

Weekly Compilation of
**Presidential
Documents**



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Editor's Note: The President was at the Bush Ranch in Crawford, TX, on June 3, the closing date of this issue. Releases and announcements issued by the Office of the Press Secretary but not received in time for inclusion in this issue will be printed next week.

WEEKLY COMPILATION OF

PRESIDENTIAL DOCUMENTS

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Week Ending Friday, June 3, 2005

The President's Radio Address

May 28, 2005

Good morning. This Memorial Day weekend, Americans pay tribute to those who have given their lives in the service of our Nation. As we honor the members of our Armed Forces who have died for our freedom, we also honor those who are defending our liberties today.

On Friday, I met with some of the courageous men and women who will soon take their place in the defense of our freedom, the graduating class of the United States Naval Academy. These new officers will soon be serving on ships, flying combat missions, and leading our troops into battle against dangerous enemies. They are prepared for the challenges ahead, morally, mentally, and physically. The American people can be confident that their freedom is in good hands.

Our citizens live in freedom because patriots are willing to serve and sacrifice for our liberty. And on Monday, I will lay a wreath at Arlington National Cemetery in honor of those who have made the ultimate sacrifice. This year marks the 60th anniversary of the end of World War II, a victory for freedom in which more than 400,000 Americans gave their lives. Today, a new generation of Americans is making its own sacrifice on behalf of peace and freedom, and some have given their lives.

In their hometowns, these soldiers, sailors, airmen, and marines are more than names on a roll of honor. They were friends and neighbors, teachers and coaches, classmates and colleagues. Each was the most important person in someone's life. Each had hopes for the future, and each left a place that can never be filled. We mourn their loss, and we honor their sacrifice. We pray for their families. And we take heart in knowing that these men and women believed deeply in what they were fighting for.

Christopher Swisher was a staff sergeant from Lincoln, Nebraska, who joined the Army a year after graduating from high school. He was killed in an ambush while on patrol in Baghdad. Sergeant Swisher told his loved ones, "If anything happens to me, I'm doing what I want to be doing—I'm protecting my family and my home."

Rafael Peralta also understood that America faces dangerous enemies, and he knew the sacrifices required to defeat them. An immigrant from Mexico, he enlisted in the Marine Corps the day after he got his green card. Just before the battle of Fallujah, he wrote his 14-year-old brother, "We are going to defeat the insurgents. Be proud of me. I'm going to make history and do something that I always wanted to do." A few days later, Sergeant Peralta gave his life to save his fellow marines.

This Memorial Day, we remember Sergeant Peralta, Sergeant Swisher, and all who have given their lives for our Nation. And we honor them as we continue to wage the war on terror and spread freedom across the world. The people of Iraq and Afghanistan are determined to secure their freedom, and we will help them. We're training Iraqi and Afghan forces so they can take the fight to the enemy and defend their own countries, and then our troops will return home with the honor they have earned.

Throughout our history, America has fought not to conquer but to liberate. We go to war reluctantly, because we understand the high cost of war. Those who have given their lives to defend America have the respect and gratitude of our entire Nation.

Thank you for listening.

NOTE: The address was recorded at 7:45 a.m. on May 27 in the Cabinet Room at the White House for broadcast at 10:06 a.m. on May 28. The transcript was made available by the Office of the Press Secretary on May 27 but was embargoed for release until the broadcast. The Office of the

Press Secretary also released a Spanish language transcript of this address.

Remarks at a Memorial Day Ceremony in Arlington, Virginia

May 30, 2005

Thank you very much. Mr. Secretary, thank you. Secretary Nicholson, General Myers, Members of Congress, members of the United States military, veterans, honored guests, fellow Americans, especially those loved ones of the fallen: Every year on this day, we pause to remember Americans fallen by placing a wreath at the Tomb of the Unknowns. I'm honored to do that this morning on behalf of the American people. The names of the men buried there are known only to God, but their courage and sacrifice will never be forgotten by our Nation.

The soldiers, sailors, airmen, and marines we remember today answered the call of service in their Nation's hour of need. They stood to fight for America's highest ideals. And when the sun came up this morning, the flag flew at halfstaff in solemn gratitude and in deep respect.

At our National Cemetery, we receive the fallen in sorrow, and we take them to an honored place to rest. Looking across this field, we see the scale of heroism and sacrifice. All who are buried here understood their duty. All stood to protect America. And all carried with them memories of a family that they hoped to keep safe by their sacrifice.

At a distance, their headstones look alike. Yet every son or daughter, mom or dad who visits will always look first at one. General Eisenhower put it well in 1944, when he wrote his wife, Mamie, about "the homes that must sacrifice their best." The families who come here have sacrificed someone precious and irreplaceable in their lives, and our Nation will always honor them.

At our National Cemetery, we're reminded why America has always been a reluctant warrior. This year we celebrate the 60th anniversary of the end of World War II, a victory for which more than 400,000 Americans gave their lives. Their courage crossed two oceans, and it conquered tyrants. Some of you here today fought in that war as young men, and

we make this pledge to you: America will always honor the character and the achievements of your brave generation.

Today we also remember the Americans who are still missing. We honor them, and our Nation is determined to account for all of them.

Another generation is fighting a new war against an enemy that threatens the peace and stability of the world. Across the globe, our military is standing directly between our people and the worst dangers in the world, and Americans are grateful to have such brave defenders. The war on terror has brought great costs. For those who have lost loved ones in Afghanistan and Iraq, today is a day of last letters and fresh tears. Because of the sacrifices of our men and women in uniform, two terror regimes are gone forever, freedom is on the march, and America is more secure.

At our National Cemetery, we take comfort from knowing that the men and women who are serving freedom's cause understand their purpose and its price. Marine Captain Ryan Beaupre of St. Anne, Illinois, was killed in the first hours of the war. He wrote his mom and dad a letter that was to be opened only in the event he didn't come home. He wrote, "Realize that I died doing something that I truly love for a purpose greater than myself."

Army Sergeant Michael Evans of Marrero, Louisiana, felt the same way. He was killed on January 28th while on patrol in western Baghdad. In his own farewell letter to his family, the 22-year-old reminded those he left behind to stay strong. He said, "My death will mean nothing if you stop now. I know it will be hard, but I gave my life so you could live. Not just live but live free."

For some of our young heroes, courage and service was a family tradition. Lance Corporal Darrell Schumann of Hampton, Virginia, was a machine gunner for the Marines, but his parents were Air Force. He liked to say, "Air Force by birth, Marine by choice, and American by the grace of God." Corporal Schumann was among the first to enter the battle against insurgents in Fallujah, and he was proud of what he—what we are achieving. He later died in a helicopter crash. In his last letter from Iraq, he

wrote, "I do wish America could see how awesome a job we're doing."

These are the men and women who wear our uniform. These are the men and women who defend our freedom. And these are the men and women who are buried here. As we look across these acres, we begin to tally the cost of our freedom, and we count it a privilege to be citizens of the country served by so many brave men and women. And we must honor them by completing the mission for which they gave their lives, by defeating the terrorists, advancing the cause of liberty, and building a safer world.

A day will come when there will be no one left who knew the men and women buried here. Yet Americans will still come to visit, to pay tribute to the many who gave their lives for freedom, who liberated the oppressed, and who left the world a safer and better place. Today we pray that they have found peace with their Creator, and we resolve that their sacrifice will always be remembered by a grateful Nation.

May God continue to bless America.

NOTE: The President spoke at 11:27 a.m. in the Amphitheater at Arlington National Cemetery. In his remarks, he referred to Secretary of Defense Donald H. Rumsfeld; Secretary of Veterans Affairs R. James Nicholson; and Gen. Richard B. Myers, USAF, Chairman, Joint Chiefs of Staff.

The President's News Conference

May 31, 2005

The President. Thank you. Please be seated. I hope you enjoyed your Memorial Day weekend.

My message to Congress when they come back is this, that our economy is strong, but we need to work together to make sure that we continue to have a prosperous economy, so people can find jobs. I say it's strong because we've added over 3.5 million new jobs over the last 2 years, and the unemployment rate is 5.2 percent. More Americans are working today than ever before. Homeownership is at an alltime high. Small businesses are flourishing. Families are taking home more of what they earn.

Obviously, these are hopeful signs. But Congress can make sure that the signs re-

main hopeful, and here are four good things they need to do.

First, they need to finish the work on an energy bill. We've gone more than a decade without an energy strategy. And as a result, we have grown more dependent on foreign sources of energy, and consumers see the consequences of that at the gas pump on a daily basis.

For the past 4 years, I've called on Congress to pass legislation that encourages energy conservation, that promotes domestic production in environmentally friendly ways, that helps diversify away from foreign oil, that modernizes the electricity grid, that's got a substantial amount of research and development money to help us transition from the hydrocarbon economy to a diversified source of energy economy.

The House passed a bill, and the Senate Energy Committee passed an energy bill this past week. I appreciate their good work. Now they need to get the bill off the floor, into conference, resolve their differences, and get me a bill before the August recess. That's what the American people expect, and that's what I expect.

Second, Congress needs to be wise about the taxpayers' dollars. I proposed a disciplined Federal budget that holds discretionary spending growth below the rate of inflation and reduces discretionary spending for non-security programs. The House and the Senate have worked together to pass a responsible budget resolution that meets our priorities and keeps us on track to cut the deficit in half by 2009. The weeks ahead will bring important decisions on spending bills, and the weeks ahead will bring in efforts to rein in mandatory spending. We look forward to working with Congress to do just that. Congress must keep its commitment to spending restraint if we want this economy to continue to grow.

Third, Congress needs to ratify the Central American and Dominican Republic Free Trade Agreement; that's called CAFTA. This agreement is a good deal for American workers and farmers and small businesses. See, about 80 percent of the products from Central America and the Dominican Republic now enter the United States duty-free, yet

our exports to Central America and the Dominican Republic face hefty tariffs. CAFTA will level the playing field by making about 80 percent of American exports to those countries duty-free. I've always said I'm for free and fair trade. This makes our trade with the CAFTA countries fair, and that's important. After all, the CAFTA agreement will open a market of 44 million consumers to our producers, to our workers, the products that our workers make, to our farmers.

We'll lower barriers in key sectors like textiles, which will make American manufacturers more profitable and competitive in the global market. It will keep jobs here in America. And it will support young democracies. And that's going to be important. There's a geopolitical as well as economic concern for CAFTA. And Congress needs to pass this piece of legislation.

And finally, Congress needs to move forward with Social Security reform. I'm going to continue traveling our country talking about Social Security reform. I'll remind our seniors who are getting a check today that nothing will change, and yet I'm going to continue to remind the people that we've got a serious problem for younger workers. Part of Social Security reform, Congress should ensure that future generations receive benefits equal to or greater than the benefits today's seniors get. And Congress should help those who rely most on Social Security by increasing benefits faster for low-income workers than those workers who are better off.

And as we permanently solve the Social Security problem, we need to make Social Security a better deal for younger workers by allowing them to take some of their own money and invest it in a voluntary personal savings account. A voluntary personal savings account is very similar to the personal savings account Members of Congress can do. See, my attitude is, if a personal savings account—a voluntary personal savings account is good enough for a Member of the United States Congress or a Member of the United States Senate—in other words, they felt that was a good enough deal for them so they could get a better rate of return—it surely seems like it's good enough for workers across the country.

And so I look forward to working with the United States Congress on these priorities to help strengthen the long-term economic security of the country. The American people expect people of both parties to work together. They look forward to the Congress setting aside partisan differences and getting something done. And so do I. I'm looking forward to that. So I look forward to welcome the Congress back and working together with them.

And now, I'll be glad to take some of your questions. Terry [Terence Hunt, Associated Press], why don't you start.

Situation in Iraq

Q. Thank you, Mr. President. Mr. President, since Iraq's new Government was announced on April 28th, more than 60 Americans and 760 Iraqis have been killed in attacks. Do you think that the insurgency is gaining strength and becoming more lethal? And do you think that Iraq's Government is up to the job of defeating the insurgents and guaranteeing security?

The President. I think the Iraq Government will be up to the task of defeating the insurgents. I think they dealt the insurgents—I think the Iraqi people dealt the insurgents a serious blow when they—when we had the elections. In other words, what the insurgents fear is democracy, because democracy is the opposite of their vision. Their vision is one where a few make the decision for many, and if you don't toe the line, there's serious consequences.

The American people have just got to think about the Taliban if you're interested in thinking—understanding how the insurgents think. They have a—they support an ideology that is the opposite of freedom, in my judgment, and they're willing to use the tools necessary—the terror tools necessary to impose their ideology. And so what you're seeing is a group of frustrated and desperate people who kill innocent life. And obviously, we mourn the loss of every life. But I believe the Iraqi Government is going to be plenty capable of dealing with them, and our job is to help train them so that they can.

I was heartened to see the Iraqi Government announce 40,000 Iraqi troops are well-trained enough to help secure Baghdad. That

was a very positive sign. It's a sign that they, the Iraqi leaders, understand they are responsible for their security, ultimately, and that our job is to help them take on that responsibility.

So I'm pleased with the progress. I am pleased that in less than a year's time, there's a democratically elected Government in Iraq; there are thousands of Iraqi soldiers trained and better equipped to fight for their own country; that our strategy is very clear in that we will work to get them ready to fight, and when they're ready, we'll come home. And I hope that's sooner rather than later. But nevertheless, it's very important that we complete this mission, because a free Iraq is in our Nation's long-term interests. A democracy in the heart of the Middle East is an essential part of securing our country and promoting peace for the long run. And it is very important for our country to understand that. A free Iraq will set such a powerful example in a neighborhood that is desperate for freedom. And therefore, we will complete the mission and support this elected Government.

Of course, they've got other tasks. They've got to write a constitution and then have that constitution ratified by the Iraqi people, and then there will be another election. And we, of course, will help them as will many countries around the world.

Steve [Steve Holland, Reuters].

YUKOS Oil Co., Case in Russia

Q. The former head of Russia's oil company, Yukos, was sentenced to 9 years in a prison camp today. Do you think the Kremlin went after him because he was a political threat? Are there any repercussions to U.S.-Russian relations as a result of this case?

The President. I expressed my concerns about the case to President Putin because, as I explained to him, here you're innocent until proven guilty, and it appeared to us, or at least people in my administration, that it looked like he had been judged guilty prior to having a fair trial. In other words, he was put in prison and then was tried. I think what will be interesting—and so we've expressed our concerns about the system.

What will be interesting to see is whether or not he appeals. There's a—I think we

think he is going to appeal—and then how the appeal will be handled. And so we're watching the ongoing case.

David [David Gregory, NBC News].

Iranian and North Korean Weapons of Mass Destruction

Q. Mr. President, thank you. I wonder if you can explain the administration's decision to allow Iran, in its negotiations with the Europeans, to get WTO status, ascension into the WTO, whether you think that deal, in a sense, has legs. And also, you talked about Iraq being a powerful symbol in that part of the world. One of the things you said going into the war was that it would deter other countries, rogue nations, from developing weapons of mass destruction. And when you think about North Korea and Iran, the opposite is true. They haven't been deterred at all. Why do you think that is?

The President. The first part of your question was about our agreement that Iran should apply for WTO. In other words, we said, "Fine. If you want to apply for WTO, go ahead and apply." That's—and we did that to facilitate the EU-3 discussions with Iran.

I've always believed that the—obviously, the best way to solve any difficult issue is through diplomacy. And in this case, France, Great Britain, and Germany are handling the negotiations on behalf of the rest of the world, which is—those nations which are deeply concerned about Iran having a nuclear weapon.

Now, our policy is very clear on that, and that is that the Iranians violated the NPT agreement. We found out they violated the agreement, and therefore, they're not to be trusted when it comes to highly enriched uranium—or highly enriching uranium. And therefore, our policy is to prevent them from having the capacity to develop enriched uranium to the point where they're able to make a nuclear weapon.

Secondly—and so, therefore, we're working with the EU-3 to hopefully convince the Iranians to abandon their pursuits of such a program. And it appears we're making some progress.

So our decision was to allow them to join the WTO—or to apply to join the WTO, which is not ascension to the WTO; it's the

right to make an application—seemed like a reasonable decision to make in order to advance the negotiations with our European partners.

Secondly, in terms of North Korea, North Korea had a weapons program that they had concealed, as you might recall, prior to 2002. As a matter of fact, it was prior to 2000—it was a bilateral—so-called bilateral agreement between North Korea and the United States. And it turns out that they had violated that agreement because they were enriching uranium, contrary to the agreement. And we caught them on that. And therefore, I decided to change the policy to encourage other nations to be involved with convincing North Korea to abandon its weapons program. And that's where we are.

And it's important to have China at the table, for example, saying the same thing that the United States is saying, and that is, is that if you want to be a responsible nation, get rid of your weapons programs. It's important to have Japan and South Korea and Russia saying the same thing.

We've got a lot of work to do with the North Korean because he tends to ignore what the other five nations are saying at times. But that doesn't mean we're going to stop, and can continue to press forward to making it clear that if he expects to be treated as a responsible nation, that he needs to listen to the five nations involved.

