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Contents

Addresses and Remarks

See also Bill Signings; Meetings With Foreign Leaders
Associate Justice-designate Alito, remarks to reporters following meeting—26
Central American relief and reconstruction efforts, remarks following meeting with business leaders—69
Kentucky, war on terror and a question-and-answer session in Louisville—40
Louisiana, small-business owners and community leaders in New Orleans—56
Maryland, No Child Left Behind Act in Glen Burnie—26
Mississippi, gulf coast reconstruction in St. Louis—57
Radio address—24
Veterans of Foreign Wars—31

Bill Signings

National Defense Authorization Act for Fiscal Year 2006, statement—23
Trafficking Victims Protection Reauthorization Act of 2005
Remarks—38
Statement—39

Communications to Congress

Cuba, letter transmitting notice on continuation of the national emergency—40
Peru, letter transmitting notice of intention to enter into a free trade agreement—24

Interviews With the News Media

News conference with Chancellor Merkel of Germany, January 13—64

Letters and Messages

Eid al-Adha, message—25

Meetings With Foreign Leaders

Germany, Chancellor Merkel—64

Notices

Continuation of the National Emergency Relating to Cuba and of the Emergency Authority Relating to the Regulation of the Anchorage and Movement of Vessels—39
Intention To Enter Into a Free Trade Agreement With Peru—24

Statements by the President

See Bill Signings

Supplementary Materials

Acts approved by the President—72
Checklist of White House press releases—71
Digest of other White House announcements—70
Nominations submitted to the Senate—71

Editor's Note: The President was at Camp David, MD, on January 13, 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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Statement on Signing the National Defense Authorization Act for Fiscal Year 2006

January 6, 2006

Today, I have signed into law H.R. 1815, the "National Defense Authorization Act for Fiscal Year 2006." The Act authorizes funding for the defense of the United States and its interests abroad, for military construction, and for national security-related energy programs.

Several provisions of the Act, including sections 352, 360, 403, 562, 818, and 2822, call for executive branch officials to submit to the Congress proposals for legislation, including budget proposals for enactment of appropriations, or purport to regulate or require disclosure of the manner in which the President formulates recommendations to the Congress for legislation. The executive branch shall implement these provisions in a manner consistent with the President's constitutional authority to supervise the unitary executive branch and to recommend for the consideration of the Congress such measures as the President judges necessary and expedient. Also, the executive branch shall construe section 1206(d) of the Act, which purports to regulate formulation by executive branch officials of proposed programs for the President to direct, in a manner consistent with the President's constitutional authority to supervise the unitary executive branch and to require the opinions of heads of executive departments. In addition, the executive branch shall construe section 1513(d) of the Act, which purports to make consultation with specified Members of Congress a precondition to the execution of the law, as calling for but not mandating such consultation, as is consistent with the Constitution's provisions concerning the separate powers of the Congress to legislate and the President to execute the laws.

A number of provisions of the Act, including sections 905, 932, 1004, 1212, 1224, 1227, and 1304, call for the executive branch to furnish information to the Congress on various subjects. The executive branch shall construe such provisions in a manner consistent with the President's constitutional authority to withhold information the disclosure of which could impair foreign relations, national security, the deliberative processes of the Executive, or the performance of the Executive's constitutional duties.

Section 1222 of the Act refers to a joint explanatory statement of a committee of conference on a bill as if the statement had the force of law. The executive branch shall construe the provision in a manner consistent with the bicameral passage and presentment requirements of the Constitution for the making of a law.

The provisions in Title XIV in Division A of the Act are identical, except for a punctuation change in section 1405(b)(1)(B) and revisions in section 1406, to the corresponding provisions in Title X of Division A of the Department of Defense, Emergency Supplemental Appropriations to Address Hurricanes in the Gulf of Mexico, and Pandemic Influenza Act, 2006 (H.R. 2863 of the 109th Congress) (Public Law 109–148). The statement I issued upon signing H.R. 2863 into law on December 30, 2005, is incorporated herein by reference insofar as that statement referred to Title X of Division A of that Act.

George W. Bush

The White House,
January 6, 2006.

NOTE: H.R. 1815, approved January 6, was assigned Public Law No. 109–163. This item was not received in time for publication in the appropriate issue.

Notice—Intention To Enter Into a Free Trade Agreement With Peru

January 6, 2006

Consistent with section 2105(a)(1)(A) of the Trade Act of 2002, I have notified the Congress of my intention to enter into a free trade agreement with the Republic of Peru.

Consistent with section 2105(a)(1)(A) of that Act, this notice shall be published in the *Federal Register*.

George W. Bush

The White House,
January 6, 2006.

[Filed with the Office of the Federal Register, 10:21 a.m., January 9, 2006]

NOTE: This notice was released by the Office of the Press Secretary on January 6, and it was published in the *Federal Register* on January 10. This item was not received in time for publication in the appropriate issue.

Letter to Congressional Leaders Transmitting a Notice of Intention To Enter Into a Free Trade Agreement With the Republic of Peru

January 6, 2006

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

Consistent with section 2105(a)(1)(A) of the Trade Act of 2002, (Public Law 107–210; the "Trade Act"), I am pleased to notify the Congress of my intention to enter into a free trade agreement with the Republic of Peru.

The United States-Peru Trade Promotion Agreement will generate export opportunities for U.S. farmers, ranchers, and companies, help create jobs in the United States, and help American consumers save money while offering them more choices. The Agreement will also benefit the people of Peru by providing economic opportunity and by strengthening democracy.

Consistent with the Trade Act, I am sending this notification at least 90 days in advance of signing the Agreement. My Administration looks forward to working with the Congress in developing appropriate legislation to approve and implement this Agreement.

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 item was not received in time for publication in the appropriate issue.

The President's Radio Address

January 7, 2006

Good morning. As we begin 2006, we are hearing more good news about the American economy. This week we learned that our economy added 108,000 jobs in December and has added over 400,000 jobs in the last two months. Our unemployment rate is now 4.9 percent, lower than the average rate of the 1970s, 1980s, and 1990s. Our economy grew at more than 4 percent in the third quarter of 2005, and it has been growing at nearly that rate for 2 years. Productivity is high. Consumers are confident, and more Americans now own their homes than at any time in our Nation's history.

To keep our economy strong and secure the American Dream for future generations, leaders in Washington must make sound decisions. And one of the best decisions we made since I took office was to cut your taxes so you could keep more of your hard-earned money to save and spend as you see fit. We lowered tax rates to let workers keep more of their paychecks. We doubled the child credit. We reduced the marriage penalty. We also cut taxes on dividends and capital gains, and we created incentives for small businesses to invest in new equipment so they could expand and create new jobs.

Some people in Washington said these tax cuts would hurt the economy. The day the House voted for tax relief in May 2003, one Democratic leader declared it a "reckless and irresponsible tax plan that will undermine opportunity in our country." Since those words were spoken, our economy has added more than 4.6 million new jobs for the American people.

Unfortunately, just as we're seeing new evidence of how our tax cuts have created

jobs and opportunity, some people in Washington are saying we need to raise your taxes. They want the tax cuts to expire in a few years or even repeal the tax cuts now. In either case, they want you to get a big tax hike. If we allow that to happen, a family of four making $50,000 would see their Federal income taxes go up by nearly 50 percent.

Inaction by the Congress will mean a tax increase on the American people. When you hear people in Washington say, "We don't need to make the tax relief permanent," what they're really saying is they're going to raise your taxes. To keep our economy growing, we need to ensure that you keep more of what you earn, and Congress needs to make the tax cuts permanent.

Our economy is also strong because we've been wise with taxpayers' dollars. We've now cut the rate of growth in nonsecurity discretionary spending each year I've been in office. Working with Congress, last year we ended or reduced about 90 low-priority or poorly performing Government programs, cut nonsecurity discretionary spending, and stayed on track to meet our goal of cutting the Federal deficit in half by 2009.

The bigger challenge to our budget is long-term deficits driven by mandatory spending or entitlements. We can solve this problem. We do not need to cut entitlements, but we do need to slow their growth. When Congress returns from its recess, it has an opportunity to show its commitment to controlling entitlement spending. Before Members of the House and Senate left Washington, they agreed to rein in future spending on entitlements by nearly $40 billion. Now Congress needs to finish its work on this important bill. By passing the first reduction in the growth of entitlement spending in nearly a decade, Congress will send a clear signal that the people's Representatives can be good stewards of the people's money.

As we work to keep your taxes low and restrain Federal spending, we have other challenges to address. A growing economy requires secure and affordable sources of energy, free and fair trade, legal reform and regulatory reform, and a health care system where workers can find affordable care. And we must ensure that all Americans get a good education so they will have the skills they need for the jobs of the 21st century.

In the months ahead, we will work on all these issues. By making choices that reward hard work and enterprise, we will keep the American economy prosperous and strong and guarantee opportunity for generations to come.

Thank you for listening.

NOTE: The address was recorded at 7:58 a.m. on January 6 in the Cabinet Room at the White House for broadcast at 10:06 a.m. on January 7. The transcript was made available by the Office of the Press Secretary on January 6 but was embargoed for release until the broadcast. The Office of the Press Secretary also released a Spanish language transcript of this address.

Message on the Observance of Eid al-Adha

December 21, 2005

I send greetings to Muslims around the world as you celebrate Eid al-Adha.

When God asked Abraham to sacrifice his son, Abraham placed his faith in God above all else. During Eid al-Adha, Muslims celebrate Abraham's devotion and give thanks for God's mercy and many blessings. Eid is also a time for demonstrating charity and reaching out to family, friends, and those in need.

America is blessed to have people of many religious beliefs who contribute to the diverse makeup of this country. Through generosity, compassion, and a commitment to faith, Muslim Americans have helped make our country stronger.

Laura and I send our best wishes for a joyous celebration. Eid Mubarak.

George W. Bush

NOTE: This message was released by the Office of the Press Secretary on January 9. An original was not available for verification of the content of this message.

Remarks to Reporters Following a Meeting With Associate Justice-Designate Samuel A. Alito, Jr.

January 9, 2006

Good morning. I just had breakfast with Judge Alito. I told him I think he conducted himself with such dignity and class in the weeks leading up to the confirmation process, which begins today.

Sam Alito is imminently qualified to be a member of the bench. I'm not the only person who feels that way. The American Bar Association looked at his record, looked at his opinions, looked at his temperament, and came to the same conclusion, that he is well qualified to be a Supreme Court judge.

Sam's got the intellect necessary to bring a lot of class to that Court. He's got a judicial temperament necessary to make sure that the Court is a body that interprets the law and doesn't try to write the law. And so I'm looking forward to your hearings. I know the American people will be impressed, just like I have been impressed and a lot of other Members of the Senate have been impressed.

And my hope, of course, is that the American people will be impressed by the process. It's very important that Members of the Senate conduct a dignified hearing. The Supreme Court is a dignified body; Sam is a dignified person. And my hope, of course, is that the Senate bring dignity to the process, give this man a fair hearing, and an up-or-down vote on the Senate floor.

Sam, good luck to you. Thanks for your agreement to serve. I appreciate you.

NOTE: The President spoke at 7:52 a.m. in the Rose Garden at the White House. The Office of the Press Secretary also released a Spanish language transcript of these remarks.

Remarks on the No Child Left Behind Act in Glen Burnie, Maryland

January 9, 2006

Thank you all. Please be seated. Thanks for the warm introduction. It's great to be here with Laura. She is a fantastic mom. She understands something that's very interesting—all education begins at home. I can remember her reading to our little girls all the time. Occasionally, I did, too, but stumbled over a few of the words and might have confused them. [*Laughter*] Laura cares deeply about education, as do I.

Thank you all for coming. We're here at North Glen Elementary School because it is a center of educational excellence. That's why we're here. We're here to herald success. We're here to say—[*applause*].

It so happens this is the fourth anniversary of when I signed the No Child Left Behind Act. I think the No Child Left Behind Act is one of the most significant accomplishments in education in a long, long time. I want to thank both the Republicans and Democrats who worked together back then to get this piece of legislation passed. It is a really important piece of legislation that is working. And I'm here today to talk about the spirit of the No Child Left Behind Act, the evidence that says it's working, and my deep desire to work with Congress to make sure it continues to have the desired effect on children all across the country.

First, I want to welcome our Secretary of Education, Margaret Spellings. I've known her for a long time. She is a dear friend of mine who also happens to be a significant warrior when it comes to leaving no children behind in our society. She believes that I believe—like I believe, that every single child can learn, and we've got to make sure that every child does learn. I want to thank you for your leadership, Margaret. You're doing a heck of a job as the Secretary of Education.

I want to thank the first lady, as well, for being here—Kendel, thanks for coming. Tell that old husband of yours it's okay to sleep in occasionally. [*Laughter*]

Dutch, I want to thank you for being here—Congressman Ruppersberger's district—real proud you took time out of your life to be here. Thanks for coming. I also want to thank Congressman Wayne Gilchrest for being here as well. Wayne, appreciate you taking time.

I want to thank all the local and State officials who've joined us. I want to thank Nancy Mann, the superintendent of schools for this school district. Julie, thank you—the principal, Julie Little-McVearry, who is the—listen, let me say something—and by the way,

Maurine Larkin, who is the former principal here.

One of the things that's interesting, that when you look at public schools, when you find centers of excellence, you always find a principal that is capable of setting high standards, working with teachers, demanding results and following through to make sure that the schools achieve the results. Every school requires a dedicated educational entrepreneur, someone willing to challenge the status quo if there's failure and being imaginative about how to achieve results. And you've got such principals here. Again, I want to congratulate Julie and Maurine for leading this school. You've done a heck of a job, and we're proud—we're proud to honor you.

We went to Laneie Taylor's fifth grade class. I see that they're here. Laneie, thank you—second-year teacher. Listen, schools succeed because they've got teachers that care. And I want to thank all the teachers who are here.

One of my predecessors as the Governor of Texas was Sam Houston. You may have heard of him, may not have heard of him—[*laughter*]—interesting old guy. He was the President of the Republic of Texas. He was a United States Senator. He was a Congressman from Tennessee. He was the Governor of Texas. He had done a lot of things. He led the battle of San Jacinto. I mean, he was a heck of a guy. They asked him, "Of all the things you've done in your life, what is the most important job?" He said, "Teacher." And so, all the teachers here, thanks for teaching. It is really an important job, and we appreciate your dedication in the classroom.

And to the parents of the students who come here, thanks for caring. Schools that succeed have got parents who are involved at the school. And so, whatever is working here in terms of parental involvement is—needs to be duplicated around this State and around the country, because parental involvement is a very important part of the success of schools around America.

So the No Child Left Behind Act—we got here to Washington, and I decided to make sure that the public school system in America met the promise of—and the hopes of our country. I understand how important it is to have a public school system work really well. A vibrant America is one in which the public schools provide a avenue for success. And it's really important we have a good public school system. It's been important in the past that the public school system function well, and it's going to be really important in the future.

Secondly, we have a moral obligation to make sure every child gets a good education. That's how I—it's a moral obligation to make sure that we herald success and challenge failure. It's not right to have a system that quits on kids. I mean, some schools may not think they're quitting on kids, but when you shuffle kids through the schools without determining whether or not they can read and write and add and subtract, I view that as quitting on kids. I called it the soft bigotry of low expectations. In other words, you believe certain children can't learn, so, therefore, just move them through. It's kind of a process world, isn't it? It's more important that somebody be shuffled through than it is to determine whether or not they're capable of meeting certain standards in certain grades.

And it troubled me to realize that in my own State of Texas, as well as other States, there wasn't that sense of urgency; there wasn't that sense of focus on results. It was kind of a process world we lived in. And we were beginning to realize that as a result of a process world, the kids were coming out of the school system that were illiterate. And it wasn't right. It was morally wrong, in my judgment, not to challenge a system that wasn't achieving great national goals such as an illiterate—a literate workforce. See, we live in a competitive world. And we'd better make sure our—the future of this country has the got the capacity to compete in that world.

And the best place to start is to make sure every child can read and write and add and subtract. And so that was the spirit behind proposing the No Child Left Behind Act. And as I mentioned, there was a lot of nonpartisan cooperation—kind of a rare thing in Washington. But it made sense when it come to public schools.

The No Child Left Behind Act embodied these principles: First, there is a role for the

Federal Government, a funding role. In other words, the Federal Government has committed and should be committed to helping Title I students, for example. As a matter of fact, Title I program spending has increased 45 percent since 2001. There is what's called the elementary and secondary school program; that's up by 41 percent. In other words, there is a Federal dollar commitment—certainly not as big as the State government or as local government, nor should it be. I don't think you want the Federal Government funding all public schools. But I do think you want the Federal Government focusing money on certain aspects of public education.

I also believe that sometimes you can have so many goals there are no goals. In other words, there's just this kind of long list of goals, and so nothing gets accomplished. I'm the kind of person that believes that we ought to set specific goals, and one of the most specific goals we've set is that every child should be reading at grade level by the third grade and remain at grade level. That's a clear goal; it's easy to understand, there's no ambiguity with it. It says every child—not just some children, every child—ought to be reading at grade level by the third grade—no doubt—it's not the 2d or 10th; it's 3d—and remain there.

And so we back that goal up. And by the way, it's the understanding that if you can't figure out—if you can't read, you can't do math or science. Reading is the gateway to educational excellence. That's why I asked the kids in your classroom whether or not they read more than they watched TV. I was pleased to see a lot of hands went up. It's kind of a hard question to ask in this day and age, isn't it, particularly since we've got too many TV channels to begin with. [*Laughter*]

And so we quadrupled the amount of money available for what's called the Reading First Program. In other words, we set the goal, and the Federal Government has provided the money for certain parts of the education system around the country. We're not going to fund it all, but we're going to make targeted funding. And it's a good use of money, in my judgment.

On the other hand, it seems like to me if we're going to spend money, we ought to be asking the question, is it—are we getting the results for the money. In other words, once there's a commitment, a logical follow-up to that commitment is, why don't you show us—why don't you show us whether or not we're meeting goals. So, in other words, let's measure, finally. And so the No Child Left Behind Act has said that in return for Federal money, we'll test 3 through 8. Children will be tested grades 3 through 8.

And why do we do that? Well, one is to figure out whether or not kids are learning. It's an interesting way to determine whether or not the curriculum you're using works. I remember when I was the Governor of Texas, there was a lot of debate about different types of curriculum, different ways to teach reading. You might remember those debates. They were full of all kinds of politics. The best way to cut through the political debate is to measure. The best way to say, the program I'm using is working, is because you're able to measure to determine whether or not it's working. That's what this school has done. They said, "We welcome accountability, because we believe our teachers are great, and the system we use can work."

Another reason to measure is so that the parents stay involved. You know, there's a lot of anecdotal evidence about parents believing that the school their kids go to is doing just fine. That's what you would hope if you were a parent. I mean, it's a natural inclination to say, "Gosh, my kid goes to a really good school. I like the principal, I like the teachers." But sure enough, in some cases, the performance might not have been up to par.

And so making sure there's an accountability system that the parents get to see is one that says to a parent, you know, if things aren't going so well, get involved with the school and help. Or if things are going well, make sure you thank the teachers. Make sure you take time out of your day to thank the person whose soul is invested in the future of your child. It's like the teachers right here in this school have invested their time and efforts to make sure the children learn to read. I bet there's nothing better than a teacher to have a thankful parent come up

and say, "Thank you for making sure my daughter or my son has got the capacity to be able to succeed in this great country."

Measurement also is a way to let schools understand how they're doing relative to other schools, or school districts to see how they're doing relative to other school districts. In other words, if you're living in the school district here, and one school like this was doing fine, another one is not, it should provide an opportunity for the principal of that school or the parents of that school to say, "Wait a minute. Look at this school over here; it's doing fine. How come we're not?" You can't solve a problem until you diagnose it, is what I'm telling you. And our accountability system helps us all diagnose problems and solve them early, before it's too late.

