

Throughout our Nation's history, Americans have been steadfast in their efforts to build a country of liberty, peace, and opportunity for all. As we act to lift the dark cloud of terror from our Nation and the world, we reaffirm our determination to preserve our Forefathers' legacy of freedom. In doing so, we honor their legacy as we move forward into the 21st century.

On this Independence Day we pay special tribute to all those currently serving in the Armed Forces and to our veterans.

Their contributions have been critical to the defense of our country, and our Nation is grateful.

Laura joins me in extending best wishes for a safe and memorable Independence Day. May God bless you, and may God continue to bless America.

GEORGE W. BUSH

NOTE: An original was not available for verification of the content of this message.

## The President's Radio Address

*June 29, 2002*

Good morning. This week we learned of another deeply troubling accounting scandal at a major American corporation. Reports allege that the company hid nearly \$4 billion in expenses and reported profits when it may have actually lost more than a billion dollars. The Securities and Exchange Commission immediately filed suit against the company to preserve documents so that a complete and thorough investigation can take place and to ensure that the company cannot give massive payments to executives during the investigation.

Despite recent abuses of the public's trust, our economy remains fundamentally sound and strong, and the vast majority of businesspeople are living by the rules. Yet, confidence is the cornerstone of our economic system, so a few bad actors can tarnish our entire free enterprise system. We must have rules and laws that restore faith in the integrity of American business. The Government will fully investigate reports of corporate fraud and hold the guilty parties accountable for misleading shareholders and employees. Executives who commit fraud will face financial penalties, and when they are guilty of criminal wrongdoing, they will face jail time.

In March, I unveiled a 10-point plan designed to enhance the economic security of Americans by providing better information to investors, making corporate officers more accountable, and delivering a stronger, more independent auditing system. Among other measures, the plan would give the Securities and Exchange Commission two critical tools to hold corporate officers accountable.

First, corporate officers who personally benefit from false accounting statements should lose all the money gained by their fraud. An executive whose salary or bonus is tied to his company's performance makes more money when the company has done well. That is fair when all of the accounting is done aboveboard. Yet, when bad accounting practices make the company appear to be more successful than it actually is, corporate executives should lose their phony profits gained at the expense of employees and stockholders.

Second, corporate leaders who violate the public's trust should never be given that trust again. The Securities and Exchange Commission should be able to punish corporate leaders who clearly abuse their powers by banning them from ever serving

again as officers or directors of publicly held corporations.

Since my call for action, the Securities and Exchange Commission has sought to take away the profits of senior executives from four different companies. And in this fiscal year, the SEC has sought to bar 54 officers and directors. On Thursday, the SEC ordered the CEOs and CFOs of the 1,000 largest public companies to certify that the financial information they submitted in the last year was fair and accurate.

In addition to bringing a new measure of accountability to American businesses, my administration is committed to protecting the retirement savings of American workers. The plan I unveiled in February would give workers greater freedom to diversify and manage their own retirement funds. It would ensure that corporate executives are held to the same restrictions as workers during blackout periods, when employees are prohibited from trading in their accounts. It would give workers quarterly information about their investments, and it would expand workers' access to investment advice. These measures should give American workers confidence that

their investments will not fall prey to unethical executives.

America is ushering in a new era of responsibility, and that ethic of responsibility must extend to America's boardrooms. I want every American to know that the vast majority of businesspeople are honest individuals who do right by the employees and their shareholders. The unethical actions of a few should not be allowed to call into question our whole free enterprise system.

No violation of the public's trust will be tolerated. The Federal Government will be vigilant in prosecuting wrongdoers to ensure that investors and workers maintain the highest confidence in American business.

Thank you for listening.

NOTE: The address was recorded at 10:50 a.m. on June 28 in the Cabinet Room at the White House for broadcast at 10:06 a.m. on June 29. The transcript was made available by the Office of the Press Secretary on June 28 but was embargoed for release until the broadcast. The Office of the Press Secretary also released a Spanish language transcript of this address.

## Letter to Congressional Leaders on Temporary Transfer of the Powers and Duties of President of the United States

*June 29, 2002*

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

As my staff has previously communicated to you, I will undergo this morning a routine medical procedure requiring sedation. In view of present circumstances, I have determined to transfer temporarily my Constitutional powers and duties to the Vice President during the brief period of the procedure and recovery.

Accordingly, in accordance with the provisions of Section 3 of the Twenty-Fifth Amendment to the United States Constitu-

tion, this letter shall constitute my written declaration that I am unable to discharge the Constitutional powers and duties of the office of President of the United States. Pursuant to Section 3, the Vice President shall discharge those powers and duties as Acting President until I transmit to you a written declaration that I am able to resume the discharge of those powers and duties.

Sincerely,

GEORGE W. BUSH