and should remain between them, and we are encouraged by the progress they've made. Today is about progress and action we can take to ramp up right now. But I need to say this, and I want to lay this out. Look, this meeting was focused on wrapping up production and availability of safe infant formula to American families. That is what matters. We have to remember, what FDA did was to make sure that families were getting food that was safe for their kids. That is important, and that's what matters. That's why we showed the chart, to show where we are today compared to a year ago. So increasing production here at home and importing high quality formula from abroad. We are working with many manufacturers. The companies joining today represent a subset of companies working with the administration to increase on supply, whether it be through the DPA, which is something that we know that the President called on, Operation Fly Formula, and FDA's guidance. So the actions are making a difference. And so I just want to make sure that we see what this administration has done. This whole of government approach-

O'KEEFE: But don't you all understand that you're doing this now on June 1. If he knew about this —

JEAN-PIERRE: No. We have been —

O'KEEFE: — in April —

JEAN-PIERRE: — no, no, no. We have been doing this, a whole of government approach, since the recall. That is what it — and it's not — but —

O'KEEFE: — yeah, but the Defense Production Act wasn't invoked until last month.

JEAN-PIERRE: Because we had to make sure —

O'KEEFE: That's what got things moving.

JEAN-PIERRE: — we had to make sure and really look into what would work and what was the best direction to move forward. That's what — we have talked about — we had talked to you all every day that we can about each step that we're taking, whether it's the Defense Protective Act or whether it's the operation five formula. So, every step of the way, we have explained why we have taken the steps. We've explained what the process has been to take on the certain items. And so, this is — this is what we've been doing and we have been working on this 24/7 and we have seen an increase of production. The President met with manufacturers today. He met with manufacturers two weeks ago. And so, we have been working very hard to make sure that American families out there who have children are getting what they need, whether it's a mom, a dad, whether it's a caregiver, are getting safe — safe and healthy products, food to their children.

(...)

4:30:56 p.m.

1 minutes and 58 seconds

MJ LEE: Karine, just to follow up the baby formula shortage.

JEAN-PIERRE: Sure, sure, sure.

LEE: So, if the President is saying that baby formula manufacturers knew that things would be really bad as soon as the Abbott recalls happened, the shutdown of the plant happened. But he did not. I guess — can you help us understand why they knew, but he didn't? Who failed to inform him? Why didn't he know if they knew?

JEAN-PIERRE: So, again, what I will tell you is that we have been working on this issue from day one since the recall. You know, what you hear from the President is — is his frustration with the issue itself, with American families having to deal with and what they're going through because this market — because this concentrated market and the problems of the Sturgis facility. We have to remember how we got here. We got here because FDA learned that Sturgis facility was not operating in a safe way. And so, we — the FDA wanted to make sure that families were getting healthy — health food to their babies. So, this is a responsibility that FDA has and that FDA did. From our part, we did everything that we can, from the moment that we learned about the recall, to — to — to work 24/7, to make sure that the production went up.

LEE: I guess that just doesn't address the question of why it was that the President didn't know when the manufacturers are saying that they knew as soon as the recalls happened, as soon as the plant was shutdown that this would be a very serious problem. Was there a breakdown in the process here? Did someone fail to inform him?

JEAN-PIERRE: Look, I have not spoken to the President. I know that he just that a few moments ago, so I would have to — I would have to talk to him about — about the April date.

(...)

4:33:26 p.m.  
23 seconds

LEE: Could you help us understand then — you know, you've said that the administration has been working 24/7, around the clock, since February to try to address this issue. The President says he didn't understand how bad the issue was until April. So, is that you were working around the clock since February to address this serious problem, but the President didn't know? I just want to be clear about that.

(...)

4:36:13 p.m.  
1 minute and 21 seconds

KELLY O'DONNELL: So, I think the question here is we — we all understand that government operates at many levels. The President's not read in on every issue. Why this one seems to stand out is that these executives talked about it as a crisis. The President talks about it as one of the most personal crises that he has experienced. And now, you're now sort of saying that the White House was operating on this without the President being aware of or directing those actions. And so, there will be future crises and so, I think we're all trying to understand the information flow and the decision-making when there is a crises [sic] that rises to the white house's involvement and is the President involved in that? And so, the question really is, it sounds like you're questioning the April date that the President just gave us.

