

Remarks on the Nomination of Robert J. Portman To Be Director of the Office of Management and Budget and Susan C. Schwab To Be United States Trade Representative and an Exchange With Reporters

April 18, 2006

*The President.* Good morning. Today I'm announcing my nomination of two outstanding individuals to serve in my Cabinet and on my economic team.

First, I will nominate Rob Portman to be the Director of the Office of Management and Budget. Rob will replace Josh Bolten, who this week started in his new role as my Chief of Staff. The Office of Management and Budget is one of the most essential agencies of our Government. The OMB has a central responsibility of implementing the full range of my administration's agenda, from defense programs that will keep our people secure, to energy initiatives that will break our dependence on oil, to tax policies that keep our economy growing and creating jobs.

In these and other areas, the job of the OMB Director is to ensure that the Government spends the taxpayers' money wisely or not at all. He is the person in charge of meeting our goal to cutting the budget deficit in half by 2009. And he is responsible for managing Federal programs efficiently. The American people deserve results for every hard-earned dollar they send to Washington.

The job of OMB Director is really an important post, and Rob Portman is the right man to take it on. Rob's talent, expertise, and record of success are well-known within my administration and on Capitol Hill. For the past 11 months, Rob has served as United States Trade Representative. When he took the job, I told him to focus on opening new markets for American exports to ensure that our producers and farmers are treated fairly and to get Congress to pass the Central American-Dominican Republic Free Trade Agreement. He's accomplished those goals.

I signed CAFTA into law last summer, and Rob Portman and his staff completed trade agreements with Bahrain, Oman, Peru, and Colombia. He also re-energized the Doha trade talks at the World Trade Organization. Before joining my Cabinet, Rob represented the Second District of Ohio in the United States Congress for more than a decade. He was a key part of the House leadership. He was an influential member of the Ways and Means Committee, and he served as vice chairman of the Budget Committee.

His legislative achievements range from reforming the Internal Revenue Service, providing tax relief for working families, to encouraging retirement savings. Rob's leadership in Congress was also marked by an ability to work across the aisle and bring people together to get things done. And he's going to bring that same skill to his new post.

As Director of OMB, Rob will have a leading role on my economic team. He will be part of daily senior staff meetings led by Josh Bolten. He will consult often and work closely with legislators on Capitol Hill. He will be a powerful voice for progrowth policies and spending restraint.

Rob is a man of deep integrity. He knows the priorities of my administration; he can get things done. And the Senate should confirm him promptly as Director of the Office of Management and Budget.

I'm also pleased to announce that I'm going to nominate Deputy U.S. Trade Representative Susan Schwab to succeed Rob Portman as the new U.S. Trade Representative.

Trade is one of the most powerful engines of growth and job creation. America accounts for about 5 percent of the world's

population, and that means that 95 percent of our potential customers live overseas. So my administration has taken an aggressive agenda to break down barriers to American exports across the world.

When I took office, we had three free trade agreements. Now, we have free trade agreements with 11 countries, and 18 more are pending. Susan will work hard to conclude these agreements and ensure that American goods, services, and crops are treated fairly in overseas markets.

Last year, the countries with which we have free trade agreements represented about 7 percent of the economy abroad but about 42 percent of our exports. Lowering trade barriers to the sale of our goods and services helps provide a level playing field for American workers and farmers and ranchers. And that means more jobs and opportunity, because our workers and ranchers and farmers can compete with anybody, anytime, anywhere, so long as the rules are fair, and Susan Schwab understands that.

As Deputy U.S. Trade Representative for the past 5 months, Ambassador Schwab worked tirelessly to open up new markets, and at the same time, making sure our people were treated fairly. Her trade portfolio covered several continents, and she led USTR efforts in a number of vital policy areas, including intellectual property enforcement.

Susan also worked closely with Ambassador Portman to advance the Doha negotiations. Now she will use her experience to help complete the Doha round and create other new opportunities for American exporters.

Ambassador Schwab started her career as an agricultural trade negotiator in the Office of the U.S. Trade Representative, and she served our Nation overseas as a trade policy officer in our Embassy in Tokyo. In the 1980s, she worked as a trade specialist and then legislative director for Senator Jack Danforth, who chaired a key Senate subcommittee on trade. In the ad-

ministration of former President Bush, she led a staff of more than a thousand as Director General of the U.S. and Foreign Commercial Service. Susan has also served as an executive in the private sector at Motorola and as a professor and administrator at the University of Maryland.

Throughout her distinguished career, Susan has earned the respect of her colleagues, and she has my confidence as well. The Senate should promptly confirm her nomination to be United States Trade Representative.

I appreciate the service that Rob and Susan have given the American people, and I'm really grateful they've agreed to take on new responsibilities. I also thank Rob and Susan's families today. I'm really glad that Rob's wife, Jane, is with us; and it's my pleasure to have welcomed Susan's parents, Gerald and Joan, to the Oval Office and to the Rose Garden. Glad you all are here.

I look forward to the Senate confirming Rob and Susan and welcoming them to be new members of my Cabinet.

Congratulations, and thank you for your willingness to serve.

*[At this point, Director-designate Portman and Ambassador-designate Schwab made brief remarks.]*

*Iran*

*Q.* Mr. President.

*The President.* Hold on for a second, please. I'll take a couple of questions. Nedra [Nedra Pickler, Associated Press], Patsy [Patricia Wilson, Reuters], and Kelly [Kelly O'Donnell, NBC News], in that order.

*Q.* Thank you, Mr. President.

*The President.* A little louder, I'm getting older.

