

Mar. 28 / Administration of George W. Bush, 2001

Chairman, for your hard work. And we look forward to working with you.

Thank you all for coming.

#### *Campaign Finance Reform*

Q. Mr. President, on campaign finance reform—

*The President.* I'm talking about the budget today. There will be ample time to talk about bills in progress. Today I want America to hear, we're going to get a good budget out of the House, and we'll get a good budget out of the Senate. And it's

in the best interests of the working people that we do so.

Q. Will you say if there's—

*The President.* I'm talking about the budget today.

NOTE: The President spoke at 10:46 a.m. in the Cabinet Room at the White House. In his remarks, he referred to Representative William M. Thomas, chairman, House Committee on Ways and Means, and Senator Pete V. Domenici, chairman, Senate Budget Committee. A tape was not available for verification of the content of these remarks.

#### Remarks in a Meeting With Crewmembers of the Space Shuttle *Atlantis* March 28, 2001

Well, it's my honor to welcome to the Oval Office some of our leading scientists and entrepreneurs, space entrepreneurs. Ken, thank you very much for coming. These five folks represented our Nation well in space. They represent the best of the country—very capable, strong, smart citizens who understand that our Nation must always be exploring space. And I'm glad you all are here. Thanks for coming.

Thank you very much, sir, for being here, as well.

NOTE: The President spoke at 11:56 a.m. in the Oval Office at the White House. In his remarks, he referred to *Atlantis* Mission Commander Kenneth D. Cockrell, Pilot Mark L. Polansky, and Specialists Thomas D. Jones, Comdr. Robert L. Curbeam, Jr., USN, and Marsha S. Ivins; and Administrator Daniel S. Goldin, National Aeronautics and Space Administration. A tape was not available for verification of the content of these remarks.

#### Remarks in a Meeting With Technology Industry Leaders March 28, 2001

Thanks for coming. I appreciate that warm welcome. And welcome to the people's house. It's a nice place to live. [Laughter] And I'm glad I'm living here.

I want to thank Lezlee for all her hard work in putting together this group of leaders from around the country. I want to thank the members of the Cabinet who are here, some of whom you'll hear from in a little bit. Elaine Chao and Spence

Abraham and Paul O'Neill and Don Evans really represent the best of the country, and I really appreciate the fact that they've left their—left the private sector to serve the country. We've got a really good Cabinet. One of the lessons I learned in the private sector was, it's important to set an agenda and to delegate to good, honest people. And I have done so.

I was going to say, thanks for all the Members of the Congress who are here, but I see Members of the Senate who are here. Thank you all for coming. Senator Hatch, Burns, and Allen are some of the very best public servants our country has got to offer, and I want to thank you all for coming. I'm looking forward to working with you on the budget. [*Laughter*]

I first want you all to know that this administration has great confidence in the future of our technology industry. We recognize, like you do, that the stock market may be sending a little different message right now, that people have suffered losses and there are some difficult times for some of the companies in the high-tech world. But the accomplishments of the industry are rock-solid. The future is incredibly bright.

You've changed the way we work and communicate, and you've changed the way we learn. You've done for America—economic leadership in the 21st century—what heavy industry did for America in the 20th century. And all the difficulties you face today really don't cloud a future that is so optimistic and bright.

The social benefits from the tech industry are as sweeping as the economic potential—telemedicine for the sick, distance learning and assistive technology for individuals with disabilities, for example. Your companies symbolize the innovation and optimism of this great Nation. Your success fills us all with confidence in the continued growth of our economy. You make us all a little prouder to be Americans.

You've done so much for your country; it's time for your country to do something for you. I oftentimes say that the role of Government is not to create wealth; it's to create an environment in which the entrepreneurial spirit can continue to flourish.

First things first: We've got to restore consumer confidence. We can help in Washington by returning tax money to the people who pay the bills this year.

We can restore investor confidence by building a better business environment for years to come, starting with having a realistic, sound energy policy, a policy that says, of course we can conserve better, but we need new supplies. We need to aggressively seek new supplies. And not only do we need new supplies of natural gas, for example, we need new pipelines to move natural gas. We need new powerplants. We need an aggressive, forward-thinking energy policy that balances the needs of our environment with the needs of the people of the country.

We can also help by having a world of free trade. You know that one of the concerns is if the economy were to slow down like ours, the protectionist sentiments around America might start bubbling to the surface. Ours is an administration dedicated to free trade. I hope the Congress gives me trade promotion authority as soon as possible, so I can negotiate free trade agreements. We should not try to build walls around our Nation and encourage others to do so. We ought to be tearing them down. Free trade is good for America, and it will be good for your industry, as well.

