

Weekly Compilation of
**Presidential
Documents**



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WEEKLY COMPILATION OF

PRESIDENTIAL DOCUMENTS

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Week Ending Friday, July 13, 2007

The President's Radio Address

July 7, 2007

Good morning. This week, we received more good news showing that our economy is strong and growing. Department of Labor reports that our economy has now created jobs for 46 consecutive months. America added 132,000 jobs in June, and that means our economy has added more than 8.2 million new jobs since August of 2003. Unemployment is low; consumer confidence is high; incomes are rising; and opportunity is growing across America.

Our Nation's strong economy is no accident. It is the result of the hard work of the American people and progrowth policies in Washington. Starting in 2001, my administration delivered the largest tax relief since Ronald Reagan was in the White House. Our tax relief has left \$1.1 trillion in the hands of citizens like you to save and spend and invest as you see fit.

Over the past 3 years, we have also held the growth of annual domestic spending close to 1 percent, well below the rate of inflation. The result is a thriving and resilient economy that is the envy of the world.

Over the past 6 years, our economy has overcome serious challenges: a stock market decline; recession; corporate scandals; an attack on our homeland; and the demands of an ongoing war on terror. Despite these obstacles, our economy recovered, and tax revenues soared, and America is now in a position to balance the Federal budget. To achieve this goal, I sent Congress a budget plan this February that would keep taxes low, restrain Federal spending, and put us in surplus by 2012.

Next week, my administration will release a report called the Mid-Session Review, which will provide you with an update on our Nation's progress in meeting the goal of a balanced budget. We know from experience that when we pursue policies of low

taxes and spending restraint, the economy grows, tax revenues go up, and the deficit goes down.

Democratic leaders in Congress want to take our country down a different track. They are working to bring back the failed tax-and-spend policies of the past. The Democrats' budget plan proposes \$205 billion in additional domestic spending over the next 5 years and includes the largest tax increase in history. No nation has ever taxed and spent its way to prosperity. And I have made it clear that I will veto any attempt to take America down this road.

Democrats in Congress are also behind schedule passing the individual spending bills needed to keep the Federal Government running. At their current pace, I will not see a single one of the 12 must-pass bills before Congress leaves Washington for the month-long August recess. The fiscal year ends September 30th. By failing to do the work necessary to pass these important bills by the end of the fiscal year, Democrats are failing in their responsibility to make tough decisions and spend the people's money wisely.

This moment is a test. Under our Constitution, Congress holds the power of the purse. Democratic leaders are in control of Congress. They set the schedule for when bills are considered. They determine when votes are held. Democrats have a chance to prove they are for open and transparent government by working to complete each spending bill independently and on time. I urge Democrats in Congress to step forward now and pass these bills one at a time.

As they do, I will insist they restrain spending so we can keep our Government running, while sustaining our growing economy and getting our budget into balance. And to help achieve these goals, I call on the Senate to act on my nomination of Jim Nussle as Director of the Office of Management and Budget.

Jim is a former chairman of the House Budget Committee, and he will be a strong advocate for protecting your tax dollars here in Washington.

By setting clear budget priorities and maintaining strong fiscal discipline, we can promote economic growth and bring our budget into balance. Our Nation has the most innovative, industrious, and talented people on the face of the Earth. And when we unleash the entrepreneurial spirit of our country, there is no limit to what the American people can achieve or the hope and opportunity we can pass on to future generations.

Thank you for listening.

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

Remarks to the White House Conference on the Americas in Arlington, Virginia

July 9, 2007

The President. Thank you all. Please be seated. Thanks for coming today. In my recent trip down to Central and South America, I told the folks that we were going to host a conference here in Washington, a conference to promote best practices, which really says, how best can the United States help people in our neighborhood.

Laura and I had a magnificent trip to Central and South America. It reminded me of the importance of having a peaceful and prosperous neighborhood. It's in our interests, in the interests of the United States that our neighborhood be healthy and educated. And so this conference is an attempt to bring together key people of my administration and faith-based groups and private sector groups from the United States, as well as our neighborhood, to discuss how we can work together to promote social justice, to help people realize a better life through good education and good health care.

I do thank members of my administration who have joined us. I understand after this event there's going to be a series of breakout groups, led by members of my Cabinet—Hank Paulson is here, the Secretary of the Treasury. As a matter of fact, he's heading down to, I think, Brazil tomorrow. Secretary Carlos Gutierrez, Secretary of Commerce, will be leading a group. Mike Leavitt will lead a breakout session—he's the Secretary of Health and Human Services; and then Margaret Spellings, who is the Secretary of Education. I think you're going to find these folks to be concerned, compassionate Americans who care about the lives of our citizens in our neighborhood. And I appreciate them, certainly.

And then you get a speech from my wife, which is, like, really smart to have her speak. *[Laughter]* You're stuck with the B team right now, and then the A team will be coming for—*[laughter]*.

I want to thank all the folks who have joined us. Thanks for coming. As you can see, we've got an interesting way of making a variety of points. What I hope to accomplish at this breakout session is to, first, explain to our fellow citizens how important it is that the United States be active in the neighborhood in which we live.

Secondly—and, by the way, thanks, ambassadors, for coming. I appreciate you all being here. It's very kind of you to take time out of your busy schedules to be here. We're honored you're here. Secondly, it's important for us—for me to explain to our fellow citizens some of the work we're doing in the neighborhood. I think our citizens will be pleased to know, for example, that we're working very hard to get trade agreements through our Congress, because the best way to help defeat poverty is to encourage commerce and trade.

We've got trade agreements we've reached with Peru and Panama and Colombia. It's really important for the United States Congress to pass these trade agreements. If you're interested in prosperity in our neighborhood, if you want to help improve the lives of others, then the United States Congress must honor the agreements we've negotiated with these important countries and pass this legislation.

I'd like to see the Peruvian deal done by the beginning of August. They've got time to get the bill done. Members of Congress have got ample days on the calendar to pass this important piece of legislation so we can send the clear signal to our neighborhood that we want you to be prosperous; that we want to help you realize your potential through trade with the United States of America. Trade agreements are good for both sides—it's good for U.S. workers, and it's good for Peruvian, Colombian, or Panamanian workers. And it's in our interest to promote trade.

Secondly, we're doing a lot to promote health. One symbol of our commitment is a Navy medical ship called the *Comfort* that is traveling the region but, more importantly, is providing basic and sophisticated health care to people in need. I mean, the United States, we're strong, no question about it, but our greatest strength is our hearts. *Tenemos corazones grandes aqui en este pais*. We care deeply about the plight of other people, and when we see their suffering, we want to help. And the *Comfort* is a way for us to send a clear message that we care about the people that live in the neighborhood that we occupy together.

You know, Laura and I had an amazing experience in Guatemala. That's Maria's country. We went to the highlands. We first saw a small-business guy, who was formerly a subsistence farmer who put together a cooperative of fellow farmers that now have got access to the U.S. markets, and they're making a living. The most important thing was, he said, "I'm saving money so my child can get a higher education."

But we also went to an outpost where the U.S. military was providing basic health care for people. Now, we've expanded on that health care initiative by setting up a nurse's training center in Panama. That's what Leavitt will be discussing, Secretary Leavitt. The reason I bring this up is that we understand how important it is for people to have good health. We understand that a healthy society is one that will—is one in which people will be more likely to realize their full God-given potential. And we want to help, and we want to be involved. And part of our discussions today will be how best to—how

best can the United States and faith-based groups and private groups and NGOs work collaboratively to achieve important objectives.

A third objective is education. As I mentioned, Margaret Spellings will be here. She's the Secretary of Education. But the United States is deeply involved in people-to-people projects, all aimed at improving literacy. We believe strongly in helping teachers teach, and therefore, teacher schools make a lot of sense. But the purpose of the groups today—of this meeting today is to help us better focus our resources and do a better job of helping people in our neighborhood realize their potential.

I happen to be a person who does believe in an Almighty, and I believe the Almighty implants in each soul great human potential. And it's in our interest to help people realize their full potential. And two ways to do so—and two practical ways to do so is for the United States to be involved in health issues as well as education issues, and we are. And we're spending a fair amount of taxpayers' monies to achieve those objectives. And so one of my objectives is to explain to the American people, it's in your interest to help people in our neighborhood become better educated, and it's in your interest that we help people get good health care because a healthy and educated and prosperous neighborhood is in the long-term interests of the United States.

It is also in our interest to help a neighbor in need. It renews our soul. It lifts our collective spirit. I believe to whom much is given, much is required. We've been given a lot as a nation, and therefore, I believe we're required to help—help people realize their potential.

So that's why I've come. I've also come to hear some of the folks on our panel. You're probably glad I'm about to quit talking so you can hear some of the folks on the panel too. We're going to start with Shannon. He's worked for me at the NSC in the White House, now is at the State Department. He is the main guy when it comes to South and Latin America—I don't know if that's a diplomatic term, "main guy," or not. [Laughter]

Assistant Secretary of State for the Western Hemisphere Tom Shannon. It works for me, sir.

The President. That's right. Welcome.

[At this point, Assistant Secretary Shannon made brief remarks.]

The President. Yes, thank you, Thomas. Before I call on Maria, I do want to say something about our expectations, and that is, we expect governments to be of and by and for the people. We don't—and we expect governments to be honest and transparent and open. We reject the notion that it's okay for there to be corruption in government. We really believe that open, transparent societies are those that lead to hopeful tomorrows.

And so part of our foreign policy—for example, through the Millennium Challenge Account—is to set expectations, expectations that most people want: the expectation of a government that invests in the health and education of her people; the expectation that there will be no corruption, that there will be transparency, that people will be able to express themselves in an open forum without fear of reprisal.

And so, no question we want to be involved on the people-to-people programs, but we also have the objective of enhancing good government as well, which we believe strongly will lead to more hopeful futures.

Anyway, Maria is here. Where are you from, Maria?

Maria Pacheco. I'm from Guatemala.

The President. *Que bueno. Bienvenidos.*

Ms. Pacheco. *Muchas gracias.*

The President. And so what do you do for a living?

[Ms. Pacheco, founder and general manager, Kiej de los Bosques, S.A., made brief remarks.]

The President. *Por favor.* You speak in English, and I'll speak in Spanish. [Laughter]

Ms. Pacheco. *Bueno. Esta bien.*

The President. Except I'll ruin the language, and you won't. [Laughter]

[Ms. Pacheco made further remarks.]

The President. Let me ask you a question. So, you started this group initially to—what's the name of it?

Ms. Pacheco. *Kiej de los Bosques.*

The President. *Si.* [Laughter]

Ms. Pacheco. It's a Mayan word. [Laughter]

The President. You started it when, in 2001?

Ms. Pacheco. In 2004.

The President. In 2004, good. How many members?

Ms. Pacheco. We have—well, there's 22 people in the company, but we're working now with more than a thousand women in Guatemala from different regions.

The President. Yes. So, lesson one, by the way, there is such thing as social entrepreneurs. It is somebody who says, "I'm going to help somebody else," and takes time, talent, energy, and as a result, you're affecting a thousand lives—a thousand primary interfaces, which affects, no telling, how many lives.

One of the messages, I hope, that comes out of this meeting is that you can make a difference. It doesn't take much. And as a matter of fact, societies change one heart at a time, and therefore, if you're one of those persons changing hearts, you're part of societal change for the better.

And so I hope that we can inspire our fellow citizens to become involved with the NGOs or the faith-based groups or the community-based groups, all helping our neighborhood, and hopefully inspire people, like in Guatemala, to step up and do the same thing that Maria has done.

So, are you pretty upbeat? Optimistic? Pessimistic? Tell me how you're looking these days.

[Ms. Pacheco made further remarks.]

The President. I appreciate it. Look, it's very important for my fellow citizens to understand that when we open up markets in a fair way—in other words, we treat our producers the same as producers in other countries—it benefits us. It particularly helps lift people out of poverty. And that's what we want. We want people prosperous in your neighborhood. If you're living in a neighborhood, you want there to be prosperity in your neighborhood. So I appreciate you bringing

up the importance of markets and providing—giving people just a basic opportunities in life, and it will make it—it's a transforming strategy. And so thanks for coming.

Maria, it says here you're an organic farmer.

Ms. Pacheco. Yes, I was an organic farmer for 12 years.

The President. What were you farming?

Ms. Pacheco. I was farming vegetables.

The President. Vegetables, yes. I'm not big on vegetables, but thanks. [*Laughter*]

Ms. Pacheco. Broccoli especially. [*Laughter*]

The President. Don't tell my mother that. But thank you very much for coming.

Ms. Pacheco. Thank you, Mr. President.

The President. Yes, I appreciate your time.

Matthew, what do you do?

Matthew N. Clausen. I work for Partners of the Americas.

The President. And what is that?

Mr. Clausen. Partners of the Americas is an organization—we've been around for over 40 years now, and we connect people with other people in our hemisphere.

The President. Really. What does that mean, connect people with other people?

Mr. Clausen. It means we have volunteer groups in almost every State of the U.S. that are partnered with similar groups in almost every country in the region.

The President. That's great.

[*Mr. Clausen, vice president for partnership development, Partners of the Americas, made brief remarks.*]

The President. So are you looking for volunteers?

Mr. Clausen. We are always looking for volunteers.

The President. And how would one who might be interested in volunteering find information about ways to help? Do you have a web site, for example?

Mr. Clausen. We do. We have partners.net, is a great place to start.

The President. Partners.net. What would one find there?

[*Mr. Clausen made further remarks.*]

The President. So what happens if somebody wanted to become a teacher for the summer or wanted to take a trip, and part of the experience of the trip was to make an impact on somebody's life? Can they find that kind of program on your web site?

[*Mr. Clausen made further remarks.*]

The President. And so is there a common web site? Do we have a web site, for example, as a result of the meeting? I might ask my friend Karen Hughes to think about this. She probably has already thought about it, knowing her—and that is to think maybe about a listing of different ways our fellow citizens can get involved in helping different programs, either financially or through time and effort. Maybe we ought to think about that. I know you already have.

Good, thanks. Anything else you want to say, Matthew, while you've got the floor here?

Mr. Clausen. Well, I can't pass up that opportunity.

The President. Here's your chance, man. [*Laughter*]

[*Mr. Clausen made further remarks.*]

The President. Thank you. A healthy society is one in which people are responsible for their behaviors. A healthy capitalist society is one in which corporate America, in this case, is responsible for—becomes a responsible citizen. And we have got such a soul here in Vivian Alegria. She is from Mexico.

Vivian Alegria. Yes.

The President. Welcome. You work for?

Ms. Alegria. For the Coca-Cola Foundation in Mexico.

The President. Coca-Cola Foundation. And what does the Coca-Cola Foundation do?

[*Ms. Alegria, director, Coca-Cola Foundation, Mexico, made brief remarks.*]

The President. So you're building schools?

[*Ms. Alegria made further remarks.*]

The President. I think one of the things that our citizens have got to understand here, there's a lot of corporate America that are very much involved in the communities, of which they're active. And that's important.

And I would encourage our companies that do business in the neighborhood to understand that it's one thing to sell a product, it's another thing to help people be able to buy the product and become involved in the communities in which they're doing business. And I'm confident a lot of our companies are. I know Microsoft, for example, is very much involved with education programs. Laura and I are working on a very important initiative to help eradicate malaria in parts of the world, and corporate America is helping there too. So for those of you who represent corporate America, thanks for coming, and thanks for being involved.

And if you're not, get involved. It will not only help your business, it will help your country, because I want to keep saying this over and over again, an objective of our country and this Government is for there to be a healthy, educated, and prosperous neighborhood. It's in our interests. America does better when people in the neighborhood in which we live are feeling better, can read better, and are making more money. Prosperity is—and health and education are just essential to a peaceful community around us.

Anyway, so thanks for coming, Vivian. It's good to see you.

Gilberto. You are from Brazil. Great country.

Gilberto Dimenstein. Great country. Great, great country.

The President. I'm proud to report that relations with Brazil are improving a lot. I've got a very close relationship with President Lula; we've worked hard to make it that way. And one of the interesting initiatives we're working on is a alternative fuel initiative, where the United States and Brazil can work and share technologies, not only between our two countries but in the neighborhood, so that we can all become less dependent on oil.

And anyway so relations are good. And so, what do you do for a living, Gilberto?

Mr. Dimenstein. So, I'm a journalist.

The President. A journalist? That's good. [Laughter]

Mr. Dimenstein. Very good?

The President. Yes.

Mr. Dimenstein. Or not very good?

The President. No, it's great, believe me. [Laughter] Isn't it? Yes. [Laughter]

[*Mr. Dimenstein, founder and academic director, Associacao Cidade Escola Aprendiz, made brief remarks, concluding as follows.*]

Mr. Dimenstein. And then the almost last 20 years, I've been writing about violence against kids and the lessons in Brazil—

The President. Thank you. Thank you.

[*Mr. Dimenstein made further remarks.*]

The President. Fantastic. And when you say countrywide, first, you've got a big country. This will be promoted by the Federal Government in cooperation with the private—with your group—

[*Mr. Dimenstein made further remarks, concluding as follows.*]

Mr. Dimenstein. And we've learned that when we put people together, it's very easy to make the education improve. One instance, we create one model, the neighborhood that I live because I believe if you want to change the world, first try to change your neighborhood.

The President. That's right.

[*Mr. Dimenstein made further remarks.*]

The President. So part of the purpose of this gathering is to analyze best practices. And by that I mean what works. Gilberto has just described a program that works, and hopefully somebody will be inspired by this idea and try it out in another part of our neighborhood.

And so I appreciate you coming. Thanks for bringing something that—

Mr. Dimenstein. Thank you very much for the invitation.

The President. You're not only a social entrepreneur, you're an educational entrepreneur. And we appreciate your vision and your hard work to make your country a better place.

An individual can make a significant difference in the life—in somebody else's life. And when you can motivate and encourage millions of individuals to make a difference in somebody's life, then the impact becomes pretty profound. And here's an example of one fellow who is working hard to improve his country. Thanks for coming.

Dr. Marie. How are you, Doc?

Marie Marcelle Deschamps. I'm doing fine, thank you. It's an honor to be here.

The President. What kind of doctor are you?

[*Dr. Deschamps, technical director, Haitian Study Group on Kaposi's Sarcoma and Opportunistic Infections, made brief remarks.*]

The President. So she's from Haiti, obviously. She's a doc. She's deeply concerned about HIV/AIDS and malaria.

You know, our Government and the people—the generosity of the Americans, American people can be—as manifested by just money, spending money. Up to now we have talked about how American citizens spend time and effort to help improve lives. We also spend money. And this is an area where I feel very strongly that America should be involved and make a difference, and that is fighting the pandemic of HIV/AIDS and dealing with malaria.

And so, to this end, I'm asking Congress for \$30 billion expenditure over the next 5 years. She mentioned PEPFAR. That's, like, initials for the AIDS initiative, and we're making a big difference.