Thank you.

Q. Would you acknowledge that the war did not deter Iran and North Korea from continuing to pursue their program?

The President. North Korea had its weapons program before, as you know, as did Iran. And as I also told you, David, that we want diplomacy to work, and it's—we want diplomacy to be given a chance to work. And that's exactly the position of the Government. Hopefully it will work. I think it will.

Stretch [Richard Keil, Bloomberg News].

Tax Cuts

Q. Thank you, Mr. President. A few moments ago, you mentioned four economic priorities that Congress has to address to keep the economy, in your words, going on the right track and getting stronger. I noticed you didn't mention making permanent the

tax cuts that had been passed during your first term. Was that an oversight, or do you think that sacrificing some of those tax cuts might ultimately be necessary to help balance the budget deficit?

The President. Actually, in my budget, as you know, the budget I submitted, we—was one that encouraged permanency. I believe it's essential that we have the tax cuts be permanent. It was implicit in my statement. I haven't changed. Appreciate your clarification. Congress needs to make the tax cuts permanent.

Thalia [Thalia Assuras, CBS News]. And then we go to Terry [Terry Moran, ABC News].

Social Security Reform

Q. Mr. President, you talked on your reelection about having political capital. You have a Republican Congress. How, then, do you explain not being able to push through more of your agenda, especially when it comes to Social Security reform, which the public does not seem to be accepting and your own party is split on?

The President. Well, first of all, I think the public does accept the fact that Social Security is a problem. You might remember a couple of months ago around this town people were saying, "It's not a problem. What's he bringing it up for? Nobody sees it as a problem except for him." And then all of a sudden, people began to look at the facts and realize that in 2017, Social Security—the pay-as-you-go system will be in the red, and in 2042, it's going to be bankrupt. And people then took a good, hard look at the numbers and realized that Social Security is a problem.

And that's the first step toward getting Congress to do something. See, once they hear from the people, we got a problem, the next question the people are going to ask, "What do you intend to do about it?"

My second goal has been to convince and assure seniors that nobody's going to take away their checks. As a veteran of American politics, I have withstood the onslaught that said, "When George W. talks about reforming Social Security, that means he's going to take away your check." Over the last 4 years, seniors didn't have their checks taken away, so, hopefully, they're beginning to realize

that some of these—some of this politics is ringing hollow. But it's very important for seniors to understand that when we talk about Social Security reform, that they're going to get their check, because there's a lot of people relying upon their Social Security checks.

Thirdly—and so we're just making progress, and this is just the beginning of a very difficult debate. I recognize some in Congress wished I hadn't have brought the issue up. I mean, the easy path is to say, "Oh, we don't have a problem. Let's ignore it yet again." But I view my role as the President as somebody who puts problems on the table and then calls people together to solve them.

This is an issue that really hasn't spent—had that much time in the Halls of Congress—the debate—hasn't been debated in the Halls of Congress since 1983. And so I'm not surprised that there's a reluctance, and I'm not surprised that there's been some initial push-back. But all that does is make me want to continue to travel and remind people that Congress has a duty to come up with some solutions.

They're beginning to have hearings in the Congress. The Ways and Means and the Finance Committee in the Senate are going to have hearings. There's some interesting ideas that have been proposed. We've proposed some interesting ideas. One idea is to make sure that low seniors—low-income seniors get benefits such that when they retire, they're not in poverty. We proposed a plan that takes the—solving the issue about solvency farther down the road than any other President has proposed. In other words, we're putting ideas out.

And so I look forward to working with Congress. There is a duty to respond. There's a duty for people to bring forth their ideas. Now that people understand there's a problem, people who have been elected say, "Okay, here's what I intend to do about it." And we're doing our duty, and I expect people from both parties to do it as well.

Listen, I readily concede there is this attitude in Washington where we can't work together because one party may benefit and the other party may not benefit. The people don't like that. They don't like that attitude. They expect members of both parties to

come together to solve problems. And Social Security is a serious problem that requires bipartisan cooperation to solve the problem.

Terry.

Q. Mr. President—

The President. Terry.

Allegations of Prisoner Abuse

Q. Thank you, sir. Mr. President, recently, Amnesty International said you have established "a new gulag" of prisons around the world, beyond the reach of the law and decency. I'd like your reaction to that and also your assessment of how it came to this, that that is a view not just held by extremists and anti-Americans but by groups that have allied themselves with the United States Government in the past, and what the strategic impact is that in many places of the world, the United States these days, under your leadership, is no longer seen as the good guy.

The President. I'm aware of the Amnesty International report, and it's absurd. It's an absurd allegation. The United States is a country that is—promotes freedom around the world. When there's accusations made about certain actions by our people, they're fully investigated in a transparent way. It's just an absurd allegation.

In terms of the detainees, we've had thousands of people detained. We've investigated every single complaint against the detainees. It seemed like to me they based some of their decisions on the word of—and the allegations—by people who were held in detention, people who hate America, people that had been trained in some instances to disassemble [dissemble]*—that means not tell the truth. And so it was an absurd report. It just is. And you know—yes, sir.

Legislative Agenda

Q. Sir, you mentioned a moment ago a push-back. And there's a perception that Congress has been pushing back recently. My question is, do you worry that you might be losing a bit of momentum?

The President. Well, I'm—my attitude toward Congress is—will be reflected on whether or not they're capable of getting anything done. We got a good budget out

* White House correction.

of Congress, and we got some legal reform out of Congress. We got Priscilla Owen confirmed in the Senate, which is a positive thing. It looks like we'll get a couple of more judges on the appellate bench confirmed. But I think the standard by which Congress should be judged is whether or not they can get an energy bill, and I think they will. And I look forward to working with them on an energy bill.

Obviously—I mentioned CAFTA—we've got to get CAFTA, which is a very important trade agreement. It will be good for workers. And I'm looking forward to working with them on Social Security. Those are big issues that require action. Again, things don't happen instantly in Washington, DC. I know that part of your job is to follow the process and follow the politics and who's up and who's down, but I've been around here long enough now to tell you it's just—and tell the people listening, things just don't happen overnight. It takes a while.

And one thing is for certain; it takes a President willing to push people to do hard things. Because, keep in mind, we haven't had an energy strategy in this country for over a decade. And the Social Security issue hasn't been on the table since 1983—I mean, seriously on the table. And so I'm asking Congress to do some difficult things. And I'm going to keep asking them to do some difficult things. And I'm optimistic, when it's all said and done, that we will have come together and have helped solve some of these significant problems.

Q. Are you worried, sir, that you're losing some of your push?

The President. I don't worry about anything here in Washington, DC. I mean, I feel comfortable in my role as the President, and my role as the President is to push for reform. The American people appreciate a President who sees a problem and is willing to put it on the table.

Listen, admittedly, I could have taken the easy route and said, "Let's don't discuss Social Security until somebody else shows up in Washington." But that's not what the American people want from their President. And we have a serious problem in Social Security. Thalia asked about the Social Security issue, and I reminded her that the attitude

is beginning to shift here in Washington, because for a while, people here said there really wasn't a significant problem and, "I wish he hadn't have brought it up." And now people are beginning to see the realities of Social Security and the fact that we're about to pass on a huge burden to a young generation of Americans—a burden, by the way, which doesn't have to be passed on. We can permanently solve Social Security and should permanently solve it. And I've laid out some initiatives to get us on the way to permanently solving Social Security.

I look forward to the day of sitting down with Republicans and Democrats and congratulating both political parties on doing what's right for the American people—a day, by the way, the American people expect to come as well.

VandeHei [Jim VandeHei, Washington Post].

Elections in Egypt/Uzbekistan

Q. Two questions about the consistency of a U.S. foreign policy that's built on the foundation of spreading democracy and ending tyranny. One, how come you have not spoken out about the violent crackdown in Uzbekistan, which is a U.S. ally in the war on terror, and why have you not spoken out in favor of the pro-democratic groups in Egypt that see the election process there unfolding in a way that is anything but democratic?

The President. Well, I thought I did the other day, in terms of the Egyptians. I think you were traveling with Laura, maybe just got back, but I was asked about the Egyptian elections, and I said we expect for the Egyptian political process to be open and that for people to be given a chance to express themselves open—in an open way, in a free way. We reject any violence toward those who express their dissension with the Government. Pretty confident I said that with President Abbas standing here—maybe not quite as articulately as just then.

In terms of Uzbekistan—thanks for bringing it up—we've called for the International Red Cross to go into the Andijon region to determine what went on, and we expect all our friends as well as those who aren't our friends to honor human rights and protect

minority rights. That's part of a healthy and a peaceful world, will be a world in which governments do respect people's rights. And we want to know fully what took place there in Uzbekistan, and that's why we've asked the International Red Cross to go in.

Let's see—Carl [Carl Cameron, FOX News].

Nomination of John R. Bolton

Q. Thank you, Mr. President. On your nomination of Mr. Bolton to the United Nations, it is now, by most accounts, under a filibuster, the Democrats refusing to invoke cloture last week. I wonder if you could address their demands for ongoing documents, in the case of Mr. Bolton's nomination as well as what many Republicans have now criticized as a pervasive attitude of filibustering on behalf of the opposition on Capitol Hill.

The President. You know, I thought—I thought John Bolton was going to get an up-or-down vote on the Senate floor, just like he deserves an up-or-down vote on the Senate floor, and clearly he's got the votes to get confirmed. And so I was disappointed that once again, the leadership there in the Senate didn't give him an up-or-down vote. And the reason it's important to have an up-or-down vote is because we need to get our Ambassador to the United Nations to help start reforming that important organization.

As I mentioned to you, I think at the press conference in the East Room, that the reason I picked Bolton is he's a no-nonsense kind of fellow who can get things done. And we need to get something done in the United Nations. This is an organization which is important. It can help a lot in terms of the democracy movement; it can help deal with conflict and civil war. But it's an organization that is beginning to lose the trust of the American people, if it hasn't already, and therefore, we need to restore that trust. We pay over \$2 billion a year into the United Nations, and it makes sense to have somebody there who's willing to say to the United Nations, "Let's—why don't you reform? Let's make sure that the body works well and there's accountability and taxpayers' money is spent wisely." And it's important that people in America trust the United Nations, and Bolton will be able to carry that message.

Now, in terms of the request for documents, I view that as just another stall tactic, another way to delay, another way to not allow Bolton to get an up-or-down vote. We have—we've answered questions after questions after questions. Documents were sent to the Intelligence Committee. The Intelligence Committee reviewed the NSA intercept process and confirmed that Bolton did what was right. And so it's just a stalling tactic. And I would hope that when they get back that they stop stalling and give the man a vote. Just give him a simple up-or-down vote.

Q. What about the filibuster as a tactic, in general, sir?

The President. Well, it's certainly been a tactic that's been used on judges and Bolton, if this is a filibuster. I don't know what you call it. I'm not sure they actually labeled it filibuster. I'd call it—thus far, it's a stall—stall headed toward filibuster, I guess. All I know is the man is not getting a vote, and it's taking a long time to get his vote. And we've—he's been through hearings and questions and questionnaires. And it's pretty obvious to the American people and to me that you can tie up anything in the United States Senate if you want to. But it also ought to be clear that we need to get an ambassador to the United Nations as quickly as possible. And so I hope he gets a vote soon.

Dick [Richard Stevenson, New York Times].

Bioethics/Stem Cell Research

Q. Thank you, sir. Last week you made clear that you don't think there's any such thing as a spare embryo. Given that position, what is your view of fertility treatments that routinely create more embryos than ever result in full-term pregnancies? And what do you believe should be done with those embryos that never do become pregnancies or result in the birth of a child?

The President. As you know, I also had an event here at the White House with little babies that had been born as a result of the embryos that had been frozen—they're called "snowflakes"—indicating there's an alternative to the destruction of life.

But the stem cell issue, Dick, is really one of Federal funding. That's the issue before us. And that is whether or not we use taxpayers' money to destroy life in order to hopefully find cure for terrible disease. And I have made my position very clear on that issue, and that is I don't believe we should. Now, I made a decision a while ago that said there had been some existing stem cells, and therefore, it was okay to use Federal funds on those because the life decision had already been made. But from that point going forward, I felt it was best to stand on principle, and that is taxpayers' money to use—for the use of experimentation that would destroy life is a principle that violates something I—I mean, is a position that violates a principle of mine. And so—and I stand strong on that, to the point where I'll veto the bill as it now exists.

And having said that, it's important for the American people to know that there is some Federal research going on, on stem cells—embryonic stem cells today. There's been over 600 experiments based upon the stem cell lines that existed prior to my decision. There's another 3,000 potential experiments, they tell me, that can go forward. There's a lot of research going on, on adult stem cell research. We've got an ethics panel that has been—that is in place, that will help us, hopefully, develop ways to continue to figure out how to meet the demands of science and the need for ethics so that we can help solve some of these diseases.

And listen, I understand the folks that are deeply concerned for their—a child who might have juvenile diabetes. I know that the moms and dads across the country are in agony about the fate of their child. And my message to them is, is that there is research going on, and hopefully we'll find the cure. But at the same time, it's important in the society to balance ethics and science.

Ed [Ed Chen, Los Angeles Times].

North Korea

Q. Good morning, Mr. President. This morning you reiterated diplomacy as the way to deal with North Korea. With all due respect, some people say that's precisely the wrong approach because diplomacy has produced nothing, while at the same time it has

allowed North Korea to progress in its nuclear program.

The President. Yes.

Q. How do you—what do you say to them?

The President. Well, then let's see. If it's the wrong—if diplomacy is the wrong approach, I guess that means military. That's how I view it. It's either diplomacy or military, and I am for the diplomacy approach. And so, for those who say that we ought to be using our military to solve the problem, I would say that, while all options are on the table, we've got a ways to go to solve this diplomatically, and—

Q. How long?

The President. Well, let me finish. No, I always get asked that, how long? How long are you going to do this? How long is that going to happen? Why don't you give us a timetable? I'm not giving timetables. I am going to say that we are—and it's very important for our partners to understand that I believe the six-party talks can and will work. We're constantly in touch with our Chinese counterparts. Sometimes people move a little slower than American society in the world. And sometimes expectations around the world are maybe different from ours. But fortunately, we've got everybody on the same page that says that the idea of North Korea having a nuclear weapon isn't good.

And by the way, that started with, as you know—might recall, the visit I had with Jiang Zemin in Crawford. And we came out of that visit with a common declaration that said it's in our interests that North Korea not have a nuclear weapon. And that was a positive step forward because once you get a country to commit to that goal, then it makes it—enables us to work together to achieve that goal in a peaceful way.

The other thing is, is that it's clear from the other five parties there—the other four parties in our five-party coalition dealing with the sixth party, which is North Korea—is that people do want to solve this issue diplomatically. And so it's a matter of continuing to send a message to Mr. Kim Chong-il that if you want to be accepted by the neighborhood and be a part of the—of those who are viewed with respect in the world, work with us to get rid of your nuclear weapons program.

Jonathan [Joe Curl, Washington Times].

Culture of Life

Q. Mr. President, you often talk about a culture of life and also about your responsibility as President to lead. Looking forward, what specific policy initiatives will you propose in the balance of your Presidency to expand the culture of life?

The President. Well, part of it, Jonathan, is just to—is to constantly remind people that we have a responsibility to the less—to the least of us in our society. I mean, part of a culture of life is to continue to expand the Faith-Based and Community-Based Initiative to help people who hurt. Part of it is to recognize that in a society that is as blessed as we are that we have a responsibility to help others, such as AIDS victims on the continent of Africa or people who hunger in sub-Saharan, for example.

So the culture of life is more than just an issue like embryonic stem cell. It's promoting a culture that is mindful that we can help—to help save lives through compassion. And my administration will continue to do so.

Let's see here. Oren [Oren Dorell, USA Today]. Fine-looking shades you got there.

North Korea

Q. Mr. President, back to North Korea for a second. Why has the United States scrapped the one link between our militaries when there's been no threat or harm to Americans participating in those missions to recover bodies of Americans killed in action during the Korean war there?

The President. The Secretary of Defense decided to take a—what he's referring to is, is that we have—I wouldn't called it "scrapped"—is that the verb you used? "Scrapped"?

Q. I did say that.

The President. Yes, scrapped. I would use a different verb. I would use "reassess" the mission. See, "scrapped" means that we're not going to do it ever again, I think is what that means. And what the Secretary of Defense has said, "Let me just take a look and make sure that as we send people into North Korea, that we're fully mindful of them being able to go in and get out." No immediate

threat, just an assessment, is how I would put it. But thank you for the question.

Yes, John [John McKinnon, Wall Street Journal].

Judicial Nominations

Q. Thank you, sir. Can you talk a little bit about the process you're using to pick your next Supreme Court Justice? And is that going to be affected at all by the agreement that was reached between the 14 Republicans and Democrats on judicial nominations?

The President. Well, that depends on whether or not the Senate will give my person an up-or-down vote. Here's my process. One, I'm obviously going to spend a lot of time reviewing the records of a variety of people and looking at their opinions and their character and will consult with Members of the United States Senate at the appropriate time.

