

pointed at me and said, "Don't let me down." As we all did that day, these men and women searching through the rubble took it personally. I took it personally. I have a responsibility that goes on. I will never relent in bringing justice to our enemies. I will defend the security of America, whatever it takes.

In these times, I've also been a witness to the character of this Nation. Not so long ago, some had their doubts about the American character, our capacity to meet serious challenges, our capacity to serve a cause greater than self-interest. But Americans have given their answer. I've seen the unselfish courage of our troops. I've seen the heroism of Americans in the face of danger. I've seen the spirit of service and compassion renewed in our country. We've all seen our Nation unite in common purpose when it mattered most.

We will need all of these qualities for the work ahead. We have a war to win, and the world is counting on us to lead the cause of freedom and peace. We have a duty to spread opportunity to every part of America. This is the work that history has set before us. We welcome it. And we know that for our country, the best days lie ahead.

God bless you all. Thank you all.

NOTE: The President spoke at 5:52 p.m. at the Shrine Auditorium. In his remarks, he referred to Gov. Jeb Bush of Florida; Brad Freeman, California State finance chairman, Gerald L. Parsky, California State chairman, and Mercer Reynolds, national finance chairman, Bush-Cheney '04, Inc.; and Bill Simon, former California gubernatorial candidate, and his wife, Cindy.

Statement on Senator Ben Nighthorse Campbell's Decision Not To Seek Reelection *March 3, 2004*

For 17 years, Ben Nighthorse Campbell has been a strong advocate in the Congress for the people of Colorado. He has been a leader in seeking the protection of our public lands and natural resources and a tireless champion for Native Americans.

Ben is a patriot who has served his country in Congress, as an airman in Korea, and as a competitor in the 1964 Summer Olympics in Tokyo.

Laura and I send our best to Ben, his wife, Linda, and their family.

Remarks in a Discussion on the National Economy in Bakersfield, California *March 4, 2004*

The President. John, thanks. Thanks for having me. First, I want to thank your employees for putting up with my entourage. [Laughter] It's kind of grown since the last time I was here in Bakersfield. [Laughter]

We are here to talk about the economy. I want to—I'm going to have some help here in talking about the economy, people on the frontlines of job creation, people on the frontline of raising their families. Before I do so, I do want to thank you,

John, and your family for kind of setting such a great example of what it means to be close family and heralding the entrepreneurial spirit. One of the things I love about America is the entrepreneurial spirit, the fact that people can own their own assets, can start their own business, can realize such a hopeful future, because they own something. We're here at what we call a family-owned business. It's an integral part of America.

When I heard I was coming for Rain for Rent—[laughter]—I was thinking about my days in west Texas. [Laughter] We were always looking for a little rain and were willing to rent it. [Laughter] But I do want to thank your mom and dad, Jerry and Mary, for welcoming me here, and I want to thank your whole family for turning out.

I've spent some quality time in Bakersfield—1949. I don't remember much about it. [Laughter] But I was talking to old Number 41—that would be my dad—2 nights ago, and I told him I was going out to Bakersfield. And he said, "Tell the folks out there that Barbara and I have got fond memories of our days living here." Good, decent, honorable, hard-working people in Bakersfield—that's the way it was then, and that's the way it is today. And we're glad to be here.

I want to thank Sharon Thomas, the wife of a guy I call the Chairman; that would be Congressman Bill Thomas. Sharon, thanks for coming today. Bill Thomas is doing a really good job for the people of California and Bakersfield. He's doing a great job for the country. He is a strong leader. We've done a lot working together, some of which I'm about to discuss with you.

I want to thank the mayor, Harvey Hall. He met me at the airport. He drove over in the limousine. Harvey, thanks. He said, "Have you got any advice?" I said, "Yes, fill the potholes." [Laughter]

We've got members of the State senate. Roy Ashburn is with us. I've known Roy for a while. He's a good fellow. State as-

sembly—Bill Maze is with us. I thank Bill for being here. I want to thank all the local officials and all the citizens who have taken time out of your day to come by and to listen to what I hope is an educational dialog.