The reason I bring this up again is that—I'm not bragging, I'm just telling the American taxpayer that through your hard work and your tax dollars, we're helping programs like Maria's that are saving lives. We can measure the lives being saved. We can measure the amount of antiretroviral drugs ending up in people's systems. We can measure how many different groups there are involved. This is an area, for example, where the faith-based community has made a significant difference, not only in our own hemisphere but in other affected countries as well.

Maria mentioned that it's amazing what happens when they start networking; when one group attracts another group, that attracts another group, and all of a sudden, there's a grassroots organization in place to deal with this terrible pandemic.

And so I want to thank you for going back to your country, for lending your skills to help solve a significant problem that can be—that at least, we can arrest the race. At least we can help—and we save children through the

mother-to-child transmission—programs that prevent that transmission of AIDS.

So, good going.

Dr. Deschamps. Thank you. Thank you.

The President. Yes. You upbeat? You feeling all right about things?

[*Dr. Deschamps made further remarks.*]

The President. That's one thing that Secretary Paulson's going to discuss in the breakout session that he is going to be leading, and that is, our view of the importance of microloans—microcredit, as a way to help people, again, help themselves and realize their potential. So thanks for coming.

Dr. Deschamps. Thank you.

The President. Glad you're here.

Dr. Deschamps. Thank you.

The President. Our last panelist is John Howe, formerly of the great State of Texas. Once a Texan, always a Texan, John. [*Laughter*] He is the president and CEO of Project HOPE. Why don't you explain what that is and tell us what you're doing.

[*John P. Howe III, made brief remarks, concluding as follows.*]

Dr. Howe. We're legally chartered here in Washington as the People-to-People Foundation, doing business as Project HOPE.

The President. Good.

[*Dr. Howe made further remarks.*]

The President. Thanks, John. You know, it's interesting, our country has got certain images that—some are true, some aren't true. And it's very important, as part of our diplomacy, diplomatic effort on behalf of the American citizens, to remind people about some of the great generous acts that our citizens are doing. And they do it out of the goodness of their hearts. There's nothing better than being a volunteer. It's probably one of the great acts of kindness that somebody can do, is to volunteer to save somebody's life or just to add a little love in somebody's heart.

And we've got millions of our citizens who do that on a daily basis here at home. And it's in our interest that citizens who so want to can do that outside, in our neighborhood. And part of the purpose of having this gathering today is to remind our citizens of that

which we're doing and to call upon our citizens, if they've got time, to help somebody in need. As you said, the doctor from Wyoming benefited just as much as the woman in Guatemala did. And that's the beauty of giving.

And so I thank you all for joining today. Our panelists did a magnificent job, like I knew they would. I thank you all very much for your interest in coming. To my fellow citizens, I appreciate you taking time. I appreciate you being involved. Thank you for caring about the plight of our fellow human beings in the neighborhood in which we live. For those of you from other countries, welcome to America. You'll find this to be a loving country, full of decent, caring, fine people. And it is an honor to be the President of such a country.

Que Dios les bendiga. May God bless you. Thank you.

NOTE: The President spoke at 10:30 a.m. at the Hyatt Regency Crystal City at Reagan National Airport. In his remarks, he referred to Mariano Canu, cofounder, Labradores Mayas; and President Luiz Inacio Lula da Silva of Brazil. The Office of the Press Secretary also released a Spanish language transcript of these remarks.

Remarks Following a Tour of GrafTech International Ltd. in Parma, Ohio

July 10, 2007

Good, thanks. I'm proud to be with you all. It's great to be at GrafTech here in Cleveland. I've come to Cleveland to highlight a couple of important issues. First, energy independence is an important part of our Nation's future. And one way to achieve energy independence is to promote technologies that will enable us to drive our economy without the use of Middle Eastern oil, for example. And one such technology is hydrogen fuel cells. And GrafTech is on the leading edge of developing a technology that will work, that will be competitive with other forms of energy, and that will enable us, on the one hand, to be less dependent on oil and better stewards on—of the environment.

And so I'm glad to be with these entrepreneurs, these scientists, these thinkers.

We've—as part of the hydrogen fuel cell initiative that I proposed to the Congress, this company got a grant. And I think it's a wise use of taxpayers' money, to help the people in this company develop this new technology. This forklift right here is powered by a hydrogen fuel cell. Doesn't require any oil or products derived from oil, and the exhaust from this is water.

And so we're going to continue to promote these kinds of technologies. And so I want to thank you all for having me. I'm about to go to a—after lunch, go to a hospital to talk about the need for a health care system that is patient-driven. I will resist the idea of the Federal Government running the health care system. And I'm going to spend some time talking during a townhall meeting about the kinds of reforms that we ought to be promoting out of Washington that encourage there to be a consumer-driven health care system. I mean, we'll take care of the poor, and we'll help the elderly. But we believe health care is best run in the private sector, not by the government.

And finally, I'm going to spend some time talking about the war on terror and our need to succeed in Iraq. And I'm going to remind the people in the audience today that troop levels will be decided by our commanders on the ground, not by political figures in Washington, DC, and that we've got a plan to lead to victory. And I fully understand that this is a difficult war, and it's hard on the American people. But I will once again explain the consequences of failure to the American people, and I'll explain the consequences of success as well.

And so I thank the people of Cleveland for welcoming me here. I'm glad to be in your city. Looking forward to a full day.

Thank you all.

NOTE: The President spoke at 10:59 a.m.

Remarks to the Greater Cleveland Partnership and a Question-and-Answer Session in Cleveland, Ohio

July 10, 2007

The President. Thank you, sir. Thank you, Fred. Thanks for having me. Thank you,

Fred. Thanks for coming. Thanks for having me. It's a smart marketing tool, you know, all the cameras. [Laughter] I thought for sure the largest chamber of commerce was in Texas, but I guess not. [Laughter]

I'm thrilled to be back in Cleveland. I've had a fascinating day. I went to a small business that is on the cutting edge of changing the way we're going to consume energy. I just came from the Cleveland Clinic, which is one of the most fabulous hospitals in America.

I do want to spend a little time talking about our economy, talking about health care and energy policy that will be an integral part of making sure the economy continues to grow. I'd like to spend a little time talking about the war against extremists and radicals. And I'd like to answer some of your questions, if you have any.

Before I do, I want to tell you, Laura sends her best. She's arguably the most patient woman in America. [Laughter] She's a fabulous First Lady and a great mom. I love her dearly, and she told me to say hi to you all, so, hi. [Laughter]

I appreciate Joe Roman, who works with Fred. Thanks for setting this deal up. Appreciate the chance to come and visit with fellow citizens here in Cleveland. I'm the Commander in Chief; I'm also the educator in chief. Part of my job is to explain the philosophy behind the decisions that I have made. I'm honored you'd give me a chance to do so.

I'm traveling with a good man, the Congressman from this area—one of the Congressmen from this area, Steve LaTourette. Proud to be with you, Congressman. Thank you for your time. State Auditor Mary Taylor is here. Thanks for being here, Mary. I met the mayor of Cleveland across the street at the hospital. I was proud to be with him. I thank him for his time, for taking time out of his day. I thank Toby Cosgrove of—Doc, thank you for being here—from the hospital there across the street. I thank the docs, by the way, for taking time to show me some amazing technology.

Let me first talk about our economy. It's—our economy is changing, and it's strong. I remember back to—early on in my administration when we were confronted with some

very difficult times. There was a recession; the economy had gotten overheated, and it was correcting. And then we got hit by an enemy that killed nearly 3,000 of our citizens, which such an attack obviously would have an effect on the economy. Then there were some corporate scandals that had a psychological effect on our economy. I mean, people were beginning to worry about the system where people were not upholding the law, taking advantage of the situation, taking advantage of shareholders.

And yet we acted and cut taxes—and cut them hard because I believe—[applause]—because one of the philosophical drivers of this administration is, is that if you have more money in your pocket to spend, save, or invest, the economy is more likely to grow. In other words, there's always a conflict in Washington about how—what's the proper amount of money in Washington and what is the proper amount of money in your pocket. I'm one of these fellows that err on the side of trusting people to spend their money more than trusting government. And therefore, we cut—[applause].

I'm not trying to elicit applause—thank you, but—[laughter]—and our plan has worked. I don't know if you noticed last month that we added another 132,000 new jobs. We've added over 8 million new jobs since August of 2003. Entrepreneurship flourishes when people have got more capital in their pocket.

One of the interesting things about the tax cuts that we proposed is that a lot of the tax cuts were aimed at small businesses. One of the statistics that makes our economy interesting and, I believe, robust is that 70 percent of new jobs are created by small-business owners. And that's an important thing for our fellow citizens to remember, particularly those in Congress who are thinking about something to do with the Tax Code.

Most small businesses are subchapter S corporations or limited partnerships. In other words, they pay tax at the individual income tax rate. So therefore, when you cut income taxes on everybody who pays taxes—in other words, when you lower the rates, it affects the ability of small businesses to keep capital; in other words, keep more of what they earn. And when a small business keeps more of

what they earn, it is more likely that business will expand. And therefore, when you hear me say that 8 million new jobs have been created since August of 2003, I might as well have said, as well, the small-business sector of America is strong. And the best way to keep it that way is to keep taxes low.

And now we're going to have a debate on that in Washington. And that's going to be the interesting philosophical argument. You'll hear people say in Washington, "Well, we need to raise taxes in order to either pay for new programs or balance the budget." I happen to believe we can balance the budget without raising taxes if we're wise about how we spend your money. And we're proving it possible.

Tomorrow I'm going to talk about the size of the deficit. I'm not going to guess what that will be, but I can predict it's going to be substantially lower than it was 3 years ago. And we didn't raise your taxes. We kept your taxes low, which caused the economy to grow, which yielded more tax revenues. And because we set priorities, the deficit is shrinking.

And the big fight in Washington is going to be whether or not the budgets that the Congress is trying to now pass is going to go through. It's not; I'll veto them if they're excessive in spending. I'm not going to let them raise your taxes. I think it would be bad for the economy. I think it would be bad for entrepreneurship.

Let me talk about health care, since it's fresh on my mind. [*Laughter*] The objective has got to be to make sure America is the best place in the world to get health care, that we're the most innovative country, that we encourage doctors to stay in practice, that we are robust in the funding of research, and that patients get good, quality care at a reasonable cost.

The immediate goal is to make sure there are more people on private insurance plans. I mean, people have access to health care in America. After all, you just go to an emergency room. The question is, will we be wise about how we pay for health care? And I believe the best way to do so is to enable more people to have private insurance. And the reason I emphasize private insurance, the best health care plans—the best health care

policy is one that emphasizes private health. In other words, the opposite of that would be government control of health care.

And there's a debate in Washington, DC, over this. It's going to be manifested here shortly by whether or not we ought to expand what's called SCHIP. SCHIP is a program designed to help poor children get insurance. I'm for it. It came in when I was the Governor of Texas. I supported that. But now there are plans to expand SCHIP to include families—some proposals are families making up to \$80,000 a year. In other words, the program is going beyond the initial intent of helping poor children. It's now aiming at encouraging more people to get on government health care. That's what that is. It's a way to encourage people to transfer from the private sector to government health care plans.

My position is, we ought to help the poor, and we do through Medicaid. My position is, we ought to have a modern medical system for the seniors, and we do through Medicare. But I strongly object to the government providing incentives for people to leave private medicine, private health care to the public sector. And I think it's wrong, and I think it's a mistake. And therefore, I'll resist Congress's attempt to federalize medicine.

I mean, think of it this way: They're going to increase the number of folks eligible through SCHIP. Some want to lower the age for Medicare. And then all of a sudden, you begin to see a—I wouldn't call it a plot, just a strategy—[*laughter*]—to get more people to be a part of a federalization of health care. In my judgment, that would be—it would lead to not better medicine but worse medicine. It would lead to not more innovation but less innovation.

And so—but you got to be for something in Washington. You can't be against the federalization; you've got to be for a plan that enhances the relationship between doctor and patient, and that's what I'm for. Here's what I believe in: One, I believe in health savings accounts as an alternative to the federalization of medicine. It gives people the opportunity to save, tax-free, for routine medical costs and, at the same time, have a catastrophic health care plan to back them up.

I like the idea of people making decisions that are—that will, one, enhance their health and, two, save money. The doc told me that—we were looking at one of these brilliant heart guys working for him. You're not going to believe the technology in this hospital, by the way. If you're a Cleveland resident, you ought to be proud of this hospital. It's unbelievable.

He said something pretty wise, though. He said, "You can have all the technology that man can conceivably create, but if you continue to smoke, we're going backwards. If you're not exercising, if you're not taking care of the body yourself, all the technology isn't going to save your life." In other words, there is a certain responsibility that we have as citizens to take care of ourselves. And a health savings account actually provides a financial incentive for you to do that.

I believe in plans that enable small businesses to congregate across jurisdictional lines so they can afford insurance, afford spreading risk just the way big corporations can do. In other words, one way to control costs is to enable small businesses, many of which are having trouble affording insurance, to pool risk.

I'm a strong believer in medical liability reform. We've got a legal system which is driving up the costs of medicine because docs are practicing defensive medicine, and driving good doctors out of practice. And it makes no sense to have a legal system that punishes good medicine. And therefore, I strongly believe that the Congress ought to pass Federal medical liability insurance for our doctors and our providers.

I believe in information technology. The first time I came to Cleveland Clinic, we were talking about how to modernize our hospital systems and our doctors' offices into the 21st century. Perhaps the best way to describe the problem is, we've got too many doctors still writing out prescriptions by hand. Most of them can't write to begin with. [Laughter] And then they pass the file from one person to the next. That's inefficient in this new era. I mean, technology is changing the way we live; it ought to be changing the way medicine operates. And it is at Cleveland Clinic. I envision the day, one day, when all of us will have our own medical electronic

record that will be safe from snoopers. In other words, it will be private but will make health care more efficient.

Cleveland Clinic did something interesting. I went to four different stations, and after every station, they gave me an outcomes book. In other words, "We're willing to be measured," says the good doc. There ought to be transparency in medicine. How many of you have ever actually tried to price a medical service? Probably not many. How many of you have ever said, "Gosh, I wonder whether this health care quality is better than the neighbors." I doubt any of you have—many of you have done that. Why? Because the system is not geared toward that. Somebody else pays your bills. If you really think about it, and you're working, say, for a company in America, and they provide a health care plan for you, there's a third-party payer. Well, if somebody else pays the bills, why do you care what the cost is at the time of purchase?

In other words, the whole plan has got to be to bring more accountability into health care, to make the consumer more responsible for making proper and rational decisions. That's what accountability does. And I applaud you for that, Doc. That's what transparency in pricing means. In other words, you would be able to shop for price.

But the system, by the way, the tax system does not enable the individual to be incented to buy insurance in the private sector. If you work for a company and you get insurance, you get a good tax benefit. If you're an individual and buy insurance, you don't get the same tax benefit. That doesn't make any sense. The Tax Code needs to be reformed. The Tax Code ought to treat everybody equally when it comes to health care. And therefore, one proposal, one way to deal with that is something I talked to the Congress about, and said, if you're a married person and you're working, you ought to get a \$15,000 deduction, just like a mortgage deduction, from your income whether you're working for corporate America or you're working on your own, whether you're working for a small-business owner or you're looking for a job.

And that way, you begin to make sure the Tax Code is a level playing field. And that

way, an individual market begins to grow because you have got an incentive at that point in time to go out and purchase health care. As a matter of fact, you won't get your deduction unless you purchase health care if you're in the individual market.

The whole point I'm trying to make is, there's an alternative to the federalization of health care. It doesn't make a nice, neat sound bite. It's not something that's easy to sell—what do you care about making sure you expand SCHIP, which sounds nice and cozy. But nevertheless, it is an alternative that will work, and it is working right here in America today.

The technological changes in the hospital across the street have been amazing. The quality of care has been fantastic. There's just more we can do to make sure we continue to be the leader, without wrecking the health care system.

Energy—in order to keep this economy strong—and we do have a strong economy—not only have we added 8.2 million new jobs since August of 2003; interest is low; inflation is down. I mean, this thing is buzzing. There are some parts of the country that are hurting. The manufacturing sector up here isn't doing as well as other parts of the country. However, I would remind you that the unemployment rate in Ohio is 5.8 percent. Is that perfect? No. Is it better than it has been? You bet it is.

But the—one of the issues to make sure that we continue to grow strong in the years to come is energy. I mean, we're just too dependent on oil. I know that sounds hard for a Texas guy to say. *[Laughter]* You're probably wondering whether I mean it. *[Laughter]* I do. It's a national security issue, to be dependent on oil from parts of the world where some of the folks don't like us. It's an issue that's got to be dealt with—now.

There's an economic security issue when it comes to being dependent on oil. When the demand for crude oil goes up in a place like China because of economic growth, it causes the international price of oil to go up, which affects the gasoline price here in Cleveland, Ohio. That's the way it works. High crude oil prices yield to higher gasoline prices. And therefore, there's an economic issue for being dependent on oil.

And there's an environmental cost for being dependent on oil. When we're burning carbon, it creates greenhouse gases, which is an issue that we need to deal with. So we have a fantastic opportunity to do something different for the sake of our economy, for the sake of our national security, and for the sake of the environment.

Today I went to a fascinating, little company here that is building hydrogen fuel cells. Hydrogen is the input; water is the output; and in the meantime, your car is going. Hydrogen fuel cells are coming. And there's a role for the Federal Government to—spending your money to promote new technologies to enable us to become less dependent on oil and better stewards of the environment.

Imagine one day being able to drive your car with hydrogen as its power source and water dribbles as the output of your engine. And that day is coming. Now, it's down the road a little bit, but nevertheless, it is a part of a comprehensive plan to make sure we become less dependent on oil. In the meantime, when it comes to powering your cars, I want to tell you, I'm a big believer in having our farmers grow a product that will enable us to drive our cars. I think it makes sense to spend your money to invest in new technologies or to research new technologies, so that when a fellow grows switch grass, for example, that grass can be processed into ethanol, which can power your automobile.

Now, I don't know if you know this or not; we're up to about 7 billion gallons of ethanol being produced and used in America. That's up from 2 billion 3 or 4 years ago. That's a good deal, if you're interested about energy independence, because that energy is coming from corn growers here in America. The problem is, we're growing a lot of corn for ethanol, which means the price of corn is going up for the pig farmer. So we've got to relieve the pressure on the pig farmer—*[laughter]*—well, not all—everybody—but pig farmer is paying—use a lot of corn. And therefore, we're spending money on technologies. And I believe more and more people are going to be using ethanol to power their automobiles.

It's happening in the Midwest a lot now. Cellulosic ethanol breakthroughs will mean

that we're going to be having ethanol produced from wood chips or switch grasses, which means the market will spread across the United States, which will make us less dependent on oil. And by the way, the exhausts from ethanol are a lot cleaner than the exhaust from hydrocarbon-based fuels.

We need to be promoting nuclear power. If you're really interested in the environment, like a lot of people are, then we ought to be promoting a renewable source of energy that emits no greenhouse gases. And one of the places where your government is spending money and is part of this comprehensive plan to change our energy mix is to figure out a better way to deal with the waste, nuclear waste. And I'm a big believer in reprocessing and fast-burner reactors, which is fancy words for, we can burn down the fuel—reuse it, burn it down to less volume and less toxicity.

