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Editor's Note: The President was at Camp David, MD, on July 12, the closing date of this issue. Releases and announcements issued by the Office of the Press Secretary but not received in time for inclusion in this issue will be printed next week.

WEEKLY COMPILATION OF

PRESIDENTIAL DOCUMENTS

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Statement on the Death of Ted Williams

July 5, 2002

With the passing of Ted Williams, America lost a baseball legend. Whether serving the country in the Armed Forces or excelling on the baseball diamond, Ted Williams demonstrated unique talent and love of country. He inspired young ballplayers across the Nation for decades, and we will always remember his persistence on the field and his courage off the field. Ted gave baseball some of its best seasons—and he gave his own best seasons to his country. He will be greatly missed.

NOTE: This item was not received in time for publication in the appropriate issue.

Exchange With Reporters in Kennebunkport, Maine

July 6, 2002

President's Birthday

The President. Good morning, everybody.

Q. Happy birthday.

The President. That's the way we like it, up and early.

Q. We do too. [*Laughter*]

The President. Up and at 'em. Feeling a little older, if you know what I mean.

David [David Gregory, NBC News], how are you, lad?

President's Upcoming Vacation

Q. All right. Sir, now that you're a little older and wiser, are you rethinking avoiding spending all of August here?

The President. No, I think—I think you'll like Crawford.

Former President Bush. It's warmer there.

Q. Do you have any words of wisdom for him on the vacation schedule?

Former President Bush. I've got words of wisdom for Eric. He ought to get out of there.

The President. Get out of there, Eric. [*Laughter*]

[*At this point, the President continued to prepare for his golf outing.*]

President's Hat

Q. What does your hat say?

The President. *El Jefe.* That's French. [*Laughter*]

Q. I was going to sing for you in another language.

The President. Thank you, sir. That's an inside joke.

[*The President continued to prepare for his golf outing.*]

Former President Bush. No laughing about the ladies' tee.

President's Birthday

Q. Sir, what do you want for your birthday?

The President. I don't know yet. I haven't thought about it. First of all, I'm glad—I'm glad my mother and wife remembered. [*Laughter*]

[*The President prepared to tee off.*]

The President. Yes, Mr. President. Nice, gentle applause rippling throughout the gallery.

See you in a couple hours—like 2.

[*The round of golf proceeded.*]

The President. I apologize.

Q. Yes, right.

The President. Miserable shot.

Q. You didn't have any idea where we were, either, did you?

The President. It's clear I didn't have any idea where the ball was going——

Q. Mr. President, it's up by the tree, sir.

The President. Who kicked it under there? [*Laughter*]

Q. David did. [*Laughter*]

The President. I was just kidding about the French thing. [*Laughter*]

NOTE: The exchange began at 6:15 a.m. at the Cape Arundel Golf Course. In his remarks, the President referred to White House Director of Photography Eric Draper. A tape was not available for verification of the content of this exchange.

Remarks on the Situation in Afghanistan and an Exchange With Reporters in Kennebunkport

July 6, 2002

Assassination of Vice President Haji Abdul Qadir of Afghanistan

The President. Today Vice President Qadir of Afghanistan was gunned down. The administration and our country mourns the loss of a man who desired freedom and stability for the country he loved. We have been in touch with Chairman Karzai, expressed our deepest condolences to the Chairman and the Government and people of Afghanistan, who lost a good and valued friend.

The Afghan Government is in the process of investigating who might have done this. And we are more resolved than ever to bring stability to the country so that the Afghan people can have peace and hope.

I'll answer a couple of questions.

Q. Mr. President, did you personally call Chairman Karzai? And what does this say about the ability of a new Government to form and actually succeed there, and what are your concerns?

The President. No, I haven't spoken to Chairman Karzai yet. I spoke to him yesterday, interestingly enough, to express our condolences about the loss of life during the military action. He was talked to by a member of my national security team.

I am confident and I believe Chairman Karzai is confident that with patience and with aid and with a proper strategy, that Afghanistan can develop into a peaceful and hopeful nation.

Bombing of Afghan Civilians

Q. Sir, what do you say to the Afghan people who are upset about the bombing of civilians?

The President. Well, I say, you know, we're investigating. I say "we." Both the Afghanistan Government and the United States Government are investigating to find out the facts. But I can say to the Afghan people exactly what I told to Chairman Karzai, "Any time innocent life is lost, we're sad. Our country values life, all life, and we'll find out what the facts are and then address it accordingly."

Assassination of Vice President Haji Abdul Qadir of Afghanistan

Q. Can the United States or the FBI or someone help with the investigation of the assassination, or will they?

The President. Well, we'll find out. Right now the Afghan Government believes they can handle the investigation. There's all kinds of scenarios as to how the—who killed him. But we'll work closely with the Government if they want us to.

Q. Sir, is there any sign that this kind of assassination may be connected to terrorist groups who are trying to get more involved in the country?

The President. It could be that. It could be drug lords. It could be longtime rivals. Who knows? All we know is a good man is dead, and we mourn his loss.

All right, thank you all. Thanks.

President's Birthday

Q. Birthday plans, sir?

The President. Let's see, settling in, a family lunch, may go for a run—it will be a mechanical run, however.

Q. Why, not hot enough?

The President. No, I wish I could get off the Point, but I think the agents will say today it's probably best for me to stay on Walker's Point.

Let's see, what else will be happening? Who knows? Maybe a surprise party. [*Laughter*] Other than that, just hanging out with my family, which is a wonderful gift unto itself.

Thank you all.

President's Round of Golf

Q. What took you so long to play 18 holes—just 2 hours and 10 minutes?

The President. Well, I think it's because I three-putted too many greens. [*Laughter*]

Have a good day today.

Q. Happy birthday, Mr. President.

The President. Thank you all.

NOTE: The President spoke at 8:36 a.m. at the Cape Arundel Golf Course. In his remarks, he referred to President Hamid Karzai of the Transitional Authority of Afghanistan.

The President's Radio Address

July 6, 2002

Good morning. This week, Americans are celebrating the 226th anniversary of our independence. On the Fourth of July, we count our blessings, and there are so many to count.

We are thankful for the families that share our life in this land of liberty. We're thankful for the opportunities given to us every day in this country. We are thankful for our freedom, the freedom declared by the Founding Fathers, defended by many generations, and granted to each one of us by Almighty God.

Americans know that our country did not come about by chance. Our Nation was first designed as a colony, serving an empire and answering to a king. The Founders had other things in mind. In the summer of 1776, they declared that these colonies are, and of right ought to be free and independent States. All Americans can draw a straight line from the free lives we lead today to that one moment when the world changed forever.

From that day in 1776, freedom has had a home and a defender. Unlike any other country, America came into the world with a message for mankind, that all are created equal and all are meant to be free.

There is no American race; there's only an American creed. We believe in the dignity and rights of every person. We believe in equal justice, limited government, and the rule of law, personal responsibility and tolerance toward others. This creed of freedom and equality has lifted the lives of millions of Americans, of citizens by birth and citizens by choice. This creed draws our friends to us, sets our enemies against us, and always inspires the best that is in us.

In this 226th year of our independence, we have seen that American patriotism is still a living faith. We love our country only more when she is threatened. America is the most diverse Nation on Earth. Yet, in a moment we discovered again that we are a single people; we share the same allegiance; we live under the same flag; and when you strike one American, you strike us all.

More than ever in the lifetimes of most Americans, our flag stands for a true united country. We've been united in our grief, and we are united in our resolve to protect our people and defeat the enemies of freedom. At this hour, more than 60,000 American troops are deployed around the world in the war against terror. Many of you have family members serving in the military. Wherever they are stationed, this Nation is depending on them, and you can be proud of them.

America's service men and women and our veterans know better than anyone that our love for country is shown in works. That spirit of service is alive and strong in America today. As we fight a war abroad, at home Americans are answering the call of service, giving their time and energy to causes greater than self-interest. This Nation is confronting a terrible evil, and we are overcoming evil with good.

Today, as much as ever before, America bears the hopes of the world. Yet, from the day of our founding, America's own great hope has never been in ourselves alone. The Founders humbly sought the wisdom and the blessing of Divine Providence. May we always live by that same trust, and may God continue to watch over the United States of America.

Thank you for listening.

NOTE: The address was recorded at 10:17 a.m. on July 3 in the Cabinet Room at the White House for broadcast at 10:06 a.m. on July 6. The transcript was made available by the Office of the Press Secretary on July 5 but was embargoed for release until the broadcast. The Office of the Press Secretary also released a Spanish language transcript of this address.

Statement on the Death of General Benjamin Oliver Davis, Jr.

July 6, 2002

Two days ago, on July 4th, America lost a true hero when General Benjamin Oliver Davis, Jr., died at Walter Reed Medical Center in Washington, DC. Throughout his career, General Davis served the cause of freedom with distinction and dignity. He will be sorely missed. On behalf of a grateful nation, Laura and I send our condolences to the Davis family.

We will remember General Davis most for his leadership of the legendary Tuskegee Airmen during World War II. The segregated African American 332d Fighter Group flew more than 15,000 sorties against the Nazi Luftwaffe, destroyed over 250 enemy aircraft, and never lost a single Allied plane flying under its escort protection. Davis' leadership and the dazzling success of his Tuskegee Airmen contributed greatly to the victory over fascism abroad—and to important victories over discrimination here at home, especially the desegregation of the Armed Services ordered by President Truman in 1948.

The quiet courage, discipline, and high achievement of the Tuskegee Airmen simply mirrored the qualities that Benjamin Davis, Jr., demonstrated throughout his career. A graduate of West Point, he was a recipient of the Silver Star and Distinguished Flying Cross and was the first African American in the Air Force to earn a star. He retired with the rank of Lieutenant General and was awarded his fourth star after his retirement in 1998. His passing on the date of our Nation's Independence underscores the independence and pride with which he served our Nation's highest ideals. General Davis left our country better than he found it and his legacy will endure for as long as Americans seek to protect—and perfect—our Union.

Remarks on Presenting the Congressional Medal of Honor Posthumously to Captain Humbert Versace

July 8, 2002

Good afternoon, and welcome to the White House. It's a—this is a special occasion. I am honored to be a part of the gathering as we pay tribute to a true American patriot and a hero, Captain Humbert "Rocky" Versace.

Nearly four decades ago, his courage and defiance while being held captive in Vietnam cost him his life. Today it is my great privilege to recognize his extraordinary sacrifices by awarding him the Medal of Honor.

I appreciate Secretary Anthony Principi, the Secretary from the Department of Veteran Affairs, for being here. Thank you for coming, Tony. I appreciate Senator George Allen and Congressman Jim Moran. I want to thank Paul Wolfowitz, the Deputy Secretary of Defense, and General Pete Pace, Vice Chairman of the Joint Chiefs, Army General Eric Shinseki—thank you for coming, sir. I appreciate David Hicks being here. He's the Deputy Chief of Chaplains for the United States Army.

I want to thank the entire Versace family for coming, three brothers and a lot of relatives, brothers, Dick and Mike and Steve, who's up here on the stage with me today. I appreciate the classmates and friends and supporters of Rocky for coming. I also want to thank the previous Medal of Honor recipients who are here with us today. That would be Harvey Barnum and Brian Thacker and Roger Donlon. Thank you all for coming.

Rocky grew up in this area and attended Gonzaga College High School, right here in Washington, DC. One of his fellow soldiers recalled that Rocky was the kind of person you only had to know a few weeks before you felt like you'd known him for years. Serving as an intelligence adviser in the Mekong Delta, he quickly befriended many of the

local citizens. He had that kind of personality. During his time there he was accepted into the seminary, with an eye toward eventually returning to Vietnam to be able to work with orphans.

Rocky was also a soldier's soldier, a West Point graduate, a Green Beret who lived and breathed the code of duty and honor and country. One of Rocky's superiors said that the term "gung ho" fit him perfectly. Others remember his strong sense of moral purpose and unbending belief in his principles.

As his brother Steve once recalled, "If he thought he was right, he was a pain in the neck." [*Laughter*] "If he knew he was right, he was absolutely atrocious." [*Laughter*]

When Rocky completed his one-year tour of duty, he volunteered for another tour. And 2 weeks before his time was up, on October the 29th, 1963, he set out with several companies of South Vietnamese troops, planning to take out a Viet Cong command post. It was a daring mission and an unusually dangerous one for someone so close to going home to volunteer for.

After some initial successes, a vastly larger Viet Cong force ambushed and overran Rocky's unit. Under siege and suffering from multiple bullet wounds, Rocky kept providing covering fire so that friendly forces could withdraw from the killing zone.

Eventually, he and two other Americans, Lieutenant Nick Rowe and Sergeant Dan Pitzer, were captured, bound, and forced to walk barefoot to a prison camp deep within the jungle. For much of the next 2 years, their home would be bamboo cages, 6 feet long, 2 feet wide, and 3 feet high. They were given little to eat and little protection against the elements. On nights when their netting was taken away, so many mosquitos would swarm their shackled feet it looked like they were wearing black socks.

The point was not merely to physically torture the prisoners but also to persuade them to confess to phony crimes and use their confessions for propaganda. But Rocky's captors clearly had no idea who they were dealing with. Four times he tried to escape, the first time crawling on his stomach because his leg injuries prevented him from walking. He insisted on giving no more information than required by the Geneva Convention and cited the treaty, chapter and verse, over and over again.

He was fluent in English, French, and Vietnamese and would tell his guards to go to hell in all three. Eventually the Viet Cong stopped using French and Vietnamese in their indoctrination sessions, because they didn't want the sentries or the villagers to listen to Rocky's effective rebuttals to their propaganda. Rocky knew precisely what he was doing. By focusing his captors' anger on him; he made life a measure more tolerable for his fellow prisoners, who looked to him as a role model of principled resistance.

Eventually the Viet Cong separated Rocky from the other prisoners. Yet even in separation, he continued to inspire them. The last time they heard his voice, he was singing "God Bless America" at the top of his lungs.

On September the 26th, 1965, Rocky's struggle ended with his execution. In his too short life, he traveled to a distant land to bring the hope of freedom to the people he never met. In his defiance and later his death, he set an example of extraordinary dedication that changed the lives of his fellow soldiers who saw it firsthand. His story echoes across the years, reminding us of liberty's high price and of the noble passion that caused one good man to pay that price in full.

Last Tuesday would have been Rocky's 65th birthday. So today we award Rocky—Rocky Versace the first Medal of Honor given to an Army POW for actions taken during captivity in Southeast Asia. We thank his family for so great a sacrifice. And we commit our country to always remember what Rocky gave to his fellow prisoners, to the people of Vietnam, and to the cause of freedom.

Now, Major, please read the citation.

NOTE: The President spoke at 3:07 p.m. in the East Room at the White House. Following the President's remarks, Maj. Paul Montanus, USMC, Marine Corps Aide to the President, read the citation.

The President's News Conference
July 8, 2002

The President. Good afternoon. I hope you all enjoyed your weekend in Maine as

much as I did. And I hope our fellow Americans all enjoyed a Fourth of July weekend with their family and friends. And now it's back to work. Congress is coming back into Washington, and they've got a lot of work ahead of them before the August vacation.

Congress has been making some important progress, but it also has a lot of unfinished business. I urge Congress to join me in advancing—join me in acting to achieve and advance three big goals: We need to win the war; we need to protect our homeland; and we need to strengthen our economy.

Winning the war and protecting the homeland requires a sustained national commitment. More than 100 days ago, I asked Congress to appropriate additional money to equip our Armed Forces and strengthen the security at our airports. Four months later, the Department of Defense and the new Transportation Security Administration are still waiting for the money, and they'll run out of operating funds maybe as soon as this week. Congress simply must fund our troops while they're fighting a war. And Congress must provide the funds to improve security at our airports. Further delay is intolerable. Congress has got to act.

Congress must also pass the defense appropriations for next year's budget. The House has acted. The Senate must act. Our Nation is at war, and our budget priorities and actions need to reflect that reality. These bills are critical, and quick action on them does not and should not preclude simultaneous progress on other legislation.

Creating more jobs and strengthening our economy are critical priorities. And Congress can act to create jobs by giving me trade promotion authority. Expanding trade means new jobs for American workers. Congress has debated trade now for more than a year. It's time to stop talking. It's time to start acting. Congress should act to create American jobs before it goes home for the August recess.

And Congress should act to make us less dependent on foreign sources of energy. Congress has the opportunity to pass legislation that gives America the energy policy it needs, one that makes us less dependent on foreign oil and promotes conservation. Reliable, affordable energy means more and better jobs.

