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Treasury Secretary Paul O'Neill

Q. Mr. President, what do you say to the folks, the growing number of folks who are calling for Treasury Secretary O'Neill to step down?

The President. I say he's doing a fine job. And when the market goes up, I hope they will give him credit. If they're going to hold him accountable for a market going down, they ought to give him credit when the market goes up.

But I have all the confidence in the world in Secretary of the Treasury O'Neill. And I understand one newspaper was calling for his scalp, but you know, that's Washington, DC. That's what happens in that town.

Stock Market

Q. Mr. President, in that regard, after such a terrible week on the stock market last week, what's it going to take for investors to have the confidence to make that market go up again?

The President. Value. They're going to realize that there's values in the market. In other words, if they buy stock, they're buying value, as opposed to buying, you know, buying into a bubble.

And one of the things we can do in Washington is get a corporate responsibility bill passed, and I'm confident we will, which will take some of the risk out of the market. And the risk is that people won't be held accountable for misdeeds.

But people will be buying—buying in the market based upon the value. And what's happening is, corporate earnings are improving, so that the price/earnings ratios are improving. And I believe people are going to come back into the market. But listen, I'm not a stockbroker. I'm not a stockpicker. My attitude on Wall Street is, they'll buy you or sell you, depending upon if it's in their interest.

And you know, when I was—when I used to watch the stocks, I was in Midland, Texas, somewhat skeptical about what was taking place on the floors of these exchanges. But I know—I always knew—that you needed to buy on value, that the price relative to the earnings of the company needed to be in line with what they considered value. And I believe the values are improving. I know the economics, the platform for growth is in good shape. Inflation is low. Monetary policy is sound. Fiscal policy is sound. Productivity is up. Orders for durable goods are up. We've got the platform for growth.

When the values get there, you'll see the market go back up.

Thank you.

What?

2002 Election

Q. Any concerns about the Republican Party here in Illinois? There's been a lot of——

The President. No, we're going to win the Governor's race.

NOTE: The exchange began at 10:15 a.m. at the Argonne National Laboratory.

Remarks at the Argonne National Laboratory in Argonne

July 22, 2002

The President. Thank you all. Please have a seat—[*laughter*]—unless you don't have a chair. [*Laughter*] Thank you all very much for welcoming me here. I'm honored to be here. I'm honored to be here with some of the finest Americans in our country.

We're in a new kind of war today. We face a ruthless and a resourceful enemy. We do. That's the reality of the 21st century. These people seek to acquire the most destructive of weapons because they hate freedom. They intend to spread fear and death around the world. To prevail in this war, we're going to take the battle to the enemy in foreign lands. To prevail in this war, we'll use our law enforcement and our intelligence gathering all across our country to prevent the American people from being harmed. And to prevail in this war, we will fight on the frontiers of knowledge and discovery.

In this new war, we will rely upon the genius and creativity of the American people. And that's why I'm here, to look in the eyes of those who posses the genius and the creativity of the American people. Our scientific community is serving on the frontlines of this war by developing new technologies that will make America safer. And as you tackle new scientific challenges, I want you to know, our Government will stand by your side to make

your job easier. It is in our interests that we work together.

I want to thank Spence Abraham for his leadership at the Department of Energy, and I want to thank all of you for working for the fine Department of Energy. I want to thank Tom Ridge for coming. He's a man—I asked him, I said, "You know, you need to serve your country." He was serving as the Governor of Pennsylvania. I said, "You've got a nice mansion over there." [*Laughter*] "It's heavy lifting, but we need you in Washington." And for the good of the country, he came to help us spearhead the effort for a Department of Homeland Security.

And I want to thank Dr. John Marburger, who is the Director of Office Science and Technology Policy. Dr. Marburger is a fine scientist who represents the best of American scientists in Washington, DC.

