

Weekly Compilation of
**Presidential
Documents**



Monday, July 22, 2002
Volume 38—Number 29
Pages 1189–1235

Contents

Addresses and Remarks

- See also* Meetings With Foreign Leaders
- Alabama
 - Luncheon for gubernatorial candidate Bob Riley in Birmingham—1202
 - University of Alabama-Birmingham in Birmingham—1197
 - Homeland security, national strategy—1209
 - Michigan
 - Luncheon with Polish American leaders in Troy—1226
 - Polish American community in Rochester—1223
 - New York, 10th Mountain Division at Fort Drum—1228
 - Poland, state visit by President Kwasniewski
 - State dinner—1222
 - Visit to Michigan—1223, 1226
 - Welcoming ceremony—1212
 - Radio address—1189

Communications to Congress

- Belize-U.S. treaty on mutual legal assistance in criminal matters, message transmitting—1208
- Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996, letter on review of Title III—1212
- Sweden-U.S. treaty on mutual legal assistance in criminal matters, message transmitting—1209

Interviews With the News Media

- Exchange with reporters in the Oval Office—1227
- Interview with Polish journalists—1190

Interviews With the News Media—Continued

- News conference with President Kwasniewski of Poland (July 17)—1213

Joint Statements

- President George W. Bush and President Aleksander Kwasniewski—1220

Letters and Messages

- “National Strategy for Homeland Security,” letter—1210

Meetings With Foreign Leaders

- Egypt, Foreign Minister Maher—1227
- Jordan, Foreign Minister Muasher—1227
- Poland, President Kwasniewski—1212, 1213, 1220, 1222, 1223, 1226
- Saudi Arabia, Foreign Minister Saud—1227

Proclamations

- Captive Nations Week—1222

Statements by the President

- See also* Joint Statements
- Senate action on the proposed “Public Company Accounting Reform and Investor Protection Act of 2002”—1208
 - Israel, Tel Aviv and West Bank terrorist attacks—1221

Supplementary Materials

- Acts approved by the President—1235
- Checklist of White House press releases—1234
- Digest of other White House announcements—1232
- Nominations submitted to the Senate—1233

Editor’s Note: The President was at Camp David, MD, on July 19, 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

Published every Monday by the Office of the Federal Register, National Archives and Records Administration, Washington, DC 20408, the *Weekly Compilation of Presidential Documents* contains statements, messages, and other Presidential materials released by the White House during the preceding week.

The *Weekly Compilation of Presidential Documents* is published pursuant to the authority contained in the Federal Register Act (49 Stat. 500, as amended; 44 U.S.C. Ch. 15), under

regulations prescribed by the Administrative Committee of the Federal Register, approved by the President (37 FR 23607; 1 CFR Part 10).

Distribution is made only by the Superintendent of Documents, Government Printing Office, Washington, DC 20402. The *Weekly Compilation of Presidential Documents* will be furnished by mail to domestic subscribers for \$80.00 per year (\$137.00 for mailing first class) and to foreign subscribers for \$93.75 per year, payable to the Superintendent of Documents, Government Printing Office, Washington, DC 20402. The charge for a single copy is \$3.00 (\$3.75 for foreign mailing).

There are no restrictions on the republication of material appearing in the *Weekly Compilation of Presidential Documents*.

Week Ending Friday, July 19, 2002

The President's Radio Address

July 13, 2002

Good morning. Congress came back to Washington this week, and they have a lot of work ahead of them before the August vacation. I urge the Congress to join me in acting to achieve three big goals: We need to win the war; we need to protect our homeland; and we must strengthen our economy.

Winning the war and protecting the homeland require a sustained national commitment. More than 100 days ago, I asked Congress to pass emergency funding to equip our Armed Forces and strengthen security at our airports. The Department of Defense and the new Transportation Security Administration are still waiting for the money. Without prompt congressional action, our military will need to start cannibalizing spare parts to keep equipment running; the Transportation Security Administration will have to suspend the purchase and installation of up to 1,100 bomb detection systems; and the FAA may have to furlough up to 35,000 air traffic employees.

Congress must fund our troops while they're fighting a war, and Congress must provide funds to continue improving security at our airports. Congress also must 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. Congress should send the Defense bill to my desk by the end of this month.

These bills are critical. Yet, quick action on them does not and should not preclude simultaneous progress on other legislation. Creating more jobs and strengthening our economy are an urgent part of our agenda.

Congress can act to create jobs by giving me trade promotion authority, which will allow me to open up foreign markets to American goods and create better American jobs. For the sake of long-term growth and

job creation, I ask Congress to make last year's tax reductions permanent. And I ask Congress to work with me to pass a terrorism insurance bill, to give companies the security they need to expand and create jobs through new building projects.

Perhaps the greatest need for our economy at this moment is restoring confidence in the integrity of the American business leaders. Nearly every week brings news of greater productivity or strong consumer spending but also a discovery of fraud and scandal, problems long in the making and now coming to light.

This week, I announced new steps my administration is taking to crack down on corporate fraud. I proposed doubling jail time for financial fraud. I am creating a new task force at the Justice Department to aggressively investigate corporate crime. I'm requesting an additional \$100 million to give the SEC the manpower and the technology it needs to better enforce the law. This year, the SEC has acted to bar 71 officers and directors from ever again serving as a director of a public company. All of these measures are in addition to the comprehensive plans I announced and the House passed to protect worker pensions and to make CEOs more accountable.

As part of this crackdown, I support the creation of a strong, independent board that will provide effective oversight of the accounting profession. This board would have the ability to monitor, investigate, and enforce high ethical principles by punishing individual offenders. My administration is working with congressional leaders in both parties to pass legislation that will protect workers and shareholders and investors. I am pleased that the Senate approved several of my new proposals this week. The Senate, the House, and my administration will not stop working until a final bill is passed.

Strengthening the economy and protecting the homeland and fighting the war on terror

are critical issues that demand prompt attention. I urge the Congress to act on all these issues before they adjourn for their August recess.

Thank you for listening.

NOTE: The address was recorded at 10:25 a.m. on July 12 in the Cabinet Room at the White House for broadcast at 10:06 a.m. on July 13. The transcript was made available by the Office of the Press Secretary on July 12 but was embargoed for release until the broadcast. The Office of the Press Secretary also released a Spanish language transcript of this address.

Interview With Polish Journalists

July 12, 2002

The President. I'm looking forward to our state dinner. It's a chance for me to, on a personal level, repay the favor of my friend Aleksander for his great hospitality to Laura and me when we visited he and Jolanta there in Warsaw. Secondly, it's a chance to say to our country and the world how important our relations are with Poland. We really think—respect the Polish people. We've got great numbers of Polish Americans who still love the motherland. And it's going to be a wonderful occasion to build on a great relationship, make it even better.

We will discuss a lot of topics. We'll talk about the war on terror. Poland has been a great friend and supporter, member of the coalition on the war against terror. We've got troops in the—on ships off the Indian Ocean. We've got engineers in Bagram, shared intelligence. Aleksander has been a strong friend and supporter. I'm confident he'll want to talk about NATO expansion. Perhaps I'll leave that for a question.

But all in all, we've got great relations, and I look forward to having a good conversation with a leader I respect. And I respect Aleksander Kwasniewski.

Why don't we start with you, sir.

Democracy in Poland

Q. Thank you. Mr. President, about your talks with President Kwasniewski next week, Poland has been viewed by your administration as one of the most successful examples of democratic transformation. However, the

current Polish Government is taking some steps and adopting some laws which would obviously limit independence of media and central bank, which are the pillars of democracy. So are you going to raise these issues with the President?

The President. Well, first of all, I've got faith that a democracy will work. And I am confident that the Polish Government and the Polish people will come up with the right answers to issues relating to any law. I will—of course, if he asks my opinion, I will remind him that an independent media is a very important part of democracy. It's one of the pillars of democracy. I value our media, as an aside, saying that of course to pander to the people here that cover me on a daily basis. [Laughter]

But I do value a free and open media, and I think it's an incredibly important part. But your opening statement was true. We value the progress that Poland has made and the example Poland has set in a neighborhood that was a pretty tough neighborhood for awhile. And I was most impressed, when I went to Warsaw, to see the spirit of the people and the optimism. I understand the country is going through tough times, but all countries go through tough times.

President's Upcoming Visit to Troy, Michigan

Q. Mr. President, you're taking Aleksander Kwasniewski—it was your decision to go to Troy, Michigan, to meet with Polish Americans.

The President. Yes, we are.

Q. What is the reason for that meeting, and if you could tell us, what is your message to Polish Americans?

The President. Well, first of all, the message to Polish Americans is, I respect and honor the Polish traditions and Polish heritage. Actually, there was a—even in my own State of Texas, there is a community or two that Polish Americans have settled in Texas and still retains many of the great traditions and heritages.

It also reminds people that, even though they have got a Polish heritage and embraced Polish traditions, they're Americans. It's a great part of the American experience. We envelop and welcome people from all walks

of life. That in itself is an important statement to constantly make in our country. It reminds people of the strength of the country.

I've decided to go to Troy, Michigan, because it's going to be a—I hope it's a fun trip for Aleksander. I mean, I think it's important—I understand what a state dinner is like. It's formal. You'll see; it's going to be a grand day. They arrive on the South Lawn. The military will be there. There's a lot of pomp and circumstance. It's an exciting ceremony; it really is. And then there will be the formal dinners and the black tie, and the people will come, and the entertainment and the food—it's going to be great.

But there's more to a good American experience than just a formal dinner. I try to wear a tuxedo as little as possible, I want you to know. But flying out there to Michigan, the heartland of the country, with our friend, is going to be great. And he's going to see a big, enthusiastic crowd. It will give him a chance to say some things. And I think that's important to provide him a forum, so that he can not only be seen in a tuxedo but be seen speaking his mind about whatever issue he wants to talk about to an American audience that is made up of people from his homeland that have now settled in our country. I think it's going to be a great event. To me, it helps complete the state dinner aspect of the trip.

U.S. Economy

Q. Mr. President, I talked to Mr. Kwasniewski just before yesterday.

The President. Yes. How is he doing?

Q. Great. He looks good, in good shape.

The President. Looking forward to a 3-mile run? [*Laughter*]

Q. He told me that one of the topics he would like to touch on is the recent financial scandals in the U.S., because they are a kind of backlash on Central Europe, and the recovery is difficult. And there's this feeling outgoing that the U.S. Government is not doing enough to change its own rules to really prevent the backlash for a Central European—

The President. Yes, I'll explain to him we are doing things, and I will be glad to lay out the initiative I talked about—and have

been talking about, by the way, since March—February and March and then the speech I gave in New York. And of course, our House has acted—the House of Representatives acted, and the Senate has acted. And if he looks at what I proposed and what the Senate has proposed and what the House proposed, there's not much difference. And in other words, the point is that a bill will come out that will hold people accountable for accounting error—accounting fraud and, as we go forward, hopefully set an example—make it clear to people, there will be a consequence if they continue to do that.

There are markets—three things affect our markets, I'll explain to Aleksander. One of course is confidence and the numbers, and we're addressing that. Secondly is the war on terror. People are still—you know, realize that America is still a target. And the American people know that we're doing everything we can to protect the homeland and run down these killers wherever they try to hide. And that's all they are, by the way, just nothing but a bunch of coldblooded killers. And thirdly, the corporate sector—the profits are beginning to improve, but the price-earnings multiples—in other words, the price of a share relative to its earnings—was very high, and the market is adjusting. So all three of those factors are important.

And obviously we—that's not the whole picture of our economy, and that's what Aleksander has got to understand. The market reflects part of it, but our unemployment rate is—looks like it's steady. It has stopped rising. As a matter of fact, it had a drop, and it's level. Our consumer spending numbers are up. Our manufacturing orders are increasing. In other words, the recovery is beginning to show some strength. So therefore, what I'm going to ask him is to look at the entire picture.

Finally, we've got good monetary policy and good fiscal policy here in Washington, and that in itself is part of long-term recovery. And so he'll hear a man who is—recognizes that we're making some progress. We've got to do more, but I'm pleased to report to him that I think things are going to get better. The foundation for long-term growth has been—is in place.

War on Terrorism

Q. Mr. President, I wanted to ask you a question about the war against terrorism. The Europeans seem to less and less support the war against terrorism. And I wonder if you could explain to us, why do you think it's happening, and if you are ready to go alone on this next phase of the war, whatever the phase is?

The President. No, I don't feel that the support from Europe is lessening. As a matter of fact, I've just come from a G-8 meeting in Canada where, to a person, they were very supportive of our war on terror, because the Europeans recognize that the terrorists could strike them just as easy as they could strike us. We've still got great intelligence sharing amongst our nations. We've got good police action. We have hauled in—"we" being the coalition—has hauled in—that means arrest—2,400, more than 2,400 terrorists. So we're picking them off one by one. This is a different kind of war.

I use every chance I get, when I speak to the American people, to explain why this is different. And so—as opposed to destroying lines of tanks or shooting down airplanes, success is measured by one by one, one person at a time. And the European leaders understand that, and they've been very supportive. They still—I think we've got about 8,000 troops in Afghanistan—we do, in the Afghan theater, and there's another 8,000 troops from other nations there as well. So it's a firm commitment.

I will continue to communicate and consult with our friends and allies as to every stage of the war, as the battlefield shifts. By the way, the battlefield isn't shifting out of Afghanistan. We're there. We'll remain there. We've got a lot of work to do there. There's still Al Qaida killers there. And of course we'll need to continue to have deliberations with our friends and allies, and we'll have them for future theaters and different operations. We talk to them all the time.

Poland's Purchase of New Fighter Jets

Q. Speaking of war, Mr. President, Poland is going to buy new fighter planes—

The President. Yes, I understand that's the case.

Q. Yes. And the F-16s are one of the—

The President. I've got a suggestion for them. [*Laughter*]

Q. However, President Kwasniewski just 2 days ago—you kind of—was kind of complaining that maybe the American offer is not meeting enough—expectations. So is—

The President. He's negotiating in public. [*Laughter*]

Q. Is your administration in any way going to support U.S. companies to win the standard—

The President. We will offer a fabulous product—

Q. Fabulous product.

The President. —called the F-16. And we will work with our friends to make—you know, to compete on an above-board basis, totally above-board. And you know, we hope the Polish Government picks quality. If they do, they will, of course, come our way. But that's up to the Government. Aleksander will be and the Government of Poland will—you know, we will respect the process and respect the country and appreciate it's a tough decision and hope they make the right decision as far as we're concerned. But that—

Future Role of NATO

Q. Mr. President, do you think that the NATO will play as important role for the United States in the present century as it played in the previous century?

The President. Yes.

Q. And do you think it is possible that Russia one day will become NATO member?

The President. Interesting question. First, I do think NATO is very important. It's obviously a different role. NATO served as kind of a bulwark in defense against Russian tanks storming across the European Continent. Those days are over. Russia is no longer the enemy. I witnessed the fact that not only have we got good relations with Russia, but the very same trip that I—when I went to Moscow to sign this treaty that literally redefined our relationship from one of distrust and—like it was during the cold war, to a new relationship, shortly thereafter we went to Italy and welcomed a new relationship between NATO and Russia. So the whole relationship has changed for the better.

NATO has—and I think it's going to be very hard—very important to work that relationship with Russia, to allow for the—the new relationship to develop and mature. And I think it will in a very positive way.

The new relationship—the new role of NATO is—really needs to adjust to the new realities of the 21st century, and that is how to best fight the war on terror. And that means a different configuration of the use of our forces and the use of assets. Our forces need to be lighter and quicker to strike, and elite units need to be prepared to move at a moment's notice.

The enemy has changed, and the battlefield, the nature of the battlefield has changed. And therefore, the NATO mission must remain the same, mutual defense. But its tactics must change. And I think NATO is very relevant, and we will be an active and engaged partner in NATO.

Let me just—I'll ask myself, "Well, Mr. President, do you think we ought to expand?" [Laughter] I gave a very important speech in Warsaw. It's interesting—I hope the people in the world that are interested in our opinion on subjects noted that the speech was in Warsaw. And the speech was about a Europe that's whole, free, and at peace. And I talked about the expansion of NATO, and I said that I am interested more rather than less. And at the same time, I urged the applicant countries to take nothing for granted, to work very hard up until the last minute to show those of us in NATO that they'll be willing and active and capable partners.

And I look forward to our meeting in Prague. I fully understand the position of the Polish Government. I've had long discussions with Aleksander on the subject of NATO expansion, and I think people know that I'm forward-leaning, depending—if the member countries, you know, meet their MAP requirements.

Polish and U.S. Central Banks

Q. I want to go back to the finances and the limit. There is an attempt in Poland to limit independence of central bank, so it would be more—be manipulated more by Government, so Government would have more influence over central bank. In the current situation, what's your feeling about this?

The President. Well, first of all, I don't know all the facts about how the Polish democracy is handling this particular situation. I can tell you, however, from my experience, that a central bank should be independent. And the independence of our central bank gives Chairman Greenspan and the other Governors of the Federal Reserve great credibility in our country, to know that decisions are being made apart from politics. And our central bank is a part of—is a very important part of our—has been and will continue to be a very important part of the economic vitality of our country. It also gives investors who look at our country great confidence to know that the monetary supplies be not based upon politics, but the decisions on monetary supplies will be based upon the vision of some very wise people.

I think, when people look at how capital moves into countries, the independence of a central bank is an important part of attracting capital. And Poland needs to attract capital investment. If anybody were to ask me my advice on the central bank, that's what I would give.

President's Popularity in Poland/ President's Vacation

Q. I'd like to ask you about different subject. According to the latest polls, you are the most popular foreign politician leader in Poland.

The President. Really? I usually say I don't believe in polls, but I may have to change my mind. [Laughter]

Q. With the same approval rate as President Kwasniewski. And I want to ask you to comment on this, and—

The President. Well, how high is it?

Q. Would you be willing to visit Poland again?

The President. Seventy-three?