I know there's been a lot of talk about consultation between the White House and the Senate, and we do consult—obviously, we consult on district judges—and that we listen to their opinions on appellate judges—"their" opinions being the opinions from the home-State Senators as well as others.

I look forward to talking to Members of the Senate about the Supreme Court process to get their opinions as well and will do so—and will do so. But obviously, it's—I told the American people I would find people of a certain temperament that would serve on the bench, and I intend to do that. But we will consult with the Senate.

Now, in terms of whether that agreement means that a Senator is going to get an up-or-down vote, I guess it was vague enough for people to interpret the agreement the way they want to interpret it. I'll put a best face on it, and that is that since they're moving forward with Judge Owen, for example, and others, that "extraordinary circumstances" means just that—really extraordinary. I don't know what that means. [Laughter] I guess we're about to find out when it comes to other appellate judges. [Laughter]

But I was pleased to see Priscilla Owen get an up-or-down vote, and she passed quite comfortably. She's a very good judge. And

then, of course, Pryor and Judge Brown will be coming up pretty soon, I hope, and I would hope they would get confirmed as well. They're good judges.

Herman [Ken Herman, Austin American-Statesman].

May 11 Security Alert

Q. Good morning, Mr. President.

The President. Thank you for that.

Q. Thank you. Back on May 11th, I believe was the date, as you were off campus for recreation, a small plane came into restricted airspace, the alarm went off here at your house, a military operation ensued over Washington. Your staff says you were not notified because that was the protocol. Two questions: Do you think you should have been notified, and is there something wrong with protocols that render the President unnecessary when there's a military operation over Washington?

The President. Obviously, we do have a protocol in place to be dealing with a situation that can unfold very rapidly. And these planes enter the airspace quickly, and so there's got to be something in place that can be dealt with in an expeditious matter. And we have such a plan, and I'm comfortable with the plan. And secondly, I was comfortable with the decision by the people around me there, out there in Maryland. Anytime a situation like this comes up, people are constantly reviewing the situation, but I was very comfortable with the decision they made.

Q. Do you often disagree with your wife?

The President. Herman—[laughter]—here's the way it is. She often disagrees with me. [Laughter] Thank you very much, Herman, for that.

Matt Cooper [Time]. Here we go—no, go with the mike, Matt. We want you heard. We want you resonating around the country.

China-U.S. Relations

Q. I appreciate that, Mr. President, thank you. My question is about China, which looms larger in the lives of Americans, sir. They finance an ever-larger part of our trade deficit. Americans are concerned about China's growing economic might, and, of course, about the oppression of human rights and

religious minorities there. My question, sir, is how should Americans think about China? As an ally? A rival? Competitor? Friend?

The President. I think that we ought—it is a—the relationship with China is a very complex relationship, and Americans ought to view it as such. China is an emerging nation. It's an amazing story to watch here. I mean, it's consuming more and more natural resources. It is generating jobs and exporting a lot of goods. It's a massive market.

And so, on one hand, we ought to look at China as an economic opportunity, and the best way to deal with China is to say, "Look, there are some rules, and we expect you to abide by the trade rules." And as this—as she grows and as trade becomes more complex, you'll see more and more instances where the United States is insisting upon fair trade. We expect our—expect to deal with—expect China to deal with the world trade in a fair way.

Now, in terms of security matters, obviously, we just spent a lot of time talking about North Korea. China can be a very good partner in helping to secure the world. The best way to convince Kim Chong-il to get up—give up his weapons is to have more than one voice saying the same thing. And therefore, China is a partner in this case, in terms of helping to secure that part of the world from nuclear weapons.

China as well can be helpful in the war on terror. They're just as concerned as we are on the war on terror.

China is a—obviously, there's tension on—about Taiwan that we have to deal with. And I made my position very clear and very consistent about Taiwan. The Taiwanese understand my position; the Chinese understand my position. So, in this case, the relationship is one of helping to solve that problem, is to keeping stability in the region so that eventually there will be a peaceful solution to that issue.

And so China is a fascinating country that is significant in its size. Its economy is still small but growing. But as well, I believe we have an obligation to remind the Chinese that any hopeful society is one in which there's more than just economic freedom, that there's religious freedom and freedom of the press. And so, in my meetings with

the different Chinese leaders with whom I've had the honor of meeting, I've always brought up issues such as the Dalai Lama or the Catholic Church's inability to get a bishop into the country or the need for the country not to fear evangelicals but to understand religious freedom leads to peace. And so I'll continue doing that so long as I'm the President and, at the same time, help deal with this very complex relationship.

Let's see here—David Greene [Baltimore Sun]. Did you have your hand up?

Historical Assessment of Iraq

Q. I did, sir. Thank you very much, Mr. President. At the Naval Academy last week, you spoke of a midshipman named Edward Slavis, who graduated and has served in Iraq. And you quoted him as saying that the mission will be a success, and 20 or 30 years from now, historians will look back on it and consider it America's golden moment.

The President. Yes.

Q. I'm wondering, sir, if you agree with that assessment, and, if so, why?

The President. I do, David, because I believe that as a result of the actions we have taken, we have laid—began to lay the foundation for a democratic movement that will outlast this administration, a democratic movement that will bring peace to a troubled part of the world.

I—you probably suffered through this part of my speech on the campaign a lot when I talked about my relationship with Koizumi. And since you haven't heard it for a while, I thought I'd bring it up again. I know. Okay, Stretch, look, it's nice and warm; it's a good chance for you to hear the story again. [Laughter]

You know, I reminded people that because Japan is a democracy, Japan is now a great friend. We work together on big issues, and yet it wasn't all that long ago that we warred with Japan. In other words, democracies have the capability of transforming nations. That's what history has told us. And I have faith in the ability of democracy to transform nations. And that's why, when I talked about Iraq earlier, that we've laid the—began to lay the foundation for a democratic, peaceful Iraq. Someday, an American President is going to be dealing with an Iraqi—elected

Iraqi President, saying—or Prime Minister, saying, "What we can we do together to bring peace to the region?" In other words, it's a platform for peace. And yes, I do believe—I agreed with the man.

These are incredibly hopeful times and very difficult times. And the problem is, is that I not only see the benefits of democracy, but so do the terrorists. And that's why they want to blow people up, indiscriminately kill, in order to shake the will of the Iraqis or perhaps create a civil war or to get us to withdraw early. That's what they're trying to do, because they fear democracy. They understand what I just—they understand what I understand; there's kind of a meeting of minds on that. And that's why the American people are seeing violent actions on their TV screens, because these people want to—the killers want us to get out. They want us to—they want the Iraqis to quit. They understand what a democracy can mean to their backward way of thinking.

So I do agree with the man. I thought it was a pretty profound statement, and I was pleased to be able to share it with the folks there at Annapolis.

A couple of more, then I got to hop. Keith [Keith Koffler, Congress Daily]. I get to leave. That's not a very—a couple of more, and then I have to retire, as opposed to hopping.

Social Security Reform

Q. Thank you very much, Mr. President. Sir, most Democrats continue to refuse to negotiate with you on Social Security until you take payroll-tax-funded personal accounts off the table. Would you insist on these accounts if it means no deal on Social Security?

The President. We're just beginning the process, and I want to remind people that—who might be listening that this is not an easy issue for people in Washington, DC, to discuss. There's a lot of people calculating the political consequences of making a tough vote, you know. Or they're—they remember the old campaigns of the past where if you even talk about Social Security, somebody will use your words to try to defeat you at the polls.

So this is a process here, and in that you love to follow the process, I will give you some insight into what I think is going to happen in the process. It's just going—it's like water cutting through a rock. It's just a matter of time. We're just going to keep working and working and working, reminding the American people that we have a serious problem and a great opportunity to act not as politicians but as states men and women to solve a problem.

And so—oh, I know, I've read about so-and-so, "We're not going to talk about this," and, "We're going to throw down this marker." But in the meantime, the people are watching Washington, and nothing is happening, except you got a President who's willing to talk about the issue and a President who, by the way, is going to keep talking about the issue until we get people to the table.

I repeat to you, Keith, the Social Security issue is a really important issue for an upcoming generation. I mean, imagine realizing that we've got a problem and then not doing anything about it and watching a young generation get taxed, perhaps by as much as a payroll tax of 18 percent. How would that make somebody feel? That we shirked our duty, that we weren't responsible citizens.

Secondly, we've been at this for a couple of months, looking forward, and it takes a while in Washington, DC. Now, I know people want things done tomorrow—or yesterday, and if they're not done, they say, "Well, the thing has fallen apart." That's not the experience I've had in Washington, DC. I can remember the tax debate, where things didn't happen quite as quickly as some liked, but nevertheless, we got something done. And I'm convinced we're going to get other things done here in Washington.

But the President has got to push. He's got to keep leading, and that's exactly what I'm going to do. And when we get something done, there will be plenty of time to share the credit. People—to me, this is an issue that is one in which people from both parties ought to take great pride in coming to the table to get something done.

One thing is for certain: The party that I represent is leading. I mean, we're willing to take the lead and say, "Here's what we

believe. Here's why we believe it," willing to take a message to the American people that is a positive message and one that says, "We recognize a problem. Now let's work together to solve it." And so I think as people make their calculations, that I think the American people are going to end up saying to those who have been willing to lead on the issue and talk about the issue and be constructive on the issue, "Thanks for what you're doing, and we'll send you back up there with our vote, because that's the kind of spirit we like."

Listen, thank you all for coming out. Enjoyed it.

NOTE: The President's news conference began at 10:43 a.m. in the Rose Garden at the White House. In his remarks, he referred to Mikhail Khodorkovsky, founder and former chief executive officer, YUKOS Oil Co., who was convicted of fraud and tax evasion on May 31 in Russia; President Vladimir Putin of Russia; Chairman Kim Chong-il of North Korea; President Mahmoud Abbas (Abu Mazen) of the Palestinian Authority; former President Jiang Zemin of China; William H. Pryor, Jr., judicial nominee, U.S. Circuit Judge for the Eleventh Circuit; Janice R. Brown, judicial nominee, U.S. Circuit Judge for the District of Columbia Circuit; and Prime Minister Junichiro Koizumi of Japan.

Statement on the Proliferation Security Initiative

May 31, 2005

Since the Proliferation Security Initiative was launched in Krakow, Poland, 2 years ago, nations around the world have been cooperating to develop new and dynamic approaches to stop the global trafficking of weapons of mass destruction. To counter proliferation networks, we are working in common cause with like-minded states prepared to make maximum use of their laws and capabilities to deny rogue states, terrorists, and black marketeers access to WMD-related materials and delivery means.

Today, more than 60 countries are supporters of the PSI. Its global reach continues to expand, most recently by endorsements from Argentina, Georgia, and Iraq. The goals of PSI have been endorsed by the United Nations Security Council in Resolution 1540.

Through training exercises involving military, law enforcement, customs, intelligence, and legal experts, many PSI partners are developing new tools to improve their national and collective capacities to interdict WMD and related shipments—whether on land, at sea, or in the air.

On this foundation, PSI partners are building a record of success by stopping the transshipment of WMD-related materials, prosecuting proliferation networks, and shutting down front companies trafficking in WMD materials.

I urge all responsible states to join this global campaign by endorsing the PSI Statement of Interdiction Principles and by committing to work to end the security threat posed by the proliferation of weapons of mass destruction.

Remarks Following Discussions With President Thabo Mbeki of South Africa and an Exchange With Reporters

June 1, 2005

President Bush. Mr. President, welcome back.

We've just had a wide-ranging discussion on very important issues. We spent time talking about our bilateral relations. I would characterize our bilateral relations as strong. We spent time talking about the continent of Africa.

And Mr. President, I want to thank you for your leadership. South Africa is a great country. The President has used his position to not only better the lives of his own people but to work to bring stability and peace to the region and to the continent.

We talked about several situations that are of concern to our Government, most notably Darfur. I want to thank you for your leadership there. The President has got troops there. Deputy Secretary Zoellick is on the way to Darfur. This is a serious situation. As you know, former Secretary of State Colin Powell, with my concurrence, declared the situation a genocide. Our Government has put a lot of money to help deal with the human suffering there.

Later on today I'll be meeting with the head of NATO, who has agreed to help the AU position troops so that humanitarian aid can reach these poor folks as well as getting—bringing stability and hopefully some breathing room so there can be a political agreement. But the President gave me some good advice on that situation, and I want to thank you for that.

As well, we'll discuss, later on, ways to cooperate to make the world a more peaceful place. But Mr. President, again, I really appreciate you coming. It's great to see you.

President Mbeki. Thank you very much, President. I must say thank you very much, Mr. President, for asking us to come. And again I must say I agree very much with the President about the state of the relations between our two governments and the two countries, indeed very strong. And President, I appreciate it very much the commitment you have demonstrated now for some years with regard to helping us to meet our own domestic South African challenges as well as the challenges on the African continent.

They are—I'm afraid you have—I'm going to create more problems for you, President—[laughter]—because I'm going to ask for even more support.

President Bush. That's all right. [Laughter]

President Mbeki. Because the contribution of the United States to helping us to solve the issues that lead to peace and security on the continent, that contribution is very vital. The contribution, President, to helping us in terms of the economic recovery and development of the continent, particularly via NEPAD, is very important.

And I—we believe very strongly, President, that the forthcoming G-8 summit in Gleneagles in Scotland, has the possibility to communicate a very strong, positive message about movement on the African continent away from poverty, under development, these conflicts. And clearly, your presence, Mr. President, in terms of the practical outcomes, your contribution to the practical outcomes of the G-8 summit is critically important.

But thanks very much.

President Bush. Thanks.

We'll answer a couple of questions, if that's all right. April [April Ryan, American Urban Radio Networks].

Sudan/Deep Throat

Q. Yes, Mr. President. First, for you—what are your thoughts about the fact that Deep Throat has been outed—

President Bush. Yes—[*laughter*].

Q. —and also the fact, Mr. President, is he a hero in your mind?

And Mr. President, on the issue of Darfur, Sudan, a new survey came out by the Zogby International poll that finds 84 percent of Americans polled feel that the U.S. should not tolerate an extremist government committing such attacks and should use its military assets, short of using military combat troops on the ground to protect civilians there.

President Bush. Let me first say something. We are working with NATO to make sure that we are able to help the AU put combat troops there. And as a part of that, I believe a transport plane of ours, for example, will be a part of this mission.

I think later on today I'm going to speak to the Prime Minister of Canada, who has also been very strong about dealing with Darfur, and I will thank him for his contributions.

You know, there was an interesting revelation yesterday, Mr. President, about a news story—a massive news story that took place when I was a pretty young guy. And for those of us who grew up in the late—got out of college in the late sixties, and the Watergate story was a relevant story, and a lot of us have always wondered who Deep Throat might have been. And the mystery was solved yesterday.

Q. Is he a hero?

President Bush. He was—it's hard for me to judge. I'm learning more about the situation. All I can tell you is, is that it's—it was a revelation that caught me by surprise, and I thought it was very interesting. I'm looking forward to reading about it, reading about his relationship with the news media. It's a brandnew story for a lot of us who have been wondering a long time who he was. I knew it wasn't you. [*Laughter*] You weren't even born during that period.

Q. Oh, yes I was; I was born. I was old enough.

President Bush. Barely. Barely. That's a compliment, Mr. President. [*Laughter*]

President Mbeki. It is. [*Laughter*] No, we—our view has been that it's critically important that the African continent should deal with these conflict situations on the continent, and that includes Darfur. And therefore, indeed, you will notice that we have not asked for anybody outside of the African Continent to deploy troops in Darfur. It's an African responsibility, and we can do it.

So what we've asked for is the necessary logistical and other support to be able to ensure that we discharge our responsibilities. I should say that. Even the first troops deployed in Darfur, which were from Rwanda and Nigeria, the U.S. military forces sent the planes that actually did the airlift of those forces to Darfur. That's the kind of support I would ask for, and indeed, as the President has indicated, we even went to NATO, who also agreed to support.

So I don't think it's—certainly from the African perspective, we wouldn't say we want deployment of U.S. troops in Darfur. We don't. On the continent, we've got the people to do this—military, police, other—so long as we get this necessary logistical support. I think that's what's critically important.

President Bush. Do you want to call on somebody from your press corps?

President Mbeki. Anybody?

Group of Eight/Africa

Q. President Bush, with about 4 weeks left to go to the G-8 summit, do you still—do you have any reservations about British Prime Minister Tony Blair's Commission for Africa report, especially with reference to the international finance facility?

President Bush. We have made our position pretty clear on that, that it doesn't fit our budgetary process. On the other hand, I've also made it clear to the Prime Minister, I look forward to working with Great Britain and other countries to advance the African agenda that has been on the G-8's agenda for—ever since I've been the President.

And the President and I were talking about the positive steps that have been taken. The NEPAD agreement was presented as a result

of G-8 meetings; commitment to trade as well as humanitarian help have all emerged as a result of the conversations through the G-8 and commitments as a result of the G-8. And I hope to advance the agenda, what I call the compassion agenda.

