

Weekly Compilation of
**Presidential
Documents**



Monday, January 9, 2006
Volume 42—Number 1
Pages 1–22

Contents

Addresses and Remarks

- Illinois, Economic Club of Chicago in Chicago—12
- Military and diplomatic leaders, meeting—8
- Radio address—1
- Texas, visit with U.S. troops in San Antonio—2
- U.S. University Presidents Summit on International Education—9
- USA PATRIOT Act, remarks following meeting—4
- Virginia, war on terror in Arlington—5

Interviews With the News Media

- Exchange with reporters in San Antonio, TX—2

Statements by the President

- Health of Prime Minister Ariel Sharon of Israel—8

Supplementary Materials

- Acts approved by the President—22
- Checklist of White House press releases—21
- Digest of other White House announcements—19
- Nominations submitted to the Senate—21

WEEKLY COMPILATION OF

PRESIDENTIAL DOCUMENTS

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

The *Weekly Compilation of Presidential Documents* is published pursuant to the authority contained in the Federal Register Act (49 Stat. 500, as amended; 44 U.S.C. Ch. 15), under regulations prescribed by the Administrative Committee of the Federal Register, approved by the President (37 FR 23607; 1 CFR Part 10).

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

The *Weekly Compilation of Presidential Documents* is also available on the Internet on the GPO Access service at <http://www.gpoaccess.gov/wcomp/index.html>.

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

US GOVERNMENT PRINTING OFFICE
SUPERINTENDENT OF DOCUMENTS
Washington DC 20402

OFFICIAL BUSINESS
Penalty for private use, \$300

PRESORTED STANDARD
POSTAGE & FEES PAID
GPO
PERMIT NO. G-26

Week Ending Friday, January 6, 2006

The President's Radio Address

December 31, 2005

Good morning. Two thousand five has been a year of strong progress toward a freer, more peaceful world and a more prosperous America. This year we watched the Iraqi people defy the terrorists and suicide bombers and hold three successful elections, voting to choose the only constitutional, democratic government in the Arab world. We also saw the people of Afghanistan elect a democratic Parliament in a nation that only a few years ago was ruled by the Taliban.

These are amazing achievements in the history of liberty. As freedom and democracy take hold in a troubled region, we are making the American people safer here at home and laying the foundation of peace for future generations.

The United States has a vital interest in the success of a free Iraq, so in the year ahead, we will continue to pursue the comprehensive strategy for victory that I have discussed with you in recent weeks. This strategy has security, political, and economic elements. First, our coalition is staying on the offense, finding and clearing the enemy out of Iraqi cities, towns, and villages, transferring more control to Iraqi units, and building up the Iraqi security forces so they can increasingly lead the fight to secure their country. Second, we are helping Iraqis build the political institutions of an inclusive, unified, and lasting democracy. And third, our coalition is overcoming earlier setbacks and moving forward with a reconstruction plan to rebuild Iraq's economy and infrastructure. As we help Iraq build a peaceful and stable democracy, the United States will gain an ally in the war on terror, inspire reformers across the Middle East, and make the American people more secure.

During 2005, thanks to our tax relief, spending restraint, and the hard work of the American people, our economy remained the

envy of the world. Our economy has been growing strongly for more than 2 years, and has added nearly 4½ million jobs since May of 2003. More Americans own their homes than at any time in our Nation's history. Inflation is low. Productivity is high, and small businesses are flourishing. Real disposable income is up. Consumers are confident, and early reports suggest good retail sales this holiday season.

To keep our economy moving forward, we must continue to pursue sound policies in Washington and be wise with taxpayers' money. We made real progress this year in restraining Government spending. Last February, I submitted to Congress the most disciplined budget proposal since Ronald Reagan was President. Working with the Congress, we ended or reduced about 90 lower priority or poorly performing Government programs, cut nonsecurity discretionary spending, and kept overall discretionary spending growth below the rate of inflation. We have now cut the rate of growth in non-security discretionary spending each year I have been in office.

Before their holiday recess, both the House and the Senate also voted to cut mandatory spending by nearly \$40 billion. This will be the first reduction of entitlement spending in nearly a decade. By being responsible with the taxpayers' money, we are funding our Nation's priorities, while staying on track to cut the deficit in half by 2009.

In the new year, we must also make permanent the tax relief that has kept our economy growing. We will work to expand free and fair trade, so America's farmers, workers, and businesses can enjoy the opportunities the global economy offers. We'll build on the progress we've made with this year's energy bill, so our Nation will be less dependent on foreign sources of energy. We will continue to promote an ownership society in which

people have more control over their retirement and health care. We'll continue to improve education and job training programs, so our citizens have the skills necessary to compete and succeed in the 21st century. And we will show the compassionate heart of our Nation and provide the people of the gulf coast the help they need to rebuild after Hurricanes Katrina and Rita.

In 2005, America grew in prosperity, advanced the cause of freedom and peace, and enhanced our security. Our duties continue in the new year, and I'm confident that our Nation will meet the challenges that lie ahead.

Thank you for listening, and happy New Year.

NOTE: The address was recorded at 7:52 a.m. on December 30 in the Cabinet Room at the White House for broadcast at 10:06 a.m. on December 31. The transcript was made available by the Office of the Press Secretary on December 30 but was embargoed for release until the broadcast. The Office of the Press Secretary also released a Spanish language transcript of this address.

Remarks to Reporters Following a Visit With United States Troops and an Exchange With Reporters in San Antonio, Texas

January 1, 2006

The President. Happy New Year to you all. Thanks. I can't think of a better way to start 2006 than here at this fantastic hospital, a hospital that's full of healers and compassionate people who care deeply about our men and women in uniform. It's also full of courageous young soldiers, marines, airmen—men and women—who are serving our country and making great sacrifice. I'm just overwhelmed by the great strength of character of not only those who have been wounded but of their loved ones as well. And so, thank you all for bringing great credit to our country.

As you can probably see, I have injured myself, not here at the hospital but in combat with a cedar. I eventually won. The cedar gave me a little bit of a scratch. As a matter of fact, the Colonel asked if I needed first aid when she first saw me. I was able to avoid

any major surgical operations here, but thanks for your compassion, Colonel.

I've been thinking long and hard about 2006. My hopes, of course, are for peace around the world. I'll continue to work as hard as I can to lay that foundation for peace. And also my hope is that this country remains as prosperous as it was in 2005. We had a very strong economy, and we'll work to keep the economy as strong as it possibly can, so anybody that wants to find a job can find one.

With that, I'll be glad to answer a couple of questions. Toby [Tabassum Zakaria, Reuters]—or, excuse me, Deb. You are Deb [Deb Riechmann, Associated Press], right?

NSA Wiretaps

Q. Yes, sir. Mr. President, were you aware of any resistance to the launching of the NSA program at high levels of your administration, and if so, how did that influence your decision to approve it?

The President. First of all, the NSA program is an important program in protecting America. We're at war, and as the Commander in Chief, I've got to use the resources at my disposal, within the law, to protect the American people. And that's what we're doing.

The NSA program is one that listens to a few numbers, called from the outside of the United States in, of known Al Qaida or affiliate people. In other words, the enemy is calling somebody, and we want to know who they're calling and why. And that seems to make sense to me, as the Commander in Chief, if my job is to protect the American people.

This program has been reviewed, constantly reviewed, by people throughout my administration. And it still is reviewed. It has got—not only has it been reviewed by Justice Department officials; it's been reviewed by Members of the United States Congress. It's a vital, necessary program.

Now, some say, "Well, maybe this isn't a war. Maybe this is just a law enforcement operation." I strongly disagree. We're at war with an enemy that wants to hurt us again, and the American people expect the Commander in Chief to protect them, and that's exactly what I intend to do.

Toby.

U.S. Troop Levels in Iraq

Q. Mr. President, as we start the new year, what is your outlook for U.S. troop withdrawal from Iraq in 2006?

The President. The conditions on the ground will dictate our force level. As the Iraqis are able to take more of the fight to the enemy, our commanders on the ground will be able to make a different assessment about the troop strength. And I'm going to continue to rely upon those commanders, such as General Casey, who is doing a fabulous job and whose judgment I trust, and that will determine—his recommendations will determine the number of troops we have on the ground in Iraq.

NSA Wiretaps

Q. In 2004, when you were doing an event about the PATRIOT Act, in your remarks you had said that any wiretapping required a court order and that nothing had changed. Given that we now know you had prior approval for this NSA program, were you in any way misleading?

The President. I was talking about roving wiretaps, I believe, involved in the PATRIOT Act. This is different from the NSA program. The NSA program is a necessary program. I was elected to protect the American people from harm. And on September the 11th, 2001, our Nation was attacked. And after that day, I vowed to use all the resources at my disposal, within the law, to protect the American people, which is what I have been doing and will continue to do. And the fact that somebody leaked this program causes great harm to the United States.