Another key element of economic growth is consumer and investor confidence in our markets and in the integrity of corporate America. And right now, that confidence has been shaken. Tomorrow in New York, I'll outline tough new laws and actions to punish abuses, restore investor confidence, and protect the pensions of American workers. We have a duty to every worker, shareholder, and investor in America to punish the guilty, to close loopholes, and protect employee pensions. And we will. The House has acted on the pension reforms I proposed in February and on the corporate responsibility proposals I made in March. It's time for the Senate to act in an equally responsive manner.

As Congress works on all this important legislation, it must keep a tight hand on taxpayers' money. Excessive Government spending is a drag, or will be a drag, on our economy. Congress is moving forward on the proposal for the new Department of Homeland Security, and it is doing so with speed and skill and a constructive spirit of bipartisan cooperation. I hope the Congress will apply the same spirit to other important legislation.

A safer and more prosperous America can also be a more compassionate country. The House has acted to encourage the charity and good works of private and religious groups throughout America. The House has also passed welfare reform that upholds the values of work and family. If the Senate acts, we will improve the lives of millions of our fellow citizens.

I know that this is an election year, and both Republicans and Democrats will be focused on politics. That's normal during an election year, but we must not be distracted from the important work that we share. It will take a lot of work and bipartisan cooperation to get important legislation out of the Congress before they all go home to campaign. The agenda is full; the time is short; and the Nation is watching.

In the coming weeks, I'll continue to focus on pursuing the war and protecting the homeland and strengthening our economy. And I urge the Congress to join me in this unfinished business.

Now I'll be glad to answer some questions you have. Why don't we start here, David [David Gregory, NBC News]?

Corporate Responsibility

Q. Mr. President, in the war on terrorism, you made it very clear that it's not just a matter of seeking justice for offenders but also preventing another act of terrorism against our country. So when it comes to corporate corruption, beyond calling for tough penalties, what can you say to investors around the country about what this administration will do to prevent abuses from occurring in the future?

The President. Well, let me start by telling you that I think, by far, the vast majority of CEOs in America are good, honorable, honest people who have nothing to hide and are willing to let the true facts speak for themselves. It's the few that have stained the—that have created the stains that we must deal with.

And tomorrow I'm going to talk about some specifics, and I'd rather save those for tomorrow. But let me just put it to you this way: We'll vigorously pursue people who break the law. And that's what—and I think that will help restore confidence to the American people.

Q. And prevention, though? What about—how do you prevent this from happening again?

The President. Well, David, there is a—listen, there had been a period of time when everything seemed easy. Markets were roaring; capital was everywhere; and people forgot their responsibilities. And as you know—you've had to suffer through many of my speeches—but I have been calling for a renewed sense of responsibility in America. And that includes corporate responsibility, because I'm very worried about a country that has—that could conceivably lose confidence in the free enterprise system. And I'm an avid backer of the free enterprise system, but I also understand that that requires trust. And we've had some destroy the trust of the American people, and we need to do something about it.

In the future, starting—we start with calling on people's—calling on people's better nature. And I'll do some of that tomorrow as well.

Yes, Sandra [Sandra Sobieraj, Associated Press].

Smallpox Vaccine

Q. Sir, the Government is stockpiling enough smallpox vaccine for every American, but is only planning right now to offer it to emergency and health care workers. Why shouldn't every American be able to evaluate the health risks for themselves and then decide for themselves to get the vaccine?

The President. Sandra, first of all, I haven't made any decisions as to who's going to be vaccinated or not. We're looking at all options. I think one concern that I can share with you is that if everybody received a vaccine, there are some who—to whom that vaccine might be fatal. And I worry about that. I worry about calling for a national vaccination program and that it could cause the loss of life. And so I'm looking at all options before I make up my mind.

Yes. Yes, sir.

Harken Energy/2002 Election

Q. Mr. President, the Democrats have signaled that they are going to make your behavior while a director at Harken an election-year issue. There's an ad out today which is relatively new. I know you said this has been vetted before—I mean, I've heard that. But would you take on the charge that you were 8 months late with an $850,000 stock sale report?

The President. First, let me take on the notion that people love to play politics. You know, you said the Democrats are going to attack me based upon Harken. That's nothing new. That happened in 1994. I can't remember if it happened in 1998 or not. It happened in 2000. I mean, this is recycled stuff. When I—[*laughter*]. Thank you. [*Laughter*]

When I made the decision to sell, I filed what's called a Form 144. I think you all have copies of the Form 144. It's an intention to sell, and I did so. And—but as you said, this has been fully vetted. It has been looked at by the SEC. You've got the documents. You've got the finding where the guy said, "There is no case here." And it's just—the way I view it is, it's old-style politics. And

I guess that's the way it's going to be, but——

Q. Well, sir, if I might, on the question that the Form 4 was 8 months late, why was it?

The President. You know, the important document was the 144, the intention to sell. That was the important document. I think you've got a copy of it. If you don't, we'll be glad to get you one that showed the intention to sell.

As to why the Form 4 was late, I still haven't figured it out completely. But nevertheless, the SEC fully looked into the matter. They looked at all aspects of it, and they did so in a very thorough way. And the people that looked into it said there is no case. And that was the case in the early nineties; it was the case in the '94 campaign; it was the case in the '98 campaign. The same thing happened in the 2000 campaign. I guess we're going to have to go through this again in the 2002 campaign, but nothing has changed. And the nothing that changed was the fact that this was fully looked into by the SEC, and there's no "there" there.

Helen [Helen Thomas, Hearst Newspapers].

SEC Chairman Harvey Pitt

Q. Mr. President——

The President. I'm working my way around, John [John Cochran, ABC News].

Q. ——in a way to clean up the corporate world and start the reforms, Senator McCain is suggesting that you ask for the resignation of Harvey Pitt and says that he is inept and has had to recuse himself so many times in all these cases. What do you think? And are you 1,000 percent behind him?

The President. Very tricky. I support Harvey Pitt. Harvey Pitt has been fast to act. He's been in office less than 12 months, I think—I mean, he was—we sent him up to the Senate and was unanimously approved. I'm not exactly sure when the vote was. I guess it was about a year ago, and every Senator said aye on Harvey Pitt—"aye" meaning that they thought he would do—they thought he was the right man for the job. And I still think he is.

He is—in a quick period of time, he has taken 30 CEOs and directors to task by not allowing them to serve again on a board or serve in a CEO capacity of a company. He's encouraged what they call disgorgement; in other words, if somebody has profited based upon malicious reporting, or whatever the lawyers call it—obviously trying to scam somebody—they had to give their money back. And he's been very active on that. So I think Pitt's doing a fine job.

Former President Clinton/Harken Energy

Q. Sir, you said, in your speech tomorrow you're going to talk about some of the excesses of the 1990s, when a lot of money was flying around, people were playing a lot of games with money.

The President. That's right.

Q. You weren't President then; Bill Clinton was President. Do you think in some way he contributed to that, set a moral tone in any way?

The President. No.

Q. Can I ask one more—[*laughter*]? You'd not like to expand on that?

You were asked about the SEC and the Harken Energy Company. Democrats are saying, "Would you have the SEC release all the papers in connection with that to end all the questions? Would you tell the SEC, Mr. Pitt, to release those papers?"

The President. This is old politics, John. This has been around for a long time. In the early nineties, key members of Congress asked for relevant documents from the SEC on this case. They were given the documents. You've seen the relevant documents.

And I want to remind you all that I sold the stock at 4, and 14 months later—the holding period for capital gains, I think, was 12 months in those days—the person who bought my stock could have sold it for 8, could have doubled his or her money.

Q. Mr. President, you've said that you didn't know, when you sold your Harken stock, that the company was going to restate its earnings. As a member of its audit committee, how could you not know that its earnings had not been properly accounted for?

The President. Because that fact—that fact came up after I sold the stock. And the SEC fully looked into this. All these questions that you're asking were looked into by

the SEC. And again, I repeat to you, the summary, which I think you've seen—I hope you've seen it; if not, we'll be glad to get it to you—said there was no case there.

Yes—working my way down there.

Usama bin Laden

Q. Mr. President, first of all, my apology for not having the tie, because I have this Indian summer suit today. [*Laughter*]

The President. That's okay. Therefore, you don't get to ask a question. [*Laughter*]

Q. And second, sir, happy birthday. We share the—were born the same day.

The President. Thank you. That's a fine question. [*Laughter*]

Q. My question is, sir, that we did a survey at India Globe and Asia Today, around the United States among the Indian-American community and also in India and the Indian Government. They all support your stand against fighting against terrorism. But the question is, sir, are you going to find Usama bin Laden before the first anniversary of September 11th?

The President. Well, that's an interesting—his question is about Usama bin Laden. We haven't heard from him in a long time. I don't know if the man's living or the man's dead. But one thing is for certain: The war on terror is a lot bigger than one person. And as I told the American people, this is going to be a long and—long struggle. And we're making good progress. We're rounding people up slowly but surely. We're disrupting networks. But this is—and these are like international criminals, is what they act like. They kind of hide and order things up and then hide again. And we're just patiently hunting them down. And whether or not Usama bin Laden is alive or not, I don't know.

Mike [Mike Allen, Washington Post].

Harken Energy

Q. Sir?

Q. Mr. President, if I may walk you——

The President. If you'd have worn a tie, you could have had a followup. [*Laughter*]

Q. If I may ask a question from just before the sale of stock that you mentioned, could you please explain your role when you were on the board of Harken Oil in the sale of 1989 of its Aloha Petroleum subsidiary, which later caused the SEC to require Harken to restate its earnings? The sale has been described as creating a phantom profit to hide large losses. How did you see it, sir? And do you think that this transaction hurts your credibility on corporate responsibility?

The President. Mike, Mike, this and all matters that related to Harken were fully looked into by the SEC. And in this case, the system worked. There was a honest difference of opinion as to how to account for a complicated transaction. And that's what—you're going to find that in different corporations. Sometimes the rules aren't as specific as one would expect. And therefore, the accountants and the auditors make a decision. And it is the SEC's role to make the determination as to whether or not the accounting procedure used in this particular instance was proper or not.

And—let me finish. And they made the decision that Harken ought to restate some earnings, which Harken did. And that's how the system is supposed to work.

John [John King, Cable News Network].

Q. If I may ask you, right before the accounting, the sale, itself, of the subsidiary—did you favor that? Were you involved——

The President. Mike, you need to look back on the directors' minutes. But all I can tell you is, is that in the corporate world, sometimes things aren't exactly black and white when it comes to accounting procedures. And the SEC's job is to look and is to determine whether or not—whether or not—whether or not the decision by the auditors was the appropriate decision. And they did look, and they decided that earnings ought to be restated, and the company did so immediately upon the SEC's finding.

Yes, John.

Corporate Responsibility

Q. Sir, in that SEC investigation, you waived attorney-client privilege so that the SEC could question Harken attorneys and your personal attorneys about your dealings. In light of that, do you think it is appropriate today, given the fact that you say investors are nervous about the markets, for senior executives of these companies to go before Congress and invoke the fifth amendment

and refuse to discuss their dealings in controversial—and on a related point, one of the differences right now between the administration and the Senate bill on corporate responsibility is the Sarbanes proposal to have this independent board, appointed by the SEC, police the accounting industry. You have opposed that so far. Are you prepared today to endorse that?

The President. Well, let me—I'll give you my opinion on that. Look, I think people, obviously, if they're called up, ought to tell what they know. But lawyers have different opinions. And these people are listening to the advice of their counsels.

Q. Does it hurt the very market confidence you're——

The President. Well, I think what hurts the market confidence is the—in the recent cases, was the inflated numbers. And so people look at balance sheets and wonder if they're real.

And now, as to the Sarbanes bill, we share the same goals, and I'm confident we can get a good piece of legislation out of the Congress. I too called for an independent board. My concern in the Sarbanes bill is that there's overlapping jurisdiction, which will make it harder to enforce rules and regulations, not easier. If you have overlapping jurisdiction, it creates confusion as to who is in charge of what. But I'm confident we can work that out. I am.

Yes, David [David Sanger, New York Times]. We're skipping around there.

Q. Mr. President, you——

The President. Nice tie, though. [*Laughter*]

Q. Hope I'm going to get a question. [*Laughter*]

Situation in the Middle East

Q. You gave your speech on the Mideast nearly 2 weeks ago now. And after your previous speech on the Mideast, you repeatedly called on the Israelis to withdraw from the West Bank. You made a brief allusion to that in this most recent speech. You haven't discussed it since. And of course, they're still there. Should they take your silence as an indication that they should stay where they are, or that they should stay there while Yasser Arafat is still in power?

The President. David, I said in my speech, "as security improves." I also will call upon the Israelis, as security improves, to allow for more freedom of movement by the Palestinian people.

At the same time, we're working to begin the reforms necessary amongst the Palestinians to create enough confidence in all parties so that security will improve as well. Burns—Under Secretary Burns was recently there in the Middle East. He's back to report this week. Colin Powell will be following up on his meetings.

And I haven't had the briefing yet, but I believe some progress is being made toward the institutions that I talked about that are necessary for a Palestinian state to emerge which will give us all confidence in its ability to fight off terrorist activities, in its ability to receive international aid without stealing the money, its ability to develop a judiciary. And what's very important in the Middle East, Dave, is that those institutions evolve and grow so that the true will of the Palestinian people can be reflected in the government and that the institutions grow and evolve so that there's, in fact, separation of power, so that all hopes of the Palestinians don't rest on one person. And I believe we're making some progress there.

Go ahead. Followup on Dave.

Q. With security at its current state, do I understand you correctly to be saying, if things are in its current state, you're perfectly comfortable to have the Israelis where they are?

The President. I would hope that everybody got the message that we all have responsibilities to fight off terrorist attacks.

Yes, Ed [Ed Chen, Los Angeles Times].

Bringing Terrorists to Justice

Q. Good afternoon. Since shortly after September 11, you said that you would like to see Usama bin Laden, dead or alive. But you've also said that America is after justice and not revenge.

The President. Right.

Q. Could you please tell us, to your way of thinking, what is the difference?

The President. Between justice and revenge? I think it's a difference of attitude. I mean, I seek justice for the deaths done

to American people. And it's—you can be tough and seek justice, Ed. And you can be disciplined and focused and seek justice. But it's a frame of mind. We don't take—we take lives when we have to, to protect the people and to hold people accountable for killing thousands, is how I look at it.

Ed, and then Jim [Jim Angle, Fox News], and then Tie Man [Ken Bazinet, New York Daily News].

Q. Thank you.

Iraq

Q. Yes, Mr. President, thank you. We continue to see reports on the state of planning to get rid of Saddam Hussein in Iraq. I know it's unlikely that you'll share any details with us, though we'd be delighted to hear them, sir——

The President. Somebody else thinks they are, evidently. [*Laughter*]

Q. But I wonder, Mr. President, regardless of when or how, is it your firm intention to get rid of Saddam Hussein in Iraq——

The President. Yes.

Q. ——and how hard to you think it will be?

The President. It's the stated policy of this Government to have regime change. And it hasn't changed. And we'll use all tools at our disposal to do so.

I actually didn't read the whole story about somebody down there at level five flexing some know-how muscle, but there's all kind—listen, I recognize there's speculation out there. But people shouldn't speculate about the desire of the Government to have a regime change. And there's ways, different ways to do it.

Q. How involved are you in the planning, sir? We know that you meet with General Franks. You meet with Rumsfeld to talk about this. How involved are you?

The President. I'm involved. I mean, I'm involved in the military planning, diplomatic planning, financial planning, all aspects of—reviewing all the tools at my disposal. And—but in my remarks to American people, I remind them I'm a patient person and there's a—but I do firmly believe that the world will be safer and more peaceful if there's a regime change in that Government.

And Tie Man. Let me see, you are—[*laughter*]—I don't have my—"no name," it says. Never mind. [*Laughter*]

Q. Tie Man is fine.

The President. Thank you.

SEC Chairman Harvey Pitt

Q. Thank you. And I thank you for the compliment. Earlier you signaled your staunch support for Harvey Pitt, sir. On August 8th, his one year will have come up, and he will no longer have to recuse himself. Do you think that he should voluntarily recuse himself after that point? Would that be appropriate?

The President. I think Harvey Pitt was put in place to clean up a mess, and he's working hard to do that. It's an amazing town, where the man barely got his uniform on, barely had a chance to perform, and now, for whatever reason, people think he ought to move on, the very ones who voted for him. And I would ask them to look at his record. And I'm going to—since I'm the decision-maker, I'm going to give him a chance to continue to perform.