*Q.* Sir, when you talk about Iran and you talk about how you have diplomatic efforts, you also say all options are on the table. Does that include the possibility of a nuclear strike? Is that something that your administration will plan for?

*The President.* All options are on the table. We want to solve this issue diplomatically, and we're working hard to do so. The best way to do so is, therefore, to be a united effort with countries who recognize the danger of Iran having a nuclear weapon. And that's why we're working very closely with countries like France and Germany and Great Britain. I intend, of course, to bring the subject up of Iranian ambitions to have a nuclear weapon with Hu Jintao this Thursday. And we'll continue to work diplomatically to get this problem solved.

Patsy.

#### *Israel-Palestinian Authority Relations*

Q. Sir, are you encouraging Israel to show restraint in reaction to yesterday's Palestinian bombing? Or would a measured military response be appropriate?

*The President.* I have consistently reminded all parties that they must be mindful of whatever actions they take and mindful of the consequences. Our goal is to have two states living side by side in peace. I strongly deplore the loss of innocent life in the attack on the folks in Israel yesterday. It is unjustified, and it is unnecessary. And for those who love peace in the Palestinian Territories, they must stand up and reject this kind of violence.

Kelly.

#### *White House Staff/Fuel*

Q. Morning, Mr. President. Do you expect that there will be some changes that were not voluntary? Today you've highlighted openings in your administration, but will Mr. Bolten ask some people to leave? And would you accept his counsel for Cabinet changes, as well as White House staffers?

*The President.* I understand this is—you know, this is a matter of high speculation here in Washington. It's the game of musical chairs, I guess you'd say, that people love to follow. My instructions to Josh Bolten was that I expect him to design

the White House structure so that it will function so that he can do his job, function in a way so he's more likely to be able to do his job. And, of course, he will bring different recommendations to me as to who should be here and who should not be here.

And I'm the person who believes in aligning authority and responsibility. I've given him enormous responsibility and authority and expect the White House to work well. And it did under Andy Card, by the way. I'm most proud of his tenure as the Chief of Staff. But with a new man will come some changes. And Josh has got all the rights to make those recommendations to me. And, of course, I listen to advice as to my Cabinet as well. I must tell you that I'm—I've got strong confidence in my Cabinet officials, all of them, and I appreciate the service they've rendered.

But I also understand what happens in Washington. You know, a little flicker of gossip starts moving hard, and people jump all over it. The thing the American people have got to know is we'll structure this White House so it continues to function to deal with major problems. And we're dealing with major problems. We're dealing with a war on terror. We're dealing with high gasoline prices.

And let me remind people that these high gasoline prices are caused by primarily three reasons: one, the increase in the price of crude oil. It's one of the reasons I stood up in front of the Congress and said, we've got to have strong and active research and development to get us to diversify away from crude oil. It's tight supply worldwide, and we've got increasing demand from countries like India and China, which means that any disruption of supply or perceived disruption of supply is going to cause the price of crude to go up. And that affects the price of gasoline.

Secondly, there's increasing demand. At this time of year, people are beginning to drive more, getting out on the highways,

taking a little time off, and they're moving around. And that increasing demand is also part of the reason the price of gasoline is going up.

And thirdly, we're switching fuel mixes. The summer fuel mix is different from State to State and is different from what is being used in the winter. And therefore, the combination of these creates higher gasoline prices. And I'm concerned about higher gasoline prices. I'm concerned what it means to the working families and small businesses, and I'm also mindful that the Government has the responsibility to make sure that we watch very carefully and to investigate possible price gouging. And we'll do just that.

Q. Is there going to be rationing, do you think?

*The President.* No, I don't—that's your word.

*Secretary of Defense Donald H. Rumsfeld*

Q. Mr. President, you've made it a practice of not commenting on potential personnel moves—

*The President.* Of course I did.

Q. —of calling it speculation—

*The President.* You can understand why, because we've got people's reputations at stake. And on Friday, I stood up and said, I don't appreciate the speculation about Don Rumsfeld; he's doing a fine job; I strongly support him.

Q. But what do you say to critics who believe that you're ignoring the advice of retired generals, military commanders, who say that there needs to be a change?

*The President.* I say, I listen to all voices, but mine is the final decision. And Don Rumsfeld is doing a fine job. He's not only transforming the military; he's fighting a war on terror. He's helping us fight a war on terror. I have strong confidence in Don Rumsfeld. I hear the voices, and I read the front page, and I know the speculation. But I'm the decider, and I decide what is best. And what's best is for Don Rumsfeld to remain as the Secretary of Defense.

I want to thank you all very much.

NOTE: The President spoke at 9:27 a.m. in the Rose Garden at the White House. In his remarks, he referred to President Hu Jintao of China; and former Senator John C. Danforth of Missouri.

## Remarks Following Discussions With Prime Minister Fuad Siniora of Lebanon April 18, 2006

*President Bush.* It's been my honor to welcome the Prime Minister of Lebanon to the Oval Office. Prime Minister, thanks for coming.

*Prime Minister Siniora.* Thank you very much for giving us the opportunity.

*President Bush.* Well, we just had a really interesting discussion. I told the Prime Minister that the United States strongly supports a free and independent and sovereign Lebanon. We took great joy in seeing the Cedar Revolution. We understand

that the hundreds of thousands of people who took to the street to express their desire to be free required courage, and we support the desire of the people to have a government responsive to their needs and a government that is free, truly free.

We talked about the need to make sure that there is a full investigation on the death of former Prime Minister Hariri, and we'll work with the international community to see that justice is done. We talked about the great tradition of Lebanon to