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Week Ending Friday, July 26, 2002

The President's Radio Address

July 20, 2002

Good morning. As Congress approaches the August recess, it must take decisive steps to provide economic security to the American people, to demand high ethical standards from corporate leaders, to promote economic growth and job creation, and to curb its appetite for excessive spending.

We must promote economic security by enforcing high ethical standards for American businesses. Unethical business practices by corporate leaders amount to theft and fraud. These practices are unacceptable, and we are fighting them with active prosecutions and tough enforcement by the SEC. We will defend the rights and interests of every American worker and shareholder, and we will not accept anything less than complete honesty.

The House and Senate have both passed strong corporate accountability bills that toughen penalties and provide transparency and hold corporate executives accountable for their behavior. I am confident that the differences between the House and Senate approaches can be bridged. Some in Congress have predicted that it will take 2 months for the House and Senate to send a bill to my desk. There is no good reason for the legislative process to take that long. I call again on Congress to pass a bill before the August recess. It's time to act decisively to bring a new era of integrity to American business.

We must also increase economic security for American workers through expanded trade. For over a year now, the United States Congress has debated trade promotion authority. This week, I met with Members of the House and Senate to urge them to resolve their differences and approve a bill. If Congress waits, less markets will be open to American goods, and less jobs will be created for American workers.

To promote our economic security, we also need to act on a terrorism insurance bill. Until Congress sends a bill to my desk, some buildings will not be able to get coverage against terrorist attacks, and many new buildings will not be built at all. Commercial development is stalling, and workers are missing out on these jobs. This year alone, the lack of terrorism insurance has killed or delayed more than $8 billion in commercial property financing. Congress should pass a terrorism insurance bill without unnecessary measures that increase frivolous litigation.

Finally, we must promote economic security by enforcing fiscal restraint. Congress must control its enormous appetite for excessive spending so we can meet our national priorities and return to a budget surplus without undermining our economy. Unless Congress controls its spending, we will face a decade of deficits. I will insist on and, if necessary, I will enforce discipline in Federal spending.

This is a crucial moment for the American economy. The economic fundamentals are strong. Inflation and interest rates are low. Productivity is increasing, and the economy is expanding, which creates more jobs. While the economy is growing stronger, confidence in our free enterprise system is being tested.

Unethical business conduct that began in the boom of the 1990s is being uncovered. Investors have lost money. Some in retirement have lost security. Workers have lost jobs, and the trust of the American people has been betrayed.

As we face these economic challenges, my administration will do everything in its power to ensure business integrity and long-term growth. We must act quickly and aggressively on a variety of fronts to increase the economic security of the American people, and I ask the Congress to join me in this urgent task.

Thank you for listening.

NOTE: The address was recorded at 9:50 a.m. on July 19 in the Cabinet Room at the White House for broadcast at 10:06 a.m. on July 20. The transcript was made available by the Office of the Press Secretary on July 19 but was embargoed for release until the broadcast. The Office of the Press Secretary also released a Spanish language transcript of this address.

Exchange With Reporters During a Tour of the Advanced Photon Source Lab in Argonne, Illinois

July 22, 2002

Stock Market

Q. A lot of people are losing their life savings in the market. What's your advice to them, pull out? Stay in? Put more money in?

The President. Well, I'm not a stockbroker or a stockpicker, but I do believe that the fundamentals for economic growth are real. And I believe Congress is going to get a bill that will help to take some of the uncertainty out of the market, and that bill is going to put some meaningful reforms in place.

And then, the investor is going to pick value, make decisions on value. And from what I hear, corporate profits are improving, which means values will be available for those who invest in the market.

Secondly, I fully understand some have diversified into bonds. And for those who have, their portfolios are better than those who have stayed only in equity. But I'm an optimist. I believe the future's going to be bright.

But look, you're talking to the wrong guy about what stocks to buy.

WorldCom

Q. Do you believe the country will feel the effects of today's WorldCom bankruptcy? Does that worry you?

The President. I think the market probably has already adjusted for that. What I'm worried about on the WorldCom bankruptcy is the employees that work for WorldCom. I worry that people will lose work. But the market has already, I suspect, has already anticipated the WorldCom decision.

The key is for Congress to get a bill. I talked with the Speaker about it today. He's optimistic that we will get a good bill. And I meant what I said, I'd like to see the bill on my desk prior to the recess.

Department of Homeland Security Legislation

Q. Mr. President, is the September 11th deadline for getting homeland security bill through, is that—some are saying—is it realistic?

The President. Well, I think they made great progress. I know they made great progress in the House. And the Senate is going to take it up in the next 2 weeks. And I believe there's a good chance we can get——

Q. But would you rather—if it came to it, would you rather wait and make sure it was done right, or does it have to be done——

The President. Well, you're suggesting it's not being done right now in the House, and I'm sure those Members will——

Q. You never know what's going to happen in that Senate, sir—[*laughter*].

The President. I'm sure the Speaker appreciates that. But I do believe it's going to be done right. We're working closely with the Members. Hopefully, we can get it done by September the 11th. The key is to get it done.

Trade Promotion Authority Legislation

Q. Are you going to get trade promotion authority this week?

The President. Well, that's a good question. I talked to the Speaker about that. I'm anxious that they come together and get a bill up. It's important for our economy that we get a trade promotion authority. I know the Speaker's committed to getting a bill to the floor, once the conference finishes its work.

I met with the leaders of both the House and the Senate, both parties, and urged them to reconcile any differences and get the bill to the floor of the House before they go on recess. We'll just have to see. When I get back to Washington, I'm going to check in, because our people are working that bill hard, working the corporate responsibility bill hard as well.