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The President. No. We don't see it as a deputy sheriff. We see it as a sheriff. [*Laughter*] There's a difference. I see you're playing off the Crawford visit to the ranch, the sheriff thing. [*Laughter*] Anyway, no, equal partners and friends and allies—there's nothing deputy about this relationship.

I'm optimistic on free trade agreement, and I'll talk to John about that. We did set a deadline. Deadlines are important. Sometimes you get things done, and we'll work toward that deadline. And part of our discussions will be the free trade agreement. It's in our Nation's interest to do so. We've got some heavy lift in certain areas that we're just going to have to work through them. And I know our negotiators and our people are talking in the spirit of trying to complete the agreement.

Okay, looking forward to it. Anybody gets to go with us?

Q. Thank you, Mr. President.

NOTE: The interview began at 9:40 a.m. in the Roosevelt Room at the White House, and the transcript was released by the Office of the Press Secretary on October 16. In his remarks, the President referred to Prime Minister John Howard of Australia; Nurjaman Riduan Isamuddin (known as Hambali), Al Qaida's chief operational planner in Southeast Asia; President Sukarnoputri Megawati of Indonesia; former Prime Minister Mahmoud Abbas (Abu Mazen) of the Palestinian Authority; Prime Minister Junichiro Koizumi of Japan; Prime Minister Goh Chok Tong of Singapore; Khalid Sheikh Mohammed, senior Al Qaida leader responsible for planning the September 11, 2001, terrorist attack, who was captured in Pakistan on March 1; Prime Minister Thaksin Chinnawat of Thailand; President Gloria Macapagal-Arroyo of the Philippines; President Hu Jintao of China; and Aung San Suu Kyi, leader of the National League for Democracy of Burma. Participants in the interview were: Toshio Mizushima, bureau chief of the Americas, Yomiuri Shimbun; Mercedes Tira Andrei, Washington correspondent, BusinessWorld; Pichai Chuensuksawadi, editor-in-chief, Bangkok Post; Roger Mitton, Washington correspondent, The Straits Times; Rikard Bagun, deputy chief editor, Kompas; and Paul John Kelly, editor-at-large, The Australian. A tape was not available for verification of the content of this interview.

Remarks in San Bernardino, California
October 16, 2003

Thank you all. Please be seated, Colonel. Thanks for coming. Thanks for the warm welcome. It's great to be in the Inland Empire with the 38th Governor of the great State of California.

We did have a good visit, and during that visit I was able to reflect upon how much we have in common. We both married well. [*Laughter*] Some accuse us both of not being able to speak the language. [*Laughter*] We both have big biceps. [*Laughter*] Well, two out of three isn't bad. [*Laughter*] We both love our country. Arnold Schwarzenegger is going to be a fine and strong leader for California. I'm proud to call him friend.

Mark, I want to thank you and the Inland Empire Economic Partnership for hosting this event. I appreciate it very much. And thank you all for coming. I appreciate Teri Ooms as well, as the president and CEO of the partnership.

I want to thank those from the military who are here, particularly James Rubeor, who is the colonel at March Air Force Base. I appreciate you coming, Colonel. I

presume you left somebody behind to make sure Air Force One is fueled up. [*Laughter*]

We're leaving—I say we—Laura is coming from Washington this morning. I'm sorry she's not here. You drew the short straw when you got me. [*Laughter*] But she is—we're fixing to go overseas to represent our great country. I'm looking forward to the trip to remind the world about the challenges we face. I'm really here today to talk about the challenges we face at home as well.

I want to thank the local officials who have so kindly come. Most of all, I want to thank our citizens who are here, because I am talking about two of the great priorities for our country. One is to create jobs for America, and to win the war on terror—the two challenges we're faced with.

This country is being tested. We're being tested abroad, and we're being tested here at home. And we're meeting the tests of history. We're defeating the enemies of freedom, and we're confronting the challenges to build prosperity for our country. That's what we're doing. Every test of America has revealed the character of America. And over the last 2 years, no one in the world, friend or foe, can doubt the will and the strength of the American people.