We've got 250 years of coal, at least, in America. If we're interested in becoming less dependent on foreign sources of energy, we ought to be using energy here at home in a wise way. But coal can be dirty, and therefore, we're spending a lot of your money on developing clean coal technologies.

And my only point to you is, is that one of the reasons I've come to Cleveland is to herald some of the new technologies. As a matter of fact, a fellow came up to me at this place, and he said, "Now, you're a wind person." I said, "Well, yes, you know, I—a lot of hot air here." [*Laughter*] And he said, "We got a new industry evolving here: wind-mills." That's fine. I support that. I think it makes a lot of sense. It makes us less dependent on foreign sources of oil. And that's an—important for making sure this economy continues to grow.

So my stop here has been really aimed at heralding technology. You got to be optimistic about America's future because of some of the great technologies that are taking place. And two of the areas where technology is really going to change America for a long time coming is in the energy field and in the medical field.

I want to talk about this war we're in. First of all, I regret I have to tell you we're in war. I never wanted to be a war President.

I—now that I am one, I'm going to do the best I can to protect America.

My mind changed on September the 11th, 2001. It changed because I realized the biggest responsibility government has is to protect the American people from further attack and that we must confront dangers before they come to hurt us again. That's one of the really valuable lessons of September the 11th, is to recognize that oceans can't protect us from an enemy that is ideologically driven and who will use murder as a tool to achieve their political objectives.

Some in America don't believe we're at war, and that's their right. I know we are and, therefore, will spend my time as the President doing the best I can to educate people about the perils of the world in which we live and that we have an active strategy in dealing with it.

First, the enemy—these folks aren't isolated folks, you know; they just kind of randomly show up. They have an objective. They believe as strongly in their ideology as I believe in ours. They believe that they have an obligation to spread a point of view that says, for example, if you don't worship the way we tell you to worship, there will be a consequence; just like I believe we have an obligation to defend a point of view that says, what matters is the right for you to choose your religion, and you're free to do so in the United States of America.

They believe that they can use—they have no value for human life, see. That's what distinguishes them from us in another way. They will kill a Muslim, a child, or a woman in a moment's notice to achieve a political objective. They are dangerous people that need to be confronted.

And that's why, since September the 11th, our policy has been to find them and defeat them overseas so we don't have to face them here at home again. Now, that is a strong—a short-term strategy because the long-term strategy has got to be one that marginalizes these extremists and radicals by promoting an alternative ideology—I like to say, an ideology based on light, an ideology that promotes hope, an ideology when given a chance has worked every time to lift people's spirits. And that's the ideology based upon liberty,

the chance for people to live in a free and open society.

And it's hard work. And this war is on a multiple of fronts. One front is Afghanistan. And the front that is consuming the American people right now is Iraq. And I fully understand how tough it is on our psyche. I fully understand that when you watch the violence on TV every night, people are saying, is it worth it? Can we accomplish an objective? Well, first, I want to tell you, yes, we can accomplish and win this fight in Iraq. And secondly, I want to tell you, we must for the sake of our children and our grandchildren.

You know, I was very optimistic at the end of '05 when 12 million Iraqis went to the polls. I know it seems like a decade ago. It wasn't all that long ago that, when given a chance, 12 million people voted. I wasn't surprised, but I was pleased; let me put it to you that way. I wasn't surprised because one of the principles on which I make decisions is that I believe in the universality of freedom. I believe that freedom belongs to every man, woman, and child on the face of the Earth. As a matter of fact, to take it a step further, I believe it is a gift from an Almighty to every man, woman, and child on the face of the Earth. And therefore, I wasn't surprised when people, when given the chance, said, I want to be free. I was pleased that 12 million defied the car bombers and killers to vote.

Our policy at that point in time was to get our force posture in such a position—is that we would train the Iraqis so they would take the fight to those who would stop the advance of democracy, and that we'd be in a position to keep the territorial integrity in place and chase down the extremists. That was our policy. We didn't get there in 2006 because a thinking enemy—in this case, we believe Al Qaida, the same people that attacked us in America—incited serious sectarian violence by blowing up a holy religious site of the Shi'a. And then there was this wave of reprisal.

And I had a decision to make. Some of Steve's colleagues—good, decent, patriotic people—believed the best thing for the United States to do at that point in time was to step back and to kind of let the violence

burn out in the capital of Iraq. I thought long and hard about that. I was deeply concerned that violence in the capital would spill out into the countryside. I was deeply concerned that one of the objectives of Al Qaida—and by the way, Al Qaida is doing most of the spectacular bombings, trying to incite sectarian violence. The same people that attacked us on September the 11th is the crowd that is now bombing people, killing innocent men, women, and children, many of whom are Muslims, trying to stop the advance of a system based upon liberty.

And I was concerned that the chaos would more enable them to—more likely enable them to achieve their stated objective, which is to drive us out of Iraq so they could have a safe haven from which to launch their ideological campaign and launch attacks against America. That's what they have said. The killers who came to America have said, with clarity, "We want you out of Iraq so we can have a safe haven from which to attack again."

I think it's important for the Commander in Chief to listen carefully to what the enemy says. They thrive on chaos. They like the turmoil. It enables them to more likely achieve their objectives. What they can't stand is the advance of an alternative ideology that will end up marginalizing them.

So I looked at consequences of stepping back—the consequences not only for Iraq but the consequences for an important neighborhood, for the security of the United States of America. What would the Iranians think about America if we stepped back in the face of this extremist challenge? What would other extremists think? What would Al Qaida be able to do? They'd be able to recruit better and raise more money from which to launch their objectives. Failure in Iraq would have serious consequences for the security of your children and your grandchildren.

And so I made the decision, rather than pulling out of the capital, to send more troops in the capital, all aimed at providing security, so that an alternative system could grow. I listened to the commanders that would be running the operation—in this case, the main man is a man named General David Petraeus, a smart, capable man who gives me his candid advice. His advice: "Mr. President,

is—we must change the mission to provide security for the people in the capital city of Iraq as well as in Anbar Province in order for the progress that the 12 million people who voted can be made.” That’s why we’ve done what we’ve done.

And we just started. He got all the troops there a couple of weeks ago. He asked for 20-something thousand troops, and I said, if that’s what you need, Commander, that’s what you got. And they just showed up. And they’re now beginning operations in full.

And in Washington, you got people saying, stop. And here’s my attitude about this—and I understand there’s the debate, and there ought to be a debate in our democracy, and I welcome it. I welcome a good, honest debate about the consequences of failure, the consequences of success in this war. But I believe that it’s in this Nation’s interests to give the commander a chance to fully implement his operations. And I believe Congress ought to wait for General Petraeus to come back and give his assessment of the strategy that he’s putting in place before they make any decisions. That’s what the American people expect. They expect for military people to come back and tell us how the military operations are going.

And that’s the way I’m going to play it as the Commander in Chief. I’ll be glad to discuss different options. I mean, the truth of the matter is, I felt like we could be in a different position at the end of 2005. I believe we can be in a different position in awhile, and that would be to have enough troops there to guard the territorial integrity of that country, enough troops there to make sure that Al Qaida doesn’t gain safe haven from which to be able to launch further attacks against the United States of America, enough troops to be embedded and to help train the Iraqis to do their job.

But we couldn’t get there without additional troops. And now I call upon the United States Congress to give General David Petraeus a chance to come back and tell us whether his strategy is working. And then we can work together on a way forward.

In the meantime, the Iraqis have got to do more work. This coming week, I’ll be presenting a—to the Congress a list of some of the accomplishments and some of the short-

falls of their political process. They’ve asked us to report on 18 different benchmarks. That’s what the Congress said in this last supplemental spending bill. They said, come back here in mid-July and give us an interim report as to whether or not any progress is being made in Iraq. And that’s what we’ll be doing. So at the end of this week, you’ll see a progress report on what’s been happening in Iraq—and then in September, a final report on the benchmarks that I accepted and that Congress passed.

And so that’s the challenge facing the country. And it’s a necessary—in my judgment, it’s necessary work. I wouldn’t ask a mother or a dad—I wouldn’t put their son in harm’s way if I didn’t believe this was necessary for the security of the United States and peace of the world. And I strongly believe it. And I strongly believe we will prevail. And I strongly believe that democracy will trump totalitarianism every time. That’s what I believe. And those are the belief systems on which I’m making decisions that I believe will yield the peace.

You know, it’s really interesting; in my position, I obviously have a unique view of things at times. And one of the most interesting views that I’ve been able to—of history that I’ve been able to really focus on is our relationship with Japan. I’ve told this story a lot because I find it to be very ironic.

When my dad was a young guy, right out of high school, he joined the United States Navy, became a Navy torpedo bomber pilot and fought the Japanese. They were the sworn enemy of the United States of America. And he, like a lot of other young people, gave it their all. And a lot of people died on both sides of the war. As a matter of fact, it was—the Japanese, as you rightly know, was the last major attack on the United States prior to September the 11th, 2001. Some 60 years later, I’m at the table talking about the peace with the Japanese Prime Minister, Prime Minister Koizumi.

I find that to be an inspiring story and a hopeful story. It’s a story about the ability of liberty to transform enemies into allies. It’s a story about the ability for those who fought to become partners in peace. Prime Minister Koizumi and now Prime Minister

Abe are close friends of mine in the international arena. We talk about the spread of democracy in the troubled part of the world because we both have seen the effects of democracy in our own relationship.

I've got great faith in the power of liberty to transform the world for the sake of peace. And the fundamental question facing our country is, will we keep that faith?

Thanks for letting me come and visit with you. And now I'll be glad to answer some questions.

Main guy, first question. Sure, okay. [Laughter]

National Aeronautics and Space Administration/Appropriations

Q. Well, this may seem like it was rigged, Mr. President—

The President. Okay.

Q. —but there are people—

The President. There have been a few rigged questions in my day. [Laughter] I'm not telling you which way they were rigged though. [Laughter]

Q. Mr. President, like this world-class health care institution, NASA Glenn is one of the crown jewels, along with the talented people there, in our new economy crown. As you know, we recently won the crew exploration vehicle contract. We're very happy about that. Given all the competing demands for resources in Washington, what kind of funding do you see for NASA and its mission going forward?

The President. Yes. That's a awkward question to ask a Texan. [Laughter] I think that NASA needed to become relevant in order to be—to justify the spending of your money, and therefore, I helped changed the mission from one of orbiting in a space shuttle—in a space station to one of becoming a different kind of group of explorers. And therefore, we set a new mission, which is to go to the Moon and set up a launching station there from which to further explore space.

And the reason I did that is, I do want to make sure the American people stay involved with—or understand the relevance of this exploration. I'm a big—I support exploration, whether it be the exploration of new medicine—through, like, NIH grants—the

exploration of space through NASA. I can't give you the exact level of funding.

I would argue with you that we got a lot of money in Washington—not argue, I'll just tell you, we got a lot of money in Washington. [Laughter] And we need to make sure we set priorities with that money. One of the problems we have in Washington is that unlike the books I saw at the hospital—of which, you're on the board—that said “results,” we're not very good about measuring results when we spend your money. A lot of time, the program sound nice; a lot of time, the results don't match the intentions.

So one of the things I've tried to do through the OMB is to be results-oriented, and when programs don't meet results, we try to eliminate them. And that's hard to do. Isn't it, Steven? Yes. But, no—I believe in exploration, space exploration. And we've changed the mission to make it relevant. Thanks.

Yes, sir.

Relations With the Muslim World/U.S. Foreign Policy and Diplomacy/War on Terror

Q. Mr. President, I'm originally from Pakistan.

The President. Pakistan, good.

Q. When I travel there, my friends over here say that I'm crazy to go back—

The President. Yes.

Q. And when I'm there, the people over there say I'm crazy to go back. [Laughter]

The President. You're, like, in between a rock and a hard place, brother. I mean—

Q. That's right, that's right. My question for you is, what are we doing with public diplomacy to change the minds and the hearts of a billion and a half Muslims around the world?

The President. Yes. I appreciate that; great question. First, let me say that I'm confident your answer is, I love living in America, the land of the free and the home of the brave, the country where you can come and ask the President a question and a country where—are you Muslim?

Q. Yes.

The President. —where you can worship your religion freely. It's a great country

where you're able to do that. Go ahead and sit down. Have you made a living?

Q. Yes, I do—

The President. —a country where can come and make a living regardless of your background. [*Laughter*] Seriously. It's a great thing about America. If you dream and work, you can achieve. And we need to keep it that way.

His question is a good question. A lot of people in the Muslim world believe that the United States is at war with Islam, that the response to the attack on our country was one where we attacked somebody based upon their religion. And I, for one, obviously need to battle that image because we're not facing religious people; we're facing people whose hearts are filled with hate, who have subverted a great religion.

Most Muslims reject the kind of violence perpetuated on innocent people by Al Qaida. I happen to believe—I just don't—believe they're religious people who murder the innocent to achieve political objectives.

And so step one is to make it clear that we reject radical and extremism and murderers, not reject a great religion. Step two is to encourage people like you to go to Pakistan. You're more credible than I am amongst your pals there. You can say, "You're not going to believe America. You're not going to believe the country where people from all different backgrounds, all walks of life, can live in freedom."

And I don't exaggerate to you because the best diplomacy we have is when citizens travel overseas and/or people come here to America. One of the problems we faced when it came to diplomacy, public diplomacy, right after 9/11 is, we shut her down. You couldn't get in this country, particularly, perhaps if you were from Pakistan. I mean, this country said, "Whoa, we got a new world," and therefore, it was, stop a lot of student visas. You might remember, some of the kids that flew those airplanes were on—here as students. And we did what most Americans expected us to do—made sure we inventoried where we were so we could best protect the American people.

And we've learned a lot since then. So I'm pleased to report to you that, working with Condi—and it's her main responsibility—is

that we've got now more students coming to America from other countries, but through a much better screening process. I can't think of a better way to help change people's attitudes about America than having them come here and see for themselves.

One of the big issues we have, of course, is the public airways. There's a lot of television stations in the Middle East who spread some of this propaganda. It's easy to kick America around. And Karen Hughes is now the head of public diplomacy in the State Department, and we spend a lot of time trying to figure out how to counter the false and negative message about America with the true story of our country.

And so we're on a multiple of fronts—visits, exchanges, better messaging. We've got to be careful about our language here, and I am. As a matter of fact, interestingly enough, right after September the 11th, one of the first places I went was to a mosque—or, actually, an Islamic center there in Washington, DC. I went back to the same center 50 years later—50 years after Eisenhower, Ike, dedicated it, to send a message about America.

But we've got a lot of work to do on that front. It's a great question. Pakistan, by the way, is a—Musharraf is a strong ally in the war against these extremists. I like him, and I appreciate him. I'm, of course, constantly working with him to make sure that democracy continues to advance in Pakistan. But he's been a valuable ally in rejecting extremists. And that's important, to cultivate those allies.

See, again I repeat to you—and this is hard for some Americans to understand—we are at the beginning stages of a major ideological struggle that will affect the security of the United States. And it's a struggle between moderation and extremists. It's a struggle between radicals who kill and rational people who want to live in peace.

Most Muslim mothers want their children to grow up in peace; they're just like mothers in the United States. There's some universal characteristics of people. And the fundamental question facing us as a country is, will

we have wise policies that confront these extremists? And the first step toward wise policy is recognizing they exist and we're at war with them.

And it's—look, I spend a lot of time thinking about this issue. That's what you pay me to do. And I'm briefed every day about threats on the homeland. And you should be grateful to—the fact that there are a lot of good, good, honorable people, either at home or overseas, doing everything in their power to protect you.

I wish I could report that this thing, this threat, this struggle, is going to end shortly; it's not. That doesn't mean we have to have kinetic action all the time. But it does mean America must not lose faith in our values and lose sight of our purpose. And that's going to be the challenge facing this country.

I'm worried about isolationism. I'm worried about people saying, it's not worth it anymore; it's too hard; let it happen over there; it's not going to affect us. It will affect us. And frankly, I'm worried about protectionism, where people say, it's too hard to trade; let's just wall ourselves off from the rest of the world.

Anyway, it's a long answer to a good question.

Yes, ma'am.

Immigration Reform

Q. Mr. President, I know immigration has been a big problem in the U.S. And what is your next step with the immigration bill?

The President. Yes, thanks. [*Laughter*] I view it as—no, it's a great question. No, I appreciate that. Actually, I view it as a great opportunity. And thank you very much for that question. As you know, I've had a difference of opinion with people in both political parties on this issue. I felt like now is the time to address the immigration issue and not just pass it on and hope it gets better.

I believe in rule of law, and therefore, I know that the Federal Government needs to enforce law. One law is—one part of the law is, don't sneak into our country. And therefore, we have been aggressive at border security, which is making sure we modernize our border. You've probably never been down there; I grew up down there. It's a big border. And it's really long, and in parts of it,

between Arizona and Mexico, you don't know where the border is. There's no—it's like desert.

Secondly, there is a powerful force in the world, and it's called parenthood. And when you're poor and you got mouths to feed and you got an opportunity to put some money on the table—food on the table, you're going to come if you can see that opportunity. And you'll do everything you can to get here to put food on the table. I used to say, family values don't stop at the Rio Grande River.

And so you shouldn't be surprised that a whole industry has sprung up where people get stuck in the back of an 18-wheeler or—and come to work. That troubles a lot of Americans; I understand. What I'm telling you is, it's hard to enforce this border, but we're doing a better job of doing it.

I happen to believe the best way to really enforce the border, however, is to recognize that people are coming to do work Americans aren't doing, and therefore, there ought to be a way for people to do so in a rational way. That's why I supported what's called a temporary-worker plan that said, you can come and do a job an American is not doing, on a temporary basis, so you don't have to sneak across the border. In other words, one way to take pressure off the border is to have a way for people to come here on a temporary basis legally.

Now, Steve was telling me—I was telling Steve—we're doing a good job, by the way. If you notice in the papers today, the arrests are down. In other words, fewer people are coming. Last year, by the way, we arrested and sent back across over a million people. In other words, there's a lot of action down there. It may not look like it or sound like it on your radios or TVs, but there's a lot of work going on.

There's a lot of nursery people up here in this part of the world, I understand. But one of these days, these nursery people are going to say, "We can't continue to grow our business because we can't find the workers." Americans are—I don't know what the proper terminology is for nursery worker—pruning, that's a—we'll try pruning—[*laughter*]—planting, planting—starts with a "P." [*Laughter*] The question is, can they find enough workers? I was talking to a fellow today at

lunch. He said, “We need more high-skilled workers here in Cleveland, H-1B visas.”

The system isn’t working, is what I’m telling you. It’s a great question, by the way. The system—and I’m glad you asked it—the system isn’t working. And I felt it needed to be fixed and went to Congress—and, by the way, the other question is, what do you do with the 12 million people already here? There’s 12 million people, they estimate, here illegally. Some of them have been here a long time. Some of them been good citizens. You may even know some of them. They’ve raised kids. Some of the kids were born here, went to college—good, productive citizens in America. What do you do with them? You kick them out? I mean, I didn’t think that was practical. As a matter of fact, I know it’s not practical. Or you make them a citizen off the bat? No, you don’t do that. That’s called amnesty. That says, okay, fine, you broke the law; there’s—you get rewarded. You can’t have that kind of system.