One of the interesting parts of the No Child Left Behind Act was what's called supplemental service money. I don't know if you've used it here or not—bet you have to a certain extent. It basically says, if a child is falling behind, here is extra money from the Federal Government to help you catch up. If a child needs help in reading, we've diagnosed a problem early and said, let's make sure this child is not left behind. That's what it says.

This is a bill that says, in return for Federal money, we're going to measure; we'll adjust. We'll change to achieve the most important objective of all, to make sure every single child in America can read by the third grade and stay at grade level, that children can read and write and add and subtract.

Listen, I've been through this debate about testing. Again, I remember when I was the Governor of Texas, there was a lot of people saying, "How can you be for testing?" My answer is, how can you not be for testing? They said it was discriminatory to test. I said it's discriminatory not to test. If you can't know what a child—whether a child can read and write, how can you solve the problem? I've heard people say, "Oh, all you're doing is teaching to test." My answer is, if you teach a child how to read, they will pass the test. Accountability is crucial, in my judgment, for making sure the public school system meets the important goals of our society.

Having said all that, an important part of the No Child Left Behind Act is the understanding that one size does not fit all when it comes to public schools, and that the governance ought to be local. If you've noticed, I've never said the Federal Government is going to tell you how to teach. That would be the worst thing that could happen to the public school system. The worst possible thing is, we're sending you money and now we're going to tell you how to use it and how to teach and what curriculum to use. That's the opposite of the spirit of the No Child Left Behind Act. The No Child Left Behind Act understands there needs to be flexibility and local control of schools.

We did not design a Federal test. There was great pressure to say, let's have a Federal test. All that would mean, that once you have a Federal test, it could lead to local prescriptions for that test. We said the States ought to develop their own accountability systems, and that local people ought to have input into the design of the State at the—of local accountability systems. And so for those of you who think, well, the Federal Government has reached too far into the governance issue, it's just not true. It's not the case. As a matter of fact, quite the contrary; it makes sure that there was local control of schools. It made sure that the State had the option and opportunity to say to the local superintendent and principals, "Design your program that works. You're closest to the people; you listen to the parents; you see the issues firsthand in the neighborhood in which you live. Come up with a curriculum that meets your own needs."

The system is working. That's what's important for people to understand. And by the way, any attempt to roll back the accountability in Washington, DC, will be—I'll fight any attempt to do that. I'm just not going to let it happen. We're making too much progress. There's an achievement gap in America that's closing. We don't need achievement gaps in this country. It's not good for us to have achievement gaps where certain kids can read in fourth grade better than others. One of our goals has got to be to achieve that—close that achievement gap. And we're doing it. How do we know? Because we're measuring.

There's what they called the Nation's Report Card—it's the National Assessment of

Educational Progress, NAEP. It's a way to kind of norm testing scores across States without having a national test. It's a way to determine whether or not the great State of Maryland is doing okay relative to your neighboring States, for example. It's a way for us to kind of get a glimpse about whether or not we're making progress toward achieving certain goals. In 2005, America's fourth graders posted the best scores in reading and math in the history of the test. That's positive. Ever since the test has been issued, 2005 was the best scores. If we didn't test, by the way, you could never say—I could never stand up and say this. I'd just be guessing, wouldn't I? It could be that we're doing fine—maybe not, maybe so.

African American fourth graders set records in reading and math in 2005. Hispanic 4th graders set records in reading and math. That's really good. It's important for our country that all children from all walks of life have the ability to realize the great promise of the country. The NAEP also showed that eighth graders earned the best math scores ever recorded; eighth grade Hispanic and African American students achieved the highest math scores ever.

As I said, there's an achievement gap—we know because we measure—and it's closing, and that's positive. And our goal has got to be to continue to work to make sure there is no achievement gap in America.

Now, let me talk about North Glen Elementary School. I don't know if you—those of you interested in this school have paid attention to these results, but I would like to share some—[*applause*]—if I might, I'd like to share some statistics with you, and perhaps this will give you an indication about why Laura and I came here.

In 2003, 50 percent—57 percent of North Glen students scored proficient in reading—57 percent—and 46 percent were proficient in math. Now, that's unacceptable. Fifty-seven percent is a lousy number. Forty-six percent, obviously, is even worse. But it was unacceptable to the principals and the superintendent and the teachers—that's most important. And so they got after it, and they figured out how to make sure that goals were met.

I didn't spend a lot of time talking today to the principal about the different analysis that went on, but I bet it was pretty indepth. But one thing for certain is, the test in '03 said we better do something different. When we find out something is going right, let's stay on it, and if something is going wrong, let's change. That's what happened here, because guess what—in 2005, 82 percent of North Glen students were ranked proficient in reading, and 84 percent were ranked proficient in math.

It's great news, isn't it? It's a system that says, why don't we show everybody whether or not we can succeed. And if we're not, we'll change; and if we are, we now have a chance to have the old President come by and say thanks, you know. [*Laughter*]

Interestingly enough, in 2003, 45 percent of the African American students in this school rated proficient in reading; in 2005, 84 percent are proficient. In other words, this is a school that believes every child can learn. Not just certain children, every child. And then they work to see to it that it happens. This—the statistics I just announced—oh, by the way, in 2003, 35 percent of African American students rated proficient in math. You've got to know math if you're going to compete in this 21st-century world. It's really important that math and science become a focal point of our high schools, for example. But it's not going to work if kids coming out of elementary school can't do math. Thirty-five percent of the African American students rated proficient in math; now it's 82 percent. It's a good score.

This is a fine school. We're here to herald excellence. We're here to praise the law that is working. I'm here to thank the teachers not only here but around the State of Maryland and around the country who are dedicating their lives to providing hope for our future. I want to thank the Members of Congress for working together on this vital piece of legislation, a piece of legislation that's laying the cornerstone for a hopeful tomorrow.

Laura and I's spirits are uplifted any time we go to a school that's working, because we understand the importance of public education in the future of our country. We also believe, strongly believe, that every child can

learn. And with the right focus and right energy, every child will learn. And as every child learns, the future of this country will never have been brighter.

Thanks for a job well done. God bless the teachers here and the principal. God bless the parents. And may God bless the students as well. Thank you.

NOTE: The President spoke at 10:26 a.m. at North Glen Elementary School. In his remarks, he referred to Kendel S. Ehrlich, wife of Gov. Robert L. Ehrlich, Jr., of Maryland. The transcript released by the Office of the Press Secretary also included the remarks of the First Lady. The Office of the Press Secretary also released a Spanish language transcript of these remarks.

Remarks to the Veterans of Foreign Wars

January 10, 2006

Thank you all. Please be seated. Thanks for the warm welcome. It is an honor to stand with the men and women of the Veterans of Foreign Wars—again. This is one of America's great organizations. I appreciate the proud and patriotic work you do across America. Thanks for your hard work in our Nation's Capital to make sure our Government listens to the concerns of our veterans.

Your members include veterans who served in World War II—I just happened to spend Christmas with one of your members—[*laughter*]—the Korean war, the Vietnam war, the Persian Gulf war, Panama, Bosnia, Kosovo, and many other operations. In the past 4 years, you've welcomed into your ranks new veterans who have defended liberty in places like Afghanistan and Iraq as a part of the global war on terror. No matter where you deployed or which century you wore the uniform, each of you stepped forward when America needed you most. And these days, first days of the year 2006, a grateful nation says, thank you for your service and the great example you set for today's men and women who wear the uniform.

I want to thank the commander in chief of the VFW, Jim Mueller. I had the honor of welcoming him to the Oval Office the other day, where we discussed issues important to our Nation's veterans and issues important to our Nation's security. He's a clear thinker. He's a patriot. I appreciate the invitation, Jim.

I'm also proud to be joined today by the Secretary of State, Condi Rice, the Secretary of the Department of Veterans Affairs, Jim Nicholson, Mr. Secretary.

Two Members of the United States Congress, one Republican and one Democrat, have joined us. [*Laughter*] Americans' quest for freedom and peace is a bipartisan quest, and I'm honored that Senator Pat Roberts is with us and Congressman Adam Schiff. Thank you both for coming.

Lieutenant General Bob Shea of the Joint Chiefs is with us today. As is my friend Lieutenant General Danny James, who was the Texas Adjutant General when I had the honor of being the commander in chief of the Texas Guard. [*Laughter*] Good to see you, Danny.

To all those who wear the uniform who are here, I particularly want to pay my respects to those wounded soldiers from Walter Reed. Thanks for serving. I'm proud you're here. And I want to report to our fellow citizens that we've got a fantastic health care system for those who wear the uniform. Any man or woman wounded in combat is removed immediately from the battlefield into the best possible care. I want to thank those at Walter Reed, those healers and helpers—not only at Walter Reed but at Bethesda and Brooks, where I recently went—for the great compassion and great skill that they show in helping those who have been wounded on the battlefield. May God bless you all.

As veterans and soon to be veterans, you have placed the Nation's security before your own lives. You took an oath to defend our flag and our freedom, and you kept that oath underseas and under fire. All of us who live in liberty live in your debt, and we must never forget the sacrifice and the service of our veterans.

A new generation of Americans is carrying on your legacy, defending our Nation in another great struggle for freedom, the global war on terror. This war began with a sudden attack on September the 11th, 2001. That morning we saw the destruction our enemies intend for us, and we accepted new responsibilities. Like generations before us, we're

taking the fight to those who attacked us and those who share their murderous vision for future attacks. Like generations before us, we have faced setbacks on the path to victory, yet we will fight this war with resolve and without wavering. And like generations before us, we will prevail.

Like earlier struggles for freedom, the war on terror is being fought on many battlefronts. Yet the terrorists have made it clear that Iraq is the central front in their war against humanity. And so we must recognize Iraq as the central front in the war against the terrorists.

Our goal in Iraq is victory. And in a series of speeches last December, I described the enemy we face in that country, our strategy to defeat them, and how we have adapted our tactics to meet changing conditions on the ground. Today I've come before you to discuss what the American people can expect to see in Iraq in the year ahead. We will see more tough fighting, and we will see more sacrifice in 2006 because the enemies of freedom in Iraq continue to sow violence and destruction. We'll also see more progress toward victory. Victory will come when the terrorists and Saddamists can no longer threaten Iraq's democracy. Victory will come when the Iraqi security forces can provide for the safety of their own citizens. Victory will come when Iraq is not a safe haven for terrorists to plot new attacks on our Nation.

And when victory comes and democracy takes hold in Iraq, it will serve as a model for freedom in the broader Middle East. History has shown that free nations are peaceful nations. And by helping Iraqis build a lasting democracy, we spread the hope of liberty across a troubled region. We will gain new allies in the cause of freedom. By spreading democracy and freedom, we're laying the foundation of peace for generations to come.

Our work in Iraq in 2006 will be focused on three critical areas. On the political side, we will help Iraqis consolidate the democratic gains they made last year and help them build democratic institutions, a unified government, and a lasting, free society. On the security side, we will stay on the offense against the terrorists and Saddamists. We will continue to strengthen the Iraqi security forces, with an emphasis on improving the capabilities of the Iraqi police, so that over the next 12 months, Iraqi forces can take control of more territory from our coalition and take the lead in the fight. And on the economic side, we will continue reconstruction efforts and help Iraq's new Government implement difficult reforms that are necessary to build a modern economy and a better life.

In all three aspects of our strategy—democracy and security and reconstruction—we're learning from our experiences, and we're fixing what hasn't worked. And in the year ahead, we will continue to make changes that will help us complete the mission and achieve the victory we all want.

On the political side, we've witnessed a transformation in Iraq over the past 12 months that is virtually without precedent. Think back to a year ago. At this time last year, the Iraqi people had an appointed government, no elected legislature, no permanent constitution, and no recent experience with free national elections. Just one year later, they have completed three successful nationwide elections.

Iraqis voted for a transitional government, drafted the most progressive, democratic Constitution in the Arab world, approved that Constitution in a national referendum, and elected a new Government under their new Constitution. Each successive election has seen less violence, bigger turnouts, and broader participation than the one before. One Iraqi voter in Tall 'Afar described the December elections this way: "We want democracy. This is our answer to the decades of slavery we had before."

When the final election results come in, Iraqi leaders will begin working to form a new Government. And in the weeks ahead, Americans will likely see a good deal of political turmoil in Iraq as different factions and leaders compete for position and jockey for power. Our top commander in the region, General John Abizaid, has said he expects the coming weeks to produce "some of the hardest, bare-knuckle politics ever in the Arab world." We should welcome this for what it is—freedom in action.

Dictatorships seem orderly—when one man makes all the decisions, there is no need for negotiation or compromise. Democracies are sometimes messy and seemingly chaotic,

as different parties advance competing agendas and seek their share of political power. We've seen this throughout our own history. We've seen this in other democracies around the world. Yet out of the turmoil in Iraq, a free government will emerge that represents the will of the Iraqi people, instead of the will of one cruel dictator.

Iraqis are undertaking this process with just a year's experience in democratic politics, and the legacy of three decades under one of the world's most brutal tyrannies still hangs over them. Many of the institutions and traditions we take for granted in America—from our party structures to our centuries' experience with peaceful transitions of power—are new to Iraq. So we shouldn't be surprised if Iraqis make some mistakes and face setbacks in their effort to build a Government that unites the Iraqi people.

Despite the obstacles they face, Iraqis have shown they can come together for the sake of national unity. Think about what happened after the January 2005 elections, Shi'a and Kurdish leaders who did well at the polls reached out to Sunni Arabs who failed to participate, giving them posts in the Government and a role in fashioning the new Constitution. Now Iraqis must reach out once again across political and religious and sectarian lines and form a Government of national unity that gives voice to all Iraqis.

Because Sunni Arabs participated in large numbers in the December elections, they will now have a bigger role in the new Parliament and more influence in Iraq's new Government. It's important that Sunnis who abandoned violence to join the political process now see the benefits of peaceful participation. Sunnis need to learn how to use their influence constructively in a democratic system to benefit their community and the country at large. And Shi'a and Kurds need to understand that successful free societies protect the rights of a minority against the tyranny of the majority.

The promise of democracy begins with free elections and majority rule, but it is fulfilled by minority rights and equal justice and an inclusive society in which every person belongs. A country that divides into factions and dwells on old grievances cannot move forward and risks sliding back into tyranny. Compromise and consensus and power sharing are the only path to national unity and lasting democracy. And ultimately, the success of Iraqi democracy will come when political divisions in Iraq are driven not by sectarian rivalries but by ideas and convictions and a common vision for the future.

When the new Iraqi Government assumes office, Iraq's new leaders will face some tough decisions on issues such as security and reconstruction and economic reform. Iraqi leaders will also have to review and possibly amend the Constitution to ensure that this historic document earns the broad support of all Iraqi communities. If the new Parliament approves amendments, these changes will be once again taken to the Iraqi people for their approval in a referendum before the end of the year. By taking these steps, Iraqi leaders will bring their nation together behind a strong democracy and help defeat the terrorists and the Saddamists.

America and our coalition partners will stand with the Iraqi people during this period of transition. We will continue helping Iraqis build an impartial system of justice so they can replace the rule of fear with the rule of law. We'll help Iraqi leaders combat corruption by strengthening Iraq's Commission on Public Integrity so Iraqis can build a transparent, accountable government. And we will help Iraq's new leaders earn the confidence of their citizens by helping them build effective government ministries.

It's especially important in the early months after Iraq's new Government takes hold, that its leaders demonstrate an ability to deliver measurable progress in the lives of the Iraqi people. So we will continue helping the new Government to develop their ministries to ensure they can lead effectively and produce real results for the Iraqi people.

The foreign terrorists and Saddamists will continue to fight this progress by targeting the citizens and institutions and infrastructure of a free Iraq. An enemy that sends suicide bombers to kill mourners at a funeral procession is an enemy without conscience. These killers will stop at nothing to undermine the new Government, divide the Iraqi people, and try to break their will. Yet with the recent elections, the enemies of a free Iraq have suffered a real defeat. The

Saddamists and rejectionists are finding themselves increasingly marginalized, as Sunni Arabs who once rejected the political process are now participating in the democratic life of their country.

And as democracy takes hold in Iraq, the terrorists like Zarqawi and his Al Qaida associates are suffering major defeats. Zarqawi tried to stop the elections throughout the year 2005, and he failed. He tried to stop the writing and ratification of a new Constitution, and he failed. The advance of freedom is destroying his and Al Qaida's greatest myth: These terrorists are not fighting on behalf of the Iraqi people against a foreign occupation; they are fighting the will of the Iraqi people expressed in free elections.

In the face of these thugs and terrorists and assassins, the Iraqi people have sent a clear message to the world: Iraqis will not cower before the killers, and the terrorists and regime loyalists are no match for the millions of Iraqis determined to live in liberty.

As we help Iraqis strengthen their new Government, we're also helping them to defend their young democracy. We're going to train the security forces of a free Iraq. We have been doing so, and we will continue to do so in 2006. Last November, I described many of the changes we made over the past year to improve the training of the Iraqi Army and the police. And we saw the fruits of those changes during the December elections. Iraqi forces took the lead in the election security. They were in the lead; we were there to help. They protected over 6,000 polling centers. They disrupted attacks, and they maintained order across the country.

Thanks in large part to their courage and skill, the number of attacks during the elections declined dramatically compared with last January's vote. One Iraqi general put it this way on election day: "All the time and money you have spent in training the Iraqi Army, you harvest it today."

The Iraqi security forces are growing in strength and in size, and they're earning the trust and confidence of the Iraqi people. And as Iraqis see their own countrymen defending them against the terrorists and Saddamists, they're beginning to step forward with needed intelligence. General Casey reports that the number of tips from Iraqis has grown from 400 in the month of March 2005 to over 4,700 last month and that some of the new intelligence is being passed by Iraqi civilians directly to Iraqi soldiers and police. Iraqis are gaining confidence that their security forces can defeat the enemy, and that confidence is producing the intelligence that is helping to turn the tide in freedom's way.

There's more work to be done in the year ahead. Our commanders tell me that the Iraqi Army and police are increasingly able to take the lead in the fight. Yet the Iraqi police still lag behind the army in training and capabilities. And so one of our major goals in 2006 is to accelerate the training of the Iraqi police. We'll focus our efforts on improving the performance of three categories of the Iraqi police. First, we will work to improve the Special Police under the Ministry of the Interior, who are fighting alongside the Iraqi Army against the terrorists and Saddamists. Second, we will expand and strengthen the border police charged with securing Iraq's frontiers. And third, we will increase our focus on training local station police, so they can protect their communities from the criminals and the terrorists.

The Interior Ministry's Special Police are the most capable of Iraq police forces. There are now about 19,000 Iraqi Special Police trained and equipped—which is near our goal for a complete force. Many of these Special Police forces are professional; they represent all aspects of society. But recently, some have been accused of committing abuses against Iraqi civilians. That's unacceptable. That's unacceptable to the United States Government; it's unacceptable to the Iraqi Government as well. And Iraqi leaders are committed to stopping these abuses. We must ensure that the police understand that their mission is to serve the cause of a free Iraq, not to address old grievances by taking justice into their own hands.

To stop abuses and increase the professionalism of all the Iraqi Special Police units, we're making several adjustments in the way these forces are trained. We're working with the Iraqi Government to increase the training Iraqi Special Police receive in human rights and the rule of law. We're establishing a new Police Ethics and Leadership Institute

in Baghdad that will help train Iraqi officers in the role of the police in a democratic system and establish clear lesson plans in professional ethics for all nine Iraqi police academies. To improve their capability, we will soon begin implementing a program that has been effective with the Iraqi Army, and that is partnering U.S. battalions with Iraqi Special Police battalions. These U.S. forces will work with and train their Iraqi counterparts, helping them become more capable and professional, so they can serve and protect all Iraqi's without discrimination.