Q. Why don't you go to Poland?

The President. Again?

Q. On holiday.

The President. Thanks. I don't know what to say. I appreciate that. I'm flattered.

Q. Are you willing to spend a vacation in Poland? With your parents, obviously?

The President. With my parents? I don't know if my mother could stand that. But listen, when I vacation, just kind of know about

me, I like to be with my family, and I like to be in Texas.

I just recently went to Maine. I'd love to go to Maine, too, to be with my mother and dad. But my favorite vacation spot is my own ranch in the State I love. And I like to get out and fool around on the land, and it doesn't matter how hot it is or how cold it is. How hot it is and cold it is matters to those who have to follow me. For me, there is no day hot enough or cold enough. [*Laughter*] These poor souls—Crawford in August. That's my idea of vacation.

Although I must say, I had a great time up with Mother and Dad this weekend, and I love to be around them as well. But this August, I'm going to go down to Texas and actually work out of Texas. I'm going to travel quite a bit. After all, we're getting into the political season here in America. We've got our elections in November of 2002.

September 11/War on Terrorism

Q. Mr. President, we talk a lot about how September 11th changed the world, changed America. Has it changed you?

The President. Changed me?

Q. Yes.

The President. I don't think a single event can change anybody's basic values. It obviously changed the fact that I knew that my time as the President would be dedicated to winning the war on terror and protecting our homeland.

This is—I keep telling people this—it's just a different type of war, because much of the movement of the enemy is invisible to the American people and/or to the world. And yet we know they're there. The killers on September the 11th had been in our country for a period of time. They behaved normally. They looked normal. They, you know, were nonthreatening. It was hard to tell that they were part of this unbelievably evil plot.

And it—we're concerned that another group are here or somewhere, not only here but in other countries in Europe. And so the task is an all-consuming task of protecting our homeland and making sure we do everything we can here to find out if anybody is here and who they are and disrupt their plans

and, at the same time, hunt down their leaders.

The wars of the past had known battlefields, and it was clear that such-and-such had to happen. There had to be an invasion in order to achieve this or that. This is a hunt for individuals. We're chasing down one person at a time. They were foolishly collected up at one point in time in the Shahi-Kot Mountains, and it was a tough chore. But our brave soldiers, along with coalition soldiers, were able to go in and score great success at bringing them to justice, as I like to put it.

They're wise to our ways. They realize we're a heck of a lot tougher than they thought. They assumed America was a weak country, that we didn't really believe anything. And they're finding out that's not the way we think. And so I realized after 9/11, after I got over the grief, along with everybody else in our country, that this was a long, very important struggle.

And the struggle goes beyond just fighting an Al-Qaida-type network. I have deep concerns about the development and deployment of weapons of mass destruction, and so should you. So should anybody who loves freedom, because there are nations in the world developing these weapons who hate freedom, leaders hate freedom. And what we cannot allow happen is these nations to develop these weapons and then blackmail us and/or use them.

We will have—a judgment will have missed history's call to freedom. And so I realize that this war is going to consume a lot of my time. On the other hand, these members of the press know that I am optimistic person who truly believes that we can achieve some positive things out of the evil done to the country and to the world.

So when I talk to our friends, like Aleksander and others, I remind them of this call. We're leaders in a significant moment in history, and we can't blink, and we can't—we must be determined and focused to achieve this important objective, which is peace for our children, is what we're really fighting for, civilization.

Yes, ma'am.

Free Trade

Q. Mr. President, you always said that you are supporter of removing the trade barriers.

The President. Yes.

Q. Why do you think there are so many of them still exist?

The President. Well, you know, because I think the temptation is to be protectionist. And it's easier to mollify constituencies with protectionist rhetoric. Poland suffers from protectionist policies in parts of Europe, as you know. I'm a strong believer in free trade. I want the Congress to give me what's called trade promotion authority. I will exercise that diligently to open up markets.

On the other hand, I have an obligation to enforce law. And so I recently said that the—I listened to an International Trade Commission ruling on steel. The ITC ruled that excessive steel imports were affecting our industry in a negative way. I put a temporary measure in place, which exempted, by the way, Poland. And that was a chance for the steel industry, our own steel industry, to get on its feet. But nevertheless, as I reminded members of the European Union, this only represents a very small portion of the \$2 trillion of trade we have each year.

But protectionism, for some, is a viable economic remedy. And in my judgment, protectionism would be bad for the world and bad for our country.

We're opening up—we sent our man to Doha to commit to the next round of the World Trade Organization. And unlike Seattle, where it all fell apart, we were able to—"we" being those of us in the world who support free trade—were able to move the process farther down the line. And I will continue to work for free trade. It's in our Nation's interests and the world's interests that we trade. It's in the developing world's interest that there be trade. And our country is—we've got what's called AGOA, agreement with the African countries. I'm working on a free trade agreement with Central Americans. I'd like to see a free trade agreement from Canada all the way down to Argentina.

As I say, there's protectionist tendencies that occasionally rise up. We've just got to convince our respective people that trade is in their interests.

Russia-U.S. Relations

Q. There is another President you have such a good relationship; it's President Putin.

The President. Yes.

Q. Very good working relationship, on terrorism, on oil. But there is this feeling also this is in cost of some human rights, human rights in Chechnya, press freedom in Russia—it's overlooked now—and probably some freedom of some other Russian republics. Don't you worry that this close relationship is putting your—raising other problems?

The President. No, a close relationship with Putin allows me to make the case that, on media freedom, for example—as a matter of fact, on my last trip there, I urged him to interface with media entrepreneurs from America to understand how free press actually works, something that they're not very used to in Russia. And so there have been dialog interchanges now with some of our media executives. And I do push Vladimir Putin on the need to have open media and open his media.

And secondly, in terms of Chechnya, I'm constantly talking to Vladimir Putin about relations with Chechnya and understanding and supporting minority rights. The other issue that is very important, to which we do not turn a blind eye, and which I'm deeply concerned, not only about minority rights, is proliferation, matters of proliferation. I think we're making some progress there.

The immediate concern was proliferation to Iran, and I brought that up with Vladimir every time I visited with him. It's a very important issue that he understand that an armed Iran could be very dangerous to his own country, much less to our friends the Israelis or America, itself. And we've had some very important exchanges on that.

In terms of helping make Russia a more secure place, we're working on what they call 10-plus-10-over-10: \$10 billion from the U.S., \$10 billion from Europe over 10 years to help secure some weapons stockpiles. Vladimir is very interested in working with us to decommission some of his nuclear submarines to make Russia and the world more safe.

In other words, my only point to you is, is that by being closer to Russia, we're able to deal more directly with some of the thorny

issues that could separate us and could in fact make the West less likely to deal with Russia.

And we've got another issues at home here that has upset a lot of our people, and that's chickens. Fortunately, we're arguing over chickens and not over war, over chickens and not over missiles, like we used to. But a lot of people here feel like there was a commitment made to let U.S. chickens into Russia. And they started moving into Russia, and all of a sudden they stopped moving into Russia. And so I've been—so whether it be trade or minority rights or press, our relations are such that we're able to bring those up in a very frank and forthright way and yet still moved a very important relationship forward.

Look, friends don't always agree, but friends are more likely to be able to work things out than enemies. As a matter of fact, in the old days, if there was a disagreement between enemies, that could lead to war. And there won't be a war between Russia and the United States.

Situation in the Middle East

Q. Mr. President, a question on another very easy subject, the Middle East crisis.

The President. Yes. [*Laughter*]

Q. What solution do you see to the crisis, and what compromise do you expect from both sides?

The President. Yes, that's a very good question. First, I do believe that we can achieve a vision of two states living side by side, at peace with each other. And that's the vision, and that's what all policy must aim toward. It starts with understanding that it's going to be impossible to achieve that vision if terrorists are allowed to have a free run and blow up the process.

An incredibly important step toward the vision of two states living side by side is for the international community, including the Arab world, to work with us to develop the institutions necessary for the emergence of a Palestinian state that will be transparent; it will respect rule of law; it will have a constitution that will allow for a sharing-of-power arrangement; that will have institutions that outlast—are far more important than any single one person.

And we're in the process of working toward that end. Colin Powell will be meeting with what the call the Quad in New York. Foreign Ministers from the Arab world will be coming as well, later on, to work on the step-by-step process toward the emergence of a Palestinian state. And I repeat, that requires a constitution, a judiciary, transparency when it comes to financial conditions. And I believe there's financial aid available. I know there is.

[*At this point, the tape machine stopped.*]

The President. Something just ground to a halt. That thing had, what do we call it, a skidding halt. Sounded like it needs some new tires.

Anyway, the international community wants to help with aid, but they're not going to help with aid if it's going to be stolen. Let's put it very bluntly. And so the—

[*The tape machine stopped again.*]

The President. —the press conference has clearly gone too long. [*Laughter*]

So we're working to get these institutions in place. Obviously as security improves, Israel is going to have to, as I said, pull her troops back to September of 2001—2000 levels. In other words—not levels but geographic—within geographic boundaries of September 2000. They're going to have to deal with the settlements. In other words, all parties have got responsibilities. The Arab world has got responsibilities, by the way, as well, to help on the development of a security force necessary—a security force, by the way, which must exist to enforce security, not enhance the status of a single person.

So we're making progress. It requires a international commitment and a focus on a positive end, which is two states living side by side in peace. As I said, I'm an optimistic fellow and believe that if we stay at it and keep working hard, we can get there. But there's no question in my mind, as I said in my speech in the Rose Garden recently, that there's going to be some setbacks. But our Nation is committed to a peaceful resolution of the conflict.

All right, well, thank you all.

NOTE: The interview began at 10:55 a.m. in the Roosevelt Room at the White House. The transcript was released by the Office of the Press Secretary on July 15. In his remarks, the President referred to President Aleksander Kwasniewski of Poland, and his wife, Jolanta Kwasniewska; and President Vladimir Putin of Russia. The President also referred to MAP, the Military Assistance Program; AGOA, the African Growth and Opportunity Act; and the Quartet, a Middle East policy planning group consisting of the United States, the United Nations, Russia, and the European Union. A tape was not available for verification of the content of this interview.

Remarks at the University of Alabama-Birmingham in Birmingham, Alabama

July 15, 2002

Thank you all very much. Thank you for coming.

So I come up here with Thornton, and he says, “I think driving a bulldozer is a little easier than introducing you.” [Laughter] I said, “Well, you must be a pretty good bulldozer driver then, Thornton, because you did a great job of introducing me.” Thank you very much. I appreciate your being here. Thornton is the president of Stanley Construction Company. He’s one of several business leaders from Alabama I met with today to talk about what we can do together to help this economy recover.

I want to first tell you how proud I am to be back in Alabama. It’s a great State. It’s produced some wonderful Americans, starting with my National Security Adviser, born and raised, Condoleezza Rice, right here in Birmingham. And I’d be in trouble with the Secretary of State—at least his wife—if I didn’t remind you all that Alma Powell was raised—born and raised right here in Birmingham, Alabama, too.

It’s an honor to travel today with members of the congressional delegation, two fine United States Senators, Senator Shelby and Senator Sessions. Thank you all for coming. We’ve attracted quite a few members of the House delegation here. I’m not suggesting that they’re here to be close to the President just in case they can get aboard Air Force One when we’re heading back. [Laughter]

But if you guys do get on, you’ll find it to be a comfortable plane. [Laughter] But I’m proud that Sonny Callahan and Terry Everett and Bob Riley and Bob Aderholt and Spencer Bachus are with us, too. Thank you all for coming. These are fine Members, and they’re good people to work with, and they put their country first. And I appreciate that a lot.

I know the Lieutenant Governor is here, and the attorney general is here, and the mayor is here, mayor of Birmingham. I want to thank you three for coming as well. I appreciate your hospitality.

I personally want to thank the good folks here at UAB, University of Alabama-Birmingham, for allowing us to use, first of all, this fantastic facility. I had the honor of speaking with the president earlier today. I am proud of the accomplishments of this fine university. It is a university that is on the leading edge of important medical research. It’s a university that has fostered and kindled the growth of small businesses here in Birmingham. President Marc was rightly proud of the place, and I know you are as well. And I want to thank you for your hospitality from the bottom of my heart.

And finally, one of the things I like to do when I come to a community is meet and herald those soldiers in the armies of compassion which exist all across our country. And today when I got off of Air Force One, there was a man named Roman Gary there. Roman, are you here? Where are you, Roman? There he is. Roman Gary—the reason I bring up Roman is he is a—he’s a man who understands that our children need love; in order for our society to be a vibrant and whole place, there are some who need to be having an adult in their life, somebody who—there’s a child somewhere in Birmingham and all across the country and needs somebody to put their arm around them and to say, “I love you. You’re a part of America.”

And so Roman understands that. It didn’t require a Government law. It didn’t require a giant act of Congress or a Presidential edict. It required somebody like Roman loving a neighbor like he would like to be loved himself. And therefore, he has poured his heart and soul into Big Brothers and Big Sisters

here in Birmingham, Alabama. And I thank you.

Our society can and will change, one heart, one soul, one conscience at a time. And while each of us can't do everything, each of us can do something to advance a decent and whole society. And so Roman, on behalf of the thousands of your fellow Americans who heard the call to help the communities in which you live, people who have assumed responsibility for their lives here in America, I want to thank you, and thank all of you all for doing the same thing.

A secure America is an America that is a compassionate America. A secure America is also an America that is willing to hunt down international killers one by one and bring them to justice. And that's what we're going to do. It doesn't matter how long it takes; this country will defend our freedoms. This country will defend civilization itself. This country will not let the acts of a few cold-blooded killers stand.

As well, in order for us to have the security we all want, America must get rid of the hangover that we now have as a result of the binge, the economic binge we just went through. We were in a land of—there was endless profit; there was no tomorrow when it came to, you know, the stock markets and corporate profits. And now we're suffering a hangover for that binge.

But I want you to know the economy, our economy is fundamentally strong. This economy is—has got foundations for growth so the people who want to find work can find work, so that the entrepreneurs in America can flourish.

Listen to the facts. Inflation is low. An important part of an economic recovery is to make sure that inflation is under control; it is. We've got sound monetary policy. Interest rates are reasonable. If people want to borrow money, you don't have to pay a lot of interest. Productivity is increasing. We lead the world in productivity gains as a result of the entrepreneurial spirit and the fine workers we have in America. That's an important indication of how sound our economy is.

The first quarter growth of 2002 was a little over 6 percent. That's a pretty good sign that the foundations for growth are there. Orders for durable goods for the past 6 months

are up. The manufacturing sector was down, but slowly but surely it is recovering from a slowdown that began for all of our economy in early of March 2000. Last month, retail sales were up by one percent. Consumers are buying. In other words, in spite of the fact that we've been in a slump for a while and in spite of the fact that the terrorists attacked us and affected our economic outlook, American business and workers are resilient and resolved. And this economy is coming back. That's the fact.

But I understand this, that the American economy is constructed on confidence, confidence to invest and build, confidence for our small-business owners to take risk, confidence that the job base will expand, confidence to produce and hire. And so I want to talk to you today about ways in which I intend to continue to work in Washington to build confidence, to build on the foundations, the strong foundations for economic vitality that exists, to build on the good statistics we're beginning to see. Of course, I like to remind people that Washington is full of all kinds of numbers-crunchers. They talk about this number here and that number there. My attitude is, so long as somebody who wants to work can't find work, we've got a problem we need to deal with.

And so I want to talk about long-term economic growth and what we can do about it. I want to make sure it is clear to those in Congress that I will resist runaway congressional spending which could serve as a drag on economic vitality.

And finally, I expect and you expect and our country expects the highest ethical standards in corporate America. First, we're promoting long-term growth, the kind of growth that understands that the main job creators in America are small-business entrepreneurs. And if you're interested in recovery—if you're interested in recovery of the job base, it is important for us to remember who creates most of the jobs, and those are the small-business owners in America. And that's why I fought so hard for a tax cut for the American people. I believe, when you cut taxes, it spurs economic growth, particularly in the small-business sector. Most entrepreneurs are not incorporated. Most small businesses are what they call sole proprietors or limited

partnerships. And so they pay tax like an individual pays tax. And so when we reduce the taxes on the individuals, we reduce the taxes on small-business growth. It was important to do that.

I remember the outcry, of course, because if you want more money in Washington, you don't want to let the people keep their own money. So they started quoting these textbooks that said, when times are slow, raise taxes; when times are slow, don't let the people keep their money. The textbook I read says that if we let you have your own money, you'll decide to spend it on a good and service. And if you decide to spend it on the good and service, somebody will produce the good and service. And when somebody produces the good and service, it means somebody is going to find work.

In the tax relief plan, we reduced the marriage penalty. We reduced the alternative minimum tax which affects many small-business owners. And we did something else that's important—it's important for all small-business owners—and that is, we eliminated the death tax.

I say "we eliminated the death tax"; by a quirk of the Senate rules, the death tax, however, isn't eliminated after 10 years. That's a hard one to explain. We eliminated it, but didn't eliminate it. So for the good of long-term planning, for the good of the entrepreneurial spirit, for the good of allowing people to pass their business, farm, or ranch to whoever they want to pass it to, we need to make the tax cuts that we put in place permanent.

I want to expand trade. I believe that will help create jobs. Confident people are willing to expand trade. Nonconfident people, you know, people who aren't confident about America and our ability to compete, want to build barriers around the country. And I'm confident. Listen, I know our farmers—Alabama farmers, Texas farmers, farmers all across the country—are the best in the world. And if you're the best at something, we ought to be opening up markets for them so they can sell their products around the world.

We're good at a lot things in America, and we ought to be selling our products all around the world. It's time for Congress to quit talking and start acting and giving me trade promotion authority so we can open

up more markets and more people can find work right here in America.