And so I supported a system that said, you pay a fine if you’ve been here that long; you show you’re not a criminal; you show you paid your taxes; you go back home to touch base, to apply for the right to get in line—not ahead of somebody who has been trying to get here legally, but in line.

Anyway, it didn’t work. And we’ll have to see whether or not the forces that recognize we’ve got to do something for the sake of the economy and sake of the border continue to mount because there wasn’t the political will in Washington to get anything done on a comprehensive basis. And that’s what happens sometimes in politics.

One of the things I try to remind people in Congress is this—I’ve told this story a lot as well. You get stuck on a story when you’re President; you generally stay on it. [*Laughter*] Anyway, I was at the Coast Guard Academy, giving a graduation speech there. And the number-one guy in the class, his grandfather was a migrant worker from Mexico. And he talked with such unbelievable pride about a country where a fellow can come to do jobs Americans weren’t doing, to work, and here his grandson is, speaking in front of the President, talking about a bright future.

We should never lose confidence in the ability for this great country to assimilate people into our culture. I think it’s healthy that people come to America with a dream. I think it’s healthy that people say, “Just give me a chance, and I’ll work my heart out so a next generation can succeed.”

And so in my line of work, ma’am, you just lay out what you think is right. I’m not the kind of fellow to tell you—I don’t run focus groups and polls to tell me what I think is right. I try to lead—[*applause*]—I felt it was the right thing to do. It didn’t work, but I’m glad I tried because when it’s all said and done, I’ll be able to look in the mirror and say, you came, and you did what you thought was the right thing for the country.

Yes.

Visa Waiver Program

Q. Mr. President, I have an organization that has supported the captive nations of the world for 48 years. And our members are sincerely interested in this Visa Waiver Program—

The President. Yes.

Q. —for friendly countries so people could visit their relatives and friends on a shorter basis, like 30 days, 60 days. Are you in favor of this?

The President. Great question. Are you from the Baltics? You are?

Q. Sort of. I’m of Polish decent.

The President. Polish decent. Well, that’s right. Here’s the thing she’s talking about: In the Soviet era, we had a different visa policy with Soviet countries than we did with, say, Western European countries. And the danger—not the danger—the issue was—I take it back, not danger—issue—[*laughter*]—was that people would come and overstay their visas. In other words, people would say, I’m coming to travel and visit, but, in fact, they were coming to stay. And therefore, there was an accountability system in place that’s been around for a long time.

Fast-forward to today. Polish troops helped us liberate Iraq, and yet the citizens that supported a Government that helped us liberate Iraq aren’t treated the same as citizens from other allies.

And so to answer your question, yes, I am for changing the visa waiver policy for Poland

and countries like Poland. And every time I go—as you know, I was in Poland—you may not know—I was in Poland the last trip and the Czech Republic and Bulgaria and Albania. And they wanted to know, question one is, when are you going to treat us like everybody else in the European Union? And my answer was, we're working on a comprehensive immigration bill—[laughter]—to address a lot of issues. And that was one of the issues we were trying to address.

In the name of fairness, Condi and I are working on—with Congress on a new Visa Waiver Program. Great question.

Yes, sir. Go ahead and yell it out.

War on Terror/Spread of Democracy

Q. Mr. President, first of all, as a fairly conservative talk show host, I'd like you to please tell Congress to leave the fairness doctrine in the ground where it is.

The President. Thank you—yes. [Laughter]

Q. Second of all, going back to Iraq, sir, you mentioned Muslim mothers want their children to grow up in peace.

The President. Right.

Q. The children of extremists, however, are being trained right now.

The President. Correct.

Q. We've seen the videos. We have seen the indoctrination—schoolchildren being indoctrinated to hate Americans and to hate Jews.

The President. Correct.

Q. The next generations of terrorists are already being bred. Isn't it true that regardless of how long it takes to win in Iraq or Afghanistan, the war on terror will never, ever truly be ended?

The President. I think the strategy—first of all, I've read a lot of history, and I'm certainly no history expert, but I wonder what the rhetoric would have been like at the beginning of the cold war. Is it possible people might have speculated—and again, I can't tell you if this is—I'm just kind of speculating now—is it possible people speculated that, after the indoctrination of so many children about the wisdom of Marx, that this cold war would ever end?

After Korea, I suspect no one would have predicted what I'm going to tell you now,

that after years and years of bloodshed in the Far East, our relations in the Far East are strong, not only with Japan, the former enemy, South Korea, ally, but an ally, by the way, that went through a troublesome march to democracy. They're now a democracy, but you might remember that during the period of that change, they went through a pretty strong-handed military government.

We got good relations with China. I don't think in the early fifties anybody would have predicted that the Chinese marketplace would more likely look like what Adam Smith envisioned rather than Karl Marx, although the political system lags, admittedly. But nevertheless, there's a lot of—my only point to you is, I don't think people could have seen what life was like.

And so, yes, it's going to be a struggle—you're right—for a lot of reasons. But is it impossible to—achieve the marginalization of those who are able to radicalize people, and I think it is. I think it is. And not only I think it is; I think it's necessary.

I believe that forms of government matter. I believe that frustration and hopelessness, because people don't have a sense of future, makes it easier for radical movements and radicals to be able to recruit. That's what I believe. And therefore, that's why I'm such a strong believer in advocating the march of democracy in the Middle East.

And look, I fully understand that, and this is a very interesting ideological debate—people call me—he's a hopeless idealist, they say. But I also think it's realistic to understand, unless we change the conditions of how people live, that it's going to be hard to marginalize those who would prey upon the young. You notice, none of these guys that have given the orders are actually the suicide bombers. That's why they're still giving the orders. [Laughter] But they're able to prey upon young people. And I think a lot of it has to do with education. And no question, we're working with governments such as Musharraf's Government to address the madrassas. Education matters a lot, whether it be in helping to eradicate poverty or helping to deal with radicalism.

But if you living in a society where you have no hope, then you're going to look for another form of false hope. So I happen to

think the idea of encouraging people to adopt forms of government that give people hope is in our national interest.

Now, this is a different foreign policy than what we used to espouse here. It used to be, in many ways, what mattered was calm, apparent calm. What mattered most was stability. Let's have a foreign policy that promotes stability to make sure we get plenty of cheap energy as well.

After September the 11th, I came to the conclusion that such a foreign policy promoted instability because while things might look calm on the surface, beneath the surface broiled frustration and doubt and hopelessness. And so the policy that I advocate is one that promotes democracy as an alternative in this ideological struggle, all aiming to marginalize the recruiters and give hope to the recruits. And do I believe it can work? I do. That's why I told you the Japanese story.

History has been—history—liberty prevails every time if we stay with it, if you think about history. Think about Europe. There were two major wars on the continent of Europe, and today, Europe is whole, free, and at peace. Why? Because forms of government matter. And it's in our interest—and I've said this once, and I'll say it again: It's in our interest not to lose faith in certain fundamental values.

And it's hard work, particularly hard work given the fact that we live in this world in which news and imagery travels instantly. The enemy knows that. The interesting thing, they know a lot about us in America. They know we're kind-hearted, decent people who value human life. And they understand that Americans will recoil from the violence on our TV screens. That's what they know. And I know—or I strongly believe that if we recoil and leave the region with precipitous withdrawals or withdrawals not based upon conditions on the ground, it's going to get worse, not better. And my attitude is, now is the time to do the hard work so your children can more likely grow up in peace.

That's what I believe, sir. And that's why I'm making my decisions.

Yes. A couple of more, then you're paying me a lot of money, and I've got to go back to work. *[Laughter]*

Native American Rights

Q. Mr. President—

The President. Yes, sir.

Q. —Republican Presidents, going back to the Nixon administration, have strongly favored Indian self-determination.

The President. India?

Q. American Indian self-determination and first-nations communities. And it seems like the conservative Court, however, has been consistently eroding that self-determination. What has your administration—what position does your administration take with respect to sovereignty and Native American rights?

The President. Very interesting question. I believe in the sovereignty of the Indian nations. And far be it for me to second-guess Court decisions. On the other hand, I will continue to put judges who strictly interpret the Constitution and not legislate from the bench. But I do support the notion of sovereignty. It's really interesting.

Yes, sir. You're next, after him.

Disaster Preparedness and Response/ Pandemic Flu

Q. Sorry about that. Mr. President—

The President. Doc.

Q. —I'm a pediatrician at Rainbow Babies & Children's Hospital across the street—*[inaudible]*—Cleveland.

The President. Thank you, sir. Nutritionist?

Q. Pediatrician, yes, sir.

The President. Pediatricianist.

Q. Yes, sir. Returning to a domestic item very quickly—

The President. Must feel good to be a healer.

Q. It is, sir. Thank you. Good to serve. One of the things that we're passionate about in pediatrics now, both at Rainbow and across the Nation, is disaster preparedness and disaster response, specifically the needs of children. Could you comment, Mr. President, on how well-prepared we are as a nation for, God forbid, the next Katrina or pandemic flu or some such calamity?

The President. We learned a lot of lessons from Katrina. Lesson one is, is that we've got to make sure local governments are better prepared to respond. Lesson two is that

there's seamless decisionmaking between the State and local government. And lesson three is, is that if need be, the Federal Government needs to move troops in there, regardless of what the local people want.

We are better prepared and drill it a lot. Great question. The more difficult question is his question on pandemic flu. I asked Mike Leavitt, who is the head of HHS, and Chertoff to—he's the Homeland guy—to chair—Department of Homeland Security—[laughter]—Secretary of Homeland Security. [Laughter] In Crawford, we kind of shortcut it. [Laughter] Anyway, look, nobody has accused me of being Shakespeare, you know? [Laughter] Anyway—I just hope you can figure out what I'm saying—[laughter]—is we spend a lot of time on pandemic flu. One way you anticipate a crisis is, you kind of war-game it.

The first—I'm going to try to see if I can remember as much to make it sound like I'm smart on the subject. But I actually spend a lot of time on it because I am concerned that if the pandemic flu, the H5N1 virus were to mutate to the point where it becomes transmittable from bird to human to human, we'll have a significant international problem on our hands. So step one is to work with countries where the virus is more likely to show up and mutate on transparent information systems.

When I went to Vietnam, one of the things we looked at was the Vietnamese reporting process of the detection of chicken viruses and whether or not that virus was mutating to the point where it could become infectious. And we've done a good job of that. As a matter of fact, at the APEC—which is the countries around the Pacific Rim—meeting, the last two meetings and this next one I'm going to in Australia, I always make it a point for—to talk about the need for all of us to be in a position where we can share information and track the mutation of the virus.

The issue, as you know, is that there is no, like, inoculation that will stop the spread. Yet we're spending a lot of money on trying to develop new vaccines based not upon eggs but on genetics. And Leavitt says we're making some pretty good progress.

Thirdly, just in case it were to hit here in the United States, we have stockpiled a lot of the spray. What's it called—anyway—Tamiflu. It may work, may not work. But just in case it does work, we got a lot of stockpile for you—[laughter]—we do, as a way to try to, at least, arrest somewhat the spread of the disease.

But the ultimate effect—and this is what the dangerous thing about this is—is the ultimate public policy decisions are going to be, do we shut down America? Do you say that nobody can come in and out of your city? Or do you shut down all air travel? And so we've war-gamed a lot of options. And Mike has traveled the country—Mike Leavitt—to State and local government to help them think through different procedures that would be necessary to try to halt the spread of this virus if it were to mutate.

For example, how would a local community deal with schools? We happen to believe that the local response would be a better response than the Federal Government trying to one-size-fits-all each community's response. And that, as you know—I mean, there's different responses to different hurricanes that have hit, and so it would be a little uneven. And so we're trying to train as best as we can and war-game it out. It's a very interesting question you got.

I would give us a "A" for recognizing that we need to think about it. And until we get this vaccine—and by the way, we do have it teed up pretty well, where the vaccine makers will be willing to go full production if we can find the proper vaccine to manufacture. We're spending a lot of money on it at NIH—through NIH. And I'd give us good marks for recognizing the issue, good marks for doing something about it, and the only—I can't tell you what marks we'll get in response because, thankfully, we haven't had to respond, but we're watching carefully.

Yes, sir. Good question.

Education/President's Domestic Agenda

Q. Thank you, Mr. President. If you talk to a lot of neighborhood folks here in Cleveland, they say that there's a war on terror brewing in our neighborhoods with an increase in crime over the past few months.

The President. Yes.

Q. What are your thoughts on how we can improve opportunity and decrease crime in urban areas to make Cleveland an international metropolis?

The President. No, thanks. Yes, great question. First of all, there is—crime is rising in some communities—under some crime, like, I think it was 1 percent last year. In other words, no question that—look, I’m an education guy; let me just put it bluntly. I don’t see how you can provide a hopeful future for a child if the child can’t read, write, or add and subtract. Now, that’s pretty elementary. But it doesn’t happen enough. And therefore, I strongly support accountability in public schools. I happen to believe that it is a huge advance in kind of providing—promoting opportunity.

See, when I was the Governor of Texas, I was appalled at the number of schools that just shuffled kids through and hoped that they learned something. And then you know what happened? We get about the 9th or 10th grade, and lo and behold, they can’t read. And oops, it’s a little late. Too bad, just go on through. It’s much easier, by the way, to give up on a kid early and just kind of socially promote. And so I insisted, as Governor of Texas and then working with people like Steve LaTourette, to change the way the Federal Government deals with education.

Now, I believe strongly in local control of schools, okay. I believe you ought to chart the paths to excellence here. I believe that the government closest to the people governs best because you’re most responsive to the needs of your particular community. That’s what I believe. However, I also believe that if the Federal Government spends money, we have the right to ask whether or not certain objectives are being met.

And so inherent in No Child Left Behind is a solid demand by results-oriented people who want to know whether or not an inner-city kid can read at grade level by the third grade. I don’t think that’s too much to ask, to set a standard and have expectations that must be met in return for Federal money. A matter of fact, I think that is the way to make sure that—I used to call it this way: challenge the soft bigotry of low expectations.

Let’s just face it—let me finish here—let’s just face it; let’s be honest about our our-

selves. There is a mindset at times that certain kids are too hard to educate. Maybe the mother or daddy doesn’t speak English as the first language or inner-city kids, as if there’s no inherent God-given talent that, if properly motivated, can enable that kid to excel.

And so I strongly believe it’s in the national interests to say, we expect you to read—unless, of course, you happen to believe they can’t. I’m a high expectations person. I believe if you set low expectations, you know what you’re going to get? You’re going to get low results. I believe every child can learn. That’s what I believe. And I believe that governments ought to expect to have good results.

And so inherent in this education proposal, which is now the law—which, frankly, has irritated a lot of people; it just has. That’s what happens when you hold people to account—that, I think, it makes sense to say, no excuses; we want you to read. And we want you to read not only at the third grade but at the fourth grade and at the fifth grade and at the sixth grade and at the seventh grade. And we’re going to test to make sure you do.

You design the test. If you believe in local control of schools, the test ought to be designed, and they ought to be rigorous. And by the way, if you’re a poor inner-city student, and you can’t read at grade level, we will use that diagnostic tool to provide you additional money to make sure that you get the help that you need in order to make sure you’re not left behind.

And frankly, I don’t care if that parent spends that money at the public school or a church or a private tutor. All I want is to make sure that that child gets the extra help he or she needs to make sure that the next time they test on reading or math, they’re at grade level. And if a school—no, wait, let me finish. I’m not through yet because you got me started on something I strongly believe in. [*Laughter*]

And if the school won’t change nor teach, I believe parents ought to be given different options. We shouldn’t have a school system that locks people into persistent failure, if you’re interested in changing the dynamics of an inner-city, for example.

You know, we did something in Washington very interesting—that I found interesting, at least. We have now got a scholarship program, opportunity scholarships. See, the Federal Government funds the DC city and—a lot of the DC city and the schools, and so we can do this in Washington. So we have opportunity scholarships that go to poorer parents, where the parent can take that money and send their child to a parochial school or a private school. The line is out the door. It's amazing what happens when you give parents options.

Part of the accountability system, by the way, enables parents to understand reality as well. When I was Governor, I talked to a lot of parents, and they say, "Man, my child's school is great. I'm real happy with the school, Governor; we're doing great." And then all of a sudden, the test scores get posted, and if the school isn't meeting expectations compared to the other schools, the parent might say, well, maybe the school is not doing so good, and they start getting involved.

I—and so step one of your question is, let's get it right early. I believe strongly in after-school programs. I believe that we've got to change the aspirational notions of some of our children that college is a good thing to do and that success is available for people who go to college. I mean that—and community colleges—I'm a big believer in community colleges. I think that's part of having a hopeful tomorrow for inner-city—or not inner-city—to know that college is available. That's why I'm a big, strong supporter of Pell grants as a way to encourage kids to go to college.

I am concerned about a society that has not—a part of our society that hasn't accumulated assets. It's interesting; a lot of us have grown up in a world in which asset accumulation, savings, has been an integral part of our societies. In parts of Cleveland, I suspect, people don't have assets. They haven't had the capacity or the willing—or the ability to save money. That's why I believe that when we reform Social Security, that we ought to give people the option of setting aside some of their own money they've earned in the Social Security system as a savings account that can earn compound inter-

est, just like money that we put in our own savings account. I want people to own assets. One of the big reasons I've pushed homeownership is, I like the idea of encouraging and fostering independence by ownership.

And so—and finally, one way to help inner-city youth—this is a subject I've thought a lot about—is to encourage the involvement of faith-based and community-based programs in the compassionate delivery of love and help. And that's a different idea for a welfare system, see. I am a big believer in the ability of faith-based programs to help change people's lives. I, for one, believe that a faith-based program can help people quit drinking—me, for starters. I believe that there is nothing more powerful than a mentor putting an arm around a child who needs love and says, I love you. Many of the faith-based programs are full of people who are in the program in the first place because they believe in the universal admonition to love a neighbor like you'd like to be loved yourself.

And therefore, one of the initiatives that I have put forth in Washington, that is quite controversial, is that we ought to open up programs—Federal money to faith-based programs, so long as, one, they don't proselytize, and two, so long as they help meet a social objective. Why shouldn't we say that we ought to be spending your taxpayers' money on programs to help inner-city kids regardless of what the delivery system is? Why shouldn't we say, faith-based programs that many times are able to go into neighborhoods that other programs aren't able to go into—why shouldn't we empower them to help people realize in life that there may be a better path than the path one may be tempted to go down?

So there's a comprehensive agenda. My dream is for all of us to feel that the promise of America belongs to them. And it's a great country. It is; it's a fabulous country. I know people are frustrated, and people get concerned. But I would hope we would all keep things in perspective and realize what a fantastic nation we have.

