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arrives, you will have the gratitude of millions, especially those who know the gift of life because you cared and you kept faith. May God bless you all, and may God continue to bless America.

NOTE: The President spoke at 11:05 a.m. from the JS Logistics company in St. Louis, MO, to march participants on the National Mall in Washington, DC. In his remarks, he referred to Nellie J. Gray, president, March for Life Education and Defense Fund. The Office of the Press Secretary also released a Spanish language transcript of these remarks.

Remarks on the National Economy in St. Louis, Missouri

January 22, 2003

Thanks for the warm welcome—[*laughter*]—more inside than outside, I might add. [*Laughter*] But thank you all very much for giving me a chance to come and share some thoughts about this great land and some of the challenges that face us.

I'm particularly thrilled to be in a place where the entrepreneurial spirit is strong, and that is JS Logistics. It is strong because of the spirit of the guys who run the company, John and Greg, and the people that work with them to provide good service and product.

It's important for our fellow Americans to understand that the strength of our country, the strength of our economy really depends upon the strength of the small-business community all across America. And that's why I'm here today in this small business, to remind people about the importance of small business.

I brought Hector Barreto, who is the Administrator of the Small Business Administration. Thank you for coming, Hector. I know there's a lot of other small-business owners here from around the State of Missouri. I'm honored you came. Thank you for lending your support to what I am going to describe today as a way to make sure people can find work in America.

I want to thank the employees of this good company for putting up with the small entourage I travel with. [*Laughter*] I want to thank the folks that came to the roundtable today. Not only were some employees of JS, but there's some folks who are running their own businesses and companies. We heard from single moms, newly married couples, people that are working hard to make sure the three-person company stays afloat. It was a good discussion, and I'm going to share some of the stories from that discussion with you in a minute.

I want you to know that this country has got some big challenges ahead of us. There's no question in my mind that we're going to meet every challenge. One of the challenges we have is to make sure that every American, from every walk of life, has a chance to succeed in this country. That's an important challenge, where I spend a lot of time talking about education, to make sure every child is educated, to make sure we insist upon high standards for our schools, to make sure that we measure to understand whether those standards are being met, and to make sure we solve problems early, before it's too late. No child in America should be left behind in this country.

Today I had the honor of meeting Dezzie Houston, who came out to Air Force One to say hello. She is a volunteer with the Missouri Mentoring Partnership. Where are you, Dezzie? Oh, there you are. Thanks for coming. The reason I bring this up is, part of making sure people aren't left behind in our society, we've got to recognize in our plenty there are people who hurt, and there are some who wonder whether or not the so-called American Dream is meant for them. And so long as any of us hurt, we all hurt. And one way to help heal hurt and encourage hope is to mentor somebody in need. You see, I like to remind people, Government can hand out money, but it can't put love into people's hearts or a sense of purpose in people's lives. That happens when some caring individual finds somebody in need and says, "Can I help you? What can I do to help you make a better life?"

And this society of ours is filled with all kinds of heroes, American citizens doing their duty. And Dezzie is one such person. She told me that she has mentored three people, three teens, encouraging them to either go to college or how to find a job. I'm

told, recently one of your mentorees graduated from college. It must have made you feel incredibly proud to know that you had a hand in encouraging that person to reach for the best in America, you had a hand in encouraging that person to realize that his or her God-given talents should be used to the fullest on the short time we have on Earth.

I want to congratulate you for being a mentor. I call upon any American who is concerned about the future of our society to find somebody who needs a hand and surround that person with your love and your talents. Thank you for being here, Dezzie.

A big challenge we face is how to make sure that this world is a peaceful world and make sure our country is a secure country. I still remember September the 11th, 2001. It was a time in which history changed for America. When I was coming up in Texas, it used to be that oceans could protect us. We wouldn't have to worry about gathering threats abroad. We could pick and choose problems as they arose because we felt we were safe and secure. We felt that our history was such that the future would be secure and safe. But that's not what happened. September the 11th changed the stakes for America. It changed the attitude we must have if we're going to make sure our children can grow up in a safe and secure world.

