

if children are failing. It's going to mean we're going to have to think differently about Head Start. Head Start should remain and will remain a place where children are treated for disease and the health and human service component to it. But I think Head Start ought to be moved to the Department of Education, to highlight the need to make sure that our youngsters get a head start on reading and math.

The billion-dollar-a-year additional money for the reading initiative will allow districts to access money for K-through-two diagnostic testing, for curriculum development, for teacher training, to make sure that the teacher I saw today—the skills that she has are given to all the teachers who are charged with teaching reading.

We've got an aggressive program for public ed. It's a program, though, that has deep faith in the ability of local folks to make sure the children are educated. It's a program the philosophy of which says that the people that care most about the children in towns in Tennessee are the citizens of towns in Tennessee, are the parents in towns in Tennessee, are those concerned folks who every day try to figure out how

to make your community a better place to live.

Now, the great strength of America lies in the hearts and souls of our citizens. It lies in the classrooms. It lies in the after-school activities, the Scout troops, run by local citizens. And our philosophy, the philosophy of the bill that I'm going to submit to the Congress, incorporates that greatness of America in its core.

It's a thrill to be here in Townsend. It is a—you're the heartbeat of America. And you're the future of America, by making sure every single child gets educated.

God bless.

NOTE: The President spoke at 12:03 p.m. In his remarks, he referred to Gary Pack, director of schools, Blount County School District; Mayor Victor Ashe of Knoxville, TN; and Lamar Alexander, former Governor of Tennessee and former U.S. Secretary of Education. The President also referred to Title I of the Improving America's Schools Act of 1994 (Public Law No. 103-382), which amended Title I of the Elementary and Secondary Education Act of 1965 (Public Law No. 89-10).

The President's News Conference *February 22, 2001*

The President. Good afternoon. It's been about a month now since I've taken office, and I thought it appropriate to come by and have a press conference. Before I do so, though, I'd like to make a few comments.

One of my missions has been to change the tone here in the Nation's Capital to encourage civil discourse. I think we're making pretty good progress. I want to thank the Democrats and the Republicans who have been coming up to the White House to hear me make my case. I appreciate their responsiveness. I just hope they

vote for my agenda that I'll be submitting next week in a budget address to the Congress.

I have a reasonable and balanced budget. It meets growing needs with a responsible rate of increase in spending. It funds priorities. And my administration has no higher priority than education.

Yesterday I announced that the Department of Education will receive the largest percentage increase of any department in the Federal Government, a little more than an 11 percent increase. But with new money will come high expectations. We

must insist on results and support programs that work. It is in the best interests of American children that we reform our public schools by having strong accountability at its core.

Our budget will honor commitments of America's senior citizens. Social Security and Medicare funds will be protected for Social Security and Medicare. We're now spending \$216 billion on Medicare. Under my budget, Medicare spending will increase by more than 21 billion in 2002. My budget also locks away \$2.6 trillion of the \$5.6 trillion surplus for Social Security over the next 10 years.

Our budget is fiscally responsible. If enacted, it will reduce debt by an unprecedented amount over the next 4 years. Altogether, about 60 percent of the projected Federal surplus will be used to fund priorities and to reduce debt.

After we've funded our priorities, after we pay down an unprecedented amount of debt, we'll still have money left over, which leaves us with two options: First is to spend it on bigger Government, or return it to the taxpayers who earned it. I believe it should be returned to the taxpayers. It's the people's money, and the Government ought to be passing it back after it's met priorities.

It is also necessary because these are uncertain times—increasing layoffs, growing consumer debt, lower consumer confidence—and lower taxes will help our economy. This will be a responsible and fair budget that reflects the Nation's priorities. I invite the American people to listen to what I have to say to the Congress.

I will be glad to answer any questions you have.

Robert Hanssen Espionage Case

Q. Mr. President, in light of the latest spy scandal, should senior FBI officials be required to take polygraph tests? And secondly, what, if any, responsibility should the FBI Director, Louis Freeh, bear for this breach of national security?