When you become President, you cannot predict all the challenges that will come. But you do know the principles that you bring to office, principles that should not change with time or with polls. I took this office to make a difference, not to mark time. I came to this office to confront problems directly and forcefully, not to pass them on to future Presidents or future generations.

The challenges we face today cannot be met with timid, timid actions or bitter, bitter words. Our challenges will be overcome with optimism and resolve and confidence in the ideals of America. Because we believe in our free enterprise system, we can be confident in our economy's future.

Our economy has been through a lot. When I took office, the stock market had been declining for 9 months, and the economy was headed into a recession. And just as we started to recover, the killers came and attacked America on September the 11th, and that struck a blow to our economy. And then investor confidence was shaken by scandals in corporate America, dishonest behavior we cannot and will not tolerate in our country. And then we faced the uncertainty that preceded the battles of Afghanistan and Iraq.

The country has been hit hard during these times, and so has the great State of California. Declines in investment have hurt the tech sector. You lost manufacturing jobs. Farmers are wondering whether they'll be able to sell their products overseas. Unemployment in this important State is too high.

But we acted. I acted to overcome these challenges to this State and our country, and I acted on principle. Government does not create wealth. The role of Government is to create the conditions where risktakers and entrepreneurs can invest and grow and hire new workers.

We know how to create jobs for America. It starts when Americans have more take-home pay to spend, to save, or invest, which causes the economy to grow, and therefore, someone is more likely to find a job. So I twice led the Congress to pass historic tax relief for the American people. We wanted tax relief to be as broad and as fair as possible, so we reduced taxes on everyone who pays taxes. It doesn't make sense to penalize marriage in the Tax Code, so we reduced the marriage penalty. It costs a lot to raise children, and so we increased the child credit from $600 per child to $1,000 per child. And we put the checks in the mail directly to moms and dads.

It's counterproductive to discourage investment, especially during an economic recovery, so we quadrupled the expense deduction for small-business investment and

cut taxes on dividends and capital gains. It is unfair to tax the estates people leave behind after a lifetime of saving money and building a business or running a farm. When you leave this world, the IRS should not follow you. [*Laughter*] So we're phasing out the Federal death tax.

I proposed and signed these measures to help individuals and families. But they also help the small businesses of America. See, most small-business owners pay taxes under the individual tax rate because they're Subchapter S's or sole proprietorships. And therefore, small business has benefited from the tax cuts. Millions of mom-and-pop companies are also benefiting from the higher expense deductions. And this is important because small businesses create most new jobs for our country, and they're usually the first to take risks. They're usually the first to hire people. By helping small businesses, we help our entire economy.

We are following a clear and consistent economic strategy, and I'm confident about our future. Last month, this economy exceeded expectations and added new jobs. Inflation is low. After-tax incomes are rising. Homeownership is at record highs. Productivity is high. Factory orders, particularly for high-tech equipment, have risen over the last several months. Our strategy has set the stage for sustained growth. By reducing taxes we kept a promise, and we did the right thing at the right time for the American economy.

Now our country is approaching a choice. Just as our economy is coming around, some in Washington are saying now is the time to raise taxes. To be fair, they think any time is a good time to raise taxes. [*Laughter*] At least they're consistent. [*Laughter*] I strongly disagree. A nation cannot tax its way to growth or job creation. Tax relief put this Nation on the right path, and I intend to keep America on the path to prosperity.

We're moving forward, but we're not satisfied. We cannot be satisfied so long as we have fellow citizens looking for work. We must continue to act boldly. So I'm asking Congress to join me in carrying out a six-part plan for job creation for America.

Businesses are more likely to hire people if health care for workers is affordable. One way to help our small-business owners is to allow association health care plans, where small businesses can pool risk and gain the same bargaining power as big businesses.