There's an issue that the Congress needs to get to my desk quickly that will show good judgment and way to help our economy recover, and that is to pass a terrorism insurance bill. It basically says that the Government will help cover certain losses for insurance companies for a terrorist act. It is important that we pass this so that major construction projects which cannot get insurance can go forward. And when those construction projects go forward all across the country, it means somebody is going to be able to find work.

It's important for us to be realistic about how to provide help so that there is insurance coverage for projects. We can do so that creates jobs—not jobs for trial lawyers. We must not have legislation—this legislation must keep in mind the workers of America and not open up our Government and/or employers to unnecessary and frivolous and junk lawsuits.

And I appreciate—I appreciate the reform-minded folks here in the State of Alabama who understand that junk and frivolous lawsuits affect small-business owners like Thornton. It makes it hard for him to expand his business, to hire people. Listen, you ought to have your day in court, no question about it. But we've got to make sure that these junk and frivolous lawsuits stop running up the cost of doing business and make it harder for people to employ people here in America.

And finally, good economic policy starts with good education policy. And I want to share with you right quickly what has happened in Washington in terms of public education and why I think it's going to make a tremendous difference in the lives of citizens all across Alabama and all across the country.

An educated work force is necessary if we intend to compete. A lady representing Honda told us today that—I think she said there's going to be additional 2,000 jobs here in Alabama. This is in the face of what appears to be pretty rough economic times for some. But 2,000 new jobs is fantastic. It also means that you make sure you've got to have 2,000 educated workers. And it starts with

public schools. It starts with making sure every child in America learns the basics, learns to read and write and add and subtract, which means you start with setting the highest of high standards.

I can't tell you how important that is, to set high standards and to have high standards, because if you don't, if you have low standards, it means certain kids aren't going to learn. If you lower the bar, guess what's going to happen? You'll have low results. People who adhere to low standards in public education essentially admit there are certain kids who can't learn. I don't accept it.

As a matter of fact, I know what happens in systems that say there are certain children who can't learn. It basically means, if we want to be honest about it, inner-city African American kids are just shuffled through the school system as if they don't matter. Children whose parents don't speak English as a first language, they're deemed to be hard to educate, so it's just easy to move them through. For the good of our country, for the good of the job base, for the good of the American Dream, we must end that kind of education policy in America.

And that means high standards for every child. That means a mindset that says, every child can learn, and we expect every child to learn. It means that when you receive Federal money—and by the way, we have filled the coffers last time around with Federal money for Title I programs. There's a lot of money available for the States now as a result of the funding last time.

It says, though, in return, we expect you to show us whether or not the children are learning to read and write and add and subtract. We expect there to be strong accountability. In return for taxpayers' money, we the taxpayers want to know whether or not high standards are being met. We expect the children to be able to read and write and add and subtract; we want the children to be able to read and write and add and subtract; and we expect you to deliver on the promise that children should be able to read and write and add and subtract.

I've heard the argument. Listen, I was the Governor of a great State that fought hard for accountability. I heard every argument in the book against accountability, you know,

"It's racist to test." It's racist not to test—it's racist not to test. If you expect all children to learn, we want to know, and the testing ought to be viewed as a way to determine what works and what doesn't work. It ought to be viewed as a way to say, "If there is a problem, let's address it now, early, before it's too late." We want to know. You can't solve a problem unless you're able to diagnose the problem.

And the accountability is the diagnostic tool available for not the bureaucrats in Washington, DC—the local folks, because we believe in local control of schools. I firmly believe that the education plan that we passed is going to make a significant difference in making sure we achieve the national goal of not one child—no child—should be left behind in America.

In order to make sure we have economic growth and vitality, in order to make sure we build on the foundation that is laid for economic growth, I will enforce fiscal discipline in Washington, DC. I think it is so important that we make sure that we fund our priorities, fighting the war and the homeland defense, educating our children, and that Congress hold the line on additional spending. Because if there is perceived deficits, the markets react, and if there's perceived deficit, sure enough what's going to happen is people are going to start calling for tax increases. And you don't want to run a person's taxes up in the middle of an economic recovery.

Secondly, my philosophy is, is that I'd rather you spend your money. We want to fund our priorities, but when it all comes down to it, after the priorities are funded, you're better at spending your money than I am. It's your choice to spend your money on your families.

Congress must control its appetites for additional spending. There is—I submitted what they call a supplemental. It's an urgent request for funding the war and homeland security. I submitted that over 4 months ago, and yet, I haven't ever seen anything from Congress yet. The Senate needs to act and the House needs to act to get this to my bill—to my desk, so we can fund programs.

And part of the problem is, is that the Senate wants to add billions more than we requested to the supplemental. They view it as a funding opportunity, as opposed to—as a focused approach on funding the war against terror and making sure our homeland—the agencies are funded. Now, they're going to say, "Well, you know, we're going to maybe play this down to the very last minute." No. Now is not the time for games when it comes to the appropriations process. We expect—[*applause*].

There is no budget in the Senate. The House passed a budget; there's no budget in the Senate, which means, I guess, that I'm going to have to remind the spenders in Washington that I have submitted a budget. And I hope they watch it very carefully as they determine the size of the appropriation bills. The defense of the country is a priority. Homeland defense is a priority. Other parts of the budget have grown, but we expect them to be realistic about how they spend. After all, the budget plan I proposed says if Congress is realistic and reasonable and funds priorities, that we can balance the budget in the year 2005.

Now, that requires discipline, and I intend to help Congress understand discipline is needed in Washington, DC. One of the best ways to make sure that our economy grows is for there to be a joint effort in being fiscally responsible with your money. And that's exactly what's going to happen in Washington, DC.

Another way to make sure that we foster growth and restore confidence is to hold people accountable for misdeeds in the public sector. It is important for corporate America to hear this call: You are—in order to be a responsible American, you must behave responsibly. We expect there to be full disclosure of assets and liabilities. We expect there to be fair accounting practices. We expect you to treat your investors and employees with the respect they deserve. And if not, we intend to do something about it at the Federal level. We intend to hold people accountable.

That's why I set up what they call a Corporate Fraud Task Force in the Justice Department. We also have proposed doubling the jail time for corporate fraud. A proposed

provision is to make sure that corporate executives cannot transfer company funds to their personal accounts while their company is under investigation. I am for increasing the budget of the regulatory authorities, to make sure that there is enough manpower and technology available to run down the facts and to hold people accountable. We're making sure that executives who commit improper acts will forfeit phony profits. And we're saying that if you have defrauded investors, you can never serve as a CEO or on the board of directors of a company again. I support the creation of a strong, independent board that will provide effective oversight of the accounting profession. In other words, I'm willing to work with Congress to make sure that we've got the necessary law in place that will hold people accountable without stifling the entrepreneurial spirit of America, without stifling innovation in America.

The House has passed a bill; the Senate is going to pass a bill tonight, I understand. The two need to get together as quickly as possible and get me a bill that I can sign before the August recess. But the truth of the matter is, we can't pass a law that says you'll love your neighbor like yourself, and we can't pass a law that says you will be honest. We can pass laws that say, if you're not honest, we'll get you. Corporate America must make the decision, each as an individual, that you're going to uphold high standards, that you have a responsibility to our society, that you've got the responsibility to your shareholder and your employee to treat both with the respect they deserve.

Now, the good news for our country is that by far, the vast majority—by far—of people who have taken on the responsibility to run a corporation are good, honorable people. A few have damaged the reputation of the many, and that's why we've got the Corporate Fraud Task Force. But I call upon all of us in America to understand the awesome responsibilities we have in this country—the responsibilities if you run a company, to be forthright and open, and the responsibilities if you live in America, to help work in the community in which you live to make it a better place.

You know, I like to remind our fellow citizens that out of the evil done to America is going to come some incredible good. I believe that. Oh, some are saying, “Maybe he’s too optimistic.” That’s what I believe about America. I believe our soul is strong; our constitution is firm. I believe this country’s great strength is the fact that we’re such a decent and honorable group of people, that out of the evil done to America will come peace.

If we’re strong and steady and resolved, we can achieve peace. Out of the evil done to America will come an economic vitality that will be vibrant, because we’re an entrepreneurial people, risk-takers and dreamers and doers. And out of the evil done to America will come a better America, because in our prosperity and wealth, we’ve got to remember there are pockets of despair and hopelessness and addiction. There are some in our society who wonder whether or not America is really—the American Dream is meant for them. There are some young Americans who have no hope. And I refuse to concede that, however. I believe that out of the evil done to America can come some incredible good, particularly as our fellow Americans respond to the call to love a neighbor like you’d like to be loved yourself.

I’m a strong proponent of the Faith-Based Initiative, because I understand that Government can hand out money, but it cannot put hope in people’s hearts or a sense of purpose in people’s lives.

No, I believe the enemy hit us, but they didn’t know who they were hitting. They must have thought we’d file a lawsuit or two. [Laughter] But they didn’t realize that when it comes to the defense of our freedoms, we’re strong. And when it comes to the love of our fellow human beings, we’re compassionate.

I want to tell you, I’m honored that you came out today. My vision for the country is one that’s positive and hopeful. I believe there is a better day right around the corner for all Americans. And I believe that because I know that I’m the President of the greatest country on the face of the Earth.

Thanks for coming today. May God bless you, and God bless America. Thank you all.

NOTE: The President spoke at 10:20 a.m. at the Alys Stephens Center. In his remarks, he referred to Thornton Stanley, Sr., president, Stanley Construction Co.; Alma Powell, wife of Secretary of State Colin Powell; Lt. Gov. Steve Windom of Alabama; Bill Pryor, Alabama State attorney general; Mayor Bernard Kincaid of Birmingham; and Malcolm “Mack” Portera, interim president, University of Alabama-Birmingham. The President also referred to Title I of the Improving America’s Schools Act of 1994 (Public Law No. 103–382), which amended Title I of the Elementary and Secondary Education Act of 1965 (Public Law No. 89–10).

Remarks at a Luncheon for Gubernatorial Candidate Bob Riley in Birmingham

July 15, 2002

Thank you all very much. Please be seated. It’s a long speech. [Laughter] Thanks so much for coming.

I don’t know whether you know this or not, but in 1972, I helped organize Red Blount’s campaign for the United States Senate right here in the State of Alabama. Because of me and Jimmy Allison, he managed to get 32 percent of the vote. [Laughter] But I learned then and there how great the people are of the State of Alabama. I’ve got fond affection of those times. I count many of you as my friends, and I want to thank you for coming today to help the next Governor of the State of Alabama, Bob Riley.

There is no doubt in my mind he is going to win, and I want to thank you all for helping. He’s going to win because he’s got a fantastic grassroots organization. Many of the grassroots activists are here today. I want to thank you for what you’re fixing to do, which is to start dialing phones and putting up signs and knocking on doors and going to coffee shops and going to your churches and synagogues to remind people that with Bob Riley you’ve got a good, honest politician who’s going to bring integrity to Montgomery, Alabama, and he’s going to reform the State on behalf of all the people of this great State.

He’s also going to win because he married well. [Laughter] And I appreciate Patsy Riley and the Riley family for standing by Bob as

he makes this very important run for the governorship. Patsy, thank you for being here. God bless you all.

And I know something about marrying well. I did. I'm really proud of Laura. She was a public school librarian when she married me. She didn't care for politics or politicians. Here she is, First Lady of the United States, and doing a fantastic job.

I want to also urge you all, as you're turning out to vote for Bob, to make sure you turn out to vote for Jeff Sessions, who is a fantastic United States Senator. I appreciate working with Jeff, and I appreciate working with Richard Shelby as well, two great United States Senators who have got fan—[*applause*]. They're always talking about Alabama when I'm with them, reminding me of Alabama, and that's what you want your Senators to do. But they've also got the capacity to think about the country as well. I'm proud of your Senators, and I hope you are as well. And Jeff needs your help. You need to take nothing for granted in this election year. It's important for the good of the country and for the good of your State that Jeff Sessions be sent back to the United States Senate for another term.

I want to thank Members of the United States House of Representatives from the State of Alabama who are here with us today, starting with a man we're going to miss, out of Mobile, Alabama, Sonny Callahan. Where are you? There he is, Sonny. Sonny's a good one. Sonny has served the State and the country with great distinction. He announced his retirement earlier on this year. It's just too darn bad he decided to go fishing all the time, but it's a well-deserved rest, and he's a fine man. I also appreciate so very much Terry Everett from Montgomery for coming today. Terry, I appreciate you being here, as well as Robert Aderholt and Spencer Bachus. Thank you all for coming.

I know a lot of members of the statehouse are here, folks who Bob Riley is going to be working with when he becomes the Governor. I know the Lieutenant Governor, Steve Windom, is here, as is the attorney general, Bill Pryor. And I want to thank you both for coming as well. I want to thank Jim Bennett, the Alabama secretary of state, and all the members of the statehouse, the sen-

ators and house of representatives who are here to support your next Governor.

It's good that you're here, as people are beginning to realize he's going to win, you're beginning to realize he's going to win. So it's kind of good to get in good with the Governor early. [*Laughter*] At least, that's how we did it in Texas, and I suspect Alabama is that way, too. The Governor is going to remember who was with him early and who kind of got on the late train. But the good news, he's going to be the Governor of everybody when he wins. He's not going to play this business of pitting one group of people against the other.

We've got some fine candidates running to replace Sonny Callahan and Bob Riley. We've got Jo Bonner from the Alabama First Congressional District. Jo, are you here? Thank you. There he is. I appreciate you, Jo. And Mike Rogers from Alabama Three is here as well. Thank you, Mike.

But I'm here to help this good man get elected to the governorship. It's a job I understand. I was a—great honor to be the Governor of my State. It's a fantastic opportunity to make a difference in the lives of a lot of people, particularly if you've got a Governor like Bob Riley, who's got a positive vision for everybody, a vision that says, the most important job for the Governor is to make sure that every child gets a good education.

I know his passion about education, because he helped me get the education bill through the House of Representatives. And I'd like to outline the principles of that bill so that the people of Alabama understand what he will do when given the chance to be the Governor. The first principle, it says that we believe—Riley and I believe, and I hope you believe with us—that every child can learn. We set the highest of high standards. We understand that in order to get the best for every child, you must have high expectations.

See, we understand, if you have low expectations, you get low results. There are some people in our society who don't believe every child can learn, and therefore they're willing to set low standards. That's opposite what we think. We believe every child can learn, and we expect every child to learn.

And therefore, the bill I signed said in return for Federal money—in return for a good size budget increase, I might add, for Title I students—we expect you to teach them how to read and write and add and subtract. You see, we're tired of the days when children were just shuffled through the system, the days when expectations were so low that it seemed okay to pass those through who weren't supposed to be able to learn. For the good of the country, for the good of the State of Alabama, those days of passing children through without teaching them to read and write and add and subtract must end and will end.

We believe in accountability, because we want to know. We understand you can't change a system unless you measure it. We understand you can't correct a problem unless you measure it. We understand that if you want every child to learn to read and write and add and subtract, we must determine if every child can read and write and add and subtract early in their school career.

Now, I've heard every excuse in the world, you know, "You shouldn't test. It's racist to test." My fellow Americans, it's racist not to test. It's racist not to hold people accountable for the children in the State of Alabama.

And finally, Bob and I share a deep conviction that if you want to have excellence for every child, you must trust the local folks to chart the path to excellence. One size doesn't fit all across America. One size doesn't fit all across the State of Alabama. We must empower people at the local level to meet the high standards by holding them in account, but trusting first and foremost the fact that the parents and the people closest to the children are those who are more likely to design a program that will meet our national goals, which is every child learning and not one single child left behind.

I'm confident in telling you that the vision of Bob Riley as Governor of the State of Alabama—the education vision—is the right vision for the future of this important State, because it is part of attracting jobs to your State. When the word gets out that the Riley reforms are taking hold and children aren't being left behind, there's going to be a lot of people coming, "I want to work here in Alabama. I want to bring my business in Ala-

bama"—assuming, of course, that you make sure that the junk lawsuits that plague this State and other States don't continue to reign supreme.

And it's good you're about to put a tort reformer in the Governor's mansion in the State of Alabama. It is necessary. Look, we want our people to have access to the courts, no question about it. If you've got a legitimate claim, you ought to have your day in court. But it's important to remember that the frivolous and junk lawsuits that get filed all the time are clogging the ability of people with honest claims to get to the courthouses in Alabama and across the country. Tort reform is important for the State.

And I appreciated Bob's strong support on the tax relief package which we passed, not only his strong support but the strong support of the other Members of Congress and, of course, the two United States Senators. We cut taxes right at the right time in our country. This economy began to slow down in March of 2000. And we understand that one way to encourage economic growth is to let the people keep their own money. You see, when you have your own money, you decide, do you want to spend it on a good or a service? And when you make that decision, somebody has got to produce the good or service. And when they produce the good and service, it means somebody is more likely to find work. Tax relief was right for America when we did it, and I'm proud to have Bob Riley's support.

And it was more than just reducing rates—which, by the way, will stimulate small-business growth here in Alabama. I had the honor of meeting some of your fine small-business owners at the University of Alabama-Birmingham today. And by the way, that is an impressive campus that has got an impressive mission here for Alabama's future.

And we talked about how to encourage ownership. And Bob understands a healthy and whole society in which people from all walks of life have the opportunity to own their own business. And I explained to them that the tax relief package we passed was good for small business. It was good for the capital formation necessary for small businesses to thrive because most small businesses are sole proprietorships, most small

businesses are limited partnerships which pay tax on the individual rate schedule. And when you reduce the individual rates, you're reducing the taxes on the startups and the small businesses.

And after all, it's important to understand the role of small businesses like Bob does, because 70 percent of the new jobs in America are created by small businesses. And so it's going to be good for Alabama to have a Governor who understands that the role of Government is not to create wealth, but the role of Government is to create an environment in which entrepreneurs from all walks of life are able to realize their dream, and that's to own their own business.

We've got work to do in Washington on this, a matter of economic security. The heady days of the nineties, the boom days of the nineties, it was like we were on a binge where there was no—the horizon was forever going up. And we binged, and now we're suffering a hangover. But the foundations for economic vitality and growth are very strong, low inflation, good monetary policy.

