

a lot of money. And if the system encourages those savings, that in itself is just as well.

I appreciate you bringing that up. We've kind of lost sight of who is responsible for what. Part of it has to do with the size of Government; part of it has to do with the health insurance phenomenon that has taken place. And the notion is to kind of—we talked about individualized medicine, but as you individualize medicine, individuals have to make better choices too. And that's going to be crucial for the future of the country.

Listen, thank you all for coming. I promise you I will listen to what has been said here, even though I wasn't here. And we will distill the ideas and the comments. This is—this is an important subject for the country because, as I mentioned earlier, good health care will yield to better economic security. It's hard to feel economically secure if you're worried about your health. It's hard to feel economically secure if the health care systems don't enable you to really realize your full potential. And so the ideas that you bring forth are important.

Tommy is doing a fabulous job running Health and Human Services. It's a—Health and Human Services, the budget and the amount of influence it has on our society is enormous. And Tommy is a good listener, and he's a pretty good actor too.

He can get things done. "Action man," we call him.

But I want to thank you all for coming. I think you'll be impressed by the quality of folks who have shown up here. I don't know if you've had a chance to mingle, but it's—I've been very impressed. I've been very thankful that a lot of our national experts have come to talk about a variety of subjects.

Really, what we're talking about is confidence in our future. I've got great confidence in the future of our country, because I understand America. I know what we're made out of. And obviously we've got some problems we need to address, but one problem we don't have to address is the fundamental character of the country. The fundamental nature of the American people are resilient and strong. We talked a little bit in these other seminars about how some have let us down, cheated, didn't tell the truth when it comes to their numbers on their balance sheets. And we'll find those and hold them to account. But by far the vast majority of Americans are really decent, honorable people.

So thanks for coming to central Texas. I know it's a lot to ask to come here in the middle of August—[laughter]—but it's worthwhile. It's worthwhile. God bless you all.

NOTE: The President spoke at 10:08 a.m. in the Baylor Law Center at Baylor University.

Remarks at the Plenary Session of the President's Economic Forum in Waco

August 13, 2002

Well, Dr. Sloan, thanks for having us all. And I want you to thank all the good folks here at Baylor University for putting on a great show. I know a lot of people worked hard. I'm really glad a lot of folks from around the country got to see Baylor.

It's a fantastic university. And I want to thank the folks here who came from all around the country. Welcome to central Texas in the middle of August. [Laughter]

People here are the people that really make America work: the entrepreneurs and

the visionaries, the carpenters, the union heads, the educators, grandmothers. We're here to listen to you, to get a report from what I call the frontlines of the American economy. And it's an important report. And the American people need to hear your report. My economic team and I heard much of the discussion. We will read the summaries. We'll think about it, and we'll move forward to create jobs for Americans. I want to thank all those who led the panels. I want to thank our speakers for doing a fantastic job today.

I am so very grateful for our fellow citizens who are deeply concerned about the direction of our country. On stage today we're joined by four people who I mentioned during the radio address over the weekend. I want to thank Xavier Teixido, who is the chairman of the board of the National Restaurant Association. Xavier is an entrepreneur who obviously runs a restaurant and is now head of a very important association. Maria Sobrino, who is the founder of Lulu's—I don't know if Maria is going to be serving us all after lunch, but I certainly hope so, because she does a great job. Robert London, the driver from UPS; Jimmie Morgan, material management at Boeing. These are four ordinary Americans, as Phyllis called them, who have got opinions. And we heard their opinions, and they're important opinions.

And so I want to thank the Vice President and members of my administration for coming down here to listen, to listen to what Americans have to say.