Elisabeth [Elisabeth Bumiller, New York Times].

Q. Mr. President——

The President. Your name is not Elisabeth.

Harken Energy

Q. Thank you. The accounting procedures at Harken and Aloha have been compared to what went on at Enron. Would you agree with that?

The President. No.

Q. Why not, sir?

The President. Well, again, this is—there was no malfeance involved. This was a honest disagreement about accounting procedures. And the SEC took a good look at it and decided that the procedures used by the auditors and the accounting firm needed to—were not the right procedure in this particular case or the right ruling and, therefore, asked Harken to restate earnings, which it did. I mean, that's the way the SEC works. That's the proper role of an oversight group.

There was no malfeance, no attempt to hide anything. It was just a accounting firm making a decision, along with the corporate

officers, as to how to account for a complex transaction.

Q. Can I follow that up, sir?

The President. No.

Yes, Ken [Ken Walsh, U.S. News & World Report].

Corporate Responsibility

Q. Yes, Mr. President, to put your speech tomorrow in a larger context, at the turn of the last century, Theodore Roosevelt complained about what he called the "malefactors of great wealth," and he asked, in a very famous speech, "Who shall rule this country, the people," or what he called "those who hide behind the breastworks of corporate organizations?" I wonder if you feel this era is comparable to that one, and if you feel you should respond as aggressively as Roosevelt did to corporate corruption?

The President. Well, of course, he was referring to trusts. I'm referring to a lapse of ethics, people forgetting the fact that they represent things other than their own compensation packages, however inflated they may be, that they have a responsibility to employees and shareholders.

And I am—I also understand how tender the free enterprise system can be. If people lose confidence in the system, it will be hard to attract capital in the markets. And that's one reason I've reacted so steadily against what I have seen. And I don't like it a bit, and I'm going to talk about it tomorrow.

David asked an interesting question about how do you prevent things in the future. It's like asking how do you—if somebody has—doesn't have that ethical compass, they'll find ways to cut corners. There are ways that people should hold people accountable. I mean, investors need to be—pay attention. There are investor groups that will do that. Obviously, boards of directors need to hold CEOs accountable. But if you get a bunch of people together that have no sense of ethics, you're going to get this kind of behavior. And so then what the Government must do—and it's a legitimate role of Government—is to step in and hold people accountable.

Corporate Tax Returns

Q. Mr. President, one way to establish or restore investor confidence being floated right now is making public the tax returns of corporations. Would you favor that policy?

The President. Making public? I'd need to look at that. I'll take a look at that.

Q. Mr. President——

The President. Hillman [G. Robert Hillman, Dallas Morning News].

Civil Rights

Q. Yes, Mr. President. The NAACP is meeting this week in Houston, as you probably know. And there's been some criticism that you've not attended their convention since the 2000 campaign. How would you respond to that and respond generally to suggestions from some critics that your civil rights record in the administration is not a stellar one?

The President. Let's see. There I was, sitting around the leader with—the table with foreign leaders, looking at Colin Powell and Condi Rice.

Yes.

Anti-Semitism/Situation in the Middle East

Q. Mr. President, on the Middle East, a followup. Realistically, can anything be accomplished in the Middle East before the Palestinian elections? And does the White House have anything to say about the rise of anti-Semitism which is sweeping Europe? Are you concerned that that could spread to this country?

The President. We're concerned about anti-Semitism anywhere.

And yes, progress can be made. We can help write—encourage the writing of a new constitution, the reformulation of security forces, prepare aid packages that will be disbursed if there is transparency. So progress can be made until the elections.

Pension Reform

Q. Mr. President, how do you respond to the criticism that your administration, and you particularly, are more interested in protecting the interests of corporate America than the needs of ordinary Americans?

The President. What I'm interested in protecting is the confidence of all Americans in the marketplace, so that people feel comfortable investing, because investment means

jobs; and so that people feel comfortable that their savings plans and pension plans are protected. That's why I put out the pension reform package.

Remember, in February I laid out a pension reform package. And in March I laid out 10 steps for good corporate governance, and I'm waiting for Congress to act. And it's been a while. But listen, I'm a believer in the free enterprise system. But I'm also a strong believer in holding people accountable when they betray the trust of employees and shareholders. And that's exactly what we're going to do.

Yes, Anne [Anne Kornblut, Boston Globe].

Iraq/War on Terrorism

Q. On Iraq, can the American people expect that by the end of your first term you will have affected a regime change in Iraq, one way or another? And by the same token——

The President. That's hypothetical.

Q. But can the American people expect that? Should they expect that?

The President. That's a hypothetical question. They can expect me not to answer hypothetical questions.

Q. On Usama bin Laden, does your promise still——

The President. On sensitive subjects. [*Laughter*]

Q. Sir, on Usama bin Laden, does your promise still hold that he will be caught, dead or alive, at some point?

The President. What? Say that again?

Q. Does your promise on—or your goal of catching Usama bin Laden dead or alive, does that still stand?

The President. I don't know if he is dead or alive, for starters, so I'm going to answer your question with a hypothetical. Usama bin Laden, he may be alive. If he is, we'll get him. If he's not alive, we got him. [*Laughter*]

But the issue is bigger than one person. That's what I keep trying to explain to the American people. We're talking about networks that need to be disrupted, plans that need to be stopped. These people are coldblooded killers. They're interested in killing innocent Americans, still. And therefore, we will continue to pursue them.

And I understand the frustrations of this war. Everybody wants to be a war correspondent. They want to go out there and see the tanks moving across the plains or the airplanes flying in formation and—but that's not the way this war is going to be fought all the time. There's a lot of actions that take place that you'll never see. And there's—and some of it, hopefully, will continue to take place as a result of the actions of our friends, such as that which took place in the Philippines. Abu Sayyaf—the leader, evidently, was killed by Philippine troops. And that's positive. That's a positive development.

We're constantly working with nations that might become havens for terrorists, to make sure that there's no place for them to bunch up or train or to—and it's—and we're making progress. But it's a long journey, and that's what people have got to know.

Press Secretary Ari Fleischer. Final question.

Role of Securities and Exchange Commission

Q. Mr. President, you mentioned that sometimes the accounting laws are just too difficult to calculate.

The President. No, I said sometimes there's differences—a ability to interpret one way or the other.

Q. But isn't that—wouldn't that provide a handy excuse to some of the folks who are involved in these scandals today, who say, "Well, internally we had——"

The President. Sure. Sure, it becomes a handy excuse. But good prosecutors and a strong SEC will determine the difference between what becomes a handy excuse by somebody willing to defraud and somebody who has just a difference of opinion. And that's the difference. And that's the role of the SEC, and that's why the SEC has to be strengthened.

And tomorrow I'll call for a stronger SEC, more investigators and more budget. But that's precisely what the role of the SEC is, and that's what it does. I know the Democrats are trying to divert attention from the major goal. And I hope they—I hope we can work together to get good legislation out. The important thing is to restore confidence to the economy, and we can. But—go ahead.

Q. I just wonder if you think then that some of the companies that are in play today in terms of scandal could actually be places where the accounting was just——

The President. Could be. It could be. It's not my role to judge, or the Congress' role to judge. It is the SEC's role to judge. And that's why we need a strong and vibrant SEC, to make those judgments. But I think it's pretty clear when somebody is trying to defraud. And it's—when you've got an error of $3.4 billion, I think it was, it's a pretty clear indication that something might be there. But everybody ought to have their day in court. We ought not to rush to judgment on every single case that comes up. And the SEC ought to do its job and do it well.

Thank you all very much.

NOTE: The President's news conference began at 5 p.m. in the James S. Brady Briefing Room at the White House. In his remarks, he referred to Usama bin Laden, leader of the Al Qaida terrorist organization; Assistant Secretary of State for Near Eastern Affairs William J. Burns; and Abu Sabaya, a leader of the Abu Sayyaf terrorist group who was killed June 21 by Philippine military forces. Reporters referred to Chairman Yasser Arafat of the Palestinian Authority; Gen. Tommy R. Franks, USA, commander in chief, U.S. Central Command; and President Saddam Hussein of Iraq.

Remarks on Corporate Responsibility in New York City

July 9, 2002

Thank you all. Thank you very much for that warm welcome. I'm pleased to be back in New York City. New York City is a unique symbol of America's creativity and character and resilience. In the last 10 months, New Yorkers have shown a watching world the true spirit of your city, a spirit that honors the loss, remembers its heroes, and goes forward with determination and with confidence. The people of this city are writing one of the greatest chapters in our Nation's history, and all Americans are proud of New York.

I've come to the financial capital of the world to speak of a serious challenge to our financial markets and to the confidence on which they rest. The misdeeds now being uncovered in some quarters of corporate America are threatening the financial well-being of many workers and many investors. At this moment, America's greatest economic need is higher ethical standards, standards enforced by strict laws and upheld by responsible business leaders.

The lure of heady profits of the late 1990s spawned abuses and excesses. With strict enforcement and higher ethical standards, we must usher in a new era of integrity in corporate America.

I want to thank Bill for his introduction. There's nothing like being recycled. [*Laughter*] But thanks for having me, and I'm honored to meet your family and Uncle Jack. [*Laughter*]

I appreciate very much Secretary O'Neill and Secretary Evans traveling with me today. I want to thank the members of the New York delegation, Senators Schumer and Clinton as well as Congressman Fossella and Congressman Rangel. I appreciate so very much the mayor—my friend the mayor for being here to greet me as I came in on the chopper. Thank you, Mr. Mayor, and thanks for the great job you're doing for New York.

I'm honored that Cardinal Egan is here. And I appreciate so very much seeing John Whitehead, the chairman of the Lower Manhattan Development Corporation. And thank you all for coming as well.

The American economy—our economy—is built on confidence, the conviction that our free enterprise system will continue to be the most powerful and most promising in the world. That confidence is well-placed. After all, American technology is the most advanced in the world. Our universities attract the talent of the world. Our workers and ranchers and farmers can compete with anybody in the world. Our society rewards hard work and honest ambition, bringing people to our shores from all around the world who share those values. The American economy is the most creative and enterprising and productive system ever devised.

We can be confident because America is taking every necessary step to fight and win the war on terror. We are reorganizing the Federal Government to protect the homeland. We are hunting down the terrorists who seek to sow chaos. My commitment and the commitment of our Government is total. We

will not relent until the coldblooded killers are found, disrupted, and defeated.

We can be confident because of the amazing achievements of American workers and entrepreneurs. In spite of all that happened last year, from the economic slowdown to the terrorist attack, worker productivity has grown by 4.2 percent over the last four quarters. In the first quarter of 2002, the economy grew at an annual rate exceeding 6 percent. Though there's much work left to do, American workers have defied the pessimists and laid the foundation for a sustained recovery.

We can be confident because we're pursuing pro-growth reforms in Washington, DC. Last year we passed the biggest tax cut in a generation, which encouraged job creation and boosted consumer spending at just the right time. For the sake of long-term growth, I'm asking Congress to make the tax reductions permanent. I'm asking Congress to join me to promote free trade, which will open new markets and create better jobs and spur innovation. I ask Congress to work with me to pass a terrorism insurance bill, to give companies the security they need to expand and to build. And I will insist on—and if need be, enforce—discipline in Federal spending, so we can meet our national priorities without undermining our economy.

We have much to be confident about in America. Yet our economy and our country need one more kind of confidence, confidence in the character and conduct of all of our business leaders.

The American economy today is rising, while faith in the fundamental integrity of American business leaders is being undermined. Nearly every week brings better economic news and a discovery of fraud and scandal, problems long in the making but now coming to light. We've learned of some business leaders obstructing justice and misleading clients, falsifying records, business executives breaching the trust and abusing power. We've learned of CEOs earning tens of millions of dollars in bonuses just before their companies go bankrupt, leaving employees and retirees and investors to suffer. The business pages of American newspapers should not read like a scandal sheet.

The vast majority of business men and women are honest. They do right by their employees and their shareholders. They do not cut ethical corners, and their work helps create an economy which is the envy of the world.

Yet high-profile acts of deception have shaken people's trust. Too many corporations seem disconnected from the values of our country. These scandals have hurt the reputations of many good and honest companies. They have hurt the stock market. And worst of all, they are hurting millions of people who depend on the integrity of businesses for their livelihood and their retirement, for their peace of mind and their financial well-being.

When abuses like this begin to surface in the corporate world, it is time to reaffirm the basic principles and rules that make capitalism work, truthful books and honest people and well-enforced laws against fraud and corruption. All investment is an act of faith, and faith is earned by integrity. In the long run, there's no capitalism without conscience; there is no wealth without character.

And so again today I'm calling for a new ethic of personal responsibility in the business community, an ethic that will increase investor confidence, will make employees proud of their companies, and again regain the trust of the American people.

Our Nation's most respected business leaders, including many gathered here today, take this ethic very seriously. The Business Roundtable, the New York Stock Exchange, the NASDAQ have all proposed guidelines to improve corporate conduct and transparency. These include requirements that independent directors compose the majority of the company's board, that all members of audit, nominating, and compensation committees be independent, and that all stock option plans be approved by the shareholders. I call on all the stock markets to adopt these sensible reforms, these commonsense reforms, as soon as possible.

Self-regulation is important, but it's not enough. Government cannot remove risk from investment—I know that—or chance from the market. But Government can do more to promote transparency and ensure that risks are honest, and Government can

ensure that those who breach the trust of the American people are punished.

Bold, well-considered reforms should demand integrity without stifling innovation and economic growth. From the antitrust laws of the 19th century to the S&L reforms of recent times, America has tackled financial problems when they appeared. The actions I'm proposing follow in this tradition and should be welcomed by every honest company in America.

First, we will use the full weight of the law to expose and root out corruption. My administration will do everything in our power to end the days of cooking the books, shading the truth, and breaking our laws.

Today, by Executive order, I create a new Corporate Fraud Task Force, headed by the Deputy Attorney General, which will target major accounting fraud and other criminal activity in corporate finance. The task force will function as a financial crimes SWAT team, overseeing the investigation of corporate abusers and bringing them to account.

I'm also proposing tough new criminal penalties for corporate fraud. This legislation would double the maximum prison terms for those convicted of financial fraud from 5 to 10 years. Defrauding investors is a serious offense, and the punishment must be as serious as the crime. I ask Congress to strengthen the ability of SEC investigators to temporarily freeze improper payments to corporate executives and to strengthen laws that prevent the destruction of corporate documents in order to hide crimes.

Second, we're moving corporate accounting out of the shadows, so the investing public will have a true and fair and timely picture of assets and liabilities and income of publicly traded companies. Greater transparency will expose bad companies and, just as importantly, protect the reputations of the good ones.

To expose corporate corruption, I asked Congress 4 months ago for funding to place 100 new enforcement personnel in the SEC. And I call on Congress to act quickly on this request. Today I announce my administration is asking Congress for an additional $100 million in the coming year to give the SEC the officers and the technology it needs to enforce the law. If more scandals are hiding in corporate America, we must find and expose them now, so we can begin rebuilding the confidence of our people and the momentum of our markets.

I've also proposed a 10-point accountability plan for American business, designed to provide better information to shareholders, set clear responsibility for corporate officers, and develop a stronger, more independent auditing system. This plan is ensuring that the SEC takes aggressive and affirmative action.

Corporate officers who benefit from false accounting statements should forfeit all money gained by their fraud. An executive whose compensation is tied to his company's performance makes more money when his company does well. That's fine, and that's fair when the accounting is above-board. Yet when a company uses deception—deception accounting to hide reality, executives should lose all their compensation—all their compensation—gained by the deceit.

Corporate leaders who violate the public trust should never be given that trust again. The SEC should be able to punish corporate leaders who are convicted of abusing their powers by banning them from ever serving again as officers or directors of a publicly held corporation. If an executive is guilty of outright fraud, resignation is not enough. Only a ban on serving at the top of another company will protect other shareholders and employees.

My accountability plan also requires CEOs to personally vouch for their firms' annual financial statements. Currently, a CEO signs a nominal certificate and does so merely on behalf of the company. In the future, the signature of the CEO should also be his or her personal certification of the veracity and fairness of the financial disclosures. When you sign a statement, you're pledging your word, and you should stand behind it.

And because the shareholders of America need confidence in financial disclosures right away, the SEC has ordered the leaders of nearly 1,000 large public companies to certify that the financial information they submitted in the last year was fair and it was accurate.

I've also called on the SEC to adopt new rules to ensure that auditors will be independent and not compromised by conflicts of interest.