I want to thank a lady named Dana Karcher, who came out to the airport. I don't know if you know Dana or not; you probably don't. But she is a volunteer in your community. You know what she's done? She's decided—she's involved with Keep Bakersfield Beautiful. She understands that if you're interested in the quality of life in the community in which you live, it starts at the grassroots level, that people have got to take responsibility for the lives and, in this case, the beauty of a place you love and call home. She's a volunteer.

A lot of times we talk about the strength of the country in terms of our military. Make no mistake about it, we're going to keep our military strong in order to keep the peace. And we're going to talk here today about people working and people being able to have savings and wealth. But the true strength of the country lies in the hearts and souls of our citizens. That's what makes America really strong, the fact that we've got loving and decent and honorable citizens willing to help out at the local level, willing to take responsibility, willing to love a neighbor just like you'd like to be loved yourself.

If you're a member of the army of compassion here in Bakersfield, California, I thank you from the bottom of my heart. If you're interested in serving your community, find a way to make somebody's life better, make a neighbor's life more hopeful, and you'll be making a great contribution to our Nation. So Dana, thanks for coming. Appreciate the example you've set. Keep doing what you're doing.

This economy of ours is strengthening, and that's positive. See, we want people working here in America. We not only want people working in America, we want people

who are working to be comfortable that their job is going to be here tomorrow.

I'm an optimistic fellow about our economy because I've seen what we've been through. And I want to remind you right quick what this country has been through and the challenges this economy had faced over the last 3 years. First, we went through a recession. That means we were going backwards. We weren't growing. That means there was a lot of uncertainty for planners and small-business people. That meant people were losing their jobs.

And we started to come out of that recession, and the enemy hit us on September the 11th, 2001. And the attack hurt us. The attack hurt our economy. The attack also changed our psychology in a way. See, we used to think oceans could protect us from harm, but we learned a tough lesson that day, which means whoever has the honor of holding the Oval Office must take every threat seriously, must deal with threats before they become imminent, must be firm with our resolve to keep America secure, must never relent to the enemies that would harm us because of what we love. And we began to recover from the attacks on September the 11th because we're a strong people, we're resilient, because there's an ownership society, a culture of ownership in America.

And then we had to deal with another problem here in America, and that is, we had some of our fellow citizens forgot what it meant to be a responsible citizen. Corporate CEOs didn't tell the truth to their shareholders and their employees. And that began to affect the psychology of the country. People think—people who invest began to say, "Well, I'm not so sure I believe these numbers," people who work beginning to wonder whether or not in big corporate America, that what they're being told is right. But we acted. We passed tough new laws. You're beginning to see the consequences of people making irresponsible decisions. They need to pay a price for their irresponsibility, and they will,

in order to set a clear example. In America, we're not going to tolerate dishonesty in the boardrooms of our country.

And then I made a tough decision to deal with Mr. Saddam Hussein. I saw—[*applause*]*—*I just want to, right quick, remind you that I looked at the intelligence and saw a threat. The Congress looked at the same intelligence, and they saw a threat. The United Nations Security Council looked at that intelligence, and it saw a threat.

I took my message to the United Nations. I said, "This is a world problem. Let's deal with it. You've given him resolution after resolution after resolution to disarm for a reason, because you saw a threat." And after September the 11th, it was time to disarm him so the threat wouldn't materialize. He said, "Forget it." He chose defiance. Then I had a choice: Do I trust the word of a madman, or do I make the decision to defend America? I'll defend America every time.

Laura reminded me one time about, on the TV screens, you started to see the banner "March to War" in the summer of 2002. That's not very conducive for investing capital. If you're an employer, if you're a small-business owner and all of a sudden you're thinking about marching to war, it doesn't inspire a lot of confidence in the economy. We overcame that. Now we're marching to peace, by the way. The world is more peaceful.

But we've overcome all that. And the economy is getting stronger. Inflation is low. Interest rates are low. Manufacturing is up. Homeownership is strong. The entrepreneurial spirit in America is alive and well, and one of the reasons why I think we're doing so good here in America is because of the tax relief we passed. It's because people have more money in their pockets.