And by the way, the thing I appreciate about the President is he understands it's a two-way street we're talking about. I mean, countries such as ours are not going to want to give aid to countries that are corrupt or don't hold true to democratic principles, such as rule of law and transparency and human rights and human decency. That's where the President has played such a vital role, because South Africa has been a stalwart when it comes to democratic institutions.

But, no, we've got more work to do. I'm looking forward to sitting down not only at the table with the leaders from the G-8 countries but as well with leaders from the continent of Africa—and other countries are coming. So it's going to be quite a meeting. Keil [Richard Keil, Bloomberg News].

Elections in Egypt

Q. Mr. President, looking back over the last year, you talked an awful lot about the importance of free and fair elections in Iraq, which most international observers now believe is what took place. Given the lesson that you say that that leaves for the region, do you think that Egypt is now on pace for the same free and fair elections? And if not, what do they need to do to get there?

President Bush. Interesting question. I spoke to President Mubarak today, and I—he talked to me, by the way, about him calling his Attorney General to—calling upon his Attorney General to investigate the disturbance around one of the polling sites. And I urged him once again to have as free and fair election as possible, because it will be a great legacy for his country. It will be a—he's publicly stated he's for free and fair elections, and now is the time for him to show the world that his great country can set an example for others. He assured me that that's just exactly what he wants to do. And I will, to the best of my ability, continue to try to convince him that it's in not only Egypt's interest but the world's interest to see that Egypt have free and fair elections.

Listen, the definition of free and fair, there's international standards, of course, but people ought to be allowed to vote without being intimidated. People ought to be allowed to be on TV, and if the Government owns the TV, they need to allow the opposition on TV. People ought to be allowed to, you know, carry signs and express their displeasure or pleasure. People ought to have every vote count. And those seem like reasonable standards.

Zimbabwe

Q. My colleague will ask the question.

President Bush. It's a relay. [Laughter]

President Mbeki. It's a relay. [Laughter]

Q. Mr. President, does your administration still regard Zimbabwe as an outpost of tyranny?

President Mbeki, do you still regard that as an unhelpful characterization?

President Bush. I brought up Zimbabwe. It's—obviously, we are concerned about a leadership that does not adhere to democratic principles and, obviously, concerned about a country that was able to, for example, feed herself, now has to import food, as an example of the consequence of not adhering to democratic principles.

The President, who has been very much involved in this issue, gave me a briefing on, for example, different ways that the people are trying to reconcile their difference of opinion within Zimbabwe. But it's a problem.

President Mbeki. Yes, you see, the critical challenge, as I'm sure you are aware, is to assist the people of Zimbabwe to overcome their political problems, their economic problems. There's problems even now of food shortages because of the drought.

And so what is really critically important is to see in what ways we can support the opposition party, the ruling party in Zimbabwe to overcome these problems. And clearly, one of the critically important things to do is to make sure that you have the political arrangements that address matters of rule of law, matters that address issues of the freedom of the press, issues that address questions of freedom of assembly, a whole range of matters which require that the Zimbabweans have a look at the constitution and look at the legislation.

And this is a direction in which we're trying to encourage them to move, so that they create this political basis where everybody is comfortable that you've got a stable, democratic system in the country, which is critically fundamental to addressing these other major challenges of ensuring the recovery of the economy of Zimbabwe and really improving the lives of the people. So that's the direction we're taking.

President Bush. Well, thank you all for coming. I owe the President a lunch.

NOTE: The President spoke at 12:03 p.m. in the Oval Office at the White House. In his remarks, he referred to Prime Minister Paul Martin of Canada; W. Mark Felt, Deputy Director of the FBI during the Nixon administration whose identity as the informer known as "Deep Throat" during the Watergate scandal was revealed on May 31; Prime Minister Tony Blair of the United Kingdom; and President Hosni Mubarak and Attorney General Maher Abdel Wahed of Egypt. The President also referred to the African Union (AU) and the New Partnership for Africa's Development (NEPAD).

Remarks Following Discussions With Secretary General Jakob Gijssbert "Jaap" de Hoop Scheffer of the North Atlantic Treaty Organization

June 1, 2005

President Bush. Mr. Secretary General, welcome. Thank you for coming.

It's been my pleasure to work with this good man. The Secretary General is a visionary leader of a very important Alliance, and that is NATO. America is a proud member of NATO. We view NATO as our link—our transatlantic link to Europe. NATO is a place where not only do we work to—work on defensive measures to protect our respective people, but it's a place where we are proud to strategize as to how to promote values of—universal values of democracy and freedom and human rights and human dignity.

Under the Secretary General's leadership, NATO has been active in places like Afghanistan and training the troops in NATO. And today we discussed the NATO mission in Darfur, to help deal with human suffering in that part of the world.

So, Mr. Secretary General, I am proud to call you friend and proud to work with you as the President of a contributing member of NATO. Welcome.

Secretary General de Hoop Scheffer. Mr. President, thank you very much, indeed. I can echo the words you said. NATO has always been and still is a value-driven organization; it's about values. The same values we have defended in the cold war, we are now defending in Afghanistan, at the Hindu Kush mountains. We are training the Iraqi security forces so that that country can stand on its own feet as soon as possible. We are staying the course in Kosovo. We'll have, as the President mentioned, support for the African Union in Darfur. We're having an antiterrorist operation in the Mediterranean. We'll stay the course—we'll stay the course. We do that with the 26 NATO Allies—of course first and foremost with the United States of America—and we do it with our partners as well with important partner countries of NATO, like the Ukraine, like our partners in the Balkans.

So we'll stay the course, and I'm sure that NATO will also, in the coming time, will be an important political, military organization. Enhancing political dialog within NATO, that's what it's all about—staying the course militarily and staying the course politically.

Mr. President, thank you very much.

President Bush. Welcome. Thank you for coming. I appreciate it.

NOTE: The President spoke at 2:57 p.m. in the Oval Office at the White House.

Statement on the Resignation of William H. Donaldson as Chairman of the Securities and Exchange Commission

June 1, 2005

Bill Donaldson took on a tough job at a tough time, and he delivered for the American people. He vigorously and fairly enforced our Nation's securities laws and helped rebuild the public trust in corporate

America that has been important to our economic recovery. I am grateful for his dedicated service, and Laura and I wish him and Jane all the best.

Proclamation 7907—Black Music Month, 2005

June 1, 2005

By the President of the United States of America

A Proclamation

During Black Music Month, we pay tribute to a rich musical tradition and honor the many contributions African-American musicians, singers, and composers have made to the culture of our Nation and to the world. This powerful, moving, and soulful music speaks to every heart, lifting us in times of sorrow and helping us celebrate in times of joy.

Black music's origins are found in the work songs and spirituals that bore witness to the cruelty of bondage and the strength of faith. In the strains of those songs, we hear the voice of hope in the face of injustice. From those roots, black music has grown into a diverse collection of styles, and it continues to evolve today. Black music captures a part of the American spirit and continues to have a profound impact on our country.

This month is an opportunity to reflect upon the achievements of African-American artists and to look forward to the future. We remember Robert Johnson, Bessie Smith, Louis Armstrong, Nat King Cole, Ray Charles, Ella Fitzgerald, Billie Holiday, and countless others for their love of music and their pioneering and passionate spirit. We celebrate today's musicians who continue to build upon the rich and vital heritage of black music.

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 June 2005 as Black Music Month. I encourage all Americans to learn more about the history of black music and to enjoy the great contributions of African-American musicians.

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

George W. Bush

[Filed with the Office of the Federal Register, 9:46 a.m., June 3, 2005]

NOTE: This proclamation was released by the Office of the Press Secretary on June 2, and it was published in the *Federal Register* on June 6.

Proclamation 7908—Great Outdoors Month, 2005

June 1, 2005

By the President of the United States of America

A Proclamation

During Great Outdoors Month, we celebrate our Nation's natural heritage, reaffirm our commitment to conserve our environment, and recognize the many volunteers who help maintain our natural spaces.

Americans are blessed by our country's expansive landscapes, diverse wildlife, and beautiful public lands. Outdoor recreation provides an opportunity to enjoy the splendor of our Nation's remarkable natural treasures and reminds us of our responsibility to be good stewards of the environment.

Across our great Nation, Americans are taking that responsibility seriously and volunteering to help keep our natural areas beautiful for future generations. I commend these citizens for helping to protect our public lands, and I encourage all Americans to do their part. The Department of the Interior's Take Pride in America website and the USA Freedom Corps website offer examples of ways to participate in environmental stewardship projects.

We have an obligation to protect the Earth, and my Administration is pursuing responsible initiatives to make our air cleaner, our water purer, and our land better protected. In doing so, we are demonstrating the important principle that environmental protection and economic prosperity are both vital parts of being good stewards in the land

we call home. Through these and other efforts, we will continue to build a cleaner, safer, and healthier environment for all Americans.

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 June 2005 as Great Outdoors Month. I call on all Americans to observe this month with appropriate programs and activities and to enjoy safe outdoor recreational activities.

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

George W. Bush

[Filed with the Office of the Federal Register, 9:46 a.m., June 3, 2005]

NOTE: This proclamation was released by the Office of the Press Secretary on June 2, and it was published in the *Federal Register* on June 6.

Letter to Congressional Leaders Transmitting Designations Under the Kingpin Act

June 1, 2005

Dear _____:

This report to the Congress, under section 804(b) of the Foreign Narcotics Kingpin Designation Act, 21 U.S.C. 1901–1908 (the “Kingpin Act”), transmits my designation of the following eight foreign persons and one foreign entity as appropriate for sanctions under the Kingpin Act, and reports my direction of sanctions against them under that Act:

Arriola Marquez Organization
Oscar Arturo Arriola Marquez
Miguel Angel Arriola Marquez
Ignacio Coronel Villareal
Rigoberto Gaxiola Medina
Marco Marino Diodato del Gallo
Otto Roberto Herrera Garcia
Haji Baz Mohammad
Wong Moon Chi

Sincerely,

George W. Bush

NOTE: Identical letters were sent to Pat Roberts, chairman, Senate Select Committee on Intelligence; Arlen Specter, chairman, Senate Committee on the Judiciary; Richard G. Lugar, chairman, Senate Committee on Foreign Relations; John W. Warner, chairman, Senate Committee on Armed Services; Charles E. Grassley, chairman, Senate Committee on Finance; Susan Collins, chairwoman, Senate Committee on Homeland Security and Governmental Affairs; Peter Hoekstra, chairman, House Permanent Select Committee on Intelligence; F. James Sensenbrenner, Jr., chairman, House Committee on the Judiciary; Henry J. Hyde, chairman, House Committee on International Relations; Duncan Hunter, chairman, House Committee on Armed Services; William M. Thomas, chairman, House Committee on Ways and Means; and Christopher Cox, chairman, House Committee on Homeland Security. This letter was released by the Office of the Press Secretary on June 2.

Remarks on the Nomination of Christopher Cox To Be Chairman of the Securities and Exchange Commission

June 2, 2005

The President. Good morning. I’m pleased to announce my nomination of Congressman Chris Cox of California as our next Chairman of the Securities and Exchange Commission. As a champion of the free enterprise system in Congress, Chris Cox knows that a free economy is built on trust. In the years ahead, Chris will vigorously enforce the rules and laws that guarantee honesty and transparency in our markets and corporate boardrooms. He will be an outstanding leader of the SEC.

Today, the American economy is the envy of the world. Our economy is growing faster than that of any other industrialized country. We have added over 3.5 million new jobs during the last 2 years. The unemployment rate is down to 5.2 percent. More Americans are working today than ever before. Small businesses are flourishing. Families are taking home more of what they earn. To maintain the confidence that is the cornerstone of our economic system, we must ensure the honesty of American business and the integrity of the capital markets and stock exchanges. Investors must have confidence that

the information they use to make their investment decisions is fair and accurate.

The Securities and Exchange Commission is the primary Federal agency that performs this essential function. The SEC investigates corporate fraud and holds guilty parties responsible when they mislead shareholders and employees.

For more than 2 years, Bill Donaldson has done an exceptional job as the SEC Chairman. Bill took this post at a time when our economy was faced with a crisis in investor confidence. Under his leadership, the SEC vigorously responded to corporate corruption. The Commission filed more than 1,700 enforcement actions under Bill Donaldson's chairmanship, a significant increase from previous years. And the SEC has helped implement the Sarbanes-Oxley Act, the most far-reaching reform of American business practices since the time of Franklin Roosevelt. The agency also responded swiftly to the mutual fund abuses that came to light nearly 2 years ago, enhancing disclosure to mutual fund shareholders.

Bill Donaldson has set high standards for American business and the SEC, and Chris Cox is the right man to carry on this important work.

For more than a decade and a half, Chris has been a superb Representative of the 48th District of California. His achievements range from national security to tax reform. As the first chairman of the House Committee on Homeland Security, Chris Cox helped coordinate efforts between the Federal agencies and Congress to better protect our country against terrorist attacks. He worked effectively with members of both parties to get more than a dozen of his bills passed into law, including a law protecting investors from abusive lawsuits and a ban on Internet commerce taxes. Four years ago, I signed into law a bill that helps American families by phasing out the death tax. The drive to end the death tax was the product of an effort that Chris Cox helped lead for nearly a decade.

Chris understands how markets work, and he knows the need for transparency in financial exchanges and in the halls of business. He proved that he can bring people together of diverse opinions to get things done. That

kind of leadership will be invaluable as the Chairman of the SEC.

I've given Chris a clear mission, to continue to strengthen public trust in our markets so the American economy can continue to grow and create jobs. The Nation is increasingly a nation of stockholders. A generation ago, only a small percentage of American families invested in stocks and bonds. Today, more than a half of households are investing for their families and for their futures. Now more than ever, we must make sure Americans can rely upon the integrity of our markets.

Chris Cox is a good man to have taken on this job, and he'll do a fine job on behalf of the American people. He brings with him a unique combination of skills and expertise. He graduated with honors from Harvard Law School and Harvard Business School. He worked as a security lawyer for nearly a decade. He taught tax law. He served in President Reagan's White House, and he was elected to the Congress.

I thank Chris for his willingness to serve our country in another important position at an important time for our Nation. I am grateful to his wife, Rebecca, and their three children, Charles, Katie, and Kevin. I call on the Senate to confirm his nomination at the earliest possible date.

Congratulations.

[At this point, Chairman-Designate Cox made brief remarks.]

The President. Congratulations. Thanks for taking it on.

Thank you all.

NOTE: The President spoke at 10:24 a.m. in the Roosevelt Room at the White House. The transcript released by the Office of the Press Secretary also included the remarks of Chairman-Designate Cox.

Remarks in a Discussion on Strengthening Social Security in Hopkinsville, Kentucky

June 2, 2005

The President. Thanks for the warm welcome. Glad I brought a little rain with me. [Laughter] I'm honored to be here. I've got

some friends—just met them—but some folks from the community here who want to discuss Social Security with me and with you. It's a vital subject. But before I get there, I do want to say a couple of things.

First, it's such an honor to land at Fort Campbell, Kentucky. I say "honor" because that base houses some of the finest men and women our country has ever known, men and women and their families who are making incredible sacrifices on behalf of the American people. They're doing some hard work to protect the country, and as they do that hard work, they're helping free people. We are laying the foundations for peace, because more people are free in the world. And I want to thank those of you who support the base.

Freedom is on the march. I was proud to see that Laura had a great trip overseas. She was advancing the freedom agenda, making it clear that free societies are societies that honor women and welcome women into the daily lives of government and business. She sends her best. She's become quite the comedian over the last couple of weeks. [Laughter] I love her dearly. She's a great First Lady and a wonderful wife.

I appreciate knowing your Governor. I want to thank Governor Fletcher for doing a fine job for the people of Kentucky. I know Congressman Ed Whitfield is traveling, but I think he sent his mom and dad here. Mr. and Mrs. Whitfield, thank you all for coming. There you are. Great to see you all. Tell Ed I was asking about him. [Laughter]

I want to thank all the State and local officials who have joined us today. I'm honored that you're here. I want to thank Mayor Liebe for being here. I want to thank those of you who serve in the city councils and county commissions, if that's what you call them here in Kentucky. Thanks for serving.

I want to tell you somebody else I met who's serving in an incredibly important way, and that is a fellow named Dr. John Cotthoff. [Applause] A couple of people have heard of him. [Laughter] He came out to the—to meet me at Air Force One. Every time I stop at a place, I ask somebody who has volunteered in the community to come out so I can herald voluntarism, so I can thank this one person in this case for his kindness. He's

a doc. He established a clinic in 1991, the St. Luke Free Clinic. He volunteers his time. He helps 4,000 working uninsured people get health care. He's a soldier in the army of compassion. He's one of the millions of citizens in this country who have heard the universal call to love a neighbor just like you'd like to be loved yourself and are helping this country, one person at a time.

If you're a member of the army of compassion, I want to thank you for joining John. If you want to serve our country, feed the hungry, find shelter for the homeless, love somebody, teach somebody to read, and you'll be making a huge contribution to America just like Dr. John Cotthoff is. John, thank you for being here. I appreciate you coming. Thank you, sir.