There's an enemy out there. They read newspapers. They listen to what you write. They listen to what you put on the air, and they react. And it seems logical to me that if we know there's a phone number associated with Al Qaida and/or an Al Qaida affiliate and they're making phone calls, it makes sense to find out why. They attacked us before, they will attack us again if they can. And we're going to do everything we can to stop them.

Yes, Ed [Ed Chen, Los Angeles Times].

Q. Mr. President, with this program, though, what can you say to those members of the public that are worried about violations of their privacy?

The President. Ed, I can say that if somebody from Al Qaida is calling you, we'd like to know why. In the meantime, this program is conscious of people's civil liberties, as am I. This is a limited program designed to prevent attacks on the United States of America. And I repeat, limited. And it's limited to calls from outside the United States to calls within the United States. But they are of known—numbers of known Al Qaida members or affiliates. I think most Americans understand the need to find out what the enemy is thinking. And that's what we're doing.

We're at war with a bunch of coldblooded killers who will kill on a moment's notice. And I have a responsibility, obviously, to act within the law, which I am doing. It's a program that's been reviewed constantly by Justice Department officials, a program to which the Congress has been briefed, and a program that is, in my judgment, necessary to win this war and to protect the American people.

Last question. Mike [Mike Allen, Time].

U.S. Troops Wounded in Iraq

Q. Mr. President, in August you said that Katrina could—the effects of it could test the strongest faith. I'm sure of some of the things that you saw today, that's the case as well. What do you tell a young soldier or his young wife about how a loving God could permit or cause some of the things you saw today?

The President. First of all, Mike, I'm conscious not to be trying to substitute myself for God. I am, on the other hand, inspired by the mom who told me upstairs that she prays every day and believes in the miracle of healing, that I think we see God's work here every day. I think when you find nurses and doctors who work around the clock, who come in at a moment's notice to save a life, I happen to believe there's a lot of divine inspiration to that kind of dedication and work. The parents I saw or the wives I saw, many of them were in prayer on a regular basis for their loved one.

And, you know, war is terrible. There's horrible consequences to war—that's what

you see in this building. On the other hand, we also see people who say, "I'd like to go back in, Mr. President." What we're doing is the right thing, because many of these troops understand that by defeating the enemy there, we don't have to face them here. And they understand that by helping a country in the Middle East become a democracy, we are, in fact, laying the foundation for future peace. And my—as the Commander in Chief, I am resolved to make sure that those who have died in combats' sacrifice are not in vain. And I am resolved to make sure that these kids who are recovering here, that have suffered terrible injury, that their injuries are not in vain by completing the mission and laying that foundation for peace for generations to come. And I'm optimistic we'll achieve that objective.

Thank you all very much.

NOTE: The President spoke at 12:05 p.m. at the Brooke Army Medical Center. In his remarks, he referred to Gen. George W. Casey, Jr., USA, commanding general, Multi-National Force—Iraq.

Remarks Following a Meeting on the PATRIOT Act

January 3, 2006

Earlier today, I spoke to Governor Manchin of West Virginia. I told him that Americans all across our country were praying for the miners who are trapped in the mine there in West Virginia. I told him that I appreciated the great outpouring of compassion from the West Virginia citizens toward those worried family members. I also assured him that the Federal Government will help the folks in West Virginia any way we can to bring those miners out of that mine, hopefully in good condition. And may God bless those who are trapped below the Earth, and may God bless those who are concerned about those trapped below the Earth.

I also have just met with folks on the front-line of fighting the war on terror. U.S. Attorneys from around the country have joined us. Folks from the FBI, whose job it is to protect the American people, are with us as well.

We're talking about the PATRIOT Act and how useful the PATRIOT Act has been to

safeguard America and, at the same time, safeguard liberties of Americans. And yet, the PATRIOT Act is going to expire in 30 days. And these good folks, whose task it is to do everything they can to protect the American people from a terrorist enemy that wants to hit us again, is asking the United States Congress to give them the tools necessary to do their jobs. And I'm asking the Congress to do so as well.

The American people expect to be protected, and the PATRIOT Act is a really important tool for them to stay protected. You know, the Congress says to people in the administration, "How come you haven't connected the dots?" And the PATRIOT Act is an important way to help connect the dots to protect the people.

This PATRIOT Act was passed overwhelmingly by the United States Congress in 2001. Members from both parties came together and said, "We will give those on the frontline of protecting America the tools necessary to protect American citizens, and at the same time, guard the civil liberties of our citizens." For 4 years, that's what's happened. These good folks have used the PATRIOT Act to protect America. There's oversight on this important program. And now, when it came time to renew the act, for partisan reasons, in my mind, people have not stepped up and have agreed that it's still necessary to protect the country. The enemy has not gone away. They're still there. And I expect Congress to understand that we're still at war, and they've got to give us the tools necessary to win this war.

And so for the next 30 days, I look forward to working with Members of Congress and speaking to the American people as clearly as I can about the importance of renewing the PATRIOT Act.

Thank you.

NOTE: The President spoke at 1:42 p.m. in the Roosevelt Room at the White House. In his remarks, he referred to Gov. Joe Manchin III of West Virginia. The Office of the Press Secretary also released a Spanish language transcript of these remarks.

**Remarks on the War on Terror in
Arlington, Virginia**

January 4, 2006

Today our Nation mourns those who lost their lives in the mining accident in West Virginia. We send our prayers and heartfelt condolences to the loved ones whose hearts are broken. We ask that the good Lord comfort them in their time of need.

I want to thank the Governor of West Virginia for showing such compassion, and I want to thank those who risked their lives to save those miners for showing such courage. May God bless the good people of West Virginia.

I just finished an important meeting, a briefing with members of my national security team, a briefing hosted by Secretary Don Rumsfeld and General Pete Pace. We spent time talking about this war on terror, the global war on terror. And to make sure that my team understood the progress we've made and the challenges ahead, the Secretary asked three of our commanders to join in the briefing, Generals Abizaid, Casey, and General Dempsey.

I want to tell the American people that I am most impressed by the caliber of these generals. They are smart. They are capable. They are visionary, and they're working hard to win this global war. We also were able to speak to one of our fine Ambassadors, Ambassador Khalilzad from Baghdad, as well.

During our briefing, we talked about the areas of concern in this global war on terror, recognizing that the enemy, which has an ideology of hate and a desire to kill, lurks in parts around the world. I assured those generals that this administration would do everything in our power to bring these enemies to justice.

We also spent time talking about the two major fronts in this war on terror, and that would be Iraq and Afghanistan. In Iraq, 2005 was a year of progress toward meeting our goal of victory. If you really think about it, there was three important elections that took place and in an atmosphere that some predicted wouldn't yield democracy. We had the January elections; we had the constitution elections; we had elections last December when nearly 11 million people defied the ter-

rorists to vote. The turnout in that country was 70 percent. Part of our strategy for defeating the enemy in Iraq is for there to be a viable political process. And when 70 percent of the people show up to vote, that's a good sign. See, people are saying, "I want to participate in the democratic process." The Iraqis showed great courage.

Now, we look forward to the process, obviously, moving on. The formation of a unity government is going to be important to the stability of the future of Iraq. Before that happens, obviously you've got to finish counting the votes. And that's going to happen over the next couple of weeks. And then the Government—well, they're beginning to form the Government under their new Constitution. It takes a two-third vote of the Parliament for certain top officials to assume office. And to form this inclusive government, the Iraqi leaders must compromise and negotiate and build consensus, and this is going to take some time.

What the American people will see during the weeks ahead is a political process unfold, that people will be making decisions not based upon who's got the biggest gun but who's got the capacity to rally the will of the people. And that's positive. Democracies are an important part of our winning the war on terror. Democracies yield an ideology that is based on an ideology that says people are free—free to choose. The ideology of the enemy says a few people will choose, and if you don't like what we tell you to believe in, we'll kill you or treat you harshly.

And I want the American people to remember what life was like for the poor people in Afghanistan under the Taliban. The Taliban had no hopeful vision. They're vision was, if you don't agree with us, we'll take you in the public square and whip you. They're vision was, women don't have rights. They're vision was a dark and dim vision, which stands in stark contrast to the vision based upon freedom and democracy.

The second part of our strategy is to—in Iraq, a strategy for victory, is to train the Iraqis so they can take the fight against the few who would stop the progress of many. And during this election, we were briefed about the security forces during the election. The commanders talked about more than

215,000 Iraqi soldiers and police that secured the country. That was an increase, by the way, of 85,000 since January of 2005. General Casey labeled the performance of the troops as superb.