One of the risks to economic vitality is whether or not Congress will overspend. They give the President a veto for a reason, to make sure that Congress doesn't overspend. And I expect there to be fiscal discipline in Washington this summer and, as importantly, this fall, as we run up into an election year. I expect Congress to set as its priorities the priorities that I think are important, and that is the defense of the United States of America and our military budget.

We need to be a nation which is willing to be confident and strong and open up markets for Alabama farmers and Alabama ranchers and Alabama entrepreneurs. Congress needs to give me trade promotion authority. They ought to stop talking and start acting in Washington, DC.

For the good of our economic growth, we need to have a terrorism insurance bill which will encourage the creation of construction work all around America, and we need a terrorism insurance bill that focuses more on working America and less on trial lawyer America.

The foundations for growth are there. We had an over 6 percent growth in the first quarter of this year. Durable good pur-

chasing is up. Last month retail sales were up by a percent. The American people need to know that we've got the potential to grow and grow strong. But so long as anybody is looking for work and can't find work, I think we've got a problem, and I'm going to continue to work the problem.

And part of the problem is the fact that people don't have confidence in business leaders. A few—and I emphasize, a few—of corporate America's leadership have polluted the well for many. And the best thing the United States Government can do is hold them to account, because we expect high standards from business America. We expect corporate CEOs to understand the responsibility of their jobs: to be open and honest with the American people; to be open and honest with the shareholders; and to treat their employees with respect.

So we're going to pass some laws, and I'm confident that the laws that are passed out of the Senate and the House will be laws that will set the right tone and right standards without jeopardizing innovation and enterprise here in America. But I can assure you, when I talk about personal responsibility in America, I expect there to be corporate responsibility as well. And we will hold those to account who do not uphold those high standards in America.

I'm very optimistic about our economy. I'm optimistic about our country too. And we've got some big jobs to do, no question about it. My biggest job is to protect the American people from another attack, and I know that. I go to the Oval Office every morning—and by the way, walking into that office is an unbelievable experience. It's unbelievable now that I've been up there for about a year and a half; it will be unbelievable for however long I'm there, I can promise you. It's unbelievable for me and my dog Spot, I might add. [Laughter] They don't let Barney in. It's a new carpet, and Barney's a new dog. [Laughter]

But every morning I sit there at the H.M.S. *Resolute* desk. Teddy Roosevelt used it; Franklin Roosevelt used it; Kennedy used it; Ronald Reagan used it. I open up the threats to the United States of America. There's an assessment; it's a summary of what we think we know.

You need to know that the enemy we fight is still interested in harming our country. I'm sure a lot of young people wonder why. We're a kind nation. And you need to know they hate us because we love freedom. We love to worship freely. We love to speak our mind. We love a free press. We love all the aspects of our freedom. But what they didn't understand is that we're willing to defend our freedoms at any cost, anyplace, anywhere. [Applause] Thank you all.

We're making progress here at home. You know, I readily concede I didn't run on the ticket, "Vote for me. I'll try to make Government bigger." I did say, "I'll try to make it work better." And that's why I proposed the Department of Homeland Security. There are over 100 agencies dealing with homeland security. They're scattered all over Washington. It makes it awfully hard to set priority and to hold people accountable.

For the sake of the defense of our Nation, I think it's important that the major agencies and many of the minor agencies involved with homeland security be organized under one umbrella group, one Cabinet officer. It's going to save us money because we'll be able to get rid of the duplication of some services. But more importantly, it will help us install a new culture, which says that "No matter what other assignments you might have, your most important function, Mr. Agency Head and all the people who work for you, is to protect the American people, is to understand we're in a new era, that we fight a new war, that America is still threatened, and so long as America is threatened, we need to work overtime to make sure we protect the American people." And that's what's going on.

We're getting pretty good cooperation. I appreciate the bipartisan spirit in Washington. There is such a thing sometimes, and that's important. It's important to understand my proposal wasn't a Republican idea. It wasn't a Democrat idea. It's an American idea, to leave behind a legacy so that future Presidents and future Congresses are going to be able to deal with the true threats we face as we head into the 21st century.

Part of the problem is, and there is a hurdle I recognize, and that is that we're asking some Members of Congress to give up turf.

And that's okay. I understand that, but I'm going to keep reminding people, congressional turf is not nearly as important as American security. And therefore, I expect Congress to act.

We need to know who is coming into our country, why they're coming into our country, and whether or not they're leaving our country when they say they're going to be leaving our country. We need to have an effective strategy at the national, State, and local level to deal with the brave police and fire and EMS teams all across our country, so we've got a planned response if necessary. We need to work on bioterrorism, and we need to make sure we've got a coordinating facility within the Homeland Security Department that will take all the bits of intelligence that we gather and coordinate it and look at it and assess it and, if there is any vulnerabilities in our country, react to it.

And we're making good progress. You just need to know there are a lot of good folks—good, hard-working folks—who are working overtime in this phase on the war against terror. And it's part of making sure that the President can say, we're doing all we can do to protect the American people. We're chasing down any lead. Any time we get a hint, any time we get a suggestion that somebody might be planning to do something on American soil against Americans or, for that matter, on Americans or on our allies elsewhere, we're moving, and we're reacting, and we're disrupting. And we're treating these guys for what they are, a bunch of coldblooded killers, nothing but a bunch of international crooks.

And so our strategy is to keep them on the run, get them on the run, smoke them out of their holes, deny them access, make clear the doctrine that says, "Either you're with us, or you're with the terrorists," make it clear to people that we're continually doing—if you feed them, if you house them, if you're financing them, you're just as guilty as the murderers who struck the United States on September 11th.

I submitted the largest increase in our defense spending since Ronald Reagan was the President, for two reasons: I firmly believe that any time the Commander in Chief commits a soldier into harm's way, that person deserves the best pay, the best training, the

best equipment possible; and I know that the signal it sends by the big increase shows our friends and allies, as well as the enemy, that the United States of America is in this war for the long pull, that there's not a moment in time in which we're just going to say, "Well, fine. We've had enough. We quit." You know, there's no calendar on our collective desks that say, well, by such and such a date, I guess we'll just get kind of tired of all this and shut her down. That's not what history has called us to do. History has called this Nation to lead the world against the true threats of the 21st century, and that's precisely what my administration will continue to do.

This is a different kind of war. We don't have the formations of airplanes flying over a territory. We don't have rows of tanks or convoys of destroyers moving around the globe. There's no set battlefield. This is a war where we're hunting them down one by one.

The other day I told the Nation, we and our friends and allies have hauled in over 2,400 of these terrorist killers, and we're making progress. Sometimes you'll read about it, and sometimes you won't. Sometimes it will make a splashy headline, but a lot of times you'll never hear about the progress we're making. Sometimes you'll see like what happened in the Philippines, where as I've made it clear, that if we find out there's an Al-Qaida-type network in a country, we will go to the leadership and say, "We want to help you. You get them, or we'll get them, or we'll get them together. We just want them got." [*Laughter*]

And the President of the Philippines, Gloria Arroyo, did just that, by knocking off the head of the group that had captured the Burnhams, American citizens. These are terrorists and kidnapers and killers, and their leader no longer is around, thanks to the leadership of our coalition. We're making progress. It's just going to take awhile. But that's okay, just so long as the enemy knows that we're going to chase them down, just keep them on the run.

But there's some bigger tasks. You've got to understand, this is bigger than just a terrorist network—I mean, bigger than an individual. I know there's sometimes a pre-occupation about it, it is so-and-so alive, or is

such-and-such dead, you know. This is a struggle for freedom that really talks to the need for our country to not only view the current threats but future threats, threats such as some of the world's worst regimes developing weapons of mass destruction and teaming up with an Al-Qaida-type terrorist organization. We cannot and we will not allow the United States and our friends and allies to be blackmailed by the world's worst leaders with the world's worst weapons. We owe it to our children and our grandchildren to eliminate this threat before it becomes a reality.

I believe that out of the evil done to America is going to come incredible good, starting with peace. I want you all to assure your children and your grandchildren that our Nation is resolved and tough and strong because we love peace. We want them to grow up in a peaceful world. We not only want them to grow up in a peaceful world; we want youngsters all across the globe to be able to grow up in a peaceful world.

I believe that by remaining strong and resolute and united the way we are, that we can achieve peace in places like the Middle East and in South Asia. I also know that out of the evil done to America is going to come some incredible good here at home, because this Nation is such a decent and honorable nation. There are thousands of our fellow citizens who love their neighbor just like they'd like to be loved themselves, thousands of our citizens who know that they, themselves, can't do everything to make our society a better place for all, but they can do something.

People say, "What can I do to help in the war on terror?" My answer is, love your neighbor. Find a child who cannot read and teach him to read. Find a child who might be hopeless and lost and put your arm around him and tell him or her you love them. Unleash the great power of faith in our society. I strongly believe in faith-based institutions, because I know that faith can change hearts for the better in America.

I believe that out of the evil done to America is coming—is becoming—we are learning a new sense of what it means to be an American. We're learning that it's more than just the bottom line that counts, that a complete

and whole life is one that lends your time and talent and efforts to eradicating despair and hopelessness, to make sure the American experience is in every single neighborhood.

I believe we're ushering in a period of personal responsibility, a period where people understand that their most important job is to love—if you happen to be a mother or dad, is to love your children with all your heart and soul—that's your most important job; that you have a responsibility, if you're living in Birmingham, to help the community be a better place for everybody. If you run the corporate Birmingham, you've got a responsibility to your shareholders.

And it's happening. Perhaps the most vivid example of serving something greater than yourself happened on Flight 93. You all may remember that—when people were flying across the country, they learned their plane was becoming a weapon. They told their loved ones goodbye. They said a prayer. One guy said, "Let's roll." And they made the ultimate sacrifice. They served something greater than themselves in life.

That's happening all across America. Obviously, that example is the most vivid of them all. But out of the evil done to America is coming a culture of personal responsibility that allows me to boldly predict that we're much more likely now to bring hope where there's no hope, light where there's darkness, and to make sure this American experience is available for all. It's going to happen, because we are the greatest nation on the face of the Earth. And it is my honor to be the President of such a nation.

Thank you for coming.

NOTE: The President spoke at 11:46 a.m. at the Birmingham Jefferson Convention Complex. In his remarks, he referred to Winton M. "Red" Blount, founder, Blount International, Inc.; Patsy Riley, wife of gubernatorial candidate Bob Riley; Jo Bonner, candidate for Alabama's First Congressional District; and Mike Rogers, candidate for Alabama's Third Congressional District. The President also referred to Title I of the Improving America's Schools Act of 1994 (Public Law No. 103-382), which amended Title I of the Elementary and Secondary Education Act of 1965 (Public Law No. 89-10).

Statement on Senate Action on the Proposed "Public Company Accounting Reform and Investor Protection Act of 2002"

July 15, 2002

In February, I outlined measures to protect the pensions of America's workers from corporate wrongdoing. In March, I proposed a series of initiatives to improve shareholder information, strengthen corporate governance, and create a stronger, more independent accounting system. Last week, I called for additional far-reaching reforms. I am pleased the Senate has now acted on a tough bill that shares my goals and includes all of the accounting and criminal reforms I proposed. The House previously passed strong reform legislation to get tough on corporate malfeasance and significantly improve oversight of the accounting profession. I urge the House and Senate leaders to get a bill to my desk before the August recess. We owe it to America's workers and shareholders to crack down on wrongdoing and fix the system to prevent future abuses.

NOTE: The statement referred to S. 3763, the proposed "Public Company Accounting Reform and Investor Protection Act of 2002."

Message to the Senate Transmitting the Belize-United States Treaty on Mutual Legal Assistance in Criminal Matters

July 15, 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 Treaty Between the Government of the United States of America and the Government of Belize on Mutual Legal Assistance in Criminal Matters, signed at Belize on September 19, 2000, and a related exchange of notes signed at Belize on September 18 and 22, 2000. 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 drug trafficking, money laundering, and terrorism 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; assisting in proceedings related to immobilization and forfeiture of assets, restitution to the victims of crime and collection of fines; and any other form of assistance not prohibited by the laws of the State from whom the assistance is requested.

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 15, 2002.

**Message to the Senate Transmitting
the Sweden-United States Treaty on
Mutual Legal Assistance in Criminal
Matters**

July 15, 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 Treaty Between the Government of the United States of America and the Government of the Kingdom of Sweden on Mutual Legal Assistance in Criminal Matters, signed at Stockholm on December 17, 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, and 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: locating or identifying persons or items; serving documents; taking the testimony or statements of persons; transferring persons in custody for testimony or other purposes; providing documents, records, and items; executing requests for searches and seizures; assisting in proceedings related to immobilization and forfeiture of assets and restitution; initiating criminal proceedings in the Requested State; and any other form of assistance consistent with the purposes of this Treaty and not prohibited by the laws of the State from whom the assistance is requested.

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 15, 2002.

**Remarks on the National Strategy for
Homeland Security**

July 16, 2002

Mr. Vice President and Governor Ridge, thank you all. I want to thank the Members of Congress who have come to discuss the creation of the Department of Homeland Security. We just had a really productive meeting on this important issue. All of us agree that protecting Americans from attack is our most urgent national priority and that we must act on the priority.

I want to thank the Speaker, Speaker Hastert, and Leader Gephardt, as well as Leader Lott and Senator Reid for being here. And I appreciate so very much their agreement that we ought to have a debate about the creation of the Department of Homeland Security on the floor of both bodies before Congress leaves for the August break. These

four leaders have shown a strong commitment to get something done on behalf of the American people.

I also want to appreciate—the members of the House Select Committee on Homeland Security are here, Chairman Arney and Vice Chairman Pelosi and other members. Both Republicans and Democrats are charged with reconciling the work of numerous House committees who acted this past week. They face a significant challenge, but I'm confident they'll meet the challenge, because they, too, want to do what's right.

I also welcome Members of the House and Senate who have been long interested in changing the way our Government protects our homeland—Senator Lieberman and Thompson and Collins, Congresswomen Harman and Tauscher, and Congressmen Thornberry, Gibbons, Chambliss, Portman, and Shays. These are members who had an interest in reform prior to September the 11th. They've been working on this issue for a long time, and I appreciate their input and their willingness to stay involved in the process.

I want to thank them for their past efforts. The American people need to know these Members of Congress are working hard and working long hours. And during the next couple of weeks, they'll be working hard to get something on the floor of their respective bodies. And that's good, and that's good for the American people.

There are a lot of tough decisions that will be made as we develop and discuss and debate how to move forward. But I'm confident that Members of both parties and Members of both Chambers know that the security of our Nation is the goal. That's the most important thing that they'll be focused on, is how best to secure the United States.

We also understand that the current structure of our Government is a patchwork, to put it best, of overlapping responsibilities, and it really does hinder our ability to protect the homeland. And so we're working with both parties in both Chambers to effect a strategy that will make it more likely that not only this administration and this Congress can deal with the true threats of the 21st century but, as importantly, future administrations and future Congresses will be able to

deal with the threats that will continue to be directed at a nation which loves freedom.

I—right after the September the 11th attacks, I established the Office of Homeland Security in the White House and gave it a critical mission, to produce a national strategy for homeland security. And today I'm sending to Congress our new National Strategy for Homeland Security. This comprehensive plan lays out clear lines of authority and clear responsibilities, responsibilities for Federal employees and for Governors and mayors and community and business leaders and the American citizens. With a better picture of those responsibilities, all of us can direct money and manpower to meet them.

In the war on terror, the American people are showing tremendous strength and great resolve. Our unity is a great weapon in this fight. And by acting together to create a new and single Department of Homeland Security, we'll be sending the world a signal that the Congress and the administration will work together to protect the American people and to win this war on terror.

Again, I want to thank the Members for their hard work. I appreciate the long hours that they're putting in. I appreciate their love for America and their patriotism during this trying time for our country.

May God bless the American people, and may God continue to bless America.

Thank you very much.

NOTE: The President spoke at 9:30 a.m. in the Rose Garden at the White House. The Office of the Press Secretary also released a Spanish language transcript of these remarks.

Letter on the “National Strategy for Homeland Security”

July 16, 2002

My fellow Americans:

Since September 11, 2001, our Nation has taken great strides to improve homeland security. Citizens, industry, and government leaders from across the political spectrum have cooperated to a degree rarely seen in American history. Congress has passed important laws that have strengthened the ability of our law enforcement agencies to investigate and prosecute terrorists and those who

support them. We have formed a global coalition that has defeated terrorists and their supporters in Afghanistan and other parts of the world. More than 60,000 American troops are deployed around the world in the war on terrorism. We have strengthened our aviation security and tightened our borders. We have stockpiled medicines to defend against bioterrorism and improved our ability to combat weapons of mass destruction. We have improved information sharing among our intelligence agencies, and we have taken important steps to protect our critical infrastructure.

We are today a Nation at risk to a new and changing threat. The terrorist threat to America takes many forms, has many places to hide, and is often invisible. Yet the need for homeland security is not tied solely to today's terrorist threat. The need for homeland security is tied to our enduring vulnerability. Terrorists wish to attack us and exploit our vulnerabilities because of the freedoms we hold dear.

The U.S. government has no more important mission than protecting the homeland from future terrorist attacks. Yet the country has never had a comprehensive and shared vision of how best to achieve this goal. On October 8, I established the Office of Homeland Security within the White House and, as its first responsibility, directed it to produce the first *National Strategy for Homeland Security*.

The *National Strategy for Homeland Security* is the product of more than eight months of intense consultation across the United States. My Administration has talked to literally thousands of people—governors and mayors, state legislators and Members of Congress, concerned citizens and foreign leaders, professors and soldiers, firefighters and police officers, doctors and scientists, airline pilots and farmers, business leaders and civic activists, journalists and veterans, and the victims and their families. We have listened carefully. This is a national strategy, not a federal strategy.