The House of Representatives has passed needed legislation to encourage transparency and accountability in American businesses. The Senate also needs to act quickly and responsibly, so I can sign a good bill into law.

Third, my administration will guard the interests of small investor and pension holders. More than 80 million Americans own stock, and many of them are new to the market. Buying stock gives them an opportunity to build wealth over the long term, and this is the very kind of responsible investment we must promote in America. To encourage stock ownership, we must make sure that analysts give honest advice and pension plans treat workers fairly.

Stock analysts should be trusted advisers, not salesmen with a hidden agenda. We must prevent analysts from touting weak companies because they happen to be clients of their own firm for underwriting or merger advice. This is a flat-out conflict of interest, and we'll aggressively enforce new SEC rules against this practice, rules which take effect today.

And the stock markets should make sure that the advice analysts give and the terms they use have real meaning to investors. "Buy" should not be the only word in an analyst's vocabulary, and they should never say "hold" when they really mean "sell."

Small investors should also not have to have the deck stacked against them when it comes to managing their own retirement funds. My pension reform proposal would treat corporate executives the same as workers during so-called blackout periods, when employees are prohibited from trading in their own accounts. What's fair for the workers is fair for the bosses.

My reform proposal gives workers quarterly information about their investments. It expands workers' access to sound investment advice and allows them to diversify out of company stock.

The House has passed these measures. I urge the Senate to do the same. Tougher laws and stricter requirements will help—it'll help.

Yet ultimately, the ethics of American business depend on the conscience of America's business leaders. We need men and women of character, who know the difference between ambition and destructive greed, between justified risk and irresponsibility, between enterprise and fraud.

Our schools of business must be principled teachers of right and wrong and not surrender to moral confusion and relativism. Our leaders of business must set high and clear expectations of conduct, demonstrated by their own conduct. Responsible business leaders do not jump ship during hard times. Responsible leaders do not collect huge bonus packages when the value of their company dramatically declines. Responsible leaders do not take home tens of millions of dollars in compensation as their companies prepare to file for bankruptcy, devastating the holdings of their investors.

Everyone in a company should live up to high standards, but the burden of leadership rightly belongs to the chief executive officer. CEOs set the ethical direction for their companies. They set a moral tone by the decisions they make, the respect they show their employees, and their willingness to be held accountable for their actions. They set a moral tone by showing their disapproval of other executives who bring discredit to the business world.

And one of the principal ways that CEOs set an ethical tone is through their compensation. The pay package sends a clear signal whether a business leader is committed to teamwork or personal enrichment. It tells you whether his principal goal is the creation of wealth for shareholders or the accumulation of wealth for himself.

The SEC currently requires the annual disclosure of the CEO's compensation. But that information is often buried in long proxy statement—proxy statements and seldom seen—seldom seen—by shareholders. I challenge every CEO in America to describe in the company's annual report, prominently and in plain English, details of his or her compensation package, including salary and bonus and benefits. And the CEO, in that report, should also explain why his or her compensation package is in the best interest of the company he serves.

Those who sit on corporate boards have responsibilities. I urge board members to check the quality of their company's financial statements, to ask tough questions about accounting methods, to demand that audit firms are not beholden to the CEO, and to make sure the compensation for senior executives squares with reality and common sense. And I challenge compensation committees to put an end to all company loans to corporate officers.

Shareholders also need to make their voices heard. They should demand an attentive and active board of directors. They should demand truly independent directors. They should demand that compensation committees reward long-term success, not failure. Shareholders should demand accountability not just in bad times but especially in boom times, when accountability frequently breaks down. Shareholders are a company's most important constituency, and they should act like it.

The 1990s was a decade of tremendous economic growth. As we're now learning, it was also a decade when the promise of rapid profits allowed the seeds of scandal to spring up. A lot of money was made, but too often standards were tossed aside. Yet the American system of enterprise has not failed us. Some dishonest individuals have failed our system. Now comes the urgent work of enforcement and reform, driven by a new ethic of responsibility.

We will show that markets can be both dynamic and honest, that lasting wealth and prosperity are built on a foundation of integrity. By reasserting the best values of our country, we will reclaim the promise of our economy.

Leaders in this room help give the free enterprise system an ethical compass, and the Nation respects you for that. We need that influence now more than ever. I want to thank you for helping to restore the people's trust in American business. I want to thank you for your love of the country. And I want to thank you for giving me the chance to come and address you today.

May God bless you all.

NOTE: The President spoke at 11:20 a.m. in the Regent Ballroom at the Regent Wall Street Hotel. In his remarks, he referred to William Rudin, chairman, Association for a Better New York; Mayor Michael Bloomberg of New York City; and Edward Cardinal Egan, Roman Catholic Archdiocese of New York. The Office of the Press Secretary also released a Spanish language transcript of these remarks.

Executive Order 13271—Establishment of the Corporate Fraud Task Force

July 9, 2002

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to strengthen the efforts of the Department of Justice and Federal, State, and local agencies to investigate and prosecute significant financial crimes, recover the proceeds of such crimes, and ensure just and effective punishment of those who perpetrate financial crimes, it is hereby ordered as follows:

Section 1. *Establishment.* The Attorney General shall immediately establish within the Department of Justice a Corporate Fraud Task Force (Task Force). Without regard to any other provision of this order, the Task Force shall be subject to the authority of the Attorney General under applicable law.

Sec. 2. *Membership and Operation.* Subject to section 4 of this order, the Task Force shall have the following members:

(a) the Deputy Attorney General, who shall serve as Chair;

(b) the Assistant Attorney General (Criminal Division);

(c) the Assistant Attorney General (Tax Division);

(d) the Director of the Federal Bureau of Investigation;

(e) the United States Attorney for the Southern District of New York;

(f) the United States Attorney for the Eastern District of New York;

(g) the United States Attorney for the Northern District of Illinois;

(h) the United States Attorney for the Eastern District of Pennsylvania;

(i) the United States Attorney for the Central District of California;

(j) the United States Attorney for the Northern District of California;

(k) the United States Attorney for the Southern District of Texas; and

(l) such other officers or employees of the Department of Justice as the Attorney General may from time to time designate.

The Deputy Attorney General shall convene and direct the work of the Task Force in fulfilling all its functions under this order. The Deputy Attorney General may permit, when he deems it appropriate, the designee of a member of the Task Force, including those designated under section 4 of this order, to participate in lieu of the member. The Deputy Attorney General shall convene the first meeting of the Task Force within 10 days of the date of this order and shall thereafter convene the Task Force at such times as he deems appropriate.

Sec. 3. *Functions.* Consistent with the constitutional authority of the President, the authorities assigned to the Attorney General by law, and other applicable law, the Task Force shall:

(a) provide direction for the investigation and prosecution of cases of securities fraud, accounting fraud, mail and wire fraud, money laundering, tax fraud based on such predicate offenses, and other related financial crimes committed by commercial entities and directors, officers, professional advisers, and employees thereof (hereinafter "financial crimes"), when such cases are determined by the Deputy Attorney General, for purposes of this order, to be significant;

(b) provide recommendations to the Attorney General for allocation and reallocation of resources of the Department of Justice for investigation and prosecution of significant financial crimes, recovery of proceeds from such crimes to the extent permitted by law, and other matters determined by the Task Force from time to time to be of the highest priority in the investigation and prosecution of such crimes; and

(c) make recommendations to the President, through the Attorney General, from time to time for:

(i) action to enhance cooperation among departments, agencies, and entities of the Federal Government in the investigation and prosecution of significant financial crimes;

(ii) action to enhance cooperation among Federal, State, and local authorities responsible for the investigation and prosecution of significant financial crimes;

(iii) changes in rules, regulations, or policy to improve the effective investigation and prosecution of significant financial crimes; and

(iv) recommendations to the Congress regarding such measures as the President may judge necessary and expedient relating to significant financial crimes, or the investigation or prosecution thereof.

Sec. 4. *Additional Participation for Specified Functions.* In the Task Force's performance of the functions set forth in subsection 3(c) of this order, and to the extent permitted by law, the following officers of the executive branch shall be members of the Task Force in addition to such other officers of the Federal Government as the Deputy Attorney General deems appropriate:

(a) the Secretary of the Treasury;

(b) the Chairman of the Securities and Exchange Commission;

(c) the Chairman of the Commodities Futures Trading Commission;

(d) the Chairman of the Federal Energy Regulatory Commission; and

(e) the Chairman of the Federal Communications Commission.

Sec. 5. *Internal Management Purpose.* This order is intended to improve the internal management of the Federal Government. This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or equity or otherwise against the United States, its departments, agencies, entities, instrumentalities, officers, or employees, or any other person.

Sec. 6. *Termination.* The Task Force shall terminate when directed by the President or, with the approval of the President, by the Attorney General.

George W. Bush

The White House,
July 9, 2002.

[Filed with the Office of the Federal Register, 11:15 a.m., July 10, 2002]

NOTE: This Executive order was published in the *Federal Register* on July 11.

Remarks on Presenting the Presidential Medal of Freedom

July 9, 2002

The President. Please be seated. Thank you all very much. Good afternoon, and welcome to the White House. Laura and I are honored to welcome our recipients and family members and friends to the people's house.

As we honor today's Presidential Medal of Freedom winners, I want to acknowledge the presence of our great Secretary of State, Colin Powell, and his wife, Alma. Secretary Powell has won the Presidential Medal of Freedom twice—once with distinction. I'm not sure what happened the other time. [*Laughter*]

The Presidential Medal of Freedom is the highest civil honor our Nation can bestow, and we award it today to 12 outstanding individuals. The men and women we honor span the spectrum of achievement. Some are fighters; others are healers; all have left an enduring legacy of hope and courage and achievement.

Hank Aaron overcame poverty and racism to become one of the most accomplished baseball players of all time. "When I was in a ballpark," he said, "I felt like I was surrounded by angels, and I had God's hand on my shoulder." By steadily pursuing his calling in the face of unreasoning hatred, Hank Aaron has proven himself a great human being, as well as a great athlete.

Bill Cosby is a gifted comedian who has used the power of laughter to heal wounds and to build bridges. "I don't think you can bring the races together by joking about the differences between them," he said. "I'd rather talk about the similarities, about what's universal in their experiences." By focusing on our common humanity, Bill Cosby is helping to create a truly united America.

Placido Domingo has performed in more roles than any other tenor in the history of opera. His boundless admiration for the composers of the great operatic music makes him push himself to the limit. "They spend years creating operas," Placido has said, "lots of suffering and lots of sweating." Well, by suffering and sweating himself, Placido Domingo is making sure that the great music of the past will continue to delight opera lovers the world over.

The week after September the 11th, Peter Drucker sent a letter to his friends and associates urging them "not to abandon daily life and civil society. That's exactly what the terrorist wants," he said. Peter Drucker has devoted his life to strengthening civil society. His determination to help our nonprofit and faith-based institutions carry out their desperately needed missions more effectively has made him one of the greatest management experts of our time.

Katharine Graham was a forceful, courageous, and deeply principled newspaper publisher. She described herself as someone who suffered from a sense of inferiority but who was forced to become a leader after her husband's death. "What I essentially did," she wrote, "was to put one foot in front of the other, shut my eyes, and step off the edge." Under her brilliant guidance, the Washington Post has become one of America's most powerful newspapers. Katharine Graham will always be remembered for her determined pursuit of journalistic excellence.

D.A. Henderson is a great general in mankind's war against disease. From 1966 to 1977 he led the World Health Organization's global smallpox eradication campaign. Today, he is helping protect America from the threat of bioterrorism. "We need to plan, not panic," says this master medical planner. Our Nation is fortunate to be able to draw on D.A. Henderson's great store of wisdom and experience as we work to lift the dark threat of terrorism from the nation and our world.

Irving Kristol is a wide-ranging thinker whose writings have helped transform America's political landscape. As young men, he and his fellow student radicals in City College's "alcove number one," devoted themselves to solving the ultimate problems of the human race. Today, Irving Kristol is still grappling with ultimate problems, and in thinking them through, he has vastly enlarged the conservative vision.

Shortly after he arrived on South Africa's Robben Island to begin serving his prison

sentence for resisting apartheid, Nelson Mandela refused an order to jog from the harbor to the prison gate. When a prison warden threatened to kill him, here's what he said: "If you so much as lay a hand on me, I will take you to the highest court in the land, and when I finish with you, you'll be as poor as a church mouse." [*Laughter*] The warden backed off and so, eventually, did other, more powerful representatives of apartheid—all of whom were humbled by Mandela's immense moral authority. It is this moral stature that has made Nelson Mandela perhaps the most revered statesman of our time.

Gordon Moore is a great businessman and innovator. His interest in science was sparked by a chemistry set when he was a boy. "With the chemistry set," he recalls, "I had to get a good explosion at the end, or I wasn't happy." [*Laughter*] In the worlds of business, science, and philanthropy, Gordon Moore has been setting off explosives ever since. And the ripple effects of his explosive genius have helped create our age of information.

Nancy Reagan has devoted herself to her family and her country. As first lady of California, she spoke out eloquently on behalf of POWs and American servicemen missing in action. As First Lady of the United States, she has led an antidrug campaign—she led an antidrug campaign that helped reduce teenage drug abuse. Today we honor Nancy Reagan for her eloquent example of loyalty and courage and abiding love.

Fred Rogers has proven that television can soothe the soul and nurture the spirit and teach the very young. "The whole idea," says the beloved host of Mr. Rogers' Neighborhood, "is to look at the television camera and present as much love as you possibly could to a person who needs it." This message of unconditional love has won Fred Rogers a very special place in the heart of a lot of moms and dads all across America.

A.M. Rosenthal's calling is journalism; his passion is human rights. "When I come out for human rights," he says, "I'm not talking in the abstract. I know that if I lived in a dictatorship, I would be in jail very quickly." A.M. Rosenthal's outspoken defense of persecuted Christians in Asia, Africa, and the Middle East have truly made him his brother's keeper.

Each of these men and women has enriched the life of America and the world. And we're honored to have them with us here today.

And now the military aide will call each of the winners forward and read their citations.

[*At this point, Maj. James M. McAllister, USA, Army Aide to the President, read the citations, and the President presented the medals.*]

The President. Again, I want to thank you all for coming to honor such remarkable men and women. The Presidential Medal of Freedom, established by President Kennedy in 1963, recognizes individuals who have made "an especially meritorious contribution to the security or national interests of the United States, or to world peace, or to cultural or other significant public or private endeavors." I'm sure you'll agree that today's Presidential Medal of Freedom recipients richly deserve their honor.

And now, Laura and I would like to invite you all to join us for a reception in honor of today's distinguished Presidential Medal of Freedom recipients, in the room back here in the back.

May God bless our recipients, and may God bless you all.

NOTE: The President spoke at 3:05 p.m. in the East Room at the White House.

Letter to Congressional Leaders Transmitting an Account of Federal Expenditures for Climate Change Programs and Activities

July 9, 2002

Dear Mr. Chairman:

In accordance with section 559(b) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2002 (Public Law 107–115), I transmit herewith an account of Federal expenditures for climate change programs and activities. This report includes both domestic and international programs and activities related to climate change, and associated costs by line

item as presented in the President's Budget Appendix.

Sincerely,

George W. Bush

NOTE: Identical letters were sent to Robert C. Byrd, chairman, Senate Committee on Appropriations, and C.W. Bill Young, chairman, House Committee on Appropriations.

Memorandum on Delegation of Authority Concerning Refugee Assistance

July 9, 2002

Presidential Determination No. 2002–25

Memorandum for the Secretary of State

Subject: Delegation of Authority under Sections 2(d) and 2(f) of the Migration and Refugee Assistance Act of 1962, as amended

By virtue of the authority vested in me by the Constitution and laws of the United States, including section 301 of title 3 of the United States Code, I hereby delegate the functions and authorities conferred upon the President by sections 2(d) and 2(f) of the Migration and Refugee Assistance Act (MRAA) of 1962, as amended, 22 U.S.C. § 2601, insofar as they relate to actions taken under the authority of section 2(b) (2) of the MRAA, to the Secretary of State, who should insure timely performance of any duties and obligations of the delegated authority and who is authorized to redelegate these functions and authorities consistent with applicable law. The Secretary of State, or his or her delegate, is directed to provide notice to the President of any use of the functions and authorities delegated by this determination.

This delegation of authority supplements Presidential Determination No. 99–6, Delegation of Authority Under Section 2(b) (2) of the Migration and Refugee Assistance Act of 1962, as amended (November 30, 1998).