Before the elections, there was a number of joint operations to lay the groundwork for a peaceful election. The Iraqis were in the lead on election day. In other words, they were responsible for the security of the elections. We were in a position to help them, but they were responsible for securing the voting booths. And they did a fine job. The number of attacks during the election were down dramatically. They performed, and that's part of our calibrating whether or not the Iraqi troops are becoming more capable. Numbers are one thing, but the ability to perform is another. And during these elections, the Iraqi troops showed our commanders on the ground and showed the American people that they're becoming more and more capable of performing their duty to provide security to the Iraqi people.

Now, you've got to understand that just because the elections went forward that doesn't mean these Saddamists, Zarqawi types are going to lay down their arms. They're not. There will still be violence. And there will still be some who believe that they can affect the political outcome of Iraq through violent means. We understand that. And we're going to stay on the offense against these—"we" being coalition forces as well as the Iraqi forces. But the recent elections have served as a real defeat for the rejectionists and the Saddamists and Al Qaida types. Sunni Arabs who had boycotted the process, joined the process. And as they did so, those who want to stop the progress of freedom are becoming more and more marginalized inside of Iraq.

So in 2006, the mission is to continue to hand over more and more territory and more and more responsibility to Iraqi forces. A year ago, there was only a handful of Iraqi Army and police battalions ready for combat, ready to take the lead. Today, there are more than 125 Iraqi combat battalions fighting the enemy, and 50 of those are in the lead. That's progress. And it's important progress, and it's an important part of our strategy to win in Iraq. And as these forces become more bat-

tle-hardened and take the lead, we're going to see continued confidence in the Iraqi people of the Iraqis being able to defend themselves, and that's important. And as we see more of these Iraqi forces in the lead, we'll be able to continue with our desire, our stated strategy that says as Iraqis stand up, we'll stand down.

The commanders have recently determined that we can reduce our combat forces in Iraq from 17 to 15 brigades. And the reason they were able to do so is because the Iraqis are more capable. The adjustment is underway. This adjustment will result in a net decrease of several thousand troops below the pre-election baseline of 138,000 U.S. troops in Iraq. The decrease comes in addition to the reduction of about 20,000 troops who were in Iraq to assist with security during the December elections.

Later this year, if Iraqis continue to make progress on the security and political sides that we expect, we can discuss further possible adjustments with the leaders of a new Government in Iraq. But my decisions will be based upon conditions on the ground and the recommendation of our commanders, not based by false political timetables in Washington, DC. I'm not going to let politics get in the way of doing the right thing in Iraq, and the American people have got to understand that.

We've also got the opportunity to change our composition of our forces inside Iraq. In 2006, we expect Iraqis will take more and more control of the battle space, and as they do so, we will need fewer U.S. troops to conduct combat operations around that country. More of our forces will be dedicated to training and supporting the Iraqi units. In the coming year, we will continue to focus on helping Iraqis improve their logistics and intelligence capabilities so more Iraqi units can take the fight and can sustain themselves in the fight.

We're also going to spend a lot of time on police training. An important part of our strategy is not only to have a competent Iraqi Army but police forces that are capable of earning the confidence of the Iraqi citizens. To restore security, Iraq has got to have capable police forces. And the recent reports of abuses by some of the Iraqi police units are

troubling, and that conduct is unacceptable. Our commanders understand that; the Secretary understands that; and I know that.

To stop such abuses and increase the professionalism of the Iraqi police, General Dempsey, who's in charge of training, and others are working with the Iraqis to continue making adjustments in the way the forces are trained. First, we're going to work with the Iraqi Government to increase the training Iraqi police recruits receive in human rights and the rule of law, so they understand the role of the police in a democratic society.

Second, we're training Iraqi police with a program that has been effective with the Iraqi Army. In other words, when we find something that works, we'll do it. And if we find something that's not working, we change—and that is to embed coalition transition teams inside Iraqi special police units. Embedding our folks inside Iraqi Army units has worked. One reason why these Iraqi units are better able to take the lead is because they've worked side by side with American specialists and experts, some of our best troops. And so, we're going to embed these type of soldiers with the Iraqi police forces as well.

These transition teams will be made up of our officers, as well as noncommissioned officers. The coalition teams will go in the field with the police. They'll provide real-time advice and important assistance on patrol and during operations. And between operations, they're going to train the Iraqi officers; they're going to help them become increasingly capable and professional so they can serve and protect all the Iraqi people without discrimination.

As we train not only the soldiers but the police, our special units will continue hunting down Al Qaida and their affiliates. See, Al Qaida thinks they can use Iraq as a safe haven from which to launch attacks. That's their stated objective. I'm not making this up. Nobody in the—this is what Zawahiri and Zarqawi discussed. They said, "Let's drive America out of Iraq so we can use Iraq as a safe haven." We're going to train Iraqis. We'll train their army and train their police, and at the same time, we've got some of the

finest soldiers ever on the hunt to bring Zarqawi and his buddies to justice.

The second front is in Afghanistan. The second major front in this global war against these terrorists is in Afghanistan, where we've made steady progress on the road to democracy. President Karzai got elected. There's a sitting Parliament. I mean, it's amazing how far Afghanistan has come from the days of the Taliban. General Abizaid told us in our briefing that new democracy is being increasingly defended by a capable Afghan Army and police. The Afghan National Army is now nearly 27,000 soldiers who are trained and equipped. General Abizaid tells us these soldiers are tough in battle. They want to defend their homeland. There are some 55,000 Afghan police officers on the beat. They're taking the fight to the enemy. They're working side by side with coalition forces to protect this new democracy.

They're receiving a lot of international support through the NATO Alliance. The NATO-led international security assistance force has now about 9,000 troops in the country that represents all 26 NATO Allies and 10 non-NATO nations. In other words, the international community is stepping up. Like they have in Iraq, they're stepping up in Afghanistan as well. In 2006, the force levels will increase by up to another 6,000 forces, to a total of approximately 15,000 personnel. In other words, you're going to see in 2006 an increase of international force inside of Afghanistan.

As NATO takes on a larger role in Afghanistan and as the capability of Afghan forces continues to grow, the United States will reduce force levels in Afghanistan from 19,000 to 16,500 this year. In other words, our strategy has been to provide a strong commitment to provide stability so democracy can flourish. And then as others, including Afghan troops as well as NATO troops, step in, we step back. We're going to continue to conduct antiterrorist operations in Afghanistan as well. This is a part of a global war against the terrorist network.

I said after September the 11th we would do everything in our power to bring justice to the enemy that attacked the American people, and I meant it. And part of chasing down the Taliban and Al Qaida is to find

them where they hide. And just like in Iraq, we're going to have our special forces stay on the hunt. And we'll continue training at the same time.

There's a lot of work to be done in this war on terror, but the American people can be—rest assured this administration understands the task and understands the challenges and understands our obligation to protect you, to protect the American people.

During the past year, we lost some really good folks who wore the uniform of the United States of America. We pray for their loved ones. We pray for the comfort of those who had a sorrowful holiday season because a seat at the table was empty. And we vow to those that we will complete our mission: We will lay that foundation of peace for generations to come, that we'll do our duty to protect this country by not only bringing justice to an enemy that wants to do us harm but by spreading freedom and democracy.

Thank you very much.

NOTE: The President spoke at 11:24 a.m. at the Pentagon. In his remarks, he referred to Gov. Joe Manchin III of West Virginia; Gen. John P. Abizaid, USA, combatant commander, U.S. Central Command; Gen. George W. Casey, Jr., USA, commanding general, Multi-National Force—Iraq; Lt. Gen. Martin E. Dempsey, USA, commander, Multi-National Security Transition Command—Iraq and NATO Training Mission—Iraq; U.S. Ambassador to Iraq Zalmay Khalilzad; senior Al Qaida associate Abu Musab Al Zarqawi; Ayman Al-Zawahiri, founder of the Egyptian Islamic Jihad and senior Al Qaida associate; and President Hamid Karzai of Afghanistan. The Office of the Press Secretary also released a Spanish language transcript of these remarks.

Statement on the Health of Prime Minister Ariel Sharon of Israel

January 4, 2006

Laura and I share the concerns of the Israeli people about Prime Minister Ariel Sharon's health, and we are praying for his recovery. Prime Minister Sharon is a man of courage and peace. On behalf of all Americans, we send our best wishes and hopes to the Prime Minister and his family.

Remarks Following a Meeting With Military and Diplomatic Leaders

January 5, 2006

It's been my honor to host former Secretaries of State and Secretaries of Defense from Republican administrations and Democratic administrations here at the White House. I've asked Secretary Rice and Secretary Rumsfeld and Ambassador Khalilzad and General Casey to bring these men and women up to date on our strategy for victory in Iraq.