And finally, we need to have lower taxes instead of bigger Government. We're having a big debate here, but one thing you can't debate is, this is an administration that has put together a pro-growth tax relief agenda, the first one in a long period of time. I mean, not only do we need to get money in consumers' hands as quickly as possible, we need to reduce all rates so that entrepreneurs can plan. I can't think of anything worse than to say, "We'll get money into consumers' hands quickly and then kind of change the rate structure."

And so I want to reduce all rates: the bottom rate from 15 percent to 10 percent; the top rate from 39.6 to 33 percent. People say, "Why would you want to drop the top rate?" Well, let's start with this simple fact, that thousands of small businesses pay taxes at the highest rate. The businesses

who are unincorporated, the sole proprietorships, the companies that have started in somebody's garage pay at the 39.6 percent tax rate. And by dropping the top rate from 39.6 to 33 percent, we will send a clear message that the role of Government is to create an environment in which the entrepreneur can flourish. By cutting the top rate, we'll provide more cashflow for small businesses to provide more employment.

You know, I've heard all the rhetoric, but the truth is, dropping all rates will be good for our economy, good for planners, good for those who want to think long term. And we can afford it. That's the thing that Congress and the people must hear: We can afford it.

There's a lot of issues with the budget, starting with this: that you now have a President who believes in fiscal sanity when it comes to the people's money; that we've increased discretionary spending by 4 percent in our budget. Now, that may sound like a lot to a lot of you all who are now managing your cash accounts and managing your cashflow. After all, a 4 percent increase is greater than the rate of inflation. A 4 percent increase in a budget is greater than most working—the raises working people have gotten this year.

Except the problem is, here in Washington, it's half of—exactly half of what was increased—how the discretionary accounts increased last time. You see, they had a bidding contest, a bidding war last time. It was like, the person who bid the highest got to go home. And therefore, the discretionary accounts increased by 8 percent, and we can't afford that kind of spending in Washington, DC.

So a President and an administration has come along and says, "Let's set priorities, and let's focus, and let's always remember whose money we're spending. It is not the Government's money; it's the people's money." And for those who say we can't afford meaningful, real tax relief that will stimulate the economy, they're the ones

who want to increase the size and scope of the Federal Government. They trust the Government to spend people's money. And that's not the philosophy of this administration. Once we've set priorities, we trust the people to spend their money. We trust the entrepreneurs with enhanced cashflow. We trust the working people to manage their own accounts.

And that's the debate here in Washington, and I'm asking for your help. I would like for you to e-mail your Senators. You don't have to worry about the Members of the House. And by the way, you don't have to worry about—don't e-mail these three; they're solid. *[Laughter]*

I'm optimistic. I'm very optimistic. The terms of the debate have somewhat shifted. I can remember campaigning in your neighborhoods, and people would say, "Well, he's just talking about tax relief, and he really might not mean it. People don't want tax relief." The debate is no longer whether or not we're going to have tax relief; the debate is, how quickly and how big? And I'm optimistic we can get a good package.

Today the House is voting on the budget. Next week the Senate will vote on the budget. It's going to be a tough vote, but all of us are working hard on behalf of the working people of the country and the entrepreneurs and small-business people of the country, to get a good budget out of the Senate.

Today, as well, I'd like to announce that—a cochairman of the President's Council of Advisors on Science and Technology. He is here with us; his name is Floyd Kvamme. And I'm honored, Floyd, that you'd take on the position.

Science and technology have never been more essential to the defense of the Nation and the health of our economy. I will hear the best scientific and technological advice from leaders in your field. And I can think of no better coordinator than Floyd. He is an entrepreneur. He is a risk taker. He

understands risk and reward. But more importantly, he knows the players, the people that can bring good, sound advice to this administration, and I'm honored to have you on board.

As well, I've got some good news, and you may have been watching the Senate Banking Committee. But after a lot of work with industry leaders and the administration and Members of the Senate, the "Export Administration Act," a good bill, passed the Banking Committee, 19-1.

The technology that you all have helped develop, obviously, gives us an incredible military advantage, and that's going to be important. And it's an advantage, by the way, that we tend—want to develop, to make sure we can keep the peace, not just tomorrow but 30 years from now. We've got to safeguard our advantages, but we've got to do so in ways that are relevant to today's technology, not that of 20 years ago. The existing export controls forbid the sales abroad of computers with more than a certain amount of computing power. With computing power doubling every 18 months, these controls had the shelf life of sliced bread. They don't work.