The President. I have confidence in Director Freeh. I think he does a good job. I have confidence in the men and women who work at the FBI. I am deeply concerned about the current spy case, as is Director Freeh. He has made the right move in selecting Judge Webster to review all procedures in the FBI to make sure that this doesn't happen again. We ought to be concerned about espionage in America. In the statement I made the other day, I said we will be diligent. We will find spies, and we will prosecute them. I am pleased that they caught the spy. Now the courts must act.

Q. Polygraphs—do we need polygraphs, though, to be able to catch them?

The President. I look forward to seeing what Judge Webster has to say. I presume he's going to review that issue and will make a recommendation to the Director and to me.

Q. Mr. President, do you believe that—

The President. It's not your turn, but go ahead. [Laughter] Yes, Gregory [David Gregory, NBC News].

President Clinton's Pardons

Q. Do you believe that pardons were for sale in the Clinton White House? And what, specifically, do you think should be done to look into, to investigate the circumstances of the President's brother-in-law accepting money to lobby him on pardons?

The President. David, I—as far as this White House is concerned, it's time to go forward. I've too much to do to get a budget passed, to get reforms passed for education, to get a tax cut passed, to strengthen the military, than to be worrying about decisions that my predecessor made.

I understand there's going to be some people on Capitol Hill that are going to be asking questions. That's their right to do so. But I can assure you our White House is moving forward. And to the extent

the Justice Department looks into this matter, it will be done in a nonpolitical way. During John Ashcroft's confirmation process, I said that the Justice Department will conduct its business in a nonpolitical way, and we will do so.

Q. Can I just follow?

The President. Sure. Yes, David.

Q. Other Presidents are commenting on this matter. On the Rich pardon specifically, former President Carter said that in his opinion, it was "disgraceful." Do you not have an opinion on a power that is absolute and is vested in you as the President?

The President. My opinion is, I will—should I decide to grant pardons, I will do so in a fair way. I'll have the highest of high standards.

But the President made the decisions he made, and he can answer the questions raised by the American citizens and the press corps. This White House is moving forward. We've got a lot to do. We've got a lot of people to convince on our agenda. I think we're making pretty good progress, but there's a lot of work to be done.

Steve [Steve Holland, Reuters].

Russia-U.S. Relations

Q. Mr. President, do you think that U.S.-Russian relations have been damaged by the new spy case? And secondly, are the Russians showing any flexibility on a missile defense system?

The President. I intend to deal with Mr. Putin in a very straightforward way, to be up front with him on all matters. I am, of course, disturbed about the espionage—the alleged espionage that took place. I'm mindful that there are people who don't particularly care what America stands for and people who are interested in our secrets.

Secondly, I was pleased to see comments from Russian leadership that talked about missile defense. It is a—their words indicate that they recognize that there are new threats in the post-cold-war era, threats that

require theater-based antiballistic missile systems. I felt those words were encouraging.

When I meet with Mr. Putin, I'm going to talk to him about exactly what he meant by those words. We have no meeting set up yet, I might add, but I took that to be encouraging, Steve. It reminded me of what happened after I met with Mr. Ivanov. Shortly thereafter, Mr. Putin also talked about theater-based systems and the ability to intercept missiles on launch. And to me, it's indicative of his recognition of the realities of the true threats in the post-cold-war era, threats from an accidental launch or threats as a result of a leader in what they call a rogue nation, trying to hold ourselves or our allies or Russia, for that matter, hostage. So I was pleased with what I saw.

John [John Roberts, CBS News].

Sanctions Against Iraq

Q. Sir, the Secretary of State is departing for the Middle East tomorrow. One of the things that he will be discussing with Middle East leaders is the possibility of modifying sanctions on Iraq, and I'm wondering what message he will take from this administration to leaders in the Middle East in the area of sanctions that matter, sanctions that are effective on the regime but do not carry with them the same level of criticism that current sanctions have had in that they affect the Iraqi civilian population more than they do the regime, sir.

The President. We're reviewing all policy in all regions of the world, and one of the areas we've been spending a lot of time on is the Persian Gulf and the Middle East. The Secretary of State is going to go listen to our allies as to how best to effect a policy, the primary goal of which will be to say to Saddam Hussein, we won't tolerate you developing weapons of mass destruction, and we expect you to leave your neighbors alone.