I've also had a chance to listen to their concerns, their suggestions about the way forward. Not everybody around this table agree with my decision to go into Iraq. And I fully understand that. But these are good, solid Americans who understand that we've got to succeed now that we're there. And I'm most grateful for the suggestions that have been given. We take to heart the advice. We appreciate your experience, and we appreciate you taking time out of your day.

We have a dual-track strategy for victory. On the one hand, we will work to have a political process that says to all Iraqis, "The future belongs to you." And on the other hand, we'll continue to work on the security situation there. The main thrust of our success will be when the Iraqis are able to take the fight to the enemy that wants to stop their democracy, and we're making darn good progress along those lines.

Again, I want to thank you all for coming. I appreciate your interests. I appreciate you being such a solid citizen of our country.

NOTE: The President spoke at 10:31 a.m. in the Roosevelt Room at the White House. In his remarks, he referred to Gen. George W. Casey, Jr., USA, commanding general, Multi-National Force—Iraq. Participating in the meeting were former Secretaries of State Colin L. Powell, Madeleine K. Albright, Lawrence S. Eagleburger, James A. Baker III, George P. Shultz, and Alexander M. Haig, Jr.; and former Secretaries of Defense William S. Cohen, William J. Perry, Frank C. Carlucci, Harold Brown, James R. Schlesinger, Melvin R. Laird, and Robert S. McNamara.

**Remarks to the United States
University Presidents Summit on
International Education**

January 5, 2006

Thank you all. Madam Secretary, it's your building—you can give my speech if you want to. [Laughter]

But first, our Nation sends our deepest sympathies to Ariel Sharon. He lies immobilized in an Israeli hospital. We pray for his recovery. He's a good man, a strong man, a man who cared deeply about the security of the Israeli people and a man who had a vision for peace. May God bless him.

Madam Secretary, thanks for having me. I'm here to let the good folks know here how strongly I support the National Security Language Initiative. I've had a little problem with the language in the past, so—[laughter]—if you've got room in the initiative for me, let me know. [Laughter] Condi said, "Come on by. We've got a bunch of university presidents here." And I said, "Great, just so long as we don't have to compare transcripts." [Laughter] She's the Ph.D.; I'm the President. [Laughter]

She's a heck of a Secretary of State, though. And Don Rumsfeld is a heck of a Secretary of the Defense, and I want to thank you both for joining together on this initiative. It's interesting, isn't it, that the State Department and the Defense Department are sponsoring a language initiative. It says something about the world we live in. I felt certain that the Secretary of Education would be here. After all, we're talking about education, and I want to thank you for being here, Margaret. But I also find it's interesting you're sitting next to John Negroponte, who is the Director of National Intelligence.

In other words, this initiative is a broad-gauged initiative that deals with the defense of the country, the diplomacy of the country, the intelligence to defend our country, and the education of our people. And it's an important initiative, and I'm going to tell you why in a second. But thank you for joining you—[together] to make this happen.

I want to thank Deputy Secretary of State Bob Zoellick, and I want to thank the chairman of the Senate Foreign Relations Committee, Senator Lugar from Indiana. Senator

Pat Roberts from Kansas is with us. I think you'll find this interesting: He has promoted the advanced study of foreign languages through the Pat Roberts Intelligence Scholars Program. Thanks for doing that. And I want to thank Congressman Rush Holt for being here as well. Thank you for coming, Rush. Thanks for taking time.

I appreciate all the ambassadors who are here. I'm scanning the room. I see a few familiar faces, and thanks for serving. What the heck are you doing here? Like, you're supposed to be—[laughter]—the deal was overseas. [Laughter]

We're living in extraordinary times. I wish I could report to you the war on terror was over. It's not. There is still an enemy that lurks, that wants to hurt us. I hate to report that to the American people, but my duty is to lay it out as plainly as I possibly can. And that's the truth.

And so the fundamental question is, how do we win? What do we do? Well, in the short term, our strategy is to find them and bring them to justice before they hurt us. In other words, we've got to stay on the offense. We've got to be unyielding and never give them a, you know, a breath of fresh air, never give them a hope that they can succeed. It's the only way to do it. We must defeat them in foreign battlefields so they don't strike us here at home.

And that's one of the reasons why the Secretary of Defense is here. He wants his young soldiers who are on the frontlines of finding these killers to be able to speak their language and be able to listen to the people in the communities in which they live. That makes sense, doesn't it, to have a language-proficient military—to have people that can go into the far reaches of this world and be able to communicate in the villages and towns and rural areas and urban centers, to protect the American people.

We need intelligence officers who, when somebody says something in Arabic or Farsi or Urdu, knows what they're talking about. That's what we need. We need diplomats—when we send them out to help us convince governments that we've got to join together and fight these terrorists who want to destroy

life and promote an ideology that is so backwards it's hard to believe. These diplomats need to speak that language.

So our short-term strategy is to stay on the offense, and we've got to give our troops, our intelligence officers, our diplomats all the tools necessary to succeed. That's what people in this country expect of our Government. They expect us to be wise about how we use our resources, and a good use of resources is to promote this language initiative in K through 12, in our universities. And a good use of resources is to encourage foreign language speakers from important regions of the world to come here and teach us how to speak their language.

You're going to hear a lot about the specifics of the program. What I'm trying to suggest to you, that this program is a part of a strategic goal, and that is to protect this country in the short term and protect it in the long term by spreading freedom. We're facing an ideological struggle, and we're going to win. Our ideology is a heck of a lot more hopeful than theirs.

You can't have an ideology that works if you say to half the population in a part of the world, "You have no rights." You can't say to a group of people, "My ideology is better than freedom, and if you speak out, you're going to get—you'll be tortured."

You see, freedom is the ideology that wins. We've got to have confidence in that, as we go out. But you can't win in the long run for democracy unless you've got the capacity to help spread democracy. You see, we've got to convince people of the benefits of a free society. I believe everybody desires to be free. But I also know people need to be convincing—convinced—I told you I needed to go to language school. [Laughter] And you can't convince people unless you can talk to them. And I'm not talking to them right now directly; I'm talking through an interpreter on some of these Arabic TV stations.

But we need people in America who can go and say to people, "Living in freedom is not the American way of life; it is a universal way of life." We're not saying your democracy has to be like yours. We're just saying give your people a chance to live in a free society; give women a chance to live freely;

give young girls a chance to be educated and realize their full potential.

And the best way to do that is to have those of us who understand freedom be able to communicate in the language of the people we're trying to help. In order to convince people we care about them, we've got to understand their culture and show them we care about their culture. When somebody comes to me and speaks Texan, I know they appreciate the Texas culture. [Laughter] I mean, somebody takes time to figure out how to speak Arabic, it means they're interested in somebody else's culture. Learning a language—somebody else's language is a kind gesture. It's a gesture of interest. It really is a fundamental way to reach out to somebody and say, "I care about you. I want you to know that I'm interested in not only how you talk but how you live."

In order for this country to be able to convince others, people have got to be able to see our true worth in our heart. And when Americans learn to speak a language, learn to speak Arabic, those in the Arabic region will say, "Gosh, America is interested in us. They care enough to learn how we speak."

One of the great programs we've got here in America in terms of people understanding how we think and how we act is these scholarships we provide to our universities. I know this isn't the topic the Secretary assigned me to talk about, but it's one I'm going to talk about anyway. We want young kids from around the world coming to our universities. It's in our national interest that we solve visa issues and make sure that—[applause].

We have been calibrating the proper balance after September the 11th, and I fully understand some of your frustrations, particularly when you say the balance wasn't actually calibrated well. But we're going to get it right, because the more youngsters who come to America to get educated, the more likely it is people in the world will understand the true nature of America.

You can't figure out America when you're looking on some of these TV stations—you just can't—particularly given the message that they spread. Arabic TV does not do our country justice. They put out some kind—sometimes put out propaganda that just is—just isn't right. It isn't fair, and it doesn't give

people the impression of what we're about. You bring somebody here to college—it doesn't matter what's on TV—they see firsthand the compassion of the United States of America. They get to see firsthand that we don't discriminate based upon religion. They get to see firsthand the multicultural society in which we live, all united under the fabric of freedom. That's what they get to see.

And so I'm working with Condi, and she's working with others, to work with you, to make sure these youngsters are able to come to our universities. I'll tell you what's really neat, is to sit down with leaders from around the world, welcome them in the Oval Office or go to their office; they say, "You know, Mr. President, I went to Texas A&M," or, "I went to Stanford"—like President Toledo of Peru. I mean, it is—it makes it so much easier to conduct foreign policy and diplomacy when you've got that common ground of being able to talk about a university experience here in the United States. It makes it so much easier to be able to advance the interests of this country when you're dealing with a leader who doesn't have a preconceived notion about what America is all about, because he spent time studying here in the United States.