Any reference in this memorandum to section 2 of the MRAA, as amended, shall be deemed to include references to any hereafter-enacted provision of law that is the same or substantially the same as such provision.

You are authorized and directed to publish this Determination in the *Federal Register.*

George W. Bush

NOTE: This memorandum was released by the Office of the Press Secretary on July 10.

Memorandum on the 2002 Combined Federal Campaign of the National Capital Area

July 9, 2002

Memorandum for the Heads of Executive Departments and Agencies

Subject: 2002 Combined Federal Campaign of the National Capital Area

I am delighted that the Secretary of Agriculture, Ann M. Veneman, has agreed to serve as the Chair of the 2002 Combined Federal Campaign (CFC) of the National Capital Area. I ask you to enthusiastically support the CFC by personally chairing the campaign in your agency and appointing a top official as your Vice Chair.

The Combined Federal Campaign is an important way for Federal employees to support thousands of worthy charities. Public servants not only contribute to the campaign but also assume leadership roles to ensure its success.

Your personal support and enthusiasm will help positively influence thousands of employees and will guarantee another successful campaign.

George W. Bush

NOTE: This memorandum was released by the Office of the Press Secretary on July 10.

Memorandum on Electronic Government's Role in Implementing the President's Management Agenda

July 9, 2002

Memorandum for the Heads of Executive Departments and Agencies

Subject: Electronic Government's Role in Implementing the President's Management Agenda

My Administration's vision for Government reform is guided by three principles. Government should be citizen-centered, results-oriented, and market-based. These principles have been woven into the five Government-wide reform goals outlined in my Administration's Management Agenda: strategic management of human capital, budget and performance integration, competitive sourcing, expanded use of the internet and computer resources to provide Government services (Electronic-Government or E-Government), and improved financial management. Effective implementation of E-Government is important in making Government more responsive and cost-effective.

Our success depends on agencies working as a team across traditional boundaries to better serve the American people, focusing on citizens rather than individual agency needs. I thank agencies who have actively engaged in cross-agency teamwork, using E-Government to create more cost-effective and efficient ways to serve citizens, and I urge others to follow their lead.

George W. Bush

NOTE: This memorandum was released by the Office of the Press Secretary on July 10.

Remarks to Federal Employees on the Proposed Department of Homeland Security

July 10, 2002

Thank you all very much. Please be seated. Thank you. Thanks for that warm welcome. It's such a pleasure to be here today, and I want to thank you all for coming. I'm here to thank each one of you for your dedication to the country we all love. You worked hard prior to September the 11th. You're working really hard now, and the American people appreciate it a lot, and so do I.

You know, the amazing thing about America is, our Nation is stronger today than it was before the enemy hit. I like to remind people, they must have not understood who they were dealing with. They probably thought we might file a lawsuit or two—[*laughter*]—but they didn't understand the character of the American people, the strength and resolve of our great land to defend that which we hold dear, which is freedom. Nor did they understand the energy and drive of the people who work on behalf of the American people to do everything we can—and I say "we"—we can, to protect and guard our people. And that's what's happening today in America, and I want to thank you for your dedication.

And we've got to do more. We've got to move forward. We've got to seize the moment to do everything we can to assure the American people that our Government and the fine folks who work on behalf of the taxpayers are working in a smart way, in a dedicated way.

And today I want to talk some about the creation of the Department of Homeland Security and why it's important to our country. And I call upon your continued sense of duty to our country as we develop the new plans. Oh, it's not going to be easy, and the challenges are going to be great. But there's no doubt in my mind that we'll do what's necessary—do what's necessary—to protect America.

I want to thank Chung for her introduction. Backstage, we had a picture taken. I said, "Only in America"—only in America do we have somebody as dedicated as—people like Chung, who are willing to sacrifice on behalf of the United States of America, use their time and talent and energy like everybody in this hall to work for others. So, Chung, thanks for your hard work, thanks for your dedication to your job, and thanks for representing the good folks in this hall.

When I go back to Crawford, people say—or I see my friends from Texas, they say, "Gosh, it must be hard to be the President." I say, "Well, not really, if you've got a good

team." And I've put together a great team. You all are a part of that team.

Today some of the generals of the team are here, people such as Tom Ridge, who is adviser to Homeland Security. He's done a great job. He left being the Governor of the great State of Pennsylvania to come and serve the Nation, and I want to thank you, Tom, for your dedication to the country.

Some of my Cabinet members are here. The Secretary of State of the United States of America, Colin Powell; our great Attorney General, John Ashcroft, is here. The Secretary of Agriculture, Ann Veneman, is here. Secretary of Transportation Norm Mineta; the Energy Secretary, Spence Abraham, is here. Thank you for being here, Spence. Christie Todd Whitman, who runs the EPA, is with us today. Thank you, Christie Todd.

The prettiest person in our administration—[*laughter*]—of FEMA, Joe Allbaugh; I want to thank Kay James, who's the Director of Office of Personnel Management, for coming. I appreciate you being here, Kay. I know Stephen Perry of the GSA is here. I see Brian Stafford, who's running the Secret Service. I see the head of the Coast Guard; I see Magaw, John Magaw. Thank you all for coming. I appreciate you all being here.

And I want to thank the Members of Congress who are here. I appreciate you working with us. I appreciate you're here to celebrate the dedication of the fine people that we're fortunate enough to have working in our Government.

You know, the threats we face are real. I mean, it is real. I like to remind people that I'm an early morning guy. I get to the Oval Office about—oh, generally about 6:50 or so. It's not a very long commute. [*Laughter*] And I sit at the great desk that other Presidents have used—Teddy and Frank, and—I can call them that, since—[*laughter*]. And Spot the dog comes in with me, and I read a threat assessment. The fact that the enemy is still interested in hurting America, I read that every morning. And I take it seriously, and I know you do as well.

This is a threat that not only affects America; it affects anybody who loves freedom, anybody who's willing to stand up and say, "We value freedom. We value the freedom for people to worship the way they want to or speak their mind or to print an article the way they want to print it." And the people who stand up for freedom, they're going to be threatened by these killers.

And it's time for us to continue to act decisively and to be patient and to be resolute. It means all the parts of our Government must continue to cooperate. And you all have done that, and I want to thank you for the level of cooperation that has taken place in a fragmented Government. It's a—and we're making progress; we really are.

First, we're hunting down the killers wherever they try to hide, and we're bringing them to justice. Sometimes you'll read about it in your newspapers or see it on the—you know, on all these TV shows, and sometimes you won't. But what is for certain is, we've got a great military who are doing everything they can to hunt the killers down, one person at a time, and bring them to justice. And that's exactly what this Government will continue to do.

These are shadowy killers, and we're treating them just as they are—as international crooks, international criminals. And they'll—you know, these are the kind of folks that will slip into a city and try to hide, or they'll go to a cave. And then they'll send some youngster to his death, and they, themselves, of course, won't choose that route, for some reason. They don't want to show up, because they know, if they show up, we'll get them. And it's just a matter of time. It's just a matter of time. They made a mistake; they attacked a great nation. And this Nation will do whatever it takes to defend freedom and to bring people to justice.

We're making progress overseas; we're making progress at home. We strengthened our aviation security, and we're tightening our borders. We're stockpiling medicines to defend against bioterrorism. We're improving information-sharing amongst our intelligence agencies. We're taking new steps to protect critical infrastructure. But the important thing for the American people to know is that our public servants are working longer hours and working harder and working smarter to defend the American people.

We will win the war on terror—no doubt in my mind—thanks to the heroism of our

fighting troops and thanks to the patriotism of our people and thanks to the hard work of Government officials here at home. There have been some extraordinary stories about some in your ranks—many in your ranks. And I want to share some of the stories with you so the American people fully understand the dedication of the people throughout our Government.

Tom Armas is a special agent in the Secret Service. On September the 11th, after helping to evacuate the agency's New York field office at Seven World Trade Center, he proceeded into the damaged North Tower and up the stairwell to the 40th floor, where he worked to help the seriously wounded. After being turned back by raging fire, he continued his efforts in the North Tower lobby and then on the street. Eventually, Tom was forced to evacuate the area because of thick smoke and, of course, falling debris. Yet, even while leaving, he continued to help others. In the midst of chaos, he was a calm and steady soldier, at one point carrying a woman to the safety of a nearby emergency vehicle.

You see, this is the meaning of public service, as you all have shown the American people, a willingness to go the limit, and then some more, for the sake of your fellow citizens. Tom, thank you very much for your service to the country.

David Hart has been a FEMA individual assistance reservist for many years. He had a variety of responsibilities related to September the 11th in New York, including making sure that victims received assistance quickly, make sure that there was staffing at the assistance centers and that there was proper training for people who were willing to help. Throughout this emergency, David was responsible for monitoring the individual assistance programs. He worked with the contract inspectors and others and was a troubleshooter for a wide variety of problems. He performed with great skill and boundless determination. He showed compassion to people in need. He put the best face on our Government for people who suffered. And David, we appreciate your service to America as well.

We serve our citizens in all kinds of ways, in different methods. Take, for example, the story of Chantice James. It's a really interesting story, because she is one of the first U.S. Customs inspectors ever to work abroad for the sole purpose of protecting America and other countries from weapons of mass destruction—weapons of mass destruction that could be concealed in cargo.

We take these threats very seriously. We worry about weapons of mass destruction. And so we've asked Chantice James to leave her family to move to Vancouver, Canada, where she's been for the past 5 months. She and her Canadian counterparts are reviewing all shipments ultimately destined for the United States that comes through that port. She has assisted in training additional U.S. Customs inspectors, sharing her skill and talent and knowledge, who are now deployed in Halifax and Montreal. She's developing techniques that will be used around the world. She's using her time and talent and efforts to help us assure the American people that we're doing everything we can to protect the homeland, and Chantice, thank you for your service as well.

These are just some of the examples of the extraordinary service that's taking place. You probably have got your own stories to tell. You've got examples of people, perhaps yourself, who have taken an extra step on behalf of the American people, and I want to thank you for that, and so do the American people. You see, we're all part of the war on terror, and that's what's important to understand, a new kind of war.

This is an historic campaign. It's a little different, but it does point up the fact that public service in America today is not just another job. It is an important act of citizenship. It is a way to fulfill our obligation to those who have gone before us, to those who will follow us, and to those who have sacrificed and died for us. That's how I view your job and my job.

We owe a huge debt of gratitude to those public servants who, I like to say, quietly stand guard on the ramparts of freedom. We owe something else as well. We owe all of you a concerted effort to do what it takes to make your efforts more effective. And that's why I proposed the Department of Homeland Security.

At present, there are over 100 different Federal agencies with a role in what we call homeland security. And that means, despite everybody's best intentions and hard work and sacrifice, there is a dispersal of authority, a lack of accountability, and the truth of the matter is, a needless drain on critical resources. There's, to put it bluntly, an overlap of administration, a duplication of administration.

And Congress—and so that's why I did what I did. And I understand it's hard to make changes in Washington, DC. I understand that people kind of get set in their ways and want to guard turf, and I know that. But there is an overriding and urgent mission here in America today, and that's to protect our homeland. We have been called into action, and we've got to act.

The Department of Homeland Security will foster a new culture in the Nation's Capital, and it will be a culture of cooperation. Sure, there's cooperation now. But when you've got 100 agencies dispersed throughout Washington, we can do a better job of cooperation. By uniting essential agencies that will work closely together, it will give new tools to meet new challenges. It will help set priority. Listen, all of you are in agencies that have got more than one priority, but the single most important priority is to protect the homeland now in America. We're at war.

We're in a different kind of war than we're used to. There'll be moments where it seems like we're not at war, but we're at war until we win. And therefore, we must do everything we can to funnel resources and to set priorities to protect the American people. It is by far our most important challenge.

The Department of Homeland Security will be charged with four primary tasks: to control our borders and prevent terrorists and weapons from entering the country—listen, we need to know who's coming in, and why they're coming in, and if they're leaving, when they're supposed to be leaving. And if they're not leaving, we need to know why they're not leaving.

We need to work with State and local authorities to respond quickly and effectively to emergencies, and that's important. All levels of government must work together.

We'll bring our best scientists and develop technologies to detect biological, chemical, and nuclear weapons, and to develop the drugs and treatments necessary to protect our citizens. This is an historic opportunity, not only to deal with the immediate but to leave a legacy of better medicines and better cures on behalf of the American people.

And finally, for the first time, this new Department will merge under one roof the capability to identify and assess threats to the homeland, to map those threats against our vulnerabilities, and to do what's necessary to secure America.

Congress is reacting positively to the initiative, and I want to thank the Members of Congress. See, this isn't a Republican idea; this isn't a Democrat idea; this is an American idea that makes sense for all Americans.

I understand the challenges that we face. I accept the challenges. I'm not going to let it stop us, and neither should you. This is the most significant reorganization since 1947—of Government—when President Harry Truman decided to reorganize the Defense Department.

Congress, as they work with us, must give us the flexibility necessary to achieve our objectives. I call it freedom to manage. The new Department must be able to get the right people in the right place at the right time with the right pay. We need to be able to reward excellence and ensure accountability for individual performance. A lot will be expected of us, and I expect Congress to give the executive branch the—give us the flexibility necessary to achieve our objectives.

I'm here to let you know that there's no question in my mind we can achieve what we need to achieve, particularly when we work together. I want you to think about the Department of Homeland Security in this sense. Twenty years from now, if we're still standing—individually, that is—you can look back and say, "I was part of not only winning the war on terror, but I was part of working together to leave behind a legacy, a legacy of a more secure homeland so a future President or a future Congress or a future agency head can better address the true threats of the 21st century that will face our children and our children's children." That's really what we're talking about today.

This is an historic moment, a fantastic opportunity. History has called us into action. History has put the spotlight on America. History has—people are saying, "What is this country all about?" Well, I'll tell you what we're about. We're going to do what's necessary to say—to do our most important job. We are can-do people. We see a problem; this is a country that works to solve it. And that's what's going to happen, thanks to your hard work and dedication.

And I'll tell you what else is going to happen. We're going to win the war on terror, no matter how long it takes. It is a—first of all, we do what we do because there's others coming up in our society. The dedication and sacrifice you all make is because you understand that you're working for other people, particularly young—youngsters, youngsters who want to enjoy the same life we have in America, a life of freedom, a life—a chance to realize your dreams. And we're doing what we're doing because you all understand that a full life is one that serves something greater than yourself. Otherwise, you wouldn't have signed on for Government service in the first place.

I believe the culture in the country is changing. Oh, I know there's a lot of folks that worry only about themselves and their balance sheets and how well they're doing. But I do believe that, as a result of the evil done to America, a lot of Americans are stepping back and taking a hard look at what's important in life.

They remember the example of Flight 93, average Americans flying across the country. They learned their plane would become a weapon. They told their loved ones they loved them and goodbye. They said a prayer, and they drove the plane in the ground, the ultimate symbol of serving something greater than yourself, the ultimate act of sacrifice, to serve somebody and something, a cause greater than themselves.

And that's what we're here talking about today—good, honorable, honest Americans working hard to serve something greater than yourself. And that something is the greatest country on the face of the Earth.

Thank you for your sacrifice. God bless you all.

NOTE: The President spoke at 10:28 a.m. at DAR Constitution Hall. In his remarks, he referred to Chung K. Marston, research biologist, Centers for Disease Control and Prevention, who introduced the President.

Remarks on Prescription Drugs in Minneapolis, Minnesota

July 11, 2002

Thank you all very much for that warm welcome. I appreciate you coming out today and giving me a chance to talk about how do we work together to make America a more secure place and a better place for all of us. And part of making sure America is a better place for each and every one of us and a more secure place is to make sure we've got a health care system that is responsive and vibrant and alive and well and a place—a system that will really relate to each and every one of us as an individual, give each and every one of us a chance, as we grow older, to have a health care system that we can be proud of and confident in.

That's why I started my day here in Minnesota at the University of Minnesota Medical School. You were probably wondering why Yudof was relevant. [*Laughter*] That's because he hosted me at a fine medical school. And there I had the honor and opportunity to talk to some fellow Minnesotans about how to advance medicine, some of the research that was taking place. I talked to some patients and heard from some of our elderly about how—what kind of system was necessary to have the quality of life that we want for each and every one of us.

It's—the key is to make sure that we advance medicine in a way that makes sure that our citizens get access to new drugs, new life-saving drugs, unbelievably innovative drugs that have changed medicine as we know it. And it starts with making sure our seniors have got a guarantee of a prescription drug coverage in Medicare. That's where it ought to start. It ought to start with our seniors, who have paid their dues.