I have said that the sanction regime is like Swiss cheese. That meant that they

weren't very effective. And we're going to review current sanction policy and review options as to how to make the sanctions work. But the primary goal is to make it clear to Saddam that we expect him to be a peaceful neighbor in the region, and we expect him not to develop weapons of mass destruction. And if we find him doing so, there will be a consequence.

We took action last week, and it may be on your mind as to that decision I made. The mission was twofold. One was to send him a clear message that this administration will remain engaged in that part of the world. I think we accomplished that mission. We got his attention. And secondly, the mission was to degrade his capacity to harm our pilots who might be flying in the no-fly zone. And we accomplished that mission, as well.

Q. Sir, if I could follow up—

The President. Yes, John, go ahead.

Q. How would you characterize sanctions that work, sir?

The President. Sanctions that work are sanctions that when a—the collective will of the region supports the policy, that we have a coalition of countries that agree with the policy set out by the United States. To me, that's the most effective form of sanctions.

Many nations in that part of the world aren't adhering to the sanction policy that had been in place, and as a result, a lot of goods are heading into Iraq that were not supposed to. And so, good sanction policy is one where the United States is able to build a coalition around the strategy.

Yes, ma'am.

Legislative Agenda

Q. Mr. President, if I can go back to the controversy surrounding former President Clinton and Senator Hillary Rodham Clinton, are you at all concerned that these controversies are serving as a distraction for your administration's agenda? Are you concerned that further congressional hearings will mean that lawmakers are spending

more time on those matters than on working on your policies?

The President. I—as I said earlier, I've got a lot of work to do, and I think I've got the Congress' attention. I certainly hope so. There has been a lot of discussion about tax relief, and I'm pleased with the progress being made on that important subject. There's a lot of hot debate that have already taken place, and we've just begun to make the case. I'm beginning to travel around the country to important States—all the States are important, of course, but some States may be more important than others right now in trying to convince some lawmakers to hear the message of the people. This is an issue that affects everybody who pays taxes. Congress is listening to the debate. They're participating in the debate.

There's a lot of discussion about education reform on the Hill, and I'm confident that the focus will be the right focus. And my speech Tuesday night, I hope, will help keep the focus on the agenda.

Yes, ma'am. You're next.

Faith-Based Initiative

Q. Mr. President, why do you refuse to respect the wall between the church and state? And you know that the mixing of religion and government for centuries has led to slaughter. I mean, the very fact that our country has stood in good stead by having the separation—why do you break it down?

The President. Helen, [Helen Thomas, Hearst Newspapers]. I strongly respect the separation of church and state—

Q. Well, you wouldn't have a religious office in the White House if you did.

The President. I didn't get to finish my answer, in all due respect. I believe that so long as there's a secular alternative available, we ought to allow individuals who are helping to be able to choose a program that may be run by a faith-based program, or will be run by a faith-based program.

I understand full well that some of the most compassionate missions of help and

aid come out of faith-based programs. And I strongly support the Faith-Based Initiative that we're proposing, because I don't believe it violates the line between the separation of church and state, and I believe it's going to make America a better place.

Q. Well, you are a secular official.

The President. I agree. I am a secular official.

Q. And not a missionary.

Airstrikes on Iraq

Q. Sir, on the airstrikes in Iraq, the Pentagon is now saying that most of the bombs used in those strikes missed their targets. Given that, what is now your assessment of how successful those strikes were? How much danger do the remaining installations that we missed in those strikes pose to our forces? And would you hit them again if commanders in the field asked for authorization to do so?

The President. I—we had two missions. One was to send a clear signal to Saddam, and the other was to degrade the capacity of Saddam to injure our pilots. I believe we succeeded in both those missions. The bomb assessment damage report is ongoing, and I look forward to hear what the Pentagon has to say as they fully assess, completely assess the mission. And I will continue to listen to the commanders in the field. My job as Commander in Chief is to get input from the commanders in the field, and we will do everything needed to protect our pilots, to protect the men and women who wear the uniform.

Bruni [Frank Bruni, New York Times].