We're going to teach our kids how to speak important languages. We'll welcome teachers here to help teach our kids how to speak languages. But we're also going to advance America's interests around the world and defeat this notion about our—you know, our bullying concept of freedom, by letting people see what we're about. Let them see firsthand the decency of this country.

And so, Madam Secretary, in front of these presidents, you and I vow that we'll find that proper balance between security and letting people come to our universities for the good of this country.

I—there is no doubt in my mind we will win the war on terror. There's no doubt in my mind that Afghanistan will remain a democracy and serve as an incredible example. For those of you in education, you might remember, this was a country that refused to educate young girls. And now, young girls in most of Afghanistan are going to school.

Iraq—we'll succeed in Iraq. It's tough. And the reason it's tough is because a handful of killers wants to stop the advance of freedom for a reason. Democracy in the heart of the Middle East is a major defeat to their ideology and their ambitions.

And it's hard work. What you're seeing on your TV screen is hard work. But we've done, as Condi said, hard work before. We have defeated fascism in the past. We defeated communism in the past. And we will defeat this ideology of hatred, but it's going to take all the tools at our disposal.

One of the stories I like to share with people is this. I—one of my best buddies in international politics is Prime Minister Koizumi of Japan. He's an interesting person. Elvis was his favorite singer, for example. [Laughter] Every time I meet with him, it strikes me as an amazing fact of history that Number 41, President 41, at age 18 fought the Japanese, and 43, his son, is sitting down with the Prime Minister working on keeping the peace. It's amazing to me. And something happened between 41 going into combat and 43 talking to the Prime Minister, whether it be about troops in Iraq to help this young democracy flourish in the heart of the Middle East, or whether it be dealing with the leader of North Korea who is starving his people to death, and how do we solve that? What do we do about it?

And what happened was that the Japanese adopted a Japanese-style democracy. It wasn't an American-style democracy; it was Japanese-style democracy. And that society, that form of government was able to convert an enemy to an ally. And that's what's happening. I live it when I talk to the Prime Minister. I see it firsthand. It's a real part of my family's life.

Someday, an American President is going to sit down and thank this generation for having the willpower and the determination to see to it that democracy has a chance to flourish in a part of the world that is desperate for democracy. Someday, somebody is going to say—[applause]—somebody someday will say, we're able to more likely keep the peace because this generation of Americans had confidence in our capacity to work with others to spread freedom.

And that's what we're facing today, and the stakes are high. It's an exciting time to be here in Washington, DC. It's a fantastic opportunity to serve our country. And I want to thank those of you who are serving it in government, and I want to thank those of you who serve it through higher education. There's no greater gift to give a child than the chance to succeed and realize his or her dreams. And you're doing that.

Appreciate you giving me a chance to come by and tell you what's on my mind. My God bless our country.

NOTE: The President spoke at 3:50 p.m. at the Department of State. In his remarks, he referred to Prime Minister Ariel Sharon of Israel; President Alejandro Toledo of Peru; Prime Minister Junichiro Koizumi of Japan; and Chairman Kim Chong-il of North Korea.

Remarks to the Economic Club of Chicago in Chicago, Illinois

January 6, 2006

Thanks for the warm welcome. It's nice to be back. Congratulations to the White Sox, all you longtime White Sox fans and you recent converts. *[Laughter]* We chopped in—the Speaker said, “There's the home of the Cubs.” I said, “Well, Mr. Speaker, maybe next year.” *[Laughter]*

I did come here 3 years ago, and I appreciate the chance to come back. And 3 years ago, I came and said that we had an economic plan to help this country move forward after the devastating attacks, that we had an idea as to how to help this economy grow. And the cornerstone of that speech was to tell Congress they needed to accelerate the tax relief we passed. And they did, and the plan is working.

We got some new numbers today to show our economy added 108,000 jobs in December, and it's added more than 400,000 jobs in the last 2 months. The unemployment rate is down to 4.9 percent. Americans are going to work. This economy is strong, and we intend to keep it that way.

I appreciate the Economic Club of Chicago inviting speakers to come and talk about economics. I appreciate you giving me a

chance to come back. I want to thank Miles White.

I'm proud to be traveling with the Speaker, Denny Hastert. He's a good, solid American. And he's doing a heck of a job as the Speaker of the House of Representatives. I appreciate being here with the senior Senator from the State of Illinois, Dick Durbin. I think the chairman is here—Mr. Chairman, Henry Hyde, thank you for being here, sir.

Congressman John Shimkus is here, from the south part of your State. Thanks for coming all the way up here. Congresswoman Judy Biggert is with us. Judy, good to see you. Thanks for coming. Congressman Mark Kirk is with us. I appreciate you all. You do what the Speaker tells you to do. *[Laughter]*

I appreciate Charlie Carey; he's the chairman of the Chicago Board of Trade. I just went there. A guy yelled out, in the corn pit, “Hook 'em, Horns!” *[Laughter]* So I hooked 'em—*[laughter]*—and now I own a lot of corn. *[Laughter]*

I want to thank the members of the Chicago Board of Trade. I thank Terry Duffy, who is the chairman of the board of the Chicago Merc, where I had the honor of traveling in March of 2001. Thank you all for giving me a chance to come.

The American economy heads into 2006 with a full head of steam. Our economy grew at more than 4 percent in the third quarter. We've been growing at nearly that rate for 2 years. The American consumer is confident. More Americans now own their home than at any time in our Nation's history. Minority homeownership is at a record high. Real disposable income is up. New orders for durable goods like machinery have risen sharply. Shipments of manufactured goods are up as well. Business activity in our manufacturing sector reported its 31st straight month of growth. Our small businesses are thriving. In 2005, the American economy turned in a performance that is the envy of the industrialized world. And we did this in spite of high oil prices and natural disasters.

We're strong, and I'm optimistic about the future of this economy. And one reason I am is because of the rise of American productivity. We're an incredibly productive nation. Our productivity has been growing at 3.5 percent for the last 5 years. American

workers are now more than 17 percent more productive than they were in 2001. And why is that important? That's important because productivity means America will remain the leader in the world. Productivity is important because it helps people live a better life.

From 1973 to 1995, productivity grew at 1.4 percent per year. At that rate, it would take 50 years to double the standard of living for Americans. Our economists now project that productivity will grow by 2.6 percent over the long term. And at that rate, we can double the standard of living of Americans nearly twice as fast. And that's important. We want to be able to compete, and we want our people being able to realize their dreams. In short, we're productive; we're innovative; we're entrepreneurial; and the role of Government is to keep it that way.

Our goal in Washington has got to make sure America is the leader in the world when it comes to economic vitality, the best place to realize your dream in the world. And the best way to make sure economic opportunity reaches throughout our land is to make sure that we have economic growth. My administration has pursued and we'll continue to pursue progrowth economic policy. American businesses and farmers, workers, and entrepreneurs create the wealth in this country. Government does not create wealth. The role of Government is to create an environment where the entrepreneurial spirit flourishes and where small businesses can grow to be big businesses and where people can dream about owning their own home and have it become a reality. That's the role of Government.

In our economy, the most precious resource is the talent and ingenuity of the American people. And there's no limit to what the American people can achieve when they have the skill sets to compete and the freedom to make a better life for themselves and their family.

Our trust in the American people has brought us through some tough times. We've been through a lot. In the past 5 years, this economy had endured a stock market collapse, a recession, terrorist attacks, corporate scandals, high energy costs, and natural disasters. They're all shocks to our economy, and

they deserved swift action, firm resolve, and clear thinking.

Here's how I started to address—the perspective I took when it came time to addressing these challenges. I said, “The American economy grows when the American people are allowed to keep more of their own money so they can save and they can invest and they can spend as they see fit.” So I called on the Congress, as I mentioned to you earlier, to cut the taxes, and Congress responded. It's been a while since that happened. Let me review what took place. [*Laughter*]

We lowered the taxes so Americans—so American families could thrive. We cut the taxes on the families by lowering the rates and by doubling the child credit and by reducing the marriage penalty. I can't imagine a Tax Code that penalizes marriage. It seems like to me we ought to be encouraging marriage to—our Tax Code.

We thought it was unfair to say to a farmer and a small-business owner, “The Government is going to tax you twice.” So we put the death tax on the road to extinction. We cut the taxes, and by doing so, we helped raise after-tax income for a person by 7 percent since I've been your President. Real after-tax income per person is up by 7 percent. And that's good for our families. We want our families to have more money in their pocket.

These tax cuts make a real difference in the lives of those who work hard in this country. By cutting taxes on income, we helped create jobs. You see, when people are allowed to keep more of their own money, it means they're going to demand more goods and services. And in the marketplace, somebody will produce that—those goods and services to meet demand. And when somebody meets the increased demand in the marketplace, it's more likely somebody is going to be able to find a job. Cutting taxes helps people find a job in the United States of America.