And as we do so, as we look at Medicare to make sure it includes prescription drugs, we must make sure that whatever system evolves does not undermine the great innovations which take place in America. And that's

important to remember, that as we debate this issue in Congress, as Congress debates the issue—and of course I'm watching attentively—[*laughter*]—that we do not undermine the great strength of the American system, which is the capacity to be on the cutting edge of new technologies which save lives.

The House has passed a good first step, by the way, in reforming and making sure Medicare is modern and capable. And I hope the Senate acts quickly and gets a responsible bill into conference so that we can get a bill to my desk, and we can get moving to doing what is right for the American people.

I appreciate so very much Tommy Thompson traveling with me today. He is—he has been a fine, fine Secretary of Health and Human Services. He was a great Governor of Wisconsin, and he has brought a lot of innovation to—[*applause*].

There's a lot of folks I could introduce. I want to introduce one other person, a person I had the opportunity to meet at the airport when I came in. One of the things I like to do is to herald kind of the quiet heroes of our society, those who volunteer to make their communities a better place. I met Pearl Lam Bergad when I came earlier today. I don't know if you've ever heard of Pearl Lam here in your community, but she has done a magnificent job of heralding the cultural life of Minnesota. She is a remarkable volunteer. Where are you, Pearl Lam? She's somewhere here. She must not have gotten a very good seat. [*Laughter*] Oh, there you are, Pearl Lam. Please stand up, will you? Thank you for coming.

She's worked tirelessly to promote and improve cultural awareness in the community. She did so without any Government agency telling her what to do. She did so because she wanted to serve. She did so because she had a talent she wanted to share. You see, the great strength of the country is the fact that we've got a nation full of people who really, honestly, decently care about the communities in which they live and want to do something about it. And so, Pearl Lam, I want to thank you, on behalf of the thousands and millions of others in our country, for volunteering.

I called up my friend Mark Yudof and invited myself here because Minnesota is one of the leading centers of health care innovation in our country. And that's saying a lot. People come from all around the world to come to the University of Minnesota's cancer center. I don't know if you know that or not, but it's one of the most famous cancer centers. We thought we were pretty good in Texas—[*laughter*]—but you're really good here. This university performed the first successful bone marrow transplant and is one of the world's leaders in curing childhood leukemia and other cancers. There's a lot of incredible work going on right here in your neighborhood.

Patients from all over the globe have had their lives saved by heart devices and other medical products invented by the hundreds of medical companies that have their homes in what you call Medical Alley in the Minneapolis area, and I know we've got some of the entrepreneurs, the medical entrepreneurs here with us today. And I want to thank you for your work, and I want to thank you for employing people.

People from every corner of the world come to a clinic in southern Minnesota called Mayo Clinic. I know something about that, because my mother's on the board. [*Laughter*] Whew, those must be amazing board meetings. [*Laughter*] Sorry, Mom. [*Laughter*] But the Mayo Clinic's countless breakthroughs include effective drug treatment for tuberculosis and other diseases, and the clinic now has branches all across the country to make sure our seniors get the best possible health care.

I just met with a Mayo Clinic cardiologist named Doug Wood. I want to share a story he told me. I think it helps make my point about the need for us to stay on the cutting edge of drug therapy.

When he was a resident less than 25 years ago, the only real decision he had in treating a heart attack patient was how long to keep him or her in bed. That was the most important decision he had to make after the heart attack, how long will bed rest last. He could do more than just offer comfort, and knowing Doug, he offered a lot of comfort.

But today, thanks to progress in drug treatments, Dr. Wood uses a wide range of treatments to limit the damage from heart attack, to stop any further progress of the heart disease, and to prevent it from happening in the first place. In 25 short years, the ability for this healer to make a significant difference in the lives of those who have had heart diseases is amazing. It is a fantastic development in our society.

And the future promises even more breakthroughs. That's the exciting thing about America. Thanks to the rapidly evolving field of genetic medicine, doctors may soon be able to prescribe individually suited drugs based on their patients' genetic makeup. If you think about that—you've got a particular problem and the drug will be designed to meet your need—it's medicine at its most basic level.

But there's a problem, and I think we all recognize it now in our society, and we need to do something about it. And no matter how exciting the new drug therapies are, they're oftentimes very costly. Because Medicare—and what makes it even worse is that Medicare does not cover most prescription drugs. That's reality. Too many seniors, because that's the case—because they're too costly and Medicare doesn't cover them—too many of our seniors are forced to chose between paying for their pills or paying basic bills. And that's not right in America.

And the reason why is because the Medicare system was designed for a different time. It's old. It is—it served a noble purpose, and it made a huge difference in a lot of people's lives. But it was designed at a time, for example, when surgery was common and the miraculous prescription drugs we have today were not only available—not available, but some people hadn't even thought about them yet.

We need a Medicare system that is updated and modern, to serve the seniors of today with the medicine of today and to be able to serve the seniors of tomorrow, guys like me, with the medicines of tomorrow. We need a system which works.

I support a prescription drug benefit in Medicare that allows seniors to choose the drug coverage that is best for them—that is best for them. I also support allowing and encouraging seniors to band together to use purchasing power to—purchasing clout to be able to get lower drug—prices on their drugs.

Now, what you need to know is that a full Medicare drug benefit will take some years to phase in. And that's why I think we need to have a Medicare endorsed prescription drug card immediately for our seniors. The card will allow seniors to gain access to manufacturer discounts on the drugs they use as well as gain access to other valuable pharmaceutical services immediately. I talked about this last year. Court moved in there, and we're trying to get the court out of it. This is important for seniors.

I also support proposals like the one the House just passed, that will provide Federal funds for immediate prescription drug assistance for seniors.

Now, the key is to make sure that we expand seniors' access to programs that help them work with their doctors to use the best treatments too. And that includes better access to innovative disease management programs, like a program you have right here in Minnesota called Evercare.

You should have heard the testimony I heard, one from a loyal daughter whose mom is now in the Evercare program and another from a customer of Evercare, about the need to use Medicare Plus Choice to fund innovative programs that allow for seniors to feel like they're not a part of some giant bureaucracy but in fact treated on a basis that you'd want to be treated on. And that's what Evercare does. And those are the kinds of innovations we need throughout our system, by giving seniors more choice in the system.

While we strengthen Medicare, we must also encourage innovation by preserving our private health care system, the private health care system which is the envy of the world.

In the report issued today that Tommy talked about, the Department of Health and Human Services says this: In countries which rely on Government controls to keep health care costs down—presumably to keep health care costs down—the patient suffers. And that's important for you all to understand and to know. And it's important for those who advocate Government control of all the health care in America to understand as well: The patient suffers.

If you want a health care system where the patient doesn't suffer but, in fact, benefits, we must be innovative and encourage a healthy private sector.

When Government determines which drugs are covered by health insurance, when Government makes those decisions, the invariable results are this: There will be delays and inflexible limits on coverage of new treatments. Costs might go down for seniors who are lucky enough to need the drugs that are on the Government's list. But as in the Canadian provinces and in many other countries, seniors who need drugs that are not on the Government's list would have no alternative to get the coverage they prefer. All seniors have to wait for the Government to decide what is covered, and that doesn't seem fair to me. And with prescription drugs, those delays can be life threatening.

And the heavy hand of Government in other countries often does this: It discourages the costly and time-consuming investments in research necessary to discover new drugs. I want you to understand these facts. Eight of the 10—top 10 best selling drugs in the world were developed by American companies, while we can expect that 34 out of the 55 breakthrough drugs entering the market this year will come from American companies. It is our companies and our researchers which are leading the world in finding the therapies necessary to save lives. And we've got to remember that. And therefore, we need to steer clear of direct Government controls that stifle innovation and limit a patient's choice.

What's interesting is that more than half of our seniors have private drug coverage now because of their previous employment. And Government should act to strengthen these private health insurance options, not replace them. By relying on competition and patient's choice and innovative programs like Evercare, we will protect our seniors now and offer many new lifesaving services to seniors in the future and preserve our private health care system.

When the founders of the Mayo Clinic started their practice over a century ago, they chose a clear principle to guide their work: The best interest of the patient is the only interest to be considered. That's the principle. Minnesota's immense and continuing contributions to biotechnology demonstrates that this is the right principle for our health care system.

As Members of Congress act to provide a drug benefit in Medicare, I urge them to honor the principle I just outlined by putting patient control and patient choice ahead of Government control. If we do so, we can guarantee the continued vitality and productivity of America's private health care system, while providing the modern drug coverage that seniors so desperately need.

And that's part of making sure we have a secure America. Health security is part of being a secure America. The other thing we need to do to make sure we secure—a lot of things we need to do to make sure we secure America—one is to make sure we continue to grow our economy. Job security is important for a secure America.

But I want to just tell you real quickly about how I'm thinking about the war on terror, while I've got you stuck here. [*Laughter*] The war goes on. We face an enemy who is—they like to hide, and they'll go to the big cities in some of these countries and think they're invisible. And sometimes we don't hear from them for awhile. But you need to know, they're still plotting and planning. These are the ones that go into caves and send their youngsters to the death. They themselves hide, and get somebody else to carry on their mission, sometimes suicide missions.

They're out there still. They still hate America because we love freedom. They hate us because we value the fact that people should worship freely. The more free we are, the more desperate they become. They like to find countries that are soft, kind of burrow in, and try to plan. And you just need to know we're doing everything we can to disrupt them. The doctrine still holds: Either you're with the United States of America and freedom-loving countries, or you're with the terrorists.

We have over 60,000 troops overseas, 8,000 still in Afghanistan. As you know, Afghanistan is still a dangerous place. And we're going to stay there until a stable Government emerges, until we complete our mission. We're—any time we get a hint in

a place like Afghanistan, we're moving, and we're moving with some of the finest Americans ever produced, those who wear our uniform.

This is a different kind of war. In the past, you'd see tank movements or airplane formations. This is like hunting down a bunch of coldblooded killers; that's what it's like. And that's all they are, by the way. And we're after them one at a time, one person at a time. We've—when I talked about the need for us to establish a Department of Homeland Security, I announced—part of my announcement was that I told the people that we had hauled in—"we" being our friends as well as ourselves—hauled in over 2,400 of these terrorists. That's in less than a year's time. So we're making progress, one person at a time.

Our goal is to get them on the run and keep them on the run, so they have no place to light or no place to hide. And it's going to take awhile. The American people understand that; that's positive. That's good news for us and bad news for the enemy. The American people understand that we've got a new challenge. Because we understand, when somebody attacks our values, the values we hold dear, it doesn't matter how long it takes, we'll defend them.

I've submitted a bill, an appropriations request to the Congress, which is a significant increase in our defense spending. And I did it for two reasons. One is, I firmly believe that any time we commit our young into harm's way, they deserve the best pay, the best training, the best equipment possible.

And two, it's a signal to the enemy and to our friends and allies that we're in this for the long run. There is no time certain as to when we quit. There is not a calendar that says, "By such and such a moment, you've got to stop, Mr. President." For however long it takes, we defend our freedoms. History has called America into action, and America—America will act, because we're a nation that stands for tremendous values. We love freedom. We love freedom. And anybody that tries to take it away—[*applause*].

I also want you to know this, that out of the evil done to America is going to come some good. I firmly believe that. I believe it. I want the youngsters here to understand, when you hear your President talk about getting them and rounding them up, that I yearn for peace. And I believe—I believe we can achieve peace. I believe that when this country remains strong and steadfast and resolved, we can achieve peace, peace not only for our own people but peace in parts of the world where people have never dreamt of peace in a while.

That's the legacy this generation will leave behind: By being tough and doing what it takes to win the war on terror, we'll leave peace for our children and our grandchildren. I'll tell you what else is going to happen here, as a result of the evil done to America, there's going to be some incredible good here at home too. I believe people have taken a step back and asked, "What's important in life?" You know, the bottom line and this corporate America stuff, is that important? Or is serving your neighbor, loving your neighbor like you'd like to be loved yourself?

I gave a speech at Ohio State University, at their graduation, and I was pleased to see that 70 percent of the seniors in the class had served their community one way or the other. They understand that a life in America is most complete when you help a neighbor in need, when you volunteer your time, that in America, being a patriot is more than just putting your hand over your heart and saying, "One nation under God." It is a—serving a neighbor—[*applause*]—it also means loving a neighbor. It means mentoring a child.

You see, in spite of our richness, there are pockets of despair and hopelessness and loneliness and addiction that we must address. The enemy hit us, and I believe they finally—they helped wake up a spirit of personal responsibility, a spirit that says, being an American means you've got to help a neighbor in need as well as saluting your flag.

And it's happening in this country. It's happening. And I believe that out of the evil done to America is going to come a society in which the great American experience and the great American hopes extends into all neighborhoods, where people realize that they're fortunate to live in the greatest land—I mean the greatest—on the face of the Earth. And it's my honor to be your President.

I want to thank you all. I want to thank you all for giving me a chance to come by and talk about an issue that's important for today and tomorrow, and that is quality health care for our seniors. And thank you for giving me a chance to be the President of the greatest nation on the face of the Earth.

God bless, and God bless America.

NOTE: The President spoke at 2:50 p.m. in the Nicollet Grand Ballroom at the Hyatt Regency Minneapolis. In his remarks, he referred to Mark G. Yudof, president, University of Minnesota.

Message to the Senate Transmitting the Second Protocol Amending the Canada-United States Extradition Treaty

July 11, 2002

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Second Protocol Amending the Treaty on Extradition Between the Government of the United States of America and the Government of Canada, as amended, signed at Ottawa on January 12, 2001. In addition, I transmit, for the information of the Senate, the report of the Department of State with respect to the Second Protocol. As the report explains, the Second Protocol will not require implementing legislation.

The Second Protocol amends the Extradition Treaty Between the United States of America and Canada, signed at Washington on December 3, 1971, as amended by an Exchange of Notes of June 28 and July 9, 1974, and by a Protocol signed at Ottawa on January 11, 1988.

The Second Protocol, upon entry into force, will enhance cooperation between the law enforcement communities of both nations. The Second Protocol incorporates into the U.S.-Canada Extradition Treaty a provision on temporary surrender of persons that is a standard provision in more recent U.S. bilateral extradition treaties. It also provides for new authentication requirements for documentary evidence, which should streamline the processing of extradition requests.

I recommend that the Senate give early and favorable consideration to the Second Protocol and give its advice and consent to ratification.

George W. Bush

The White House,
July 11, 2002.

Message to the Senate Transmitting the Ireland-United States Agreement on Mutual Legal Assistance in Criminal Matters

July 11, 2002

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Agreement between the Government of the United States of America and the Government of Ireland on Mutual Legal Assistance in Criminal Matters, signed at Washington on January 18, 2001. I transmit also, for the information of the Senate, the report of the Department of State with respect to the Treaty.

The Treaty is one of a series of modern mutual legal assistance treaties being negotiated by the United States in order to counter criminal activities more effectively. The Treaty should be an effective tool to assist in the prosecution of a wide variety of crimes, including terrorism, drug trafficking, fraud, and other white-collar offenses. The Treaty is self-executing.

The Treaty provides for a broad range of cooperation in criminal matters. Mutual assistance available under the Treaty includes: taking the testimony or statements of persons; providing documents, records, and articles of evidence; locating or identifying persons; serving documents; transferring persons in custody for testimony or other purposes; executing requests for searches and seizures; identifying, tracing, freezing, seizing, and forfeiting the proceeds and instrumentalities of crime and assistance in related proceedings; and such other assistance as may be agreed.

I recommend that the Senate give early and favorable consideration to the Treaty and give its advice and consent to ratification.

George W. Bush

The White House,
July 11, 2002.

Message to the Senate Transmitting the Russia-United States Agreement on the Conservation and Management of the Alaska-Chukotka Polar Bear Population

July 11, 2002

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Agreement between the Government of the United States of America and the Government of the Russian Federation on the Conservation and Management of the Alaska-Chukotka Polar Bear Population done at Washington on October 16, 2000 (the "U.S.-Russia Agreement"). I also transmit, for the information of the Senate, the report of the Department of State with respect to that Agreement.

The U.S.-Russia Agreement provides legal protections for this population of polar bears in addition to those found in the Agreement on the Conservation of Polar Bears done at Oslo, November 13, 1973 (the "1973 Agreement"), which was a significant, early step in the international conservation of polar bears. The 1973 Agreement is a multilateral treaty to which the United States and Russia are parties. (The other parties are Norway, Canada, and Denmark.) The 1973 Agreement provides authority for the maintenance of a subsistence harvest of polar bears and provides for habitat conservation.