Even though September the 11th is—appears to be distant in our rearview mirror, our country is still under threat. We're under threat because of terrorists who don't value life like we value life in America. See, in this country, we say, "Everybody is precious. Everybody counts. Everybody has got values." The enemy we face doesn't feel that way. They don't care about innocent life. They don't believe every life has value. They only believe the lives that have values are those who bow to their sick ideologies.

And so we're still on guard here in America. And we're running these terrorists down, one by one. It's a different kind of war that we fight. It's a war in which the enemy hides in the recesses of the world. It's a war in which they try to get inside caves in remote regions of the world. But you need to know that America is on the hunt. There is a cave—there's no cave deep enough or corner of the world dark enough for them to hide from the long arm of justice of the United States of America.

We're making progress. Sometimes you'll see about it; sometimes you won't. And progress comes in different kinds of ways. Our friends in Great Britain have recently uncovered and have arrested a group of Al Qaida that they think were intending to poison the British people. Slowly but surely, we're rounding them up. That coalition of freedom-loving people still stands: Either you're with us and those of us who love freedom, or you're with the enemy.

We've got an obligation to our children to hunt these people down. We've also got an obligation to our children to address problems before they come back to America, and in my judgment, in my considered judgment, there is a real risk to America and our friends and allies in Iraq.

The dictator of Iraq has got weapons of mass destruction. He has used weapons of mass destruction. He can't stand America and what we stand for. He can't stand our friends and allies. He's a dangerous, dangerous man with dangerous, dangerous weapons. And that's why the world came together at the United Nations Security Council and said Mr. Saddam Hussein must disarm. The message was as clear as can possibly be delivered: Mr. Saddam Hussein must disarm.

And the first step of that disarmament was for him to make a declaration of his weapons. Twelve thousand pages of deceit and deception were placed at the U.N. Security Council. We know what it means to disarm. We know what a disarmed regime does. We know how a disarmed regime accounts for weapons of mass destruction. Saddam Hussein is not disarming, like the world has told him he must do. He's a dangerous man with dangerous weapons. He's a danger to America and our friends and allies. And that's why the world has said, "Disarm."

But Saddam Hussein has learned lessons from the past. See, the first time he was told to disarm was 11 years ago. He is adept at deception and delays and denying. He asked for more time so he can give the so-called inspectors more runaround. He's interested

in playing hide-and-seek in a huge country. He's not interested in disarming.

I hope the world has learned the lessons from the past, just like Saddam Hussein has learned the lessons from the past but in a different way. It's time for us to hold the world to account and for Saddam to be held to account. We must not be fooled by the ways of the past. After all, we just discovered undeclared chemical warheads in Iraq. It's incredibly troubling and disturbing for a man—that is evidence of a man not disarming.

He wants to play a game. For the sake of peace, we must not let him play a game. And so the resolutions of the Security Council will be enforced.

My hope is that Saddam Hussein will disarm voluntarily. That's my hope. I take seriously the commitment of any troop into combat. I desire peace. But in the name of peace, in the name of securing our future, if Saddam Hussein will not disarm, the United States of America and friends of freedom will disarm Saddam Hussein.

And should that path be forced upon us, there will be serious consequences. There will be serious consequences for the dictator in Iraq, and there will be serious consequences for any Iraqi general or soldier who were to use weapons of mass destruction on our troops or on innocent lives within Iraq. Should any Iraqi officer or soldier receive an order from Saddam Hussein or his sons or any of the killers who occupy the high levels of their Government, my advice is, don't follow that order. Because if you choose to do so, when Iraq is liberated, you will be treated, tried, and persecuted as a war criminal.

And there will be serious consequences—should we be forced into action, there will be serious consequences for the Iraqi people, and that's freedom, freedom oppression, freedom from torture, freedom from murder, freedom to realize your God-given talents.

And so we've got a lot of challenges when it comes to keeping the peace. But this great, mighty Nation, this kind, generous, compassionate Nation will lead the world to peace, so that not only our children but children in the far reaches of our globe can grow up in a peaceful society.