I mean, when you really compare our life here compared to the lives of others around the world, we're blessed. To that end, to whom much is given, much is required. And

that's why we're in the lead when it comes to solving the pandemic of HIV/AIDS on the continent of Africa and working to end malaria. These are two achievable objectives. One is to get antiretrovirals into the hands of people who suffer. And American taxpayers have been incredibly generous. And it ought to make you feel good about a country that is willing to say, I see suffering, and I want to help. In other words, we're working on suffering at home, and we ought to work on suffering abroad as well.

I'm asking Congress for \$30 billion. It's double the HIV/AIDS initiative that we've got in place. But let me tell you an interesting statistic. When we first got going on the initiative in 2003, I think it was, 50,000 people were getting antiretrovirals in the countries that we were working in. Today, over 1.2 million people's lives have been saved because of the generosity of the American taxpayer.

And now we're on an initiative to end malaria, or cut it at least in half, in affected countries around the world. Should we be doing that as a country? The answer is, absolutely, we should be. And the reason why is, is that we're a blessed nation. And we've become even doubly blessed by helping others be able to deal with disease and realize the blessings of an Almighty. That's what I believe.

Listen, I got to hop. [*Laughter*] Thanks for your time. God bless.

NOTE: The President spoke at 1:42 p.m. at the InterContinental Hotel Cleveland. In his remarks, he referred to Frederick R. Nance, chairman of the board of directors, and Joseph D. Roman, president and chief executive officer, Greater Cleveland Partnership; Mayor Frank G. Jackson of Cleveland, OH; Delos M. "Toby" Cosgrove, chief executive officer and chairman of the board of governors, the Cleveland Clinic; Gen. David H. Petraeus, USA, commanding general, Multi-National Force—Iraq; and President Pervez Musharraf of Pakistan.

Proclamation 8160—Captive Nations Week, 2007

July 10, 2007

*By the President of the United States
of America*

A Proclamation

Liberty is the path to lasting peace and the unalienable right of every man, woman, and child. During Captive Nations Week, we underscore our commitment to protecting human rights, advancing democracy and freedom, and ending tyranny across the globe.

Expanding freedom is a moral imperative, and today more people are free than ever before. Freedom is reaching around the world, and America is working side-by-side with new democracies in Liberia, Mauritania, Ukraine, Georgia, and Kyrgyzstan. The people of Kuwait held elections in which women were able to vote and run for office for the first time, and the elected parliament is exercising real influence with the government. We continue to stand firmly behind the citizens of Lebanon, Afghanistan, and Iraq as they defend their democratic gains against extremist enemies. Many are making great sacrifices for liberty, and they deserve our steadfast support.

While there is progress in freedom's advance, nations such as Belarus, Burma, Cuba, North Korea, Syria, Iran, Sudan, and Zimbabwe still oppress their citizens. My Administration recently created the Human Rights Defenders Fund to provide grants for the legal defense and medical expenses of democratic dissidents arrested or beaten by repressive governments. In addition, we have nearly doubled funding for democracy projects throughout the world. The American people believe that the flame for freedom burns in every human heart, and that light cannot be extinguished by governments, terrorists, or tyrants. During Captive Nations Week, we remember that human freedom is the key to achieving respect for all human rights.

The Congress, by Joint Resolution approved July 17, 1959 (73 Stat. 212), has authorized and requested the President to issue

a proclamation designating the third week in July of each year as “Captive Nations Week.”

Now, Therefore, I, George W. Bush, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim July 15 through 21, 2007, as Captive Nations Week. I call upon the people of the United States to reaffirm our commitment to all those seeking liberty, justice, and self-determination.

In Witness Whereof, I have hereunto set my hand this tenth day of July, in the year of our Lord two thousand seven, and of the Independence of the United States of America the two hundred and thirty-second.

George W. Bush

[Filed with the Office of the Federal Register, 10:26 a.m., July 11, 2007]

NOTE: This proclamation was published in the *Federal Register* on July 12.

Presidential Determination on Transfer of Economic Support Funds to the Overseas Private Investment Corporation To Establish a Loan Guarantee Program

July 10, 2007

Presidential Determination No. 2007–26

Memorandum for the Secretary of State

Subject: Presidential Determination on Transfer of Economic Support Funds to the Overseas Private Investment Corporation to Establish a Loan Guarantee Program

Pursuant to section 579 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2006 (Public Law 109–102)(the “Act”), I hereby determine that it is in furtherance of the purposes of the Foreign Assistance Act of 1961, that \$5 million in Economic Support Funds appropriated under title II of the Act may be transferred to and merged with the funds appropriated by the Act for the Overseas Private Investment Corporation Program Account, to be subject to the terms and conditions of that account.

You are authorized and directed to publish this determination in the *Federal Register*.

George W. Bush

NOTE: This memorandum was released by the Office of the Press Secretary on July 11.

Remarks at a Ribbon-Cutting Ceremony for the Renovated James S. Brady Press Briefing Room and an Exchange With Reporters

July 11, 2007

The President. Thank you very much. Yes, thanks. I like a good, short introduction. [Laughter]

Q. [Inaudible]

The President. Yes. [Laughter] After all, it is your room. Yes. [Laughter] Welcome back to the West Wing. We missed you—sort of. [Laughter] I can already tell this place has improved. The last time I was in here to hold a press conference, I broke out into a sweat—not because of your questions but because of the climate. The air-conditioner seems to work well. I hope the facility is—suits your needs. I really do.

The relationship between the President and the press is a unique relationship, and it’s a necessary relationship. I enjoy it. I hope you do. As I say, sometimes you don’t like the decisions I make, and sometimes I don’t like the way you write about the decisions. But nevertheless, it’s a really important part of our process. And the fact that you were working in substandard conditions just wasn’t right. It really wasn’t.

And so my White House worked with Steve and Ann, worked with Mark Smith to get it right. And I think it’s going to benefit future Presidents and future White House press corps, to be working in modern conditions, conditions where a fellow like me will feel comfortable coming in here answering a few questions without losing 20 pounds. [Laughter]

It was really hot in here. As a matter of fact, I can’t imagine how Snow could handle it on a regular basis. But now it’s modern, and it’s going to enable you to do a better job. And I’m glad that’s the case.

I want to thank Peter Doherty. Where is he? Yes, Peter, thanks for working hard here. You get a lot of credit for making sure this thing works. And one of these days Laura and I are looking forward to coming and actually see what it's like working here. I've never toured—I've never even been able to get beyond the podium—[*laughter*]—if you know what I mean. As a matter of fact, I've always felt comfortable behind the podium in front of you, kind of as a shield. [*Laughter*] But I would like a tour.

Q. Bulletproof—

The President. Well, it's not exactly bulletproof. Some of your bullets are able to—verbal bullets—[*laughter*]—are able to penetrate. But you've been around a long time, see, you know what it's like to query Presidents. You've been—you're kind of an older fellow. [*Laughter*]

Q. [*Inaudible*]

The President. Yes, proudly so. Thanks for the birthday greeting too. I appreciate that thoughtful gesture.

But anyway, we're glad to join you for this ribbon-cutting, and we thank you very much for working with Hagin and the bunch to make sure this thing—deal works. And it's going to. And it's going to make your life better, and frankly, it's going to make the lives of future Presidents better as well. And so it's a good contribution that you all have left behind. And we're glad to have been a part of it. And so—

White House Press Pool

Q. What, do you think I'm going to ask a question?

The President. Yes. I do think you're going to ask me a question, yes. [*Laughter*]

Q. I am. [*Laughter*]

The President. Well, maybe some other time.

Q. Oh, but do you think you open—

The President. See what I'm saying? [*Laughter*]

Q. You can't come to the press room, especially a modern press room—

The President. Wait a minute, let's do this—let me cut the ribbon and—

Q. You think anything has changed?

The President. Let me cut the ribbon—are you going to cut it with me, Steve—and

then why don't you all yell simultaneously? [*Laughter*] Like, really loudly—[*laughter*]—and that way you might get noticed.

Q. It doesn't sound like you're going to answer—

The President. No, I will. I'll, like, listen—

Q. And leave?

The President. —internalize, play like I'm going to answer the question, and then smile at you and just say, gosh—[*laughter*]—thanks, thanks for such a solid, sound question.

Okay, here we go, ready? I'm going to cut the ribbon. [*Laughter*] Then you yell. I cogitate—and then smile and wave. [*Laughter*]

Ready? Are you going to come, Laura? Here we go.

[*At this point, the President cut the ribbon.*]

Q. [*Inaudible*]

The President. Brilliant question.

Q. [*Inaudible*]—cogitating that, right?

The President. Thank you all. See you soon.

Q. We look forward to seeing you come and do a little Q & A—

The President. I will see you soon. Thank you.

NOTE: The President spoke at 8:05 a.m. In his remarks, he referred to Steve Scully, president, Ann Compton, vice president, and Mark Smith, former president, White House Correspondents Association; and Peter Doherty, facilities and equipment manager, ABC News.

Remarks on the Office of Management and Budget Mid-Session Review

July 11, 2007

Thanks for coming. Please be seated. Good afternoon. Welcome to the White House. I'm glad you're here. There are certain traditions that all Americans look forward to: picnics with the family, Fourth of July celebrations, and the Mid-Session Review. [*Laughter*] It's the time for us to take a look at the Federal budget.

Maybe not all Americans look forward to it, but I'm looking forward to talking to the American people about the progress we have

made when it comes to growing our economy and keeping their taxes low and being wise about how we spend the money. The Mid-Session Review is important. It lets the American people know how we're doing in meeting what we call "fiscal goals". And this year the message is unmistakable: America's economy keeps growing; Government revenues keep going up; the budget deficit keeps going down. And we've done it all without raising your taxes.

And the person in charge with watching the money here in the White House is Rob Portman, Office of the Management and Budget. Thank you for being here; appreciate your service. I'm proud to be here with Senator Thad Cochran from the great State of Mississippi. Senator, thank you for joining us. Two Members from Congress, Jo Bonner and Gresham Barrett; I thank you for taking time to listen to this good news. I appreciate all the business leaders and guests who have joined us today.

The release of the Mid-Session Review is a good opportunity to take stock of the debate over taxes and spending in Washington. At its core, the debate is between two very different economic philosophies and fiscal philosophies. One philosophy says that politicians in Washington know best, so taxes should be high and Government should decide where to spend the money. The other philosophy says that the American people know how to spend their own money better than the Government does, so Government should spend less and the taxpayer should keep more. And that's the fundamental debate here in the Nation's Capital.

For the past 6 years, my administration and our allies in Congress have pursued the second philosophy. We believe the American people can spend their money better than the Government can spend it. We believe workers and families can spend their money better than the Government, and that's why we doubled the child tax credit and reduced the marriage penalty and cut tax rates for everybody who pays income taxes.

We believe that entrepreneurs can put their money to better use than the Government can. That's what we believe, and we acted on that belief. So we reduced taxes on dividends and capital gains and created in-

centives for small businesses to invest and expand.

We believe ranchers and farmers and family-business owners can make better decisions about the future than the Government can. That's why we put the death tax on the road to extinction.

We also believe taxpayers' dollars should be treated with respect because Americans have worked hard to earn them. And we believe that taxpayers' dollars should be spent with restraint because Government programs are not the solution to every problem. So we've spent the money necessary to meet the highest priorities of Government, including protecting the homeland and supporting our men and women in uniform. Meanwhile, we've tightened spending in other areas. Over the past 3 years, we've held the growth of annual domestic spending close to one percent—well below the rate of inflation.

Some in Congress disagree with this approach. That's what you expect in a democracy. Not everybody agrees with what I have just described. They said it would not be possible to cut the deficit and deliver tax relief at the same time. They argued for increasing taxes. Well, events have proven them wrong. The critics can keep arguing with us, but they can't argue with the facts.

We began cutting the taxes in 2001, and America's economic growth—and America's economy has grown for more than 5 years without interruption. Real after-tax income has increased nearly by 10 percent. That's an average of about \$3,000 per person. Our economy has expanded by more than \$1.9 trillion. During the time when we cut taxes to today, our economy has grown by more than \$1.9 trillion—this amount is larger than the entire economy of Canada.

Since the tax cuts took full effect in 2003, our economy has added more than 8.2 million new jobs. The unemployment rate has fallen to 4.5 percent; exports are up; the service sector is strong; and more Americans are working today than ever before in our Nation's history.

Behind these statistics are stories of hard-working Americans who are finding more opportunity and feeling more secure about their future. And I've asked some of them

to join me today, and I thank you all for being here.

First, I want to talk about Luther Russell. Luther is here; he owns a small family fencing business. He is like millions of our fellow citizens who are small-business owners, and they're working hard. They're working hard not only to provide security for their family; they're providing employment for others. The truth of the matter is, 70 percent of new jobs in America are created by small-business owners, and it's important to have fiscal policy that supports our small-business owners. We've got one right here with us: Luther Russell, fence man.

Thanks to our tax relief, last year he filed an income tax, he saved \$27,000. That's what tax relief has done for the small business, because his business pays taxes at the individual income tax rates. See, when you cut individual income tax rates for everybody who pays taxes and your business is set up so that you pay taxes like an individual does, you're cutting taxes on this small-business owner. I like the idea of us being able to meet our spending priorities in Washington and Luther having 27,000 more dollars in his pocket to expand his business. That's good for America.

Gary and Elizabeth Comparetto are here. They've got 8 children, and they saved \$8,000 a year because of tax relief. Now, having 8 kids is an interesting challenge—[laughter]—made easier by the fact that because of our tax relief, this good family has got 8,000 additional dollars so they can do their duty as a mother and father.

Sharon Hawks is with us, serves in the National Guard. Her family is saving \$3,600 annually on their taxes. I like the idea of our families having more money to be able to set aside for education or set aside for savings or to be able to expand their home. When I say I'd rather these people be spending their money than the Government spending their money, I mean it. It's good for this country that this tax relief is substantial and real for working people.

Jennifer Zatkowski is with us. She saved more than \$2,000 a year on her taxes, and she's reinvesting the money to expand her pet shop. Tax relief makes a significant difference. Oh, I know, probably here some in

Washington don't think \$27,000 is a lot for a small business or \$2,000 doesn't amount to much. Just ask these folks. It means a lot to them. And it means a lot to working people all across the United States that we cut the taxes, because men and women like these here on this stage are powering our economic resurgence. That's how the economy works. When you've got more money in your pockets to save, spend, or invest, this causes the economy to grow. And we need to keep the Government out of their wallets and out of their way in order to keep this economic recovery strong.

Our economic resurgence has also had a positive impact on the Federal budget. A growing economy has led to growing tax revenues. Because people are making more money, they're also paying more taxes. That pie is growing. The tax rates remain the same, but the pie is growing, which has yielded more Federal revenues. Today's Mid-Session Review shows that this year's Federal tax receipts are expected to be \$167 billion higher than last year's. That's an increase of nearly 7 percent. And over the last 3 years, tax revenues have grown 37 percent. That's one of the highest jumps in revenues on record.

These growing tax revenues, combined with spending restraint, are driving down the Federal deficit. The Mid-Session Review estimates that this year's deficit will drop to \$205 billion. That's down more than \$200 billion from 2004. It's down more than \$43 billion from last year. And it's even down from last February's projections. More importantly, the size of the deficit is down to only 1.5 percent of America's economy. One way to be able to measure how we're doing with the deficit relative to other years is to measure it as a percentage of GDP. We're estimated to be at 1.5 percent of GDP. That's well below the average of the last 40 years. We've achieved all this deficit reduction without once raising the taxes on the American people.

It's good news, but there's more work to be done. A shrinking deficit is good; no deficit is better. So earlier this year, I proposed a balanced budget that will eliminate the Federal deficit by 2012. The deficit is not

caused by undertaxing; it's caused by over-spending. So the budget we proposed keeps us on the path to low taxes and spending restraint. And according to the Mid-Session Review, that path will lead to a surplus of \$33 billion in 2012. In other words, despite the unprecedented challenges we face, the United States is going to be back in the black.

The policies of low taxes and spending restraint have produced a clear and measurable record of success. You can't argue with what I'm telling you. These are the facts. Yet, in the face of all the evidence, Democrats in Congress still want to take us down a different path. We've shown what works. They must not believe us, because they passed a budget framework that calls for \$205 billion in additional domestic spending over the next 5 years. The budget framework they passed calls for 205 billion additional dollars of Federal spending in a 5-year period. That works out to nearly \$680 per person. It's no surprise that their budget framework also includes the largest tax increase in American history.

Some of this might sound familiar to some of you older hands around here—it's the same old tax-and-spend policy that the Democrats have tried before. It would have the same bad result. Tax-and-spend would add to the burden of families and businesses. It would affect these good folks right here on the stage. Tax-and-spend would put our economic growth in jeopardy. Tax-and-spend would turn our back on the progress we've made on reducing the deficit. Tax-and-spend policies are policies of the past, and I'm going to use my veto to keep it that way.

The Democrats are also delaying the 12 basic spending bills that are needed to keep the Federal Government running. At their current pace, I am not likely to see a single one of these must-pass spending bills before Congress leaves Washington for a 4-week recess. And by the time they return, they will have less than a month before the fiscal year ends on September 30th to pass the appropriations bills.

It's important that they honor the pledges they made when they took control of the Congress, and that is they pledged a policy of transparent government and fiscal responsibility. Well, now is the time to show that they're serious. And one way they can do so

is they can pass spending bills on time, instead of creating a massive bill at the end of the process that will be so large that no one can possibly read it and anyone can hide wasteful spending in it. The Democrats should honor their commitment to fiscal discipline by passing these bills in a way that sustains our growing economy and balances the Federal budget.

I'm going to work with members of both parties to achieve these goals, and as we do, there are other budget challenges we need to take on.

First, there's the matter of earmarks. Earmarks are spending provisions that are slipped into bills by individual Members of Congress for projects in their own district or State. They're just slipped in the bill. Often, the earmarks occur at the last hour and without debate. This violates the trust of the public and often leads to unnecessary spending. The problem is growing, and over the last decade, the number of earmarks has more than tripled.

So earlier this year, I proposed reforms that would make the earmark process more transparent, end the practice of concealing earmarks in so-called report language, would eliminate wasteful earmarks, and cut the overall number and cost by at least half. Democrats and Republicans have taken a good step by agreeing to list all earmarks before bills are passed so the public can see them and lawmakers have a chance to strike them down, get rid of them. Now Congress needs to uphold the commitment, and the Senate needs to make this transparency part of its formal rules. The American people deserve to know what they're getting for the money they're sending to the Nation's Capital. There ought to be full disclosure and full transparency in the appropriations process.

The matter we need to confront as well, is the unsustainable growth of entitlement programs like Medicare, Medicaid, and Social Security. As the Mid-Session Review makes clear, rising entitlement spending is by far the greatest long-term threat to America's fiscal health. These programs are vital to the daily life of millions of Americans. They are growing faster than the economy,

faster than inflation, and faster than our ability to pay for them. This isn't going to be a Republican challenge or Democrat challenge; this is really a generational challenge. And the fundamental question facing those of us in Washington today is whether or not we have the capacity and the will to confront the challenge now.