I appreciate the Speaker of the House being here. He's my friend. He's doing a fine job on behalf of the citizens of Illinois and the United States of America, Speaker Denny Hastert. And I want to thank Senator Durbin and Senator Fitzgerald for coming as well. I know they've got busy schedules. Thank you all for being here. I appreciate you coming. I appreciate Judy Biggert, Jerry Weller, and Mark Kirk, fine Members of the House of Representatives from Illinois, being here today. I look forward to giving them a lift back to Washington. [*Laughter*] It's a nice way to travel. I think you all will like it. [*Laughter*]

I want to thank the Governor, George Ryan, for coming. Governor, I appreciate your time. I want to thank the attorney general of Illinois, Jim Ryan, for coming as well. I want to thank Ray Orbach, who is the Director of Office and Science at the Department of Energy, who led us on our tour. And of course I've got to thank Dr. Grunder. If everybody had a spirit like Dr. Grunder, the world would be an incredibly happy place. We're proud of you, Hermann. Thank you for your service to the country, and thank you all very much.

The Argonne National Laboratory is a cutting-edge facility. You're on the cutting edge, and you've got a great history as well. It is a direct decedent of the University of Chicago laboratory, where in 1942 Enrico Fermi and his colleagues achieved the world's first controlled nuclear chain reaction. This is a place where smart people work. [*Laughter*] It is the home of some of America's greatest scientists, who continue to dazzle the world with astonishing breakthroughs.

I've just come back from viewing some demonstrations of the great work done at national laboratories, whether it be here or Los Alamos or Sandia or others. The American people need to know we've got a lot of brainpower working on ways to deal with the threats that we now face as we head into the 21st century.

For example, I saw a warning and response system that will supply first-responders with timely and life-saving information in the event of a chemical attack on a subway or any other enclosed space. I saw a project that uses new advances in genetic research to identify and understand biological agents that could be used against us. I saw computer simulations to help policymakers and first-responders anticipate the effect of an attack of natural disaster and to develop life-saving plans. What I saw was new technologies that our scientists are developing to help us secure the homeland. America is grateful. It's grateful for your work. And our Government must be organized and focused to support these efforts.

Right now there are more than 100 different Federal agencies that have some role in the homeland defense of our country. And despite everyone's best intentions in those agencies, this inevitably leads to a dispersal of authority. Imagine, 100 of them scattered all over Washington, DC. It makes it hard to have accountability when you've got 100 agencies scattered around, and it's a drain on critical resources.

So I asked Congress to join me in creating a single, permanent, Cabinet-level Department of Homeland Security with an overriding and urgent mission, with this primary focus: to secure the American homeland. There are agencies—once they're under this—in this new Department will have other missions, no question about it. But their primary mission is to recognize the new world in which we live. The world has changed, and so must our Government change with

it, in order to allow all of us who have responsibility to say to the American people, "We're doing everything we possibly can to protect innocent American lives." This Department of Homeland Security will foster a new culture throughout our Government, one that emphasizes cooperation and working together on behalf of the American people. And this Department will have four primary tasks.

First, it will work to control our borders. There needs to be much better cooperation amongst the agencies to make sure we know who is coming in the country, what they're bringing in the country, why they're coming in the country, and are they leaving when they said they're going to leave the country.

We need to work—one of the primary responsibilities will be to work with State and local authorities to respond quickly and effectively to emergencies. In other words, we need to be better coordinated with the brave first-time responders—that means police and fire and EMS teams which exist all across our country. We want to have them have the strategy necessary to respond, the tools to respond effectively, and to be coordinated not only at the Federal level, the State level, and the local level.

Thirdly, we need to merge under one roof the capability to identify and assess threats to the homeland, map those threats against our vulnerabilities, and address the vulnerabilities. So prior to September the 11th, we had the CIA collecting information, and we had the FBI collecting information, and sometimes they weren't talking all that much. Now they talk. Now they coordinate.

When I'm there in Washington, I meet every morning, face to face, with the Director of the CIA and with the head of the FBI. It's a way to make sure that, at least at the very top levels of Government, people are communicating, and we're sharing information. We need to do that throughout all our Government and the Department of Homeland Security. We need to be able to take the information—intelligence gathered from around the world, as well as at home, and understand what might or might not be happening. One of the key tools that we need to use effectively against the coldblooded killers who we're trying to chase down is the capacity of our Nation to collect and analyze information.