We must rally our entire society to overcome a new and very complex challenge. Homeland security is a shared responsibility. In addition to a national strategy, we need

compatible, mutually supporting state, local, and private-sector strategies. Individual volunteers must channel their energy and commitment in support of the national and local strategies. My intent in publishing the *National Strategy for Homeland Security* is to help Americans achieve a shared cooperation in the area of homeland security for years to come. The *Strategy* seeks to do so by answering four basic questions:

- What is “homeland security” and what missions does it entail?
- What do we seek to accomplish, and what are the most important goals of homeland security?
- What is the federal executive branch doing now to accomplish these goals and what should it do in the future?
- What should non-federal governments, the private sector, and citizens do to help secure the homeland?

The *National Strategy for Homeland Security* is a beginning. It calls for bold and necessary steps. It creates a comprehensive plan for using America's talents and resources to enhance our protection and reduce our vulnerability to terrorist attacks. We have produced a comprehensive national strategy that is based on the principles of cooperation and partnership. As a result of this *Strategy*, firefighters will be better equipped to fight fires, police officers better armed to fight crime, businesses better able to protect their data and information systems, and scientists better able to fight Mother Nature's deadliest diseases. We will not achieve these goals overnight . . . but we will achieve them.

Our enemy is smart and resolute. We are smarter and more resolute. We will prevail against all who believe they can stand in the way of America's commitment to freedom, liberty, and our way of life.

George W. Bush

The White House,
July 16, 2002

NOTE: The letter was published in the “National Strategy for Homeland Security.”

Letter to Congressional Leaders on Review of Title III of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996

July 16, 2002

Dear _____:

Pursuant to section 306(c)(2) of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996 (Public Law 104–114) (the “Act”), I hereby determine and report to the Congress that suspension for 6 months beyond August 1, 2002, of the right to bring an action under title III of the Act is necessary to the national interests of the United States and will expedite a transition to democracy in Cuba.

Sincerely,

George W. Bush

NOTE: Identical letters were sent to Joseph R. Biden, Jr., chairman, and Jesse Helms, ranking member, Senate Committee on Foreign Relations; Robert C. Byrd, chairman, and Ted Stevens, ranking member, Senate Committee on Appropriations; Henry J. Hyde, chairman, and Tom Lantos, ranking member, House Committee on International Relations; and C.W. Bill Young, chairman, and David R. Obey, ranking member, House Committee on Appropriations.

Remarks at a Welcoming Ceremony for President Aleksander Kwasniewski of Poland

July 17, 2002

Mr. President, Madam First Lady, members of the Polish delegation, distinguished guests, on behalf of the American people, it is my great honor to welcome you to the United States.

This is the—only the second state visit of my administration, and it symbolizes the high importance America places on our friendship with Poland. This friendship is rooted in our common history and sustained by our common values.

This generation of Poles has written a story of courage and determination that has inspired America and has inspired the world. Out of a past filled with pain and oppression, Poland is constructing a future defined by greater freedom, good relations with its

neighbors, and increasing influence throughout Europe.

And today, Mr. President, we meet as leaders of two strong, mature democracies, ready to shape a new era of freedom and security. Together, Poland and America are standing and fighting side by side in the war against global terrorism. From military forces to law enforcement, terrorist financing and intelligence, Poland’s support and solidarity in this great struggle has been unqualified, and America is deeply grateful.

Our nations are determined to lead the way in NATO’s efforts to develop new capabilities to meet new threats. We’re united in our determination that our children will inherit a world defined not by fear and chaos but by tolerance and freedom.

Together, Poland and America are building that freedom on the continent of Europe. Today, a new Europe is within our grasp, one that is whole and free and at peace for the first time in its history.

In November, the President and I will join other NATO leaders in Prague to decide on inviting new members into the Alliance. On this issue, Poland and America stand united. We believe in NATO membership for all European democracies ready to share in NATO’s responsibilities. Our aim is for freedom and security to span the European continent from the Atlantic and the Mediterranean to the Baltic Sea and the Black Sea.

Together, Poland and America are also building our common prosperity. The trade and investment that flows between our countries creates jobs and lifts lives on both continents. We’re determined to bring the benefits of trade and markets to all our citizens.

Today, Poland and America are forging a new strategic relationship, but the friendship between our people is very old. Nine million Americans claim Polish descent. Over two centuries ago, when Americans were fighting for our independence, Poles fought alongside us. In the century just passed, as Poles reclaimed their independence, America stood by Poland.

And today, Poland and America stand and fight together for our common freedom and for bringing the hope of freedom to all who seek it in the world.

Mr. President, in June of last year you welcomed Laura and me to Poland. You showed us a nation of deep faith, a central part of Europe's soul. And you showed us a nation alive with liberty and energy and enterprise. Today Laura and I are honored to welcome you and the First Lady to an America that is proud to call Poland a friend, an ally, and a partner.

Thank you for coming, and welcome.

NOTE: The President spoke at 9:10 a.m. on the South Lawn at the White House, where President Kwasniewski was accorded a formal welcome with full military honors. In his remarks, he referred to Jolanta Kwasniewska, wife of President Kwasniewski. The transcript released by the Office of the Press Secretary also included the remarks of President Kwasniewski.

The President's News Conference With President Kwasniewski

July 17, 2002

President Bush. It's an honor to welcome my friend the President of Poland to the White House. Mr. President, welcome.

President Kwasniewski. Thank you very much.

President Bush. Poland is a close friend and a good ally and an influential nation in the center of Europe. Poland has influence across Europe. America and Poland see the world in similar terms. We both understand the importance of defeating the forces of global terror, and America appreciates all that Poland is contributing to this great struggle.

Our nations also understand the importance of building a better world beyond terror, one where prosperity replaces poverty and democracy and tolerance replace dictatorship and hatred. Poland and the United States are part of the great alliance of liberty, and we're working to spread the hope of freedom and prosperity across the globe.

We had good talks this morning, and I want to highlight two initiatives we agreed on. First, we agreed to expand cooperation between our militaries. Both Poland and the United States are seeking to transform our Armed Forces and develop new capabilities. We need to meet the new threats, such as

terrorism and weapons of mass destruction. By sharing ideas and expertise, our militaries can help each other reach out—reach our transformation goals faster and improve our ability to work together. We hope this initiative will be a model for similar efforts with other NATO Allies.

Second, our Governments agree to cooperate more closely to expand our economic ties. The Polish-American trade and investment relationship is important to both countries, and it's particularly important to creating jobs and high-tech growth opportunities in Poland. We will work to resolve some company-specific issues and also improve Poland's investment climate.

These two initiatives will help build our strong working relationship.

Tomorrow the President and I look forward to traveling to Troy, Michigan. I believe you have to go beyond Washington to truly capture the energy and diversity of our country. Mr. President, I think you'll like the trip. Troy is just one of countless communities across our Nation that has been enormously enriched by the contributions and values of Polish Americans. It will be a great honor for me to travel to such a community with the President of a free and independent Poland.

Mr. President.

President Kwasniewski. Thank you very much. Ladies and gentlemen, Mr. President, let me once again emphasize how pleased I am to stand here on the hospitable land, the country that is so close to the Polish people, where millions of people live here of Polish extraction. I'm coming as a President of the Republic of Poland to the United States from the country which may set an example of success for others. And we know that this success is due to the support of our American friends.

Today I am here as the President of democratic, developing Poland, Poland that is important in its region and whose voice is very significant, both in Europe and worldwide. I am here as President of the country which enjoys strategic partnership with the United States and friendship which is hundreds of years long and well tested, as well as enjoys perspectives that we have discussed with

President George Walker Bush for a long time today.

During our conversations, we have discussed combatting terrorism that has to be brought to the final end. And Poland has been contributing to this particular combat. And we're sure that under the leadership of the United States, we could eliminate this particular threat from the world of the 21st century, so that we could build a future on the basis of the dialog, the protection of human rights, and mutual tolerance.

Poland, with its soldiers in Afghanistan, is present in NATO, and Poland is active in exchange of information of intelligence and special units. We are ready to develop our cooperation along these lines.

We have spoken about NATO. Poland is one of the new members, and we are convinced that the new summit in Prague will be the day on which new countries will be invited to become members of NATO who have met the requirements. Lithuania, Estonia, Latvia, our friends from Slovakia, and our close partners from Bulgaria and Romania and Slovenia will be welcomed there. We want a strong NATO. We want NATO to be ready to ensure security in Europe as well as in the Euro-Atlantic theater and a NATO that is going to be ready to respond to threats where the basic values of life and ethnic cleansing or acts of terror are taking place.

I've presented to President George Walker Bush an initiative that I had presented a few days ago in Riga, to develop cooperation with countries which are in NATO, which will be in NATO, and with those ones which are going to be outside of NATO—I'm thinking here of the Balkan states. And I rejoice in the fact that the initiative of cooperation has been accepted as interesting by the United States, and as deserving further development.

We have also spoken of Europe, and Poland wants to become a member state of the European Union. And we are sure that, at the beginning of 2004, we are going to become a member state, and we think that our future should be built with very close cooperation with the United States and Europe. And we want Poland to contribute, with its potential to global security and to building peace and mutual trust.

On bilateral issues, we have emphasized that we're closing a particular chapter of transformations that have been taking place in Poland and in countries of Central and Eastern Europe. Today, we can say that our partnership has matured, that we're opening a new chapter where we're going to be treated mutually as fully fledged partners ready to take actions, both current actions as well as those that are going to take place in the future.

I am convinced that the United States may draw on the experiences that Poland has gained in its transformation. We are ready to share these transformation experiences with other countries. I am also convinced that we're going to serve very well the military cooperation, especially in the areas of training, equipment, and the cooperation of special units with the particular military forces. And transformation is Poland's specific experience, as I want to emphasize again.

I would also like to say that it's very significant that we have been creating a very positive climate for European investments. Americans have so far made an investment of \$8 billion U.S., and we want the climate for further investments to be very good. We would hope that new American companies will be opening their new headquarters in Poland, making it possible for them to operate vis-a-vis other states of the region.

Let me also emphasize that since the very first moment in Washington, DC, we have been feeling the atmosphere of extreme wishfulness, kindness, and hospitable that I wish to extend my words of gratitude now in this context to President Bush and Mrs. Laura Bush. We're not only guests here, as we feel, but we're also friends that are coming from Poland for a visit to the United States.

I'm convinced, too, that this visit will encourage further contacts and to develop enough contacts at all levels concerning not only politicians and elites but also citizens of the two countries, nongovernmental organizations and various institutions, social institutions. We want very much the Polish-American relations to get the new momentum. And free of the challenges that we have

had in the recent decades, they could become the greatest contribution to the world, to Europe, and to Poland and the United States.

And thank you for your attention.

President Bush. We'll answer some questions. We'll alternate between the American press and the Polish press, three apiece.

Corporate Responsibility/National Economy

Q. Mr. President, even while you're calling for transparency in corporate America, you refuse to ask the SEC to turn over documents from its investigation into Harken Energy Corporation, your old company. And the Vice President has answered few questions about his role at Halliburton, his old company, which is now under investigation by the SEC. Why not just clear the air, ask the SEC to release those documents, and ask the Vice President to talk about Halliburton in a public forum?

President Bush. Well, first, the Vice President—I've got great confidence in the Vice President, doing a heck of a good job. When I picked him, I knew he was a fine business leader and a fine, experienced man. And he's doing a great job. That matter will take—run its course, the Halliburton investigation, and the facts will come out at some point in time.

Secondly, as to a look at Harken, the SEC, as a result of Freedom of Information requests, has released documents, and the key document said there is no case. It was fully investigated by career investigators. Some of you, I think, have talked to the head career investigator, and he's made it clear there was no case.

The key thing for the American people is to realize that the fundamentals for economic vitality and growth are there, low interest rates, good monetary policy, productivity increases, economic vitality, and growth in the first quarter and that, as Chairman Greenspan said yesterday, that we've got to change from a culture of greed to a culture of responsibility. And I believe that's going to happen.

Congress is working on some legislation. I hope they get it to my desk before they go home. I think it's important to send a sig-

nal to the American people that reforms have been enacted, laws will be upheld. But as I said the other day in Alabama, I've got—I'm an optimist about the future of this economy. I think that the ingredients for growth are in place, and that's important to our friends from Poland because, as he mentioned, we invest and we trade and the stronger our economy is, the more likely it is we'll have investment and trade together.

President Kwasniewski. Now it's time for Polish journalists. I invite—Polish TV.

Poland's Role in the War on Terrorism

Q. Polish public television, TVP. The question to both of you. Regarding the future of the anti-terrorist coalition and possible next phase of the war against terrorism, do you expect an increase of Poland's involvement? And do you think that Poland is ready to meet the expectations?

President Bush. Well, first, I've been very impressed by Poland's troops. And we've got confidence in the Polish military. And we want to continue to train together. Particularly, our special forces need to work together, because the ability to succeed in the war—the new war of the 21st century means that we have to move quickly and move in a way that is effective and sometimes lethal.

It's interesting, you said the "next phase of the war against terror." Almost every day is a new phase, in some ways, because we're reminding different countries which may be susceptible to Al Qaida that you're either with us or against us. And so we're constantly working on bolstering confidence amongst some nations which may sometimes forget that either you're with us or you're with the terrorists. That's kind of a—that's a phase, I guess you could say. Phase one was Afghanistan. Phase two is to make sure that other countries don't become places for training or places where the Al Qaida think they can hide.

And we spent a lot of time on that here. I talked to Aleksander a lot about that today. The Polish Government has been very strong about working with us. The other—I also told him, of course, that we'd stay in close consultation, and we will.

President Kwasniewski. I would just constrain myself to say that we have been part

of the coalition from the very beginning, to the potential that reflects Poland's possibility and capability, such as our station in Bagram, and there is a Polish logistics unit, and they're right there. Our intelligence forces have been cooperating very closely, and we know that the commitment on the part of the Republic of Poland will be growing with the needs that are going to be growing.

We have discussed with President George Walker Bush on how to modernize the Polish Armed Forces so that they could meet the challenges of the war against terrorism. And then Secretary Rumsfeld and Minister Szmajdzinski talked about talks, and they will be continued. And we hope that the effect will be that the Polish Armed Forces will be transformed in such a way so that, as a very serious and mature partner, they would be able to respond in unison with other armed forces.

Poland is a member of the anti-terrorist coalition and has been very closely cooperating with the United States. And we want to reconfirm our readiness to continue this combat.

Reform of the Palestinian Authority/Vice President Cheney

Q. Mr. President, do you agree with your Secretary of State's willingness to consider working with a Palestinian Government that has Yasser Arafat as a figurehead leader, despite your call in June for a new and different leadership? And if I may follow up on Ron's [Ron Fournier, Associated Press] question—

President Bush. You get one question. [Laughter]

Q. If I could follow on Ron's, are you confident the SEC will find that Vice President Cheney did nothing wrong while at Halliburton?

President Kwasniewski. His question was—

President Bush. It happens worldwide.

Yes, I am, to answer your second question. And first, I am confident as well that we need to put institutions in place so that a peaceful Palestinian state can emerge. And that ought to be the primary focus.

The reform of the Palestinian state is a crucial element to achieving the confidence nec-

essary amongst all parties so that we can eventually achieve the vision of two states living side by side in peace. That's really important.

The issue is much bigger than a person, as far as I'm concerned. I made it clear, I thought. The person you mentioned, Mr. Arafat, has failed to deliver. I still feel that way. And I know the Palestinian people will be better served by new leadership.

And so we are—but my focus of my administration is to work with leaders from around the world, some of whom were in New York yesterday, to work to make sure there's a new constitution which divides power, so that one person doesn't get to decide the fate of a group of people who have suffered mightily; that there are security arrangements in place, so that they serve to make the area more secure, as opposed to security forces all existing—all of which exist to keep a person in power; reforms of financial institutions to make sure there's full transparency, to make sure that the money that we spend on humanitarian aid ends up helping Palestinian people, not a few leaders.

Those institutional changes, Randy [Randy Mikkelsen, Reuters], are essential for the evolution of a state. It's essential that those institutions are developed so that the people of Palestine get helped. That's essential.

And I do believe we're making progress to this end. It is a—this is an issue much bigger than a single person. Mr. Arafat would like the whole issue to be about him. That's the way it's been in the past. Except when you analyze his record, he has failed the Palestinian people. He just has, and that's reality.

Q. [Inaudible]

President Bush. You only get—that's your third-second followup. [Laughter] Unbelievably aggressive today. [Laughter]

President Kwasniewski. Mr. President, now is Polish turn.

President Bush. You're in good standing with your colleagues for that. Break some new ground.

President Kwasniewski. It's a press conference, not interview. [Laughter]

President Bush. Yes.

Q. Polish Public Radio. Mr. President, this is a question addressed to both Presidents.

President Bush. An old Fournier trick.

Polish-U.S. Relations/War on Terrorism

Q. There are some differences between Europe and the United States. Europe seems to be more eager to deal with economy and political sources of terrorism. United States seems to be more determined to apply military solutions. European Union and the United States differ in some important trade issues. What is the differences present in your today conversation? Poland is going to be a member of the European Union. Might this membership complicate relations in between our two countries?

President Bush. No. That's an easy one. [Laughter] No, it won't. Let me make it clear to you, make sure—if I could kind of change one of your premises. We use military power, no question about it, and we'll continue to do it, to hunt these killers down, one by one. And that's all they are, is killers, coldblooded killers.

We also understand that in order to make it hard for them to attack the United States again, or any of our friends, that we must disrupt their finances. We spend a lot of time on working with our friends to disrupt finances. And so we have a multifaceted approach to the war on terror. It's important for you to understand that. We don't necessarily place one aspect on the war against terror as more important than the other.