There's no question our economy has been challenged by a recession that was beginning when we took office, that the terrorist attacks of September the 11th that Phyllis talked about had a lot to do with our economy and the state of affairs from today, and recently we have had to deal with corporate scandals that were long in the making; they finally have come to light—three factors that affected our economy. One of the things that we heard today is that our economy has strengths that are

greater than the challenges. I mean, after all, our workers and farmers are the most productive in the world; that our entrepreneurs are incredibly visionary; that inflation and interest rates are low; that today we saw a report that consumer spending is still robust. We've had three quarters of positive growth after three quarters of negative growth. No, the foundations of the American economy are strong. Yet, the only purpose of a strong foundation is to build on it. And that's what we're discussing today. And we're determined, this administration is determined, to build on the long-term security of the American people.

Here's the way I put it: If somebody wants to work and can't find a job, we have a problem. And we need to do something about it here in America. We have heard from Americans who are concerned but not discouraged. We've seen problems. But we're confident in the long-term health of this economy. We share a sense of optimism about America, because we understand our country.

Too many Americans have lost a large portion of their retirement funds, and they've lost a sense of security in the process. I know that. Too many Americans have lost jobs, especially in the high-tech world, in the manufacturing sector. Too many Americans run into economic and regulatory barriers when they try to create a business or expand their business. Too many construction projects have halted because they cannot get terrorism insurance. The goal must be to create an environment of sustained economic growth. We've got work to do. I know that. But we're going to do the work. It starts with listening to our fellow Americans to find good ideas and implement them.

Here's one good idea to make sure we continue to grow our economy, and that is, Congress, for the long-term economic security of America, needs to restrain spending. Recession and the cost of war and the cost of homeland defense have increased our budget, increased our deficits.

Yet, I am determined to fund the great priorities of our Government while exercising the spending restraint that will return America to the path of a balanced budget as soon as possible. More money spent in Washington means less money in the hands of American families and entrepreneurs, less money in the hands of risk-takers and job creators. A limited and focused Government is essential to a growing economy. And if the Congress won't show spending restraint, I intend to enforce spending restraint.

And this work of enforcement on spending continues today. At the end of the session, the Congress passed an emergency spending bill to strengthen our military, protect the homeland, and to complete the commitment of \$20 billion I made to the citizens of New York. But they also sent along more than \$5 billion in extra spending I didn't ask for. Some of that 5 billion I have endorsed and will work to secure through amendments to the '03 budget, like AIDS prevention money and support for Israel and Palestine. But a lot of that money has nothing to do with the national emergency, and I'll give you one example: a new facility for storing the Government's collection of bugs and worms. I made my opposition clear. We were pretty plain-spoken about the supplemental. But those who wrote the bill designed it so I have to spend all 5 of the extra billion dollars or spend none of it. That's how they wrote the supplemental. Those are the rules they placed upon my administration. I understand their position, and today they're going to learn mine. We'll spend none of it.

As I said, for truly pressing needs and priorities, such as AIDS prevention and resources for the Middle East, we'll send to Congress specific amendments to get these funds quickly. However, we're not going to spend \$4 billion we don't need in order to unlock 1 billion we do. For the good of our economy, for the good of the people who pay taxes, my administration will spend what is truly needed and not a dollar more.

Spending restraint is just one of the many responsibilities that we accept.

In order to build on the long-term security for the American people, we must always think about growth and jobs. I want to get American construction workers back to work. And that's why we need to have a terrorism insurance policy. I want those who wear the hardhats, who are willing to take risks by suspending themselves above the land, by building commercial projects that are significant in size—I want them working.

I want to thank Doug McCarron for being here. He wants them working too. We're working hand in hand to see to it that Congress finally gets the message that we need a terrorism insurance bill to get American hardhats back to work. People say, "Does it matter?" Of course it matters. There's over \$8 billion of commercial construction that has been suspended last year. That means \$8 billion worth of projects in which somebody is going to be able to work and put food on the table for their family.

And we need an energy policy too. Listen, energy policy is not only good for economic security, it's good for national security. We can do a much better job of harnessing technologies to conserve more energy. We can do a better job of finding renewable sources of energy. But for the sake of our economic security and for the sake of our national security, we need to become less dependent on foreign sources of crude oil, and we need to put our people to work by good, solid energy projects here at home. Congress needs to get me an energy bill. They need to stop talking, and they need to start acting by getting a good, sound energy bill to my desk as soon as they get home.