And here at home, we've got economic challenges. Think about what this economy of ours has been through. In a short time, we've had a recession. I—first three quarters of my Presidency were negative growth. That's the definition of a recession. And then before we could get our head above water, the enemy hit us and hurt us. It took thousands of innocent lives and, at the same time, hurt our economy.

And we acted. We acted on the recession by letting you have more of your own money. We enacted the largest tax cut in a generation, and it helped. It helped bottom out that recession. You see, when people have more of their own money, they tend to spend it. And when they spend it, it means somebody is going to produce the product or the service in which they're spending their money, which means, then, somebody is likely to find work.

We acted after the enemy hit us. We made sure our airlines got moving, and we passed a terrorism insurance bill to encourage large construction projects to move forward, so our hardhats could find work here in America. We got the stock markets up and running. We acted.

And then the confidence of our country was affected when it turned out some of our corporate leaders didn't tell the truth, that they fudged the books, that they thought in this—they thought it was okay to deceive their employees and shareholders. And they found out that it's not okay. We're going to find them and prosecute those who don't tell the truth.

We've taken action, but there is more to do, because there's still people looking for work. There's still uncertainty about the economic future of this country. Anytime somebody is looking for work and can't find a job says to me, we've got a problem. And so today I want to talk to you about how I think it's best to address the problem, what Congress can do to make sure that the environment for job growth is strong in America. And it starts with accelerating the tax relief plan we've already passed.

The tax plan that passed doesn't take effect until—finally take effect until years from

now. The rates in 2006—dropping the lower rate from 15 percent to 10 percent in out-years, getting rid of parts of the marriage penalty, raising the child credit from 600 to $1,000, all these plans have been approved by the Congress. And yet our economy is still bumping along. For the sake of economic vitality and growth, the Congress needs to accelerate the tax plans. If the tax relief is good enough 3 years from now, surely it's good enough today.

And when they act—because I'm confident they'll hear the voices of the people—and when they act, we will then make sure that the tax relief takes effect of January of this year, to immediately get money in your pockets and into the economy.

You hear a lot of talk about fairness, and there ought to be fairness in our society. That's one of the great things about America: We try to be fair. A family of four with an income of $40,000 will receive a 96-percent tax cut. That's fair, and it's good for the economy. It's the right thing to do. Ninety-two million Americans will keep an average of $1,083 more of their own money when this tax plan goes through, and that's good for the economy.

But there is a difference of opinion about who best to spend your money in Washington, DC. Sometimes they forget whose money you're spending. Listen to the rhetoric, you know. "The Government's money," they say. The money in Washington is not the Government's money. It's your money, and you can spend it just as good or better than the Government can.

In order to make sure people can find work, we've got to strengthen our small-business environment. And one of the things that gets lost in this debate about tax relief is the effect of tax rate reductions on our small businesses. Oh, sure, you hear the typical class warfare rhetoric, trying to pit one group of people against another. But lost in all the rhetoric is the fact that a significant number of small businesses pay taxes at the individual income tax rate, starting right here with JS Logistics. They are organized such that they pay taxes on the company profits at the individual tax rate. So therefore, when you reduce all rates on the income-tax code, you're affecting small business, like JS.

The best way to encourage job growth is to let companies like JS keep more of their own money so they can invest in their business and make it easier for somebody to find work.

Twenty-three million small-business owners will receive an average tax cut of $2,042 under this plan. Now, some will say, you know, in Washington, of course, "That's not much money." It's a lot of money to somebody who has got two employees. It's a lot of money to somebody making a decision whether or not to expand a business. It's a lot of money. And when you multiply the effects of that money throughout our society, with all the individual decisions that are being made to strengthen these small businesses, it is going to have an incredibly positive effect on job growth in America.

And to make sure that job growth at the small-business level is even more significant, we ought to allow small firms to write off as expenses up to $75,000 a year, instead of the limit of $25,000 a year.