JEAN-PIERRE: No, I am not questioning the President at all. I am just saying I have not spoken to the President. I know he just mentioned that date.

O'DONNELL: But you're saying White House officials were involved in and engaged on this issue prior to the President —

JEAN-PIERRE: Correct.

O'DONNELL: — being briefed on it himself?

JEAN-PIERRE: Right, which is not an unusual thing, as you know, Kelly O. This is — this is a very common way of operation, way of moving. Nothing unusual about this. You're asking me to confirm something and I — I — I need — I was in my office. I did not actually hear what the President said. I do not like to speak on something without — without commenting — without having a conversation with the President first.

(...)

4:38:16 p.m.

7 minutes and 4 seconds

PETER DOOCY: So just to follow up on the rest of the front row, who decided after six or eight weeks —

JEAN-PIERRE: You said that, hopefully the back row hears.

DOOCY: — who is the person, in the West Wing, who decided after six or eight weeks that this baby formula shortage was finally something that somebody should tell the President about?

JEAN-PIERRE: Look, again, I have to go back and talk to the President. I did not hear him take questions or answer any questions to all of you. And so this is, I want to do my due diligence as his spokesperson to make sure that I have a conversation. What I can tell you is what we have been doing as an administration since the day one of a recall and let me just say this because I want to make sure, since we have folks watching, that the actions that we took actually made a difference here. DPA is allowing manufacturers to reliably plan for scaling production. In the

case of Abbot and their suppliers, an increase of 25%, they can be manufacturing at a hundred percent capacity. Likewise, Reckitt plans to expand production by 40%. Operation Fly Formula has cut three to four weeks timelines for Nestle product to move Europe to 72 hour periods. Through FDA's enforcement discretion, we will get 27.5 million bottles from Bubs Australia. So these are all important actions, including the graphs that I just showed, how high production ... Production is higher than it was a year ago. So this is also important. We want to make sure that the American people, the American families know that we have been working on this 24/7. The President has done everything that he is able to do or has been able to do, and we'll continue to do more work because we understand there's more work to be done.

DOOCY: Okay. Another big topic. When are you guys going to admit that you were wrong about inflation?

JEAN-PIERRE: No easy questions today. Huh?

DOOCY: The treasury secretary says that she was wrong. So why doesn't anybody here at the White House?

JEAN-PIERRE: Okay. So look, what the secretary was pointing out — out, this is talking about yesterday when she was doing her — her — hit — her TV hit with CNN is that there have been shocks to the economy that have exacerbated inflationary pressures, which couldn't have been foreseen 18 months ago.

DOOCY: Why not?

JEAN-PIERRE: Including — let me, I'm trying to answer your question.

DOOCY: It's a big problem.

JEAN-PIERRE: Hold on, I was just getting to the why not. Including Russia's decision to invade Ukraine, multiple successive variants of COVID and lockdowns in China. As she also noted during that interview, there has been historic growth and record job creation. And our goal is now to transition to steady and stable growth as inflation is brought down, as Brian D said yesterday to all of you when he was standing behind this podium. So the President economic plan, as we see it is working. Just today, we learned that the manufacturing was up in May building on the 545,000 manufacturing jobs had been created since he took office. Further proof that companies are investing in America. We are on a path to stable growth and we are addressing supply chain problems. Our plan to tackle inflation, lower cost, reduces the deficit and respects the FDA's independence. It's the best way for us to achieve sustainable and durable economic growth. And so that's how we're doing what the work that we're doing every day to make sure that we attack lower costs.

DOOCY: Just so that I understand the treasury secretary says that she was wrong but the White House was not wrong about inflation.

JEAN-PIERRE: So here's the thing. We have achieved, first of all, I explained to you what she was trying to say. So I just laid that out. So those are your words, not my words. I just laid out what she was trying to say and tried to explain in fullness her part and her answer. We have achieved an historic recovery through an extraordinarily unprecedented economic moment. The President has consistently noted that the primary drivers of inflation are the pandemic and Putin's invasion of Ukraine. The twist and turns of both these monumental events have affected energy prices and also food prices that we have seen these past several months. This is Putin's price hike, which the President refers to and that is what secretary Yellen was referring to. If you read the entire transcript and that's what I'm trying to say to you, hopefully. Hopefully that lands. [TO WATSON] Go ahead.