I believe we have a moral obligation to deal with this problem, and that's why I've submitted proposals that will help deal with these programs. Matter of fact, I remember going to Congress and speaking very specifically about how to address the underlying issues of Social Security so that older guys like me could look to young Americans like some of you here, and say, "We've done our duty to fix this program once and for all." And I call upon the Democrats in Congress to come forth with their ideas as how to fix it, to step forward with some concrete, specific proposals. I'll be glad to listen to them, and I expect them to listen to mine. That's why we're in Washington. We're here to confront problems today and not pass them on to somebody else has to deal with them.

The Federal budget can be complicated, and making decisions about it can be quite contentious. Yet we know what it takes for our economy to succeed. During these budget debates, it's important to keep in mind the lessons of the past. As today's Mid-Session Review makes clear, keeping taxes low and restraining spending leads to a vibrant economy; it leads to new jobs; it leads to better opportunities; and it leads to a shrinking deficit.

Progrowth policies work, and now is not the time to turn our back on them. I'm going to work with Republicans and Democrats alike to continue these policies so we can keep our economy competitive, so we can keep our economy growing, and so we can remain the world leader for generations to come.

I'm honored you guys are here. Thank you all for coming. God bless.

NOTE: The President spoke at 1:03 p.m. in Room 450 of the Dwight D. Eisenhower Executive Office Building.

Statement on the Death of Lady Bird Johnson

July 11, 2007

Laura and I mourn the passing of our good friend and a warm and gracious woman, Lady Bird Johnson. Those who were blessed to know her remember Mrs. Johnson's lively and charming personality, and our Nation will always remember her with affection. Mrs. Johnson became First Lady on a fateful day in November 1963 and was a steady, gentle presence for a mourning Nation in the days that followed.

In the White House, Mrs. Johnson shared her love of the environment and nature with our entire country. The native wildflowers that bloom along roadsides today are part of her lasting legacy. She joined President Johnson in the struggle for civil rights, inspiring millions of Americans. Her commitment to early education gave many children a head start in life.

President Johnson once called her a woman of "ideals, principles, intelligence, and refinement." She remained so throughout their life together and in the many years given to her afterward. She was much-loved in our home State of Texas, and the Bush family is fortunate to have known her.

Lady Bird Johnson leaves behind her devoted daughters, Lynda and Luci, their fine families, and a nation that joins them in honoring a good life of kindness and service.

NOTE: The Office of the Press Secretary also released a Spanish language version of this statement.

Proclamation 8162—Death of Lady Bird Johnson

July 12, 2007

*By the President of the United States
of America*

A Proclamation

As a mark of respect for the memory of Lady Bird Johnson, I hereby order, by the authority vested in me by the Constitution and laws of the United States of America, that on the day of her interment, the flag of the United States shall be flown at half-

staff at the White House and upon all public buildings and grounds, at all military posts and naval stations, and on all naval vessels of the Federal Government in the District of Columbia and throughout the United States and its Territories and possessions until sunset on such day. I also direct that the flag shall be flown at half-staff for the same period at all United States embassies, legations, consular offices, and other facilities abroad, including all military facilities and naval vessels and stations.

In Witness Whereof, I have hereunto set my hand this twelfth day of July, in the year of our Lord two thousand seven, and of the Independence of the United States of America the two hundred and thirty-second.

George W. Bush

[Filed with the Office of the Federal Register, 8:45 a.m., July 16, 2007]

NOTE: This proclamation will be published in the *Federal Register* on July 17.

The President's News Conference

July 12, 2007

The President. Good morning. Thank you. Yesterday America lost an extraordinary First Lady and a fine Texan, Lady Bird Johnson. She brought grace to the White House and beauty to our country. On behalf of the American people, Laura and I send our condolences to her daughters, Linda and Luci, and we offer our prayers to the Johnson family.

Before I answer some of your questions, today I'd like to provide the American people with an update on the situation in Iraq. Since America began military operations in Iraq, the conflict there has gone through four major phases. The first phase was the liberation of Iraq from Saddam Hussein. The second phase was the return of sovereignty to the Iraqi people and the holding of free elections. The third phase was the tragic escalation of sectarian violence sparked by the bombing of the Golden Mosque in Samarra.

We've entered a fourth phase: deploying reinforcements and launching new operations to help Iraqis bring security to their people. I'm going to explain why the success

of this new strategy is vital for protecting our people and bringing our troops home, which is a goal shared by all Americans. I'll brief you on the report we are sending to Congress. I'll discuss why a drawdown of forces that is not linked to the success of our operations would be a disaster.

As President, my most solemn responsibility is to keep the American people safe. So on my orders, good men and women are now fighting the terrorists on the frontlines in Iraq. I've given our troops in Iraq clear objectives. And as they risk their lives to achieve these objectives, they need to know they have the unwavering support from the Commander in Chief, and they do. And they need the enemy to know that America is not going to back down. So when I speak to the American people about Iraq, I often emphasize the importance of maintaining our resolve and meeting our objectives.

As a result, sometimes the debate over Iraq is cast as a disagreement between those who want to keep our troops in Iraq and those who want to bring our troops home. And this is not the real debate. I don't know anyone who doesn't want to see the day when our brave service men and women can start coming home.

In my address to the Nation in January, I put it this way: If we increase our support at this crucial moment, we can hasten the day our troops begin coming home. The real debate over Iraq is between those who think the fight is lost or not worth the cost and those who believe the fight can be won and that, as difficult as the fight is, the cost of defeat would be far higher.

I believe we can succeed in Iraq, and I know we must. So we're working to defeat Al Qaida and other extremists and aid the rise of an Iraqi Government that can protect its people, deliver basic services, and be an ally in the war against these extremists and radicals. By doing this, we'll create the conditions that would allow our troops to begin coming home, while securing our long-term national interest in Iraq and in the region.

When we start drawing down our forces in Iraq, it will be because our military commanders say the conditions on the ground are right, not because pollsters say it will be good politics. The strategy I announced in

January is designed to seize the initiative and create those conditions. It's aimed at helping the Iraqis strengthen their Government so that it can function even amid violence. It seeks to open space for Iraq's political leaders to advance the difficult process of national reconciliation, which is essential to lasting security and stability. It is focused on applying sustained military pressure to rout out terrorist networks in Baghdad and surrounding areas. It is committed to using diplomacy to strengthen regional and international support for Iraq's democratic Government.

But doing all these things is intended to make possible a more limited role in Iraq for the United States. It's the goal outlined by the bipartisan Iraq Study Group. It's the goal shared by the Iraqis and our coalition partners. It is the goal that Ambassador Crocker and General Petraeus and our troops are working hard to make a reality.

Our top priority is to help the Iraqis protect their population. So we have launched an offensive in and around Baghdad to go after extremists, to buy more time for Iraqi forces to develop, and to help normal life and civil society take root in communities and neighborhoods throughout the country.

We're helping enhance the size, capabilities, and effectiveness of the Iraqi security forces so the Iraqis can take over the defense of their own country. We're helping the Iraqis take back their neighborhoods from the extremists. In Anbar Province, Sunni tribes that were once fighting alongside Al Qaida against our coalition are now fighting alongside our coalition against Al Qaida. We're working to replicate the success in Anbar and other parts of the country.

Two months ago, in the supplemental appropriations bill funding our troops, Congress established 18 benchmarks to gauge the progress of the Iraqi Government. They required we submit a full report to Congress by September the 15th. Today my administration has submitted to Congress an interim report that requires us to assess—and I quote the bill—“whether satisfactory progress toward meeting these benchmarks is or is not being achieved.”

Of the 18 benchmarks Congress asked us to measure, we can report that satisfactory progress is being made in 8 areas. For exam-

ple, Iraqis provided the three brigades they promised for operations in and around Baghdad. And the Iraqi Government is spending nearly \$7.3 billion from its own funds this year to train, equip, and modernize its forces. In eight other areas, the Iraqis have much more work to do. For example, they have not done enough to prepare for local elections or pass a law to share oil revenues. And in two remaining areas, progress was too mixed to be characterized one way or the other.

Those who believe that the battle in Iraq is lost will likely point to the unsatisfactory performance on some of the political benchmarks. Those of us who believe the battle in Iraq can and must be won see the satisfactory performance on several of the security benchmarks as a cause for optimism. Our strategy is built on a premise that progress on security will pave the way for political progress. So it's not surprising that political progress is lagging behind the security gains we are seeing. Economic development funds are critical to helping Iraq make this political progress. Today I'm exercising the waiver authority granted me by Congress to release a substantial portion of those funds.

The bottom line is that this is a preliminary report, and it comes less than a month after the final reinforcements arrived in Iraq. This September, as Congress has required, General Petraeus and Ambassador Crocker will return to Washington to provide a more comprehensive assessment. By that time, we hope to see further improvement in the positive areas, the beginning of improvement in the negative areas. We'll also have a clearer picture of how the new strategy is unfolding and be in a better position to judge where we need to make any adjustments.

I will rely on General Petraeus to give me his recommendations for the appropriate troop levels in Iraq. I will discuss the recommendation with the Secretary of Defense and the Joint Chiefs of Staff. I will continue consultations with Members of the United States Congress from both sides of the aisle, and then I'll make a decision.

I know some in Washington would like us to start leaving Iraq now. To begin withdrawing before our commanders tell us we are ready would be dangerous for Iraq, for

the region, and for the United States. It would mean surrendering the future of Iraq to Al Qaida. It would mean that we'd be risking mass killings on a horrific scale. It would mean we'd allow the terrorists to establish a safe haven in Iraq to replace the one they lost in Afghanistan. It would mean increasing the probability that American troops would have to return at some later date to confront an enemy that is even more dangerous.

The fight in Iraq is part of a broader struggle that's unfolding across the region. The same region in Iran—the same regime in Iran that is pursuing nuclear weapons and threatening to wipe Israel off the map is also providing sophisticated IEDs to extremists in Iraq who are using them to kill American soldiers. The same Hizballah terrorists who are waging war against the forces of democracy in Lebanon are training extremists to do the same against coalition forces in Iraq. The same Syrian regime that provides support and sanctuary for Islamic Jihad and Hamas has refused to close its airport in Damascus to suicide bombers headed to Iraq. All these extremist groups would be emboldened by a precipitous American withdrawal, which would confuse and frighten friends and allies in the region.

Nations throughout the Middle East have a stake in a stable Iraq. To protect our interests and to show our commitment to our friends in the region, we are enhancing our military presence, improving our bilateral security ties, and supporting those fighting the extremists across the Middle East. We're also using the tools of diplomacy to strengthen regional and international support for Iraq's democratic Government.

So I'm sending Secretary Gates and Secretary Rice to the region in early August. They will meet with our allies, reemphasize our commitment to the International Compact of Sharm el-Sheikh, reassure our friends that the Middle East remains a vital strategic priority for the United States.

There is a convergence of visions between what Iraqi leaders want, what our partners want, and what our friends in the region want and the vision articulated by my administration, the Iraq Study Group, and others here at home. The Iraqis do not want U.S. troops patrolling their cities forever, any more than

the American people do. But we need to ensure that when U.S. forces do pull back, that terrorists and extremists cannot take control.

The strategy that General Petraeus and the troops he commands are now carrying out is the best opportunity to bring us to this point. So I ask Congress to provide them with the time and resources they need. The men and women of the United States military have made enormous sacrifices in Iraq. They have achieved great things, and the best way to begin bringing them home is to make sure our new strategy succeeds.

And now I'll be glad to answer a few questions, starting with Ms. Thomas [Helen Thomas, Hearst Newspapers].

War on Terror in Iraq

Q. Mr. President, you started this war, a war of your choosing, and you can end it alone, today, at this point—bring in peacekeepers, U.N. peacekeepers. Two million Iraqis have fled their country as refugees. Two million more are displaced. Thousands and thousands are dead. Don't you understand, you brought the Al Qaida into Iraq.

The President. Actually, I was hoping to solve the Iraqi issue diplomatically. That's why I went to the United Nations and worked with the United Nations Security Council, which unanimously passed a resolution that said disclose, disarm, or face serious consequences. That was the message, the clear message to Saddam Hussein. He chose the course.

Q. But didn't we go into Iraq—

The President. It was his decision to make. Obviously, it was a difficult decision for me to make, to send our brave troops, along with coalition troops, into Iraq. I firmly believe the world is better off without Saddam Hussein in power. Now the fundamental question facing America is, will we stand with this young democracy? Will we help them achieve stability? Will we help them become an ally in this war against extremists and radicals that is not only evident in Iraq, but it's evident in Lebanon, the Palestinian Territories, and Afghanistan?

We're at the beginning stages of a great ideological conflict between those who yearn for peace and those who want their children to grow up in a normal, decent society and

radicals and extremists who want to impose their dark vision on people throughout the world. Iraq is obviously—Helen, it's got the attention of the American people, as it should. This is a difficult war, and it's a tough war. But as I have consistently stated throughout this Presidency, it is a necessary war to secure our peace.

I find it interesting that as this young democracy has taken hold, radicals and extremists kill innocent people to stop its advance. And that ought to be a clear signal to the American people that these are dangerous people. And their ambition is not just contained to Iraq; their ambition is to continue to hurt the American people. My attitude is, we ought to defeat them there so we don't have to face them here, and that we ought to defeat their ideology with a more hopeful form of government.

Terry [Terence Hunt, Associated Press].

Congressional Opinion on Iraq

Q. Mr. President, you're facing a rebellion from Republican—key Republican Senators who want you to change course and begin reducing the U.S. combat role. Given the mixed report that you present today, how do you persuade Republicans to stick with you as they look ahead to the next elections?

The President. A couple of things—first of all, I respect those Republicans that you're referring to. I presume you're referring to friends of mine, like Lugar—or Senator Lugar, Domenici, yes. These are good, honorable people. I've spoken to them, and I listen very carefully to what they have to say.

First of all, they share my concern that a precipitous withdrawal would embolden Al Qaida. And they also understand that we can't let Al Qaida gain safe haven inside of Iraq. I appreciate their calls, and I appreciate their desire to work with the White House to be in a position where we can sustain a presence in Iraq.

What I tell them is this—just what I've told you—is that as the Commander in Chief of the greatest military ever, I have an obligation, a sincere and serious obligation, to hear out my commander on the ground. And I will take his recommendation, and as I mentioned, to talk to Bob Gates about it, as well as the Joint Chiefs about it, as well as consult

with Members of the Congress, both Republicans and Democrats, as I make a decision about the way forward in Iraq.

And so I—you know, I value the advice of those Senators. I appreciate their concerns about the situation in Iraq, and I am going to continue listening to them.

Toby [Tabassum Zakaria, Reuters].

Public Opinion on Iraq/Progress in Iraq

Q. Mr. President, in addition to members of your own party, the American public is clamoring for a change of course in Iraq. Why are you so resistant to that idea, and how much longer are you willing to give the surge to work before considering a change in this policy?

The President. First, I understand why the American people are—you know, they're tired of the war. There is—people are—there is a war fatigue in America. It's affecting our psychology. I've said this before. I understand that this is an ugly war. It's a war in which an enemy will kill innocent men, women, and children in order to achieve a political objective. It doesn't surprise me that there is deep concern amongst our people.

Part of that concern is whether or not we can win, whether or not the objective is achievable. People don't want our troops in harm's way if that which we are trying to achieve can't be accomplished. I feel the same way. I cannot look a mother and father of a troop in the eye and say, "I'm sending your kid into combat, but I don't think we can achieve the objective." I wouldn't do that to a parent or a husband or a wife of a soldier.

I believe we can succeed, and I believe we are making security progress that will enable the political tract to succeed as well. And the report, by the way, which is, as accurately noted, is being submitted today, is written a little less than a month after the full complement of troops arrived.

I went to the country in January and said, I have made this decision. I said what was happening on the ground was unsatisfactory in Iraq. In consultation with a lot of folks, I came to the conclusion that we needed to send more troops into Iraq, not less in order to provide stability, in order to be able to enhance the security of the people there. And David asked for a certain number of

troops—David Petraeus asked for a certain number—General Petraeus asked for a certain number of troops, and he just got them a couple of weeks ago.

Military—it takes awhile to move our troops, as the experts know. You just can't load them all in one airplane or one big ship and get them into theater. We had to stage the arrival of our troops. And after they arrived in Iraq, it took awhile to get them into their missions. Since the reinforcements arrived, things have changed.

For example, I would remind you that Anbar Province was considered lost. Maybe some of you reported that last fall. And yet today, because of what we call bottom-up reconciliation, Anbar Province has changed dramatically. The same thing is now beginning to happen in Diyala Province. There are neighborhoods in Baghdad where violence is down. There are still car bombs, most of which have the Al Qaida signature on them, but they're declining. In other words, so there's some measurable progress.

And you asked, how long does one wait? I will repeat, as the Commander in Chief of a great military who has supported this military and will continue to support this military, not only with my—with insisting that we get resources to them but with—by respecting the command structure, I'm going to wait for David to come back—David Petraeus to come back and give us the report on what he sees. And then we'll use that data that—his report to work with the rest of the military chain of command and Members of Congress to make another decision if need be.

Yes, Martha [Martha Raddatz, ABC News].

War on Terror Strategy

Q. You talk about all the troops now being in place and only in place the last 3 weeks or a month. Yet three-quarters of the troops for the surge were in place during the period when this July interim report was written. Are you willing to keep the surge going, no matter what General Petraeus says, if there is no substantial Iraqi political progress by September?

The President. Thank you. You're asking me to speculate on what my frame of mind

will be in September, and I would just ask that you give General Petraeus to come back and brief me. And then, of course, I'll be glad to answer your questions along that line.

Q. But there has been no substantial political progress, even with three-quarters of the troops in there.

The President. Well, as I mentioned—

Q. So will you keep that going through September even if there isn't?

The President. Martha, as I mentioned in my opening remarks, we have felt all along that the security situation needed to change in order for there to be political progress. It's very hard for a young democracy to function with the violence that was raging. Secondly, there's a lot of the past that needs to be worked through the system. I mean, there's—living under the brutal tyrant Saddam Hussein created a lot of anxiety and a lot of tensions and a lot of rivalry, and it's just—it's going to take awhile to work it through. But they couldn't work through those tensions and rivalries in the midst of serious violence.

And so the strategy was, move in more troops to cause the violence to abate. And that's what David Petraeus will be reporting on.

Yes, Jim [Jim Axelrod, CBS News].

Congressional Input Into the War on Terror Strategy

Q. Thank you, Mr. Bush. A question for you about the process you're describing of your decisionmaking as Commander in Chief. Have you entertained the idea that at some point, Congress may take some of that sole decisionmaking power away through legislation? And can you tell us, are you still committed to vetoing any troop withdrawal deadline?

The President. You mean in this interim period? Yes, absolutely. I don't think Congress ought to be running the war; I think they ought to be funding our troops. I'm certainly interested in their opinion, but trying to run a war through resolution is a prescription for failure, as far as I'm concerned, and we can't afford to fail.

