AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

Remarks to the Young Presidents' Organization

September 24, 2007

Thank you all. Please be seated. I've spoken to a lot of people in this room, but rarely have I spoken to a group of people who I can address, Mr. President, or Madam President. [*Laughter*] I thank you for joining us. I appreciate Jim Nussle joining us as well.

I look forward to having—giving you a few remarks on the budget. As business leaders, you know it's important to set priorities and make decisions in a timely way. That's what you do on a daily basis. If you were running a company whose lease was up for renewal in a few months, you'd ask the landlord to start negotiating prices and terms. You would anticipate the cancellation of the—or the renegotiation of the lease. You would ask for time to think about the best way forward, and you wouldn't be happy if the landlord waited until the night before your time was up and then dropped on your desk a 500-page lease that he expected you to sign. In the business world, that's called alienating your customers. [*Laughter*] In Washington, that's called the appropriations process. [*Laughter*]

The fiscal year ends in less than a week. Yet Congress has not sent a single appropriations bill to my desk. Not one. Instead, the congressional leaders may end up lumping all 12 outstanding appropriations bills into one massive, trillion-dollar piece of legislation later this year. This would make it easier for Members to sneak in all kinds of special projects, put in wasteful spending or porkbarrel that they are not willing to debate in the open.

If they think that by waiting until just before they leave for the year to send me a bill that is way over budget and thicker than a phonebook, if they think that's going to force me to sign it, it's not. This would be bad for our country; it would be harmful for our economy; and it would be unfair for the taxpayers.

This is an important time for our economy. For nearly 6 years, we've enjoyed uninterrupted economic growth. Since August 2003, the economy has added more than 8.2 million jobs. Productivity is growing, and that's translating into larger paychecks for American workers. Unemployment is low; inflation is low; and opportunity abounds. The entrepreneurial spirit is strong.

You know, this economic vitality just didn't happen—in other words, it's—I think it's the result of hard work and people dreaming big dreams and working hard to fulfill them. I also believe it's the result of progrowth economic policies. And the job in Washington is to keep the environment sound for investment and for growth.

And so with that in mind, last February, I submitted a budget to Congress that fully funds our priorities, yet holds the growth of nonsecurity discretionary spending to less than inflation; it puts us on the path to budget surplus by 2012; and it does all this without raising taxes. In other words, we can meet priorities, and we can do so without raising taxes. I think raising taxes would be bad for the economy and bad for the working people.

Unfortunately, the Democratic majority in Congress has chosen a different path. The plan they have put forward includes an increase in discretionary spending that is nearly $22 billion more than my budget request. Some in Congress will tell you that $22 billion is not a lot of money. As business leaders, you know better. As a matter of fact, $22 billion is larger than the annual revenues of most Fortune 500 companies. And the $22 billion is only for the first year. With every passing year, the number gets bigger and bigger, and so over the next 5 years, the increase in Federal spending would add up to $205 billion. And the only way to pay for such a large spending increase is to raise taxes on the American people.

So it's no surprise that the same Members of Congress who are planning the big increase in Federal spending are also planning the largest tax increase in American history. At a time when families are working hard to pay their mortgages or pay for their children going to college, now is not the time to be taking money out of their pocket.

The Founders understood that there would be times when the President and the Congress would have different views about spending and taxes, and so they gave the executive and legislative branches different powers. Congress has the power of the purse,

the authority to pass tax bills and set spending levels. The President has the authority to reject unwise or excessive taxes and spending. And unless Congress has a two-third majority, it must come to an agreement with the President if it wants to get a bill enacted.

Every year, Congress deals with separate bills that fund the day-to-day activities of our Government, everything from defense to homeland security to education and transportation. These 12 spending bills are the normal process by which Congress sets it priorities when they spend your money.

Now we are days away from the end of the year, end of the fiscal year. And as I told you, Congress hadn't finished one of these bills. They got the requirement to do 12; they hadn't done 1. If Congress doesn't get its work done in a week, the Government is not going to have the funding to continue important services. I don't believe the American people should be denied those services because Congress can't get its work done.

Congress needs to pass these annual spending bills. And if they need more time, I urge them to pass a clean continuing resolution. Under a clean continuing resolution, the Government would continue to operate at current funding levels while the Congress works on the annual appropriations bills. The principle should be that there would be no new spending, no new policies, no new projects unless the President and Congress agree in advance on a specific item.

The continuing resolution is not a new idea. This isn't the first time it's—would have happened. The last Congress didn't pass all its appropriations bills on time. And with the help of a continuing resolution, Congress kept the Government running while finishing the work. An earlier Republican Congress did the same thing during President Clinton's second term after a disruptive Government shutdown that no Congress has allowed since.

When the 110th Congress took office earlier this week, the leaders promised to make the legislative process more transparent and to—prove they could be responsible with the people's money. They said, "Give us a chance to be responsible." Well, now is the time to honor those pledges. By passing a clean continuing resolution, Congress would give itself extra time to complete the 12 annual spending bills, and do them 1 at a time, in a fiscally responsible way.

I believe we can work together to keep your taxes low, to keep the economy growing, and to balance a Federal budget. I appreciate you giving me a chance to come and visit with you. Thank you.

NOTE: The President spoke at 9:52 a.m. in Room 350 of the Dwight D. Eisenhower Executive Office Building. In his remarks, he referred to Office of Management and Budget Director James A. Nussle.

Remarks Following Discussions With President Mahmoud Abbas of the Palestinian Authority in New York City

September 24, 2007

President Bush. Mr. President, Prime Minister, members of your delegation, thank you for coming. I strongly support the creation of a Palestinian state. I believe it's in the interests of the Palestinian people. I believe it's in the interests of Israel to have a democracy living side by—democracies living side by side in peace.

And the fundamental question that I ask is, is there leadership that share the vision and are willing to work hard to achieve the vision? And if the answer to that question is yes, the United States of America will be a strong partner in implementing the vision.

I have known the President for quite a while. I am convinced that he is dedicated to the formation of a Palestinian democracy that will live with peace with their neighbor, Israel. And I believe the Prime Minister of Israel is dedicated to the same vision. And therefore, as I told the President, the United States of America will work as hard as we possibly can to help you achieve the vision, Mr. President.

Condi Rice has been very engaged; Secretary Rice has been very engaged in the region. And when she speaks, she's speaking for me and my Government. And I appreciate you taking time to explain to me the hurdles you see, the role you'd like to see the United States play, and your dedication