We've got a lot to do in Washington, DC, and there's too much politics up there—[laughter]—pure and simple. I'm calling on Congress to do a couple of important things. One of them is to make sure we're wise about how we spend your money. If the program doesn't work, we ought not to be spending money on it.

I submitted a tough budget. Congress passed a tough budget, and now it's time for them to make sure they don't overspend when it comes time to appropriating your money. We've got a plan to cut our deficit in half in 5 years, and if they're wise stewards with your money, we will do that.

Secondly, 4 years ago, I submitted a strategy to the United States Congress to make us less dependent on foreign sources of energy. And we've had 4 years of debate. This is the year where they've got to stop debating an energy bill and pass an energy bill that will encourage conservation and a bill that will modernize the electricity grid, a bill that will spend money on clean coal technology. We've got a lot of coal in America. We can use technology to make sure we burn it cleanly. We've got to explore for oil and gas in environmentally friendly ways. We've got to spend money to use ethanol—so we can use ethanol and biodiesel. We've got a plan that will make us less dependent on foreign sources of energy.

Listen, I understand people are paying higher prices at the gas pump. I know that you're paying that tax—it's like a tax that

goes—that money, and it’s up because we’re dependent. And the more dependent you are on somebody else’s energy, the more likely it is you’re going to pay a higher price for it. And so I put a plan up there to get us to diversify away from the old habits and the old ways. The bill passed the House. It passed the Senate committee. It’s now on the floor of the United States Senate. For the sake of economic security and national security, the Senate has got to get that bill passed. The House and Senate have got to reconcile their differences and get me a bill I can sign by August of this year.

I want to talk about Social Security. Franklin Roosevelt did a smart thing when he set up the Social Security system. There’s a lot of people who depend upon their Social Security check. I suspect there’s a lot of people in this part of the world that depend on that check. I want to start off by telling those of you in Kentucky who get a check now from Social Security, nothing is going to change for you. You’re going to keep getting your check. I don’t care what the politicians say. I don’t care what the advertisers say. I don’t care what the pamphleteers say. Nothing changes for you.

When you hear us talking about the Social Security system being in trouble, people who are getting their check have got to understand you’re in good shape. It’s the youngsters coming up who have a problem with Social Security. And I’ll tell you why—let me tell you why. A lot of us are getting ready to retire. We’re called baby boomers. See, my retirement age happens to be in 2008. I reached retirement age in 2008, which is a convenient year for me to retire. *[Laughter]* And there’s a lot of baby boomers, and we’re living longer than the previous generation. So you’re beginning to get a sense of the new math. Baby boomers—I think when we fully retire, it’s going to be about 73 million of us that the younger people are going to have to pay for. Right now there’s over—a little over 40 million retirees. So there’s a whole lot of new retirees getting ready to retire soon who are living longer, which means younger folks are going to have to keep paying into—paying for us longer and longer. And we’ve been promised greater benefits.

To complicate the problem for the younger generation of Americans, there are fewer people paying into the system for every retiree. In 1950, there were about 16 workers for every retiree. Think about that. So if the Government made a promise, there was 16 of you that were able to divide up the promise. Today, there are 3.3 workers per retiree. Pretty soon there will be two workers per retiree. You’ve got a lot of people getting ready to retire who will be living longer, drawing greater benefits, with fewer people paying in the system.

And we’re paying into what’s called a pay-as-you-go system. Now, that means you pay through payroll taxes, and we go ahead and spend. *[Laughter]* We, of course, spend on retirement benefits. But that’s not all that Congress has been spending your payroll tax on. See, a lot of people think they’re sending their payroll taxes in and the Government holds the money for them, and when it comes time to retire, you get your money back. That’s not how it works.

People are paying their payroll taxes; the beneficiaries are receiving their benefits; and there’s been money left over. And that money has gone to Government programs, and so all that’s left in the Social Security trust is a file cabinet full of IOUs. And when those IOUs come due, somebody has to pay for them either through reduced benefits or greater taxes.

The pay-as-you-go system is—really isn’t fair, if you think about it. The Government has said, “You’re going to pay payroll taxes for your retirement,” but they’ve gone ahead and spent your money on other Government programs. And as a result of the pay-as-you-go system, with more people retiring, in 2017, the system goes into the red. In other words, more benefits will be going out than payroll taxes coming in. That makes sense. If you got fewer people paying in and more people retired, pretty soon it’s going to catch up with you. And it does in 2017.

That’s not very far down the road. If you’ve got a 6-year-old child, that’s—the system goes in the red when your child starts to drive. That is if you—you have driver’s licenses at 18 here, Ernie? Yes, 18. It was harrowing experience when our daughters—16, well, that’s interesting, yes. *[Laughter]*

Yes, let me know when they're on the road. [Laughter]

And every year thereafter the system gets worse, because more people are getting benefits, and they're living longer. In 2027, the amount of money coming in will be 200 billion less than the amount of money going out. Every year it gets worse from 2017 on. In 2032, I think it is, 300 billion a year. In other words, we're piling up an unsustainable system for younger workers. You've got younger workers paying into a system that is going to go bankrupt in 2042, unless we do something about it.

So I saw a problem. If you take an objective look at the math, you can't help but see a problem. It's no problem for people who are getting their check today. If you're getting your Social Security here in Kentucky, you don't have a problem. But if you've got a grandchild, you do have a problem, or at least that grandchild does. And so I decided to put the issue up for discussion in Washington. I'll tell you why I did. The job of the President is to confront problems, is to deal with problems, not pass them on to future Presidents or future Congresses. That's the job of the President of the United States.

I suspect some in Washington wish I hadn't have brought it up, because some in Washington really don't want to deal with it. But every year we wait, we're saddling a younger generation with about \$600 billion in costs. I mean, it's conceivable, if we don't do anything, that the payroll tax will have to go to 18 percent in order to make—fulfill the promises for the baby boomers. And I don't think that's fair to a younger generation of Americans, to not have political courage and deal with the problem and pass on the problem to them. I just don't think it's right.

And so I've been traveling the country, spending a lot of time trying to impress the folks with two things right off the bat. One, we have got a serious problem, and if we don't do anything about it, we're saddling a young generation with a huge problem. And two, if you get your check, nothing is going to change. I keep saying that because I understand the politics of Social Security. If you don't want to get anything done, all you've got to do is go around the country trying to scare seniors. And then the seniors will say

to the Members of the Congress, "Please don't do anything." And so I'm going to spend a lot of time convincing seniors nothing changes and convincing folks there's a problem, because once the people realize there's a problem, then the next question they ask to their elected Representative is, "We've got a problem, and I've sent you up to Washington to solve problems, and so what are you going to do about it? See, instead of just sitting up there, why don't you work with the President to see if you can't come up with a solution?"

I also have a duty to lay out some ideas, and so I have done so. I have suggested the following principles: One, that future generations should receive benefits equal to or greater than the benefits enjoyed by today's seniors. That makes sense to say to somebody who's paying in the payroll tax, "If you're a youngster, you're paying in, the system ought to at least yield benefits equal to or greater than the baby boomers, for example."

Secondly, I believe the system—I know the system can be designed so that someone who works all their life does not retire into poverty. That seems to make sense. You've got a lot of people working hard in America, and they're contributing to the Social Security system, and when they retire, they retire into poverty. To me, that's a system that is a flawed system. And so therefore, I supported an idea, what's called progressive indexing. That's long Washington words for this: Right now benefits rise at the rate of wage increases. And so I proposed that the poor Americans, those at the lower end of the income scale, have their benefits continue to rise with wages and that the upper income folks have their benefits rise with inflation. In other words, all benefits go up, one set of benefits faster than others.

And if we're able to implement that plan, that solves a significant portion of the solvency issue for Social Security. Just think about that. By slowing down the rate of benefit growth—benefits still grow but at a slower rate, a rate in which Government can now afford, a younger generation can afford to pay in, at a slower rate—we solve a lot of the Social Security problem.

And so I put that on the table for people to consider. To me, it makes sense. To me,

it's fair. Benefits go up; certain people's benefits will go up faster than others, depending upon their income level.

And so, then there's other options on the table that Congress needs to come and talk about. In good faith, they need to come—set aside their political party and say, “For the good of the country, why don't we come together and solve a significant problem.”

I want to talk about one other idea that we're going to spend some time talking about today. In order to make Social Security a better deal for younger Americans—in other words, what I've just laid out is a way to permanently solve the issue. But I think we ought to make it—without raising taxes, by the way, without raising payroll taxes, which is important. I think we ought to let younger workers, if they decide—if they say, “This is something I'd like to do”—is to take some of their own money that they're paying into the system through the payroll tax and set that money aside in a voluntary personal savings account.

Let me tell you why it will be a better deal—and we're going to spend some time talking about this. Money grows over time. You hold money, and you get a decent rate of return on that money. It tends to compound. It grows. The growth accelerates. That's just how it works. It's called the compounding rate of interest. Right now, when we collect your money, if you're a youngster out there working hard and paying into the system, you'll be displeased to know you get about a 1.8-percent return on your money—which is pitiful—rate of return. Heck, you can put your money in T-bills and do better than that.

I think we ought to allow younger workers to take some of their own payroll taxes—remember, it's your money and not the Government's—and set it aside and be able to invest in a conservative mix of bonds and stocks, if that's what you choose to do. I recognize some people, that makes them nervous in America. You don't have to do it. It's a voluntary idea. In other words, you say, “Here's your option, if this is what you think makes sense.” A conservative mix of bonds and stocks, for example, can yield, over a period of time, 4½ percent rate of return. And that difference between the 4½ percent

somebody gets or the 1.8 percent you're now getting, over a 30-year period, is a lot of money. It's a lot of money.

And so, when I say “better deal,” it's a better deal for somebody to earn better interest on their own money. That makes sense. I mean, we tried it before, by the way. As a matter of fact, we're trying it now. This may interest you. This was such a good idea that Members of the United States Senate and the United States Congress decided that in the Federal retirement system called the Thrift Savings Plan, that people, if they so choose, ought to be allowed to set aside some of their own money to get a better rate of return on their money. So here's my attitude and my message to the people in Washington, DC: If you let yourself do it, if you think it's such a good idea for you who's been elected to the Congress, then you ought to let workers have that same option.

The personal savings account, the voluntary personal savings account, would be a supplement to your Social Security check. It would be a part of a Social Security system; it's not the Social Security system. The Government is going to say, “You can't put all your payroll tax; you can put a portion of your payroll taxes,” and so you'll end up with something in the Social Security system as well as your own nest egg that the Government cannot take away. It's your own nest egg that the Government can't spend on other Government programs. It's your money.

If you're a 20-year-old making \$8 an hour over your career—20 years old today, \$8 an hour over your career, and if the Government lets you put a third of your payroll taxes in a voluntary personal savings account, you'll end up with a nest egg of \$100,000 when you're 63. If you're a police officer and a nurse who started working in 2011 and you work your entire careers, when you retire, both of you will have a combined nest egg of \$669,000 as part of your retirement package. That's how money grows.

I think it makes sense to let people, if they so choose, have an asset they call their own. It's beneficial for society. One of the things I've tried to do as the President is promote an ownership society. We want more people

owning their own assets. We want more people owning their own home. We want to encourage entrepreneurship, so people can own their own small business. I think it makes sense to have people from all walks of life owning and managing their own assets, if that's what they choose to do. I reject the idea, soundly reject the idea that the investor class, the so-called investor class, should be the only owners in America. I think ownership ought to be spread to every corner of America, from people of all walks of life, no matter what their demographic background may be or no matter what their income level is. I like the idea of moms and dads being able to pass on assets to whomever they choose.

A couple of other things—I'm getting a little windy, aren't I? *[Laughter]* A couple of other—

Audience member. You're on a roll.

The President. Thank you. She said I'm on a roll. *[Laughter]*

Just a couple of other points I want to make; then we'll go to some of our guests here—not some of our guests, all of our guests. First of all, there are rules. In other words, people say to me, “Well, you know, what happens if somebody makes a risky investment?” The idea of having a voluntary personal savings account does not allow for—you can't take your money to the lottery or the track. *[Laughter]* There's a conservative mix of bonds and stocks.

By the way, this happens all the time in our society where people are given some options in a rather conservative mix. It doesn't take much to get a better rate of return than Government gets for you now. I was with John McCain at one of these events one time. He said he thought—as he remembered, he got about a 7 percent rate of return on the conservative mix of bonds and stocks that he has held for about 20-something years. You put 7 percent onto a pretty good size of money, that grows rather quickly. And it's your money.

And so there will be rules. People say to me, “Well, Wall Street will benefit.” No, we're not going to let Wall Street gouge people on this. I mean, that's just not going to happen. There will be a—there will be reasonable fees. In other words, the Govern-

ment will have an oversight role in all this business. It will be an opportunity for people if they so choose.

Let me tell you one other thing to—that I think you'll find patently unfair about this system. You got a husband and a wife, and they've worked all their life, both contributing into the Social Security. And the husband passes away, and the wife will then be in a position to either have her own benefits or her husband's benefits, but not both. In other words, somebody has been working, the spouse has been working, and one dies early, and both of them had been working all their life—think about this system—and when it comes time to retire, the surviving spouse, man or woman, gets to choose his or her benefits or the deceased spouse's benefits, which is ever higher, but not both. That means somebody has worked all their life and put money into the system that at some point in time just goes away.

Now these are hard-working people we're talking about in America, people who have worked hard and paid that payroll tax. And if you're a youngster who just entered the workforce, you know what it means to give some payroll tax. That's that first shock you get when you see that payroll tax coming out of your check. Imagine a system where you've worked all your life, and it's not there. And so one of the reasons—another reason I like somebody to be able to have assets that they can pass on to whomever they choose; here's an instance—the example I just gave you says that a husband or a wife will have an asset base upon death to be able to pass on to the surviving spouse to help them out during this incredibly difficult period.

And so Congress needs to consider this idea. And I repeat, if it's good enough for you in the Congress, it ought to be good enough for working people here in America.

Rick Paxton. Welcome, Rick, thank you. Where do you live?

Richard C. Paxton. Yes, sir, I live right here in Hopkinsville, Kentucky, here.

The President. Good place to live, isn't it?

Mr. Paxton. It's a wonderful place to live.

The President. Thanks for coming. Tell everybody what you do.

Mr. Paxton. I'm a financial consultant with Hilliard-Lyons, have been for the last 15 years.

The President. Good. I ask—on these panels I always ask somebody who—to come who knows what he or she is talking about, an expert.

Mr. Paxton. Uh-oh. [Laughter]

The President. Usually it's a Ph.D. I know you're not one. And I—[laughter]—and I like to tell people, "He's a Ph.D. I'm a C student—was a C student—and look who the adviser is." [Laughter] So all you C students out there, work hard, but there's hope for you. [Laughter]

All right, Rick. Rick studies markets and investments. Let her rip.

Mr. Paxton. Yes, sir. Well, first, I have with me today my wife, Anne, and my two wonderful children, Chris and Elizabeth.

The President. Well, good. Welcome.

Mr. Paxton. And on behalf of my children, I just want to thank you for being brave enough to take this on. I know it's politically been a thing that's been talked about. I can remember 30 years ago in a college economics class, the professor talking about the coming problem because of our generation, the baby boomers.

The President. Yes.

Mr. Paxton. And I just want to commend you for taking this on.

The President. Well, thanks Rick. You're kind to say that, thank you. That's what you're paying me to do. Go ahead.

[At this point, Mr. Paxton made further remarks.]

The President. Yes, that's interesting. I hope everybody understands what he's saying. If you keep your money and it grows, it tends to—it accelerates; it snowballs, I guess. It's not a very sophisticated terminology, I recognize—

Mr. Paxton. That's very good.

The President. Thank you. Well, I did pay attention to some courses. [Laughter] Anyway, but it grows.

You told me an interesting story about some of the seminars you conduct.

Mr. Paxton. Yes, sir. One of the jobs that I have is to go into companies and work on the retirement plans with them. And we ad-

dress rooms of people who are planning for their retirement and enrolling in the retirement plan. For 15 years I've been doing this, and the first question I ask them and have for 15 years, "Is there anybody in this room who thinks that they'll be able to depend on their Social Security when they get there? Do you think it will be there for you in retirement?" And in 15 years, I've never had a hand go up.

The President. Interesting, isn't it? Think about a Government that has this program where we're taking a lot of money out of your pocket. And he goes in a room and says, "Anybody think they're going to see a check"—these are younger workers he's talking to—"or think the system will be there for them," and they don't raise their hand.

What are the—Government must build trust. And one way you build trust is you say that when you put money into something, you're going to get something out of it. Now, if you're an older American, you're in good shape. But the dynamics have shifted. And what the amazing thing is, a lot of youngsters understand what he's talking about. They're beginning to see the realities of a Social Security system that is not solvent for them. It's solvent for their dads and granddads and grandmoms. It's not solvent for them.