See, if you're interested in somebody finding work, you've got to put forth policies that encourage economic expansion, progrowth policies, progrowth in the private

sector, not policies that grow the Federal Government but policies that grow the small-business sector of our economy. Most new jobs in America are created by small businesses.

And so the plans that Chairman Thomas and I worked on all had in mind helping our individuals as well as helping small-business owners. See, we cut the taxes on everybody. We said, "If you're going to have tax relief, everybody who pays taxes ought to get relief." We're not going to have people in Washington say, "Okay, you get tax relief, and you don't." We had tax relief that was fair because everybody got it. And what's interesting about the tax relief, not only did it help families—and we're about to hear from some families who it helped—but it really helped small businesses. See, most small businesses are either sole proprietorships or Subchapter S corporations, which means they pay tax at the individual income-tax level. And so when you cut taxes on the individuals, in many cases you're cutting taxes on the small businesses as well. And we want our small businesses to be strong. We want them to have more money to invest. We want them to have more money to expand. And the tax relief we passed is working because it invigorated the small-business sector of America.

A couple other things I want to tell you, and then we're going to hear from others. I'm not filibustering. *[Laughter]* It's a long Washington word, isn't it? *[Laughter]* We did some other positive things.

If you're raising a family in America, it's hard to do, and so we increased the child credit to \$1,000 per child. We doubled the child credit to help families.

We reduced the marriage penalty. It seems like to me you want the Tax Code to encourage marriage and not penalize it.

We reduced taxes on capital gains and dividends. That's important for savers, particularly important for our seniors, many of whom rely upon income from their investment portfolio.

We put the death tax on its way to extinction. Listen, the death tax is bad. It's bad for small businesses. It's bad for farmers. It is bad for ranchers. It makes no sense to tax a family's assets twice, once while you're making money and the next time after you die.

So we've overcome a lot, and the policy we've passed is good policy. There's more to do. I want to share some thoughts with you right quick about what we need to do to make sure people can find a job or are comfortable about the job they have. We need an energy policy in America. We need to make sure our electricity systems are modern, and we need to become less dependent on foreign sources of energy.

We need to make sure we don't become isolated from the world. We don't need economic isolation. We need to have trade policy that treats America fairly. People can sell their products here. We want to be able to sell our products there. If you're good at something, you want to open up markets. Listen, we're really good at growing things. We want to sell our food overseas; we want to sell our beef overseas. We want to have a trade policy that is fair. We must fight off economic isolationism for the sake of American consumers, American entrepreneurs, and American workers.

We need less regulation. These small-business owners will tell you, many times they fill out too much paperwork. They ought to be focused on helping people find work instead of spending hours on paperwork that probably is never read.

We need tort reform in America. We need to make sure that—frivolous lawsuits make it hard for people to hire; they just do.

Health care costs are rising. We need to do something about health care costs. We need what we call associated health care plans that allow small businesses to pool risk so their employees get reasonably priced health care. We need to expand health savings accounts, which is a fantastic

opportunity, by the way, for small-business owners and employees to be able to have health care at affordable price—health insurance at affordable prices.

We need national medical liability reform. Frivolous lawsuits drive up the cost of health care. The Congress passed a good bill. It is stuck in the Senate. The most powerful lobby in Washington, DC, in some estimates, are the trial lawyers. We need to make sure that doctors don't get run out of business and health care costs don't get run up because of these frivolous and junk lawsuits. Congress has got to pass medical liability reform.

And finally, we need to make sure the tax cuts are permanent. See, the tax cuts are set to expire. That's what a lot of people don't understand. This is an important part of the dialog in Washington, DC, now, is how to make sure the economy continues to grow. These job creators need certainty in the Tax Code. You can't have taxes go down one year and up the next. They need certainty when it comes to planning. They need to be able to have certainty when it comes to their investment deductibility. That's what they need.

And yet aspects of the Tax Code are set to expire. Interesting enough, in the year '05, the child credit is going to go back down unless Congress acts. That means a tax increase on these hard-working people. If Congress doesn't step up and act, the child credit is going to go down, which means these good folks are going to pay greater taxes next year. The marriage penalty relief, it goes up, which means if you're married, you're going to pay higher taxes in '05. The expansion of the 10-percent bracket no longer will exist. It's going to be changed, which means people are going to pay higher taxes.