And finally, we need our scientists to develop the kinds of technologies I saw today. We need to have an effective strategy of mating up our brainpower with the problems we face, so as to stay on the cutting edge of technological change necessary to protect the homeland.

And this last point is an incredibly important point, and that's why I've come to this laboratory to make the point. [*Laughter*] It's a perfect place to make the point. We will harness our science and our technology in a way to protect the American people. We will consolidate most federally funded homeland security research and development to avoid duplication and to make sure all the efforts are focused.

You see, we need to learn to set priorities in our Government. And the number one priority is to protect America from attack, because we're at war. The Department of Homeland Security will work to create a long-term plan. And once you have the long-term plan with the goal of securing the homeland, then we can set funding priorities. We give our scientists the resources they require, and that's important for you to know—resources necessary to counter the chemical and the biological and the radiological and nuclear threats that our Nation faces. And these threats are real. And therefore, we need to stay focused, not only to make sure resources are spent but that critical research continues, because you all know better than anybody, when we research and we set priorities, this great Nation can achieve any objective.

We're making progress. We are making progress in Washington. I appreciate so very much the House select committee getting a bill out, and it's going to get to the floor. And the Speaker was telling me today that it looks like they may get a vote this week, and the Senate is working hard on it. Both Republicans and Democrats are working hard to reconcile any differences that may be had. It's important for people to understand, particularly in Washington, this Department of Homeland Security is not a good Republican idea; it's not a good Democrat

idea; it's simply an American idea. And they need to get their work done.

And as they do so, the new Secretary of Homeland Security must have the freedom and the flexibility to be able to get the right people in the right job at the right time, so we can hold people accountable in Washington. We need the freedom to manage. We don't need to be micromanaged. And that's sometimes what happens in Washington, DC. The new Secretary needs the ability to move money and resources quickly, to respond to true threats.

I understand why that may not happen sometimes in Washington, and it's because, for example, appropriators may not want the executive branch to have the capacity to make decisions necessary to make the Homeland Department work effectively. But we're in new times in America, and that requires new thinking. And Congress must give us the flexibility necessary to make the right decisions to achieve our goal, which is to protect the American people.

As well, this new Department must have every tool it needs to secure the homeland. This new agency should include all of the departments which protect our border—all of the departments, not just some, but all of the departments. That includes the Coast Guard, the Customs Service, the INS—INS inspectors, Border Patrol, and Customs agents must report to the same boss and work together for the same goals. And this new Department needs to be able to respond effectively to any attack that might come, so it must house FEMA in its entirety.

What I'm telling you is, I understand that these changes won't be easy for some in Congress, but for the sake of the security of the American people, Congress needs to give up some of its turf and recognize turf is not nearly as important as security for the people—security for the American people. We're in new times, folks. We're in a different world. We face an unprecedented threat, and we cannot respond with business as usual.

But I want you to know something, how I feel, and what I know. I know that the best way to secure the homeland is to hunt these coldblooded killers down, one by one, and bring them to justice. And that's what we're going to do. And it's going to take awhile. It's going to take awhile. Unlike past wars, where you could see platoons and battalions moving here, or airplane formations moving there, we're chasing down these people who are willing to hide in a cave and send youngsters to their death. That's the kind of people we're facing.

You know, these people hate—they hate America because we love freedom. They hate the fact that—as I look out, I mean, I can see people who worship an Almighty and some who don't, who worship an Almighty one way and others another way. They hate that. They can't stand a society which honors freedom, freedom to worship, freedom to speak, freedom to express our opinions. That's what they hate, and they're going to hate us for a long time because those are the values we'll never relinquish in America.

We believe in tolerance in America. That's what we believe in. We respect the other person. We always don't agree, but we respect, and we tolerate. And we believe everybody ought to have access to the great American experience, regardless of how they're raised or where they're from. That's what we believe.