KATHRYN WATSON: Thanks Karine. You say legislative affairs has had more than a dozen calls with lawmakers on guns recently. Which ones?

JEAN-PIERRE: Oh, I don't have a list and we are always very clear about not sharing who ... Not saying who we talk to and keeping conversations private. We're just trying to give you a number. So you see — keeping conversations private. We're just trying to give you a number so you see our efforts and what we've been trying to do. But I don't have a list. I won't list our list to you right this time.

WATSON: I just ask because often the White House press office hasn't given any level of specificity as a policy about conversations like that.

JEAN-PIERRE: Well, I mean, look, I did say we're talking to negotiators, so I think that could give you a sense of who we're talking to.

WATSON: Sure. And then a couple questions —

JEAN-PIERRE: Yeah, sure.

WATSON: — briefly on baby formula. Would the President support the FDA continuing to allow more foreign imports of baby formula permanently more than just a temporary solution, given that we're seeing that this can become a crisis very quickly, given that we have just a few manufacturers who have a corner on the market?

JEAN-PIERRE: Well, we understand that we need to look at this further and figure out what needs to be done so that this doesn't happen again. I don't have anything new to share on if this is going to be a long term way of doing, of moving forward with baby formula. I don't have a policy update on that. But I know to tell you now, as I've been saying, we are doing everything that we can possibly to make sure that the American families are getting their children healthy and safe formula.

WATSON: And then just real quick follow-up.

JEAN-PIERRE: Yeah, sure.

WATSON: When the President spoke earlier, it came up in one of the questions that was asked, just the timeline of the FDA's response when it came to investigating this Abbott facility. There are questions about what communications there were between the FDA and the White House. I mean, is the President satisfied with the FDA's response in this crisis?

JEAN-PIERRE: Yes, he's satisfied. But last week, during the oversight committee, he talked... Califf said that there needs to be an after — he called for an after action report. He appointed Woodcock to doing that after action report. He wants to get down to the bottom of what happened. So that is important. I don't know if you're asking me does he still have confidence in the FDA. He does, and the FDA themselves are going to try and figure out what exactly happened and how do we avoid what happened these past several months with Abbott and their facility shutting down. So that is an important thing as well.

(...)

4:47:50 p.m.

2 minutes and 5 seconds

JUSTIN SINK: About a month ago, the Supreme Court decision or draft decision leaked on abortion rights. A lot of folks, including the President at that time, talked about how that really reframed the debate and the stakes for the midterm elections. But since then, the President hasn't publicly met with any abortion rights groups, he hasn't spoken about it in weeks, given a speech on it. I know that you and the Vice President have kind of occasionally mentioned it from the podium, but there's been no sort of presidential action on it. So I'm wondering, does that signal that the President's understanding of the politics of this issue have changed in any way? Or is there an event with the President that is going to happen before the summer of the Americas or before he travels to Europe? I mean, it just seems to have fallen completely off his schedule.

JEAN-PIERRE: Well, I mean, I don't have anything to preview on his schedule, but the President is clear on this. He believes the right, that a woman has the right to make their own decisions when it comes to their own healthcare and their own health and their own reproductive rights. I mean, that's something that he has said. That is something that he believes. Our teams here are in constant communication and having regular meetings with groups out there who are focused on making sure that that continues, the rights of women to choose continues. But I don't have anything to lay out.

SINK: Do you know why the President just hasn't made this... I mean, he kind of laid the stakes out as this should be something in front of voters' minds.

JEAN-PIERRE: Well, I mean, if we step back for a second, it was a draft. It was a SCOTUS draft. We spoke to it. We were very forceful about it. The President put out a statement. You've heard from the vice President, you've heard from other members of our team. So it's not like we didn't take this seriously and we don't continue to take this seriously. So this is an important issue for the President. We know that. We know that for the American people. I just don't have anything to share with you on his schedule.

(....)

4:52:21 p.m.

6 minutes and 43 seconds

TYLER PAGER: Just following up on an inflation question. I understand you walked through what Secretary Yellen was talking about, but she still said that she was wrong then about the path inflation would take. President Biden made similar statements saying that inflation would be temporary. Brian Deese was here yesterday. I asked him the same question. Does anyone in the White House have regrets about how they talked about inflation, given that it has turned out to do exactly what they said it would not do?