It doesn't make any sense to be paying higher taxes in 2005. This economy is strengthening. It will weaken our economy unless Congress acts. Members of Congress must hear this message loud and clear: We need tax permanency. At the very least,

they must make permanent the tax—child credit, the tax relief from the marriage penalty, the tax relief from the expanded 10-percent bracket. For the sake of American families, for the sake of jobs, Congress must not raise the taxes on the hard-working people of America.

And so we're here to talk about the economy. And I'm pretty well talked out—[laughter]—much to your pleasure. [Laughter] John, why don't you tell us what it's like to run a family-owned business. Obviously, it is capital-intensive. By "capital-intensive," I mean it costs a lot to have one of those pumps there. He has to buy it, and then he goes out and rents it. And so it's a business that—obviously, you've got good, hard-working people you rely upon. But it's a business that requires, you know, some strong asset management. And so, why don't you tell us what it's like to run your own business. Somebody may be out there listening that wants to start their own business. And it's an opportunity for people to learn the great joy and the frustrations and the responsibility of being an entrepreneur here in America.

John W. Lake. Well, I'll give it a shot.

The President. I'm not worried about you. [Laughter]

[At this point, Mr. Lake, president, Rain for Rent, made brief remarks.]

The President. How much are you going to spend next year, do you think?

Mr. Lake. About \$30 million buying capital assets for rent.

The President. Yes. See, when he says he's going to spend \$30 million, that means somebody or a group of people are going to go out there and manufacture \$30 million worth of products, which means somebody is going to find work. See, if we increase demand through tax policy—in other words, demand means I want an additional good or a service. In this case, he's saying he wants \$30 million worth of goods. The way our economy works is that in response to that demand, somebody is going to

produce something. And when they produce it, it means somebody is going to work.

So when you hear about economic policy and you hear about investment and you hear people say investment equals jobs, think about John. John is buying \$30 million worth of equipment, which means somebody in Ardmore and Wichita Falls, Texas, is more likely to have a job. And that's how this economy works.

And I appreciate that very much, you explaining that. Let me ask you something, are you going to hire anybody this year? [Laughter]

Mr. Lake. Yes, sir. Right now we're looking for 46 more people. And actually, we've grown 24 percent since 9/11.

The President. Well, that's fantastic. That's great.

[Mr. Lake made further remarks.]

The President. Let me tell you something about what we need to do to make sure people are employable, is to get people educated in the first place, make sure the Bakersfield school systems teach people how to read and write and add and subtract, make sure there is job training for the jobs which actually exist. We've got some really good people who want to work; they just need the skills. That's why the community college system here in California, all around the country, is an important part of job training, so that you can match desire to work with the skills necessary to work.

And so John is looking for 34. There's a lot of Johns around this country who are looking for workers. See, 34 workers here, 50 there, 2 or 3 here, and this job base is beginning to expand. The economy is strengthening because of the decision-making that is taking place. Part of those decisions that he made was the result of tax policy. He's what you call a Subchapter S corporation. When we cut the taxes on individuals, it helps this. You heard him say he didn't have dividends for a while.

You know what he's doing? He's putting the money back in the company for the sake of the workers.

That's one of the wonderful things about the entrepreneurial spirit here in America. These owners understand that they've got to have good workers and take care of their workers. And I suspect working here for this great company is a pleasure.

All right. You did a good job. [Laughter]

Mr. Lake. Thank you, sir.

The President. Les, tell us about yourself. Victory Circle company.

[Les DenHerder, president, Victory Circle, Inc., made brief remarks.]

The President. You are a Subchapter S corporation.

Mr. DenHerder. Yes, we're a Subchapter S.

The President. Okay, if I can just remind everybody, that means he pays taxes at the individual income-tax rate at the corporate level. In other words—I shouldn't say "the corporate level." The taxes paid at the corporate level flow through to the individual income tax—to the individual, so therefore individual income taxes affect his small business, a better way to put it.