You've heard a lot about the tax relief plan we passed. Thank goodness we passed it when we did. We cut taxes in the middle of a recession because we believe by letting people keep more of their own money, it'll cause them to demand a good or a service.

And when they demand a good or a service, somebody will produce a good or a service. And when somebody produces that good or service, somebody is more likely to find work. The tax relief was incredibly important, and it's going to be important as time goes on, because it's phased in.

Now, there are some in Washington who want to stop the tax relief, which is like a tax increase, which would be an unmitigated disaster given the economic situation in which we find ourselves. But rather than me talking about, "Let's stop the tax reductions," what Congress needs to do is to join us in the call to make these tax relief permanent, permanent so small business—make it permanent so we send a signal throughout society that people should be able to plan, send a signal that we understand job creation is the number one priority of economic policy out of Washington, DC.

In order to make sure the economy grows, we must bring the promise of broadband technology to millions of Americans. My administration is promoting investment in broadband. We will continue to work to prevent new access taxes on broadband technology. If you want something to be used more, you don't tax it. And broadband technology is going to be incredibly important for us to stay on the cutting edge of innovation here in America. The Federal Communications Commission is focusing on policies to encourage high-speed Internet service for every home and every business in America. The private sector will deploy broadband, but government at all levels should remove hurdles that slow the pace of deployment.

In order to build long-term security, we will enforce the rules and laws on the books. I say as plainly as I can to CEOs: If you break the law, we will hunt you down; we will arrest you; and we will prosecute you. We expect the highest of high standards when it comes to corporate America. I want the books open and transparent. The numbers need to be real. The

good news for our economy and our society is, by far the vast majority of CEOs are good, honorable people. They care deeply about their shareholders and their employees. Now that both Republicans and Democrats have come together to pass a sound corporate responsibility bill, my administration will take the new law, and we will hold those to account who do not uphold the high standards Americans expect from those of us in positions of responsibility.

I believe—I believe to build the long-term security of America, we need to encourage ownership. We want to have an environment and—where people feel comfortable about starting their own business. We want the Curtis McGuires of the world to flourish. Another way we can promote ownership is to encourage homeownership. One of the statistics that concerns me deeply and concerns those in my administration is this: Too many minorities do not own a home in America. Under 50 percent of African Americans and Hispanic Americans own a home. That's just too few, as far as I'm concerned. You see, owning a home is part of the American experience. And so I'm promoting policies that will encourage homeownership.

And we've set this goal, by the way, that we want there to be 5.5 million minority families owning a home over the next 10 years, which means Government ought to have a policy that helps people with a downpayment. People take a look at owning a home, and they realize the downpayment is a frightening thought. We ought to have a downpayment assistance program out of Washington, DC.

We need to make sure we have education programs, so that people understand what it means to buy a home, so that they're educated in what it takes to own a home. We need to make sure that we have got money available for homeownership, minority homeownership. I want to thank Fannie Mae, Franklin Raines for being here. He is joined with many in the private sector to unlock millions of dollars,

to make it available for the purchase of a home. Listen, when people own a home, they have a stake in the future of our society. If we're interested in economic security, we must promote home ownership for all Americans—and the same for promoting asset ownership for all Americans.

One of the most heartening statistics is, more and more Americans are building their balance sheets through pension plans. They're owning stocks and bonds. They've got a future other than their income stream. And that's vital, and that's important. But to make sure that those who own their pensions are fully protected, we need law out of Congress. I proposed a law—the House passed it; the Senate needs to act—which says the following things: One, people should not be forced to hold a large portion of their accounts in a company's stock. If you're working for a company and you own that stock, you should be able to diversify after a 3-year period of time. Secondly, you ought to get sound investment advice every quarter, not every year. Thirdly, as we pass a corporate responsibility bill, if the CEO is able to unload the stock, so should the employee. What's good for the boss is good for the people working for the boss. And we need to make sure that all investment advice is sound investment advice. And these workers who've got their money and their future tied up in these pension plans ought to get the best—best advice possible. These are good reforms, and Congress needs to act on these reforms in order to encourage what we call an ownership society.