Second, we're working to increase the number of border police that can defend Iraq's frontiers and stop foreign terrorists from crossing into that country. Iraqis now have about 18,000 border police on the job, manning land and sea and airports across the country. Our goal is to have a total of 28,000 Iraqi border police trained and equipped by the end of this year.

To better train Iraqi police, we've established a new customs academy in Basra. We're embedding border police transition teams with Iraqi units, made up of coalition soldiers and assisted by experts from our Department of Homeland Security. The Iraqi border police are growing increasingly capable and are taking on more responsibility. In November, these forces took the lead in protecting Iraq's Syrian border, with coalition forces playing a supporting role. In other words, they're beginning to take the lead and take responsibility for doing their duty to protect the new democracy. And as more skilled border police come on line, we're going to hand over primary responsibility for all of Iraq's borders to Iraqi border police later on this year.

Finally, we're helping Iraqis build the numbers and capabilities of the local station police. These are the Iraqi police forces that need the most work. There are now over 80,000 local police officers across Iraq—a little more than halfway toward our goal of 135,000. To improve the capabilities of these local police, we're taking a concept that worked well in the Balkans and applying it to Iraq—partnering local Iraqi police stations with teams of U.S. military police and international police liaison officers, including retired U.S. police officers.

These officers will work with provincial police chiefs across Iraq and focus on improving local police forces in nine key cities that have seen intense fighting with the terrorists. By strengthening local police in these cities, we can help Iraqis provide security in areas cleared of enemy forces and make it harder for these thugs to return. By strengthening local police in these cities, we'll help them earn the confidence of the local population, which will make it easier for local leaders and residents to accelerate reconstruction and rebuild their lives.

The training of the Iraqi police is an enormous task, and frankly, it hasn't always gone smoothly. Yet we're making progress, and our soldiers see the transformation up close. Army Staff Sergeant Daniel MacDonald is a Philadelphia cop who helped train Iraqi police officers in Baghdad. He says this of his Iraqi comrades: "From where they were when we got here to where they are now, it's like two different groups of people. They're hyped-up; they look sharp; they're a lot better with their weapons. I'd take these guys out with me back home." If he's going to take them back home in Philadelphia, they must be improving. [*Laughter*]

As we bring more Iraqi police and soldiers on line in the months ahead, we will increasingly shift our focus from generating new Iraqi forces to preparing Iraqis to take primary responsibility for the security of their own country. At this moment, more than 35 Iraqi battalions have assumed control of their own areas of responsibility, including nearly half of the Baghdad province and sectors of south-central Iraq, southeast Iraq, western Iraq, and north-central Iraq. And in the year ahead, we will continue handing more territory to Iraqi forces, with the goal of having the Iraqis in control of more territory than the coalition by the end of 2006.

As Iraqi forces take more responsibility, this will free up coalition forces to conduct specialized operations against the most dangerous terrorists like Zarqawi and his associates so we can defeat the terrorists in Iraq, so we do not have to face them here at home. We will continue to hand over territory to the Iraqis so they can defend their democracy, so they can do the hard work, and our

troops will be able to come home with the honor they have earned.

I've said that our strategy in Iraq can be summed up this way: As the Iraqis stand up, we will stand down. And with more Iraqi forces demonstrating the capabilities needed to achieve victory, our commanders on the ground have determined that we can decrease our combat forces in Iraq from 17 to 15 brigades by the spring of 2006. That's what they've decided. And when they decide something, I listen to them. 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. This decrease comes in addition to the reduction of about 20,000 troops who were in Iraq largely to assist with the security during the December elections.

Later this year, if Iraqis continue to make progress on the security and political sides, we expect to discuss further possible adjustments with the leaders of Iraq's new Government. Having said this, all of my decisions will be based on conditions on the ground, not artificial timetables set by Washington politicians. Our commanders on the ground will have the forces they need to complete the mission and achieve victory in Iraq.

As we help Iraqis defend their democracy, we will continue to help Iraqis build their infrastructure and economy in the coming year. Iraqis face real challenges from the long-term economic damage caused by Saddam Hussein's regime. They face challenges because of acts of sabotage by the enemies of a free Iraq. Yet despite these challenges, our coalition and Iraqi leaders have made progress in a number of areas: Iraq now has a stable currency, an independent stock exchange, an independent Central Bank. Iraqis have new investment laws to welcome foreign capital, tax and commercial laws to encourage private sector growth, and low-tariff trade regime that has opened Iraq's economy to the world. Under Saddam, private property was not protected. Today, Iraq's new Constitution guarantees private property rights that are the foundation of any free society.

Iraqi leaders are also beginning to make the tough choices necessary to reform their economy, such as easing gasoline subsidies. Until recently, Government subsidies put the price of fuel in Iraq at artificially low prices, really low prices. And that created incentives for black-market corruption and crime, and changing these subsidies is a necessary step on the path for economic reform. So Iraqi leaders have begun a series of price increases aimed at dismantling the gas subsidy system. That's hard political work. But gasoline subsidies, along with other subsidies, consume over half of Iraq's annual budget; it diverts critical resources from health care and education and infrastructure and security. Addressing these subsidies will allow Iraqi leaders to better provide for their people and build a modern economy.

One of the biggest challenges facing Iraq is restoring the country's oil and electric power infrastructure. These sectors were devastated by decades of neglect. And since liberation, terrorists have targeted these areas for destruction. As a result, oil and power production are below prewar levels. To help increase production, we're helping Iraqis better maintain their refineries, build their oil supply and transportation capabilities, improve their capacity to generate power, and better protect their strategic infrastructure.

The struggles with oil production and the shortage of electricity remain sources of frustration for the Iraqi citizens. Yet they're putting these challenges in perspective. Today, 7 in 10 Iraqis say their lives are going well. Nearly two-thirds expect things to improve even more in the next year. The vast majority of Iraqis prefer freedom with intermittent power to life in permanent darkness of tyranny and terror. Iraqis are optimistic about the future, and their optimism is justified.

To realize their dreams, the Iraqi people still need help. And in the coming year, the international community must step up and do its part. So far, other nations and international organizations have pledged more than $13 billion in assistance to Iraq. Iraqis are grateful for this promised aid, so is the United States. Yet many nations have been slow to make good on their commitments.

I call on all governments that have pledged assistance to follow through with their promises as quickly as possible, so the Iraqis can rebuild their country and provide a better

future for their children. Many nations have still not returned all Iraqi assets frozen during the regime of Saddam Hussein. I call on all nations to return these assets to their rightful owners. The free people of Iraq own those assets, not the foreign governments.

Many of the world's smallest nations have been among the most generous. Last month, for example, Slovakia announced its plans to forgive 100 percent of Iraq's $145 million debt. This makes Slovakia only the third country, along with the United States and Malta, to write off Iraqi debt completely. More nations should do the same so the Iraq people are not held back by the crushing burden of debt accumulated by Saddam Hussein.

International lending institutions are also stepping forward with needed assistance. Last month, the International Monetary Fund approved Iraq's request for a $680 million loan to carry out economic reforms. The World Bank recently approved its first loan to Iraq in over 30 years, lending the Iraqi Government $100 million to improve the Iraqi school system and making up to $400 million available to fund water, electricity, roads, and sanitation projects.

The international community must meet its responsibilities in Iraq, and here in America, we have responsibilities as well. The coming year will test the character of our country and the will of our citizens. We have a strategy for victory, but to achieve that victory, we must have the determination to see this strategy through. The enemy in Iraq knows they cannot defeat us on the battlefield, and so they're trying to shake our will with acts of violence and force us to retreat. That means that our resolve in 2006 must stay strong. We must have the patience as Iraqis struggle to build democracy in a volatile region of the world. We must not allow the images of destruction to discourage us or obscure the real progress that our troops are making in Iraq. And we must continue to provide these troops with all the resources they need to defend our Nation and prevail in the global war on terror.

We face an added challenge in the months ahead. The campaign season will soon be upon us, and that means our Nation must carry on this war in an election year. There is a vigorous debate about the war in Iraq today, and we should not fear the debate. It's one of the great strengths of our democracy, that we can discuss our differences openly and honestly, even in times of war. Yet we must remember there is a difference between responsible and irresponsible debate, and it's even more important to conduct this debate responsibly when American troops are risking their lives overseas.

The American people know the difference between responsible and irresponsible debate when they see it. They know the difference between honest critics who question the way the war is being prosecuted and partisan critics who claim that we acted in Iraq because of oil or because of Israel or because we misled the American people. And they know the difference between a loyal opposition that points out what is wrong and defeatists who refuse to see that anything is right.

When our soldiers hear politicians in Washington question the mission they are risking their lives to accomplish, it hurts their morale. In a time of war, we have a responsibility to show that whatever our political differences at home, our Nation is united and determined to prevail. And we have a responsibility to our men and women in uniform, who deserve to know that once our politicians vote to send them into harm's way, our support will be with them in good days and in bad days, and we will settle for nothing less than complete victory.

We also have an opportunity this year to show the Iraqi people what responsible debate in democracy looks like. In a free society, there is only one check on political speech, and that's the judgment of the people. So I ask all Americans to hold their elected leaders to account and demand a debate that brings credit to our democracy, not comfort to our adversaries.

Support for the mission in Iraq should not be a partisan matter. VFW members come from all across the country and both sides of the political aisle, yet your position on the war is clear. In a recent resolution, the VFW declared, quote, "It is critical that the United States succeed in Iraq, which will result in stability and security in the region." I appreciate your support for the mission in Iraq, and so do our troops in the fight. Your lives

of service, from the first time you put on the uniform to this day, are a credit to our country and an inspiration to our military. A new generation of soldiers and sailors, airmen, marines, and coast guardsmen is now carrying out an urgent and noble mission, and they're doing so with the same determination and courage as you who came before them.

Some of our finest men and women have given their lives in freedom's cause. Others have returned home with wounds that the best medicine cannot heal. We hold all who sacrificed and their families in our thoughts and our prayers. And I'm going to make you this pledge: We will not waver; we will not weaken; and we will not back down in the cause they served. By their sacrifice, we are laying the foundation of freedom in a troubled part of the world. And by laying that foundation, we're laying the foundation of peace for generations to come.

Thank you for letting me come by today. God bless.

NOTE: The President spoke at 10:17 a.m. at the Omni Shoreham Hotel. In his remarks, he referred to Gen. John P. Abizaid, USA, combatant commander, U.S. Central Command; former President Saddam Hussein of Iraq; and Gen. George W. Casey, Jr., USA, commanding general, Multi-National Force—Iraq. The Office of the Press Secretary also released a Spanish language transcript of these remarks.

Remarks on Signing the Trafficking Victims Protection Reauthorization Act of 2005

January 10, 2006

Thank you all. Please be seated. Thanks for coming. I appreciate you all being here. In a moment, I'll have the honor of signing the Trafficking Victims Protection Reauthorization Act.

Human trafficking is an offense against human dignity, a crime in which human beings, many of them teenagers and young children, are bought and sold and often sexually abused by violent criminals. Our Nation is determined to fight and end this modern form of slavery. And this bipartisan bill will help expand our efforts to combat this brutal crime that steals innocence and destroys lives.

I want to thank the Members of the United States Congress who have joined me here. I appreciate Senator Sam Brownback, Chris Smith, Deborah Pryce, and Carolyn Maloney for their hard work on this important legislation.

I appreciate the Secretary of State, who has joined us here, and the Attorney General, Al Gonzales, and his wife.

In today's world, too often, human traffickers abuse the trust of children and expose them to the worst of life at a young age. It takes a perverse form of evil to exploit and hurt those vulnerable members of society. Human traffickers operate with greed and without conscience, treating their victims as nothing more than goods and commodities for sale to the highest bidder. Recent years, hundreds of thousands of people around the world have been trafficked against their will across international boundaries, and many have been forced into sexual servitude. Thousands of teenagers and young girls are trafficked into the United States every year. They're held hostage. They're forced to submit to unspeakable evil. America has a particular duty to fight this horror, because human trafficking is an affront to the defining promise of our country.

We're attacking this problem aggressively. Over the past 4 years, the Department of Homeland Security has taken new measures to protect children from sexual predators, as well as pornography and prostitution rings. The Department of Health and Human Services has partnered with faith-based and community organizations to form antitrafficking coalitions in 17 major cities across our country. The Department of Justice has more than tripled the number of cases brought against these traffickers.

The bill I sign today will help us to continue to investigate and prosecute traffickers and provide new grants to State and local law enforcement. Yet, we cannot put the criminals out of business until we also confront the problem of demand. Those who pay for the chance to sexually abuse children and teenage girls must be held to account. So

we'll investigate and prosecute the customers, the unscrupulous adults who prey on the young and the innocent.

We also have a duty to reach out to victims of trafficking, some of whom were smuggled into this country as children. The legislation I sign today will help us provide important new services to these victims, including appointing a guardian for young victims and providing access to residential treatment facilities to help victims get a chance at a better life.

We'll continue to call on other nations to take action against trafficking within their own borders. Three years ago at the United Nations, I asked other governments to pass laws making human trafficking a crime. Since then, many have risen to the challenge. Secretary Rice and I will continue to press the others to rise to the challenge. We are working with the nations of Southeast Asia and others to crack down on sex tourism. America is a compassionate and decent nation, and we will not tolerate an industry that preys on the young and the vulnerable. The trade in human beings continues in our time, and we are called by conscience and compassion to bring this cruel practice to an end.

For those of you who've worked on this bill, thank you very much. For those of you who are involved in this important struggle, I appreciate your efforts, continue to do so. For those of you who are providing the compassionate care to those who've been affected by human trafficking, thank you for your love. And for those of you in Congress who've worked to make this reality, good work.

NOTE: The President spoke at 1:33 p.m. in Room 350 of the Dwight D. Eisenhower Executive Office Building. In his remarks, he referred to Rebecca Turner Gonzales, wife of Attorney General Alberto R. Gonzales. H.R. 972, approved January 10, was assigned Public Law No. 109–164.

Statement on Signing the Trafficking Victims Protection Reauthorization Act of 2005

January 10, 2006

Today, I have signed into law H.R. 972, the "Trafficking Victims Protection Reauthorization Act of 2005." This Act enhances our ability to combat trafficking in persons by extending and improving prosecutorial and diplomatic tools, and also adds new protections for victims.

Section 104(e)(2) purports to require the Secretary of State, prior to voting for a new or reauthorized peacekeeping mission under the auspices of a multilateral organization (or, in an emergency, as far in advance as is practicable), to submit to the Congress a specific report. The executive branch shall construe this reporting requirement in a manner consistent with the President's constitutional authority as Commander in Chief and the President's constitutional authority to conduct the Nation's foreign affairs.

George W. Bush

The White House,
January 10, 2006.

NOTE: H.R. 972, approved January 10, was assigned Public Law No. 109–164.

Notice—Continuation of the National Emergency Relating to Cuba and of the Emergency Authority Relating to the Regulation of the Anchorage and Movement of Vessels

January 10, 2006

On March 1, 1996, by Proclamation 6867, a national emergency was declared to address the disturbance or threatened disturbance of international relations caused by the February 24, 1996, destruction by the Cuban government of two unarmed U.S.-registered civilian aircraft in international airspace north of Cuba. In July 1996 and on subsequent occasions, the Cuban government stated its intent to forcefully defend its sovereignty against any U.S.-registered vessels or aircraft that might enter Cuban territorial waters or airspace while involved in a flotilla or peaceful protest. Since these events, the Cuban government has not demonstrated that it will refrain from the future use of reckless and excessive force against U.S. vessels or aircraft that may engage in memorial activities or peaceful protest north of Cuba. On February 26, 2004, by Proclamation 7757,

the scope of the national emergency was expanded in order to deny monetary and material support to the repressive Cuban government, which had taken a series of steps to destabilize relations with the United States, including threatening to abrogate the Migration Accords with the United States and to close the United States Interests Section.

Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing for 1 year the national emergency with respect to Cuba and the emergency authority relating to the regulation of the anchorage and movement of vessels set out in Proclamation 6687, as amended and expanded by Proclamation 7757.

This notice shall be published in the *Federal Register* and transmitted to the Congress.

George W. Bush

The White House,
January 10, 2006.

[Filed with the Office of the Federal Register, 11:53 a.m., January 11, 2006]

NOTE: This notice was released by the Office of the Press Secretary on January 11, and it was published in the *Federal Register* on January 12.

Letter to Congressional Leaders on Continuation of the National Emergency Relating to Cuba and of the Emergency Authority Relating to the Regulation of the Anchorage and Movement of Vessels

January 10, 2006

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

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent to the *Federal Register* for publication the enclosed notice, which states that the emergency declared with respect to the Government of Cuba's destruction of two unarmed U.S.-registered civilian aircraft in international airspace north of Cuba on February 24, 1996, as amended and expanded on February 26, 2004, is to continue in effect beyond March 1, 2006.

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 January 11.

Remarks on the War on Terror and a Question-and-Answer Session in Louisville, Kentucky

January 11, 2006

The President. Thank you all. Please sit down. I think I will. Bad view. [*Laughter*] Thanks for having me. What I thought I'd do is maybe make some opening comments and answer any questions you got. I probably can't stay here all day, since I've got a job to do, but I'm interested in your opinions and your point of view.

I hope the questions are broader than the war on terror—if you want, you can ask me anything you want. We got an economy that's going good, and perhaps you want to know what we're going to do to keep it growing. You know, we got a health care system that needs reform. We got an energy problem in the United States. I mean, there's a lot of issues that I'd be more than happy to talk about.

I do want to talk about how to secure this country and keep the peace. Before I do, I want to thank Joe. He stole my line "Reagan-Bush"—[*laughter*]. It was going to work just fine, until he took it. [*Laughter*] But thank you for setting this up. Thanks a lot for the sponsors. I appreciate you all taking time out of your day, and I appreciate your interest.

Before I begin, I do want to say I married well. I'm sorry the First Lady isn't with me. She is a heck of a person. I love her dearly, and she sends her very best to our friends here in Louisville, Kentucky.

I thank the Governor for being here, and the Lieutenant Governor. And I want to thank your mayor. The mayor showed me a pair of cufflinks that my dad gave him when he was the President and the mayor was the mayor. [*Laughter*] It looks like the mayor is going to outlast both Bushes. [*Laughter*]

I also want to thank Congresswoman Anne Northup. I call her a friend because she is one. She brings a lot of dignity to the halls of the United States Congress. I'm sure there are some folks here who don't necessarily agree with the party she's picked, and that's okay. But one thing you've got to agree with is she's honest; she's capable; and she's a decent, honorable soul. And I appreciate you. I want to thank Ron Lewis. He's a Congressman from Kentucky as well. And you let somebody slide across the border in Congressman Mike Sodrel. I appreciate both the Congressmen being here as well. I'm looking forward to working with you in the year 2006. We've got a lot to do.

Let me—I wish I didn't have to say this, but we're still at war, and that's important for the citizens of this Commonwealth to understand. You know, no President ever wants to be President during war. But this war came to us, not as a result of actions we took—it came to us as a result of actions an enemy took on September the 11th, 2001. And I vowed that day, starting when I was in Florida and got on the airplane to head across the country, that I would use everything in my power—obviously, within the Constitution—but everything in my power to protect the American people. That is the most solemn duty of Government, is to protect our people from harm.

And I vowed that we'd find those killers and bring them to justice, and that's what we're doing. We're on the hunt for an enemy that still lurks. I know because I'm briefed on a daily basis about the threats that face the United States of America. And my duty is to assess this world the way it is, not the way we'd like it to be. And there's a danger that lurks—and there's a danger that lurks because we face an enemy which cannot stand freedom. It's an enemy which has an ideology that does not believe in free speech, free religion, free dissent, does not believe in women's rights, and they have a desire to impose their ideology on much of the world.