And to help control costs for small businesses, large businesses, and Government, we need effective legal reform to stop the frivolous lawsuits against doctors. We need more than tort reform just for medical liability. Unfair lawsuits harm a lot of good and small businesses. There are too many large settlements that leave the plaintiffs with a small sum and the lawyers with the fortune. Class action and mass tort cases that reach across State lines should be tried in the Federal court, so the lawyers cannot shop around looking for a favorable judge. We got a good bill out of the House. It's stuck in the Senate. The Senate must act. Job creation will occur when we've got legal reforms.

Our economy will grow stronger and create more jobs if we have a sound national energy policy. When we—we had a wake-up call this summer. We need to modernize our electricity grids. [*Laughter*] We need to make sure that we encourage investments so that the capacity to move electricity or natural gas is capable to sustain growth in the 21st century. We need to use our technology to develop clean and efficient energy sources, so that we can sustain economic growth and protect the environment. But one thing is for certain: For the sake of national security and for the sake of economic security, America must be less dependent on foreign sources of energy.

More people will find jobs when employers do not have to waste time and resources complying with needless Government regulations. For the sake of American workers,

at the Federal level we're cutting unnecessary rules and making rules simpler to understand. Small-business owners should spend more time building companies and pleasing customers and less time filling out needless forms.

To create jobs in this country, we need to pursue free trade agreements that will open up foreign markets for American products. Expanded trade will help businesses large and small—businesses such as UVP, Inc., and Maney Aircraft based right out of here—will help them to sell more good and locally made products overseas. Free trade must be two ways. We're good at what we do. We ought to be allowed to sell what we do in other people's countries. Farmers ought to have markets opened up to them. California's ranchers and farmers are really good at what they do. We need a level playing field when it comes to trade, and a level playing field will help us create jobs here in America.

There's one more thing we need to do. We need to make sure that all the tax relief we passed does not disappear in future years. Employers need certainty in the Tax Code. Because of a quirk in the legislation, the tax cuts are scheduled to go away unless we act. When we passed tax relief, Americans did not expect to see higher taxes sneak through the back door. If Congress is interested in job creation, they will make every one of the tax cuts permanent.

We have a responsibility to set good policies in Washington. Governor Schwarzenegger has a responsibility to set good policy in Sacramento. Yet the true strength of this country is found in the creativity and the entrepreneurial spirit of America. And that is one reason and that is the main reason I am so confident about the future of our economy.

As we overcome challenges to our economy, we are answering great threats to our security. September the 11th, 2001, moved our country to grief and moved our country to action. We made a pledge that day, and we have kept it. We are bringing the guilty to justice. We're taking the fight to the enemy.

And now we see that enemy clearly. The terrorists plot in secret and target the innocent. They defile a great religion, and they hate everything this Nation stands for. These committed killers will not be stopped by negotiations. They will not respond to reason. The terrorists who threaten America cannot be appeased. They must be found. They must be fought, and they will be defeated.

In this new kind of war, America is following a new strategy. We are not waiting for further attacks. We are striking our enemies before they can strike us again. We have taken unprecedented steps to protect the homeland. Yet wars are won on the offensive, and America and our friends are staying on the offensive. We're rolling back the terrorist threat, not on the fringes of its influence but at the heart of its power.

We have sent a message understood throughout the world: "If you harbor a terrorist, if you support a terrorist, if you feed a terrorist, you're just as guilty as the terrorist." And the Taliban found out what we meant. Thanks to a great military, Afghanistan is no longer a haven for terror. The Afghan people are free, and the people of America are safer from attack.

And we fought the war on terror in Iraq. The regime of Saddam Hussein possessed and used weapons of mass destruction, sponsored terrorist groups, and inflicted terror on its own people. Nearly every nation recognized and denounced this threat for over a decade. Finally, the U.N. Security Council in Resolution 1441 demanded that Saddam Hussein disarm, prove his disarmament to the world, or face serious consequences. The choice was up to the dictator, and he chose poorly. [*Laughter*]

I acted because I was not about to leave the security of the American people in the hands of a madman. I was not about to stand by and wait and trust in the sanity and restraint of Saddam Hussein, so our coalition acted in one of the swiftest and

most humane military campaigns in history. And nearly 6 months ago, the statue of the dictator was pulled down.