Tax Relief Legislation

Q. You said that your \$1.6 trillion tax cut is reasonable and responsible within the outlines of the budget you're going to present. If, when that gets to Congress, things start getting layered on to it, like corporate tax cuts, capital gains, would you still support it? And if it reached your desk at a higher level, would you sign it?

The President. As you know, I shy away from hypotheticals, Pancho. I'm going to resist the Christmas tree effect of tax policy. I don't want people putting ornaments on my plan. I have made it clear to the business interests that the best tax policy is one that reduces the taxes on the people, and I hope they listen to me, and I hope they help me get the tax plan through that I have proposed.

And the reason I feel so strongly about that is, one, a marginal cut will help the economy. Secondly, I am deeply concerned about high energy prices and their effect on the working people in the country. I am concerned about consumer debt. I know there's a lot of talk in Washington about paying down the national debt, and that's fine and good, and our budget will do so. But I am very concerned about the fact that a lot of consumers in our country have got high consumer debt. And I believe we need to share some of their money with them so they can help manage their own personal finances. And I will resist the temptation by folks to pile on their pet projects on to our tax cut.

Q. But if they do pile on?

The President. Well, first of all, I'm not willing to admit defeat right here before I've begun to fight or persuade—let me put it to you that way. I think I've got a pretty good case, and I think that many of the business interests will hear that case.

Yes, sir.

Plan Colombia/Trade Promotion Authority

Q. You've shown a lot of interest in Latin America issues.

The President. Si.

Q. I have a double question for you. The first one has to do with Colombia. There's a big meeting on Tuesday with President Pastrana, and a lot of people are still worried about the implications of Plan Colombia, which your predecessor set in motion, about possible future military involvement of the United States. I want to know your impressions of Plan Colombia.

And my second question has to do with the free trade agreement for Latin America. You're going to be going to Quebec in April. Are you going to ask for fast-track approval so this thing can get going again, because it's been kind of dormant lately?

The President. I appreciate that question. I'd love to have fast-track approval. I think it's going to be important to work with our neighbors to the south and Canada to the north, to promote free trade throughout the hemisphere.

I spoke to the Prime Minister of Canada this morning, and that subject came up, about the summit, upcoming summit. And so we're going to begin the process in Congress. Ambassador Zoellick will be working with Members of Congress to lay the groundwork for the ability for the President to have what they call fast-track negotiating authority.

Secondly, I look forward to my meeting with President Pastrana. I'm looking forward to the briefing that he'll be bringing from Colombia. And I, too, am worried about ever committing the United States military to an engagement in that part of the world. I know we're training, and that's fine, but the mission ought to be limited to just that. And so I share the concern of those who are worried that at some point in time the United States might become militarily engaged.

Now, in terms of the success of the mission, the President's going to bring me his firsthand account of what's taking place in the country. I am concerned about the amount of acreage in cultivation for the growth of coca leaves. We've got to do a better job of working with the Colombia Government on its eradication program.

I had a long talk about the Andes with President Fox. I'm convinced President Fox will be a stabilizing influence for that part of the world. Fortunately, we've got a good relationship so that he will share with me his insights as things develop. He has had meetings with Mr. Pastrana and Mr. Cha-

vez, and I believe Vicente Fox is going to be a stabilizing influence and a positive influence on the Andes.

Jim [Jim Angle, Fox News].

China and Iraq

Q. Mr. President, on Iraq, what is your understanding of the Chinese presence in Iraq, especially with regard to constructing military facilities? And do you see anything that you see as a violation of U.N. sanctions?

The President. We're concerned about the Chinese presence in Iraq, and we are—my administration is sending the appropriate response to the Chinese. Yes, it's troubling that they'd be involved in helping Iraq develop a system that will endanger our pilots.

Q. That is what they're doing, sir, you're convinced that is—

The President. We think that may be the case. Let me just tell you this. It's risen to the level where we're going to send a message to the Chinese.

Let's see. Kelly Wallace [Cable News Network].

Q. Oh, I get a second one?

The President. Yes, Dick [John Dickerson, Time].