Mr. DenHerder. Absolutely. And not only that, with capital investment, we're able to make use of some of the tax credits there. This year we're planning on spending probably around \$50,000 for additional equipment, and that will probably save us, like, 7,000 because of the tax laws.

The President. Yes. See, the new tax laws said if he invests, he saves \$7,000. So it encourages people to invest. What are you going to buy? Do you know yet?

Mr. DenHerder. Some more welders and pipe-bending equipment.

The President. Yes, so somebody has got to make it. That's how the economy works. He makes a decision. It affects a lot of people, the decision you make. So when you hear "tax relief," I hope people connect tax relief with decisionmaking and decision-making to jobs. That's what we're talking

about. That's why the tax relief was important for job creation.

Okay, I'm going to be looking for your product the next time I start a NASCAR race. [Laughter]

Mr. DenHerder. That's good.

The President. It was unbelievable. Thanks for coming. How many—any chances of hiring anybody this year?

Mr. DenHerder. We're probably going to hire two to three people this year.

The President. That's good, see. And you've got how many now?

Mr. DenHerder. We've got 14 now.

The President. There are a lot of companies, a lot in America, with 20 or fewer employees. And when he says he's going to hire two more, that's really good news. A lot of people are feeling confident and optimistic about our future, so they can say, "I'm going to hire two more." They can sit here and tell the President in front of all the cameras, "I'm going to hire two more people." [Laughter] That's confidence.

All right, Chris, tell us your business.

[Chris DiSalvo, president, GMC Roofing and Building Paper Products, Inc., made brief remarks, mentioning his wife, Wilma, and concluding as follows.]

Mr. DiSalvo. So in February—

The President. I got a good wife too. [Laughter]

[Mr. DiSalvo made further remarks, mentioning his operations manager, Leo Martin, and concluding as follows.]

Mr. DiSalvo. He's watching the plant.

The President. He's working. [Laughter]

Mr. DiSalvo. Exactly.

The President. Leo is doing the right thing.

[Mr. DiSalvo made further remarks.]

The President. How did the tax relief help you?

[Mr. DiSalvo made further remarks.]

The President. Isn't it a fabulous story? Forty-nine, were you?

Mr. DiSalvo. Yes, sir.

The President. Forty-nine, yes, really young-sounding. [Laughter] He starts his own business. He has a desire to own something. The job of Government is to create an environment that encourages and enhances the entrepreneurial spirit. The job of Government is not to create jobs but to create an environment in which people feel comfortable about taking risk to realize their dreams.

I love the stories about your granddad working his way through the Depression and feeling confident enough to start this business and that you and your dad have had the great privilege of growing it and modernizing it and diversifying it to meet the new challenges of our economy.

I love the idea of a guy buying his company and turning it into something. And I love the idea of somebody saying, "I want to own my own company. I want to start it." It's such an important part of our American story. And I intend to keep the entrepreneurial spirit as strong as possible because I understand that when the small-business sector of our economy is vibrant and confident and optimistic, people are more likely to find a job. Now—good job, guys, really good job.

Okay, Ismael Diaz is with us. He is a manager. Ismael, tell us about yourself.

Ismael Diaz. Well, I'm—technically, I just work in the engineering department. [Laughter] I'll let my boss know I got a promotion.

The President. Well, I just made you a manager. Yes. Congratulations, you got a promotion. [Laughter]

Mr. Lake. Congratulations, Ismael. [Laughter]

The President. Yes.

[Mr. Diaz, engineer/project manager, Rain for Rent, made brief remarks.]

The President. How many of your—how many in your family had ever been to college prior to you?

Mr. Diaz. None.

The President. Yes.

Mr. Diaz. So we're the first generation to go.

[*Mr. Diaz made further remarks, concluding as follows.*]

Mr. Diaz. I never particularly paid attention to taxes until I had kids, was married, had a mortgage payment.

The President. 'Til you started to pay some.

Mr. Diaz. Exactly. [*Laughter*]

[*Mr. Diaz made further remarks, concluding as follows.*]

Mr. Diaz. I have a 3-year-old and a 1-year-old with my wife, America, who is out in the audience. And—she's out there.