In terms of the—listen, we've got great friends in Europe. Poland is a great friend, and the United States fully understands that we must cooperate together to achieve victory in the war against terror. That means intelligence sharing and working cooperatively on finance, making sure our militaries cooperate together. NATO—a useful role for NATO, the new role for NATO, is going to be to defend Europe against terrorist activity. And therefore, NATO needs to change, so that it can do a more effective job of defeating the enemy. Russia is not the enemy. Russia is—you know, the idea of Russian tanks storming across Europe are no longer the problem. And therefore, cooperation on chasing down killers, one by one, even becomes more focused and more important in many ways. And that's the nature of our relationship.

So I welcome Poland going into the EU, if that's what the President and the country think is best.

President Kwasniewski. I wish to say that we have discussed the subject, and it is true to say that in Europe, Poland has been criticized as a state that has extremely been—has been very pro-American. And for that reason—I haven't witnessed any criticism or heard any criticism, for that reason, here in America.

But the issue of whether Europe or America, relations, et cetera, reminds me of a question that is very often addressed by a child: Is Mom or Dad better? From the educational point of view, it's a false question, because under these circumstances that we are now in, we're creating a family based on the same fundamental values or based on similar or very similar objectives, and also based on the historical heritage for Europe and the United States are quite similar and very penetrating.

It seems to me that outside of current politics, or different accents in politics, certainly we could not talk, and we should not talk, about any conflicts of opinions. Poland wants to become a member state of the European Union, and that's how we see our political and economic opportunity. And we hope it's going to be true the first of January 2004. And I want to assure that Poland, as a member state of the European Union, will be doing all it can and will be able to do for the cooperation between the United States and Poland and Europe to be even better.

I would like to refer to what President George Walker Bush said in Warsaw last year in June. "We have to be building a spirit of Europe," he said, "whole and free," a whole and free Europe. And I believe that this is a good reply to this question, a good answer on how we should work together and how a Europe that is going to be in its whole entirety based on the same values to be the traditional and very close ally and partner for the United States.

I am convinced that Poland's membership in the European Union will not only be a problem in relations between Poland and the United States, but because we are going to get new incentives for development, this type of cooperation between Poland and the

United States will be greatly welcomed also by the United States.

Financing Homeland Security

Q. Thank you, Mr. President. The strategy that you announced yesterday indicated that we're already spending about \$100 billion on homeland security. What have you determined about the costs going forward? How much is it going to cost us, and how much of that total do you see coming from State and local governments, on the one hand, and from the private sector, on the other?

President Bush. It's going to be hard to quantify how much the private sector spends. Let's just say they need to spend enough to work in a cooperative way, and many private sector companies realize it's in their interests to do so.

The key thing about the national strategy is that we have the ability to have a Department of Homeland Security that's able to affect a national strategy by setting priority. And the priority is to protect our homeland.

Mr. President, we've got agencies who've got many different functions, and we want the primary function of agencies that have anything to do with homeland security to be protecting America, because we still feel like we're under attack.

The key cost issue is the cost of transition toward this new Department of Homeland Security. And we're confident that, if we're given the management tools necessary, we can affect that in a cost-effective way, that transition in a cost-effective way. That's why I spent some time talking to Members of Congress yesterday about giving us some management flexibility, flexibility in personnel decisions, flexibility in reorganization decisions. I think that's going to be an important part of making sure that the cost of transition is a realistic cost. As a matter of fact, we think we can save money as a result of overlap.

In terms of how much it costs down the road, that's going to depend upon how effective we are at defeating the enemy. The best homeland security is to hunt the enemy down, one by one, and bring them to justice. That's the best way to secure the homeland, and the more effective we are at that, the more cost effective it will be at home. And

so the budget we submitted is one we think is important for this year, and we'll reassess on an annual basis.

Q. As you know, Mr. President, the State and local governments are saying they're at the end of their rope financially, at the moment, because of the economic downturn. Do you see a substantial burden on them—

President Bush. Well, we'll just have to work—help them work through their budgets. But remember, the—we'll just have to see. They're concerned about budgets in a lot of areas, Medicaid, different areas. And the—I believe this economy is going to come back, and I think it's going to help improve their financial picture when it does.

Poland's Role in Europe/Russia-U.S. Relations

Q. TVN Polish Network. A question for both of you. Would you please expand on the subject of the specific role that Poland is going to play in Central and Eastern Central Europe, especially within the context of new enhanced relations between the United States and Russia? What is Poland going to do?

President Bush. Well, that's a very good question. First of all, the President talked about the Riga initiative that he described. It's a—and it's something that caught our imagination and caught our attention. We thought it was a very interesting set of ideas, and we want to explore that with him further, which would really put Poland in a unique role of fostering continued relations with countries which may or may not be admitted into NATO, for example.

In terms of the Russia-U.S. relationship, it's a strong relationship. But the—and it's a relationship which is important, because it helps Russia think Westward. And Poland can be a part of that, of course. The President has had great visits with President Putin, and he's talked about the benefits of thinking West.

And the other important part, the most immediate effect, is when Russia looks West, she sees Poland and realizes there is no threat from Poland. Poland is a peaceful

neighbor. Poland's at peace with all its neighbors. And that is a very important contribution to the stability of our relationship.

If we were—as I was very aggressive about, in talking about NATO expansion, if Russia thought that the neighborhood was unsettled, it might create some issues. But Poland has provided a great source of stability in the neighborhood, and therefore Russia feels less threatened. And I think that's an important nuance, as we say, in foreign policy. I think that's the word, isn't it? "Nuance"? Yes. [*Laughter*]

Anyway, but it's been a vital contribution, Mr. President, and I thank you for that.

Making sure you're awake.

President Kwasniewski. Thank you. First, I also wish to say that some journalists in Poland have been writing that good relations between the United States of America and Russia mean that the role of such states as Poland, or such states that joined NATO from Central Europe, has been decreasing or on a decline. I think that this is not a very wise thesis or assumption.

But let me emphasize that especially the states of Central and Eastern Europe and Russia want Russia to become a fully democratic state, a state exercising a very peaceful attitude to all other nations. So good American-Russian relations are a guarantee for us, and President George Walker Bush has just mentioned that, that there is no threat from the Russian Federation and there will be no threat from the Russian Federation.

I want to be in the shade of Russia and not afraid, as opposed to being a country that is right upfront and is afraid of Russia. I think it's the very vital interest of Poland and other states for Russia-the United States relations to be very good. And we are very happy with the Russia-NATO partnership. This is a new quality of ensuring security in the world and especially in our region.

Now, secondly, we are extremely happy that the American position is very, very pro-enlargement of NATO. I think, politically, this is a very significant decision that will result in the further development, broadening of the security zone in Europe. We are also very happy that there is a support for the Riga initiative, because it means that countries which are not going to become mem-

bers of NATO will also—could be also—can be also benefiting from the outcome and from the results of this success, so they—we can also be supporting democracies, emerging democracies in Bosnia-Herzegovina and Croatia, in Macedonia, et cetera and et cetera, something that has been the world's problem. And I think the Balkan states are going to be an area of development, economic development and development of security.

I also want to assure you, and President Bush knows about it, that Poland has been functioning as an exporter of stability. We have been a unique state because, in the last 10 years, Poland has not changed its border by a single inch, and all our neighbors have changed. None of our neighbors have been neighbors of Poland 10 years ago, neither the east—Eastern Germany or the German Democratic Republic, neither the Soviet Union nor any other country. So this is a piece of evidence that you can export stability. You can be a pretty important factor contributing to security in Europe, but also in the Euro-Atlantic dimension.

And finally, I'd like to say that we talked about the cooperation with the Ukraine. Let me use this opportunity to say that Ukraine should play an even more important role in Europe and in the region, and I am convinced that we should be supporting and favoring all efforts aimed at furthering development and cooperation with Ukraine and cooperation with the United States. And I am convinced that, strategically looking at the future, we should not be in the position not to see the 50 million state located right in the heart of the European continent.

So, speaking in brief words, we have made a review of politics in the area, and perspectives are good. But I think they should be utilized in the best possible ways. And in that sense, the Polish-American cooperation is very, very important.

Thank you very much.

NOTE: The President's news conference began at 12:03 p.m. in the East Room at the White House. President Kwasniewski spoke in Polish, and his remarks were translated by an interpreter. In his remarks, President Bush referred to William R. McLucas, former Director, Division of Enforcement, Securities and Exchange Commission;

Chairman Yasser Arafat of the Palestinian Authority; and President Vladimir Putin of Russia. President Kwasniewski referred to Minister of National Defense Jerzy Szmajdzinski of Poland.

Joint Statement by President George W. Bush and President Aleksander Kwasniewski

July 17, 2002

We reaffirm the deep friendship and vibrant alliance between the United States and Poland. We are committed to freedom and democratic values, which form the basis of a Europe whole, free, and at peace. As we begin the 21st Century, all of Europe's peoples, for the first time in history, have an opportunity to live in democracies, at peace with themselves and their neighbors. The United States pays tribute to the people of Poland, who contributed so much to bringing an end to Europe's Cold War division and who led the way to the undivided Europe now taking shape. Today, Poland and the United States are determined to complete our task: to build the Transatlantic House of Freedom, open to all of Europe's peoples and prepared to meet the global challenges of the 21st Century. Both sides stress the paramount importance of strong and vigilant Transatlantic links for a successful response to the new challenges that we face.

We will meet the new challenges together. We must act decisively to win the war against global terror. Polish forces serve alongside United States forces in Operation Enduring Freedom. In November 2001, President Kwasniewski invited leaders from Central, Eastern, and Southern Europe to identify concrete steps to defeat terrorism. The United States appreciates this initiative and welcomes follow-up meetings. Poland and the United States believe that these efforts can contribute significantly to controlling borders, cutting off terrorist financing, stemming the smuggling of individuals and equipment for terrorist purposes, and preventing bioterrorism.

In the face of terrorism and other new threats, NATO's traditional commitment to collective defense must also be carried out in new ways. We are determined to lead

NATO's adaptation to meet the new threats we face. NATO must develop improved capabilities and be able to respond, rapidly and flexibly, to threats from wherever they arise. We are determined to provide the resources needed to achieve strengthened capabilities and want to work jointly with other Allies to this end. As NATO adapts, the United States and Poland are transforming their militaries to make them as efficient, mobile, and well-equipped as possible. The United States and Poland have agreed to expand cooperation between our armed services both to deepen our military-to-military relations, and in particular to promote needed transformation in our defense. We hope this enhanced cooperation can be a model for activities with other Allies.

We look forward to welcoming new members to the NATO Alliance. The enlargement of NATO has already extended security on the European continent and will continue. At its Prague Summit, NATO will extend invitations to those European democracies ready to share in the responsibilities of NATO membership, and the United States and Poland have agreed on the desirability of a broad round of enlargement. The states aspiring to join NATO have worked hard to institute reforms, solidify the rule of law, and leave no doubt about the strength of their democratic institutions. Reforms must continue even after membership, just as Poland has continued its reforms since joining NATO in 1999.

We welcome NATO's new relationship with Russia. The NATO-Russia Council has great potential for NATO members and Russia to build common security against common threats, especially in combating proliferation of weapons of mass destruction and terrorism. We also welcome an improved relationship between NATO and Ukraine. The United States and Poland share an interest in encouraging the aspirations of the people of Ukraine to prepare for a future in Europe. We agreed to work together to support Ukraine's efforts to implement needed economic and democratic reforms. Our two nations urge Belarus to join its neighbors in seeking a democratic and free market future.

Accession to the European Union is essential for Poland's future economic growth, and

benefits our bilateral relations as well as the trans-Atlantic relationship. The United States and Poland welcome the impending enlargement of the European Union as another signal of the deep roots across the European continent of free market principles and open societies. We seek stronger ties between the European Union and NATO. The prospects for overcoming the most serious challenges of the day are enhanced significantly when NATO and the EU cooperate in achieving common solutions.

The Polish-American economic partnership contributes to Poland's ability to realize its full potential as a future EU member state, and increases employment and high technology growth opportunities in Poland. We believe that Poland's aspirations to play a full role within the EU is fully compatible with its desire to remain a strong Transatlantic partner of the United States. Poland's continued growth and prosperity depend on a welcoming, predictable investment climate, and we have established an Economic/Commercial Dialogue to enhance our trade and investment relationship and to address specific issues of mutual concern. Commerce Secretary Evans hopes to visit Poland in 2003 as part of our overall effort to enhance our bilateral relations.

We welcome the contribution of the strong Polish-American community to building ties between our nations. For over 200 years the United States has been a home and a land of hope for generations of Poles searching for the American dream of liberty, freedom, justice, and prosperity. Today, their task is not only that of linking our two great democracies, but also one of global dimensions, to which Poles and Americans devote their energy in the name of the common values that Polish Americans have done so much to develop.

The United States and Poland have worked closely and productively, including with Jewish communities in both countries, to promote tolerance. We express satisfaction about the efforts made to preserve memories

of the Holocaust and support initiatives to expand education on the history of the Shoah. We renew our commitment to preserve and protect significant cultural heritage of mutual interest, and commend the progress achieved in this area through cooperation between Polish central and local institutions and U.S. public and private institutions.

The friendship between the United States and Poland is strong and enduring. We are united by ties of heritage, family, and faith. Bilateral relations between the United States and Poland are excellent, and we will work to strengthen those ties. Our common interests reinforce our relationship, and we reaffirm today our determination to work more closely as friends and allies in the future.

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

Statement on the Tel Aviv and West Bank Terrorist Attacks

July 17, 2002

I offer my deepest sympathies and condolences to the families of those killed and to the wounded in the homicide bomb attack today in Tel Aviv and the attack yesterday in the West Bank. The American people and I condemn these despicable acts of terror.

Once again, terrorist violence directed against Israelis has taken innocent life. Peace cannot be built on a platform of violence against innocents.

These terrorist acts are also attacks on our efforts to restore hope to the Palestinian people. There is now broad international consensus—as evidenced by the meetings this week in Washington and New York—on the need to support Palestinian reform, address the urgent humanitarian needs of the Palestinian people, and restore momentum toward a two-state solution. As I said on June 24, the hopes of a few cannot be allowed to hold the hopes of many hostage.

Proclamation 7577—Captive Nations Week, 2002

July 17, 2002

*By the President of the United States
of America*

A Proclamation

The United States is proud to stand on the side of brave people everywhere who seek the same freedoms upon which our Nation was founded. Each year, during Captive Nations Week, we reaffirm our determination to work for freedom around the globe. Created against the backdrop of the Cold War, the importance and power of Captive Nations Week continues to resonate in today's world.

In too many corners of the earth, freedom and independence are the victims of dictators driven by hatred, fear, designs of ethnic superiority, religious intolerance, and xenophobia. These despots deny their citizens the liberty and justice that is the birthright of all people. Some governments, such as those in North Korea, Iraq, and Iran, starve their people, take away their voices, traffic in terror, and threaten the world with weapons of mass destruction. In many other places, from Burma to Belarus, Cuba and Zimbabwe, people are denied the most basic rights to speak in freedom, and their daily lives are haunted by the fear of the secret police.

This week, America reaffirms our solidarity with and support for people living under conditions of servitude. They are the nonnegotiable demands of human dignity. History teaches us that when people are given a choice between freedom and tyranny, freedom will win. Recently, the world saw this in Afghanistan, where people took to the streets to celebrate the fall of their Taliban oppressors. Those in other lands seeking to unshackle themselves from dictatorship will also have America's support.

Twenty years ago, President Ronald Reagan said before the British Parliament at Westminster that "our mission today (is) to preserve freedom as well as peace. It may not be easy to see; but I believe we live now at a turning point." These words were a prelude to the fall of the Berlin Wall in 1989. Today, as the events of September 11 made

clear, we are at another turning point, where the world faces the prospect of dictators supplying the world's most dangerous weapons to their terrorist allies. These terrorists aspire to impose their brutal will on freedom loving people everywhere.

One of our greatest strengths in this struggle against a world of fear, chaos, and captivity is our commitment to standing alongside people everywhere determined to build a world of freedom, dignity, and tolerance. This week America affirms its commitment to helping those in captive nations achieve democracy.

The Congress, by Joint Resolution approved July 17, 1959, (73 Stat. 212), has authorized and requested the President to issue a proclamation designating the third week in July of each year as "Captive Nations Week."

Now, Therefore, I, George W. Bush, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim July 21 through 27, 2002, as Captive Nations Week. I call upon the people of the United States to observe this week with appropriate ceremonies and activities and to reaffirm their devotion to the aspirations of all peoples for liberty, justice, and self-determination.

In Witness Whereof, I have hereunto set my hand this seventeenth day of July, in the year of our Lord two thousand two, and of the Independence of the United States of America the two hundred and twenty-seventh.

George W. Bush

[Filed with the Office of the Federal Register, 11:23 a.m., July 18, 2002]

NOTE: This proclamation was published in the *Federal Register* on July 19.

Remarks at a State Dinner Honoring President Kwasniewski

July 17, 2002

Thank you all. Mr. President and Madam First Lady, it's a great privilege for Laura and I to host you here in the White House. Tonight's dinner is a small way of saying

dziękuję for the warm hospitality you showed us last year in Warsaw.

Today, Poland and the United States are meeting the challenges of our times, sustained by bonds of kinship, culture, and commerce that unite our peoples. Two centuries ago, Poles fought for America's independence. Before and since, thousands of American communities have been enriched by the energies of millions of Poles who came here to settle.

Mr. President, tomorrow we'll travel to Michigan to visit one of those communities. But pride requires me to point out that the oldest permanent Polish settlement in America can be found in my home State. In the fall of 1854, more than 100 Polish families traveled to the prairies of south Texas, seeking greater freedom and opportunity. They arrived at their destination on Christmas Eve, and they christened their new settlement Panna Maria, or Virgin Mary. The town is still there, a living symbol of our common ties.

Just as Poles keep contributing to America's vitality, Poland keeps contributing to the vitality of the entire world. Poland's opposition to Soviet tyranny inspired half a continent and helped bring down an evil empire. And the passion for human dignity and iron integrity of a Polish Pope has added to the momentum of freedom around the globe. Freedom did not have to be imported into Poland. It is found naturally in the rhythm of every Polish heart, a commitment of conscience and faith stronger than the brutality of conquerors or the official lies of oppressors.