Since the liberation of Iraq, our investigators have found evidence of a clandestine network of biological laboratories, advanced design work on prohibited longer range missiles, and an elaborate campaign to hide illegal programs. There's still much to investigate, yet it is now undeniable that Saddam Hussein was in clear violation of United Nations Security Council Resolution 1441. It is undeniable that Saddam Hussein was a deceiver and a danger. The Security Council was right to demand that Saddam Hussein disarm, and America was right to enforce that demand.

Who can possibly think that the world would be better off with Saddam Hussein still in power? Surely not the dissidents who would be in his prisons or end up in his mass graves. Surely not the men and women who would fill Saddam's torture chamber or rape rooms. Surely not the families of victims he murdered with poison gas. Surely not anyone who cares about human rights and democracy and stability in the Middle East. There is only one decent and humane reaction to the fall of Saddam Hussein: Good riddance!

Now our country is approaching a choice. After all the action we have taken, after all the progress we have made against terror, there is a temptation to think that danger has passed. But the danger has not passed. Since September the 11th, the terrorists have taken lives in Casablanca, Mombasa, Jerusalem, Amman, Riyadh, Baghdad, Karachi, New Delhi, Bali, Jakarta. And most recently, American lives were lost by terrorist attack in the Gaza.

The terrorists continue to plot. They continue to plan against our country and our people. America must never forget the lessons of September the 11th. America cannot retreat from our responsibilities and hope for the best. Our security will not be gained by timid measures. Our security requires constant vigilance and decisive action. I believe America has only one option: We will fight this war against terror until it is won.

We are fighting on many fronts. Iraq is now the central front. Saddam holdouts and foreign terrorists are trying desperately to undermine Iraq's progress and throw the country into chaos. The terrorists in Iraq believe their attacks on innocent people will weaken our resolve. They believe we will run from a challenge. They're mistaken. Americans are not the running kind.

The United States did not run from Germany and Japan following World War II. We helped those nations to become strong and decent and democratic societies that no longer waged war against America, that became our friends. That's our mission in Iraq today. We're rebuilding schools. We're repairing hospitals, restoring water and electricity, so the Iraqi people can live a normal life.

Americans are providing this help not only because our hearts are good but because our vision is clear: A stable and democratic and hopeful Iraq will no longer be a breeding ground for terror, for tyranny and aggression. Free nations are peaceful nations. Our work in Iraq is essential to our own security. And no band of murderers and gangsters will stop that work or shake the will of America.

Nearly every day in Iraq, we're launching swift precision raids against the terrorists. Helped by intelligence from Iraqis, we're rounding up the enemy, and we're taking their weapons, and we're working our way through the famous deck of cards. [*Laughter*] We've already captured or killed 43 of the 55 most wanted former Iraqi leaders. And the other 12 have got a lot to worry about. [*Laughter*] Anyone who seeks to harm our soldiers can know that our soldiers are hunting for them.

Our military is serving with courage, and some of the best have fallen. We mourn every loss. We honor every name. We grieve with every family, and we'll always

be grateful that liberty has found such brave defenders.

In defending liberty, we are joined by more than 30 nations now contributing military forces in Iraq. Great Britain and Poland are leading two multinational divisions. We're in that cause with fine allies, and we thank them. And that includes the good people of Iraq. Last week, the first battalion of the new Iraqi army completed its training. Within the year, Iraq will have a 40,000-member military force. Tens of thousands of Iraqi citizens are guarding their own borders. They're defending vital facilities, and they're policing their own streets. Normal Iraqis want Iraq to be secure and peaceful.

Our goal in Iraq is to leave behind a stable, self-governing society which will no longer be a threat to the Middle East or to the United States. We're following an orderly plan to reach this goal. Iraq now has a Governing Council, which appointed interim Government ministers. Once a constitution has been written, Iraq will move toward national elections. We want the process to go as quickly as possible, yet it must be done right. The free institutions of Iraq must stand the test of time.