You know, they tell me—somebody told me about a survey one time where the youngsters said they're more likely to see a UFO than a Social Security check. [Laughter] It's got to be a little disheartening if you're a person who believes you're more likely to see a UFO than get a Social Security check and you're paying into the system, hoping that the system is available for you. And that's why I keep trying to explain to people—or do explain to people, this is a generational issue. Grandmoms and granddads ought to be worried about their grandchildren coming up and putting money in a system that's not going to be available for them.

What else you got? I've got a question for you. I've got an interesting—you know what's interesting about our society—and there is some concern. I readily understand that people are nervous about maybe investing their money, particularly older Americans that aren't used to it. But think about what's taking place in society today—401(k)s. You look

like kind of an older fellow. Were you aware of a 401(k) when you were 20 years old?

Mr. Paxton. I wish they were around then.

The President. Yes, 401(k)s are investment vehicles for workers to watch their own money grow. It's part of retirement. A lot of people have them. I was in an automobile factory in Mississippi, talking to line workers. I said, "How many of you all invest your—watch your own money grow and make investment decisions for your money through a 401(k) plan, in this plant?" I'm telling you, hands went up—a lot of hands, people from all walks of life. The culture is changing. We've got investors now all across America, people from all walks of life learning to invest. IRAs—I'm sure you're spending a lot of time on that.

Mr. Paxton. Sure.

The President. So when you hear people say, "Well, I'm not so sure if America is ready for this," two things come to my mind. One, a lot of Americans already are watching their own money grow. And two, you can learn pretty quick when you're watching your own money. You know what I'm saying? You ask a lot of questions when it's your money, and you learn really fast.

And so, Rick, thank you for coming. I appreciate it.

Mr. Paxton. You're welcome, sir. Thank you for inviting me.

The President. We've got Clay Walton. Speaking about younger—I don't know about UFOs and Social Security checks; I do know you're a farmer. Isn't that right?

Charles Clayborn Walton III. Yes, sir.

The President. Well, say something, then. [Laughter]

Mr. Walton. That's correct.

The President. Okay. What do you farm?

Mr. Walton. I'm from here in Hopkinsville.

The President. Like what crops?

Mr. Walton. I grow alfalfa hay.

The President. Very good. Is the market all right? I shouldn't have asked that—it's never all right if you're a farmer, is it?

Mr. Walton. You can buy some, if you want. [Laughter]

The President. Take it back to Crawford. [Laughter]

So tell me, has this family farm been around for a while?

Mr. Walton. Yes, sir, it sure has.

The President. Good.

Mr. Walton. My father and my grandfather and even my great-grandfather.

The President. Really? Which brings up another subject. We've got to get rid of the death tax forever. We want to keep this asset in this man's family. Talk about passing assets from one generation to the next, farmers are pretty good about that. It doesn't make sense to tax a person's assets twice—when you're living and then when you die.

Anyway, sorry to interrupt, just a thought that popped into my head—[laughter]—happens occasionally. [Laughter]

What's your concerns on Social Security?

Mr. Walton. Well, my concern is, being a farmer, Social Security is really the only thing I have. Nobody offered me a 401(k) or anything when I started farming. And I'm paying into it all these years, and I'm really counting on it, and I would kind of like it to be there when I retire.

The President. Interesting, isn't it. Here's a sole proprietor, kind of a man out there on his own, and he's paying into the system and sounds like to me—I don't want to put words in your mouth, but it sounds like you might be a little nervous about whether it's going to be there.

Mr. Walton. Oh, absolutely.

The President. Yes. Congress has got to understand you've got a 29-year-old farmer working hard, putting money in the system. He's sitting right up here in front of all these cameras saying, "I'm not so sure the system is going to be there for me." That's the problem. And that's the problem that I'm going to spend whatever time is necessary talking about to get the folks up there to get something done on behalf of this good man. He works hard enough to [not]* have to worry about whether or not Congress can do the right thing with his money.

What else you got?

Mr. Walton. I have a new wife.

The President. Well, that's a good move. [Laughter] That's the smartest thing you did.

* White House correction.

[*Laughter*] Good, I'm looking forward to meeting her.

Mr. Walton. All right, you will.

The President. Have you ever thought about the personal accounts at all? Has that thought ever—

Mr. Walton. Oh, I think that's a very good idea. I mean, you know, anybody that's just giving their money away, they—you know, having choices and options for a little bit of our money seems reasonable to me.

The President. Yes, seems like it is to me. I mean, what's wrong with Government saying, "If you so choose"? I recognize that's maybe a little different philosophy than some have in Washington. But it says, "We trust you." After all, who should Government trust? Government ought to trust the people. That's how this Government is formed. That's the strength of our country, is trusting people. And after all, we're trusting you with your own money. You said you're working hard; you're paying in the system. I just want you to recognize—I recognize whose money it is. It's not the Government's; it's yours.

You're doing fine. Is it raining enough for you?

Mr. Walton. Growing a little bit more now.

The President. That's good. All right, Erica.

Good job. When were you married, by the way?

Mr. Walton. A little over 6 months ago.

The President. Should have invited me. [*Laughter*] Never too late, get a couple of matchbooks or something, [*Laughter*]

Erica Campbell—thank you, good job. Erica, welcome.

Erica Campbell. Hello.

The President. What do you do?

Ms. Campbell. I'm a full-time nursing student and part-time medical assistant at OB GYN Associates.

The President. Awesome. Need a little medical liability reform in Washington, DC, by the way, to keep these ob-gyns in practice.

Ms. Campbell. Yes, we do.

The President. You've also got a—your most important job, however, is—

Ms. Campbell. I'm a mother.

The President. There you go.

Ms. Campbell. I have a 4-year-old daughter named Kyler.

The President. Fantastic. Is she here?

Ms. Campbell. She's right over there. Hi, Kyler.

The President. Sound asleep.

Ms. Campbell. Asleep? Okay.

The President. Laura told me not to talk too much. I put her asleep, didn't I? [*Laughter*] This is—I love this story by the way. Here's a single mom, working hard, working a job—two jobs—mom, first, a—what did you say you were, an ob-gyn?

Ms. Campbell. A medical assistant.

The President. Medical assistant.

Ms. Campbell. And a full-time nursing student.

The President. Now going—a student, becoming a student, which is great. I appreciate you doing that. It's—you're doing your duty. Now, here you are talking about Social Security. Tell—give me some thoughts.

[*Ms. Campbell made further remarks.*]

The President. Let me stop you right there real quick. Isn't it interesting, a mom sitting here talking about a 401(k) or an IRA. These are investment vehicles that encourage people to save their own money.

Now, tell me what it's like on a 401(k). I mean, do you get a monthly statement, quarterly statement?

Ms. Campbell. We get—it seems like every day we get a piece of paper from it. [*Laughter*] But it's like every 2 weeks—

The President. Oh, that's good.

Ms. Campbell. —I think we get a statement from it. It's taken out of my paycheck before I ever see it, so I don't miss it. And it's right there, and I get to keep up with it.

The President. And you get to look at it.

Ms. Campbell. It's actually through Hilliard-Lyons.

The President. That's good. Doesn't it make sense to have a society in which people are constantly reminded about growth of their assets? It seems like to me it would cause people to pay pretty close attention to what the Government's decisionmaking process is like. I mean, here's a young woman

who opens up on a bimonthly basis her statement, reminding her that she owns that. That's part of an ownership society.

Keep going. [*Laughter*]

[*Ms. Campbell made further remarks.*]

The President. This is what we're talking about. We're talking about giving a worker, a fellow American, the opportunity, if she so chooses, to take some of her own money, watch it grow just like she's doing in a 401(k), building up a nest egg, an asset base which will give her peace of mind. In other words, an asset that she can pass on to her young daughter.

Now, this asset will grow over time, as we talked about. The interest compounds at a reasonable enough rate. It grows. And I just—I cannot believe that people in Washington, DC, are—don't understand the power of this idea for a person like Erica and wouldn't be willing to give Erica the opportunity, if she chooses—her choice—to set aside some of her own money, just like she just said she wants to do.

And—is it hard to invest? I mean, do people—I hear people say, “Well, it may be too difficult.”

Ms. Campbell. I did it. I didn't think it was too hard. I'm not a rocket scientist, but whenever you sign up for your job, they just set it down and explain it to you right then, and you sign up for it, and you don't have to do anything else if you don't want to.

The President. See, there's plenty of help. And you've got advisers, people who are going to—and these 401(k) plans, for example—and I'm—there will be a whole group of people that will be available to give people reasonable advice about what to do with their own money. And it's really important for our fellow citizens to understand it doesn't take much to get a better rate of return than the Government is getting for you now. And that differential makes a huge difference for future savings for our fellow citizens.

Erica, thank you. Looking forward to meeting Kyler.

Ms. Campbell. Thank you.

The President. We better not wake her up yet, though, right?

Ms. Campbell. We're waking her up for the picture. [*Laughter*]

The President. Yes, okay, good. Thanks for coming.

Lindsay Freeman. Lindsay, right here from Hopkinsville?

Lindsay Freeman. Right here in Hopkinsville, 68 years.

The President. Really, and that's how old you are?

Mr. Freeman. Yes, sir. [*Laughter*]

The President. So, therefore, you were born here.

Mr. Freeman. Yes, sir.

The President. And you were a major general?

Mr. Freeman. I retired from the Army Reserve as a major general, yes.

The President. Thanks for serving. Good job. You get—you're eligible for Social Security?

Mr. Freeman. Yes, sir.

The President. Are you getting it?

Mr. Freeman. That's a big part of my income today, is my Social Security.

The President. A lot of people like Lindsay in America—“a big part of my income.” “How I live my life depends upon the Social Security check.” And there's thousands and thousands of people like Lindsay. They're saying, “I need my check, Mr. President. Don't take it away from me. Don't mess with it.” And he doesn't have to worry about it. I hope that message has sunk in.

Mr. Freeman. Well, I'm not worried about it for me, but I'm worried about it for my daughter who is out here, Elizabeth. And she works for the drug court. And we're worried about it for my son who is an equine veterinarian out in Utah.

The President. Really. That's good. That's what I'm hearing a lot more of, by the way. Once we've convinced seniors there's nothing to worry about, then they're starting to say, “Well, Mr. President, I'm not worried about me, but what are you—what do you all intend to do in Washington about my children or my grandchildren?”

This is—folks, this is a generational issue we're talking about. This is an issue that really does relate to a younger generation of Americans who are just starting in the workforce and coming up.

What else you got on your mind?

Mr. Freeman. Well, I need to introduce my wife, Nancy, who is a former schoolteacher, is here. And she's the one in the wheelchair over there with the broken leg. And then my daughter's friend, Kenneth Stoll is a firefighter—

The President. Fantastic.

Mr. Freeman. And then my sister-in-law, TC Freeman, works for Senator Bunning. So we have a diverse family.

The President. Yes, well—fortunately, you don't have a large family. Otherwise we'd still be—[laughter].

Let me say something about your wife. First of all, thanks for being a schoolteacher. One great way to serve our Nation is to teach school, and it's a wonderful profession.

Mr. Freeman. Well, I worked in a family business for almost 50 years, and of course, I paid self-employment tax for all those years. And I just wish that I'd have had an opportunity to invest some of my own money 50 years ago. And I would have invested it in a real safe mutual fund. And based on Rick's statistics, I'd have been a millionaire.

The President. That's right. Well, he's not kidding, though. You put enough money aside, and you hold it long enough, and you get a decent rate of return, money grows. That's what people have got to understand. We're missing that opportunity in America. One way to make this system work better, a better deal for people who are putting hard-earned money, is just give them a chance to watch their money grow in a conservative mix. And that's what you're talking about.

I appreciate you reminding people of that. I'm also beginning to hear more people saying, "I wish I'd have put a little something aside or had the opportunity, if I so choose, to put money aside." And that's all we're saying. We're saying, "If you want to, you can put it aside." The Government is not saying, "You have to." We're saying, "You ought to be able to," which seems reasonable. After all, they get to.

What else you got, General?

Mr. Freeman. Well, I still work part-time for BMAR & Associates, which is located here in Hopkinsville, and Terry Hamby is the president, and he has about 1,400 employees.

And he really pushes your Social Security program, I'll tell you.

The President. Well, I appreciate that. Tell him thanks.

You know, one of the interesting things that Lindsay said, there are a lot of businesspeople who contribute 12.4 percent into the Social Security, a lot of sole proprietors. They pay the whole deal. You know workers pay 6.2 percent, but if you're self-employed, you're liable to pay 12.4 percent, which doubles the pain if you're a young self-employed person, when you think nothing is going to be there.

And so we're really dealing with an issue that not only relates to a person being able to retire—in other words, listen, Social Security has been a safety net—let's put it that way—and there's a big hole in the safety net for a younger group of Americans, and we're trying to bind that hole up.

But we're also giving people a chance to pass on assets from one generation to the next. That's what a free society is all about, isn't it? People work hard; they benefit from the freedom of America; and then they're able to pass something on to the next generation, if that's what they choose to do. To me, that brings stability to our society. It's an incentive. It gives people peace of mind. It gives a young mom peace of mind.

We've got an interesting person with us here. That would be you. [Laughter] Cecil Ferrell.

Cecil Ferrell. Right.

The President. Microphone—I'm a little hesitant to tell her anything after that—she reminds me of my mother a little bit. [Laughter]

Mrs. Ferrell. I thought I was just supposed to hold it; I didn't know I was supposed to talk in it. [Laughter]

The President. Well, we're trying to get some wisdom from you. I'm really hungry. [Laughter]

Mrs. Ferrell. You are?

The President. Can you help me out?

Mrs. Ferrell. Well, I tell you, the only thing is to bring you a hamburger. [Laughter]

The President. That's it. Cecil Ferrell was one of the founders and owners of Ferrell Hamburgers. When did you all start the deal—start your business?

Mrs. Ferrell. We started in Owensboro in 1929. We had two places there. My husband and his four brothers were all in together. And so when they built the one in Hopkinsville, David and I moved down here and took over. So we've been here for 69 years.

The President. Whew, that's a lot of burgers.

Mrs. Ferrell. That's right. A lot of water under the bridge. A lot of water under the bridge. [Laughter]

The President. That's right, a lot of water under the bridge.

Mrs. Ferrell. I have—my husband died in 2001, and my daughter died in 2002—

The President. You've had a tough go.

Mrs. Ferrell. My son is here. He—

The President. Where is he?

Mrs. Ferrell. He's over here, Phillip.

The President. Are you still telling him what to do? [Laughter]

Mrs. Ferrell. No, you don't tell him anything. [Laughter]

The President. You're doing good.

Mrs. Ferrell. His wife is with him, Carolyn, and one of my grandsons, David, lives in Bowling Green. He drove down.

The President. That's good. You have a family reunion.

Mrs. Ferrell. Just to see you.

The President. Just to see you. [Laughter] I take it you're eligible for Social Security?

Mrs. Ferrell. Well, I'm getting that way. [Laughter] I'm 86 years old. I go to work every morning at 4 o'clock. [Applause] How about that?

The President. You're doing good.

Mrs. Ferrell. I stay there usually around 12 hours a day. On Monday, I go in at 3, and I stay for about 12 hours. So that's a pretty full life.

The President. I'd say so. See if we can kind of track back toward Social Security here. [Laughter]

Mrs. Ferrell. Okay. Well, I draw—

The President. Are you getting a check?

Mrs. Ferrell. I draw my husband's Social Security.

The President. Right, you draw the—

Mrs. Ferrell. Mine, I wasn't getting anything, so—[laughter].

The President. Remember what I told you? She had a choice, the higher of the two. So the payroll tax you put in there just, poof, just went away.

Mrs. Ferrell. Yes, it just went the way of the balloon.

The President. Yes, it went in to pay for some of those Government programs in the pay-as-you-go system.

Mrs. Ferrell. Right.

The President. And you're getting a check. Any doubt you'll get a check?

Mrs. Ferrell. No, I don't have any doubt. And I think that—

The President. That's good to hear.

Mrs. Ferrell. —I think the system that you're working up is going to work if people will just get with it and hang in there with you.

The President. I think it will. I appreciate you saying that.

Mrs. Ferrell. Is my face red?

The President. No, not at all. You're doing good. [Laughter] You know what the problem is in Washington?

Mrs. Ferrell. What?

The President. There is kind of a zero-sum attitude. See, if we do this, so-and-so might look good or such-and-such party might benefit, and, therefore, let's do nothing. It's not the right attitude, you know that?

Mrs. Ferrell. No.

The President. This country expects better out of the elected officials. Don't you?

Mrs. Ferrell. People have to learn how to work together.

The President. Well, that's right. And my attitude is this: The President's job is to lay the problem out. I've done so here today. I will continue doing so around the country. I'm heading down to Crawford, but after that I'm going to head back out again, and I'm going to spend time talking about Social Security every week until something gets done, because that's my job. And my job also is to remind people of both political parties that there's a time to set all that business aside and focus on what's good for the American people.

