

Remarks Following a Tour of Gyrocam Systems, LLC, in Sarasota
October 24, 2006

I wanted to stop by here at Gyrocam for a couple of reasons. One, low taxes encourage small-business growth. One of the reasons why we're adding jobs in this country of ours is because our small-business sector is flourishing. And in order to make sure that companies such as this little company continue to expand, you got to keep taxes low. If we run up taxes, it's going to make it harder for the small businesses to expand.

There's a big—there's a significant issue in this campaign. Make no mistake about it, if the Democrats take control of the Congress, they'll raise taxes by letting the tax cuts expire. And we intend to keep taxes low.

The other thing that's interesting about this little company is one of the products they make is an IED detector. And I've been saying to the American people that our goal in Iraq has not changed, which is a country that can sustain itself, defend itself, govern itself. Our tactics are adjusting. And one of the adjustments we had to make in order to protect lives and

achieve our mission was to better detect IEDs. And this little company right here makes an IED detector that enables our troops to be able to ferret out an IED before they come across it.

And one of the interesting things I was able to do was talk to a couple of Iraq vets who now work for this company. They're bringing their expertise off the battlefield to help this company design a product which will work. Interestingly enough, they then send people back to maintain the detectors.

At any rate, I want to thank you all for giving me a chance to come by. I'm proud to be with you. The entrepreneurial spirit must remain strong in this country. It is strong inside this company, and we intend to keep it strong by keeping taxes low, less regulation, hopefully less lawsuits, and our economy will remain strong. If we run up taxes, it will falter.

Thank you. Appreciate it.

NOTE: The President spoke at 2:40 p.m.

Statement on the Retirement of Chief Usher Gary Walters
October 24, 2006

Chief Usher Gary Walters has been a valued public servant to seven First Families for more than three decades at the White House. We have known Gary for many years and are especially grateful for making our family feel at home and for managing and overseeing the operations of the White House, a museum of American

history. While we are sad to see him leave, we wish Gary all the best in his future endeavors.

NOTE: This statement was released by the Office of the Press Secretary as a statement by the President and the First Lady.

The President's News Conference October 25, 2006

The President. Thank you all very much. I'm going to spend a little more time on my opening comments than I usually do, but I'll save plenty of time for questions.

Over the past 3 years, I have often addressed the American people to explain developments in Iraq. Some of these developments were encouraging, such as the capture of Saddam Hussein, the elections in which 12 million Iraqis defied the terrorists and voted for a free future, and the demise of the brutal terrorist Zarqawi. Other developments were not encouraging, such as the bombing of the U.N. headquarters in Baghdad, the fact that we did not find stockpiles of weapons of mass destruction, and the continued loss of some of America's finest sons and daughters.

Recently American and Iraqi forces have launched some of the most aggressive operations on enemy forces in Baghdad since the war began. They've cleared neighborhoods of terrorists and death squads and uncovered large caches of weapons, including sniper scopes and mortars and powerful bombs. There has been heavy fighting. Many enemy fighters have been killed or captured, and we've suffered casualties of our own. This month we've lost 93 American servicemembers in Iraq, the most since October of 2005. During roughly the same period, more than 300 Iraqi security personnel have given their lives in battle. Iraqi civilians have suffered unspeakable violence at the hands of the terrorists, insurgents, illegal militias, armed groups, and criminals.

The events of the past month have been a serious concern to me and a serious concern to the American people. Today I will explain how we're adapting our tactics to help the Iraqi Government gain control of the security situation. I'll also explain why, despite the difficulties and bloodshed, it remains critical that America defeat the enemy in Iraq by helping the Iraqis build

a free nation that can sustain itself and defend itself.

Our security at home depends on ensuring that Iraq is an ally in the war on terror and does not become a terrorist haven like Afghanistan under the Taliban. The enemy we face in Iraq has evolved over the past 3 years. After the fall of Saddam Hussein, a sophisticated and a violent insurgency took root. Early on, this insurgency was made up of remnants of Saddam Hussein's Ba'ath Party as well as criminals released by the regime. The insurgency was fueled by Al Qaida and other foreign terrorists, who focused most of their attention on high-profile attacks against coalition forces and international institutions.

We learned some key lessons from that early phase in the war. We saw how quickly Al Qaida and other extremist groups would come to Iraq to fight and try to drive us out. We overestimated the capability of the civil service in Iraq to continue to provide essential services to the Iraqi people. We did not expect the Iraqi Army, including the Republican Guard, to melt away in the way that it did in the face of advancing coalition forces.

Despite these early setbacks, some very important progress was made in the midst of an incredibly violent period. Iraqis formed an interim government that assumed sovereignty. The Iraqi people elected a transitional government, drafted and adopted the most progressive democratic Constitution in the Arab world, braved the car bombs and assassins to choose a permanent government under that Constitution, and slowly began to build a capable national army.

Al Qaida and insurgents were unable to stop this progress. They tried to stand up to our forces in places like Fallujah, and they were routed. So they changed their tactics. In an intercepted letter to Usama