Presidential Pardons

Q. Mr. President, when you campaigned—I know you want to move forward on this question of pardons—but when you campaigned, you talked about the legacy of the sixties, where leaders didn't stand up and take their moral role and say something had been done wrong here. You want to move forward, but on the question of these pardons, do you feel there's any moral obligation, in terms of your office, to stand up and say to those who may be watching this, look, something has been done wrong here?

The President. I think the press corps will ferret out any wrongdoing. My job is to assure the American people that this administration will have the highest ethical

standards. And we're going to move forward. The President made decisions he made, and I made the decision in this White House to move forward. And we will.

Q. President Bush, given the questions that are being raised about the involvement of Senator Hillary Clinton's brother in the pardons process, what kind of guidance would you give members of your own politically active family in not only seeking pardons but seeking any other influence on any other issues with your administration?

The President. My guidance to them is, behave yourself. And they will.

Tax Relief Legislation

Q. Mr. President, to follow up on your answer on the tax question, perhaps looking at it the other way, some people are saying that perhaps it's too large a tax cut.

The President. Some are saying it's too small; some are saying it's too large; and I'm saying it's just right.

Q. But are you willing—

The President. Let him have another. I interrupted him.

Q. You were not willing to be flexible in terms of people who want to increase the size. Are you willing to be flexible with people who want to lower the size of your tax cut?

The President. I think it's just right. We've thought long and hard about the right number. This is a well-planned-out tax relief package that addresses the concerns of working Americans. It is needed. It is necessary. It will make a very positive difference in the lives of people who pay taxes, and our country can afford it.

There is a choice we have to make: Once we meet priorities, do we increase the size of the Government, or do we increase the amount of money in the pockets of the people who are working for a living? It is the right size, and it is the right time for tax relief in the country.

Bill [Bill Plante, CBS News]. And then you're next.

Q. And on that same subject—

The President. Yes, sir.

Q. —your tax and budget package, how can you be sure that, as you put it, there will be money left over? All it would take would be a less-than-one-percentage-point drop in productivity for that out-year surplus to dwindle or maybe even vanish. And also, nobody, including Alan Greenspan, thinks that it would provide much of a current stimulus.

The President. First of all, I think given the choice between increasing the baselines of the budget, to the extent to which it had been increased the past, and passing money back to the people, I think Mr. Greenspan—not to put words in his mouth—but it seems like—why don't I just put some words in his mouth—[laughter]—it seems like what he said in his testimony is, he would rather see tax relief rather than increasing the size of the budgets beyond the needs of the country.

Secondly, I believe we can do a heck of a lot better in growing our economy than the basic assumptions in the 10-year plan. I believe that good monetary policy, good fiscal policy, good regulatory policy, good trade policy will enable our economy to grow beyond the scope that is envisioned in the current budget projections.

Secondly, I believe, as well, that if we don't pass some of the money back to the people that pay the bills, it is going to be spent. And I worry about a bloated Federal Government serving as a drag on economic growth.

Yes, sir.

Visit of United Kingdom Prime Minister Tony Blair

Q. Mr. President, Stephen Sackur of the BBC.

The President. Yes, sir.

Q. You have a meeting with Prime Minister Blair tomorrow.

The President. Correct.

Q. There are some concerns in this country about the European plan for what they

call a rapid-reaction force, their own military capability. What will you tell Prime Minister Blair about the American attitude to this rapid-reaction force?

The President. I, first, look forward to the visit. I'm anxious to meet the Prime Minister. We've had a couple of good conversations on the telephone. I'm thankful that he's coming across the—actually coming down from Canada—but coming across the sea to visit us. Laura and I are looking to having a private dinner with he and Mrs. Blair Friday night. We'll be having a press availability after our meeting, and—

Q. I know, but I think a lot of people would like to—

The President. Well, why don't we wait until after he and I visit so I don't have to give the same answer twice.

Q. But just on the whole outline of the question of the European defense capability—

The President. You bet. I understand, you're trying to get me to tell you the answer twice. [Laughter] Britain and the United States have got a special relationship. We'll keep it that way. I look forward to talking to the Prime Minister about the importance of NATO. It is—anyway, let me visit with him first. I promise to call upon you tomorrow. Nice try.