And what's good for the American people is to hear the truth. The truth is we've got a problem. The truth is people who have retired are going to get their checks; they have

nothing to worry about. And the truth is they've got a younger generation of Americans coming up that are going to be paying into the payroll—paying through payroll tax into the Social Security system, into a system that's going to be bankrupt in 2041.

And now is the time. Now is the time for people to come together. And when they do, there will be plenty of credit to go around, plenty of credit for whoever is willing to come to that table and do what's right for the American people.

I want to thank you all for joining us. I want to thank you all for coming out today on a rainy day to say hello. I appreciate you giving me a chance to come and explain one of the really vital issues for the United States, an issue that will affect generations of Americans to come. We're going to get something done, folks. You know why? Because when it's all said and done, the American people are going to rise up and say, "Solve this problem. Then you can go on to the next."

Thanks for coming. God bless.

NOTE: The President spoke at 2:30 p.m. at the Hopkinsville Christian County Conference and Convention Center. In his remarks, he referred to Gov. Ernie Fletcher of Kentucky; E.O. and Ginny Whitfield, parents of Representative Ed Whitfield; and Mayor Richard G. Liebe of Hopkinsville, KY.

Memorandum on Strengthening Information Sharing, Access, and Integration—Organizational, Management, and Policy Development Structures for Creating the Terrorism Information Sharing Environment

June 2, 2005

Memorandum for the Heads of Executive Departments and Agencies

Subject: Strengthening Information Sharing, Access, and Integration—Organizational, Management, and Policy Development Structures for Creating the Terrorism Information Sharing Environment

The Federal Government collects information pursuant to law for many purposes, including to protect the Nation against inter-

national terrorism and other threats to the Nation's safety and well-being. The Federal Government faces great challenges in ensuring timely, effective, and lawful collection, processing, analysis, and dissemination of such information. It is of particular importance to ensure that Federal agencies have appropriate access to the information they need to perform their homeland security, diplomatic, defense, foreign intelligence, and law enforcement functions, and that State, local, and tribal authorities have appropriate access to the information they need to perform their homeland security functions. Ensuring appropriate sharing and integration of and access to information, while protecting information privacy rights and other legal rights of Americans, remains a high priority for the United States and a necessity for winning the war on terror.

Section 1016 of the Intelligence Reform and Terrorism Prevention Act of 2004 (Public Law 108-458) (IRTPA) calls for the creation of an "Information Sharing Environment" to provide for Federal, State, local, and tribal access as appropriate to terrorism information and for the designation of a program manager "responsible for information sharing across the Federal Government." Section 1016 supplements section 892 of the Homeland Security Act of 2002 (Public Law 107-296), and Executive Orders 13311 of July 29, 2003, and 13356 of August 27, 2004, and other Presidential guidance, which address various aspects of information access. On April 15, 2005, I designated the program manager (PM) consistent with section 1016(f) of IRTPA, and on April 21, 2005, my memorandum entitled "Effective Dates of Provisions in Title I of the Intelligence Reform and Terrorism Prevention Act of 2004" placed section 1016 in effect.

The Commission on the Intelligence Capabilities of the United States Regarding Weapons of Mass Destruction (Commission), in its report of March 31, 2005 (Chapter 9), stated that "[t]he confused lines of authority over information sharing created by the intelligence reform act should be resolved." To that end, the Commission recommended that "[t]he overlapping authorities of the [Director of National Intelligence (DNI)] and the Program Manager should be

reconciled and coordinated—a result most likely to be achieved by requiring the program manager to report to the DNI.”

Consistent with the Constitution and the laws of the United States, including section 103 of the National Security Act of 1947 and sections 1016 and 1018 of IRTPA, and taking appropriate account of the recommendations of the Commission, I hereby direct as follows:

1. The DNI shall promptly designate the PM, and all personnel, funds, and other resources assigned to the PM, as part of the Office of the Director of National Intelligence (ODNI) pursuant to section 103(c)(9) of the National Security Act of 1947 and shall administer the PM and related resources as part of the ODNI throughout the initial 2-year term of the PM’s office.

2. During the initial 2-year term of the PM’s office, the DNI:

- (a) shall exercise authority, direction, and control over the PM;
- (b) shall ensure that the PM carries out the functions of the PM under section 1016 of IRTPA and this memorandum—
 - (i) in a manner that facilitates the effective accomplishment of Federal homeland security, diplomatic, defense, foreign intelligence, and law enforcement functions and that facilitates provision to State, local, and tribal authorities of appropriate access to information they need to perform their homeland security functions; and
 - (ii) consistent with applicable law and Presidential guidance relating to information access, including Executive Orders 13311 and 13356; and
- (c) shall ensure that the PM has employed by, or assigned or detailed to his office personnel with substantial information sharing experience relating to homeland security, national defense, law enforcement, and State and local governments to the maximum extent possible;

3. Heads of executive departments and agencies shall, to the extent permitted by law and pursuant to section 1016(i) of IRTPA, provide assistance and information to the

DNI and the PM in the implementation of this memorandum.

4. This memorandum:

- (a) shall be implemented in a manner consistent with applicable law, including Federal law protecting the information privacy and other legal rights of Americans, and subject to the availability of appropriations;
- (b) shall be implemented in a manner consistent with the statutory authority of the principal officers of departments and agencies as heads of their respective departments or agencies;
- (c) shall not be construed to impair or otherwise affect the functions of the Director of the Office of Management and Budget relating to budget, administrative, and legislative proposals; and
- (d) is intended only to improve the internal management of the Federal Government and is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity by a party against the United States, its departments, agencies, or entities, its officers, employees, or agencies, or any other person.

George W. Bush

**Memorandum on Order of
Succession of Officers To Act as
Secretary of Defense**

June 2, 2005

Memorandum for the Secretary of Defense

Subject: Order of Succession of Officers to Act as Secretary of Defense

Pursuant to the Constitution and laws of the United States, including section 3345(a) of title 5, United States Code, and notwithstanding Executive Order 13000 of April 24, 1996, I direct as follows:

(1) In the event of the death, permanent disability, or resignation of the Secretary of Defense, the Secretary of the Navy shall act for and perform the duties of the Secretary of Defense as Acting Secretary of Defense.

(2) In the event of the temporary absence or temporary disability of the Secretary of Defense, the Secretary of the Navy shall act for and perform the duties of the Secretary of Defense as Acting Secretary of Defense. In these instances, the designation as Acting Secretary of Defense applies only for the duration of the Secretary's absence or disability, and does not affect the authority of the Secretary to exercise during the absence, or to resume when the disability no longer exists, the powers of his office.

(3) In all other respects, Executive Order 13000 of April 24, 1996, shall remain in effect.

(4) This memorandum shall expire upon the appointment of a Deputy Secretary of Defense, unless sooner terminated by operation of law or by the President.

(5) You are authorized and directed to publish this memorandum in the *Federal Register*.

George W. Bush

[Filed with the Office of the Federal Register, 9:46 a.m., June 3, 2005]

NOTE: This memorandum was published in the *Federal Register* on June 6.

Remarks at a Dinner for Senator James M. Talent in St. Louis, Missouri

June 2, 2005

Thank you all for coming. Thanks for the warm welcome. Please be seated. My arm still hurts from the last time—or one of the last times I came to St. Louis. I tried to fire a 90-mile-an-hour fastball on opening day—[laughter]—got up there about 60, maybe. [Laughter] But I love coming to your town. Thanks for having me. Thank you all. Those of you who have traveled—I want to thank those of you who traveled from outside this great city of St. Louis to come to support Talent.

The “Show Me” State—my attitude is, show me a good Senator, and I’m going to back him. And we’ve got a great Senator in Jim Talent. I appreciate his spirit. I appreciate his working with the White House. He’s an independent enough guy to tell us if we’re

not doing right. In other words, he is the kind of person you want from a State of strong, independent people, tough, principled, unwilling to yield when he stands for—when he believes he’s correct. And that’s the way Jim Talent is. Every time I’m with him, he’s always talking about the citizens of Missouri. I say, “What about Texas?” He says, “Well, they’re all right down there.” [Laughter]

So I’m proud to stand here with him. And I think the people of Missouri will be wise to send this good man back to the United States Senate.

And Talent married well—[laughter]—Brenda, I appreciate you being here. It’s good to meet your mother-in-law. It’s a smart thing to bring the mother-in-law through the photo op line. [Laughter] Not only is he a good Senator, he’s a smart son-in-law. [Laughter] I was also thrilled to meet Michael and Kate and Chrissy, Jim and Brenda’s children. See, what’s important to the Talents is putting their family first. That’s what I like about Jim Talent. He’s got his priorities absolutely straight, faith, family, and the United States of America.

He married well, and so did I. And Laura sends her love to all our friends here in Missouri. You might have noticed that she’s become quite a comedian. [Laughter] More importantly, she’s a great First Lady. I was proud of her trip recently to the Middle East. She’s sending a strong message as part of the freedom movement, and that is, you can’t be free unless women have a free role in society. So not only is she a great comedian, she’s a great diplomat. But more importantly, she’s a wonderful mother, wonderful wife, and a great First Lady for the United States.

And I want to thank the senior Senator. That’s appropriate to call you senior, but you are a little older than Talent, at least. [Laughter] Kit Bond has served this State with great distinction for a long time. He’s a great friend and a great man. I appreciate you being here, Kit, and his wife, Linda Bond.

And I’m proud of your Governor. It still amazes me that you are old enough to meet the age requirement. [Laughter] He’s the youngest looking Governor in America. It turns out he’s a young-looking man who can

get a lot done. And I appreciate your leadership in the statehouse, Matt. Good job. And the Lieutenant Governor is with us, Pete Kinder. I've known Pete a long time, and I appreciate your serving, Pete, and joining Matt and making this State be all that it can be.

I want to thank Congressman Kenny Hulshof as well, and his wife, Renee. Kenny is a bright star in the House of Representatives from the great State of Missouri. I love talking to Kenny. He's a thoughtful fellow. Every time I see him he says, "soybeans." [Laughter]

I thank Mike Gibbons and his wife, Liz. Mike is the State senate president pro tem. I want to thank Rod Jetton, the speaker of the statehouse, and his wife, Cassie. Thank you all for coming. I want to thank all of you all who serve.

Somebody told me they thought Ambassador Danforth would be here tonight. I hope so. I do want to say that he represented our country so well. Jack, thanks for coming, and thanks for serving. Thanks for serving so admirably in the United Nations. As well, thanks for taking on a tough assignment. I asked Jack Danforth from the State of Missouri to help resolve the Sudan civil war, the conflict between north and south. And unfortunately, Darfur has obscured the great progress that Ambassador Danforth made on behalf of peace. And when it's all said and done, Jack, your contribution to helping solve that problem will go down in history as one of the great humanitarian gestures by our country, led ably by you. Thank you, sir.

I want to thank all the folks who helped put on this fundraiser. It's an incredibly successful evening and—which speaks not only to your hard work but also to the admiration that your Senator has earned by the people of Missouri.

We've got a lot to do in Washington. One of the things I like about Talent is he understands that our job in Washington is to confront problems, not pass them on to future Congresses. In my case, to confront problems and not pass them on to future Presidents. That's our job. That's what the American people expect from those of us who have been elected. And we've got some problems we got to solve.

Now, we dealt with one of our problems, and that is our economy. We had some tough times for a while because of the enemy attack and the down cycle of our economy. I don't know if you know this or not, but in the last 2 years, we've added over 3.5 million new jobs. More Americans are working today in our country than in the Nation's history. And I appreciate the fact that Jim understands we can't rest, that the job of Government isn't to create the wealth but an environment in which people are willing to risk capital, an environment in which there's a reasonable chance for America to stay competitive in the world.

And one way to do that is to make sure we finally get an energy policy out of the United States Congress. When I first got to Washington, I recognized that our country was too dependent on foreign sources of energy. And so I went to the Congress and said, "Here is a strategy that will encourage more conservation, a strategy that will use research and development dollars to make it more likely we'll have more renewable sources of energy, a strategy that says we can explore for oil and gas in environmentally friendly ways in America, a strategy that recognizes we need to use nuclear power, a strategy that says we need clean coal technology, a strategy that says we can use soybeans to refine biodiesel." It's a smart strategy.

But it's been stuck. There's too much politics in Washington, DC. It's been stuck. They got it out of the House, and thanks to Jim Talent's leadership and Kit Bond's leadership, they're going to get a good bill off the Senate floor. I'm going to sign a bill. For the sake of national security and for the sake of economic security, Congress needs to get me a good energy bill by the recess, by the summer recess break this year.

Jim Talent knows what I know: Smart policy will enable us to grow out of our hydrocarbon society, which we're going to have to do. I went to a refinery in Virginia the other day—it's an unusual kind of refinery; it's a refinery that refines biodiesel—and saw a new C.A.T. engine that can burn 100 percent biodiesel with no exhaust. See, technology is going to enable us to diversify away from our old habits, which will be good for our country, good for our economy. And the United

States Congress can help that diversification process through wise policy. Jim Talent understands that, and I'm going to keep pushing hard to make sure the rest of the United States Senators understand that.

I appreciate the fact that we passed a good, tough budget out of the United States Senate. I hope you appreciate that as well. We've got to show the people of this country that we can be wise about how we spend your money. Notice I didn't say the Government's money—how we spend your taxpayers' money. And so I said to them, "Here's a way to cut our deficit in half, meet our priorities, but it requires fiscal discipline." And I want to thank Jim Talent for his understanding that you can't be all things to all people when it comes time to spending the taxpayers' money. You have to set priorities. You have to have goals, and you must show fiscal discipline. We passed a good budget. I'm looking forward to working with this good Senator to make sure the appropriation process stays stuck to the budget.

I'm also working on Social Security for a reason. The reason is, is that there is a huge problem looming for a younger set of Americans. I just came from Hopkinsville, Kentucky—Hopkington, Kentucky, and I told the people there what I've been telling folks all across the country, that if you get your check, you have nothing to worry about. I mean, the Social Security system is just fine for people receiving their check. But because baby boomers like me are getting ready to retire—see, my retirement age shows up at 2008—[laughter]—which is a convenient year. [Laughter] But the problem for younger workers is there's more than just me retiring. There's a whole slew of us called baby boomers. As a matter of fact, about 73 million of us are set to retire.

To put that in perspective, there's something like 42 million retirees today. And I don't know about the rest of you baby boomers here, but I plan on living longer than the previous generation. As a matter of fact, I'm trying to exercise on a daily basis so that I do live longer. And not only that, but we have been promised greater benefits than the previous generation. So you've got a lot of baby boomers living longer, getting

greater benefits, with fewer people paying into the system.

In 1950—I don't know if you know this or not—but 16 workers paid for every retiree. Today, there's 3.3 workers paying for every retiree. Soon there will be 2 workers paying for every retiree. So we've got a problem, folks. It's not a problem for people who receive their check. It's a problem for people coming up. It's a problem not for the grandparents but the grandchildren.

And so I think now it's time to do something about it, and so does Jim Talent. And I've laid out some proposals. One of them is, why don't we just slow down the growth rate of benefits for some of the wealthier citizens. Their benefits will grow but not quite as fast as Congress of the past thought they ought to grow. It's called progressive indexing, which, by the way, will get most of the problem solved.

I also think younger workers ought to be allowed to take some of their own payroll tax and set up in a voluntary personal savings account. You know why? Right now the Government gets a whopping 1.8 percent on your money when we hold it in the payroll tax. With a conservative mix of bonds and stocks, you can get at least 4½ percent. You compound that difference over time, somebody is going to have a pretty sizable nest egg they can call their own.

The reason I like Jim Talent is because he wants to promote an ownership society in America. He and I reject this business about the investor class only pertains to a certain group of people. We believe everybody in this country ought to own assets. We believe everybody ought to have the ability to pass on their assets to whomever they choose. We know that when you own something, you have a vital stake in the future of the United States of America. Now is the time to not only fix Social Security for generations to come but to make Social Security a better deal for all Americans.

And when we get that done, we're going to reform the Tax Code. I put together a group of Democrats and Republicans to make some recommendations. I'm looking forward to seeing what those recommendations are. But I'll tell you one thing: I know I will have a strong ally in Jim Talent

in making sure the Tax Code is more fair, is less large, and accomplishes the mission, and that is to collect revenues for our Government in a fair, honest way.

Do you realize that—I read a report the other day where some person estimated from the IRS that there’s about \$325 billion a year in people avoiding taxes. That just isn’t right. And part of it has to do with the complexities of the Tax Code. For the sake of an economy that grows and for the sake of a better America, we’ve got to reform the Tax Code of the United States, and we will.

I’ve got a good ally in Jim Talent when it comes to legal reform. One sure way to make sure this country isn’t competitive is to allow these frivolous and junk lawsuits to continue to plague people who are trying to run businesses. We got too many lawsuits in America, plain and simple. I want to congratulate Matt for getting good legal reform out of the legislature. We ought to do the same thing in Washington. We got a good class-action reform bill out, and I want to thank Jim for his work on that. I think we’re going to get an asbestos bill out here pretty quick, which would be good news. Got a good bankruptcy bill out.