We cut taxes on small businesses. Most small businesses pay individual income tax rates—sole proprietorship or a limited partnership or a subchapter S corporation. So when you reduce individual rates, you're really increasing the amount of capital available for small businesses to expand. And

that's important because 70 percent of the new jobs in America are created by small businesses. And when you couple the tax—reduction in tax rates with incentives for small businesses to invest in new equipment, you can understand why this economy is strong. The small-business sector of the United States of America is flourishing. The entrepreneurial spirit is widespread, and more and more Americans are starting their own company.

American families have benefited from the tax cuts on dividends and capital gains. Let me repeat that. American families all across this country have benefitted from the tax cuts on dividends and capital gains. Half of American households—that's more than 50 million households—now have some investment in the stock market, either by owning shares in individual companies or through owning mutual funds. By cutting the taxes on dividends and capital gains, we have boosted confidence in our economy. More people have more money to invest. As a result, the stock market has added nearly \$3 trillion in value.

I'll never forget going to an automobile manufacturing plant in Mississippi. It was a very diverse group of workers. I said, "How many of you own your own 401(k)?" In other words, "How many of you have a stock portfolio?" Nearly 90 percent held their hands up. When you cut taxes on capital gains and you cut taxes on dividends, you're helping the lineworkers in the automobile plant.

Part of making sure this economy grows is to understand who owns the wealth in the United States of America, and it's becoming widespread all throughout our society. Cutting taxes has reduced—on capital gains and dividends has reduced the cost of capital. If you want your economy to grow, you want the cost of capital down. And reducing the cost of the capital has made it easier for investment, and investment has increased the productivity of the American worker, and the productivity increases for the American worker increased the standard of living for the American worker.

There's a mindset in Washington that says, "You cut the taxes; we're going to have less money to spend." Well, the growth, the economic vitality that has been set off by the tax cuts has been good for our Treasury.

Since we cut taxes on income, tax revenues from income has jumped by 17 percent. Tax revenues from dividends in capital gains has increased an estimated 50 percent. By cutting the taxes on the American people, this economy is strong, and the overall tax revenues have hit at record levels.

Now, there are a lot of people in Washington that don't believe in tax cuts. As a matter of fact, they didn't believe the tax cuts would work. Critics said our economy was the worst since the Great Depression. The truth of the matter is, by cutting taxes when we did, we've had the fastest growing economy of any major industrialized nation. Critics said the tax cuts are ruining the economy. They're just wrong. The facts say otherwise.

Since we cut the taxes, household wealth is on the rise; people are doing better; we're creating jobs. One Democratic critic described the day the House voted for tax relief this way: She said, "Today the Congress of the United States will vote on a reckless, irresponsible tax plan that will undermine opportunity in our country." Since that Congresswoman had uttered those words, the economy has added more than 4.5 million new jobs.

By letting people keep more of what they earn, this economy is strong. Unfortunately, just as we're seeing the evidence of how the tax cuts have created jobs and opportunity, some in Washington are saying we need to raise your taxes. See, that's either by saying, "We're not going to make the tax cuts permanent"—in other words, they're going to expire—or, "Why don't we repeal the tax cuts right now." When you hear somebody say, "Let's don't make the tax cuts permanent," what they're telling the American worker and the American family is, "We're going to raise taxes on you." If that were to happen, a Chicago family of four making \$50,000 would see Federal income taxes go up by nearly 50 percent.

Just as this economy is getting going, there are some in Washington who want to take the money out of your pocket. They think they can spend it better than you can. To keep this economy growing, to keep the entrepreneurial spirit alive, to make sure that

the United States of America is the most productive nation in the world, the United States Congress must make the tax cuts permanent.

There's been a lot of discussion about the budget in Washington—there should be. You'll hear the folks say, "Why don't we just raise the taxes to balance the budget?" Folks, that's not the way Washington works. They will raise your taxes and increase Federal spending. The best way to deal with the budget deficit is to have progrowth policies in place and be fiscally sound with taxpayers' money.

Listen, we're at war. And by the way, we're going to win the war. And so long as we've got our kids—and so long as we've got our men and women in uniform in harm's way, this Government will support them with all the resources that are necessary to win that war. That means we've got to show extra discipline in other areas of the Federal budget.

Now, our budget has two kinds of spending—it's called discretionary spending and mandatory spending. And thanks to working with the Speaker and others, we've shown real progress on being fiscally wise when it comes to discretionary spending. We've now cut the rate of growth in nonsecurity discretionary spending each year since I've been in office. Last February, my budget proposed an actual cut in nonsecurity discretionary spending. It's the most disciplined budget proposal since Ronald Reagan was the President.

We ended or reduced about 90 low-priority or poorly performing Government programs. We cut nonsecurity discretionary spending and kept overall discretionary spending growth below the rate of inflation. That's what the American people want us to do. They want us to set priorities, be wise with the money. And by doing this, we are still on track to cut the Federal deficit in half by 2009.

The bigger challenge to this budget is the long-term deficits driven by mandatory spending, or what they call entitlements. And these entitlements include Social Security and Medicare, both of which are growing faster than our ability to pay for them. The cost of these programs are growing faster than the economy. The cost of these programs are growing faster than the rate of in-

flation. The cost of these programs are growing faster than the population is growing. It's unsustainable growth, because a lot of people like me are getting ready to retire. [Laughter] In my case, I turn 60 in 2008—that's a convenient date for me—[laughter]—62 in 2008; 60 this year, unfortunately.

Projected deficits of these programs when these baby boomers like me retire are fixing to grow and grow and grow. And we don't have enough people paying into the system to cover them. It's what's called unfunded liabilities. And they're a problem for our children and our grandchildren, and we can solve this problem. It just takes political will, political courage. We don't need to cut the programs; we need to slow their growth. That's what we need to do.

Oh, I know some in Washington would like me to stop talking about it. I'm not going to. I believe the role of the President of the United States—[applause]. I believe my role, and I believe all our roles in Washington is to confront problems now and not pass them on to future Presidents and future Congresses.

Congress has an opportunity to show its commitment to controlling entitlement spending when it comes back off its recess. Before Members of the House and the Senate left Washington, they agreed to rein in future spending on entitlements by nearly \$40 billion. They did this by reforming programs and eliminating waste and reducing the rate of spending growth. Now Congress needs to finish the work on this important bill. And, Mr. Speaker, I want to thank you for your leadership on this important bill.

Listen, we got a lot of people in Washington who preach fiscal discipline and then they go on to vote against spending restraint. By passing the first reduction in the growth of entitlement spending in nearly a decade, Congress can send a clear signal that the people's Representatives can be good stewards of the people's money.

As we work to keep taxes low and restrain spending, we've also got other challenges. One big challenge we face is energy. Again, I want to thank the Speaker and the Congress for putting an energy bill on my desk that

I signed that encourages conservation, alternative forms of energy, encourages the exploration for natural gas in environmentally friendly ways. It's a good start. But the truth of the matter is, technology is going to lead this country away from our dependence upon hydrocarbon, and the United States Government can help speed up technology.

In order to make sure this economy grows, we've got to have a reasonable health care system. I view the role of the Federal Government is to help the elderly. And we got good Medicare reforms done. And I believe the role of the Federal Government is to help the poor. And that's why we've got Medicaid. But I do not believe the role of the Federal Government is to tell doctors how to work and patients what to do. We need to make sure we connect the doc—the patient-doctor relationship to inventive programs like health savings accounts. This Congress needs to expand health savings accounts on behalf of good health care in America.

To make sure this is the most competitive country in the world, we've got to get rid of some of these junk lawsuits that are running capital out of America. We've got a real challenge; the trial bar is tough. You need to speak up. You need to let people understand the consequences of all these lawsuits.

Now, I want to thank the Speaker again, and the Senate—we got some legal reform done. We got a good class-action piece of legislation. We got good bankruptcy law. Hopefully this year, we can get a good asbestos reform out of the United States Congress. But one thing is for certain: People around this country have got to understand we need a balanced legal system if Americans want to be able to find good-paying jobs.

A growing economy means we've got to have a private pension system that is fully funded and one in which those who pay into the private pension system keep the promises they make. I'm going to talk more about these issues as the legislative session begins.

I want to talk about two things real quick to make sure that this country remains the leader in the world when it comes to economic growth, and the first is education. We've got to make sure that our citizens have the skills they need to be able to fill the jobs which will be created in the 21st century.

This country has a moral and an economic obligation, a moral and an economic interest in seeing that our people have the skills they need to succeed in a competitive world. You see, if we don't make sure our people have the skills they need in a competitive world, the jobs are going to go somewhere else. And that's what we've got to understand.