Secondly, after September the 11th, not only did I vow to use our assets to protect the people by staying on the offense, by defeating an enemy elsewhere so we don't have to face them here at home, I also said that, "If you harbor a terrorist, if you provide safe haven to a terrorist, you're equally as guilty as the terrorist." And I meant it. And the Taliban in Afghanistan—a barbaric group of individuals who suppressed women, suppressed religious freedom, suppressed young girls—had harbored these terrorists. They provided safe haven. These folks were there plotting and planning a vicious attack against the United States of America in a safe haven called Afghanistan.

And so we took action. We took action because the Taliban refused to expel Al Qaida. And we took action because when an American President says something, he better mean it. In order to be able to keep the peace, in order to be able to have credibility in this world, when we speak, we better mean what we say, and I meant what we said. And we sent some brave souls into Afghanistan to liberate that country from the Taliban.

I also said, after September the 11th, that oceans no longer protected us. You know, when I was growing up, or other baby boomers here were growing up, we felt safe because we had these vast oceans that could protect us from harm's way. September the 11th changed all that. And so I vowed that we would take threats seriously. If we saw a threat, we would take threats seriously before they fully materialized, and I saw a threat in Saddam Hussein.

I understand that the intelligence didn't turn out the way a lot of the world thought it would be. And that was disappointing, and we've done something about it. We've reformed our intelligence services. But Saddam Hussein was a sworn enemy of the United States. He was on the nations-that-sponsor-terror list for a reason. I didn't put him on the list; previous Presidents put him on the list. And the reason why is because he was sponsoring terrorism. He was shooting at our airplanes. He had attacked his own people with chemical weapons. I mean, the guy was a threat.

I went to the United Nations—some of you were probably concerned here in Kentucky that it seemed like the President was spending a little too much time in the United Nations. But I felt it was important to say to the world that this international body that we want to be effective, spoke loud and clear not once, but 15-odd times to Saddam Hussein—said, "Disarm. Get rid of your weapons. Don't be the threat that you are, or face serious consequences." That's what the international body said. And my view is, is that in order for the world to be effective, when it says something, it must mean it.

We gave the opportunity to Saddam Hussein to open his country up. It was his choice. He chose war, and he got war. And he's not in power, and the world is better off for it.

The hardest decision I made as your President is to put troops into harm's way because I understand the consequences. I see the consequences when I go to the hospitals. I see the consequences when I try to comfort the loved ones who have lost a son or a daughter in combat. I understand that full—firsthand: War is brutal. And so I didn't take the decision lightly. Now that I've made the decision, we must succeed in Iraq. I've tried to explain to my fellow citizens, I can understand folks who said, "I wish you hadn't done that. We don't agree with your decision." Now that we're there, in my humble opinion, we have got to succeed.

I said I'd try to be short and answer your questions. I'm getting a little windy. [*Laughter*] But let me talk real quick about the goals in Iraq. The goal is victory, nothing short of victory. When you put these kids in harm's way, we owe them the best equipment, the best training, and a strategy for victory. And victory is a country that—where the Saddamists and the terrorists can't unwind the democracy. Victory is when Iraq is no longer a safe haven for the terrorists. Victory is—will be achieved when the Iraqis are able to defend their democracy.

In the last couple of weeks, I've been talking about the strategy to achieve victory. It's one thing to say we want victory; the other thing is, can you get there? And the answer is, absolutely, we can get there. And the strategy is threefold. One, there's a political strategy. First, let me make sure you understand the enemy. The enemy is, in our judgment, my judgment, three types of people. One, we call them rejectionists—these are Sunnis who had privileged status under Saddam Hussein, even though they were in the minority in the country. They had a pretty good deal because the tyrant was a Sunni and made sure that the Sunnis got special treatment, as opposed to the Shi'a or the Kurds. And they liked that kind of special treatment. They liked privileged status.

The second group is the Saddam loyalists. These are the thugs and people that basically robbed the country blind, and not only had privileged status but they were the all-powerful. And needless to say, they don't like it with their man sitting in prison and them no longer being able to exploit the people of Iraq. They're irritated.

Finally, the third group, and this is a dangerous group—it's Al Qaida and its affiliates. A guy named Zarqawi is the chief operating officer in Iraq on behalf of Al Qaida. Al Qaida has made it very clear their intentions in Iraq, which is to drive the United States out so they will have a base from which to operate to spread their ideology. That's what they have said. This is what Mr. Zawahiri said. It's important for those of us involved in trying to protect you to take the enemy seriously, to listen to their words closely. In other words, Al Qaida has made Iraq a front in the war on terror, and that's why we've developed a strategy for victory.

The first part of it is to have a political process that marginalizes the rejectionists and isolates the dissenters. And it's happening. Under any objective measurement, what took place last year in Iraq was remarkable, when you think about it. This country is a country that lived under the brutal dictatorship of Saddam Hussein, and last year they had elections for a Transitional Government. They wrote a Constitution and got the Constitution approved, and then had elections for a permanent Government under the new Constitution—all in one year. And every election had more participants. And most importantly, in the last election, the rejectionists who had sat out the first couple of elections—many Sunnis had sat out; they said, "We're not going to be involved in the political process"—got involved. Slowly but

surely, those who were trying to stop the advance of democracy are becoming marginalized.

Secondly, this is a country, obviously, that has got brutal action—this enemy we face has got no conscience. They will kill innocent people in a heartbeat in order to achieve their objectives. And it's hard for Americans to deal with that. I understand that. It's hard for me to believe that there is such brutality in the world where people going to a funeral to mourn the dead, and a suicider shows up and kills people. It's hard for me to believe that we've got soldiers passing out candy to young kids, and a killer comes and kills the kids and the soldiers. It is beyond the imagination of most Americans, but it should say something about this enemy. They will go to no ends to defeat us, but they can't beat us on the battlefield. The only thing they can do is create these brutal scenes.

And they're trying to drive us out of Iraq, as I mentioned. And the best way to deal with them is train Iraqis so they can deal with them. And that's what's happening. There are two aspects of our training. And, listen, the training hasn't gone smoothly all the time. I mean, this is a war. And you're constantly adjusting your strategies and tactics—not strategies—tactics on the ground to meet an enemy which is changing.

And so the army is getting on its feet. We've turned over a lot of territory to the army. And they're good fighters; they really are. I spent a great deal of time with General Abizaid and General Casey—they were in Washington this past week—these are generals, you'd be happy to hear, who tell me the way it is, not the way they think I would like it to be. I can't tell you how good the caliber of our military brass and those in the field, by the way, all the way up and down the line, are good—they are good people. [*Inaudible*]—better trained, not just numbers. I'm talking about capacity to take the fight and stay in the fight. And as I've said, as the Iraqis stand up, we'll stand down. So the strategy, the security strategy is to let the Iraqis do the fighting. It's their country. The people have shown they want democracy—millions voted. And now part of the mission is to give this Government a security force which will help fight off the few who are trying to stop the hopes of the many.

One of the places where we've lagged is training police. There are three types of police. There's a national police force, kind of like a SWAT team, a national SWAT team, that can move—they're pretty well trained. They need some human rights training. In other words, part of the problem in Iraq is you've got people that are plenty irritated at what took place in the past, and they're going to use their positions of power to take revenge. You can't have a democracy in which the police don't enforce the rule of law but enforce their view of revenge. And so you got ethics training, rule of law training, all done by good troops who are embedded, who are side by side with this Iraqi police force. And it's getting better; it really is.

Secondly, you've got the Border Patrol. The reason why the border is necessary is because there's suiciders coming in from Syria into Iraq. And the Iraqis have got to be able to enforce their border in order to be able to protect their democracy.

And thirdly, you've got local police, and we're lagging in the local police. And the local police—it's just that, local. And so what we're going to do is use what worked in the Balkans and embed people in the local police units to teach them how to—effective enforcements of the law. And so, 2006 you're going to see a lot of police training and a lot of police focus.

Finally, there's the economic and reconstruction front. We started up grand projects in Iraq when we first got there, said we're going to build some grand projects. It turns out, a more effective use of reconstruction money was localized projects to empower those who were willing to take a risk for democracy with the capacity to say, "Follow me, your life is going to be better." By the way, democracy works in Iraq just like it does here—you're going to vote for somebody who thinks that they can bring character to the office and they're going to help your life. Same anywhere else. You're out there campaigning; they want to know what are you going to do for me. And so part of the reconstruction effort was to focus on local reconstruction projects.

The Iraqi economy has got a great chance to succeed. They got oil and gas revenues. They had been having trouble getting some oil and gas revenues up to the levels we anticipated because of the infrastructure damage—done by Saddam Hussein, by the way—and because the terrorists, every time there's some progress, tend to blow things up. Now, having said that, they got these surveys—and I must confess I'm not much of a survey guy, but they got them—and most Iraqis are optimistic about the future. And as I said yesterday, they're willing to live with intermittent darkness, as opposed to the darkness—and freedom—as opposed to the darkness of tyranny. That's what you're seeing.

But this economy is going. Small businesses are flourishing. They got a—they had to deal with gasoline subsidies. Saddam Hussein, in order to make sure people kept him around and thought he was all right—they didn't have much choice, by the way, because he had a force behind him—but nevertheless, he subsidized gasoline, which meant a lot of the central budget was going for subsidization of fuel, as opposed to education and health. And so the new Government made a difficult decision, they started floating that price of gasoline up a little higher, to take the pressure off their budget and to introduce markets, market-based forces into the economy.

It's not going to happen overnight. You can't go from a tightly controlled economy to an open market overnight, but it's happening. In other words, the Government is making difficult choices to help the entrepreneurial spirit begin to flourish.

And so things are good. I'm confident we'll succeed. And it's tough, though. The enemy has got one weapon—I repeat to you—and that's to shake our will. I just want to tell you, whether you agree with me or not, they're not going to shake my will. We're doing the right thing.

A couple of quick points, then I'll answer your questions. You hear a lot of talk about troop levels. I'd just like to give you my thinking on troop levels. I know a lot of people want our troops to come home—I do too. But I don't want us to come home without achieving the victory. I mentioned to you—[*applause*]—we owe that to the mothers and fathers and husbands and wives who have lost a loved one. That's what I feel. I feel strongly that we cannot let the sacrifice—we can't let their sacrifice go in vain.

Secondly, I—these troop levels will be decided by our commanders. If you run a business, you know what I'm talking about when I say—it's called delegating. You count on people to give you good advice. The best people to give any politician advice about whether or not we're achieving a military objective is the people you put out there on the ground. I told you I've got good confidence in these generals and the people who report to them. These are honest, honorable, decent, very capable, smart people, and they'll decide the troop levels. They hear from me: Victory. And I say to them, "What do you need to achieve victory?"

I don't know if you've noticed recently, but we're beginning to reduce presence in Iraq based upon the recommendation of our commanders. We've gone from 17 to 15 battalions. We kept up to about 60,000—160,000 troops in Iraq for the elections. We held over about 25,000 or so on a—that were to rotate out—to help in the elections. Those 25,000 are coming back, plus the reduced battalions. And people say, "Well, how about more for the rest of the year?" And the answer to that is, I'm going to do what they tell me to do. And that depends upon the capacity of the Iraqis to help us achieve victory.

And why is victory important? Let me just conclude by this point. You know, it's hard for some to—in our country to connect the rise of democracy with peace. This is an ideological struggle, as far as I'm concerned, and you defeat an ideology of darkness with an ideology of light and hope. History has proven that democracies yield the peace. If you really look at some of the past struggles where—in which the United States has been involved, the ultimate outcome, the final product, was peace based upon freedom. Europe is whole, free, and at peace because of democracy.

One of the examples I like to share with people in order to make the connection between that which we're doing in Iraq today, and laying—what I call, laying the foundation of peace, is my relationship with Prime Minister Koizumi of Japan. And the reason I like

to bring up this story is I find it amazing that my dad—old Number 41—at the age of 18, fought the Japanese. They were the sworn enemy of the United States. Many in this audience, I know, had relatives in that war. They were the bitter enemy. They had attacked us, just like we were attacked on September the 11th. People in America said, "We'll do everything we can to defeat this enemy," and thousands of people lost their lives.

Laura and I were over in the Far East recently. I was sitting down at the table with the Prime Minister of our former enemy talking about how to keep the peace. We were talking about the spread of democracy in Iraq and in the Middle East as a way to counter an ideology that is backwards and hateful. We were talking about North Korea, how to keep the peace on the Korean Peninsula.

Isn't it amazing—at least it is to me—that some 60 years after an 18-year-old fighter pilot joined the Navy to fight the Japanese, his son is talking with the Prime Minister of the former enemy about keeping the peace. Something happened. And what happened was, Japan adopted a Japanese-style democracy. Democracies yield the peace. And I firmly believe, I firmly believe that years from now people are going to look back and say, "Thank goodness the new generation of Americans who rose to the challenge of a war against terror had faith in the capacity of freedom to help change the world." And someday, an American President is going to be talking to a duly elected leader from Iraq, talking about how to keep the peace for a generation to come.

I want to thank you all. That is the definition of a short speech. [*Laughter*] Probably hate to hear a long one. [*Laughter*] All right, I'll answer some questions. Start us off.

Progress in the War on Terror/ Democracy

Mr. Joe Reagan. Mr. President, thank you very much. As I told you, we'd like to have some tough and challenging questions——

The President. ——Washington, DC, press conference?

Mr. Reagan. I thought you'd be at home here with that. We do want to keep these questions respectful, and we really do thank you for making the time to share this dialog with us—we really do.

You've talked a lot about history. In your State of the Union after September 11th, you defined this war as a war on terror. In history, our parents' generations had V–E Day and V–J Day. And in our time, we've seen the fall of the Berlin Wall and the end of the cold war. If you define this as a war on terror, will there ever be a V–T Day? And, if not, what do you need to do to prepare us to be able to go the duration?

The President. I also said that this is a different kind of war, the kind of war we've never faced before. We're not facing a nation-state per se; we're facing a shadowy network of people bound together by a common ideology that—by the way, the enemy knows no rules of war. They just—they kill innocent people.

And so, you're right, I did say it's a war. It's the first war of the 21st century, but I've been emphasizing it's a different kind of war. So I don't envision a signing ceremony on the U.S.S. *Missouri*. As a matter of fact, this is a war in which the enemy is going to have to be defeated by a competing system in the long run.

The short-term objective is to use our intelligence and our allies to hunt these people down. And we're getting—we're doing it. And we're on the—we got brave, brave souls, who, every single day, are trying to find the Al Qaida leadership and the network. We're doing—we've done a good job so far. If Usama bin Laden were the top guy, and Mr. Zawahiri—he was the person that put out the strategy, by the way, for Al Qaida, for everybody to see. I don't think he put it out for everybody to see. It just happened to be exposed for everybody to see eventually. But Abu Zubaydah, Khalid Sheikh Muhammad—there's a series of chief operators who are no longer a threat to the United States. I mean, we are dismantling the operators. And when we find them, we bring them to justice as quickly as we can.

That's the short-term strategy. There's also the strategy of making it clear, if you harbor a terrorist—the short-term strategy of dealing with threats before they come to hurt us—I say, before they fully materialize. One of the lessons of September the 11th is, when

you see a threat out there, you can't assume that it's not going to come to our shore anymore. And so we've got to deal with it.

Obviously, the best way to deal with these kinds of threats is diplomatically. We're doing so in Iran. If somebody has got a question on Iran, I'll be glad to answer it in a minute. But that's what we're trying to get done. The military option is always the last option. The long-term victory will come by defeating the hopelessness and despair that these killers exploit with a system that is open and hopeful, and the only such system is a free system.

And I have got faith in the capacity of people to self-govern. Now, there is a point of view in this world by some that say, "Well, maybe certain kind of people can't self-govern"—which, by the way, was the attitude of some right after World War II—"The enemy can't possibly self-govern." The attitude was somewhat blinded by the fact that we were so angry at the Japanese that no one could see a hopeful tomorrow for them.

I believe everybody desires to be free. That's what I believe, and I believe everybody has the capacity to self-govern. I'm not—never have I said nor do I believe that we are trying to impose our style of democracy on another country. It won't work. Each country has got its own cultures and own history and own tradition, and they ought to have their own style of democracy. But I do know that tyrants breed resentment and hatred. And I do know that if a person is—if they want to be free and not allowed to express their belief, it causes resentment, the breeding grounds for a terrorist movement which exploits the unsettled attitudes of the people.

So, in other words, it's not going to be that kind of—it's not the kind of war that you talked about earlier, and so the peace won't be the kind of peace that we're used to.

Thank you. Good question. Okay.

NSA Wiretaps/PATRIOT Act

Q. I'd like to ask, recently in the media, you've been catching a lot of flak about that National Security Agency thing.

The President. Yes.

Q. There's people in our States and there's people that are in DC that will take and jeopardize what I feel is our national security and our troops' safety today for partisan advantage, for political advantage. They're starting an investigation in the Justice Department about the—looking into this, where these leaks came from. Is the Justice Department going to follow through and, if necessary, go after the media to take and get the answers and to shut these leaks up?

The President. First, let me talk about the issue you brought up, and it's a very serious issue. I did say to the National—it's called the NSA, National Security Agency, that they should protect America by taking the phone numbers of known Al Qaida and/or affiliates and find out why they're making phone calls into the United States, and vice versa. And I did so because the enemy still wants to hurt us. And it seems like to me that if somebody is talking to Al Qaida, we want to know why.

Now, I—look, I understand people's concerns about Government eavesdropping, and I share those concerns as well. So obviously I had to make the difficult decision between balancing civil liberties and, on a limited basis—and I mean limited basis—try to find out the intention of the enemy. In order to safeguard the civil liberties of the people, we have this program fully scrutinized on a regular basis. It's been authorized, reauthorized many times. We got lawyers looking at it from different branches of Government.

We have briefed the leadership of the United States Congress, both Republican and Democrat, as well as the leaders of the intelligence committees, both Republicans and Democrats, about the nature of this program. We gave them a chance to express their disapproval or approval of a limited program taking known Al Qaida numbers—numbers from known Al Qaida people—and just trying to find out why the phone calls are being made.

I can understand concerns about this program. Before I went forward, I wanted to make sure I had all the legal authority necessary to make this decision as your President. We are a rule—a country of law. We have a Constitution, which guides the sharing of power. And I take that—I put that hand on the Bible, and I meant it when I said I'm going to uphold the Constitution. I also mean

it when I'm going to protect the American people.

I have the right as the Commander in Chief in a time of war to take action necessary to protect the American people. And secondly, the Congress, in the authorization, basically said the President ought to—in authorization of the use of troops—ought to protect us. Well, one way to protect us is to understand the nature of the enemy. Part of being able to deal with this kind of enemy in a different kind of war is to understand why they're making decisions they're making inside our country.

So I want to thank you for bringing that up. There will be a lot of hearings and talk about that, but that's good for democracy—just so long as the hearings, as they explore whether or not I have the prerogative to make the decision I made doesn't tell the enemy what we're doing. See, that's the danger.

The PATRIOT Act is up for renewal. That's another piece of legislation which is important to protect. Do you realize that the PATRIOT Act has given our FBI and intelligence services the same tools of sharing information that we have given to people that are fighting drug lords? In other words, much of the authorities that we ask for in the PATRIOT Act to be able to fight and win the war on terror has already been in practice when it comes to dealing with drug lords. And I can't tell you how important it is to reauthorize the legislation.

There's a lot of investigation, you're right, in Washington—which is okay. That's part of holding people to account in a democracy. But at one point in time the Government got accused of not connecting the dots. You might remember that debate—we didn't connect the dots. And all of a sudden, we start connecting the dots through the PATRIOT Act and the NSA decision, and we're being criticized. Now, you know, I got the message early: Why don't you connect dots? And we're going to. And we're going to safeguard the civil liberties of the people. That's what you've got to know.