In 1989, Poles on all sides of the ideological divide made an historic decision to build a society based on democracy and human rights and the rule of law. Two years later, more than 100 political parties participated in Poland's parliamentary elections, including one party called the Beer Lovers' Party. We're watching to see how much beer you drink tonight, Mr. President. *[Laughter]* All but a handful of these parties were committed to a Poland founded on freedom.

In the decades since, Poland has continued to be an example for other nations seeking to claim their democratic future. And Poland has found what America has found, that de-

mocracy and free markets are honorable and just and indispensable to national progress.

America and Poland are joined by a commitment to helping each other along freedom's road. Thomas Jefferson once wrote to Kosciuszko and praised him for being true to a single object, the freedom and happiness of man. Today, this single object defines Poland, itself, and it defines the partnership between Poland and America. Together, we can and we will complete the unification of Europe. We will reach out to Russia and Ukraine, and we will win the war against terror.

Poland and America share a vision that is stronger than intolerance and hatred and bigotry. It is a vision of a world that is free and just, a world that respects people's dignity and rewards their enterprise and creativity.

Mr. President, let us toast to friendship between our countries. Tonight the old Polish saying has new meaning in a new century: For your freedom and ours.

NOTE: The President spoke at 8:37 p.m. in the State Dining Room at the White House. In his remarks, he referred to Jolanta Kwasniewska, wife of President Kwasniewski. The transcript released by the Office of the Press Secretary also included the remarks of President Kwasniewski.

Remarks to the Polish American Community in Rochester, Michigan

July 18, 2002

The President. Thank you very much.

So I was telling the President of Poland, I said, "There's a lot of smart people in Washington, but not all the brains are in Washington. Why don't we get on the airplane and come out and see some other smart Americans?" It's an honor to be here. I want to thank you for coming. I appreciate the warm hospitality that you've shown me and my friend.

We had a heck of a dinner last night. It was a black-tie dinner, and I had the honor of sitting next to the First Lady of Poland. And it dawned on me after the dinner that he and I share a lot, starting with the fact that we both married really well. *[Laughter]* The First Lady of Poland sends her best, and

so does the First Lady of America, my great wife, Laura Bush.

I appreciate John and Michelle Engler. John mentioned that she is of Polish heritage. He forgot to say she's got some Texas blood in her, too. But I'm proud to call John and Michelle friends. I'm happy that Aleksander got to meet my friends here who have been doing such a fine job of running this State.

I want to thank Gary Russi, the host, the president of Oakland University. I know it's not easy to host an entourage, choppers and all the things that fly in here. But I want to thank you for providing this fantastic forum, a chance for us to talk about our mutual visions for a peaceful world. So I want to thank all those who helped here at Oakland to make this a successful trip.

I want to thank the Lalewicz. That would be the lady—the fantastic young lady who sang “The Star-Spangled Banner” and her brother, Peter. I told the President he's going to see a budding star singing our national anthems, and she didn't let us down. I want to thank you, Olivia, very much for being here.

I appreciate some of the good folks who work here in Michigan—the Lieutenant Governor, Dick Posthumus, is here. Candice Miller is supposed to be here somewhere. I appreciate Candice—is the Michigan secretary of state.

I want to thank the Polish delegation. We've got a lot of the leadership who are involved in the President's Government. They've traveled with us from Washington today. I want to thank you all for coming. I'm honored you're here.

Our Ambassador from Poland is here, Chris Hill. Thank you, Mr. Ambassador. You're doing a fine job. I appreciate you coming.

I mean, when the President of Poland shows up, all the officials show up. We've got not only Federal officials and State officials, we've got L. Brooks Patterson, the Oakland County executive. We've got the mayor of Detroit. Mayor Kilpatrick, thank you for coming. I want to thank the mayor of Rochester for being here as well. Mr. Mayor, thank you for coming. I'm honored you're here, and the mayor of Rochester Hills is here as well.

And I want to thank you all for coming. It's an honor that you're here. We're thrilled you're here. It gives us a chance to talk about our vision for a peaceful world. There's a lot of war talk these days, as there should be, but it's all aimed at making sure the world is peaceful, peaceful not only for children here in America but peaceful for children in Poland as well. And it's kind of you all to give us a chance to come and to visit.

When we landed our chopper out there on the playing fields—or some kind of field—[laughter]—I know it was a field—[laughter]—we were met by two really fine Americans, Helen Suchara and Erin Chekal. Now they're here, and I want them to stand up here in a minute. But I want to describe to you their hearts. First, you'll see that Helen has lived a full life. But in the early nineties, she decided to go to Poland as a Peace Corps volunteer. She decided to take American values to her—the homeland of her ancestry, to talk about democracy and freedom, those very same values which the country embraces today. And Erin Chekal wanted to do the same thing. And so we've got two generations of Americans with us today who have volunteered their time to make not only America a better place but to help the country they love, Poland, become a better place. And I want you to welcome them. Thank you all for coming. [Applause]

Mr. President, the strength of our Nation is not our balance sheet; it's not our military. The strength of our Nation is the American people. The American people are generous people. They're kind people. They're courageous people. The true strength of America lies in the hearts and souls of Americans from all walks of life.

It has been such an honor to welcome the President here to America. Laura and I went to Warsaw, by the way, as his guest and had a fantastic experience. We were—the people were great, and it was a wonderful time for us to begin a friendship that's an important friendship today.

And the friendship, though, between Poland and America goes back a long way. As Governor Engler mentioned, Poles fought for American independence, and in the century past, we had the privilege and honor of

helping Poland fight for her independence. We had the honor of repaying the favor, because we love freedom, and so do the Polish people. America is proud to call Poland a friend, a partner, and an ally.

The people of Poland and the people of America share strong bonds of kinship and culture and commerce. The sons and daughters of Poland, many of whom I'm pleased we have here today, Mr. President, have been enriching America throughout our entire history. [Applause] There's one or two sons here. Listen, they've contributed to every walk of life, Jan Karski, Ed Muskie, Bronko Nagurski. We had dinner last night with one, a great Polish American, Stan Musial. All throughout our society, Polish Americans have made a tremendous contribution, Mr. President, and we're proud of that contribution. As a matter of fact, it's the contributions from people from all walks of life which make America not only a unique nation but a strong nation.

Poland has given a lot to America, and Poland has given a lot to the world. For 50 years, the people of Poland waged an heroic struggle for freedom. For 50 years, they set an example of what it means to love freedom. It was Polish courage and conscience that caused an evil empire to fear freedom and eventually bring down the evil empire.

And Poland has given the world one of the greatest figures of the last century. The moral authority and iron integrity of a Polish Pope have stirred the forces of freedom throughout the world. Everyone who believes in human rights and human life and human dignity owes a great debt to Pope John Paul II. And I want to thank one of his most distinguished representatives here in America, His Eminence Cardinal Maida, for being with us today as well.

Poland is an example to all of Europe. After all, it's a strong democracy with a market economy. It's a force for stability within Europe, and it's a nation prepared to play an influential role on the world stage.

Five years ago, the United States proudly supported Poland's bid to join NATO. This year, Poland and the United States will meet in Prague and support NATO membership for all of Europe's democracies ready to share in NATO's responsibilities.

In this age, in this era, America needs allies who share the same views about the world's opportunities. We need allies who understand the world's dangers. When America was attacked, NATO and Poland, led by this good man, immediately declared that an attack on one of us was an attack on all of us. You need to know that Poland is standing strong—I mean, strong—alongside America in the war on global terror.

Poland has—Poland—

Audience members. Stop the war! Stop the war! Stop the war!

The President. Poland has deployed troops to Afghanistan, has shared intelligence, and cracked down on terrorist financing. You need to know that the United States of America will track the terrorists down, one by one, and bring them to justice. [Applause] Thank you all.

Mr. President, the people of America are deeply grateful for your support and the support of the people of Poland. See, a lot of people in our country, and perhaps yours, wonder why would, why would an enemy—by the way, nothing bunch of—nothing but a bunch of coldblooded killers—strike America. And Mr. President, it's because they fear freedom. See, we believe in freedom of speech. We believe in freedom of the press. Like you, we love freedom, and if somebody attacks our freedoms, we'll stand tough and strong.

No, we're bound together in this war on terror. This President understands what I know, that we've entered a new type of war. We're hunting down people that will hide in a cave but send youngsters to their death—that's what they'll do. These are international criminals, and we're going to treat them like international criminals. We're going to get them on the run, and we're going to keep them on the run until we bring them to justice.

We owe it to history; we owe it to our children and our grandchildren. Anytime anybody wants to affect the freedom of our people, they must pay a price, not because we seek revenge but because we seek justice.

I was explaining to the President yesterday that I've submitted a mighty hefty increase in our defense spending. I did so because anytime an American President commits one

of our troops into battle or into harm's way, that person deserves the best training, the best pay, the best equipment possible. And Mr. President, this significant increase, the largest since Ronald Reagan was the President, shows the world, shows our friends, and as importantly, shows the enemy that the United States is a determined, resolved nation. It doesn't matter how long it takes. There are no calendars on our desks in Washington that say, by such and such a moment we've got to quit. That's not how we think, Mr. President, and you know that. The increase in the defense budget says that we're in this for the long haul, that we owe it to a lot of people to be patient and resolved.

Mr. President, I'm telling you that this country is united. We understand this isn't a Republican war, a Democratic war. This is a war that will test the soul and conscience and strength of the American people. And Mr. President, America will meet the test.

We are united. We're a united country, and we're united with Poland. We will not permit the future to be defined by fear and chaos and hatred. We will define a future of greater development of democracy and a future of tolerance. We'll stand together, and, make no mistake about it, we will defeat global terror.

When I spoke to the faculty and students at Warsaw University last year, I said the question no longer is what others can do for Poland, but what America, Poland, and all of Europe can do for the rest of the world. Working together, we will build greater prosperity and greater hope to people of our respective nations and people all across the globe.

Poland has a leader it can trust. He's a good man. He's a man I'm proud to call friend. I'm proud to bring him to the great State of Michigan. I'm proud to introduce him to you. Ladies and gentlemen, President Aleksander Kwasniewski of Poland.

NOTE: The President spoke at 11:05 a.m. in the Athletics Center at Oakland University. In his remarks, he referred to President Aleksander Kwasniewski of Poland, and his wife, Jolanta Kwasniewska; Gov. John Engler of Michigan, and his wife, Michelle; Mayor Kwame Kilpatrick of Detroit, Mayor William A. Johnson, Jr., of Rochester; Mayor Pat Somerville of Rochester Hills;

baseball Hall of Fame member Stanley F. Musial; and Adam Cardinal Maida, Archbishop of Detroit. The transcript released by the Office of the Press Secretary also included the remarks of President Kwasniewski.

Remarks at a Luncheon With Polish American Leaders in Troy, Michigan July 18, 2002

The President. Thank you all very much. Thanks for your warm welcome. My fellow club members—[laughter]—thank you all for—

[At this point, there was a disruption in the audience.]

The President. Yes, sir, thanks. We—the President and I were just in the neighborhood, looking for a meal. [Laughter] So I just said, “Why don't we stop over? I'm a member of a club in the area.” [Laughter] Stan, thanks for remembering my membership, and thanks for feeding us.

I appreciate you all coming out to greet my friend and a friend of America, the President of Poland, a fine leader and a fine gentleman.

I want to thank Stan and Sylvia. I want to thank all the folks who put on the dinner or—we call it “dinner” in Texas—lunch here in Michigan. And I want to thank my fellow Americans for coming out to say hello.

We had a wonderful dinner last night in Washington. We all wore our black ties. I rented mine right around the corner. [Laughter] But it was a wonderful occasion. And as much as I loved it last night, I was really looking forward to coming with the President here to Michigan, because there's a lot of great—there's a lot of great Americans who happen to be from Polish descent living here, and I thought it was a perfect place for him to come.

I want to thank Cardinal Maida for coming. He was—he came to dinner last night with us, and he jumped on Air Force One. We found plenty of room for him. [Laughter] But he's such a—such a dignified human being, and I'm proud to call him friend. And thank you for your leadership, sir.

I want to thank the Englers, our friends the Englers. The great Governor and the first

lady of the State of Michigan. They've been our friends for a long time. I know the Lieutenant Governor is here. I appreciate you being here, Dick. Thank you for coming, Dick Posthumus. Candice Miller, the secretary of state, I appreciate you being here.

We've got our Ambassador from Poland with us, Christopher Hill. He's doing a fine job. Chris, thank you for being here.

We've got a great delegation from the Polish Government with us, scattered throughout, I guess. Mr. Minister, thank you for coming. I appreciate you all being here.

I want to just tell you right quickly that America has got a strong, strong friend in Poland. The Polish Government and the Polish people are—they understand what we went through. They understand—they've had a history of people wanting to take away their freedoms too. See, we share that common bond.

And they also understand that we owe it to our children and we owe it to future generations beyond our children to hold people to account, to hold the killers to account, to bring the killers to justice in order to defend our freedoms. And that's what we're going to do.

Some predicted that the farther we got away from September the 11th, the more the American people would grow weary or kind of forget what happened. And Mr. President, you need to know that's not the case—that's not the case. Anybody attacks us and attacks our freedom, we don't forget that. And therefore, Mr. President, you're a guest in a country that is united and strong and resolved, resolved to keep our coalition together and resolved to defend our freedom, no matter what the cost. And Poland understands that, and for that we are grateful.

And so it's been our privilege the last 2 days to welcome the First Lady and the President, President Kwasniewski, here to the United States of America. It's been a great trip, and it's a chance for us to—chance for me to introduce him to you, my fellow Americans.

Mr. President, you're among some of the finest we have in our country, the good Polish Americans of the State of Michigan.

Would you please welcome the President of Poland.

NOTE: The President spoke at 12:21 p.m. at the American-Polish Cultural Center. In his remarks, he referred to Stanley Grot, president, American-Polish Cultural Center, and his wife, Sylvia; Adam Cardinal Maida, Archbishop of Detroit; Gov. John Engler of Michigan, and his wife, Michelle; and Jolanta Kwasniewska, wife of President Kwasniewski. The transcript released by the Office of the Press Secretary also included the remarks of President Kwasniewski.

Remarks Prior to Discussions With the Foreign Ministers of Egypt, Jordan, and Saudi Arabia and an Exchange With Reporters

July 18, 2002

The President. I have a short statement here, and then I'd be glad to answer two questions; I'll call on the people. Then we need to get to our meeting.

I want to thank the Ministers for coming today. Secretary of State Powell has been working hard to work on an initiative that we believe will bring peace to the Middle East.

Our vision of peace says that there ought to be two states living side by side in peace. Our vision for peace recognizes that there must be security in the region. Our vision for peace understands that too many Palestinians suffer; they suffer from lack of food and basic services. Our vision for peace understands that all parties have got responsibilities: The United States has a responsibility; the neighborhood has responsibilities; the Israelis have a responsibility; the Palestinians have a responsibility. And we will continue to work with all parties to achieve the pathway to peace.

And I want to thank the Ministers for coming. They represent governments that are anxious to work with us, anxious to work toward achieving the vision that we all hope will happen soon. It's in the best interests of the world that we do achieve peace in the Middle East, and I'm looking forward to continuing our dialogs.

I'll answer a couple of questions. Dick Keil [Richard Keil, Bloomberg News].

Reform of the Palestinian Authority

Q. Mr. President, would you be willing to consider a permanent Palestinian state that included Chairman Arafat in some sort of ceremonial role or as President?

The President. As I mentioned—I think it was yesterday, I think, I had a press conference. My, time flies. The issue is bigger than any single person. And our discussions will center on how to have institutionals—institutions in place that will truly represent the will of the Palestinian people, that will give confidence to the world that we can spend money in a way that helps the Palestinians, that when we talk about security, there are security forces there aimed at protecting people from terrorist attack, as opposed to enabling people to stay in office.

You know, it's very interesting that these leaders came to our country to discuss peace, and the terrorists attacked. It's clear that a few want to damage the hopes of many. And by working to put institutions in place that will help on security and finances and government, institutions which will outlast any single leader—and so that's what we're going to discuss today.

Mark Smith [Associated Press Radio].

Middle East Security Arrangement/ Timing of Terrorist Attacks

Q. Mr. President, what do you think of the idea of having troops and others from the Egyptian and Saudi and Jordanian sides help train security forces for the Palestinians? And sir, yesterday there was another double suicide bombing just after you used the word “progress.” Do you think that's a coincidence?

The President. You know, I'm beginning to think that every time we have a high-level meeting, something happens. It's not coincidental. I think the enemies of peace try to send signals, try to derail peace, and try to discourage us. And one of the things I'm going to tell the leaders today is, we refuse to be discouraged. We're going to continue to work for peace, continue to push hard for peace, because we think it's a—we know it's in our vital interests.

In terms of who trains whom for security, that's part of the ongoing discussions, and that's what we want to discuss. George Tenet

has laid out a plan, and part of the plan is to work with the nations present here as to how to effect a security arrangement that will be effective and will work. That's what we want to do, and that's what we want to discuss.

Listen, thank you all.

NOTE: The President spoke at 4:22 p.m. in the Oval Office at the White House. The President met with Minister of Foreign Affairs Ahmed Maher of Egypt; Minister of Foreign Affairs Marwan Muasher of Jordan; and Minister of Foreign Affairs Saud al-Faysal al Saud of Saudi Arabia. A reporter referred to Chairman Yasser Arafat of the Palestinian Authority.

Remarks to the 10th Mountain Division at Fort Drum, New York

July 19, 2002

The President. Thank you all. Thank you, General, and thank you all for such a warm welcome. I'm honored to be here. I've been looking forward to coming to Fort Drum.

Audience members. Hooah!

The President. It gives me a chance to come to one of our Nation's finest military bases.