Today I want to thank the United Nations Security Council for unanimously passing a resolution supporting our efforts to build a peaceful and free Iraq. A democratic Iraq will stand as an example to all the Middle East. We believe and the Iraqi people will show that liberty is the hope and the right of every land.

Our work in Iraq has been long, and it's hard. It is not finished. Since September the 11th, nearly 10,000 California National Guard soldiers and airmen have been mobilized for this effort; 1,600 are currently in the Middle East. They're playing a vital role for the defense of this Nation. Our country is grateful to those who serve and their families who support them.

Americans have sacrificed in the cause of freedom and security, and that cause goes on. Beyond Iraq, the war on terror continues. There will be no quick victory in this war. But if we persevere, our victory is certain.

I'm confident of that victory because I know the character of our military, shown in the conduct of young men like Joseph Robsky. He's a career soldier. He served with the Marines in Bosnia and saw the dangers of unexploded bombs, became an explosive ordnance disposal specialist with the Army's 759th Ordnance Company, based in California at Fort Irwin. Along with his unit, he was sent to Iraq. And on September the 10th of this year, he was killed disarming a bomb. Hear the words of his mother, Bonnie: "My son always said he had a job to do. He said the terrorist has to be stopped."

Staff Sergeant Joe Robsky's devotion to his Nation will not be forgotten. We'll always remember the words, "Terrorism must be stopped."

This war on terror has brought hardship and loss to our country, beginning with the grief of September the 11th. Let us also remember that the first victory in this war came on that same day, on a hijacked plane bound for the Nation's Capital. Somehow the brave men and women on Flight 93, knowing they would die, found the courage to use their final moments to save the lives of others. In those moments and many times since, terrorists have learned about America. They won't—we won't be intimidated. We'll fight them with everything we got. Few are called to show the kind of valor seen on Flight 93 or on the field of battle. Yet all of us do share a calling: Be strong in adversity and unafraid in danger.

We Americans have come through so much. We have much yet to do. If we're patient, united, and determined, our Nation will prosper, and our Nation will prevail.

May God bless you. Thank you all.

NOTE: The President spoke at 9:38 a.m. at the Radisson Hotel and Convention Center. In his remarks, he referred to Col. James T.

Rubeor, USAFR, commander, 452d Air Mobility Wing, March Air Reserve Base; Governor-elect Arnold Schwarzenegger of California; Mark Ostoich, chairman of the board, Inland Empire Economic Partnership; and former President Saddam Hussein of Iraq.

Statement on the United Nations Security Council Resolution on Iraq
October 16, 2003

I welcome today's unanimous passage of United Nations Security Council Resolution 1511. The world has an opportunity—and a responsibility—to help the Iraqi people build a nation that is stable, secure, and free. This resolution will help marshal even more international support for the development of a new, democratic Iraq. I look forward to continuing to work with the United Nations to aid the transition in Iraq to self-government and help the Iraqi people rebuild their nation.

Message on the Observance of the 25th Anniversary of the Pontificate of His Holiness John Paul II
October 16, 2003

I send greetings to those gathered to celebrate the 25th Anniversary of the Pontificate of His Holiness John Paul II.

As a priest, chaplain, professor, Auxiliary Bishop, Archbishop, Cardinal, and Pope, His Holiness has spent a lifetime sharing God's teachings and ministering to those in need. He has put hope in people's hearts and inspired acts of goodness and compassion. For the past 25 years, His Holiness has led worldwide efforts to develop a new culture of life that values and protects the lives of innocent children waiting to be born. He has also brought the love of the Almighty to people of all ages, particularly those who suffer or live in poverty, or who are weak and vulnerable. Pope John Paul II has shown the world not only the splendor of truth, but also the power of truth to overcome evil and to redirect the course of history.

The United States and the world are better because of his dedication to sharing his wisdom, guidance, and faith. Laura joins me in sending our best wishes on this special occasion.

GEORGE W. BUSH

NOTE: An original was not available for verification of the content of this message.