

funds over the next 10 years to strengthen and improve Medicare, so we have the resources to make reform work. We're also seeing a growing consensus, in both Houses of Congress and both parties, that our seniors need a strengthened Medicare system that includes prescription drug coverage. The time is right to make progress.

Our Nation has made a binding commitment to bring affordable health care to our seniors. We must honor that commitment by making sure Medicare stays current with the needs of today's seniors. When Medicare was launched 38 years ago, medicine focused on surgery and hospital stays, and that is mainly what Medicare covers. Today, doctors routinely treat their patients with prescription drugs, preventative care, and groundbreaking medical devices, but Medicare coverage has not kept pace with these changes. Our goal is to give seniors the best, most innovative care. This will require a strong, up-to-date Medicare system that relies on innovation and competition, not bureaucratic rules and regulations.

My views on Medicare are clear. First, those who like the Medicare system as it is should be able to stay just where they are and also receive prescription drug benefits.

Second, those who want more coverage for preventative care and other benefits should be able to choose from multiple health plans under an enhanced Medicare program. This option would be similar to the health care coverage available to every Federal employee. If that coverage is good enough for Members of Congress and Federal employees, it is good for our seniors.

Third, seniors who want the benefits of managed care plans, including prescription drug coverage, should be able to choose from a range of plans that best fit their personal needs.

And fourth, we must provide extra help for low-income seniors, so that all seniors will have the ability to choose the Medicare option that serves them best, and every senior will have the option of a prescription drug benefit.

In a Medicare system that reflects these principles, every senior in America would enjoy better benefits than they do today. And they would continue to benefit from the most important strength of American medicine, the ability to choose your own doctor. We want seniors and doctors, not Government bureaucrats, to be in charge of the important health care decisions.

Members of Congress are working hard on this issue, and I encourage their efforts. I also urge Americans to make their voices heard. If we work together, Congress will pass a strong Medicare bill, and our seniors will finally get the prescription drug benefits and choices they need and deserve.

Thank you for listening.

NOTE: The address was recorded at 9:40 a.m. on June 6 in the Cabinet Room at the White House for broadcast at 10:06 a.m. on June 7. The transcript was made available by the Office of the Press Secretary on June 6 but was embargoed for release until the broadcast. The Office of the Press Secretary also released a Spanish language transcript of this address.

## Remarks Following a Cabinet Meeting and an Exchange With Reporters June 9, 2003

*The President.* I just met with my Cabinet, had the opportunity to brief them about my trip overseas. I talked about the

visit to Poland and to Russia, where we've got good friends in both those countries, at least in terms of their leaders.

And then I went to the G-8 in Evian, France. The message there was, is that America and Europe can do a lot together. We can make the world more peaceful. We can make the world more free. We can work together to help fight the pandemic of AIDS in Africa. There's a lot we can do together. We need to put our differences in the past and combine our efforts. We can do—trade together so our people can find work. And I left feeling very good about our relations in Europe.

Then I went to the Middle East and started the—started the march to peace. And I'm optimistic about our chances to bring a peaceful, free Palestinian state in existence, to live side by side with a secure Israel. We've got a lot of work to do, but I was pleased with the response of Prime Minister Sharon. He's a courageous leader, dedicated to the security of the Israeli people, as are we, but also recognizing that life can be better for the Palestinians.

And I appreciate the leadership of Prime Minister Abbas, the new Prime Minister of the Palestinian Authority, who spoke eloquently and clearly about the need for the free world to fight off terror in order for a Palestinian state to emerge.

And then I went over to Qatar, had a very good visit with Ambassador Bremer and General Tommy Franks, and we talked about the need for our coalition to continue to make steadfast progress in Iraq so that the people of Iraq will be able to eventually run themselves. And we are making steadfast progress.

Finally, we talked about domestic matters. Secretary Snow briefed us on the economy. And we're optimistic about our economy, but we won't rest until we're certain that people who are looking for work and who want to work can find a job. The jobs-and-growth package passed by the Congress can be very beneficial to those who look for work.

We also talked about the possibilities of Congress getting a good Medicare bill out. I will spend time this week discussing

Medicare with the American people. Secretary Thompson briefed us on the progress being made by the Congress, and I want to thank the congressional leadership for showing the determination that's going to be necessary to get a good Medicare package out for America's seniors.