In order to make sure that we continue to grow our economy, we need to be aggressive when it comes to trade policy. Zoellick mentioned to me, he said they're all looking to me. They may be looking to me, Zoellick; I'm looking to you. [*Laughter*] You're the Trade Representative. You've now got the tools. Go out there and start negotiating free trade agreements around the world.

We're back at the bargaining table as a result of getting the trade promotion authority vote out of the United States Congress. It is essential that we move aggressively, because trade means jobs. More trade means higher incomes for American workers. Listen, a confident nation is one which opens up markets. A nation which isn't confident is one that closes its markets and puts walls around. I'm confident. I'm confident in the American entrepreneurs. I'm confident in our high-tech industry. I'm confident in our farmers and ranchers. I'm confident that when we compete, we're the best in the world. And therefore, I want to trade. I want to open up those markets. I want to level those playing fields. Open trade is good for American workers and American families.

I agree completely with the health care panel, ably led by Tommy, that health security is an important part of economic security. There's a lot we need to do in Washington, but it starts with trusting the American people to make the right decisions. That's where it starts. There is a fundamental debate in Washington, DC. It goes like this: Do you trust—who do you trust? Do you trust the American people? Do you trust the elderly to make the right decisions for Medicare? Or do you want the Government making those decisions?

I know that sounds like a simple formula, but it's true. It's true. The debate is, is that there are some in Washington who believe that the Federal Government should make all the decisions on behalf of the American people when it comes to their health care. We don't. We believe the Government can write a check, but we believe that the ultimate decisionmaker is the people of—is the person we're trying to help. That's the ultimate decisionmaker. We want our seniors to have more choices. Medicare is a vital program, but it's old, and it's stale, and it's tired. Medicine has changed; Medicare hasn't. We need to modernize Medicare by giving our seniors

more viable choices when it comes to meeting their own specific health care needs.

Health care must be affordable, and it must be accessible. And one way to make it more affordable and more accessible is to have a medical liability reform at the Federal Government. Too many lawsuits are driving our doctors out of practice and are driving up the cost for too many of our citizens. We have got a serious problem in America when it comes to frivolous lawsuits, and we need to deal with it. And I hope the Members of the Congress are listening carefully when they get—when they're back in their districts. They need to be talking to the people whose lives are being affected by these junk lawsuits. And for the sake of good medicine and good health care, we need medical liability reform out of Washington, DC, as soon as possible.

And finally, I appreciate so very much the panel's discussion about making sure every child in America gets educated. There is no question we need to set high standards here in America. If we have low standards, guess what's going to happen. We will continue to get bad results. If we believe certain children can't learn, the system will just shuffle them through. The system will quit on them, and we've got to stop that in America. The best way to make sure that we enforce high standards is to say that if you receive Federal dollars, you, the State, must measure. You must show us whether or not every child is learning to read and write and add and subtract. Prove it, and if not, you've got to change the system. We cannot have children stuck in schools that won't teach and won't change. For the good of our economic security and for good of our children, we must be willing to challenge the status quo when the children can't read and write and add and subtract. And the only way to determine if that's the case is to have strong accountability. And I can assure you, Janet, so long as this administration is in power, we will insist upon accountability, no matter

how long, how loud the cries of those who believe the status quo works. This administration believes every child can learn. This administration wants every child to learn. And you mark my words, by having high standards and holding people to account, our children are going to learn. And America is going to be a much better place for it.