That was a great question, thank you for asking it. I'm going to avoid the part on the press. [*Laughter*]

Threat of Terrorism/Separation of Church and State

Q. Mr. President, we hear a common expert opinion all the time that the terrorists are going to attack us—it's not a question of whether; it's a question of when. And, yes, that might happen. But the facts are that since 9/11, we haven't had any, so thank you.

And now to my question. You have said many a time to all those who will listen that the two major pillars of democracy are free and fair elections and the separation of church and state. However, historically and to date, a vast majority of the Islamists across nations do not believe in that simple fact of separation between church and state. Therefore, how can we help change their belief, that for democracy to succeed, certain elements must be in place? Thank you.

The President. It's a great question. First, let me say that the enemy hasn't attacked us, but they attacked others. Since September the 11th, there have been multiple attacks around the world. These guys are active. You might remember Beslan, an attack on Russian schoolchildren, just killed them coldblooded. I remember going to the G–8, and there were the attacks in London. You know, there's—are they Al Qaida, not Al Qaida? These are people that are inspired, at the very minimum, by Al Qaida. The enemy is active. They are. And we're just going to do everything we can to protect you.

Look, there have been—when you think about the Far East, democracy didn't exist for a long period of time. And so principles, such as separation of church and state, were foreign to a lot of people where democracy doesn't exist, until democracy begins to exist, and then it becomes a logical extension of democracy.

I made a foreign policy decision in the Middle East that said, "We can't tolerate the status quo any longer for the sake of inexpensive energy." In other words, there was a period of time when people said, "Let's just kind of deal with the situation as it is," sometimes tolerating strong men for a economic objective. I changed our foreign policy that said, that attitude of kind of accepting the things the way they are is going to lead to the conditions that will allow the enemy to

continue to breed hatred and find suiciders and soldiers in their attempt to do harm.

What I'm telling you is, is that the part of the world where we've started this democracy initiative hasn't known democracy, except for in Israel and Lebanon. So to answer your question, it's going to be the spread of democracy, itself, that shows folks the importance of separation of church and state. And that is why the Constitution written in Iraq is an important Constitution, because it separates church and state for the first time in a modern-day constitution in Iraq.

The Iraqi example is going to spread. I believe that—one of the big issues in the Middle East is women's rights, the freedom of women, that they're not treated fairly. And yet, when you're guaranteed rights under a Constitution and people are able to see that life is improving, it will cause others to say, "I want the same kind of right."

Part of our strategy in order to keep the peace is to encourage the spread of democracy, and the enemy understands that. The enemy knows that a democracy, as it spreads, will help deal with issues such as the separation of—it will encourage the separation of church and state, will encourage women to rise up and say, "We want to be treated equally," will mean that mothers will be able to have confidence that their young daughter will have an opportunity to achieve the same as a young son. And those thoughts frighten the enemy. It's hard to believe, but it does.

So to answer your question, concepts that we take for granted in democracy are foreign because the system of government has yet to take hold. But when it takes hold, it will become—people will begin to understand the wisdom of that part of the democratic process.

Let's see, let me—kind of searching around. Yes, sir?

Immigration/Mexico-U.S. Border

The President. *Hola—en Mexico?*

Q. Monterrey. We went for Christmas, to spend Christmas with my family in Mexico. And, you know, my family, friends, media, President Fox, they're talking about the wall that the United States wants to build across the border with Mexico. My question for you is, what is your opinion or your position about that wall? And, you know, when people ask me how can I justify the answer to build a wall, other than saying, "We don't want you here," you know?

The President. Yes, great question.

Q. Thank you.

The President. His question is on immigration. Let me talk about immigration. We have an obligation to enforce our borders. There are people—[*applause*]—hold on—let me just—save it for a full answer. [*Laughter*] And we do for a lot of reasons. The main reason is security reasons, seems like to me. And security means more than just a terrorist slipping in. It means drugs. The mayor was telling me that there's a lot of crime around the country—he's been studying this—because of drug use. And who knows if they're being smuggled in from Mexico, but drugs do get smuggled in. So it's a security issue. It's more than just the war on terror security issue. It's the issue of being able to try to secure the lifestyle of our country from the use of drugs, drug importation, for example. A lot of things get smuggled across. Generally, when you're smuggling something, it's against the law. So we have an obligation of enforcing the border. That's what the American people expect.

Now, you mentioned wall. The intent is to use fencing in some areas, particularly in urban centers, where people have found it easy to cross illegally into the country. It is impractical to build a wall all the way up and down the border. Look, I was the old Governor of Texas—you can't build a wall up and down the entire length of the border of the United States. But you can find those border crossing points in high urban areas and use some construction. You can be able to put berms up in order to prevent people from smuggling people across the border. There are ways to use electronics to be able to help our Border Patrol agents detect people who are illegally coming into the country. And we're getting—we're kind of modernizing the border, I guess is the best way to put it.

I mean, there is an electronic wall, to a certain extent, on parts of our border where there may be an unmanned drone flying along that radios to a Border Patrol center that says, "Hey, we've got people sneaking

across illegally; find them." The second aspect—and so we are going to enforce the border as best as we possibly can. It's our duty.

Secondly, one of the problems we've faced is that people get stopped, and they get let back out in society and say, "Come on back for your hearing." But guess what? They don't come back for the hearing. That's the catch-and-release. And we're trying to change that, particularly for those from Central America who've come up from Central America through Mexico and the United States.

The reason most people come is to work. I always have said that family values do not stop at the Rio Grande River. There are some jobs Americans will not do that are being filled by people who want to feed their families. And that's what's happening. And my attitude about that is, is that when you find a willing worker and a company who can't find an American to do the job, there ought to be a legal way, on a temporary basis, to fill that job.

And so let me finish real quick. It is compassionate—by the way, it is important to enforce the border. President Fox understands he's got to enforce his border in the south of Mexico, by the way, from people coming up from the south. It is compassionate to recognize why most people are here, and they're here to work.

It also makes sense to take pressure off the border by giving people a legal means, on a temporary basis, to come here, so they don't have to sneak across. Now, some of you all may be old enough to remember the days of Prohibition. I'm not. [*Laughter*] But remember, we illegalized whisky, and guess what? People found all kinds of ways to make it and to run it. NASCAR got started—positive thing that came out of all that. [*Laughter*]

What you're having here is, you've created a—you've made it illegal for people to come here to work, that other Americans won't do, and guess what has happened? A horrible industry has grown up. You've got folks right here in Kentucky who are hiring people to do jobs Americans won't do, and you say, "Show me your papers," and they've been forged, and the employer doesn't know about it.

Part of making sure that immigration policy works is, you hold employers to account. But how can you hold them to account when they're being presented with forged documents? A whole forgery industry has grown up around this. We've got good, honorable people coming to work to put food on their tables, being stuffed in the back of 18-wheelers. We've got people being smuggled by what they call *coyotes* into the deserts and asked to walk across. And they're dying because they're trying to get to work, and they're being mistreated. In other words, this underground industry is creating a human condition that any American wouldn't accept. I mean, it's just not right.

And so I think, yes, absolutely enforce the border but, at the same time, have a recognition that people are going to come here to work if an American won't do the job, so let's make it legal on a temporary basis. And I mean a temporary-workers' card that's tamper proof, that gives the employer satisfaction they're not breaking the law, that says, "You can come here for a period of time, and you go home."

Now, the big issue on this—besides enforcing the border—is amnesty. I am against amnesty. And the reason I am against amnesty—amnesty means automatic citizenship—I'm against automatic citizenship, in all due respect to others in our country that believe it's a good thing. And I'm against it because all that, in my judgment, would do would cause another 8 to 11 million people to come here to try to be able to get the same—hopefully put the pressure on the system to create automatic citizenship. So I think the best solution is the one I just described. And it's an issue that's going to be important for the American people to conduct in a way that honors our values.

We value—every life is important. We hold everybody up to respect. We should, you know? But we're going to enforce our laws at the same time. And I think you can do both in a compassionate way. I appreciate you asking that question. Thank you.

Yes, ma'am.

Education/No Child Left Behind Act

Q. President Bush, I've been an educator in five States for 36 years.

The President. Thank you.

Q. Thank you. Right up there with national security, I think, is the issue of education of every single person in the United States. It's of crucial importance to our future. And given the challenges in the world, the fact that we have to keep this Nation secure in the future and that we have to deal with all sorts of threats—many of which we don't know—what do you think we need to do better in education to provide a well-educated citizenry that will meet those challenges and keep us secure?

The President. No, I appreciate it. Listen, part of security is economic security. And one way to make sure we're economically secure in a competitive world is to make sure every child gets a good education. It's a huge issue for America to make sure the public school system functions.

First, let me just say, the public school system is important for our country, and we want it to work. The public school system in the past has provided an avenue for success, and we've got to make sure we continue to do so.

Let me start with grades K through 12. We passed what's called the No Child Left Behind Act. It is a really good piece of legislation—at least, in my humble opinion. And the reason why is, it says every child can learn, and we expect every child to learn. In other words, in return for Federal money—and we've increased spending for Title I kids up somewhere about 40-something percent, and elementary and secondary school programs gone up 41 percent—listen, I'm a local control guy. But I also am a results person, and I said we're spending a lot of money, particularly on poor kids. And I think it makes sense for the taxpayers to know whether or not those kids can read and write and add and subtract.

And so we said, "In return for receiving this money, you've got to test"—not the Federal Government is going to test—"You test. You design the test," Governors can figure out the right way to test, to determine whether or not children can read and write and add and subtract.

You can't solve a problem until you diagnose it. And I was worried—when I was the Governor of my own State, I was worried about a system that did not test. And so we were just kind of hoping things went well, and we're just going to shuffle through. And guess who gets shuffled through? Poor black kids get shuffled through. Young Latinos get shuffled through. You know, let's just kind of socially promote them. And so step one of making sure that the education system works is to measure to determine whether it is working.

Step two is to correct problems early, before it's late. And so part of the No Child Left Behind bill is supplemental services money, per child, to help a child get up to speed at grade level by the appropriate time.

Step three is to be able to use the accountability system to determine whether the curriculum you're using is working. I don't know if you've had these debates here in Kentucky, but I can remember them a while ago—we were debating what kind of reading instruction works, and it was a hot debate. Everybody had their opinion. The best way to determine what kind of reading program works is to measure to determine what kind of reading program works.

Four, you've got to have your parents involved in your schools. The best way—one good way to get your parents involved is to put the scores out there for everybody to see. It's amazing how many people go to schools and say, "Gosh, my kid is going to a fabulous school," until they see the score for the school next door may be better.

Step five is—on the accountability system is what we call disaggregate results. Do you realize in the old accountability systems, they didn't bother to look at the African American kids stand-alone? They just kind of looked at everybody and assumed everybody was doing good. That is not good enough for the future of this country. If we expect every child to learn, we got to measure every child and analyze whether or not those children are learning.

Step six is to make sure local folks run the schools. I can remember talking about No Child Left Behind. I saw a lot of my friends in Texas glaze over: "He's going to Washington, and he's going to change. He's going

to start telling us how to run the schools." Quite the contrary. The No Child Left Behind Act actually devolves power to the local level. All we say is, "You measure. You show us. And if there's something wrong, you figure out how to correct it." You don't want Washington, DC, telling people how to run their schools. And it's working. No Child Left Behind is working.

And how do we know? Because we're measuring. There's an achievement gap in America that's not right. And that's wrong. Not enough African American 4th grade kids could read at grade level. But it's increasing dramatically. Something is happening out there, thanks to good principals and good teachers and concerned parents and a system—and a system—that focuses on results. We've got to extend this to high schools.

Now, we've got a problem when it comes to math and science. Our kids test fine. Math and science 8th grade test lousy—math and science in high school—and that's a problem. In my State of the Union, I'm going to address this. I'm going to hold a little back here. But in order for us to be competitive, we better make darn sure our future has got the skills to fill the jobs of the 21st century.

It was one thing in the past to go to a public school, become literate, and then go out there and make a living with your back. That's not what's going to happen in the next 30 or 40 years. We've got to have children that are Internet savvy. We've got to have kids that are the best in science and engineering and math; otherwise, jobs are going to go to where the workforce is that got those skills. And that's the real challenge facing us.

Fantastic question. Thanks. I'm pandering, I know, but it is really one of the most important challenges we face.

And I'm looking forward to working with Congress to, one, build on No Child Left Behind. I will refuse to allow any weakening of accountability. I remember people saying to me, "It's racist to measure." I'm telling you, it's racist not to measure. That's what I think. They say, "You're teaching the test"—I'm telling you if a child can read, it can pass a reading comprehensive test. And so accountability coupled with a smart use of resources to focus on math and science, I think, is the proper strategy to help deal with an issue that is an important issue for the future of this country.

Yes, ma'am.

National Economy/Social Security Reform

Q. Hello, Mr. President. You just made a very poignant—about math and science. I am a—number one, I'd like to thank you for taking time to be here. I think all of us would reiterate that. I am a businessowner, and I am living the American Dream. And I would like to personally thank you for having a will that will not be broken, and the men and women of the Armed Forces that protect the freedoms that we have had and that we oftentimes take for granted and give us this way of life.

So as a businessowner, though, my greatest challenge is, I worked 20 years in the civil engineering arena before starting my companies. And the thing that is really frightening to me is our—we have a true weakness, a wave that's coming in both the engineering arena, the sciences, as well as construction—construction inspectors. There's going to be a huge—these baby boomers that are starting to retire, that knowledge base that's getting ready to go away, and there is no one to replace it that's compelling enough. What could you suggest that corporate America can do to help in this deficit?

The President. No, I appreciate it. First, thanks for owning your own business. I love being the President of a country where people can—I'm not saying you started with nothing, but, you know, have a dream and end up with owning your own business. As a matter of fact, the small-business sector of America is really the job creators of America. Things are going good when it comes to job creation, 4.5 million new jobs since April of 2003. A lot of it has to do with the fact that the entrepreneurial spirit is strong and vibrant and alive.

Corporate America—big corporate America does a good job of training people. It's in their interest. It would be helpful if they didn't have to spend so much time on training people by having a literate workforce to begin with—literate in math, literate in science, literate in all different aspects of

what is going to be necessary to fill the skill base of the 21st century.

One of my initiatives, and one that I hope you're taking advantage of here in Kentucky, is the use of the community college system. The community college system is really an interesting part of our education network and fabric because the community colleges are available—in other words, they're plentiful. They are affordable, relative to the different kinds of higher-education institutions. And interestingly enough, I'd like to describe them as they're market-driven, if run properly. In other words, their curriculum can adjust.

And what you want is a community college system that works with the local industry and says—just take the health care industry. You know, we need a certain type of nurse practitioner, for example. Or we need x-ray technologists, or whatever. And that you have a community college system that will help design the system that will enable a person to go from one industry to the next, where there's a bright future. So a lot of job training to make sure that people have the skills that you're talking about, they are transferable and trainable skills. But there needs to be the place where they can find those skills, particularly those who have already gotten out of college.

Do you realize that between age 18 and 38, it's estimated that a person will change jobs 10 times, coming down the future, which means that there's a lot of activity in our economy, a lot of vibrancy. But the danger is, is that people aren't going to have the skills that fill the jobs that keep us competitive. And the community college system is a wonderful opportunity. The Federal Government can provide job training grants, which we do, 125 million last budget cycle—I'm asking for the same this budget cycle, if you don't mind, Members of Congress. [*Laughter*]

Let me talk about small businesses real quick. In order for America to be competitive, not only do we need a skilled workforce, we've got to have certainty in our Tax Code. In order to get this economy going out of a recession and a stock market collapse and scandals, I had called upon Congress, and they delivered meaningful tax relief. The worst thing that could happen when you're trying to plan your small business, or any business, is to wonder what the taxes are going to be like. You know, when old George W. leaves, are the taxes going to go—I mean, how do we plan for the future? I strongly urge the United States Congress, this year, to make all the tax relief we passed permanent.

People will say, "Well, how are you going to balance the budget?" Well, let me warn you that raising taxes doesn't necessarily equate to balancing budgets. As a matter of fact, in my judgment, if we raise the taxes, all that will mean is Congress will increase spending. The way to balance the budget is to set priorities and to hold people to account in Washington, which is what we're doing.

Now, the biggest increases in the budget, however, are not the discretionary accounts—they're what's called mandatory accounts. And that's the increase of Medicare and Social Security. And this is a big issue that I know you didn't ask me about, but I'm going to tell you anyway, my opinion. Because you mentioned baby boomer, and that happens to be me. And a lot of people like me, my age, are fixing to retire. I'm going to be 62 in 2008, which is a convenient year to turn 62. [*Laughter*] And a lot of them—and there are fewer people paying into the system. And the benefits I've been promised are going up faster than the rate of inflation. And we can't afford it, and we need to do something about it now.

One of the real drains and real threats to our economy is the inability of Congress to be able to confront the Medicare and Social Security issue, the unwillingness to take on the tough political job. I worked hard last year. I laid out a lot of solutions that I think will work. It didn't work. We've still got a problem. I'm going to keep talking about it. My job is to confront problems, as your President, and not just hope they go away. This one is not going away. And so we need to deal with the fact that a bunch of baby boomers are retiring with fewer workers paying into the system in order to make sure we're competitive, in order to make sure that we can balance the budgets.

Now, Congress took a good step in cutting mandatory spending by $40 billion over the next years. And that's important. By the way,

that was just reforming the systems. It wasn't cutting meat out of the systems; it was reforming the systems so they work better. And then when you get back, you need to pass that—I know you will—in order to show the country that you've got the will necessary to take on the tough issues. And so, you didn't ask, and I told you. Anyway. [*Laughter*] Hope I can do something about it. I'm going to keep talking about it until we can get something done. It's really important. One of these days, more and more Americans are going to realize that the Congress has got to make something happen, otherwise we're going to pass on a disaster for our kids. And that's just the truth. And, you know, the truth wins out when it's all said and done. So don't be surprised if I keep talking about it.

Yes, sir, and then I'll get the little guy up there.

Health Care Reform

Q. Mr. President, we'd like to talk about health care a little bit.

The President. Okay.

Q. As a small-business owner, like a lot of people in this room, we look at the dramatic cost increase that has been passed along, and that we all really struggle with: How do we provide our employees with health insurance that's comprehensive? And we all view you as a very pragmatic problem solver, and we'd like you to take this one on, sir.

The President. Okay, I am. Thank you. Here's my view of the role of the Federal Government. The Federal Government needs to help the poor, and we do that through a program called Medicaid. I was just talking to the Governor today about how best to get the Medicaid program in Kentucky able to meet the needs, both budget needs, but more importantly, the social needs.

The Federal Government made a commitment when Lyndon Baines Johnson was the President that we would take care of the elderly when it came to health care, and that's why it was important to reform Medicare, to make sure the Medicare system was a modern system.

There's two different issues in Medicare. One is the long-term structural problem of paying for Medicare as more baby boomers retire and fewer people paying in the system. But the short-term issue was to have a Medicare system that frankly was not modern enough. If you're going to make a commitment to your seniors, you've got to make sure the seniors have got modern medicine. And part of modern medicine was prescription drugs.

And so the new Medicare law that came into being in January of this year, for the first time incorporates prescription drug coverage available in Medicare, as a modernization of the system. The rest of the people ought to be encouraged to have affordable health care that really does put the consumer and the provider in touch with each other, I guess is the best way to put it. We need a more consumer-driven pricing mechanism in health care in order to be able to properly deal with the inflation you're talking about. One aspect of it is, people make purchases in the health care without really realizing there may be other options available to them.