So in working with the Senate, we're working to tighten the control of sensitive technology products with unique military applications and to give our industry an equal chance in world markets. And I believe we've got a good bill. It's a bill that I heard from you all during the course of the campaign. The principles we discussed are now a part of this bill. I want to thank Senator Phil Gramm for his hard work in working with us and industry and some Members of the Senate to make sure the bill that has been crafted is a good bill. And I urge the Senate to pass it quickly.

Likewise, we want the R&D credit to be permanent, and we're working with Members of the Senate to do so. A lot of us in this administration have been in the world of taking risk. We understand that one of the most important parts about Government policy is that there be cer-

tainty in the policy. And I think making the R&D credit a permanent part of the Tax Code is part of creating certainty, so people can more wisely make investments with cashflow in their capital accounts.

And finally, we have a word about education. We're making great progress in education. I know it's a subject dear to you all's hearts. It should be. Your industry thrives on not only capital, dollars and cents, but it also thrives on human capital. And our Nation must do a better job of educating all children.

The principles inherent in the reform package that we're moving through the Senate and the House are these: One, we expect there to be high standards in public education. To put it this way, every child can learn, and systems that don't believe so need to be changed.

Secondly, I strongly believe in aligning authority and responsibility at the local level. I know full well when you disassociate the two, it provides convenient excuses for failure. A school district will say, "Oh, gosh, I would have done it differently, but the centralized authority made me do it this way." It's time to get rid of all the excuses for failure inherent in our school systems. And one way to do so is to pass power out of Washington, to trust local folks to set the path for excellence for the children in the districts in which they live, in which the local folks live. What I'm trying to say is, the Government closest to the people is that which works best.

And finally, we need to have a results-oriented system all around the country. Here's the way I'm doing it. I'm saying if you receive Federal money, you've got to measure. If you receive help at the Federal level, you, the local district or the State, must measure third through eighth grade. And Sandy Kress will describe what we're trying to do.

But the point is pretty simple. How do you know if children are learning unless you test? The accountability systems are not designed to punish folks. It's designed to

make sure children just simply are—are not simply shuffled through the system. We've got to end that practice of giving up on children early.

And so we start early; we measure early; we provide money for remedial education. Every child counts, and every child can learn. And the whole crux of reform is accountability. And when we measure and find success, we'll praise it. But by measuring, you also—one can also detect failure, and that becomes the catalyst for reforms at the local level. We're going to make good progress on education.

And finally, I believe we're making progress in Washington about changing the culture up here. There is now a—people are beginning to be able to debate in a respectful tone. The country isn't interested in the old style—at least, the politics of the past, where the person who screamed the loudest or had the cutest sound byte was the one that appeared to be the most effective. The country wants there to be a level of respect in our debate. And this is an administration that is working hard to provide that. We're not always going to agree, but we'll agree to be—we'll disagree in an agreeable way, in a way that brings pride to the system.

There is also becoming a culture of accomplishment in Washington. Things are getting done. I signed some legislation that had been incredibly onerous for small businesses and large business alike, when the Congress moved quickly to get rid of an ergonomics regulation that just—the cost far outweighed the benefits. It would have been harmful to the private sector. It would have been harmful to those who want to employ people. And they got the people's work done quickly and got it through.

Slowly, but surely, we're beginning to get people to focus on results. You see, I know there's a time for politics, and there's a time for policy, and now is the time for good public policy on behalf of the citizenry of the country.

And finally, I hope we'll be able to start a culture of responsibility, that all of us in this country must be responsible for the communities in which we live. I see Barksdale sitting over here. He is a person who sent a clear signal about what it means to be a responsible citizen by supporting public education, and I know many of you all in the audience feel the same way. But responsibility is not only sharing the wealth that has been generated in important programs, but it's also being responsible as a mom or a dad; responsible for activities that say to a child, "Somebody loves you"; responsible for encouraging mentoring programs in your companies or in your neighborhoods or in your churches or synagogues or mosques.

And we're making good progress in the country. And the reason why is, because this is a fabulous country, that's why. This is a country that has got great heart, great spirit, great vision, and great compassion. And I'm proud to be the President.

God bless you all.

NOTE: The President spoke at 2:45 p.m. in the East Room at the White House. In his remarks, he referred to Lezlee Westine, Deputy Assistant to the President and Director of Public Liaison; Sandy Kress, Senior Education Adviser, Domestic Policy Council; and Jim Barksdale, partner, The Barksdale Group, and former president and chief executive officer, Netscape Communications Corp.