The proposed U.S.-Russia Agreement, which would operate as a free-standing treaty separate from the 1973 Agreement, is the culmination of an 8-year effort. The U.S.-Russia Agreement builds on the 1973 Agreement to establish a common legal, scientific, and administrative frame work for the conservation and management of the Alaska-Chukotka polar bear population, which is shared by the United States and the Russian Federation. For example, the U.S.-Russia Agreement provides a definition of "sustainable harvest" that will help the United States and Russia to implement polar bear conservation measures while safeguarding the interests of native people. In addition, the U.S.-Russia Agreement establishes the U.S.-Russia Polar Bear Commission, which would function as the bilateral managing authority to make scientific determinations, establish taking limits, and carry out other responsibilities under the terms of the U.S.-Russia Agreement. The proposed U.S.-Russia Agreement would strengthen the conservation of our shared polar bear population through a coordinated sustainable harvest management program.

Early ratification of the U.S.-Russia Agreement by the United States will reinforce our leadership role in international conservation of marine mammals and will encourage similar conservation action by other countries. I recommend that the Senate give early and favorable consideration to this Agreement and give its advice and consent to ratification.

George W. Bush

The White House,
July 11, 2002.

Remarks at a Dinner for Senatorial Candidate Norm Coleman and Congressional Candidate John Kline in Minneapolis

July 11, 2002

Thank you very much. Thanks for that warm welcome. It's great to be back in Minnesota. I've had some opportunity to welcome some fine Minnesota folks to the White House. Last May, a couple of Minnesota teams came by to say hello that happened to be national champs in women's and men's hockey. They felt pretty good about things, and they said they thought they're going to be back next year. [*Laughter*] Next year when they come back, Norm Coleman and John Kline are going to be with me to greet them.

I want to thank you for supporting these fine candidates. I want to thank you for being here tonight, and I want to thank you for

what you're going to do, which is to man the phones and put up the signs and convince your neighbors that these two men need your support for the good of the country and for the good of your great State.

I'm proud to be here with not only Norm but, as importantly, his wife, Laurie. It's important to have a—[*applause*]. And I appreciate Vicky Kline as well, being here with John tonight.

I know something about marrying well. [*Laughter*] We—I'm really proud of Laura. Someday she needs to come and campaign for these candidates, if they want to win. I don't know if you've heard me say this before, but when I married Laura, she was a public school librarian. And the truth of the matter is, she didn't particularly care about politics or politicians. [*Laughter*] And now, here she is, the First Lady of the greatest country in the world, and what a fabulous, fabulous job she's doing. She sends her best.

You know, one of the things about a President—people come by, and they say, "We appreciate the job you're doing." And one of my first responses is that if you've got a good team, the job is a lot easier than it might look. And I want you to know, I put together a fabulous team. And one of my team members is here tonight, the Secretary of Health and Human Services, the former Governor of the State of Wisconsin, my close friend, a guy doing a great job, Tommy Thompson. I appreciate you, Tommy.

I want to thank those who are—who hold office now. The speaker is here, and the Senate minority leader is here. The secretary of state is here. Thank you all for coming. And I'm honored also to be sharing the stage with the next Governor of the State of Minnesota, Tim Pawlenty.

There's no doubt in my mind that these great candidates can win. There's no doubt, because they bring a lot of qualities to the ticket that the people of Minnesota will respect. Norm Coleman: First, he loves his family; he's a man of faith; he loves his country; he's an independent kind of fellow—nothing wrong with that. [*Laughter*]

The thing I like about Norm is, he focuses on results. As the mayor of St. Paul—I'm told, a pretty Democratic city; at least that's what the numbers looked like to me the last time I ran—[*laughter*]—he wins as a Republican because he brought a compassionate conservative agenda to the people. He focused on things that matter, like jobs and making sure children got a quality education.

He agrees with me that when it comes to educating our children, it is important to have high standards and high expectations. You see, if you don't think some kids can learn, the system will just shuffle them through; the system will quit on them. That is not good enough for America. He understands that to make sure that every single child gets educated, we must understand whether they're learning to read and write and add and subtract. And if they are, we will praise the teachers. But if we find out that our children can't read, write, and add and subtract, we better do something about it early, before it's too late. No child should be left behind in America.

Norm's got a record of prosecution—prosecuting white-collar crime. Our Nation must have confidence in our institutions. I oftentimes talk about the need for each of us to be responsible for our behavior. Corporate America must be responsible for its behavior as well. We expect balance sheets to be fair and open. We expect transparency, and we expect those in charge of corporate America to treat the shareholders and employees with the utmost respect.

I need Norm in the Senate to help me on Medicare. Today I had the honor of going to the University of Minnesota Medical Center, and what a fabulous place that is. It is first-class. And we saw some of the new—heard about some of the new drug therapies being developed to save lives and extend life and to enhance the quality of life. And what we need is a Medicare plan that not only encourages innovation but gives seniors choices, all of which will include prescription drugs.

I need a man in the Senate who will join me in nominating judges to our courts who will not use the bench from which to legislate but will strictly interpret the Constitution of the United States.

And we need a voice in the United States Senate who will focus on the people's business, not the needless partisanship, the bickering, the name-calling that too often—too

often fills that great Chamber. We need somebody who can work with both sides of the aisle, somebody who's focused on what's right for Minnesota and what's right for America. And there's no doubt in my mind that the right person to handle that important responsibility is Norman Coleman.

And I'm here to campaign for John Kline for the United States House of Representatives. If the good folks in his district are wise, they'll send him to Washington. John served the United States with distinction as a member of the Marine Corps. He understands the need to support our military, and we need people who will support our military in the United States Congress.

The thing I like about this good man is, he actually worked on a farm. He knows if you own the land and make a living on the land, every day is Earth Day. He understands how important farming is not only to his district but to his State and to the Nation. And he understands what I know: When you're good at something, you need to promote it. Our farmers and ranchers are the best in the world, and we need to be selling our farm products and ranch products all over the world.

I look forward to having John in the United States Congress to work on the homeland defense and on the defense of our Nation. And when you put him there, he'll bring honor to that office.

I'm also here—I'm pleased to urge you to work hard for your next Governor, Tim Pawlenty. He understands what I know: If you let people keep more of their own money, it invigorates the economy. And he knows the best way to bring fiscal discipline to any body of government is to resist unnecessary spending. Tim Pawlenty will be a fine and great Governor for the State of Minnesota, and I'm proud to lend my support.

I'm pleased to talk about tax relief and trade because it is necessary to—those are necessary items to make sure our economy recovers. You know, in Washington, they talk a lot about statistics, and that's fine—"This number's up, or that number's down." What I worry about is, anytime anybody is looking for work and can't find it, we've got a problem. So therefore, I ask the question, how do we make sure we continue to expand our job base? What does it take to make sure that the entrepreneurial spirit of America is strong and vibrant so that there are more jobs for people who want to work? And that means making sure Congress doesn't overspend, doesn't overcommit, and making sure we have fiscal sanity in Washington, DC.

We cut taxes at the right time. You see, I read the textbook that says, when people have more money, they're going to demand a good or a service. And if they demand a good or a service, somebody's going to produce the good and service. And if somebody produces that good and service, it means somebody's going to find work. For the good of long-term economic growth and for the good of long-term economic vitality, we need to make the tax cuts permanent. And I want a Senator and Members of the House to do so.

One of the worst taxes in America is what they call the death tax. It's a tax that taxes people's assets more than once. It's a tax that hurts farmers and ranchers. It says you cannot leave your business, if you're a small-business owner, to your relative. It says to some in America that if your loved one passes away, that you might have to liquidate your family farm in order to pay inheritance taxes. The Congress did the right thing in eliminating the tax, but it only lasts, because of a quirk in the Senate rules, for 10 years. We need people in the United States Congress who understand how bad the death tax is to small-business owners, ranchers, and farmers in America and make the repeal of the death tax permanent.

So I spend a lot of time on economic security and will continue to do so until I'm confident people can find work.

I also spend a lot of time on our homeland security. You need to know that we fight an enemy that is not only ruthless, a group of people who don't value human life, but they're—they hide, and they're patient, and they're determined to hurt America. People—I'm sure some of the young hear, "Well, why would you want to hurt our country? Why would they care?" And the answer is, because we're a beacon for freedom. We stand for things they don't stand for.

See, we believe people should be able to worship the Almighty God any way they see

fit. They don't. We believe people should be able to speak their mind. We believe in a free press. We believe in open elections. What we stand for is freedom, and they hate freedom. And therefore, they hate us. But they may be patient. We're more patient. They may be determined. We are more determined. They may think they have hit a country which is soft and weak. They have found out the United States of America will defend our freedoms at all costs. We're going to hunt them down one by one and bring them to justice.

We are—we're making progress in a different kind of war. You know, you watch the old war films, you'd see tanks moving across a battlefield or formations of airplanes. That's not the kind of war we're in. We're after international killers, coldblooded killers. That's all they are. They—and, therefore, we've got to make sure at home we're secure.

The other day, I made a far-reaching proposal that urges Congress to join me in reorganizing our Government so we can do as good a job as possible about protecting the homeland. Listen, I didn't run by saying, "Vote for me. I'm for bigger Government." That wasn't my platform. [*Laughter*] But I did run and say, "Give us a chance to produce results."

Now, you need to know that when it comes to homeland security, there are over 100 agencies involved with homeland security, which means it's hard to align authority and responsibility. We've got 100 of them scattered all over Washington. I think those agencies, for the good of the country, need to be under one Cabinet officer. We need to have as a—the priority of these agencies the protection of the American people. Now, some of the agencies do other things, no question about it. But in order to effect a new culture and to set new priorities, it makes sense to me to have authority and responsibility aligned.

And this new agency will have several functions. One is to make sure we understand who's coming into our country and why they're coming in and whether they're leaving when they say they're going to leave. This new agency will be charged with working with some of America's finest citizens, our first-responders, the police and firefighters and EMS teams all across the country, to make sure that we respond to an emergency if it ever were to occur. This new agency is in charge of working to deal with the threat of bio—a bioterrorist attack, so they've got the immunizations available and our health care systems are prepared to respond. This new agency will analyze data, intelligence that has been gathered from around the world, and analyze it in one place to determine our vulnerabilities and then the response necessary to button up the American homeland.

I'm proud of those who work for our Government. We've got a lot of fine folks working a lot of hours, running down any kind of hint there is. Any kind of suggestion that somebody is going to do something to America, we're responding as quickly as we possibly can. And we're making good progress. But you just need to know, the best way to secure the homeland is to do what we're doing, and that's to hunt these killers down one person at a time.

In my speech to the country outlining my vision for a Department of Homeland Security, I told the folks that we've—we and our friends have hauled in over 2,400 of these killers. Sometimes you'll know about it, and sometimes you won't. But what you need to know is that wherever they try to light, we're going to get them on the run, and we're going to keep them moving. And we're going to keep them moving until our military and our coalition brings them to justice.

You've got to know how proud I am of the United States military. What a great group. I asked the United States Congress for a significant increase in defense spending. And I know the two gentlemen up here, if they were in the Halls of the Congress, would be strongly supporting what I'm about to tell you. The reason I asked for the biggest increase since President Ronald Reagan was the President is because I believe this: Anytime you commit an American youth into harm's way, they must have the best equipment, the best training, the best pay possible.

And the increase also sends this signal to our friends and allies, as well as the enemy: We're in it for the long haul. We're talking about freedom. We're talking about civilization itself. History has called our country into

action. There's a big spotlight on America, and our country will lead. We will lead this vast coalition.

I want you to know, the doctrine that says, "Either you're with us, or you're with the terrorists," it still stands, and we enforce it every single day. If you harbor a terrorist, if you feed a terrorist, if you finance a terrorist, you're just as guilty as the killers who struck America on September the 11th, and we'll hold you accountable as well.

Our task is bigger than any single individual. We chase down a network. And at the same time, I have tried to speak as plainly as I possibly can about those nations with—who harbor weapons of mass destruction, who would dare try to blackmail the United States and other freedom-loving countries. We cannot and we must not allow the world's worst leaders to develop and deploy the world's worst weapons. We owe it to our children and we owe it to our children's children to be tough and firm.

We're making progress. We've got a lot of work to do, a lot of work. And I appreciate so very much the resolve of the American people. My, what a fantastic country we have. We are so strong and so courageous and so compassionate, it leads me to declare this, that out of the evil done to America will come incredible good. Out of the evil done to our country will be some—some positive developments, starting with this. I believe that as the United States continues to lead with resolution and determination, that we can achieve peace. We can achieve peace not only here at home, but we can achieve peace in places around the world that haven't dreamt of peace or dreamt that peace is possible. I believe it.

I believe that the terrorists—I don't know what went through their mind. They must have thought we were so self-absorbed and materialistic that all we would do after 9/11 was file a lawsuit or two. [*Laughter*] What they didn't realize is that this is a great nation, a great nation full of determined people, people not only to work for peace but people who here at home will seize the moment to make our communities a more decent and positive place for everybody to live.

We live in a fabulous nation, a rich nation, but we must always remember that in our wealth, there are pockets of despair. There's loneliness. There's addiction. There are children who wonder whether the American Dream is meant for them. And I believe out of the evil done to America will come the good of addressing those problems, because a lot of Americans have stepped back and said, "What is the value of life? How do I have a complete life?" And many of our fellow citizens understand that to have a complete life, you love a neighbor just like you'd like to be loved yourself. There are thousands of our citizens, on a daily basis, responding to the evil done to America by mentoring a child or helping a shut-in or delivering food to the hungry, providing shelter for the homeless.

And that's the true strength of our country. We're a decent country, a compassionate country. We understand that each of us can't do everything, but each of us can do something to help make a difference in changing America, one soul, one conscience, one heart at a time.

And that is why I feel so strongly that our Government must not fear the compassionate programs that emanate out of the faith-based institutions. We must not discriminate against faith. We must welcome faith in America in order to change lives.

And that's part of the spirit that is evolving in the country. We are ushering in a new period of personal responsibility, where each of us understands we're responsible for the decisions we make in life. We're responsible for loving our children. If you're a mom or a dad—if you're lucky enough to be a mom or a dad, you're responsible for loving your children with all your heart and all your soul. If you live in Minneapolis, Minnesota, and you're aware of a friend in need, you're responsible for helping that friend in need. If you're running a corporation, you're responsible for open books and treating your employees well.

That message came home loud and clear in Flight 93, the concept of serving something greater than yourself in life, the concept of understanding that patriotism is more than saying the pledge or saluting the flag; patriotism is serving your Nation by helping a neighbor in need. We had citizens traveling

across the country. They realized their airplane was going to be used as a weapon. They told their loved ones they loved them. They said a prayer. One guy said, "Let's roll." And they drove the plane in the ground to save other people's lives. It's the new spirit of the 21st century.

And so, tonight I urge you not only to work hard for these good candidates but work hard to be a part of making America a complete country for everybody. And it's happening—it's happening. You see, I can confidently predict, out of the evil done to America will come great good, because I'm the President of the greatest nation in the face of the Earth.

It is my honor to be here. May God bless you all, and may God bless America.

NOTE: The President spoke at 6:10 p.m. at the Target Center Arena. In his remarks, he referred to Steve Sviggum, speaker, and gubernatorial candidate Tim Pawlenty, majority leader, Minnesota House of Representatives; Dick Day, minority leader, Minnesota Senate; and Minnesota Secretary of State Mary Kiffmeyer. John Kline is a candidate for Congress in Minnesota's First Congressional District.

Memorandum on Designation of Officers of the United States Agency for International Development To Act as Administrator

July 10, 2002

Memorandum for the Administrator of the United States Agency for International Development

Subject: Designation of Officers of the United States Agency for International Development to Act as Administrator

By the authority vested in me as President under the Constitution and the laws of the United States of America, including the Federal Vacancies Reform Act of 1998, 5 U.S.C. 3345 *et seq.*, I hereby order that:

Section 1. *Order of Succession.*

Subject to the provisions of section 2 of this memorandum, during any period when both the Administrator of the United States Agency for International Development (Administrator) and the Deputy Administrator of the United States Agency for International Development (Deputy Administrator) have died, resigned, or otherwise become unable to perform the functions and duties of the office of Administrator, the following officers of the United States Agency for International Development, in the order listed, shall perform the functions and duties of the office of Administrator, if they are eligible to act as Administrator under the provisions of the Federal Vacancies Reform Act of 1998, until such time as the Administrator or Deputy Administrator is able to perform the functions and duties of the office of Administrator:

Assistant Administrator for Policy and Program Coordination;

Assistant Administrator for Legislative and Public Affairs;

Assistant Administrator for Management; and

The Assistant Administrators for the following Bureaus in the order in which they shall have taken the oath of office:

Bureau for Africa;

Bureau for Asia and the Near East;

Bureau for Democracy, Conflict, and Humanitarian Assistance;

Bureau for Economic Growth, Agriculture, and Trade;

Bureau for Europe and Eurasia;

Bureau for Global Health; and

Bureau for Latin America and the Caribbean.