We need to make sure we expand information technology. I am told—a lot of health care guys here can tell you—that the modernization of health care, when it comes to information technology, should save up to 20 to 25 percent of cost, as well as reducing a lot of medical errors. By that I mean, everybody ought to have an electronic medical record that you're able to transfer from provider to provider. You know, the day of a person carrying these thick files of medical paper, and most of the time it's hard to read because doctors can't write hardly at all, and—but it needs to be modernized. There's a lot of inefficiency, what I'm telling you, in the health care field, particularly when it comes to information sharing.

Thirdly, it seems like to me, and this is a—health care is a particular problem for small businesses, and I fully understand that. It's becoming an unmanageable cost, putting our CEOs of small businesses in the unfortunate position of saying, "I can't pay for you anymore."

Three ideas. First, health savings accounts, which is a new product passed as part of the new Medicare bill, which is an evolving product that enables a business and/or worker to be able to buy a catastrophic plan and put

the incidental costs of medicine into the plan on a tax-free basis. That's a lot of words. Look into it, is what I'm telling you. And I think Congress needs to expand HSAs and their use and their tax advantages, relative to corporate taxation when it comes to health care. Look at them. I'm not kidding you. Take a look at health savings accounts. Any small-business owner in Kentucky ought to be looking—and Indiana ought to be looking.

Secondly, we must allow small businesses to pool risk across jurisdictional boundaries. These are called association health plans. In other words, a restauranteur in Kentucky ought to be allowed to put his or her employees in the same risk pool as a restauranteur in Texas in order to be able to get the economies of sharing risk, just like big companies are able to do. These are called association health plans.

Thirdly, one of the reasons why the cost of medicine is going up and the availability of medicine is declining, particularly in specialty fields like ob-gyn, is because of lawsuits. Make no mistake about it, medical liability lawsuits is driving up the cost of your insurance. Now, when I went to Washington, I said, "This is a local issue. This is something the Governors ought to figure out how to solve," until I began to analyze the cost of lawsuits on the Federal budget. And those costs go up as a result of increased premiums and what's called the defensive practice of medicine. If you're living in a society that's got a lot of lawsuits and you're worried about getting sued, you're going to practice extra medicine to make sure that if you do get sued, that you can say in the court of law, "I did not only everything expected, I did double what was expected, Your Honor. I'm innocent."

So the defensive practice of medicine runs up the cost that you pay at the Federal level. And so I decided to do something about it and proposed a piece of legislation—it got out of the House, and I want to thank you all for passing it—that says, "If you're injured, you're going to be taken care of," but we're not going to let these frivolous lawsuits run up the cost of medicine. There ought to be reasonable limits. There ought to be reasonableness in the legal system so that the small-business owner can get affordable health care.

And so there are three ideas that should address—I think it will address—your concerns. There is a philosophical struggle in Washington on this issue. There are some really decent people who believe that the Federal Government ought to be the decider of health care—not just for the elderly, not just for the poor, but for all people. I strongly disagree. I believe the best health care system is one in which there is a direct connect between provider and customer, where there is transparency in the pricing system, where there is an information system that is modern and flows, and in which people are held to account for medical errors but not to the point where the cost of medicine has gotten out of control. Good question.

Little guy, how old are you?

Public Support for the War on Terror/ Responsible Debate

Q. Seven.

The President. See. That's good. [*Laughter*]

Q. How can people help on the war on terror?

The President. Well, that's the hardest question I've had all day. [*Laughter*]

First of all, I expect there to be an honest debate about Iraq, and welcome it. People can help, however, by making sure the tone of this debate is respectful and is mindful about what messages out of the country can do to the morale of our troops.

I fully expect in a democracy—I expect and, frankly, welcome the voices of people saying, you know, "Mr. President, you shouldn't have made that decision," or, you know, "You should have done it a better way." I understand that. What I don't like is when somebody said, "He lied," or, "They're in there for oil," or, "They're doing it because of Israel." That's the kind of debate that basically says the mission and the sacrifice were based on false premise. It's one thing to have a philosophical difference, and I can understand people being abhorrent about war. War is terrible. But one way people can help as we're coming down the pike in the 2006 elections, is remember the effect that rhetoric can have on our troops in harm's

way and the effect that rhetoric can have in emboldening or weakening an enemy.

So that was a good question. Thank you.

Let's see, yes, ma'am. I'm running out of time here. You're paying me a lot of money, and I've got to get back to work. [*Laughter*]

Progress in Iraq

Q. Thank you for taking the time with us.

The President. I'm thrilled to be here.

Q. Along with the 7-year-old, my question is, how is it that the people of Iraq, when polled, have more hope about their future than the rest of the world has, with regard to what we're doing in Iraq? How can we get the positive things that are happening in Iraq—how can we get everybody to know what's happening out there?

The President. Well, I appreciate that question. And obviously, I've thought long and hard about it. Part of my job is to make sure and to keep explaining and explaining and explaining in as realistic a way as possible about why we're there and why it's necessary, in order to remind the American people about the stakes involved. That's why I've come here, for example.

You don't want your Government running your press. That would be the worst thing that could happen. That would mean we have just fallen prey to exactly that which we're trying to liberate people from in Iraq. And my own judgment is that action on the ground will win the day. I mean, results will ultimately trump kind of the short-term glimpse at things. So my job and the job of those of us in the administration, the job of those who have made the decision to go in there—not just me but Members of Congress that voted to support our military must continue to explain and keep the American people engaged.

I am not surprised that Iraqis feel more confident about the future than Americans do. They were the ones who lived under the tyrant. They were the ones whose families got gassed by his chemical weapons. They were the ones who, if they spoke out, were harassed by a police state. It must be a magnificent feeling to be liberated from the clutches of a tyrant.

Secondly, much of life is normal in Iraq. And you talk to people who go there, and they come back and tell you that change is significant and palpable. People can see the difference; there's vibrancy. What we see, of course, is isolated incidents of terror. And as I mentioned earlier to you, it hurts—it hits our conscience. America is a wonderful country because we're a country of conscience. It bothers us to see not only our own troops die but it bothers us to see an Iraqi kid killed. That's the nature of our society; we don't treat life in a cavalier way. We believe in America—and it's one of the really beautiful things about America—that every life is precious. That's what we believe. And so I'm not surprised that there is a different attitude inside the country than our own.

Ultimately, here in America, success on the ground in Iraq—and I've defined what victory means before—will buoy the spirits of our people. And in the meantime, I've got to go to places like Louisville, Kentucky, and sit down and spend time giving it my best shot to describe to you my decision-making process, the philosophy behind which this Government is operating, and my optimism about our capacity to achieve our objective.

And my deep belief, my firm and deep belief is that the sacrifices being made today will inure to the benefit of our children and grandchildren. On the one hand, we have got to protect America, and we're working hard to do so. Every day you've got good citizens in your country making sacrifices to either find an enemy that's hiding somewhere or picking up information that we can use to protect us. In the long run, we have got to have faith in a great system of government that, over the ages, has proven to be the foundation for peace.

Listen, I want to thank you all for giving me a chance to come by. May God bless you all.

NOTE: The President spoke at 1:18 p.m. in the Kentucky International Convention Center. In his remarks, he referred to Joe Reagan, president and chief executive officer, Greater Louisville, Inc.; Gov. Ernie Fletcher and Lt. Gov. Stephen B. Pence of Kentucky; Mayor Jerry E. Abramson of Louisville, KY; former President Saddam Hussein of Iraq; Ayman Al-Zawahiri, founder of the Egyptian Islamic Jihad and senior Al Qaida associate; Gen. John P. Abizaid, USA, combatant commander, U.S. Central Command; Gen. George W.

Casey, Jr., USA, commanding general, Multi-National Force—Iraq; Usama bin Laden, leader of the Al Qaida terrorist organization; Abu Zubaydah, senior Al Qaida associate, who was captured in Pakistan on March 28, 2002; Khalid Sheikh Mohammed, senior Al Qaida leader responsible for planning the September 11, 2001, terrorist attack, who was captured in Pakistan on March 1, 2003; Prime Minister Junichiro Koizumi of Japan; and President Vicente Fox of Mexico.

Remarks Prior to a Meeting of Small-Business Owners and Community Leaders in New Orleans, Louisiana

January 12, 2006

It's good to be back in your city. I appreciate the Lieutenant Governor and Members of the United States Congress for being here as well. I particularly want to thank the small-business owners of New Orleans. I'm looking forward to hearing what you have to say about your traditions and your hopes, your frustrations. We all share the same goal, and that's to have this great city rise again, to be a shining part of the South.

I think this can be a better city, and to this end, I've done a couple of things. One, I appointed my friend Don Powell to be down here to help implement the strategy developed by the mayor and the Governor and Lieutenant Governor. In other words, I believe the best strategy for the rebuilding of New Orleans and the revitalization of the parishes around New Orleans is for the local folks to design the strategy and to have the Federal Government become a partner.

And I want to thank you for putting a committee together—I know you did, as well, Mitch. Powell's job is to come down and help interface and interact. I've told the people down here that the Federal Government has got a major role to play. So far we've appropriated or made available $85 billion in relief along the gulf coast. About $25 billion of that has been spent—there's $60 billion in the pipeline, thanks to the good work of the Members of the Congress and the United States Senate.

One issue I do want to touch on is the levees. Now, the mayor made it very clear to me that we need a Federal policy, a strong Federal policy on the levees in order to encourage investors and investment in New Orleans. In other words, if there's any doubt about levees, people wouldn't be willing to reinvest in this city. If we couldn't get people to reinvest in this city, the recovery wouldn't be as strong as we hope it to be.

Working with the Corps of Engineers, we've put forth a plan that said that the levee system will be stronger and better than the previous levee system. And we put a request in for $3.1 billion, plus money to study how possibly to make this system even better. Unfortunately, at the very last minute in the appropriations process, some Members of Congress moved $1.4 billion of that $3.1 billion to projects not directly related to New Orleans and the surrounding area. And so, in order to make sure that this city gets the money necessary to make sure that the levees are stronger and better, Congress needs to restore that $1.4 billion directly into projects for New Orleans and the surrounding parishes. I'm looking forward to working with the Members of the Congress to make sure that money is restored.

Secondly, I understand that one of the keys to success is going to be private-sector initiatives. That's why we've got the small-business owners here and the mayor—[*inaudible*]—responsible for making sure New Orleans is well represented to the rest of the country, and that is Stephen, who is a part of the Chamber. One way to make sure that the private sector leads the recovery for New Orleans is to make sure the tax laws encourage investment. And I want to thank the Members of Congress for passing the GO Zone legislation which encourages investment. And that will be helpful for the folks here.

And finally, I know housing is a particularly difficult issue, an important issue. You can't have a revitalized New Orleans unless people have a place to live. And we look forward to working with the mayor and the State on implementing the vision, but want to remind people that in the new appropriations bill I signed is $11.5 billion of CDBG money. In Mississippi, the Governor intends to use that money on uninsured housing—to pay for the uninsured folks who didn't have flood insurance. And the law is written so that the State,

in working in conjunction with the local authorities, can spend that money in a way to help recovery.

We're aware of the issues here. I'm looking forward to hearing more from you all about how we can continue to work together. I will tell you, the contrast between when I was last here and today, Stephen, is pretty dramatic. It may be hard for you to see, but from when I first came here to today, New Orleans is reminding me of the city I used to come to visit. It's a heck of a place to bring your family. It's a great place to find some of the greatest food in the world and some wonderful fun. And I'm glad you got your infrastructure back on its feet. I know you're beginning to welcome citizens from all around the country here to New Orleans. And for folks around the country who are looking for a great place to have a convention or a great place to visit, I'd suggest coming here to the great New Orleans.

Anyway, thank you all very much.

NOTE: The President spoke at 11:12 a.m. in the New Orleans Metropolitan Convention Center and Visitors Bureau, Inc. In his remarks, he referred to Gov. Kathleen Babineaux Blanco and Lt. Gov. Mitchell J. Landrieu of Louisiana; Donald E. Powell, Chairman, Federal Deposit Insurance Corporation, who is coordinating Federal gulf coast relief efforts; Mayor C. Ray Nagin of New Orleans, LA; Stephen J. Perry, president and chief executive officer, New Orleans Metropolitan Convention and Visitors Bureau; and Gov. Haley Barbour of Mississippi. A tape was not available for verification of the content of these remarks.

Remarks on Gulf Coast Reconstruction in St. Louis, Mississippi

January 12, 2006

Thank you all. Please be seated. Haley said that it's protocol not to introduce the President. Well, that shows what he knows about protocol. [*Laughter*] He just introduced me. [*Laughter*] Thanks for having me back. My first observation is, it's good to see—to be able to look in people's eyes and not see them all bloodshot. [*Laughter*]

I can remember coming here, the times I came and looked hard in people's eyes and saw a sense of desperation and worry and deep, deep concern about the future. I'm sure there is still concern about the future, but the eyes have cleared up. There's a sense of optimism. There's a hope. There's a little bounce in people's step. I'm not surprised; the people down here have showed incredible courage. And I want to thank you for showing the rest of our country what it means to survive an incredible hardship with high spirits.

Your Governor has done a magnificent job. He went up to Washington—[*applause*]. You know, it's nice of him to give me the credit to sign the bill. It's nice of him to compliment Congressman Taylor, who deserves to be complimented, and compliment—and Congressman Chip Pickering, both of whom are here, and I thank them for coming. It's wise of him to compliment Senator Lott and Senator Cochran. [*Laughter*] And he's right to compliment them. But the truth of the matter is, the person who deserve the biggest compliment, in my judgment, is the man who brought the will of the Mississippi people, the needs of the Mississippi people up to Washington, DC, and fashioned one heck of a piece of legislation for the people of this important State. Thank you, Governor, for your hard work.

And I want to thank Marsha for being here as well. I don't know how you put up with him for all these years. [*Laughter*] You must be a patient soul. But he married well, just like me. And speaking about that, Laura sends her best wishes to all of you all. She's looking forward to coming back down here. She's not going to believe the difference between the last time she was here and today.

It's hard sometimes, unless you've got a perspective. I have the perspective of having spent some time here but not all my time. And I can remember what was and now what is, and I can see what's going to be too. And it's going to be a better gulf coast of Mississippi.

I want to thank Roy Bernardi, who is the Deputy Secretary of HUD. He's going to have some stuff to do to make sure this part of the world rebounds. I like your mayors. They're down-to-earth people. They are good, solid people—Mayor Eddie Favre. You know, one time a buddy of mine said, when

the baseball players and owners couldn't figure out an agreement and they went on strike and quit Major League Baseball, he said, "I'm never going back to a baseball game for 10 years." And I said, sure, you know. And he's a great baseball fan. And, sure enough, last year was his 10th year, and he finally went to a game. The reason I bring that up is Eddie said, "I'm not going to wear long pants"—[*laughter*]—and I'm saying to myself, "One of these days, the President is going to show up, and Eddie sure enough will put on long pants." [*Laughter*] I didn't know him very well. [*Laughter*] I arrived here at this important school, and he's got short pants on. Eddie, I like a man who sticks to his guns. [*Laughter*] Thanks for hosting us.

And so I'm standing in the White House at a Christmas reception, and in walks Tommy Longo. He's the mayor of Waveland, of course. And he had on a fantastic suit. [*Laughter*] I nearly fell out. [*Laughter*] Tommy Longo in a suit? [*Laughter*] I said, "Where did you get that thing?" He said, "It's amazing what you can find in the rubbish." [*Laughter*]

I've learned something about the mayors up and down the gulf coast. You've got some young mayors east of here who have been in office, what, 3 or 4 months, and the storm hit. They were incredibly tested—Pascagoula and other places. You got some veterans who have been around for a while, never dreamt they'd see a day like the day they saw. But whether they're veterans or rookies, all of them have stood strong. All of them have rallied with the first-responders. All of them have shown great compassion to the people. I am proud of your local mayors, your local governments, people like Rocky Pullman of the Hancock Board of Supervisors, the people working in these counties. You got some good folks down here. And one of the reasons why I'm confident about your recovery is because you've elected good people to take on the job.

Finally, I want to thank Brother Talbot and Brother Hingle of this fantastic school. Thanks for hosting us. Tommy Longo was in the class of '75. I hope that means you didn't lower you academic standards in that year. [*Laughter*] He and old Doc Blanchard, they told me. Doc Blanchard went here, in case you didn't know it, the Heisman Trophy winner who carried the leather for West Point. And one of the things the Brother told me—he said, "We wanted to make sure we saved the Heisman Trophy that Doc Blanchard had made sure was housed here at this facility." But I do want to thank you all for letting us come by. Thanks for your—being in education, really an important part of the future of this State and this country, to make sure people get a good education.

I stood in Jackson Square early on in—after the storm hit, and I said, "We're not just going to survive but thrive." By that I meant, it's one thing to kind of ride it out; it's another thing to take out of the harm that came, convert this into a better life. I said, "We're not just going to cope, but we'll overcome." I meant what I said. I couldn't have said that if I didn't have confidence, though, in the people in the local area that have such a spirit to be able to do so.

I'm here to report to you some of the progress made and to let you know that people in faraway places like Washington, DC, still hear you and care about you. Signing all the legislation I've signed, the Federal Government has committed $85 billion so far to helping folks and to help rebuild the gulf coast of our country. Of that $85 billion, about $25 billion has been spent. So $85 million [billion]* is available; 25 of it is already in the pipeline. That's $60 billion more coming your way.

Part of the strategy to make sure that the rebuilding effort after the recovery effort worked well was to say to people like Haley and the Governor of Louisiana and the Mayor of New Orleans, "You all develop a strategy. It's your State. It's your region, you know the people better than people in Washington—develop the rebuilding strategy." And the role of the Federal Government is to coordinate with you and to help.

I thought that was an important first statement to make when people began to wonder what life would be like after the storm hit. My view is, and a lot of my political philosophy is based on, the local folks know better

*White House correction

than the folks in Washington, DC. I remember when Haley invited me down, and he said—I think we were in a tent at that time, and there wasn't a lot of electricity—it was like an old-time daytime revival without electricity. It was hot in the tent. It was the first meeting, I think, at least the first called meeting, of the commission headed by Jim Barksdale. Citizens from all walks of life, all occupations, all aimed at one thing: putting together a strategy that will help this part of the world become even better than it was before.

I have an obligation to make sure that the Federal Government responds and coordinates and stays in touch with not only the commission and the Governor but local folks as well. And I picked a fellow that I trust, a person who's had a lot of experience, a person who understands how people think down here—after all, he is from Texas. He understands urban life, and he understands rural life, and he knows the importance of county commissioners—you call them county supervisors, I guess. He's a guy who's a good listener and he's got my full confidence. And that's my friend Don Powell who's with me today. He's going to be the Federal coordinator. His job is to come down here and listen and report back.

And I recognize there are some rough spots, and I'm going to mention some of them here in a minute, and we're going to work to make them as smooth as possible. The first challenge we had after the storm hit was to take care of the people that were displaced—millions of people, or over a million people evacuated and scattered. It was an amazing period in our history, when you think about it. One day people's lives are turned upside down, and they're looking for help and they're looking for compassion, and they found it. People found it in churches, in synagogues, in community centers, in private homes. It's an amazing part of our history, when you think about it. It's like there's a great capacity to absorb hurt in our country, because we've got individuals that are so decent and honorable.

The Government had a role to play, and that was to get money in people's pockets. I mean, when you have to evacuate, you don't have time to plan. And so one of the first things we did was, we got $2,000 in people's pockets as quickly as possible, to help them. In other words, it was a response geared toward the individual. We had a special designation for all evacuees, so they can become available for Medicaid or family services or the Federal programs. The idea was to get a response as quickly as possible to people who are scattered all over the country so they could—to help get their feet on the ground.