And any time anybody who tries to get us because of those beliefs—they're going to find something out about America. I don't know what was going through the minds of the enemy when they were plotting and planning. I don't know who they thought they were attacking. They must have thought this country was so materialistic, so self-absorbed that we would sit back and, you know, after the attacks, maybe file a lawsuit or two. [*Laughter*] That's not the America I know. And that's not the America you're a part of.

Listen, when people come after us, we're plenty tough. We're a compassionate nation. And so we're on the hunt. You just need to know we're after them, one by one—one by one. And so long as I'm the President of this country, we're going to chase them down, one by one, to make sure the American homeland is secure.

And we're making progress. As I said in a speech in front of about 10,000 of our troops and their families in Fort Drum, New

York, last Friday: We've hauled in thousands—that means captured—[*laughter*]—and another couple of thousand weren't quite as lucky. We're making progress. Sometimes it's not quite as dramatic as, you know, the newscasters would like, because—they learned their lesson, by the way. They understand if they bunch up, if they get together, our military is going to find them. And it's not going to be a pleasant day when our military does find them, because we're good. I'm really proud of the United States military and those who serve.

And I'm proud of you all too. That's really what I'm here to tell you. I'm proud of you. We're depending on you to develop the tools we need to lift the dark threat of terrorism for our Nation and, for that matter, the world. All of us here today, whether we're scientists or engineers or elected officials, share in a great calling. It's an honor to participate in a noble cause that's larger than ourselves.

Audience member. God bless America.

The President. It's an honor to defend this Nation. It's a high honor to be called into action and to defend our Nation when it's threatened, and that's what you're doing. It's an honor to help protect the American people against the forces of evil.

History has called each of us to defend America. That's what's happened. History has called us into action in a time of great peril. The struggles against nazism and communism helped to define the 20th century. The war on terror will be the defining conflict of the 21st century. It's our solemn duty. It's our responsibility, and it's our great privilege to help America prevail in this war. And prevail we will.

May God bless you all. May God bless your work, and may God bless America. Thank you very much. Thank you all.

NOTE: The President spoke at 10:33 a.m. in a courtyard behind the Advanced Photon Source Building. In his remarks, he referred to Hermann A. Grunder, director, Argonne National Laboratory.

Letter to Congressional Leaders Reporting on Continued Operations of United States Forces in Bosnia and Herzegovina

July 22, 2002

Dear Mr. Speaker: (Dear Mr. President:)

In my report to the Congress of January 21, 2002, I provided information on the deployment of combat-equipped U.S. Armed Forces to Bosnia and Herzegovina and other states in the region in order to participate in and support the North Atlantic Treaty Organization (NATO)-led Stabilization Force (SFOR). The SFOR began its mission and assumed authority from the NATO-led Implementation Force on December 20, 1996. I am providing this supplemental report, prepared by my Administration and consistent with the War Powers Resolution (Public Law 93–148), to help ensure that the Congress is kept fully informed on continued U.S. contributions in support of peacekeeping efforts in the former Yugoslavia.

The U.N. Security Council authorized Member States to continue SFOR for a period of 12 months in U.N. Security Council Resolution 1423 of July 12, 2002. The mission of SFOR is to provide a focused military presence in order to deter hostilities, stabilize and consolidate the peace in Bosnia and Herzegovina, contribute to a secure environment, and provide, within its means and capabilities, selective support to key areas and key civil implementation organizations.

Initially, the United States vetoed the U.N. Security Council Resolution authorizing Member States to continue SFOR for a period of 12 months because it did not provide protection for U.S. forces participating in SFOR from the purported jurisdiction of the International Criminal Court (ICC). In U.N. Security Council Resolution 1422, the Security Council requested that the ICC not commence any investigation or prosecution in any case arising from acts or omissions relating to a U.N. established or authorized operation that involve current or former officials or personnel from a contributing state not a Party to the Rome Statute for a period of