I'll work with Congress; I'll listen to Congress. Congress has got all the right to appropriate money. But the idea of telling our military how to conduct operations, for example, or how to deal with troop strength is—I don't think it makes sense. I don't think it makes sense today, nor do I think it's a good precedent for the future. And so the role of the Commander in Chief is, of course, to consult with Congress.

Q. So if Reed-Levin or anything like it were to pass and set a—

The President. Well, I would hope they wouldn't pass, Jim. But I—

Q. But what if they've got—

The President. Let me make sure you understand what I'm saying. Congress has all the right in the world to fund. That's their main involvement in this war, which is to provide funds for our troops. What you're asking is whether or not Congress ought to be basically determining how troops are positioned or troop strength. And I just—I don't think that would be good for the country.

David [David Gregory, NBC News].

CIA Director Michael V. Hayden/ Situation in Iraq

Q. Mr. President, you've said many times this war at this stage is about the Iraqi Government creating a self-sustaining, stable government. Last November, your own CIA Director, according to the Washington Post, told you about that government, quote: "The inability of the Government to govern seems irreversible." He could not point to any milestone or checkpoint where we can turn this thing around. And he said, in talking about the Government, that it's balanced, but it cannot function.

The President. Yes.

Q. When you heard that, since that point, you think of how many hundreds of soldiers have been killed, how much money has been spent. Why shouldn't people conclude that you are either stubborn, in denial, but certainly not realistic about the strategy that you've pursued since then?

The President. You know, it's interesting; it turns out, Mike Hayden—I think you're quoting Mike Hayden there—was in this morning to give me his weekly briefing, and I asked him about that newspaper article

from which you quote. His answer was—his comments to the Iraq Study Group were a little more nuanced than the quotation you read.

He said that he made it clear the current strategy in Iraq wasn't working—this is his recollection of the briefing to the Iraq Study Group. He briefed them to the fact it wasn't working and that we needed a change of direction. He also said that those who suggest that we back away and let the Iraqi Government do it—this is in November 2006—let the Iraqis handle it, don't understand the inability of the Iraq Government at that time to take on that responsibility.

He then went on to say—this is what he—his recollection of his conversation—was that our strategy needed to help get the violence down so that there could be political reconciliation from the top down as well as the bottom up.

There has been political reconciliation, Martha, from the bottom up. Anbar Province is a place where the experts had—an expert had said that it was impossible for us to achieve our objective. This was the part of the country of Iraq where Al Qaida had made it clear that they would like to establish a safe haven from which to plan, plot further attacks and to spread their ideology throughout the Middle East. Since then, since this November 2006 report and since that statement to the Iraq Study Group, things have changed appreciably on the ground in Anbar Province.

And they're beginning to have the same change, because the people on the ground there are sick and tired of violence and being threatened by people like Al Qaida, who have no positive vision for the future. And there's been a significant turn, where now Sunni sheikhs and Sunni citizens are working with the coalition to bring justice to Al Qaida killers. And that same approach is being taken in Diyala.

And so there's a lot of focus, and should be, frankly, on oil laws or elections. But remember, there's another political reconciliation track taking place as well, and that's the one that's taking place at the grassroots level. Mike Hayden talked about that as well.

Q. But you think you've been realistic about the strategy and what's possible?

The President. Well—thank you for the followup—nothing has changed in the new room. Anyway—yes. I mean, as I told you last November, right about this time, I was part of that group of Americans who didn't approve of what was taking place in Iraq because it looked like all the efforts that we had taken to that point in time were about to fail. In other words, sectarian violence was really raging. And I had a choice to make, and that was to pull back, as some suggested, and hope that the chaos and violence that might occur in the capital would not spill out across the country or send more troops in to prevent the chaos and violence from happening in the first place, and that's the decision I made. So it was a realistic appraisal, by me.

What's realistic, as well, is to understand the consequences of what will happen if we fail in Iraq. In other words, people aren't just going to be content with driving America out of Iraq. Al Qaida wants to hurt us here. That's their objective. That's what they would like to do. They have got an ideology that they believe that the world ought to live under, and that one way to help spread that ideology is to harm the American people, harm American interests. The same folks that are bombing innocent people in Iraq were the ones who attacked us in America on September the 11th, and that's why what happens in Iraq matters to the security here at home.

So I've been realistic about the consequences of failure. I have been realistic about what needs to happen on the ground in order for there to be success. And it's been hard work, and the American people see it as hard work. And one of the reason it is hard work is because on our TV screens are these violent killings perpetuated by people who have done us harm in the past. And that ought to be a lesson for the American people, to understand that what happens in Iraq and overseas matters to the security of the United States of America.

Yes, ma'am.

Al Qaida in Iraq

But, sir, on that point, what evidence can you present to the American people that the people who attacked the United States on September the 11th are, in fact, the same

people who are responsible for the bombings taking place in Iraq? What evidence can you present? And also, are you saying, sir, that Al Qaida in Iraq is the same organization being run by Usama bin Laden himself?

The President. Al Qaida in Iraq has sworn allegiance to Usama bin Laden. And the guys who had perpetuated the attacks on America—obviously, the guys on the airplane are dead, and the commanders, many of those are either dead or in captivity, like Khalid Sheikh Mohammed. But the people in Iraq, Al Qaida in Iraq, has sworn allegiance to Usama bin Laden. And we need to take Al Qaida in Iraq seriously, just like we need to take Al Qaida anywhere in the world seriously.

Let's see here. Working my way around here. Sheryl [Sheryl Gay Stolberg, New York Times].

Confidence in the Iraqi Government

Q. Mr. President, in Jordan in November, you stood by Prime Minister Maliki and said, he's the right guy for Iraq. Given this report card today and given the lack of top-down political reconciliation, can you tell the American people that you still believe he's the right guy for Iraq?

The President. I believe that he understands that there needs to be serious reconciliation, and they need to get law passed; firmly believe that. I have had a series of conference calls with the Prime Minister as well as the Presidency Council. The Presidency Council, you would have the President, Talabani, you'd have the two Vice Presidents, Al-Mahdi and Hashimi, as well as the Prime Minister. And I have urged them to work together to get law passed. It's not easy to get law passed through certain legislatures, like theirs. There's a lot of work that has to be done. And I will continue to urge, but—

Q. Do you have confidence in them?

The President. Let me—I'm almost through with the first one; I'll come back to the second one.

And so I'll continue to urge the Iraqis to show us that they're capable of passing legislation. But it's not just us; it's the Iraqi people. And what really matters is whether or

not life is improving for the Iraqi people on the ground.

And, yes, I've got confidence in them, but I also understand how difficult it is. I'm not making excuses, but it is hard. It's hard work for them to get law passed. And sometimes it's hard work for people to get law passed here. But that doesn't mean that we shouldn't continue to work to achieve an objective, which is a government that is able to provide security for its people and to provide basic services and, as importantly, serve as an ally against these extremists and radicals.

Yes, sir.

I. Lewis Libby

Q. Thank you, Mr. President—

The President. No, not you. Michael [Michael Abramowitz, Washington Post].

Q. Oh. [Laughter]

The President. Okay. Was that harsh?

Q. Yes.

The President. Like the new hall, I should have been more gentle. [Laughter] Do we ever use "kinder and gentler"? No.

Go ahead, Michael. And then you're next.

Q. If I could just switch subjects for a second to another big decision you made recently, which was in the Scooter Libby case.

The President. Yes.

Q. You spoke very soberly and seriously in your statement about how you weighed different legal questions in coming to your decision on that commutation. But one issue that you did not address was the issue of the morality of your most senior advisers leaking the name of a confidential intelligence operator. Now that the case is over—it's not something you've ever spoken to—can you say whether you're at all disappointed in the behavior of those senior advisers? And have you communicated that disappointment to them in any way?

The President. Michael, I—first of all, the Scooter Libby decision was, I thought, a fair and balanced decision. Secondly, I haven't spent a lot of time talking about the testimony that people throughout my administration were forced to give as a result of the Special Prosecutor. I didn't ask them during the time, and I haven't asked them since.

I'm aware of the fact that perhaps somebody in the administration did disclose the name of that person, and I've often thought about what would have happened had that person come forth and said, "I did it." Would we have had this, you know, endless hours of investigation and a lot of money being spent on this matter? But it's been a tough issue for a lot of people in the White House, and it's run its course, and now we're going to move on.

Wendell [Wendell Goler, Fox News Channel].

War on Terror in Iraq

Q. Mr. President, you have spoken passionately—

The President. Oh, I'm sorry, Jon [Jon Ward, Washington Times]. Okay, yes.

Q. Are you taking it away from me?

The President. I am. This is—

Q. After doing the "fair and balanced," you're going to take it away from me. [Laughter]

Q. Ohhh. [Laughter]

Q. That was just a tease.

Q. You're going to come back to me, sir?

The President. You got the mike, then, Jon, you're next—a possession deal, you know what I'm saying? [Laughter]

Q. Thank you, sir. You have spoken passionately about the consequences of failure in Iraq. Your critics say you failed to send enough troops there at the start, failed to keep Al Qaida from stepping into the void created by the collapse of Saddam's army, failed to put enough pressure on Iraq's Government to make the political reconciliation necessary to keep the sectarian violence the country is suffering from now from occurring. So why should the American people feel you have the vision for victory in Iraq, sir?

The President. Those are all legitimate questions that I'm sure historians will analyze. I mean, one of the questions is, should we have sent more in the beginning? Well, I asked that question, "Do you need more?" to General Tommy Franks. In the first phase of this operation, General Franks was obviously in charge—and during our discussions in the runup to the decision to remove Saddam Hussein after he ignored the Security Council resolutions. My primary question to

General Franks was, do you have what it takes to succeed? And do you have what it takes to succeed after you succeed in removing Saddam Hussein? And his answer was, yes.

Now, history is going to look back to determine whether or not there might have been a different decision made. But at the time, the only thing I can tell you, Wendell, is that I relied upon our military commander to make the proper decision about troop strength. And I can remember a meeting with the Joint Chiefs, who said, "We've reviewed the plan." I remember—and seemed satisfied with it. I remember sitting in the PEOC, or the Situation Room, downstairs here at the White House, and I went to commander and commander that were all responsible of different aspects of the operation to remove Saddam. I said to each one of them, do you have what it takes? Are you satisfied with the strategy? And the answer was, yes.

We have worked hard to help this country reconcile. After all, they do have a modern Constitution, which is kind of a framework for reconciliation. And after all, there was a significant series of votes where the people were given a chance to express their desire to live in a free society. As a matter of fact, 12 million Iraqis went to the polls.

Wendell, what happened then, of course, is that the enemy, Al Qaida, attacks the Samarra mosque, which, of course, created anxiety and anger amongst the Shi'a. And then all of a sudden, the sectarian violence began to spiral. Reconciliation hadn't taken hold deep enough in society to prevent this violence from taking hold. And so I have a—you know, I've got to decide whether or not it's okay for that violence to continue or whether or not it makes sense for us to try to send more troops in to quell the violence, to give the reconciliation process further time to advance.

My concern is, is that as a result of violence and killing, there would be chaos. Now, that's a state of affairs that thugs like Al Qaida need to survive. They like chaos. As a matter of fact, they like to create chaos in order to create conditions of fear and anxiety and doubt. And out of that chaos would come—could come a further escalation of violence in the

Middle East. And this is what's important for the American people to understand: That violence and that chaos would embolden extremist groups, whether they be Shi'a or Sunni, and they would then begin into competition with each other.

Such chaos and violence would send a mixed signal to the Iranians, who have stated that they believe Israel ought to be wiped off the map. People would begin to wonder about America's resolve. Al Qaida would certainly be in a better position to raise money and recruit. And what makes all this scenario doubly dangerous is that they have proven themselves able to attack us and kill nearly 3,000 of our citizens. And they would like to do it again.

And therefore, the strategy has got to be to help this Government become an ally against these people. What happens in Iraq—and I understand how difficult it's been. It's been hard. I have received a lot of inspiration, however, from meeting with our troops, who understand the stakes of this fight, and meeting with their families. And we owe it to our troops to support our commanders, smart, capable people who are devising a strategy that will enable us to succeed and prevent the conditions I just talked about from happening.

Ed [Ed Chen, Bloomberg News]—no, Jon. Just kidding there.

Situation in Iraq

Q. Thank you, Mr. President. Your administration has cited Al Qaida leaders, such as Zawahiri, as saying that if we leave prematurely, it would be a glorious victory for Al Qaida. But the reason that we can't leave or haven't been able to leave is not because we're getting defeated in any way militarily; it's because the Iraqis can't get it together so far. So why can't we counter those messages and, obviously, not withdraw precipitously, but begin some sort of gradual withdrawal that prevents ethnic cleansing, but also allows our military to get out?

The President. Well, there's a lot of discussion about a scenario in which our troop posture would be to guard the territorial integrity of the country of Iraq, to embed and train, to help the Iraqi security forces deal with violent elements in their society, as well

as keep enough Special Forces there to chase down Al Qaida. As a matter of fact, that is something that I've spoken in public about, said that's a position I'd like to see us in. However, I felt like we needed to send more troops to be able to get the situation to quiet down enough to be able to end in that position.

And in terms of my own decisionmaking, as I mentioned earlier, I definitely need to be in consultation, and will be, with General David Petraeus, who asked for the additional troops in the first place, troops which have been in place—fully in place for about 3 weeks.

And so I would ask Members of Congress to give the general a chance to come back and to give us a full assessment of whether this is succeeding or not. And it's at that point in time that I will consult with Members of Congress and make a decision about the way forward, all aiming to succeed in making sure that Al Qaida and other extremists do not benefit from a decision I might have to make.

Mark [Mark Silva, Chicago Tribune].

Homeland Security/Democracy in the Middle East

Q. Yes, sir, Mr. President.

The President. Yes, sir—

Q. How—

The President. —Mark. [Laughter]

Q. Thank you. Thank you, sir. How comfortable are you—sir, how comfortable are you with your Homeland Security Secretary saying, in the face of no credible intelligence of an imminent threat against the United States, that he has a gut feeling that one is coming this summer? And, sir, what does your gut tell you?

The President. My gut tells me that—which my head tells me as well—is that when we find a credible threat, I'll share it with people to make sure that we protect the homeland. My head also tells me that Al Qaida is a serious threat to our homeland, and we've got to continue making sure we've got good intelligence, good response mechanisms in place; that we've got to make sure we don't embolden them with—by failing in certain theaters of war where they're confronting us; that we ought to continue to keep the pressure on them. We need to chase

them down and bring them to justice before they come home to hurt us again.

And so it's a—this is a serious issue that is going to outlast my Presidency. As I say, this is the beginning stages of what I believe is a ideological conflict that—where you've got a competing visions about what the world ought to be like. What makes this more difficult than previous conflicts is that there's the asymmetrical use of power. In other words, IEDs and suicide bombers are the main tactical device used by these thugs to try to achieve strategic objectives.

Their objective is to impose their vision on the world. Their objective is to drive the United States out of parts of the world. They want safe haven. They love a society where women have no rights, just like the society that they worked to impose with the Taliban on the women of Afghanistan. That's their vision. And it's in our interests to defend ourselves by staying on the offense against them. And it's in our interest to spread an alternative ideology.

We have done this before in our Nation's history. We have helped people realize the blessings of liberty, even though they may have been our enemy. And freedom has an amazing way of helping lay the foundation for peace. And it's really important, as we head into this ideological struggle in the 21st century, that we not forget that liberty can transform societies.

Now, the interesting debate is whether or not a nation like Iraq can self-govern, whether or not these people even care about liberty. As you've heard me say before, I believe—strongly believe that freedom is a universal value, that freedom isn't just for Americans or Methodists, that freedom is universal in its application. And so when they voted in '05, I wasn't surprised; I was pleased that the numbers were as big as they were, to defy that many threats and car bombers, but I wasn't surprised.

And this is the real challenge we face. And Iraq is just a part of a broader war against these jihadists and extremists, Mark. It is a—we will be dealing with this issue for awhile, just like we dealt with other ideologies for awhile. It takes time for ideologies to take root.

I firmly believe that you'll see the democracy movement continue to advance throughout the Middle East if the United States doesn't become isolationist. That's why I've told you that I'm making sure that we continue to stay diplomatically involved in the region. Condi Rice and Bob Gates will be traveling there in early August to continue to remind our friends and allies that we're—one, we view them as strategic partners; and secondly, that we want them to work toward a freer societies and to help this Iraqi Government survive. It's in their interests that Iraq become a stable partner.

And I believe we can achieve that objective. And not only do I believe we can achieve; I know we've got to achieve the objective, so we will have done our duty. This is hard work. And one of the things I talked about in the opening comments was, do we do it now, or basically pull back, let the Gallup Poll, or whatever poll there are, decide the fate of the country? And my view is, is that if that were to happen, we would then have to go back in with greater force in order to protect ourselves, because one of the facts of the 21st century is that what happens overseas matters to the security of our country. Ed.

President's Upcoming Meeting With General David H. Petraeus

Q. Good morning, Mr. President. Given the events on the ground in Iraq and the politics here at home, has U.S. military deployment to Iraq reached the ceiling, or can you allow any further military escalation?

The President. You're trying to do what Martha very skillfully tried to get me to do, and that was to—

Q. Can I have a followup?

The President. Yes, you can, because you're about to realize I'm not going to answer your question—[laughter]—except to say this: There's going to be great temptation to—not temptation, there would be—you won't be tempted; you will actually ask me to speculate about what David Petraeus will talk to us about when he comes home. And I just ask the American people to understand that the Commander in Chief must rely upon the wisdom and judgment of the military thinkers and planners. It's very important

that there be that solid connection of trust between me and those who are in the field taking incredible risk.

And so, Ed, I'm going to wait to see what David has to say. I'm not going to prejudge what he may say. I trust David Petraeus, his judgment. He's an honest man. Those of you who have interviewed him know that he's a straight shooter; he's an innovative thinker. I was briefed by members of the CODEL that came back that said that it appeared to them that our troops have high respect for our commanders in Baghdad, as do I.

Now, do you have a followup, perhaps another subject, another area, another—

Public Opinion/President's Decisionmaking

Q. Same subject.

The President. Same questions?

Q. Different approach.

The President. Different approach. Yes, okay. [Laughter]

Q. How hard is it for you to conduct the war without popular support? For you personally, do you ever have trouble balancing between doing what you think is the right thing and following the will of the majority of the public, which is really the essence of democracy?

The President. Yes, it is. And, first of all, I can fully understand why people are tired of the war. The question they have is, can we win it? And of course I'm concerned about whether or not the American people are in this fight. I believe, however, that when they really think about the consequences if we were to precipitously withdraw, they begin to say to themselves, maybe we ought to win this; maybe we ought to have a stable Iraq.

Their question, it seems like to me, is, can we succeed? And that's a very important, legitimate question for anybody to ask. I think many people understand we must succeed, and I think a lot of people understand we've got to wait for the generals to make these military decisions. I suspect—I know this, Ed, that if our troops thought that I was taking a poll to decide how to conduct this war, they would be very concerned about the mission. In other words, if our troops said, "Well,

here we are in combat, and we've got a Commander in Chief who is running a focus group. In other words, politics would be—is more important to him than our safety and/or our strategy,” that would dispirit our troops.