Making sure that people have got a good basis of education and capacity to fill the jobs which will actually exist really—it's important, particularly given the fact that our economy is one that is so dynamic and so vibrant that people are changing jobs all the time. Do you realize that if the recent pattern continues, the typical American worker will have held at least 10 jobs between the ages of 18 and 38? This job market of ours is churning. It's creating opportunity. We've got to have the skills to be able to fill these new jobs. And that's the challenge ahead of us. And having good skills begins with making sure our children can read and write and add and subtract. The best job training program begins early in life.

We came together in Congress—with the Congress and passed what's called the No Child Left Behind Act. I'd like to remind you about the spirit and the philosophy behind that act. It basically says, "Let's raise the standards, and let's measure." And the reason the Federal Government has got a right to call for measurements is because we spend a fair amount of money from Washington, DC, at the local level. And so we simply said, "If you're taking our money"—it's actually your money—[laughter]—"do you mind showing us whether or not the children can read or write?" I don't think that's too much to ask, is it? Unless you believe that certain kids can't learn to read and write.

I remember when I was the Governor of Texas, I found some school systems that simply, I guess, didn't believe that certain kids could read and write, so they just shuffled them through. They said, "It's much easier than taking on the tough task of analyzing and correcting, so let's just quit. Let's just say, okay, we'll just kind of socially promote you." It makes us look good on paper, but it's not treating American families well. And it's not setting that foundation to make sure our children can get the job skills necessary

to fill the jobs of—or the skills necessary to fill the jobs of the 21st century.

And so the No Child Left Behind Act came into being. And we're now measuring, and it's beginning to work. There's an achievement gap in America that is beginning to close. You know why I know? Because we're measuring. There's what's called the NAEP test. It's a standardized test across the country. It's called the Nation's Report Card. It gives us a chance to measure. It has shown that American children have made strong gains over the last 5 years, especially in the early grades. The results have showed that our fourth and eighth graders have improved math scores for not only Anglo students but African American students and Hispanic students. As a matter of fact, the math scores were the highest ever for African American kids and Hispanic kids. Overall scores for fourth grade reading matched the alltime high.

There is an achievement gap in America that is inexcusable, and it's beginning to close. And I think one of the main reasons it's closing is because we are now measuring. We're posting scores on the Internet for people to see, and we're saying to school districts, "If you've got a problem, correct it early, before it is too late. And if you can't figure out how to correct it, give parents a different option than keeping their child in a school which will not change and will not teach."

And tell your brother—tell your brother I appreciate his understanding of the need to challenge the status quo when it's failing the kids of Chicago.

And if you hear them talking about getting rid of the accountability standards, say to the local school folks, "Don't do it." You see, we've all got to challenge the soft bigotry of low expectations. We cannot revert to a system which quits on kids too early in life. As business leaders and community activists, you must stand strong for strong accountability systems and systems which correct problems early, before it is too late.

We've got a problem in our high schools. We're beginning to make progress at the elementary school level—over the 5 years, the test scores have risen. But we've got a problem in our high schools. Our high school

American students rank below students from around the world when it comes to math and science. We measure fine in junior high grades, but for some reason, between junior high and high school, our kids are falling behind. And that's a problem. If we want to be competitive and if we want our children to be able to fill the jobs of the 21st century, we must do a better job in high school.

I think one place to start is to bring the spirit of No Child Left Behind, which is K through eight, into the high schools and insist upon measuring early and to say, "If you've got a problem, develop remediation programs today." Because we just can't guess anymore in America. If we want to be competitive, we've got to know, and we've got to measure.

We've got programs to bring professionals from math and science into the classrooms as adjunct teachers. We're going to help teachers—particularly in low-income schools—have the training they need to teach advanced placement courses. What I'm telling you is, is that we're going to take that very same spirit that's beginning to work in elementary school and put it in the high schools.

And then we've got to make sure our kids go to college. And that's one of the important programs that we've worked with both Republicans and Democrats alike in Congress, to increase the number of Pell grants available for students by a million people. And that's important.

One of the real assets in our country is the community college system. I spent a lot of time going to the community college system because, as I tell people, they're available; they're affordable; and unlike some institutions of higher education, they know how to change their curriculum to meet the needs of society.

In other words, what's interesting about the community college experience is that if you're living in an area where there's a need for health care workers, and you got a chancellor of the community college system that is any good, that person will devise a program with the local health care providers that will help train nurses or whatever is needed. I

mean the health care—the community college system is a fabulous job training opportunity for the American people. It's a place to find—to match people's desire to work with the jobs that actually exist.

There's an interesting story about a woman named Julie Duckwitz here in this area. She had been a bookkeeper for 11 years, and she's a single mom—which happens to be the hardest job in America, by the way—and she's laid off. And she doesn't know what to do. You can imagine being a single mother with two kids—two young kids—and you get laid off your job.

Fortunately, she went to the job training counselors, and they steered her to Lake Land community college. Lake Land had received a Federal grant to help fund training programs, and she enrolled in a nursing program. Why? Because Lake Land understood there was a need for nurses. In other words, it's a demand-driven curriculum in the community college system. And they adjusted, not just for her, but for others. And she got a nursing degree. And she said, "Now I feel I can move upward. When I lost my old job, I was as high as I could go with that position, but health care offers me many more avenues for the future."

Gaining additional education to enhance your chance to get a job means more productivity. It means you're a more productive worker, which means higher pay, which means better news for the American economy. This Government must utilize our community college system to make sure people have the skills necessary to fill the jobs of the 21st century. I'm looking forward to Congress to fully fund my request for these job training grants to the community college system of our country.

I want to tell you one other thing, and then I'll let you eat. [*Laughter*] I want to talk about trade. It's a pretty controversial subject in some people's minds. Here's how I think about it. We're home to 5 percent of the world's population. That means that 95 percent of our potential customers live abroad. I believe this country ought to do everything it can to open up markets for our products overseas. I know it's going to be necessary to make sure this economy grows, short term and long term, to open up markets for our

manufacturers, our farmers, and our entrepreneurs.

I believe that trade opens up opportunities for people here at home. Now, we've got some people in Washington who are what I call economic isolationists. They have a different point of view—good people, just a different philosophy. They don't believe trade is good. They believe that it's okay to wall ourselves off from the rest of the world. I disagree strongly. And that's why my administration has pursued free trade agreements around the globe and will continue to do that.

Do you realize that more than 350,000 people in Illinois have jobs that depend on exports? In other words, there's a market overseas; somebody is meet the demand for the product or the good and service and are manufacturing right here in Illinois, which means somebody is working out there, because there's a market overseas. One in every five manufacturing jobs in this State is supported by exports.

Look, I know the manufacturing industry got hit hard here. All I had to do is listen to the Speaker every time I met him. He said, "We got a problem. The manufacturing base of this State is getting hit hard." He said, "What are you going to do about it?" I said, one thing I'm not going to do about it is deny opportunities for those who are able to export, and second, what we're going to do about it is make sure the playing field is level, make sure our manufacturers are treated fairly. That's all we can expect. We don't expect any special treatment, we just want to be treated fairly.

My view of trade is this: If we can get a level playing field, American workers and farmers and entrepreneurs can compete with anybody, anytime, anywhere in the world. And now we have a chance, through the World Trade Organization, the Doha round of the World Trade Organization, to see to it that this world trades more fairly and more freely.

And that's in our interests. I'm telling you, it's in the farmers' interests that we're selling soybeans in China. It's in our interests that we have a free-trading world. If we wall ourselves off from the rest of the world, a bunch of other folks are going to take the—take advantage of the opportunity of free trade.

This is an important issue for our country. We got to be confident in our ability to compete. We'll be tough when it comes to the policy to make sure you're treated fairly, but I refuse to allow walls to shut our producers and entrepreneurs off from opportunities around the world. Free and fair trade is an important cornerstone of strong and valid economic policy for the creation of jobs here in America.

So that's what I'm going to be talking about when it comes to our economy. We're doing fine, but I believe we can do even better. The right policies out of Washington, DC—policies that encourage growth, not stifle growth, policies that encourage entrepreneurship, not diminish the entrepreneurial hopes, policies that educate our folks so we can fill the jobs of the 21st century—will keep the United States the economic leader of the world. And that's the way I want it, and that's the way you should want it, and that's the way Members of the United States Congress on both political parties should want it as well.

I can't tell you how neat it is to travel the world and represent the United States of America. Ours is a land that is so unique—if you think about our country where a person can start off with nothing except a dream, can start off with just a hope, and own something—own your own business, own an opportunity to thrive. And that's what we're about. That's what we have been about, and that's what we must remain about.

We've got to still be the greatest hope for mankind on the face of this Earth. We are today, and with the right policies, we'll be tomorrow.

Listen, thanks for letting me come back. God bless.

NOTE: The President spoke at 11:44 a.m. in the Hilton Chicago. In his remarks, he referred to Miles White, CEO, chairman of the board, and director, Abbott Laboratories. A tape was not available for verification of the content of these remarks.