I'm proud of my Cabinet. I want to thank them for their good work and really proud of the team we have put together here.

I'll answer a few questions. Tom [Tom Raum, Associated Press], and then Patsy [Patricia Wilson, Reuters].

#### *Middle East Peace Process*

Q. Mr. President, since you left the Middle East, there's been a new outbreak of violence; three main Palestinian militant groups have claimed responsibility for it. Prime Minister Abbas says he will not use force to control these groups, and Prime Minister Sharon has been criticized by rightwing members of his own party. Why are you so optimistic?

*The President.* I'm optimistic because I was able to listen to the Prime Ministers of Israel and the Palestinian Authority talk about the need for peace and for a state.

Listen, I recognize there's going to be extremes, particularly in the Palestinian territories, that want to blow up peace. But I think people are sick of it. The average Palestinian must understand that their lives will improve with the vision of Prime Minister Abbas. And the Arab neighborhood understands that violence will lead to nothing except misery and the lack of hope. And so I'm optimistic that responsible leaders have now got the message that we must combine to work to fight off the terror attacks so that a peaceful Palestinian state can emerge.

And I understand there's going to be a lot of work to do, but I'm prepared to lead. And we're sending a team in place. Ambassador Wolf will be on the ground soon, holding people to account and working to strengthen Prime Minister Abbas so

that he can deliver on his promise, a promise he made not only to me personally but a promise he made to the Israeli officials. And the promise was, is that he will work as hard as he can to fight off those elements within the territories that want to use violence to destroy any hope for peace and, therefore, use violence to destroy the hopes of the Palestinian people.

Patsy.

### *Iraqi Weapons of Mass Destruction*

Q. Sir, is U.S. credibility on the line over weapons of mass destruction in Iraq?

*The President.* I'm not exactly sure what that means. I mean, Iraq had a weapons program. Intelligence throughout the decade showed they had a weapons program. I am absolutely convinced with time we'll find out that they did have a weapons program. The credibility of this country is based upon our strong desire to make the world more peaceful—and the world is now more peaceful after our decision; the strong desire to make sure free nations are more secure—our free nations are now more secure; and the strong desire to spread freedom. And the Iraqi people are now free and are learning the habits of freedom and the responsibilities that come with freedom.

I read a report that somehow, you know, that there is no Al Qaida presence in Baghdad. I guess the people who wrote that article forgot about Al Zarqawi's network inside of Baghdad that ordered the killing of a U.S. citizen named Foley. And history will show, history—time will prove that the United States made the absolute right decision in freeing the people of Iraq from the clutches of Saddam Hussein.

Keil [Richard Keil, Bloomberg News], last question.

### *Strength of the Dollar*

Q. Sir, do you have anything for us on the dollar? It continues to slide.

*The President.* Yes.

Q. The rhetoric continues to be that we favor a strong dollar policy, but there doesn't seem to be much of anything helping to prop it up.

*The President.* The policy of this Government is a strong dollar policy. I spent time talking about the—our dollar policy at the G-8. And I reminded our G-8 partners that there is a difference in interest rates, particularly between Europe and the United States, and that interest rate differential has caused people to sell dollars to buy euros to get a higher return on investment. And that's why you're seeing pressure on the dollar.

And of course, the European Union is—like the United States, has got an independent organization that sets monetary policy. But you'll see a—you'll see different behavior as interest rate spreads begin to narrow between Europe and the United States.

But I'll repeat as clearly as I can, the policy of the United States Government is a strong dollar policy.

Thank you all.

NOTE: The President spoke at 10:45 a.m. in the Cabinet Room at the White House. In his remarks, he referred to Prime Minister Ariel Sharon of Israel; Prime Minister Mahmoud Abbas (Abu Mazen) of the Palestinian Authority; L. Paul Bremer III, Presidential Envoy to Iraq; Gen. Tommy R. Franks, USA, combatant commander, U.S. Central Command; Assistant Secretary of State for Nonproliferation John S. Wolf; Abu Musab Al Zarqawi, senior Al Qaida associate; and former President Saddam Hussein of Iraq.