The President. Can you imagine if my name were America? [*Laughter*]

Mr. Diaz. It makes for some interesting conversation.

The President. That's right, yes.

Mr. Diaz. It's an icebreaker.

The President. It is. [*Laughter*]

[*Mr. Diaz made further remarks, concluding as follows.*]

Mr. Diaz. When you go in one year paying a thousand bucks to the next year getting a \$3,000 refund, that's a pretty quick flip-flop from one year to the next.

The President. Yes.

Mr. Diaz. And what it allowed us to do was have my wife start working full-time. She's a schoolteacher, and I understand you're fond of schoolteachers.

The President. Thank you. Appreciate you doing that.

[*Mr. Diaz made further remarks, concluding as follows.*]

Mr. Diaz. And we'd take the refund money, invest it in college funds for our two little kids.

The President. Fantastic.

Mr. Diaz. If we have any more, we'll do the same for them.

The President. That's good.

Mr. Diaz. It's up to her. [*Laughter*]

The President. I don't think we want to go there, Ismael. [*Laughter*]

Mr. Diaz. So I know it's—if taxes do go up, we'll feel that impact immediately.

The President. Yes. Listen, here's—what he's saying is—and it's a fundamental argument about taxes—obviously, we got to meet priorities. We got a war to win. We got things to do in Washington. But I always felt that with the economy slowing down, we want the Ismaels of the world to have more money to make their life easier, to increase demand. And I would argue with people that this good man can spend his money far more wisely than the Federal Government can spend his money.

He said he had \$3,150 in tax savings. That's a lot of money for a young family. That's a lot of security. Notice what he said, he said, "We're beginning to set money aside for our kids." I oftentimes say it's important for us to have a culture of personal responsibility, and it starts with moms and dads loving their children with all their heart and all their soul. And that's what Ismael has signaled to us.

If Congress doesn't act, his taxes go up by \$2,000. It's a \$2,000 tax increase. Congress must listen to the voices of people like Ismael. Two thousand less dollars in his pocket is going to make a difference to his family. So when you hear, "Oh, I don't want to make the tax cuts permanent," you translate to that, "We're to raise Ismael's taxes." That's what they're saying.

Now, we got with us as well Theresa—oh, let me say something about Ismael's dad. Where is his dad? Is he here? There he is. Thanks for coming, sir. He came here and worked hard, and he stood in line and became a citizen. And that's what needs to happen with immigration policy. Look, we need to—we don't need blanket amnesty here in America. What we need

is, we need to help people find work in a legal way.

Your dad did it the legal way. He came and worked because he wanted to be a good dad, and he earned a living. And he stood in line in a legal way and then became a citizen of this country. I put forth a plan—we were talking to these employers; they don't know whether they're hiring somebody here who's legally or not. We need a temporary-worker plan. That is not an amnesty plan; it's a worker plan to make sure the employers here in America are able to find the laborers that other Americans won't do, in a legal way. We need to make sure we treat people humanely in this country. And I want to thank you for the example. Think about that, how American is that: The guy works all his life so his son can go to college.

Theresa is with us. Theresa Avila is the sales representative.

Theresa Avila. Yes.

The President. Is that an accurate assessment?

Ms. Avila. That's correct, Mr. President.

The President. Would you like to—would you like a promotion? [*Laughter*]

Ms. Avila. Yes, sir, I would.

The President. The tax cuts weren't big enough for all—[*laughter*]. Thank you, Theresa. Please.

[*Ms. Avila, sales representative, Rain for Rent, made brief remarks, concluding as follows.*]

Ms. Avila. My daughter Amanda, she's 16. She goes to Liberty High School.

The President. Does she have her driver's license?

Ms. Avila. Almost. She's begging for it.

The President. Yes. [*Laughter*] I've been through that before. [*Laughter*]

Ms. Avila. And my daughter Alexandra, who is 9, she's a fourth grader. She's over there. She's in—

The President. I see her. Hi, Alexandra.

Ms. Avila. —elementary.