So I met a guy today named Joe. He runs Software To Go. He's got three employees. He said, "I looked at your plan." Where are you, Joe? There you are. He said, "I looked at your plan." He said, "By allowing businesses to expense up to $75,000, it means somebody is more likely to buy a copying machine," or in this case, an architectural fancy machine. [*Laughter*] But the point is, is that he then has more business opportunity, even though this tax relief doesn't affect him directly. It affects his customers. It makes his customers more likely to buy a product. And when Joe's customers are more likely to buy a product, he's more likely to be able to employ people.

It is important for Congress to understand that the revitalization of the small-business sector is incredibly important to the job growth of the United States of America.

One aspect of the tax relief plan that I haven't mentioned yet, which is important to small-business owners, is the elimination of the death tax. A lot of people work all their lives to build up their business or their farm or their ranch. And after they're gone, their heirs are unable to keep their assets because of the death tax. It's unfair. It taxes a person's assets twice. It means that family farms leave

the family sooner than the owners of the farms would have liked. It means small-business owners like Joe may have problems passing their business off to a child or somebody they choose to pass their business off of.

We put it on its way to extinction. Unfortunately, the law—the rules of the Senate are such that after 10 years from the time of the passage of the bill, they could conceivably come back. For the sake of certainty, for the sake of fairness, the Congress needs to make all the tax reliefs not only happen now but to make sure the tax relief is permanent.

I also believe we ought to end the double taxation on dividends in America as well. Dividends are important for our seniors. Many seniors rely upon dividends to help them in their later years. Ending the double taxation on dividends will encourage capital to flow into our markets. Capital equals jobs. Ending the double taxation on dividends makes the Tax Code more fair.

Let me talk to you about one aspect of what I mean when I talk about helping seniors. More than 40 percent of the people who receive dividends make under $50,000 a year. Many of them are seniors. Three-fourths of the people in America who receive dividends make less than $100,000 a year. Dividends help our fellow citizens deal with their retirement years.

Dividends are a part of the savings of America. Double taxation of dividends deprives people of needed money. It has bad effects. The average savings for somebody 65 years and older, if we get rid of the double taxation on dividends, will be $936 per year per tax return in America. Getting rid of the double taxation of dividends helps Americans from all walks of life.

When this tax plan is passed—and I expect Congress to hear from the American people and pass it—we will be putting $70 billion in the economy over the next 16 months. That's how to make sure this economy is growing jobs so people can work. That's important. It's called stimulative effect.

The Council on Economic Advisers said these proposals over the next 3 years will create 2.1 million jobs, and that's important. This is a commonsense plan that trusts the people with their own money, that recognizes that—that there are ways and things we've got to do to make sure this economy is growing.

Part of making sure our economy is strong is more money in your pockets. Part of making sure the deficits don't balloon is for Congress to hold the line on spending, and I expect them to be wise with your money.

I mentioned early on that I recognize there are hurdles, and we're going to achieve those hurdles. There's no doubt in my mind we will, because of the nature of this country. The entrepreneurial spirit in America is strong. Look right around you, right here in JS. It's one of the things that makes us a great nation. There are thousands of Americans from all walks of life who are realizing their dream of owning their own business, and that's incredibly positive. And the Government can help create an environment where that makes—is more possible.

There are thousands of our fellow citizens who are loving their neighbor just like they'd like to be loved themselves. That doesn't require a Government program. It requires answering a higher calling. The compassion of this country runs deep in our soul, and there are thousands of Americans who are willing to serve overseas in the name of peace and liberty. If you've got a relative in the United States military, the Commander in Chief is proud of their skills, proud of their service, and proud of their commitment to peace and freedom.

May God bless you all, and may God bless America.

NOTE: The President spoke at 11:13 a.m. in the warehouse at JS Logistics. In his remarks, he referred to John Cochran, Jr., president and co-owner, and Greg Hantak, vice president and co-owner, JS Logistics; Joe Balsarotti, owner and president, Software To Go; and President Saddam Hussein of Iraq. The Office of the Press Secretary also released a Spanish language transcript of these remarks.

Statement on Senate Confirmation of Tom Ridge as Secretary of Homeland Security

January 22, 2003

I applaud the Senate for acting quickly and in a strong, bipartisan manner to confirm the