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.

December 31, 2005

In the morning, at the Bush Ranch in Crawford, TX, the President had an intelligence briefing.

January 1

In the morning, the President traveled to San Antonio, TX, where, at Brooke Army Medical Center, he visited wounded soldiers and their family members and presented Purple Heart medals to nine soldiers.

In the afternoon, the President and Mrs. Bush returned to Washington, DC.

January 2

In the morning, the President had an intelligence briefing.

January 3

In the morning, the President had an intelligence briefing and a briefing on the situation in Tallmansville, WV, where 13 coal miners were trapped underground in the I.C.G. Sago Run Mine following an accident. Later, in the Roosevelt Room, he met with the Homeland Security Council to discuss the USA PATRIOT Act.

Later in the morning, the President met with Lt. Gen. Keith W. Dayton, USA, U.S. Security Coordinator Israel-Palestinian Authority.

Also in the morning, the President had a telephone conversation with Gov. Joe Manchin III of West Virginia to discuss the situation in the Sago Run Mine.

In the afternoon, the President had lunch with Vice President Dick Cheney. Later, he met with Secretary of State Condoleezza Rice.

January 4

In the morning, the President had an intelligence briefing. Later, he had a telephone conversation with Gov. Joe Manchin III of

West Virginia to discuss the situation in the Sago Run Mine. He then traveled to Arlington, VA, where, at the Pentagon, he participated in a briefing on the war on terror.

In the afternoon, the President returned to Washington, DC. Later, he participated in a photo opportunity with White House Fellows.

The President announced his intention to nominate Patricia A. Butenis to be Ambassador to Bangladesh.

The President announced his intention to nominate Robert M. Couch to be President of the Government National Mortgage Association.

The President announced his intention to nominate John A. Simon to be Executive Vice President of the Overseas Private Investment Corporation.

The President announced his intention to appoint Robert J. Creighton as a member of the Medal of Valor Review Board (Emergency Services).

The President announced his intention to appoint Robert George Hayes as a member of the International Commission for the Conservation of Atlantic Tunas (Sport Fishing Representative).

The President announced his intention to appoint Randi Parks Thomas as a member of the International Commission for the Conservation of Atlantic Tunas (Commercial Fishing Representative).

The President announced his intention to appoint Howard H. Li as a member of the President's Advisory Commission on Asian Americans and Pacific Islanders.

The President announced his intention to designate Myrna Blyth as chairman of the President's Commission on White House Fellowships.

The President announced his recess appointment of Floyd Hall and Enrique J. Sosa as members of the AMTRAK Reform Board.

The President announced his recess appointment of Nadine Hogan and Roger W. Wallace as members of the Board of Directors of the Inter-American Foundation (Private Representatives).

The President announced his recess appointment of Gordon England as Deputy Secretary of Defense.

The President announced his recess appointment of Benjamin A. Powell as General Counsel of the Office of the Director of National Intelligence.

The President announced his recess appointment of Ronald E. Meisburg as General Counsel of the National Labor Relations Board.

The President announced his recess appointment of Julie L. Myers as Assistant Secretary of Homeland Security (Bureau of Immigration and Customs Enforcement).

The President announced his recess appointment of Tracy A. Henke as Executive Director of the Office of State and Local Government Coordination and Preparedness at the Department of Homeland Security.

The President announced his recess appointment of Arthur F. Rosenfeld as Federal Mediation and Conciliation Director at the Federal Mediation and Conciliation Service.

The President announced his recess appointment of Ellen R. Sauerbrey as Assistant Secretary of State (Population, Refugees, and Migration).

The President announced his recess appointment of Dorrance Smith as Assistant Secretary of Defense (Public Affairs).

The President announced his recess appointment of Robert D. Lenhard, Steven T. Walther, and Hans von Spakovsky as members of the Federal Election Commission.

The President announced his recess appointment of Peter N. Kirsanow as a member of the National Labor Relations Board.

The President announced his recess appointment of Stephen Goldsmith as a member of the Board of Directors of the Corporation for National and Community Service.

The President declared a major disaster in Minnesota and ordered Federal aid to supplement State and local recovery efforts in the area struck by a severe winter storm from November 27–29, 2005.

The President declared a major disaster in North Dakota and ordered Federal aid to supplement State and local recovery efforts in the area struck by a severe winter storm from November 27–30, 2005.

January 5

In the morning, the President had a telephone conversation with United Nations Secretary-General Kofi Annan. Later, he had an intelligence briefing. He then had a telephone conversation with Coach Mack Brown of the University of Texas Longhorns football team to congratulate him on the team's Rose Bowl victory.

Later in the morning, in the Oval Office, the President participated in a photo opportunity with Secretary of State Condoleezza Rice, Secretary of Defense Donald H. Rumsfeld, and former Secretaries of State and Defense.

In the afternoon, in the Oval Office, the President participated in a signing ceremony for the Violence Against Women and Department of Justice Reauthorization Act of 2005.

January 6

In the morning, the President had an intelligence briefing. Later, he traveled to Chicago, IL, where he participated in a tour of the Chicago Board of Trade.

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

The President announced his intention to nominate Richard T. Miller to be U.S. Representative in the Economic and Social Council of the United Nations, with the rank of Ambassador, and Alternate U.S. Representative to the Sessions of the United Nations General Assembly.

The President announced his intention to nominate Jackie W. Sanders to be Alternate U.S. Representative for Special Political Affairs in the United Nations, with the rank of Ambassador, and Alternate U.S. Representative to the Sessions of the United Nations General Assembly.

The President announced his intention to nominate Mark D. Wallace to be U.S. Representative to the United Nations for Management and Reform, with the rank of Ambassador, and Alternate U.S. Representative to the Sessions of the United Nations General Assembly.

The President announced his recess appointment of John Gardner as a governor of the Board of Governors of the U.S. Postal Service.

**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 January 3

Transcript of a press briefing by Press Secretary Scott McClellan

Released January 4

Transcript of a press briefing by Press Secretary Scott McClellan

Statement by the Press Secretary on the death of Shaykh Maktoum bin Rashid Al Maktoum, Vice President and Prime Minister of the United Arab Emirates and Ruler of Dubai

Statement by the Press Secretary on disaster assistance to Minnesota

Statement by the Press Secretary on disaster assistance to North Dakota

Released January 5

Transcript of a press briefing by Press Secretary Scott McClellan

Statement by the Press Secretary announcing that the President signed H.R. 3402

Released January 6

Transcript of a press gaggle by Deputy Press Secretary Trent Duffy and Chairman of the National Economic Council Al Hubbard

Fact sheet: Economic Growth Continues—Unemployment Falls Below 5 Percent

Fact sheet: President Bush's Agenda for Job Creation and Economic Opportunity

**Acts Approved
by the President**

Approved December 30, 2005 *

H.R. 2863 / Public Law 109-148
Department of Defense, Emergency Supplemental Appropriations to Address Hurricanes in the Gulf of Mexico, and Pandemic Influenza Act, 2006

H.R. 3010 / Public Law 109-149
Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2006

H.R. 4525 / Public Law 109-150
Second Higher Education Extension Act of 2005

H.R. 4579 / Public Law 109-151
To amend title 1 of the Employee Retirement Income Security Act of 1974, title XXVII of the Public Health Service Act, and the Internal Revenue Code of 1986 to extend by one year provisions requiring parity in the application of certain limits to mental health benefits

S. 205 / Public Law 109-152
Buffalo Soldiers Commemoration Act of 2005

S. 652 / Public Law 109-153
Benjamin Franklin National Memorial Commemoration Act of 2005

* These Public Laws were not received in time for inclusion in the appropriate issue.

S. 1238 / Public Law 109-154
Public Lands Corps Healthy Forests Restoration Act of 2005

S. 1281 / Public Law 109-155
National Aeronautics and Space Administration Authorization Act of 2005

S. 1310 / Public Law 109-156
Delaware Water Gap National Recreation Area Improvement Act

S. 1481 / Public Law 109-157
Indian Land Probate Reform Technical Corrections Act of 2005

S. 1892 / Public Law 109-158
To amend Public Law 107-153 to modify a certain date

S. 1988 / Public Law 109-159
To authorize the transfer of items in the War Reserves Stockpile for Allies, Korea

S. 2167 / Public Law 109-160
To amend the USA PATRIOT ACT to extend the sunset of certain provisions of that Act and the lone wolf provision of the Intelligence Reform and Terrorism Prevention Act of 2004 to July 1, 2006

H.R. 4635 / Public Law 109-161
TANF and Child Care Continuation Act of 2005

Approved January 5

H.R. 3402 / Public Law 109-162
Violence Against Women and Department of Justice Reauthorization Act of 2005