We need one other bill that’s really important. You know, when I went to Washington, I said, “Well, most of these legal matters can be solved at the State level,” until I began to look at the effect on the Federal budget of these junk and frivolous lawsuits against docs. Because of these lawsuits, doctors either get run out of business, or the premiums go up—which cost you or the taxpayers more money—or they practice defensive medicine in order to stay out of the courts. It’s estimated that these lawsuits cost the Federal Government about \$28 billion a year. That’s a lot. Even for all the money we spend, that’s a lot. [Laughter] And it’s not necessary. We want people to have their day in court if they get injured by a lousy doc, but we got to do something about these frivolous lawsuits.

I proposed a good piece of legislation that’s now stuck in the United States Senate. Jim Talent is a strong backer for medical liability reform at the Federal level, and I want to thank him for his support.

I remember when Jim ran for the Senate, he said he would be Missouri’s health care

Senator, and he has kept that promise. We worked together to strengthen Medicare by giving seniors more choices and by modernizing the system to include a prescription drug benefit. Talent understood what I know—what kind of system is it where we pay for surgery from a heart attack but not the medicine to prevent the surgery from being needed in the first place? It was an antiquated, outdated system that needed market incentives in the program and needed to be brought up to date for the sake of our seniors. The Medicare bill that Jim helped pass out of the United States Senate is a good piece of legislation that will mean better quality of life for our seniors in America.

And finally, an issue I know is dear to his heart is association health plans. You know, too many small businesses can’t afford health insurance for their employees. And there’s a practical way to deal with the problem, and that is to allow small businesses to pool risk across jurisdictional boundaries so they can buy insurance at the same discounts that big companies get to do. It is a sensible approach to helping deal with health care costs. It makes a lot of sense. Talent is the author of that idea on the Senate floor, and I look forward to working with him to get association health care plans past. And I want to thank you for your leadership on that issue.

There’s a lot of issues that we could be talking about here, and he said, when I got up here, he said, “Make sure you keep it relatively short. These people paid a lot of money.” [Laughter] I do want to talk about a couple of other things, though. Because of Jim Talent’s leadership and steadfast support, our party will continue to support faith-based and community groups as a way to help heal hurt in America.

You know, I gave a speech the other day at Calvin College, and I talked about Alexis de Tocqueville. He had interesting observations about America in 1832. He talked about the strength of America being in the souls of our citizens and that people were able to find great comfort and solace and strength through civic organizations, voluntary organizations where people come together to help heal the hurts of society. That was true in 1832, and it’s darn sure true today in 2005. The strength of this country lies in the hearts

and souls of our citizens. And the Federal Government should not fear—should not fear—the presence of faith to help deal with social problems, as a matter of fact, ought to welcome faith programs and to help deal with social problems.

I appreciate Jim's willingness to join me in promoting a culture of life in America. I want to thank Jim for helping defend the institution of marriage from being redefined by activist judges. And speaking about judges—[laughter]—I want to thank both Senators from Missouri for understanding that every nominee a President sends up must have a fair hearing in the Judiciary Committee, an expeditious hearing in the Judiciary Committee and then an up-or-down vote on the floor of the United States Senate.

I nominated a fantastic woman named Priscilla Owen over 4 years ago to the bench, Fifth Court. She's a fantastic lady, tops in her law school class. In our State, you got to run for Supreme Court, and she ran for Supreme Court, got endorsed by Republicans and Democrats, won something like 80 percent of the State because she's a great judge. For 4-long years her nomination was held up for pure partisan reasons—4 years—and finally, as a result of never giving up and being steadfast and strong, she got her vote. I want to thank Senators Talent and Bond for supporting this great woman.

We got another confirmation that needs to get done too. It's time for the United States Senate to stop playing pure politics, stall politics, and give John Bolton an up-or-down vote on the Senate floor. People look at the Government and say, "What's going on with all this filibustering? Why can't people come together and do what's right for the country?" Listen, the United Nations needs reform, and I've got a man who can go up there and reform it. And John Bolton needs a vote. People are tired of this. And I appreciate the folks in Missouri sending a strong message to Washington: Focus on the people's business; stop playing politics; get something done for the good of the country. And that's the attitude Jim Talent brings to the Senate floor, and I appreciate that a lot.

Jim Talent also understands the war on terror goes on. He's a strong, strong supporter of our military, and I want to thank

you for that. You know, we have a duty to make sure these troops get the best possible equipment and the best possible training. And we're fulfilling that obligation. You know, our strategy is clear on the war on terror. We're going to find them overseas so we don't have to find them—face them here at home. We will defeat them there in order to protect the homeland. The only way to defend America is to stay on the offense against these people, and that's exactly what the United States of America will continue to do.

There are two ways to stay on the offense. One is through good intelligence and good movement of troops and good work with the allies. And there's another way to stay on the offense against the terrorists, and that's to spread freedom. There's nothing that frightens these ideological killers more than democracy. It scares them a lot. They can't survive in a democracy. They can survive in places where tyrants have discouraged hope, suppressed people. They can't survive in an open society. See, they can't stand the light of freedom.

And so our strategy is twofold. One, we'll be tough as heck and stay on the offense, but we will also have great faith in the capacity of freedom to transform hateful societies to hopeful societies, to transform the conditions that create hate to the conditions that create hope. And that's what you're seeing around the world. It's a fantastic period in American history.

If you've got young children, I hope you explain to them what they're seeing. Think about the people in Afghanistan. It wasn't all that long ago that those poor people lived under the barbaric clutches of the Taliban. These people were so barbaric that young girls weren't even allowed to go to school, and if their mothers dared speak out, they were taken to the public square and whipped.

We liberated Afghanistan for our own sake. Remember, Afghanistan was the home of Al Qaida and its training camps. I laid out a doctrine that said, "If you harbor a terrorist, you're as guilty as the terrorists." And we told the Taliban to get rid of Al Qaida, and they wouldn't do it, and so it's important that when you say something, you mean it. It's

important that when you say you're going to do it that you go ahead and do it, for the sake of peace. And we did. But as importantly, 25 million people were liberated in Afghanistan. It's fantastic to think about that.

I've had a lot of friends go over to Afghanistan, and Karen Hughes was there early on after the liberation, and she went again. And Laura has been over. And they say that the change is noticeable. Life is coming back, and people are excited.

I'll tell you a great American story. My barber was raised in Afghanistan. And she came over here to—there was a revolution or civil war or whatever you want to call it, and she decided to stay in America, raised her three kids here, and used her great talents and enthusiasm for her country to raise money to build two schools. Think about that. What kind of a country is it where you got a barber to the President working hard, using her influence and her contacts and her friends to raise money—quite a bit of money, by the way—to build schools in a faraway country, spectacular country that encourages compassion not only at home but abroad. Afghanistan is changing for the better, and as it does, the world will be more peaceful.

Listen, we got rid of Saddam Hussein in Iraq. Saddam Hussein was a threat to peace. Iraq is changing. I'm sure you were amazed, as was much of the world, at the 8½ million people who defied the car bombers and the killers and the suiciders to say as loud as they possibly can, "You will not prevent us from voting and exercising our rights as free citizens." What a spectacular moment in history.

And now we're standing with the Government as they struggle against these suiciders. But they're getting there. And our mission is clear there as well, and that is to train the Iraqis so they can do the fighting, make sure they can stand up to defend their freedoms, which they want to do. And then our troops are coming home with the honor they earned. And the world will be better off with a free Iraq and a free Afghanistan in the broader Middle East.

Ukraine had a freedom revolution. Lebanon is now having a freedom revolution. Listen, freedom is on the march. And the role of the United States of America is to stand with freedom lovers and reformers and

believers in the power of democracy. And when we do so and as we do so, we'll leave a foundation of peace behind for our children and grandchildren.

We're living in a fantastic period in world history. And I want to thank Jim Talent for understanding the great opportunities America has to leave the world a better place for generations coming up.

Again, I want to thank you for supporting this good man. He's—like we used to say in Texas, when you find a good one, keep him. You got a great Senator in Jim Talent. I thank you for recognizing his talents. I thank you for contributing to his campaign. I thank you for talking up his good work in the coffee shops all around the State of Missouri. You don't have to worry about him; he'll be out right behind you, working hard to make sure that in this reelection campaign—the citizens of this State do the right thing.

It's an honor to be your President. I'd like to stay a little longer, but I'm headed to Crawford. I appreciate your warm reception. God bless you, and God bless our great country.

NOTE: The President spoke at 6:05 p.m. at the Millennium Hotel St. Louis. In his remarks, he referred to Gov. Matt Blunt and Lt. Gov. Peter D. Kinder of Missouri; Karen Hughes, former Counselor to the President; and former President Saddam Hussein of Iraq.

Letter to Congressional Leaders Certifying Exports to the People's Republic of China

June 2, 2005

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

In accordance with the provisions of section 1512 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105-261), I hereby certify that the export to the People's Republic of China of the following items is not detrimental to the United States space launch industry, and that the material and equipment, including any indirect technical benefit that could be derived from such exports, will not measurably improve the missile or space launch capabilities of the People's Republic of China.

1. Three kilograms of Hydroxyl Terminated Polybutadiene resin, for the Shaanxi Hengtong Intelligent Machine Company, Limited, located in Xian, People's Republic of China, to be used for a research and development effort to produce a photo-curable resin for stereolithography equipment;
2. One combined thermal chamber and vibration test system, for the Yongji Electric Machine Factory, located in Yongji, People's Republic of China, to be used for thermal and vibration testing of locomotive engines;
3. One computer-controlled three-axes filament winding machine, for the Wave Cyber (Shanghai) Company Limited, located in Shanghai, People's Republic of China, to be used for production of small residential and light commercial pressure composite tanks and low pressure fiberglass water softener tanks; and
4. One 40 gallon double planetary vacuum mixer, for the Indium Corporation (Suzhou) Company Limited, located in Suzhou, People's Republic of China, to produce specialty materials for electronics assemblies, including solder paste.

Sincerely,

George W. Bush

NOTE: Identical letters were sent to J. Dennis Hastert, Speaker of the House of Representatives, and Richard B. Cheney, President of the Senate. This letter was released by the Office of the Press Secretary on June 3.

Proclamation 7909—National Child's Day, 2005

June 3, 2005

By the President of the United States of America

A Proclamation

Children are the future of our country and America's next generation of leaders. All of us—parents, families, teachers, mentors, and community members—have a responsibility to children to honor and pass along the values

that sustain a free society. By spending time with a young person, adults can help our Nation's youth to make the right choices. On National Child's Day, we underscore our commitment to supporting children and to helping them realize a bright and hopeful future.

Family is the most important influence in a child's life. Parents are teachers, disciplinarians, advisors, and role models. By providing hope and stability, parents help children to understand the consequences of their actions and to recognize that the decisions they make today can affect the rest of their lives. Through initiatives that promote healthy marriages, responsible fatherhood, and adoption and foster care programs, my Administration is helping to ensure that more young people have a foundation of love and support.

Teachers also make a real difference in children's lives. America's educators help our students build character and acquire the skills and knowledge they need to succeed as adults. My Administration is insisting upon accountability in our public schools. We want every child to have an opportunity to realize the great promise of our country.

By mentoring children and helping them to achieve their dreams, Americans can fill their own lives with greater purpose and help make our country a better place. Our children benefit from a sense of community, and each of us has the power to make a difference in a child's life. I have introduced the Helping America's Youth initiative, led by First Lady Laura Bush, so that every child can grow up with a caring adult in his or her life—whether that adult is a parent, a teacher, a coach, or a mentor. I encourage all Americans to volunteer their time and talents to benefit our Nation's youth.

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 June 5, 2005, as National Child's Day, and I call upon citizens to observe this day with appropriate ceremonies and activities. I also urge all Americans to dedicate their time and talents toward helping our Nation's young people so that

all children may reach as far as their vision and character can take them.

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

George W. Bush

[Filed with the Office of the Federal Register, 11:32 a.m., June 6, 2005]

NOTE: This proclamation will be published in the *Federal Register* on June 7.

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.

May 28

In the morning, at Camp David, MD, the President had an intelligence briefing.

May 29

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

May 30

In the morning, the President had an intelligence briefing. He and Mrs. Bush then traveled to Arlington, VA, where they participated in a wreath-laying ceremony at the Tomb of the Unknowns in Arlington National Cemetery. Later, they returned to Washington, DC.

May 31

In the morning, the President had an intelligence briefing. Later, in the Oval Office, he met with crew members of International Space Station expeditions and their families.

Later in the morning, in the Oval Office, the President met with Secretary General Jose Miguel Insulza of the Organization of American States.

In the afternoon, in the Oval Office, the President met with Maria Corina Machado,

executive director, Sumate, an independent democratic civil society group in Venezuela.

The White House announced that the President will meet with NATO Secretary General Jakob Gijsbert "Jaap" de Hoop Scheffer at the White House on June 1.

The White House announced that the President will host Prime Minister Tony Blair of the United Kingdom for a meeting and working dinner at the White House on June 7.

June 1

In the morning, the President had a telephone conversation with President Hosni Mubarak of Egypt to thank him for hosting Mrs. Bush during her travels in the Middle East and to discuss Egyptian Prime Minister Ahmed Mohamed Nazif's recent visit to the U.S., elections in Egypt, and other issues. He then had an intelligence briefing.

Later in the morning, in the Oval Office, the President met with Secretary of Defense Donald H. Rumsfeld. Later, also in the Oval Office, he participated in a photo opportunity with Boys & Girls Clubs of America 2004 Youth of the Year finalists.

In the afternoon, in the Old Family Dining Room, the President had a working lunch with President Thabo Mbeki of South Africa.

Later in the afternoon, in Room 350 of the Dwight D. Eisenhower Executive Office Building, the President participated in a roundtable interview with board members of the Radio-Television News Directors Association.

Also in the afternoon, the President had a telephone conversation with Prime Minister Paul Martin of Canada.

The President announced his intention to nominate Henry Louis Johnson to be Assistant Secretary of Education for Elementary and Secondary Education.

The President announced his intention to nominate Marcus A. Peacock to be Deputy Administrator of the Environmental Protection Agency.

The President announced his intention to nominate Alan Walter Eastham, Jr., to be Ambassador to Malawi.

The President announced his intention to designate Richard A. Wannemacher as Acting Under Secretary of Veterans Affairs for Memorial Affairs.

The President announced his intention to appoint Osborne Day as a member of the Committee for Purchase From People Who Are Blind or Severely Disabled.

The President announced his intention to appoint the following individuals as members of the J. William Fulbright Foreign Scholarship Board: John Willard Johnson; Jan Donnelly O'Neill; Steven Joel Uhlfelder; and Donald Edward Vermeil.

June 2

In the morning, the President met with Secretary of State Condoleezza Rice. He then had an intelligence briefing.

Also in the morning, in the Diplomatic Reception Room, the President met with Vasila Hossaini from Afghanistan, who recently underwent surgery in the U.S. through Project Kids Worldwide to correct a congenital heart defect.

In the afternoon, the President traveled to Hopkinsville, KY, where, upon arrival, he met with USA Freedom Corps volunteer John Cotthoff.

Later in the afternoon, the President traveled to St. Louis, MO.

In the evening, the President traveled to the Bush Ranch in Crawford, TX.

June 3

In the morning, the President had an intelligence briefing. He then had a telephone conversation with President Mikheil Saakashvili of Georgia to discuss Georgia-Russia relations, the spread of democracy, and other issues.

The White House announced that the President will welcome Prime Minister Manmohan Singh of India to the White House on July 18.

The President announced his intention to nominate Kevin I. Fromer to be an Assistant Secretary of the Treasury (Legislative Affairs).

The President announced his intention to nominate John R. Beyrle to be Ambassador to Bulgaria.

The President announced his intention to nominate Charles A. Ford to be Ambassador to Honduras.

The President announced his intention to nominate Katherine Hubay Peterson to be Ambassador to Botswana.

The President announced his intention to nominate Marie L. Yovanovitch to be Ambassador to the Kyrgyz Republic.

The President announced his intention to appoint T. Robert Burke, Nancy Rowe Conner, and Curtis Frederick Feeny as members of the Board of Directors of the Presidio Trust.

Nominations Submitted to the Senate

NOTE: No nominations were submitted to the Senate during the period covered by this issue.

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 May 31

Statement by the Press Secretary: Visit of British Prime Minister Tony Blair

Statement by the Press Secretary: Visit by NATO Secretary General Jaap de Hoop Scheffer

Statement by the Press Secretary announcing that the President signed H.R. 2566

Released June 1

Transcript of a press briefing by Press Secretary Scott McClellan

Released June 2

Announcement of nomination of Commissioner of the Securities and Exchange Commission

Fact sheet: Strengthening Social Security for Rural America

Fact sheet: Overview of the Foreign Narcotics Kingpin Designation Act

Released June 3

Transcript of a press gaggle by Press Secretary Scott McClellan

Statement by the Press Secretary: Visit of Prime Minister Manmohan Singh of India

**Acts Approved
by the President**

Approved May 31

H.R. 2566 / Public Law 109-14
Surface Transportation Extension Act of 2005