The President. She's a beautiful girl.

Ms. Avila. Thank you.

The President. She has a great smile.

Ms. Avila. Thank you.

[*Ms. Avila made further remarks, concluding as follows.*]

Ms. Avila. And I hope that with your help and your continued support, that we will be a successful family, a successful American family.

The President. Yes, well, you are successful already. And I can tell that, listening to you.

Ms. Avila. Thank you.

The President. You're really successful, successful because you love your kids more than anything else, successful because you—you set education as priority for your family. This good family saved about \$3,400 because of the tax relief. If Congress doesn't go up—act, their taxes are going up by \$3,100, see?

What's happening, by the way, is that people all of a sudden are going to be thrust into the alternative minimum tax bracket. Those are long words, but just trust me, it means you got a tax increase coming unless Congress acts. They need to make the child credit permanent. They need to make the marriage penalty relief permanent. They need to make sure the 10-percent bracket stays permanent. And they need to deal with the alternative minimum tax so these good, hard-working people don't pay more taxes in the year 2005.

Is there anything else you want to say? Okay, well, listen, thank you all for coming. I hope this has been helpful in understanding how the economy works, how people make decisions, how families make decisions.

You just heard Theresa say they helped—they did some work on their home. Well, somebody had to come and do it. When she took the tax relief, she had to go get somebody to come and do it. And the person who came to do it had to buy more supplies in order to make sure

the house got fixed. That's how the economy works. There's a lot of decisionmaking that goes on. It's the millions of decisions by consumers and producers to meet the demand of those consumers that really makes a marketplace economy function. And Government can have a good role in encouraging the vitality of economy. And that's what the tax relief plan did. And that's why we've got to make sure that the benefits of tax relief don't go away. That's why we got to make sure that we're not raising the taxes on the people of this country.

I'm optimistic about America because I understand the character of our people. We're people who work hard, dream big dreams, people who are responsible for the decisions we make, people who love our

families. It's a fabulous country. We've overcome a lot, and the reason we have is because of the character of the American people.

It's my honor to be here in the great city of Bakersfield, California. Thank you all for coming. May God bless you all. May God continue to bless our country.

Good job, John.

Mr. Lake. Thank you.

The President. Good job.

NOTE: The President spoke at 9:40 a.m. at Rain for Rent. In his remarks, he referred to Mayor Harvey L. Hall of Bakersfield, CA; Roy Ashburn, California State senator; Bill Maze, California State assemblyman; and former President Saddam Hussein of Iraq.

Remarks at a Bush-Cheney Luncheon in Santa Clara, California March 4, 2004

Thanks a lot. Thanks for coming. Thanks for the warm welcome. It is great to be back. I appreciate it. Thanks. Be seated, please. Thanks for the warm welcome. It is great to be back in Santa Clara. Such a beautiful part of our country, isn't it? It's a wonderful day.

I have had a great trip here to California. I was in Los Angeles yesterday and Bakersfield this morning. I don't know if you know that, but in 1949 we called that home. I was quick to remind the people in Bakersfield I'd called it home. [Laughter]

Had a chance to spend some quality time with your Governor yesterday. I know you were a little disappointed, like I was, that "Terminator 3" didn't win any Oscars. [Laughter] But Arnold has had a pretty good year. By electing Governor Schwarzenegger, the voters of California have shown that no party can take California for granted.

The Vice President and I are going to be spending some quality time here this coming year. With your continued help, California is going to be an important part of a nationwide victory in November 2004. Speaking about the Vice President, I made a really good pick when I asked Dick Cheney to serve by my side. He is a fabulous Vice President for our country. Mother may have a second opinion. [Laughter]

I'm sorry Laura is not with me. She is in Texas. She was visiting her mother in Midland, Texas, where both of us were raised. She's on her way to Crawford. After I give this speech, I'm on my way to Crawford. She sends her best greetings to our friends here in the Bay Area. I tell you, Laura is a great First Lady. I'm a fortunate man that she is—agreed to marry me, and I love her dearly.

I want to thank Brad for his friendship and leadership here in the State of California, and my friend Gerry Parsky, who