We gave waivers to States. In other words, we kind of deregulated the system so States could respond quickly to the people who needed help. We provided 700,000 households with rental help. In other words, the goal is for people to be back in their homes, in a home they call their own. That's the goal. But in the meantime, we had to deal with people evacuated and people without homes. And so a part of the plan has been to provide temporary housing with rental vouchers; $390 million went out as HUD vouchers for a group of people that qualified.

I can remember people hollering for trailers. We became the largest consumer of trailers probably in the history of mankind. [*Laughter*] And I know it was slow to begin with. The production needed to be ramped up, and, frankly, the Government crowded out other purchasers in order to set priorities for people down in this part of the world. We've now put out 61,000 trailers, and there are more in the pipeline. I was asking Haley, does he have a feel for how many more we need, and he said, "We're getting close to the end, but there's still a need." And we understand that. And the manufacturing is making—we put cruise ships out at one point to help people house on a temporary basis—particularly in New Orleans, so that we could get the police and the firefighters a place to stay so they could do their job.

People ended up in hotel rooms. At one time there was about 80-some thousand people in hotel rooms. It's now down to 25,000 families in hotel rooms. We're in the process of trying to locate every single family and provide the rental assistance help for them, so they can move from the hotel into rental housing—all aimed, by the way, at providing some kind of housing until the permanent housing market takes off. We're trying to bridge from being an evacuee to a person

in a place until their own home gets ready to move into.

And so what can we do? Well, first thing is, we can focus on repairing homes. That's not going to do you very good down here in Waveland. I understand that. Tommy and I and the Governor and Marsha just drove by—there's no homes to repair. It's just been flattened. That's what the people of America have got to understand. Sometimes hurricanes go through, and, you know, there's a home and a structure you can maybe put a roof on or do something—not here. Our fellow citizens have got to know when this hurricane hit, it just obliterated everything. It just flattened it.

But in parts of the hurricane zone, there's repairs that can be done. FEMA assistance will help with that. SBA loans have gone out to about—for about $2.1 billion to help people repair their homes. Now, the most innovative approach, however, to getting the homes rebuilt is the CDBG grants that Haley Barbour negotiated on behalf of the people of Mississippi. That's government initials for, direct money to help people who weren't able to get their insurance to pay them off.

I remember being down in Biloxi. I think it was my first trip. And it was hot, and it was steamy. An old lady walked up to me and said to me—I said, "How are you doing?" And she looked at me and she said, "Not worth a darn." [*Laughter*] And I said, "Well, I don't blame you." She said, "I've been paying all my life for my insurance. Every time that bill came, I paid it—every single month. And all of a sudden the storm hit, Mr. President, and I came time to collect, and they told me no." And she was plenty unhappy, and she was looking for anybody she could be unhappy with, and I just happened to be the target. [*Laughter*] I think Gene was with me then; I might have shared the story with Gene about that.

One way to handle the issue—I know you got a lawsuit here; I'm not going to talk about the lawsuit. But Haley did something innovative, which was take the CDBG grants—a lot of money for Mississippi, and going to help the people do the job that many think the insurance companies should have done in the first place.

Having said that, the Government has paid out $12 billion in flood insurance. For those who had flood insurance, the Government is making good on its—on the bargain with the people. If you got an FHA loan, your loan will be forgiven for a year. In other words, there is an attempt to try to make sure that things are being done so that we can—people can get back in their homes, and people can get to be rebuilding.

There's going to be a building boom down here; there just is. It's going to be an exciting time for people. One of the real challenges is whether or not people are going to have the skill set necessary to be able to meet the needs of the people. Are there going to be enough electricians, enough plumbers, enough roofers? But you're going to have yourself a building boom; you watch. There's going to be work—people are going to be working hard here.

And Don Powell and I, to this end, met with a group of leaders in Washington, DC, from building trade unions and businesses, and the whole idea was to come up with a strategy to make sure people have got the skills necessary to fill the jobs which are going to exist. See, our goal, and I know it's the Governor's goal, is to make sure the jobs first go to Mississippi people, when it comes to rebuilding this—[*applause*]—and Mississippi businesses. And we want this opportunity to be an opportunity where minority-owned businesses and women-owned businesses have a chance to flourish. An ownership society has got to be a part of a new vision, where people from all walks of life can say, "I'm owning my own business. I'm operating my own business. I'm owning my own home."

It's a fantastic opportunity. And—but it's not going to work unless people have the skill set necessary to be able to fill those jobs and to be able to provide for the—to meet the consumer demand. And so the idea is—and Powell is going to work on this strategy—is to work with your community college system or the building trades and have centers where people can go to learn how to get the skills necessary to fill the jobs which are coming. They're coming. It's going to be an exciting time down here, just so long as you're

able to get enough material and enough labor.

One of the important—and by the way, speaking about jobs, not only we got to make sure people have the skills necessary to fill the jobs, the Federal Government has got a lot of facilities down here, and there's a lot of Federal employees in this part of the world. We're going to rebuild the Federal facilities so that the people will be able to work.

This recovery is going to be led by the private sector. However, the Federal Government is going to help, and $85 billion is a good—I would call that "help"—so far. But the truth of the matter is, the jobs and the quality of life, the recovery, is going to be led by the private sector. I was asking Haley about some of the industries down here, and he told me, for example, at the year end, a casino opened. I mean, it's remarkable. If you'd have seen what I—I'm sure you saw what it looked like up and down this coast, and all of the sudden, there's businesses, and people are thriving. People are beginning to work. It's happening. It's the private sector that's going to carry much of the recovery.

Congress did a smart thing, in my judgment—was to provide tax incentives for businesses who are in this part of the world. They provide tax incentives for small businesses to expense up to $200,000 of investment and private—and incentive for all businesses to provide a 50-percent bonus depreciation for investment made. What I'm telling you is, it's kind of economic talk for saying, if somebody spends money in an investment in this part of the world, they get a tax incentive to do so. In other words, if you're able to make the Tax Code attract capital so people invest, it means you're more likely to be able to find work here. It goes on. It's a smart idea, and again, I want to thank the Members of Congress for working on that. I think it's going to make a big difference.

If you're a small-business owner—we just met today, by the way, with some small-business owners in New Orleans. And one of the things that became loud and clear to me there was that because a lot of people haven't moved back into the area, and if you're a small-business owner, there's no customers, so you have no cash flow, which makes it awfully difficult to survive. There are SBA loans for this, and I understand for some the word "SBA" means "slow bureaucratic paperwork." [*Laughter*] I hear it loud and clear. I will tell you that SBA has put out about $470 million worth of SBA loans. In other words, the loans are going out.

But this small agency has been overwhelmed. And so Don Powell is working on an interesting idea, and that is to work with the local bankers, people who understand the local customer, as to how to become the agent for the SBA to get money out the door to help small businesses manage their cash flow needs until the customer base comes back.

The other thing that happened quickly—and I'm real proud of your folks down here—was that the energy sector rebounded unbelievably fast. This part of the world is really important for national security and economic security of the United States of America. Remember, when the storms hit, a lot of folks were really worried about the price of crude oil and gasoline. We, fortunately—we just did two things I thought were wise.

One, we suspended reformulated gasoline rules, which enabled us to import gasoline from Europe, which helped to take the pressure off the market. And the price of gasoline, although it went up, didn't go up nearly as high as a lot of people thought, and is now heading back down, thank goodness, for people who are working for a living. And the price of crude oil stayed reasonable because we opened up the Strategic Petroleum Reserve. I was confident in being able to do that because I knew how fast this industry could move if just given a chance. The suspension of some regulations to help these refineries and these gas processing plants get up on their feet was important. In other words, if you can get Government out of the way, amazing things can happen sometimes in the private—[*applause*].

And so I want to thank those of you who work in the energy industry for doing what you're doing. I remember going to the plant—I think Haley was with me—went to the plant in Pascagoula. And we had people there camped out there working as hard as they could to get the refineries up so that our citizens from all around the country

would be able to have gasoline at a reasonable price. And these people worked hour after hour after hour and did the Nation a great service. In the meantime, we did our part—tried to do our part to make sure that we cleaned out the waterways so that the ships could move better. Our Coast Guard, by the way, provided invaluable service here in this part of the country.

Part of the recovery of this part of the world is going to be when you get your infrastructure up and running. And I can remember first choppering over here and seeing the incredible devastation done to the bridges and highways. First of all, there has been some incredible construction done. The Slidell Bridge there, to the west of you, got up in record time. It's amazing what happens when you provide a completion bonus for people doing work. [*Laughter*]

And I know you're concerned about the I–90 bridge, but they're getting ready to start on it, as I understand. And the bills I've signed provide $2.3 billion for repair of highways and bridges in this part of the world. That's going to provide not only jobs but it's going to make the quality of life come back to what it was. You're dependent upon good highways and good bridges in this part of the world. The Government recognized that and put the money out there, available for reimbursing the States when they get these highway projects moving.

One of the really interesting things that happened was education, how the country responded for the kids who have been moved around. And school districts all over America took children from Louisiana and Mississippi and helped educate them. It was really remarkable to watch the education system rise to the challenge. In the bill there is $1.6 billion worth of operating money. It was money to help these schools stay afloat; it was to reimburse school districts for taking in the children who had evacuated to their part of the world. That's in addition to the Federal commitment to replace every school. In other words, part of the commitment is that if your school got destroyed, the Federal Government will help rebuild the school—or will rebuild the school.

Plus we understood that there was a lot of kids that were going to higher education and these—higher education institutions were affected by the storm, obviously, and they were allowed to retain their Federal aid, even though children weren't going to school. In other words, we made a concerted effort to help these schools to cope with the crisis. We're going to make a concerted effort to help the schools deal with the long-term reconstruction as a result of the crisis.

Ninety-three percent of the schools here in Mississippi are up and running, and it's an amazing feat in 4 months' time. It's a great credit, again, to your Governor and your education institution, but more importantly, it's a great credit to the teachers and superintendents and principals of your local schools.

Finally, the first issue I was confronted with as the President was debris. I remember the meeting very well when the mayor showed up and said, "We can't possibly say to our people things are going to get better so long as we got piles of debris lying around." It was not only a practical issue, but it was a psychological issue. And I can understand—I mean, I understood right off the bat what they were talking about. And we had a slow start, because we had a little bit of a—we had an issue of how to get debris off of private property. And, thankfully, there was some creative work done here at the local and State level, with the Federal Government—it really was—as to how to deal with the liability issue.

I don't want to go into the law; I'm not even a lawyer. Got too many of them up there in Washington, anyway. But my point is, is that by listening to the local folks and by being flexible about how to deal with an important issue like debris, we're making pretty good progress. Out of 42 million cubic yards of debris, 27 million have been removed.

Now, there's still debris. It's estimated about 15 million cubic foot—cubic yards of debris left. But there's a certain momentum that's gathering. Haley believes that by the end of March, we can get most of the debris off of the public property. In other words, they're making progress.

Don Powell's job is, to the extent that the Federal Government is contracting out—we want to make sure that they just don't hustle

when the President shows up, that they're hustling all the time, because the rebuilding and rebirth of this area is really going to depend in large measure to getting these lots clean, to getting your public access roads cleaned up, getting that debris out of people's sight. There's something—there's a certain confidence to be gained when you see this beautiful countryside cleared of the damage of Katrina. Things have changed a lot when it comes to debris. It looks a lot different, a whole lot different. And we got more work to be done, and we're going to stay on it until it gets done.

And so we've done a lot, and there's a lot more to do, but there's a certain optimism and hope that's coming. I hope you feel that. You've come a long way in 4 months. Seems like an eternity to you, I know. Seems like a lot of time for a lot of people to have gone through what you went through. Four months is not all that long, and a lot has happened in that 4-month period. And a lot more is going to happen in the next 4 months, and then the next 4 months. I can't wait to come back, and keep coming back and seeing the progress that's being made.

We've learned some lessons about Katrina, and we're going to analyze every lesson learned. Obviously, the Federal response in parts of this devastated area could have been a lot better. We want to know how to make them better. We want to make sure that when there's a catastrophe of any kind, this Government, at the Federal level, is capable of dealing with it, in conjunction with the State and local governments.

There's going to be some lessons learned about having agencies that get overwhelmed by a size of a storm, agencies whose job it is to help people get on their feet and maybe aren't able to do it quite as efficiently as some would like. Those are the lessons we're going to continually analyze. That's what you ought to expect of those of us who have been given the high honor of serving you—to constantly look for ways to do things better. And I just want to assure you, we are. We are.

But there's some other lessons learned where we don't need to change: the lesson of courage. We saw great courage. I'll never forget going to the hangar to see those Coast Guard kids that were flying those choppers. I think it's something like 30,000 citizens were saved by rescue efforts by Coast Guard men and local responders. And the people here on the frontlines of saving lives showed great courage during Katrina.

I remember seeing the determination of our citizens. One of the lessons learned is when people are determined, they can get things done. At the Pass Christian school system, for example, this is a place where they consolidated all the schools at the elementary school. It was kind of inconvenient, when you think about it, but the inconvenience didn't bother the people in charge of that school system. As a matter of fact, they viewed it as a fantastic opportunity to be able to come together and share—and that school was up and running, with broken windows and—but there wasn't a broken heart, and their spirit wasn't broken.

One of the lessons, of course, as I mentioned, is the compassion of our fellow citizens. Think about lonely folks being sent out, having all their property, their material goods destroyed, wondering what the future meant for them, and there's a loving family saying, "I love you, brother. I love you, sister." Think about a country where the compassion is so strong that a neighbor in need can find a stranger that wants to help them get their feet back on the ground.

One of the lessons of this storm is the decency of people, the decency of men and women who care a lot about their fellow citizens, whether they be elected officials or just folks on the ground here just trying to make somebody else's life even better than it was before. So we learned some lessons about how to respond, and we're going to change. But some of the lessons shouldn't change, and that is the decency and character of the American people.

It's been an amazing experience for you. You just got to know, though, that a lot of people in this country, many of whom have never been down here, care for you; they pray for you, and they're pulling for you. God bless.

NOTE: The President spoke at 1:47 p.m. at St. Stanislaus College. In his remarks, he referred to Gov. Haley Barbour of Mississippi, and his wife, Marsha; Mayor Edward A. Favre of Bay St. Louis,

MS; Brothers Ronald Talbot, president, and Ronald Hingle, principal, Saint Stanislaus College; Gov. Kathleen Babineaux Blanco of Louisiana; Mayor C. Ray Nagin of New Orleans, LA; James L. Barksdale, chairman, Governor's Commission on Recovery, Rebuilding, and Renewal; and Donald E. Powell, Chairman, Federal Deposit Insurance Corporation, who is coordinating Federal gulf coast relief efforts.

The President's News Conference With Chancellor Angela Merkel of Germany

January 13, 2006

President Bush. Thank you all. It's such an honor to welcome Chancellor Angela Merkel here to the White House. We just had a long visit. The first thing I did was ask everybody to leave the room except for the Chancellor. And we talked about our philosophy and our hopes. We talked about our desire to work together to accomplish important goals for the world, starting with peace. We share a deep desire to help those who suffer. We care about the hungry and the sick.

Germany is a valued ally. We've got a friendship that's important. We share common values based upon human rights and human decency and rule of law, freedom to worship and freedom to speak, freedom to write what you want to write.

We've got an important job ahead of us, to work on key issues like Iran. We spent some time talking about the Iranian issue and the desire to solve this issue diplomatically by working together.

We talked about the war on terror. I told the Chancellor that there's still an enemy that wants to do harm to the American people and others who like freedom, an enemy there that lurks and that we've got to share information and share intelligence and work carefully to protect our peoples; that the threat is real; and that my obligation as the President of this country is to do everything in my power to protect the people, and we can't do it alone.

We talked about Eastern Europe and the Balkans. I thanked the Chancellor for Germany's contribution in Afghanistan. Afghanistan is a country that has gone from being ruled brutally by the Taliban, a group of people who have values the exact opposite of the values of Americans and the German people, to one that's now beginning to see the light of freedom. Democracy yields the peace, and it's important that democracy succeed in Afghanistan, and I want to thank the German people and the German Government for their contributions.

We talked about Iraq, and we've had our disagreements on Iraq, obviously. It's been a difficult issue in our relationship, and I fully understand that. But in spite of disagreements, we share the desire for the Iraqi people to live in freedom. I want to thank the German Government for help with reconstruction.

We talked about Israel and Palestine. Both of us care deeply about the health of Ariel Sharon, Prime Minister Sharon. We wish him all the very best and hope for his recovery. We also care deeply about the plight of the people in that part of the world, and we hope that there will be two states living side by side in peace.

We talked about NATO as the foundation of our collective defense and consultations. We talked about the importance of trade relations and business relations and commerce so that people on both sides of the Atlantic in our respective countries can find meaningful, high-paying jobs.

We talked about a lot, and the reason we talked about a lot is because we've got a lot in common. And the reason we talked about a lot, because there's a lot of issues in the world that require our intense cooperation and desire to work together. And I appreciate the candid conversation, and I appreciate the beginning of what's going to be an important relationship for the sake of our respective peoples.

Welcome.

Chancellor Merkel. Well, thank you very much. And let me say that we indeed had a very open, a very candid discussion, one that was characterized by a spirit of trust that builds on a long tradition of German-American relations. But I think that will open up, also, a new chapter, as I hope, in our relationship.

This is my first visit as Chancellor, heading a new Federal Government. And I explained

that there are two objectives that we have set out for ourselves. First of all, as regards our domestic agenda, we would like to strengthen our economic force, our economic strength. We look at the challenges that globalization entails, and we would like to explain to our people that in order to meet the social challenges ahead, we need to be economically strong.

And I think there is a lot of common ground here because we are at one in thinking that, obviously, we ought not to fall back into isolationist tendencies. We know that these tendencies are there, for example, in the European Union. We think we ought to meet these challenges of competition head-on. And I think what we need to do is we need to convince our people to believe in themselves and to believe that even in the face of the challenges of globalization, prosperity and social equality is possible.

Secondly, apart from the domestic component, Germany wants to be a reliable partner to our partners in the world but also to our partners in Europe. And in order to be able to do that—well, Europe, as you know is composed of smaller and larger nations. We talked about the European Union. We talked about the possibilities and the chances open to the European Union. And I think it's essential that those countries that feel that they share common ground as regard to values in the Western World stand together. And for Germany, I would like to say that throughout the period of the cold war, the fact that for more than 40 years, we believed in the value of freedom actually was the firm foundation for what was possible later on in European unification.

The fact that your father, sir—partnership and leadership, that was an incredible offer that was made to us by President Bush at the time. And I think that this is certainly in our vested interest to work together with you. What does that mean, "our vested interest"? It means that we face the challenges in the world today head-on. It means that after the threat through the cold war is no longer with us, obviously, the threat of terrorism is certainly the greatest challenge to our security in the 21st century.

There may sometimes be differences as to the acuteness of the danger, as to what form it presents itself, how we actually also counteract here and how we face up to this matter. Afghanistan, for example, is a case in point. We are engaged, and we're committed to Afghanistan because we see that as a vested interest. We think it is only in our interest that the whole of this region is stabilized. The same goes for Iraq. Secure democratic structures ought to be in existence in Iraq. This is in our vested interest. In spite of the fact that we don't have troops on the ground there, stability there is in our very own vested interest, and we've shown that through commitments that we've entered on in other areas.

On the Balkans, the Balkans, too, their stability is the only promising sign which can actually ensure stability for the whole of the region. And NATO, for me, is the forum where we need to discuss, where we need to debate strategic issues and what we think is necessary as regards further military capabilities.

We also openly addressed that there sometimes have been differences of opinion. I mentioned Guantanamo in this respect. But I think that at the end of the day, what counts is that we come back to the situation where we openly address all of the issues—not only how we envisage the fight against terrorism, but I just mean a very broad-based debate, for example, on trade issues; how do we see our relationship with China; how do you see our relationship with Russia; what sort of strategic relationships do we want to forge as Western nations. And this is why I'm so happy about the fact that we were at one in saying we need to intensify our contacts further; we need to address all of these issues.