Yes, sir.

Federal Budget

Q. Mr. President, you've talked a lot about areas of the budget that are going to increase—education; today you talked about Medicare; you've talked before a little bit about defense. You haven't talked much about the areas where, to come in with a budget that's going to be responsible, you'll have to do some cuts.

The President. Yes.

Q. Where might we see you take the red pen to the budget?

The President. Let me remind you, and the people who are listening, that accounting in Washington is a little different than the way normal—I shouldn't say "normal

people"—the average person accounts. This is a town where if you don't increase the budget by an expected number, it's considered a cut.

We're going to slow the rate of growth of the budget down. It should come to no surprise to anybody that my budget is going to say, loud and clear, that the rate of growth of the budget, for example, from last year, was excessive. And so we'll be slowing the rate of growth of the budgets down. That, evidently, is a cut. In my parlance, it's not a cut. When you increase spending, it's not a cut.

I will be glad to explain some of the slowdowns and some of the increases and perhaps a decrease or two after we put the budget out. Let me submit it on Tuesday, and then I'll be glad to answer any questions.

Thank you for this. I look forward to this—I look forward to future press conferences.

Q. Frequently? [Laughter]

The President. Well, yes, of course. [Laughter]

Q. Once a week?

The President. Well, you don't want to see me once a week. You'll run out of questions.

Q. Twice a week?

The President. Oh, twice? [Laughter] I'll be running out of ties. [Laughter]

Thank you very much.

NOTE: The President's news conference began at 2:40 p.m. in the James S. Brady Press Briefing Room at the White House. In his remarks, he referred to Judge William Webster, former Director, Federal Bureau of Investigation, who was selected to lead the investigation of Special Agent Robert Hanssen; President Vladimir Putin and Minister of Foreign Affairs Igor Ivanov of Russia; President Saddam Hussein of Iraq; Prime Minister Jean Chretien of Canada; U.S. Trade Representative Robert B. Zoellick; President Andres Pastrana of Colombia; President Vicente Fox of Mexico; President

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Hugo Chavez of Venezuela; and Cherie Blair, wife of Prime Minister Tony Blair of the United Kingdom. Reporters referred to

Roger Clinton, brother of Senator Hillary Rodham Clinton.

Statement on the Death of Dale Earnhardt *February 22, 2001*

I have asked my close friend Joe Allbaugh to attend today's memorial service for Dale Earnhardt. I am saddened by the untimely loss of this American legend and want to express my deepest sympathy to

his family, friends, and fans. Dale was an American icon who made great contributions to his sport. Dale's legacy will live on for millions of Americans. He was an inspiration to many.

Remarks Following a Meeting With the Budget Review Board and an Exchange With Reporters *February 23, 2001*

The President. Good morning. Welcome to the Budget Review Board. We've been going over the budget that I'll be submitting to the Congress next Tuesday night. I want to thank OMB Director Mitch Daniels for doing a really fine job.

It is a budget that clearly sets out priorities. It is a budget that sets aside Social Security money for only—to be used only for Social Security. It is a budget that will substantially pay down debt, and it's a budget that provides meaningful, real tax relief for our citizens.

In the budget, I prioritize education. I talked about that yesterday. We also prioritize the health care needs. We recognize the Federal Government plays a very important role in researching cures for disease, and therefore, our budget increases the NIH budget for 2002 by \$2.8 billion, the largest increase in that Department's history.

And so I'm very much looking forward for the American people to see and hear the budget presentation. It's a practical budget. It makes a lot of sense. It meets

a lot of needs. And the people of this country are going to realize we spent a lot of time on it and will realize that they've got an administration that is practical, full of common sense, and always asks the question, how can we help the people of the country?

Thanks.

National Economy

Q. Is the uptick in inflation going to make it harder to get the economy going again?

The President. Not with the Secretary of the Treasury at the helm.

Thanks a lot.

Major League Baseball Opening Day

Q. Are you going to Puerto Rico to see the Rangers?

The President. Are you?

Q. I'd like to.

The President. I'm not putting out my opening day plans yet.