JEAN-PIERRE: I mean, look, I laid out, if you look at the whole transcript, what it is that Secretary Yellen was trying to lay out when she was asked that question. She was pointing out that there have been shocks in the economy that have, again, exacerbated inflationary pressures, which could not have been foreseen 18 months ago. I mean, that is —

PAGER: But wasn't [INAUDIBLE] —

JEAN-PIERRE: — just a reality that we're working with.

PAGER: — foreseen or the President said and what all of his top aides said turned out not to be true and turned out not to happen. So I'm wondering if there's any sense within the White House that that was a mistake to say so, given that it turned out to occur very differently.

JEAN-PIERRE: Again, there were certain shocks to the economy that exacerbated the inflation pressures, right? So that includes Russia's decision to invade Ukraine, multiple successive variants of COVID, as I've mentioned already, and the lockdowns in China. The President has consistently noted that the primary drivers of inflation are the pandemic and Putin's invasion of Ukraine. The twist and turns, again, as I've talked about, have been monumental events. So as Secretary Yellen has also noted, there has been historic growth and record economic creation. And our goal is now to do the transition, which is what Brian Deese was talking about, to make sure that it is steady and stable growth as inflation is brought down. So there are things that have occurred that has been unprecedented in this past year or two, or actually three years. That's what we're speaking to.

PAGER: I hear you on that, but that still doesn't necessarily answer the question about whether inside the White House there is a feeling that there should be concession, like Yellen made yesterday on TV, that the way that the administration talked about inflation was not best suited to describe to the American people the economic pain that they would eventually be feeling as we continue to see prices rise.

JEAN-PIERRE: I mean, look, the President has said this over and over again. We have said this. We understand what the American people are going through. We understand the high cost that they're dealing with. We understand what inflation is doing to gas and to food prices. We have

taken multiple actions, which the President explains himself in his own voice in the Wall Street Journal just a day ago. So that has been our focus as well. And we are coming out of a very strong economic period, and so now we're going into a transition. As it relates to inflation, there are things that were not predictable 18 months ago, that were not predictable from day one. So we were speaking to them as we saw at the time. So that is also important to note. I mean, I know you're asking me the question of did we speak about it wrong or did we, I don't know, misspeak or not have it right at the time. I mean, this is what I'm trying to lay out is that there are things that happened. The COVID variants, Russia's war on Ukraine that was not predicted at the time. So what we're trying to do, what the President is trying to do is do everything that he can to make sure that we deal and attack and fight inflation. So that is our focus at the time.

PAGER: I hear you. Just one last line on this. I understand that you guys did not-

KIMBERLY HALKETT: Can we have [inaudible 00:45:17]?

PAGER: I understand that you did not predict that, but there were many economists, Larry Summers among others, who were very clear in warning about the risks of inflation.

JEAN-PIERRE: Okay, so if we have learned anything the past two years, it's that our globalized economy is tied to the world around us, right? That's number one. Again, the variants of COVID, lockdowns and slow downs in foreign countries due to the pandemic, Putin's unprovoked invasion of Ukraine, each of these events impact prices here at home and abroad. It impacts the cost of food here at home, the supply of food abroad, the cost of gas here at home, and supply of oil around the world. Inflation is also a global issue. Inflation in Europe increased a record 8.1% in May compared to last year. So that is how we're looking at this, and this is also a global challenge. Okay. Go ahead.

MICHAEL WILNER: Karine, just two questions. First on baby formula. All of my colleagues' questions have basically gotten to the same point, which is people want to know who in this building knew what when in the lead up to the formula shortage. You've said that folks internally were on this since day one, you said that senior leadership in the administration was on it, but you also said that you don't have that timeframe.

JEAN-PIERRE: No, I said I don't... They were asking me specifically about the President, and I just don't have that timeframe to share. What I can say is the White House began working on this from the first day of the recall, from day one of the recall, which was back in February.

WILNER: Are you able to provide or commit to providing a timeline of who knew what when in this building?