And I think a very successful chapter, for example, was opened over the past few days and weeks as regards Iran. To us Germans, too, it is totally unacceptable what Iran has said recently, for example, as regards the questioning the right of existence of Israel, the statements that were made with relevance to the Holocaust. And it's essential, we feel, that the EU–3, together with the United States, take a common position here, become active, that we try to persuade as many other countries as possible to join themselves to us, to ally themselves with us,

and we will certainly not be intimidated by a country such as Iran.

I must say that I was greatly encouraged by our meeting here today, Mr. President, and I hope and trust that we shall continue our very good discussions, that we will further intensify them. We have every opportunity, I think, to intensify our economic relations, our business relations, relations in the area of research and development, in foreign policy. And I'm very, very pleased that we made such a good start here today.

President Bush. Terry [Terence Hunt, Associated Press].

Guantanamo Bay Detainees

Q. Thank you, Mr. President. Chancellor Merkel has said that the U.S. prison camp at Guantanamo should not be kept open indefinitely. Are you willing to close it down anytime soon? And Chancellor, what are your concerns about Guantanamo?

President Bush. Yes, she brought up the subject, and I can understand why she brought it up, because there's some misperceptions about Guantanamo. First of all, I urge any journalist to go down there and look at how the folks that are being detained there are treated. These are people picked up off a battlefield who want to do harm. A lot of folks have been released from Guantanamo.

Like the Chancellor, I'd like to see a way forward there. The way forward, of course, is ultimately through a court system. I think the best way for the court system to proceed is through our military tribunals, which is now being adjudicated in our courts of law—to determine whether or not this is appropriate path for a country that bases itself on rule of law, to adjudicate those held at Guantanamo.

The answer to your question is that Guantanamo is a necessary part of protecting the American people, and so long as the war on terror goes on, and so long as there's a threat, we will inevitably need to hold people that would do ourselves harm in a system that—in which people will be treated humanely, and in which, ultimately, there is going to be a end, which is a legal system. We're waiting for our own courts to determine how that's best to proceed.

Chancellor Merkel. Well, it is true that we addressed this issue openly, and I think it's, after all, only one facet in our overall fight against terrorism. I made it very clear that I completely share your assessment as regards the nature and dimension of this threat, and that the Federal Republic of Germany, just as other European countries, need to come up with convincing proposals as to how we ought to deal with detainees, for example, who do not feel bound by any law; and how do we deal with people who come from countries where such state structures don't exist.

So I think what we need to address is how we further want to proceed. We need to, for example, find a reform of the international law in this respect, and I think the United Nations is indeed a good forum to do that. But I think that's part of a permanent dialog between our two countries, where we really need to debate how we wish to proceed further. And the basis and the common ground needs to be, we have shared values, and I have seen that this is a very best precondition, even though, from time to time, we may have differences of opinion here.

The President. Want to call on somebody?

Iran

Q. ——been discussed. Are you in favor of sanctions against Iran in the Security Council, and what kind of sanctions should that be? And another question is, in Germany, there's a discussion about intelligence, secret service people working in Baghdad during the Iraq war. From your knowledge, did the German intelligence help the U.S. before and during the Iraq war in Baghdad?

President Bush. I have no idea about the latter. [*Laughter*] You did say secret intelligence, right? [*Laughter*] I understand. I really—the truth of the matter is, the Chancellor brought this up this morning. I had no idea what she was talking about. The first I heard of it was this morning, truthfully.

Secondly, the first part of your question was Iran.

Q. Iran, sir.

President Bush. Okay, good. Sometimes when you mix them up, it throws us off balance, you know?

I'm not going to prejudge what the United Nations Security Council should do. But I recognize that it's logical that a country which has rejected diplomatic entreaties be sent to the United Nations Security Council. I want to put it in this perspective: The U.N. Security Council is part of a diplomatic process started by Germany, France, and Great Britain representing the interests of a lot of countries like ourself, which made it abundantly clear to the Iranians that the development of the know-how and/or—a nuclear weapon was unacceptable. And the reason it's unacceptable is because Iran, armed with a nuclear weapon, poses a grave threat to the security of the world.

And countries such as ours have an obligation to step up, working together, sending a common message to the Iranians that it's their behavior—trying to clandestinely develop a nuclear weapon, or using the guise of a civilian nuclear weapon program to get the know-how to develop a nuclear weapon, is unacceptable. And Germany has played an incredibly constructive role in this dialog, and I want to thank the Chancellor for continuing that dialog.

As I say, we're working very carefully together in consultation about how to proceed next. One of the things friends do is they spend time discussing strategies before we make a common statement about what next ought to happen. And we spent a fair amount of time today, and I know Condi Rice has spent a fair amount of time with the current Government about strategizing how best to achieve the objective. That's what we want to do. We want an end result to be acceptable, which will yield peace, which is that the Iranians not have a nuclear weapon in which to blackmail and/or threaten the world.

I want to remind you that the current President of Iran has announced that the destruction of Israel is an important part of their agenda. And that's unacceptable. And the development of a nuclear weapon seems like to me would make them a step closer to achieving that objective. And we have an obligation, in order to keep the peace, to work together to achieve the objective that we're trying to achieve through the current diplomatic process.

I don't know if you want to add to that brilliance or not. [*Laughter*]

Steve [Steve Holland, Reuters].

Q. Thank you, sir. If I could just follow up on that. China's U.N. Ambassador says referring Iran to the Security Council might complicate the issue. How hard is it going to be to get a——

President Bush. Say that again, Steve. I'm getting a little old. I'm getting old; I'm having trouble hearing.

Q. China's U.N. Ambassador——

President Bush. The Chinese Ambassador said what?

Q. It might complicate the issue if you refer Iran to——

President Bush. Might complicate the issue?

Q. Yes, sir—of how hard it's going to be—what's your timetable? Should the sanctions include the threat of military force?

President Bush. First of all, I want to repeat what I said before. We should not prejudge the strategy in the Security Council until they get to the Security Council. What we're doing now is beginning to lay out the strategy of what happens in the Security Council. That's what friends do. We consult; we talk; we strategize as to how to achieve an important objective, which is not allowing an—for Iran not to have a nuclear weapon.

And you're going to see a lot of public discussion about this matter. And the Chinese, you know, have got an opinion; the Russians have an opinion; we have opinions; everybody has opinions. Our job is to form a common consensus. And so you're—this is what's called diplomacy. I know you know that, Steve. I don't mean to insult you. But diplomacy is out talking to friends, allies, and others about a common objective. This meeting has got a lot of diplomacy in it today, because this is a subject in which we've spent a lot of time. I'm very interested in the Chancellor's opinion on this subject.

We did talk about the Chinese statement. Our job is to make it clear to all parties that it is in the world's interest that Iran not have a nuclear weapon—in other words, share the same goal. Once that goal is established, it makes it easier to come up with the strategy to achieve the goal.

And so, of course, we'll reach out to the Chinese and remind them, once again, that it's not in their interest or the world's interest for the Iranians to develop the capacity to—and/or a nuclear—to build a weapon and/or to possess a weapon. And I just gave you one reason why.

Another reason why is, it's very important for nontransparent societies not to have the capacity to blackmail free societies. We're thinking about how to lay the foundation for peace. We must be proactive. And that's what you're seeing. You're seeing the evolution of a proactive diplomatic policy——

Q. What about——

President Bush. Military option?

Chancellor Merkel. Allow me, if I may, and give you my German perspective on the matter. What is essential and is crucial is that over the next—when we look at the next step to be taken by the EU–3 and the United States together in a genuine consultation process that where we say at one point in time, "We actually did everything we could." They refused it. Iran refused every offer we made, even the Russian offer. Now we refer this matter back to the Board of Governors of the IAEA. But they, too, do their utmost to try to enlist as large a number of member states to join in on a proposal that will then be made to the Iranians. And I think this is going to be absolutely crucial for the Iranians to see how serious we are about all of this.

So what is at stake now is what sort of attempt—and serious attempt—is taken by all of us. And we've seen it with Syria, that it does leave an impression. It does leave an impact, if as large a number of nations in this world as possible makes it abundantly clear we are not accepting a stance that says, in effect, the right of existence of Israel is questioned. "You are trying to lie to us. You are trying to cheat." This is something that we don't accept. And this is what we need to discuss: who is going to take which role, who is going to play which part, and what will be the final proposal? And then I think this has—it was what made this EU–3 approach so successful. They stood together, and they had one uniform position.

Thank you.

Germany-U.S. Relations

Q. A question addressed to you, Madam Chancellor, and then one to you, Mr. President. Chancellor, would you say that this visit today has opened up a new chapter in German-American relations? And how do you think this should look—better than with Chancellor Schroeder at the last year? [*Laughter*]

Chancellor Merkel. Well, for my part, I can say that there is every opportunity for us to further enhance our relations, and such enhancement of relations is founded on a shared experience—no doubt about this. Afghanistan was mentioned here; the Balkans were mentioned. And here, too, we're also able to tell you that, after all, we have been successful in WTO negotiations.

So what is important to me, I think, is to have as many international contacts as possible, because I think, to a very large part, misunderstandings occur when you don't meet often enough, when you don't talk to each other often enough. The President just pointed out how much intellectual effort has to go further into trying to come up with a convincing strategy as how to deal with Iran, and we can't resort to some kind of ivory tower and think for ourselves. We have to do it in exchange with others.

Secondly—and I do see a chance here, a climate of openness has to exist, an area where one says quite clearly and candidly to one another, "Well, there we agree; there we disagree." But there also has to be a climate of absolute trust, of reliability, where one stands by what one has agreed upon.

Thirdly, in spite of the great threat of terrorism that is the great threat to us in the 21st century, we need to point out that U.S.-Germany relations cannot only rest on fighting terrorism, but we have common interests. We have, for example, competitors, such as China and other countries, who don't abide by any rule. And we would like to see the rules kept. And now we need to find a common basis, a common approach, even though we sometimes may be, ourselves, competitors in certain business fields, for example, where we vie for orders.

So I see opportunities and I think that we need to be aware of the fact that after the end of the cold war, many of the contacts

that existed in the past and also because of our cooperation as allies, that these cannot be taken for granted these days anymore. So it's going to be essential for us not to only talk at governmental level—it's a good experience, obviously—but that also our societies have to be engaged, that they have to understand that we need their contribution, too, to have good relations. And I think I made a little start in the right direction. So in about six months you may ask me again whether I've been able to add a few more chapters to it.

President Bush. We've got something in common; we both didn't exactly landslide our way into office. [*Laughter*]

I'm convinced that we will have a really important and good relationship.

First, I do want to send my best regards to Gerhard Schroeder. We spent a lot of time together, and we talked about important issues. Listen, there was room for agreement and room for disagreement. And I do hope he's doing well.

Our job now is to work together. We've got big interests. Germany is a really important country. It's right in the heart of Europe; it's vital that Germany take the lead on a lot of issues. And I look forward to working with the Chancellor on common objectives. And my first impressions, with 45 minutes alone in the Oval Office, were incredibly positive. She's smart—[*laughter*]—she's plenty capable. She's got kind of a spirit to her that is appealing. She loves freedom.

I was particularly touched by hearing about her early life in Communist Germany. There's something uplifting to talk to somebody who knows the difference between just talking about tyranny and living in freedom and actually done it.

So we're going to have a very good relationship. And that's important for our respective people. I'm looking forward to consultations, visits, contacts, phone calls, all the things you do. And now I'm going to take her to lunch. [*Laughter*]

Thank you.

Chancellor Merkel. Thank you.

NOTE: The President's news conference began at 11:37 a.m. in the East Room at the White House. In his remarks, he referred to Prime Minister Ariel Sharon of Israel; President Mahmud Ahmadinejad of Iran; Chinese Ambassador to the United Nations Wang Guangya; and former Chancellor Gerhard Schroeder of Germany. Chancellor Merkel and two reporters spoke in German, and their remarks were translated by an interpreter. The Office of the Press Secretary also released a Spanish language transcript of this news conference.

Remarks Following a Meeting Business Leaders on Central American Relief and Reconstruction Efforts

January 13, 2006

I want to thank Secretary Rice and Ambassador Hughes for joining three of our Nation's most distinguished business leaders here at the White House to discuss a very important project, and that's raising money for those affected by the storms and natural disaster in Guatemala and Honduras.

Ours is a Nation that when we see human suffering, we respond. And we responded at the governmental level, because we had our military help provide infrastructure and logistics and get supplies to people who were hurting. We helped through USAID. And now it's time for the private sector in our country to step up and support the efforts of those Guatemalans struggling to get their lives back together and those in Honduras doing the same thing.

The fund that's going to be raised is made up of private donations. People can find out more about it on what's called—a web site called hurricaneaction.org. I think the site went up today, if I'm not mistaken. It's a place for people to come and access and to find out how they can join other Americans as to how to contribute. The money will go for things such as education of displaced families or infrastructure rebuilding, with a particular emphasis on reforestation or on microloans to help the economy get back on its feet in these countries.

So I want to thank you all very much for coming. I appreciate your interest. Thank you for traveling down to the region to take an assessment of the needs. And most importantly, thanks for coming back and calling our citizens to action. Appreciate it.

NOTE: The President spoke at 1:34 p.m. in the Oval Office at the White House. 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.

January 7

During the day, the President traveled to Camp David, MD, where he had an intelligence briefing.

January 8

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

January 9

In the morning, in the Private Dining Room, the President had breakfast with Supreme Court Associate Justice-designate Samuel A. Alito, Jr. Later, he had an intelligence briefing.

Later in the morning, the President had a telephone conversation with Vice President Dick Cheney to wish him well after his brief hospital visit earlier that morning. He and Mrs. Bush then traveled to Glen Burnie, MD, where they visited with students at North Glen Elementary School before returning to Washington, DC.

In the evening, in the Cabinet Room, the President met with Vice President Cheney, members of the Joint Chiefs of Staff, and combatant commanders to discuss U.S. military operations around the world. Later, in the Residence, he hosted a reception and dinner for members of the Joint Chiefs of Staff and combatant commanders.

The President announced his designation of the following individuals as members of a Presidential delegation to Astana, Kazakhstan, to attend the Inauguration of President Nursultan Nazarbayev on January 11: Mike Johanns (head of delegation); John M. Ordway; Josette Sheeran Shinger; and Timothy D. Adams.

The President announced his recess appointment of Steven Kent Mullins as U.S. Attorney for the District of South Dakota.

January 10

In the morning, the President had an intelligence briefing.

In the afternoon, in the Oval Office, the President participated in a photo opportunity with the 2005 Little League Softball World Series champions.

The President declared a major disaster in Oklahoma and ordered Federal aid to supplement State and local recovery efforts in the area struck by an extreme wildfire threat on December 1, 2005, and continuing.

January 11

In the morning, the President had an intelligence briefing. Later, he met with Secretary of State Condoleezza Rice. Then, in the Oval Office, he participated in a signing ceremony for the U.S.-Bahrain Free Trade Agreement.

Later in the morning, the President traveled to Louisville, KY, where, upon arrival, he met with USA Freedom Corps volunteer Bob Manning.

In the afternoon, at the Kentucky International Convention Center, the President met with family members of a soldier killed in Iraq. Later, he returned to Washington, DC.

The President declared a major disaster in Texas and ordered Federal aid to supplement State and local recovery efforts in the area struck by an extreme wildfire threat beginning on December 1, 2005, and continuing.

January 12

In the morning, the President had a telephone conversation with acting Prime Minister Ehud Olmert of Israel to express his concern for the health of Prime Minister Ariel Sharon of Israel and to wish the acting Prime Minister well. Later, he had an intelligence briefing.

Later in the morning, the President traveled to New Orleans, LA. While en route aboard Air Force One, he had a telephone conversation with Supreme Court Associate

Justice-designate Samuel A. Alito, Jr., to discuss the judge's Senate confirmation hearing. Upon arrival in New Orleans, he met with USA Freedom Corps volunteer Daisy Vandenburgh.

In the afternoon, the President traveled to Waveland, MS, where, upon arrival, he met with a group of first-responders. Later, he traveled to Palm Beach, FL. Upon arrival, he met with USA Freedom Corps volunteer Yirela Alcantara.

In the evening, at a private residence, the President attended a Republican National Committee reception. Later, he returned to Washington, DC.

The President announced his intention to nominate Gale A. Buchanan to be Under Secretary of Agriculture for Research, Education, and Economics.

The President announced his intention to nominate Donald T. Bliss to be U.S. Representative on the Council of the International Civil Aviation Organization with the rank of Ambassador.

January 13

In the morning, the President had an intelligence briefing. Later, he had a telephone conversation with President Elias Antonio Saca Gonzalez of El Salvador to discuss bilateral issues. Then, in the Oval Office, he met with Chancellor Angela Merkel of Germany.

In the afternoon, the President had a working lunch with Chancellor Merkel. Later, in the Oval Office, he met with business leaders to discuss natural disaster relief and reconstruction efforts in Central America.

Later in the afternoon, in the Oval Office, the President participated in a photo opportunity with the U.S. Solheim Cup women's golf team. He and Mrs. Bush then traveled to Camp David, MD.

The White House announced that the President will welcome Prime Minister Shaukat Aziz of Pakistan to the White House on January 24.

The President announced his designation of a Presidential delegation to attend the Inauguration of President Ellen Johnson-Sirleaf of Liberia on January 16: Laura Bush (head of delegation); Condoleezza Rice; Donald E. Booth; Jendayi E. Frazer; Cindy Courville; and Barbara P. Bush.

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 9

Transcript of a press briefing by Press Secretary Scott McClellan

Fact sheet: No Child Left Behind—Strengthening America's Education System

Released January 10

Transcript of a press briefing by Press Secretary Scott McClellan

Statement by the Press Secretary announcing that the President signed H.R. 972

Statement by the Press Secretary announcing that the President signed H.R. 2017, H.R. 3179, H.R. 4501, and H.R. 4637

Statement by the Press Secretary on disaster assistance to Oklahoma

Fact sheet: Progress and the Work Ahead in Iraq

Released January 11

Transcript of a press gaggle by Press Secretary Scott McClellan

Statement by the Press Secretary announcing that the President signed H.R. 4340

Statement by the Press Secretary: Signing of H.R. 4340, U.S.-Bahrain Free Trade Agreement

Statement by the Press Secretary on disaster assistance to Texas

Fact sheet: The Asia-Pacific Partnership on Clean Development and Climate

Released January 12

Transcript of a press gaggle by Press Secretary Scott McClellan

Transcript of a press briefing by Office of Management and Budget Deputy Director Joel Kaplan on the effects of gulf coast recovery costs on the Federal budget

Fact sheet: A Commitment to Continued Recovery and Rebuilding in the Gulf Coast

Released January 13

Transcript of a press briefing by Press Secretary Scott McClellan

Statement by the Press Secretary: Visit of Pakistani Prime Minister Shaukat Aziz

Acts Approved by the President

Approved January 6 *

H.R. 1815 / Public Law 109–163
National Defense Authorization Act for Fiscal Year 2006

* This Public Law was not received in time for inclusion in the appropriate issue.

Approved January 10

H.R. 972 / Public Law 109–164
Trafficking Victims Protection Reauthorization Act of 2005

H.R. 2017 / Public Law 109–165
Torture Victims Relief Reauthorization Act of 2005

H.R. 3179 / Public Law 109–166
Junior Duck Stamp Reauthorization Amendments Act of 2005

H.R. 4501 / Public Law 109–167
Passport Services Enhancement Act of 2005

H.R. 4637 / Public Law 109–168
To make certain technical corrections in amendments made by the Energy Policy Act of 2005

Approved January 11

H.R. 4340 / Public Law 109–169
United States-Bahrain Free Trade Agreement Implementation Act