We heard a lot of things Government can do, and this administration is willing to work with Congress to do them: restrain spending, pass terrorism insurance, protect the pensions and promote trade, punish those who lie, cheat, or steal. But there are also things that people in America can do, people right here in this room must do. It's time for corporate America to earn back our trust. And that starts with having CEOs lead the way by having open balance sheets, fair numbers, by authorizing the numbers that are—tomorrow, starting tomorrow—by proving what I know, that by far the vast majority of those leading corporate America are good, honorable people. But I'm calling upon you to help earn back that culture that says, "We trust what we read. We trust the advice we're getting."

You need to know that I'm incredibly optimistic about America. Oh, I know the hurdles—Phyllis talked about hurdles we face. And we do have hurdles. We've got a war to fight, but it's a war we're going to win. We've got a homeland to protect, and we're doing everything we can to protect the homeland. And we've got the economic security of our fellow Americans to worry about.

But I'm confident in America. I'm confident in the skill of our people. I'm confident in our spirit. I know—I know that we're the greatest nation on the face of the Earth, because we're a land full of people that are caring and decent, hard-working and compassionate. Oh, there may be some tough times here in America. But this country has gone through tough times before, and we're going to do it again. And we're going to show the world how to be

a prosperous and compassionate and decent country.

Thank you all for coming. God bless you all.

NOTE: The President spoke at 12:05 p.m. in Jones Concert Hall at Baylor University. In his remarks, he referred to Robert Sloan, president, Baylor University; Maria de Lourdes Sobrino, founder and owner, Lulu's Desserts; Phyllis Hill Slater, president, Hill Slater, Inc.; Douglas J. McCarron, general

president, United Brotherhood of Carpenters and Joiners of America; Curtis McGuire, owner and chief executive officer, Redleg's Lumper Service, Inc.; Franklin D. Raines, chairman and chief executive officer, Fannie Mae; Health and Human Services Secretary Tommy G. Thompson; and Janet Baker, superintendent, Hamilton City Schools, Hamilton, OH. The Office of the Press Secretary also released a Spanish language transcript of these remarks.

Remarks at the University of Wisconsin-Milwaukee in Milwaukee, Wisconsin

August 14, 2002

Well, thank you all very much for that warm welcome. It's great to be back here in Wisconsin, the land of reform, a State which has challenged other States to achieve excellence for every citizen. I appreciate the Governor's introduction. I appreciate his friendship. I so very much appreciate you all coming today to give me a chance to share with you some of the challenges our Nation faces and why I'm optimistic that we can achieve and defeat those challenges.

There's no better place to come—a State to talk about a can-do spirit than Wisconsin. There's no better place to come and explain to my fellow citizens how deeply committed I am and our country is to winning the war on terror. This is a good place to come to explain to our fellow citizens that we will do whatever it takes to protect the homeland and that we will do whatever it takes to make sure our economy remains strong and vibrant, all throughout the United States of America.

I want to thank Nancy, the chancellor of this fine university, for hosting me and the small entourage the President travels with. [*Laughter*] I appreciate very much, Nancy, your staff working hard to set up

this room for this discussion. Thank everybody on our behalf, please. I also appreciate your commitment to education. I love the idea of a school in which people come to get educated and stay in the State in which they're educated. It is a positive sign that this university is fulfilling its important function, which is to train Wisconsin youngsters for the future and then have the Wisconsin youngsters stay here to make sure that future is bright for all citizens. I congratulate you for your leadership. I appreciate so very much your focus on no child being left behind.

I appreciate so very much the Metropolitan Milwaukee Association of Commerce for hosting this event. I want to thank the local officials who have come—State officials and local officials. I particularly want to pay homage to Scott Walker.

Yesterday I spent some quality time with the latest inductee into the Sturgis Motorcycle Museum's Hall of Fame. That would be your Tommy Thompson. You need to know he's doing a fantastic job. He's got a tough job, and he's doing a great job on behalf of citizens all across our country.

Finally, I had the honor of welcoming a soldier in the army of compassion today