Sec. 2. *Exceptions.*

(a) No individual who is serving in an office listed in section 1 in an acting capacity shall, by virtue of so serving, act as Administrator pursuant to this memorandum.

(b) Notwithstanding the provisions of this memorandum, the President retains discretion, to the extent permitted by the Federal Vacancies Reform Act of 1998, 5 U.S.C. 3345–3349d, to depart from this memorandum in designating an acting Administrator.

George W. Bush

NOTE: This memorandum was released by the Office of the Press Secretary on July 12.

Message to the Congress Transmitting the District of Columbia's Fiscal Year 2003 Budget Request

July 11, 2002

To the Congress of the United States:

Pursuant to my constitutional authority and consistent with sections 202(c) and (e) of The District of Columbia Financial Management and Responsibility Assistance Act of 1995 and section 446 of The District of Columbia Self-Governmental Reorganization Act as amended in 1989, I am transmitting the District of Columbia's Fiscal Year 2003 Budget Request Act.

The proposed FY 2003 Budget Request Act reflects the major programmatic objectives of the Mayor and the Council of the District of Columbia. For FY 2003, the District estimates total revenues and expenditures of $5.7 billion.

George W. Bush

The White House,
July 11, 2002.

NOTE: This message was released by the Office of the Press Secretary on July 12.

Remarks to the Recipients of the 2001 Presidential Early Career Awards for Scientists and Engineers

July 12, 2002

Well, thank you all very much for coming today. It's a privilege to welcome our country's best minds to the White House. Today it is my honor, high honor to welcome the men and women receiving the 2001 Presidential Early Career Awards for Scientists and Engineers.

I want to thank you all for coming. I appreciate so very much the first steps in the careers of discovery that you've taken. And the amazing thing is, your colleagues already recognize the great potential of your work. Dr. Marburger was telling me that it was only 5 years ago that a person who had—who received an award that you're receiving today became a Nobel laureate. Maybe I'm looking at another Nobel laureate or two here. [*Laughter*]

You need to know that the breakthroughs that you have made will make life better for all Americans. Your explorations will expand our understanding of the world, and that's important. Your innovations will help America stay at the forefront of technological development for decades to come.

Most Americans may not understand all you do and all the details of your work. But we understand your promise and your commitment and your dedication. And we're grateful for it, so thanks for coming.

I appreciate Larry Lindsey, my Director of the National Economic Council, and Jack Marburger, the Director of the Office of Science and Technology Policy, for spearheading this event. I want to thank a couple of my Cabinet Secretaries who are here: Ann Veneman of Agriculture and Spence Abraham of Energy. Thank you both for your service.

I appreciate Rita Colwell, as Director of the National Science Foundation, for being here, for her work. I want to thank Elias Zerhouni from the NIH for being here. Dr. Zerhouni is—we plucked him out of the private sector to serve our country, and he's doing a fine job. I just want to remind everybody that the commitment we made that we would double the budget in the NIH has been completed, and I appreciate your leadership there, Dr. Zerhouni.

I want to thank Vice Admiral Conrad Lautenbacher of—the Administrator of NOAA, National Oceanic and Administrative—Atmospheric Administration. I want to thank Dr. Arden Bement, the Director of the National Institute of Standards and Technology—Arden, thank you very much, sir—John Hopps, the Deputy Director of the Defense Research and Engineering at the Department of Defense. I want to thank James Burris, the Deputy Chief Research and Development Officer of the Veterans Health Administration, and Shannon Lucid, who is the Chief Scientist of NASA.

The reason I mention these fine folks is that they all picked you. So when you see them at the reception—[*laughter*]—be nice to them. [*Laughter*]

I want to welcome the family member or friend that you picked to come here. I'm sorry the room is so small. I suspect we could

have accommodated a lot more people if we had a bigger room. But Dr. Marburger told me that at the reception other family members will be there. Please give them my best, and sorry I couldn't extol your virtues in front of them, in their person. But I want to welcome you all as well to the White House. It's quite a place to go to work, as I'm sure you can imagine. And I hope you recognize it's quite a place to receive an award too.

The honorees are—you're serving America; that's what you're doing. And you're doing so in the best of—in the best of the public interest. And for that, we're grateful.

You're learning how the smallest known particles operate and interact. You're laying down the foundation for new methods of diagnosing and treating cancer and heart disease, doing research to protect Americans against threats posed by chemical weapons. You're exploring the unchartered territory of the human mind.

Your work advances important national goals. And accomplishing these goals requires the cooperation amongst scientists and engineers in our universities, our Government agencies, and, of course, in the private sector.

This award is a statement of our confidence, the Nation's confidence and the tremendous good that can come when the America Government supports the genius of the American people.

My administration is continuing a great tradition. Whether finding cures for diseases or learning how to better predict natural disasters or developing information technology that unites the world, Government-funded basic research expands knowledge and learning and helps our people to live longer and healthier and more satisfying lives. We are committed to basic research from the Federal Government. And we will keep that commitment so long as we're here.

Innovation is one of our greatest national strengths. It drives our economy. It helps protect our environment. And the truth of the matter is, it improves lives all across the globe. In all of your work, you're contributing to the strength of America and to the well-being of our people.

You probably have become scientists or engineers because you're motivated by the thrill of discovery—I suspect that's the case—or by the quest to push outward the bounds of human knowledge. And many of you will make significant discoveries. It probably won't be household names—not all that bad, I might add. [*Laughter*] But Americans will know your work because it will touch their lives, and I hope you understand that that in itself is a great honor and a great accomplishment.

You'll blaze the trail for others who will build on your successes and then, of course, discover their own. That's the wonders of science and engineering.

I appreciate the fact that many of you are already inspiring young boys and girls to explore their interest in science and engineering. That in itself is an incredibly important contribution to our country, to excite youngsters about the promise and hope of science and promise and hope of engineering. By involving students in your work and creating opportunities for young Americans to learn about career opportunities in the sciences, you're opening minds and opening doors to future researchers. Your impact will be felt for decades to come, and that's why I've come to speak to you.

So on behalf of all Americans, I want to thank you for your commitment to improving lives and exploring new horizons. I congratulate you for your hard work. I urge you not to stop, to keep using your God-given talents and your God-given genius to make the world better for all of us.

May God bless your work, and God bless America. Congratulations.

NOTE: The President spoke at 10:10 a.m. in Presidential Hall in the Dwight D. Eisenhower Executive Office Building.

Statement on Iran

July 12, 2002

We have seen throughout history the power of one simple idea: When given a choice, people will choose freedom. As we have witnessed over the past few days, the people of Iran want the same freedoms, human rights, and opportunities as people around the world. Their Government should listen to their hopes.

In the last two Iranian Presidential elections and in nearly a dozen parliamentary and local elections, the vast majority of the Iranian people voted for political and economic reform. Yet their voices are not being listened to by the unelected people who are the real rulers of Iran. Uncompromising, destructive policies have persisted, and far too little has changed in the daily lives of the Iranian people. Iranian students, journalists, and Parliamentarians are still arrested, intimidated, and abused for advocating reform or criticizing the ruling regime. Independent publications are suppressed. And talented students and professionals, faced with the dual specter of too few jobs and too many restrictions on their freedom, continue to seek opportunities abroad rather than help build Iran's future at home. Meanwhile, members of the ruling regime and their families continue to obstruct reform while reaping unfair benefits.

Iran is an ancient land, home to a proud culture with a rich heritage of learning and progress. The future of Iran will be decided by the people of Iran. Right now, the Iranian people are struggling with difficult questions about how to build a modern 21st-century society that is at once Muslim, prosperous, and free. There is a long history of friendship between the American people and the people of Iran. As Iran's people move towards a future defined by greater freedom, greater tolerance, they will have no better friend than the United States of America.

Letter to the Speaker of the House of Representatives Transmitting Fiscal Year 2003 Budget Amendments

July 12, 2002

Dear Mr. Speaker:

I ask the Congress to consider the enclosed requests for FY 2003 budget amendments for the Securities and Exchange Commission and for the Departments of Agriculture, Commerce, and Housing and Urban Development. The discretionary budgetary resources proposed in my FY 2003 budget would not be increased by these requests.

This transmittal also contains FY 2003 budget amendments for the legislative branch. As a matter of comity, appropriations requests of the legislative branch are transmitted without change. These additional amendments would increase discretionary resources for the legislative branch by $17.7 million.

The details of these requests are set forth in the enclosed letter from the Director of the Office of Management and Budget. I concur with his comments and observations.

Sincerely,

George W. Bush

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

Letter to the Speaker of the House of Representatives Requesting Funds for the Disaster Relief Program of the Federal Emergency Management Agency

July 12, 2002

Dear Mr. Speaker:

In accordance with provisions of Public Law 107–73, the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002, I hereby request and make available $500 million for the disaster relief program of the Federal Emergency Management Agency (FEMA).

These funds would allow FEMA to continue providing assistance to victims of disasters in several States, including victims of recent flooding in Texas and wild fires in Arizona and Colorado. These funds would also be available for ongoing response to prior disasters and to ensure that FEMA has resources on hand to provide timely response to future disasters.

I designate the funds made available today as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

The details of this action are set forth in the attached letter from the Director of Management and Budget. I concur with his comments and observations.

Sincerely,

George W. Bush

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

Digest of Other White House Announcements

The following list includes the President's public schedule and other items of general interest announced by the Office of the Press Secretary and not included elsewhere in this issue.

July 6

The President declared a major disaster in Guam and ordered Federal aid to supplement Territory and local recovery efforts in the area struck by Typhoon Chata'an on July 5–6.

July 8

In the morning, the President and Mrs. Bush returned to Washington, DC, from the Bush family home on Walker's Point in Kennebunkport, ME.

The President announced his intention to designate Linton F. Brooks as Acting Under Secretary for Nuclear Security and Acting Administrator for the National Nuclear Security Administration at the Department of Energy.

July 9

In the morning, the President had separate telephone conversations with Crown Prince Abdullah of Saudi Arabia and Prime Minister Ariel Sharon of Israel to discuss peace efforts in the Middle East. Later, he traveled to New York City.

In the afternoon, the President returned to Washington, DC. Later, he met with Archbishop Demetrios, Primate of the Greek Orthodox Church of America, and other Orthodox leaders.

July 10

In the morning, the President had a breakfast meeting with Speaker of the House of Representatives J. Dennis Hastert, Senate Majority Leader Tom Daschle, Senate Minority Leader Trent Lott, and House Minority Leader Richard A. Gephardt to discuss the congressional agenda. Later, he had CIA and FBI briefings and then met with the National Security Council.

In the afternoon, the President met with former Coast Guard officials to discuss proposed homeland security legislation. Later, in the Cabinet Room, the President met with House and Senate Republican leaders to discuss the congressional agenda. He then met with recipients of the National Outstanding Young Farmer Awards.

The President announced his intention to nominate Wendy Jean Chamberlin to be Assistant Administrator for Asia and the Near East at the U.S. Agency for International Development.

The President announced his intention to nominate the following individuals to be members of the Board of Trustees of the Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation: Malcolm B. Bowekaty, Robert Boldrey, Herbert Guenther, Richard Narcia, and Bradley Udall.

The President announced his intention to nominate Richard Healing to be a member of the National Transportation Safety Board (safety engineering representative).

July 11

In the morning, the President had separate telephone conversations with President Hosni Mubarak of Egypt and King Abdullah II of Jordan to discuss developments in the Middle East and upcoming ministerial meetings.

Later in the morning, the President traveled to Minneapolis, MN, where he met with USA Freedom Corps volunteer Pearl Lam Bergad. Then, at the University of Minnesota Medical School, he participated in a roundtable discussion on prescription drugs and medical innovation.

In the evening, the President returned to Washington, DC.

The President announced his intention to nominate John M. Reich to be Vice Chairperson of the Federal Deposit Insurance Corporation.

The President announced his intention to appoint the following individuals as members

of the Board for International Food and Agriculture Development: Michael Deegan; Stuart Iverson, Jr.; Anthony Laos; William DeLauder; Carol Lewis; and Sharron Quisenberry.

The President declared a major disaster in Micronesia and ordered Federal aid to supplement national and State recovery efforts in the area struck by Tropical Storm Chata'an, including flooding, mudslides, and landslides, on July 2–4.

July 12

In the morning, the President had intelligence and FBI briefings and then met with the National Security Council.

In the afternoon, the President met with the newly established Corporate Fraud Task Force. Later, he traveled to Camp Greentop, MD, a residential camp for disabled children and adults, where he toured facilities and participated in camp activities. He then traveled to Camp David, MD.

The President announced his intention to nominate the following individuals to be members of the National Council on Disability: Glenn Bernard Anderson, Marco A. Rodriguez, Milton Aponte, Linda Wetters, Joel Kahn, and David John Wenzel.

The President declared a major disaster in Vermont and ordered Federal aid to supplement State and local recovery efforts in the area struck by severe storms and flooding on June 5–13.

Nominations Submitted to the Senate

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted July 9

Frederick W. Gregory,
of Maryland, to be Deputy Administrator of the National Aeronautics and Space Administration, vice James R. Thompson, Jr., resigned.

Harry R. Hoglander,
of Massachusetts, to be a member of the National Mediation Board for a term expiring July 1, 2005, vice Magdalena G. Jacobsen, term expired.

Neil McPhie,
of Virginia, to be a member of the Merit Systems Protection Board for the term of 7 years expiring March 1, 2009, vice Beth Susan Slavet, term expired.

Quanah Crossland Stamps,
of Virginia, to be Commissioner of the Administration for Native Americans, Department of Health and Human Services, vice Gary Niles Kimble, resigned.

Submitted July 11

Ben S. Bernanke,
of New Jersey, to be a member of the Board of Governors of the Federal Reserve System for the unexpired term of 14 years from February 1, 1990, vice Edward W. Kelley, Jr., resigned.

Richard F. Healing,
of Virginia, to be a member of the National Transportation Safety Board for a term expiring December 31, 2006, vice George W. Black, Jr., term expired.

Donald L. Kohn,
of Virginia, to be a member of the Board of Governors of the Federal Reserve System for a term of 14 years from February 1, 2002, vice Laurence H. Meyer, resigned.

Alia M. Ludlum,
of Texas, to be U.S. District Judge for the Western District of Texas, vice Harry Lee Hudspeth, retired.

John M. Reich,
of Virginia, to be Vice Chairperson of the Board of Directors of the Federal Deposit Insurance Corporation, vice Andrew C. Hove, Jr.

Checklist of White House Press Releases

The following list contains releases of the Office of the Press Secretary that are neither printed as items nor covered by entries in the Digest of Other White House Announcements.

Released July 6

Statement by the Press Secretary on disaster assistance to Guam

Released July 8

Transcript of a press gaggle by Press Secretary Ari Fleischer

Released July 9

Transcript of a press gaggle by Press Secretary Ari Fleischer, Treasury Secretary Paul H. O'Neill, and Commerce Secretary Donald L. Evans

Fact sheet: A New Ethic of Corporate Responsibility

Announcement: A New Ethic of Corporate Responsibility

Released July 10

Transcript of a press briefing by Press Secretary Ari Fleischer

Statement by the Press Secretary on the closure of Sari Nusseibeh's Al Quds University offices in Jerusalem

Released July 11

Transcript of a press gaggle by Deputy Press Secretary Scott McClellan and Council of Economic Advisers member Mark McClellan

Statement by the Press Secretary on disaster assistance to Micronesia

Statement by the Press Secretary on the Council on Bioethics issuance of its first report on the subject of human cloning

Fact sheet: President Renews Call for Prescription Drug Coverage in Medicare

Announcement of nomination for U.S. District Judge for the Western District of Texas

Released July 12

Transcript of a press briefing by Press Secretary Ari Fleischer

Statement by the Press Secretary on disaster assistance to Vermont

Transcript of a press briefing by Office of Management and Budget Director Mitch Daniels

Acts Approved by the President

NOTE: No acts approved by the President were received by the Office of the Federal Register during the period covered by this issue.