JEAN-PIERRE: I mean, that's the same question that MJ just asked me, and I answered that question to her. I have laid down what has happened since the recall, which was on February 17th. I've laid that down. I talked about on February 18th with the USDA, I talked about WIC programs. I've laid down what happened, reminding folks what happened with Abbott in the factory, why we got here. And I've also talked about what the FDA has said that they're going to

do, and they talked about that last week, which is look into this, make sure that we get to a place, that we get to the bottom of what happened, do an after action report. When that after action report, we will have a lot more, and that will come directly from them, and what they did and what they see could be done better. So that's the thing that's really important. There will be an after action report. We will be able to see exactly what happened from their standpoint. Again, we have been working on this since the first day of the recall on February 17th. That is our involvement here with the White House and FDA and what we've been trying to do.

(...)

5:06:00 p.m.

4 minutes and 57 seconds

PHILIP WEGMANN: I have a question about the President's Wall Street Journal op-ed, but I wanted to ask a more general question first. And my more general question, which is, I think at the heart of a lot of things that you've asked is, how serious does an issue have to be before it's brought to the President's attention?

JEAN-PIERRE: So let me just lay this out because I think this is really important. And I've said this multiple times, the reason that we are where we are with Abbott in this facility, with the baby formula in this current situation, and we have seen production go up again, the graphs that I showed. And that has happened because of our involvement in what we were able to do. Look, the market, there are four manufacturing facilities — companies, just four. And that is something that we also have to address down the line. And this is something, as we talk about competition, the President has been very focused on. But FDA, as we've said, called out a safety hazard, a safety issue with Abbott and they had to shut down one of their facilities. When that happens, they do all the things that happens when a safety issue comes up and Abbott had to shut down that facility. So that's the thing. That's why we got to where we got to. From the moment that we heard of the recall in February, on February 17th, as I've laid out, we took action. We took action and we moved forward and we did everything that we can, and I've laid out the cut the red tapes. And now the DPA, the Defense Production Act and other things that we... The flying in formula from across the board. All of those things — from abroad. All of those things were actions that we took to make sure that we dealt with this crisis. But the government, the White House has been involved since we first learned about the recall. And so that is important to know. The President deals with multiple crises. His administration deals with multiple crises. When we walked in a little bit over than a year ago, we talked about the economy. We talked about COVID. We talked about climate change. All of the things that the President attacked and dealt with and his White House dealt with on all at once. And we have seen his comprehensive plan when it comes to COVID and what we've been able to do and getting people vaccinated and boosted. We see where the economy is currently. Now we're in this transition. All of those things are important to note that there are always multiple crises happening that we are dealing with all at once.

WEGMANN: Okay. And then on the Wall Street Journal op-ed. In that essay, the President reiterated that he supports the independence of the Federal Reserve. He called on Congress to

pass tax credits. And he also called again for changes to the tax code to bring in more revenue, to drive down deficits. Correct me if I'm wrong, but these proposals aren't exactly new. I mean, we're coming up on a 40 year high of inflation. Does he have anything else?

JEAN-PIERRE: Yeah, I'm happy — and I'm happy to lay that out. Lay that out as how he's fighting inflation. Look, as you just said

WEGMANN: But is he planning anything new or [inaudible] to do anything about it?

JEAN-PIERRE: Well, I mean, let me just tell you what we have been doing, and what we will continue to do, and what we know is important in order to fight inflation. So you mentioned it giving the fed the independence it needs to take the steps to bring down... To bring inflation down, pushing Congress to lower costs on things families rely on like prescription drugs, which you've heard us talk about, that eat up too much of Americans' budgets. Taking steps to stabilize the energy markets. For example, coordinating a historic release from strategic petroleum reserves here in the United States and from countries around the world. All of these things matter in lowering the deficit. This is a place where we have made notable progress that we've talked about. More than \$1.5 trillion in reduction in the deficit this year alone. And we want to keep making that progress, so that's not going to end there. And there's other ways too. The lowering cost of high speed internet for 50 million families. Building more than one million new affordable homes to help bring housing and rent prices down. Helping America's farmers increase crop yields to help bring down food prices. And fixing our supply chains to reduce the cost of moving goods to shelves and to families and homes. And we're always looking at other things that we can do. But these are actually action items that we have taken that are not small. That shows the work that this President has done to really attack inflation. We understand that there's more work to be done. We understand what families are feeling right now. But we are doing the work to try and address this.