And there's a lot of constituencies in this fight. Clearly the American people, who are paying for this, is the major constituency. And I repeat to you, Ed, I understand that there—this violence has affected them. And a lot of people don't think we can win. There's a lot of people in Congress who don't think we can win as well, and therefore, their attitude is, get out.

My concern with that strategy—something that Mike Hayden also discussed—is that just getting out may sound simple, and it may affect polls, but it would have long-term, serious security consequences for the United States. And so, Ed, sometimes you just have to make the decisions based upon what you think is right. My most important job is to help secure this country, and therefore, the decisions in Iraq are all aimed at helping do that job. And that's what I firmly believe.

A second constituency is the military. And I repeat to you: I'm pretty confident our military do not want their Commander in Chief making political decisions about their future.

A third constituency that matters to me a lot is the military families. These are good folks who are making huge sacrifices, and they support their loved ones. And I don't think they want their Commander in Chief making decisions based upon popularity.

Another constituency group that is important for me to talk to is the Iraqis. Obviously, I want the Iraqi Government to understand that we expect there to be reconciliation top-down, that we want to see laws passed. I think they've got that message. They know full well that the American Government and the American people expect to see tangible evidence of working together. That's what the benchmarks are aimed to do.

But they also need to know that I am making decisions based upon our security interests, of course, but also helping them succeed, and that a poll is not going to determine the course of action by the United States. What will determine the course of ac-

tions is, will the decisions that we have made help secure our country for the long run?

And finally, another constituency is the enemy, who are wondering whether or not America has got the resolve and the determination to stay after them. And so that's what I think about, Ed.

And, you know, I guess I'm like any other political figure; everybody wants to be loved, just sometimes the decisions you make and the consequences don't enable you to be loved. And so when it's all said and done, Ed, when you've—if you ever come down and visit the old, tired me down there in Crawford, I will be able to say, I looked in the mirror and made decisions based upon principle, not based upon politics. And that's important to me.

Thank you all for your time. I loved being here at this new building. Thank you.

Resurgence of Al Qaida

Q. Can we just ask you about the Al Qaida intelligence report, please?

The President. What was that?

Q. The intelligence—

The President. This is amazing.

Q. I know, I know.

The President. The new me. [Laughter] The Al Qaida intelligence report.

Q. The intelligence analysts are saying Al Qaida has reconstituted in areas of Pakistan, saying the threat to the West is greater than ever now, or as great as 2001. What's happening—

The President. Okay, here's—

Q. Okay, you tell us what the intelligence analysts say.

The President. I'm glad you asked; thank you. Thank you. I appreciate that opportunity to—

Q. Thank you for coming back, sir.

The President. I'm happy to do it. This is not the new me. I mean, this is just, like, an aberration. In other words—

Q. It's over next time.

The President. —I'm not going to leave and then come back because somebody yells something at me.

Q. Like China.

The President. Yes, exactly. [Laughter] Thank you. Thank you, David. I appreciate that. Exactly.

There is a perception in the coverage that Al Qaida may be as strong today as they were prior to September the 11th. That's just simply not the case. I think the report will say, since 2001, not prior to September the 11th, 2001.

Secondly, that because of the actions we have taken, Al Qaida is weaker today than they would have been. They are still a threat. They are still dangerous. And that is why it is important that we succeed in Afghanistan and Iraq and anywhere else we find them. And that's our strategy, is to stay on the offense against Al Qaida.

Elaine [Elaine Quijano, Cable News Network] asked the question, is it Al Qaida in Iraq? Yes, it is Al Qaida, just like it's Al Qaida in parts of Pakistan. And I'm working with President Musharraf to be able to—he doesn't want them in his country; he doesn't want foreign fighters in his outposts of his country. And so we're working to make sure that we continue to keep the pressure on Al Qaida.

But no question, Al Qaida is dangerous for the American people, and that's why—as well as other people that love freedom—and that's why we're working hard with allies and friends to enhance our intelligence. That's why we need terrorist surveillance programs. That's why it's important for us to keep—another thing, I would hope Congress would modernize that bill. And that's why we're keeping on the offense.

Ultimately, the way to defeat these radicals and extremists is to offer alternative ways of life so that they're unable to recruit; that they can use—they like to use frustration and hopelessness. The societies that don't provide hope will become the societies where Al Qaida has got the capacity to convince a youngster to go blow himself up. What we need to do is help governments provide brighter futures for their people so they won't sign up.

And the fundamental question facing the world on this issue is whether or not it makes sense to try to promote an alternative ideology. I happen to think it does. They say, "He's idealistic." Yes, I'm idealistic, but I'm also realistic in understanding if there is not an alternative ideology presented, these thugs will be able to continue to recruit.

They'll use hopelessness to be able to recruit. And so it's—thank you for asking that question.

Thank you all.

NOTE: The President's news conference began at 10:31 a.m. in the James S. Brady Press Briefing Room at the White House. In his remarks, he referred to U.S. Ambassador to Iraq Ryan C. Crocker; Secretary of Defense Robert M. Gates; Usama bin Laden, leader of the Al Qaida terrorist organization; Prime Minister Nuri al-Maliki, President Jalal Talabani, and Vice Presidents Adil Abd Al-Mahdi and Tariq al-Hashimi of Iraq; former Chief of Staff to the Vice President I. Lewis Libby; Gen. Tommy R. Franks, USA (Ret.), former combatant commander, U.S. Central Command; and President Pervez Musharraf of Pakistan. The President also referred to the amendment by Senators Harry Reid and Carl Levin to H.R. 2206. The Office of the Press Secretary also released a Spanish language transcript of this news conference.

Proclamation 8161—Parents' Day, 2007

July 12, 2007

*By the President of the United States
of America*

A Proclamation

On Parents' Day, America honors our mothers and fathers for their extraordinary devotion and for the great sacrifices they make to provide a hopeful and promising future for their children.

The guidance and unconditional love of parents help create a nurturing environment so children can grow and reach their full potential. Parents work to impart to their children the strength and determination to follow their dreams and the courage to do what is right. They shape the character of their children by sharing their wisdom and setting a positive example. As role models, parents also instill the values and principles that help prepare children to be responsible adults and good citizens.

My Administration is committed to strengthening American families by supporting Federal, State, and faith-based and community programs that promote healthy marriages and responsible parenting. Parents

are a child's first teachers, and we recognize their critical role in helping children do well in school. My Administration is committed to helping parents and schools ensure that every child has the best opportunity to learn and succeed.

On Parents' Day, we pay tribute to mothers and fathers and celebrate the special bonds of love between parents and their children. We also express our deep gratitude to parents who serve in the Armed Forces and those whose sons and daughters have answered the call to defend our country. Our Nation is grateful for their honorable service and for the sacrifices family members make as their loved ones work to advance the cause of freedom.

Now, Therefore, I, George W. Bush, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States and consistent with Public Law 103-362, as amended, do hereby proclaim Sunday, July 22, 2007, as Parents' Day. I call upon citizens, private organizations, and governmental bodies at all levels to engage in activities and educational efforts that recognize, support, and honor parents, and I encourage American sons and daughters to convey their love, respect, and appreciation to their parents.

In Witness Whereof, I have hereunto set my hand this twelfth day of July, in the year of our Lord two thousand seven, and of the Independence of the United States of America the two hundred and thirty-second.

George W. Bush

[Filed with the Office of the Federal Register, 11:07 a.m., July 13, 2007]

NOTE: This proclamation was published in the *Federal Register* on July 16.

Memorandum on Waiver of Limitation on Obligation and Expenditure of \$642.5 Million in Fiscal Year 2007 Economic Support Funds for Iraq

July 12, 2007

Presidential Determination No. 2007-27

Memorandum for the Secretary of State

Subject: Waiver of Limitation on Obligation and Expenditure of \$642.5 million in Fiscal Year 2007 Economic Support Funds for Iraq

Pursuant to the authority vested in me as President by the Constitution and the laws of the United States, including section 1314(c)(2) of the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007 (Public Law 110-28) (the "Act"), I hereby waive the requirements of section 1314(c)(1) for \$642.5 million of Fiscal Year 2007 Economic Support Funds for Iraq and direct you to submit to the Congress this determination along with the certification in accordance with section 1314(c)(2) of the Act.

You are hereby directed to publish this determination in the *Federal Register*.

George W. Bush

Message to the Congress Transmitting the Initial Benchmark Assessment Report

July 12, 2007

To the Congress of the United States:

Consistent with section 1314 of the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007 (Public Law 110-28) (the "Act"), attached is the report that assesses the status of each of the 18 Iraqi benchmarks contained in the Act and declares whether satisfactory progress toward meeting these benchmarks is, or is not, being achieved.

This report has been prepared in consultation with the Secretaries of State and Defense; Commander, Multi-National Forces—Iraq; the United States Ambassador to Iraq;

and the Commander of United States Central Command.

George W. Bush

The White House,
July 12, 2007.

**Message to the Senate Transmitting
the International Convention for the
Suppression of Acts of Nuclear
Terrorism**

July 12, 2007

To the Senate of the United States:

I transmit herewith for Senate advice and consent to ratification the International Convention for the Suppression of Acts of Nuclear Terrorism (the "Convention"), adopted by the United Nations General Assembly on April 13, 2005, and signed on behalf of the United States of America on September 14, 2005. As of July 3, 2007, 115 countries have signed the Convention and 23 have submitted their instruments of ratification or accession. The Convention entered into force on July 7, 2007. I also transmit for the information of the Senate a report of the Department of State with respect to the Convention.

The Convention imposes binding legal obligations upon States Parties either to submit for prosecution or to extradite any person within their jurisdiction who commits terrorist acts involving radioactive material or a nuclear device as set forth in Article 2 of the Convention, threatens or attempts to commit such an act, participates as an accomplice, organizes or directs others to commit such an offense, or in any other way contributes to the commission of such an offense by a group of persons acting with a common purpose, regardless of where the alleged act took place.

States Parties to the Convention will also be obligated to provide one another legal assistance in investigations or criminal or extradition proceedings brought in respect of the offenses set forth in Article 2, in conformity with any treaties or other arrangements that may exist between them or in accordance with their national law. The recommended legislation necessary to implement the Con-

vention will be submitted to the Congress separately.

This Convention is important in the campaign against international terrorism. I recommend, therefore, that the Senate give early and favorable consideration to this Convention, subject to the understandings and reservation that are described in the accompanying State Department report.

George W. Bush

The White House,
July 12, 2007

NOTE: This item was released by the Office of the Federal Register on July 13. An original was not available for verification of the content of this message.

**Remarks Following a Briefing By
Provincial Reconstruction Team
Leaders and Brigade Combat
Commanders**

July 13, 2007

As part of our strategy to succeed in Iraq, I not only reinforced our military efforts with more troops, we also surged civilians to work with our military to help the reconciliation efforts in a country that is still recovering from the tyranny of Saddam Hussein.

And today my Security Council here had a opportunity not only to speak with our Ambassador in Iraq but also five members of Provincial Reconstruction Teams, three civilians and two military—colonels. They have briefed us on the grassroots effort to improve services, to improve the economy, to encourage local government, all aiming at enhancing this concept of reconciliation from the bottom up.

We heard from the PRT leader in Anbar. I had the honor of speaking to him months ago, and now he has briefed us on the progress that he has seen. Listen, there is still a lot of work to be done. But these people at the grassroots understand that most Iraqis want to live in peace and that, with time, we'll be able to help them realize that dream.

And so I want to thank you once again for your outstanding service to our Nation in the cause of peace. What happens in Iraq

matters to the United States of America. A violent, chaotic Iraq will affect our security at home. An Iraq that can self-govern, provide basic services to its people, and be an ally in the war on terror will mean that all of us have accepted a great challenge and laid a foundation of peace for our children and grandchildren.

And so, thank you for your service. I appreciate your—I want to thank your families who are supporting you in this just and noble cause. And may God bless you all. Thank you.

NOTE: The President spoke at 10:30 a.m. in the Roosevelt Room at the White House. In his remarks, he referred to U.S. Ambassador to Iraq Ryan C. Crocker.

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.

July 7

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

The President declared a major disaster in Oklahoma and ordered Federal aid to supplement State and local recovery efforts in the area struck by severe storms, flooding, and tornadoes beginning on June 10 and continuing.

July 8

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

July 9

In the morning, the President had an intelligence briefing. Later, he traveled to Arlington, VA. He then returned to Washington, DC.

In the afternoon, in the Map Room, the President participated in an interview with Georgina Carnegie for the Australian program, "Visions of Leadership," which will air during the APEC summit in September.

Later, at Blair House, he and Mrs. Bush attended a reception for Counselor to the President Daniel J. Bartlett.

The President announced his intention to nominate Robin Renee Sanders to be Ambassador to Nigeria.

The President announced his intention to nominate Diane D. Rath to be Assistant Secretary for Family Support at the Department of Health and Human Services.

The President announced his intention to designate Reuben Jeffery III and Howard Radzely as members of the Board of Directors of the Overseas Private Investment Corporation.

July 10

In the morning, the President had an intelligence briefing. Later, he traveled to Cleveland, OH, where, upon arrival, he met with USA Freedom Corps volunteer Gerris Farris. He then traveled to Parma, OH.

Later in the morning, the President traveled to Cleveland, OH, where, at Slyman's Restaurant, he had lunch with community leaders.

In the afternoon, the President toured the Cleveland Clinic. Later, he returned to Washington, DC. Upon arrival at Andrews Air Force Base, he met with soldiers and marines injured in the war on terror.

The President announced the designation of the following individuals as members of a Presidential delegation to attend the opening ceremonies of the XV Pan American Games in Rio de Janeiro, Brazil, on July 13: Michael O. Leavitt (head of delegation); Clifford M. Sobel; Donna Richardson Joyner; George Prescott Bush; and Luis Tiant.

July 11

In the morning, the President had an intelligence briefing.

The President announced his intention to nominate Gene A. Cretz to be Ambassador to Libya.

The President announced his intention to nominate Donald M. Kerr to be Principal Deputy Director of National Intelligence at the Office of the Director of National Intelligence.

The President announced his intention to nominate Mark Kimmitt to be Assistant Secretary of State (Political-Military Affairs).

The President announced his intention to nominate John S. Bresland to be a member and chairperson of the Chemical Safety and Hazard Investigation Board.

The President announced his intention to nominate Charles Russell Horner Shearer to be a member of the Chemical Safety and Hazard Investigation Board.

The President announced his intention to nominate Thomas C. Gilliland, William H. Graves, and Susan Richardson Williams to be members of the Board of Directors of the Tennessee Valley Authority.

The President announced his intention to appoint Kyle E. McSarrow, Ivan Seidenberg, and Mike Zafirovski as members of the President's National Security Telecommunications Advisory Committee.

The President announced that he has designated David Longly Bernhardt as Acting U.S. Commissioner of the Part of the United States on the International Boundary Commission (U.S. and Canada).

July 12

In the morning, the President had an intelligence briefing.

The White House announced that the President will meet with United Nations Secretary-General Ban Ki-moon at the White House on July 17.

July 13

In the morning, the President had an intelligence briefing.

In the afternoon, in the Roosevelt Room, the President participated in an interview with Fred Barnes, Stephen F. Hayes, and William Kristol of the *Weekly Standard*; Michael Barone of *U.S. News & World Report*; Charles Krauthammer of the *Washington Post*; Larry Kudlow, Rich Lowry, and Kate O'Beirne of the *National Review*; and syndicated columnist Kathleen Parker.

Nominations Submitted to the Senate

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted July 11

John S. Bresland, of New Jersey, to be a member of the Chemical Safety and Hazard Investigation Board for a term of 5 years (reappointment).

John S. Bresland, of New Jersey, to be chairperson of the Chemical Safety and Hazard Investigation Board for a term of 5 years, vice Carolyn W. Merritt, term expiring.

Gene Allan Cretz, of New York, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Libya.

Thomas C. Gilliland, of Georgia, to be a member of the Board of Directors of the Tennessee Valley Authority for the remainder of the term expiring May 18, 2011, vice William Baxter, resigned.

William H. Graves, of Tennessee, to be a member of the Board of Directors of the Tennessee Valley Authority for a term expiring May 18, 2012 (reappointment).

Daniel D. Heath, of New Hampshire, to be U.S. Alternate Executive Director of the International Monetary Fund for a term of 2 years, vice Margrethe Lundsager, term expired.

Donald M. Kerr, of Virginia, to be Principal Deputy Director of National Intelligence, vice General Michael V. Hayden, U.S. Air Force, resigned.

Mark Kimmitt,
of Virginia, to be an Assistant Secretary of State (Political-Military Affairs), vice John Hillen, resigned.

Diane D. Rath,
of Texas, to be Assistant Secretary for Family Support, Department of Health and Human Services, vice Wade F. Horn, resigned.

Robin Renee Sanders,
of New York, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federal Republic of Nigeria.

Charles Russell Horner Shearer,
of Delaware, to be a member of the Chemical Safety and Hazard Investigation Board for a term of 5 years, vice Carolyn W. Merritt, term expiring.

Susan Richardson Williams,
of Tennessee, to be a member of the Board of Directors of the Tennessee Valley Authority for a term expiring May 18, 2012 (re-appointment).

Submitted July 12

Thomas P. O'Brien,
of California, to be U.S. Attorney for the Central District of California for the term of 4 years, vice Debra W. Yang, resigned.

Edward Meacham Yarbrough,
of Tennessee, to be U.S. Attorney for the Middle District of Tennessee for the term of 4 years vice James K. Vines, resigned.

**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 July 7

Statement by the Press Secretary on disaster assistance to Oklahoma

Released July 9

Transcript of a press briefing by Press Secretary Tony Snow

Fact sheet: White House Conference on the Americas

Text: Letter from Counsel to the President Fred F. Fielding to Senator Patrick J. Leahy and Representative John Conyers, Jr.

Released July 10

Transcript of a press gaggle by Deputy Press Secretary Scott M. Stanzel

Fact sheet: A Day in Cleveland: President Bush Calls on Congress To Act To Fund Vital Priorities

Released July 11

Transcript of a press briefing by Press Secretary Tony Snow

Transcript of a press briefing by Office of Management and Budget Director Robert J. Portman on the Federal budget

Fact sheet: Growing Economy and Fiscal Discipline Working To Reduce Budget Deficit

Fact sheet: The 2007 Renovation of the James S. Brady Press Briefing Room

Released July 12

Statement by the Press Secretary: Visit by United Nations Secretary-General Ban Ki-moon

Released July 13

Transcript of a press briefing by Press Secretary Tony Snow

Statement by the Press Secretary: Mozambique Signs \$507 Million Millennium Challenge Compact

Statement by the Press Secretary announcing that the President signed S. 277

Fact sheet: Expanded Provincial Reconstruction Teams Speed the Transition to Self-Reliance

Text: Interview with National Security Adviser Stephen J. Hadley by NPR

**Acts Approved
by the President**

Approved July 13

S. 277 / Public Law 110-47
Grand Teton National Park Extension Act of
2007