Audience members. Hooah!

The President. But more importantly, it gives me a chance to speak to some of the finest Americans we have, our soldiers and their families. I'm proud of you. You have a vital mission, especially in this time of war. And you do it well, and you do the mission with honor.

Audience members. Hooah!

The President. The 10th Mountain Division patch stands for the skill and it stands for the power of our military, and it stands for the best values of the United States of America.

Audience members. Hooah!

The President. Many of you just returned from service abroad in Operation Enduring Freedom.

Audience members. Hooah!

The President. Others have come home from duty in Kosovo or Bosnia.

Audience members. Hooah!

The President. And the Sinai.

Audience members. Hooah!

The President. Troops from this base will be needed again in missions yet to come.

Audience members. Hooah!

The President. But you have the Nation's gratitude for all you've done and the Nation's confidence in all you will do.

Audience members. Hooah!

The President. I want to thank General Huber for his service to our country. I want to thank Judy Hagenbeck, the wife of Major General Buster Hagenbeck, with whom I got to speak via one of these teleconferencing apparati. [*Laughter*]

I want to thank General Larry Ellis for his leadership. I want to thank Colonel John Kelly. I want to thank Major General Ken Lopez. I want to thank all those who wear the uniform, on behalf of a mighty nation.

Audience members. Hooah!

The President. I want to thank my friend Governor George Pataki of the State of New York. I appreciate you being here, Governor. I want to thank the Lieutenant Governor, who is here. I appreciate members of the New York congressional delegation who have taken time out of their schedules to come, Senator Clinton, Congressman McHugh, Congressman Boehlert, Congressman Reynolds, Congressman Sweeney, and Congressman Walsh. I want to thank the State officials who are here. I want to thank the local officials who are here. And I want to thank the veterans who are here with us today.

Audience members. Hooah!

The President. I know Watertown, New York, is proud to call hundreds of the veterans citizen, and the American people are so grateful to your service.

I want to thank the family members who are here today. Our country depends upon those who wear the uniform, and our country depends upon their family members too. I want to thank you for the sacrifices that you make on behalf of a nation. I want to thank the wives and the husbands and the sons and the daughters. We appreciate the commitments you make to your family and to your country. This Nation is grateful to our military families.

Audience members. Hooah!

The President. This great base, the 10th Mountain Division, has a special place in American military history. Under different

names, Fort Drum has given continuous service to the defense of our country since the beginning of the last century. The ranks of the 10th Mountain Division have given distinguished and at times heroic service for six decades. This unit has produced some of the finest soldiers ever to wear the uniform—

Audience members. Hooah!

The President. —including a World War II veteran, one of the great living Americans, Senator Bob Dole.

Audience members. Hooah!

The President. This division has now been called to play a central part in the first war of the 21st century. In the fight against terror, you are responding as you always have in times of danger. Because of you, and men and women like you in all branches of our military, we will defend this Nation, and we will defeat the enemies of freedom.

Audience members. Hooah!

The President. I can't imagine what the enemy was thinking. [*Laughter*] They must have thought we were so weak, so feeble a nation that we might, after September the 11th, file a lawsuit or two. [*Laughter*] They obviously had never been to Fort Drum. They didn't understand what I know, the character and the strength and the courage of the men and women of the United States military.

This war came upon us suddenly. The response has placed great demands on our military. Yet at every point in the chain of command, you were prepared for the orders that came. As Major General Hagenbeck has put it, when this division was called in September to deploy, nobody ever asked, "Are you ready?" It was assumed. And as the enemy found out, you were ready.

Within days, you stepped forward to guard against further attacks on the homeland. Within weeks, soldiers from Fort Drum were guarding bases in Uzbekistan and moving in to defeat a brutal regime in Afghanistan.

Audience members. Hooah!

The President. You fought beside our allies in cold and rugged terrain, against trained and resourceful killers. You met the enemy half a world away, in his own element, yet the terrorists discovered no bunker could protect them.

Audience members. Hooah!

The President. Darkness couldn't conceal them.

Audience members. Hooah!

The President. And there was no cave deep enough to save them.

Audience members. Hooah!

The President. The 10th Mountain Division cleared over 100 caves used by Al Qaida, seized more than 500 stockpiles of enemy ammunition, patrolled over 500 miles of border trails to block fleeing enemy, helped build or repair tent hospitals and deliver over a million pounds of food. In the Afghan campaign, more than 150 soldiers of the 10th Mountain Division were decorated for their noble actions, including one lieutenant colonel who calmly inspired his troops during 18 hours of grenade attacks and withering small arms fire.

When the 10th Mountain Division first arrived in Afghanistan, the Taliban was in power. When some of you left, the Taliban was in ruins, and the Afghan people were liberated.

For some of you, this may seem like a long war, particularly ones who have had loved ones overseas. But we've been at it for only 10 months. We have a great deal to show for our efforts. Our country leads a mighty coalition of civilized nations, joined in facing a common threat, a real threat to humanity. We're uncovering terrorist cells all across the world, disrupting plots against us. We're seizing terrorist assets and keeping terrorists themselves on the run.

So far, more than—thousands of terrorists have been captured, and thousands others, like several in the Philippines just weeks ago, weren't that lucky.

Audience members. Hooah!

The President. One by one, they are meeting their fate, a fate they chose for themselves. Around the world, terrorists are learning that the justice of the United States of America cannot and will not be escaped.

Audience members. Hooah!

The President. Some members of our coalition need America's aid and advice, and they're receiving it. Other nations need help training their armies to fight terror, and we're providing that. Some parts of the world, there will be no substitute for direct action

by the United States. That is when we will send you, our military, to win the battles that only you can win.

Audience members. Hooah!

The President. At this moment, around 60,000 Americans are deployed around the world in the war against terror. We've given great responsibilities to them and to you. And those of us in Washington have great responsibilities of our own. We must never cut corners when it comes to our national security. We owe our military every weapon you need, every dollar it takes to fight and to win this war.

Audience members. Hooah!

The President. We're making progress, and I appreciate the fact that Congress has stood behind me. I appreciate the support I've received in Congress. I've been able to rely on leaders of both political parties.

Earlier this year, I proposed the largest increase in military spending since Ronald Reagan was the President.

Audience members. Hooah!

The President. I did so because our troops must be well trained, well equipped, and well paid in order to fight and win this war.

We're investing in our military so we can deploy swift and agile forces anyplace, any time they're needed. We're building precision weapons that can spare the lives of American soldiers and lives of innocent civilians in foreign lands.

We will multiply every advantage—every possible advantage—so that we're prepared for any enemy, any enemy of freedom.

Audience member. Let's get Saddam.

Audience members. Hooah!

The President. In March of this year, I asked Congress to put defense appropriations at the beginning of the legislative line, not the end. I asked them to stop playing that old trick, "We'll hold defense last."

Audience members. Hooah!

The President. I think it needs to be first.

Audience members. Hooah!

The President. The House of Representatives responded. The Senate is still delaying. The Senate must act so that we can plan the war. The Senate must act, and it must act this month, on defense appropriations. Congress has the responsibility to put first things

first, and nothing comes before the freedom and the security of the American people.

Audience members. Hooah!

The President. As we prepare our military for action, we will protect our military from international courts and committees with agendas of their own.

Audience members. Hooah!

The President. You might have heard about a treaty that would place American troops under the jurisdiction of something called the International Criminal Court. The United States cooperates with many other nations to keep the peace, but we will not submit American troops to prosecutors and judges whose jurisdiction we do not accept.

Audience members. Hooah!

The President. Our Nation expects and enforces the highest standards of honor and conduct in our military. That's how you were trained. That's what we expect. Every person who serves under the American flag will answer to his or her own superiors and to military law, not to the rulings of an unaccountable international criminal court.

Audience members. Hooah!

The President. This new war is going to take some time. We're in this for the long haul. After all, we defend our Nation we love. We defend the values we uphold. We love freedom—we love freedom. We love our freedoms, and we will defend them, no matter what the cost.

Audience members. Hooah!

The President. The work has just begun. And what we have begun, we will finish.

Audience members. Hooah!

The President. In Afghanistan, coalition troops still have critical work, and the dangers haven't passed. Elsewhere, new threats are taking shape.

In this war, there will be times of quiet, and there will be times of crisis, times that call for patience, and times that call for sacrifice. As members of our military, you understand this as clearly as anyone. You know the nature of the threat.

Terrorism is fueled by boundless hatred. Terrorism will be stopped by a mighty nation with a strong and ready military.

Audience members. Hooah!

The President. We fight against a shadowy network that hides in many nations and

has revealed its intention to gain and use weapons of mass destruction. We're threatened by regimes that have sought these ultimate weapons and hide their weapons programs from the eyes of the world.

The same regimes have shown their true nature by torturing and butchering their own people. These tyrants and terrorists have one thing in common: Whatever their plans and schemes, they will not be restrained by a hint of humanity or conscience.

The enemies of America no longer need great armies to attack our people. They require only great hatred, made more dangerous by advanced technologies. Such enemies—against such enemies, we cannot sit quietly and hope for the best. To ignore this mounting danger is to invite it. America must act against these terrible threats before they're fully formed.

Audience members. Hooah!

The President. We will use diplomacy when possible and force when necessary.

Audience members. Hooah!

The President. We will prepare deliberately and act decisively.

Our commitment should be clear to all, to friend and enemy alike: America will not leave the safety of our people and the future of peace in the hands of a few evil and destructive men.

Audience members. Hooah!

The President. In this war, we fight against the advance of terror and its agents. We also fight for the advance of freedom and human dignity. We do more than oppose an ideology of violence and hatred; we offer a vision of democracy and development that can overcome resentment and despair in every part of the Earth.

Seldom have the ideals of freedom been under greater threat. Seldom have the ideals of freedom had greater appeal. This Nation, this generation, you all have been entrusted with the ideals and with their defense. This is a charge we bear. This is a charge we shall keep.

Audience members. Hooah!

The President. Your duties will take you many places. In some places, you and your fellow soldiers may be the only representatives of justice and order. As members of our military, you will stand between American

citizens and grave danger. You will stand between civilization and chaos. And you will stand for liberty and tolerance and truth, the ideals of America and the hope of the entire world. Soldiers of the 10th Mountain Division and men and women of the Armed Forces, I'm honored to serve with you.

Audience members. Hooah!

The President. This is a decisive moment in the history of freedom. As your Commander in Chief, I leave you this message: Be proud, be strong, and be ready.

Audience members. Hooah!

The President. May God bless you all. May God bless you, and God bless America.

NOTE: The President spoke at 1:18 p.m. at Division Hill. In his remarks, he referred to Brig. Gen. Keith M. Huber, USA, assistant division commander operations, and Sgt. Maj. Kenneth C. Lopez, USA, 10th Mountain Division; Maj. Gen. Franklin L. "Buster" Hagenbeck, USA, commander, 10th Mountain Division and Fort Drum; Lt. Gen. Larry R. Ellis, USA, Deputy Chief of Staff, Operations and Plans; Col. John J. Kelly, USA, commander, U.S. Army Garrison, Fort Drum; and Lt. Gov. Mary O. Donohue of New York. An audience member referred to President Saddam Hussein of Iraq.

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 14

In the afternoon, the President returned from Camp David, MD, to Washington, DC.

July 15

In the morning, the President had intelligence briefings. He then traveled to Birmingham, AL, where he participated in a roundtable meeting with business leaders at the Alys Stephens Center at the University of Alabama-Birmingham.

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

The White House announced that the President will meet with Prime Minister Ranil Wickremesinghe of Sri Lanka at the White House on July 24.

The White House announced that the President will welcome President Vaclav Havel of the Czech Republic to Washington, DC, on September 18.

July 16

In the morning, the President had CIA and FBI briefings. He then met with Members of Congress to discuss proposed homeland security legislation.

In the afternoon, in the Oval Office, the President met with Texas Supreme Court Justice Priscilla Owen, nominee to be U.S. Circuit Judge for the Fifth Circuit, and a bipartisan group of her supporters from Texas, including Senators Phil Gramm and Kay Bailey Hutchison and leaders of the Texas bar.

The White House announced that the President will welcome King Abdullah II of Jordan to the White House on August 1.

The President announced his nomination of Antonio O. Garza, Jr., to be Ambassador to Mexico.

July 17

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

The President announced his intention to nominate Marion C. Blakey to be Administrator of the Federal Aviation Administration.

The President announced his intention to nominate Pamela F. Olson to be Assistant Secretary for Tax Policy at the Department of the Treasury.

The President announced his intention to nominate Roger P. Nober to be a member of the Surface Transportation Board and, upon confirmation, to be designated Chairman.

July 18

In the morning, the President traveled to Rochester, MI, with President Aleksander Kwasniewski of Poland. Later, they traveled to Troy, MI.

In the afternoon, the two Presidents returned to Washington, DC.

July 19

In the morning, the President had intelligence briefings and then met with the National Security Council. Later, he traveled to Fort Drum, NY, where he viewed troop demonstrations and participated in a video-conference with Maj. Gen. Franklin L. “Buster” Hagenbeck, USA, commander, 10th Mountain Division and Fort Drum, and troops deployed with him in Afghanistan.

In the afternoon, the President traveled to Camp David, MD.

The President announced that he has named Joseph O’Neill as Director of the Office of National AIDS Policy.

The President announced that he has named Daniel Bartlett as Assistant to the President for Communications.

The President announced that he has named Michael Gerson as Assistant to the President for Speechwriting and Policy Advisor.

The President declared a major disaster in Wisconsin and ordered Federal aid to supplement State and local recovery efforts in the area struck by severe storms and flooding on June 21–25.

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 15

Glenn Bernard Anderson, of Arkansas, to be a member of the National Council on Disability for a term expiring September 17, 2002, vice Yerker Andersson, term expired.

Glenn Bernard Anderson, of Arkansas, to be a member of the National Council on Disability for a term expiring September 17, 2005 (reappointment).

Milton Aponte, of Florida, to be a member of the National Council on Disability for a term expiring September 17, 2003, vice Audrey L. McCrimon, term expired.

Barbara Gillcrist, of New Mexico, to be a member of the National Council on Disability for a term expiring September 17, 2002, vice Lilliam Rangel Pollo, term expired.

Barbara Gillcrist, of New Mexico, to be a member of the National Council on Disability for a term expiring September 17, 2005 (reappointment).

Graham Hill, of Virginia, to be a member of the National Council on Disability for a term expiring September 17, 2002, vice Hughey Walker, term expired.

Graham Hill, of Virginia, to be a member of the National Council on Disability for a term expiring September 17, 2005 (reappointment).

Joel Kahn, of Ohio, to be a member of the National Council on Disability for a term expiring September 17, 2004, vice Dave Nolan Brown, term expired.

Patricia Pound, of Texas, to be a member of the National Council on Disability for a term expiring September 17, 2005 (reappointment).

Marco A. Rodriguez, of California, to be a member of the National Council on Disability for a term expiring September 17, 2002, vice Edward Correia.

Marco A. Rodriguez, of California, to be a member of the National Council on Disability for a term expiring September 17, 2005 (reappointment).

David Wenzel, of Pennsylvania, to be a member of the National Council on Disability for a term expiring September 17, 2004, vice Bonnie O’Day, term expired.

Linda Wetters,
of Ohio, to be a member of the National
Council on Disability for a term expiring
September 17, 2003, vice Gerald S. Segal.

Submitted July 16

Roel C. Campos,
of Texas, to be a member of the Securities
and Exchange Commission for a term expir-
ing June 5, 2005, vice Isaac C. Hunt, Jr.

Antonio O. Garza, Jr.,
of Texas, to be Ambassador Extraordinary
and Plenipotentiary of the United States of
America to Mexico.

Submitted July 18

Robert A. Junell,
of Texas, to be U.S. District Judge for the
Western District of Texas, vice Hipolito
Frank Garcia, deceased.

James E. Kinkeade,
of Texas, to be U.S. District Judge for the
Northern District of Texas, vice Joe Kendall,
resigned.

Robert G. Klausner,
of California, to be U.S. District Judge for
the Central District of California, vice Wil-
liam D. Keller, retired.

Roger P. Nober,
of Maryland, to be a member of the Surface
Transportation Board for a term expiring De-
cember 31, 2005, vice William Clyburn, Jr.,
term expired.

Pamela F. Olson,
of Virginia, to be an Assistant Secretary of
the Treasury, vice Mark A. Weinberger, re-
signed.

S. James Otero,
of California, to be U.S. District Judge for
the Central District of California, vice Rich-
ard A. Paez, elevated.

William E. Smith,
of Rhode Island, to be U.S. District Judge
for the District of Rhode Island, vice Ronald
R. Lagueux, retired.

**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 15

Transcript of a press gaggle by Press Sec-
retary Ari Fleischer

Statement by the Press Secretary: Visit by
Sri Lankan Prime Minister Wickremesinghe

Statement by the Press Secretary: Visit of
President Vaclav Havel of the Czech Repub-
lic

Released July 16

Transcript of a press briefing by Press Sec-
retary Ari Fleischer

Fact sheet: U.S.-Cuba Policy and the Cuban
Liberty and Democratic Solidarity Act

Fact sheet: Priscilla Owen

Executive Summary: National Strategy for
Homeland Security

Released July 17

Fact sheet: Poland: Economic/Commercial
Dialogue

Fact sheet: Poland: Transfer of Second Frig-
ate and Helicopters

Fact sheet: Poland: U.S. Department of
Labor Employment Initiative

Fact sheet: U.S.-Poland Military Cooperation
Initiative

Released July 18

Transcript of a press gaggle by Press Sec-
retary Ari Fleischer

Announcement of nominations for U.S. Dis-
trict Judges for the District of Rhode Island,
the Central District of California, the North-
ern District of Texas, and the Western Dis-
trict of Texas

Released July 19

Transcript of a press gaggle by Press Secretary Ari Fleischer

Statement by the Press Secretary on disaster assistance to Wisconsin

**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.