

The President. Appreciate you, candy man, great to see you all. Thanks for saying hi. Good to meet you.

All right, listen, buy something here. [Laughter] Here's how the economy works. You're overpaid. My tax relief has left more money in your pockets to spend here.

Q. Can you spot me \$5? [Laughter]

The President. Thank you all. Hey, Tommy—you remember Tommy.

Ms. Bradley. Yes. Hi, Tommy.

Health and Human Services Secretary Tommy G. Thompson. It's always good to see you.

The President. Thank you all. Is anybody going to buy anything here? I'm trying to drum up a little business. [Laughter]

Q. As long as you don't leave us behind.

The President. Leave no reporter behind. [Laughter]

NOTE: The exchange began at 11:12 a.m. in the Mick's Candyman store. A tape was not available for verification of the content of this exchange.

Remarks in a Discussion at Mid-States Aluminum Corporation in Fond du Lac, Wisconsin

July 14, 2004

The President. Thank you all very much. Thanks for coming. I appreciate you. Please be seated. Thanks. Thanks for coming to say hi. Thanks for having me. It's great to be here in Fond du Lac. We're here—I'm going to talk about how I intend to make sure America is a safer and stronger and better country. That's what I want to talk about today. Tell you why we're here at a business, it's because this is a business that is successful. And I'm going to talk about why I think it is successful.

But I also want to answer some of your questions, too. So I'll try to keep my remarks relatively short—which is kind of hard to do. [Laughter] First, I regret that Laura is not traveling with me.

Audience members. Aw-w-w!

The President. I know it; yes, most people react that way. [Laughter] It's kind of like, why didn't you stay home and let her come instead? [Laughter] I'm a lucky man that—you know, she was a public school librarian in Midland, Texas. And I asked her to—when I asked her to marry me, fortunately, she said yes. And she's a great First Lady. She's done a terrific job. You

know, I like to tell people that perhaps the best reason to put me back in there is so she'll have 4 more years as the First Lady. I'm sorry she's not with me. I love to campaign with her, but, fortunately, one of our daughters, Barbara, is traveling with me today. I want to thank you for coming, Barbara. Thanks for coming. Go ahead and stand up. Thank you. It's truly a lot of fun to travel your beautiful State on a bus and have Barbara by my side.

I also want to thank my friend Tommy Thompson for serving our country so well. Thank you, T. [Applause] They still remember you. [Laughter] He's done a great job. I've given him a tough assignment—I mean a really tough assignment—and he has done it with a lot of class and dignity. I like to say the people of Wisconsin trained him well. [Laughter] But thanks for your service, T. I appreciate it very much.

I want to thank the Colwins and all the folks here at Mid-States for inviting me. It's kind of a pain to have the President come. [Laughter] The entourages seem to be a little bigger as time goes on, and I know it's hard to accommodate the crowd.

But thank you a lot. I hope our people were polite. Yes, I hope so, because if not, they're not going to be working for me. But thanks for your hospitality. We'll talk a little bit about Joe's business here in a second. I particularly want to thank the employees for giving us a little time and space here to visit about issues that matter to the country.

I want to thank all the grassroots activists who are here. Those are the political people who do your duty. We have a duty in this country to vote. And I want to thank you for encouraging people to vote. Thank you for registering people. Thank you for garnering the vote and turning it out. And when you get them to turn out, you might kind of give them a nudge our way. *[Laughter]*

I've got some things I want to do. I'm here in this State asking for the vote. There's more to do to make sure America is a safer place and a stronger place and a better place.

My biggest job is to make sure America remains a safe place. That's the most important responsibility I have as your President. And it's a task at hand because we face an enemy which has a dim view of the world, and it's an enemy which hates America because of our love for freedom. These are people that you just cannot reason with. You can't negotiate with them. Therapy is not going to work with them. *[Laughter]* They're coldblooded people. That's the way they are. And we have a solemn responsibility to the American people to bring them to justice. We must deal with them in foreign lands so we do not have to face them here at home. That's our job. That's our responsibility. That's our most solemn duty, is to protect the homeland.

I want you to know there are a lot of good people working hard to protect America. You've heard about the threats. They're real. These people are—these people are still—lurk. And we've got to be correct 100 percent of the time in America, and they've

got to be right once. That's the challenge at hand. And we got a lot of really good people—I mean good people—working hard, long hours to run down any threat, to uncover suspicious activities to protect us. And I know you'll join me in thanking the first-responders all across this State and all across our country, our police and fire and emergency teams.

And the best way to protect America is to stay on the offense and use every resource we have at our disposal to bring people to justice. That's the short-term strategy. And that's what we're doing, and that's what I will continue to do as your President. I'm not going to be shaken. I'm not going to have my vision clouded. I know exactly the job we need to do.

About two-thirds of known Al Qaida leadership has been brought to justice. And that's positive, and that's good news. There's still others that are out there. And that's why we're working with other nations to share intelligence, to cut off their money, and to get them, bring them to justice.

Now, the other thing about being the President is when you say something, you better mean it. One thing that's important about this job—so when I said, "If you harbor a terrorist, you're just as guilty as the terrorist," I meant it. In other words, part of making America is secure is to deny the terrorists safe haven. And that's why I said to the Taliban—those are the folks that were running Afghanistan at the time—"Give up your—give up Al Qaida. Get rid of the terrorists camps." They defied us. And so we sent a coalition of troops led by a fantastic United States military to liberate the people of Afghanistan.

It's hard work. It's not easy work. But America has done hard things in the past. And this is necessary work. And I want you to think about Afghanistan today, 3 years—compared to what it was 3 years ago. Three years ago, we had people living in a country run by barbaric, dim-viewed ideologues, so backwards that they wouldn't let young girls go to school; so backwards

that they would whip women in public; so backwards that if you had a view different from their own, you would face serious consequences. That's the country—and so weak that they were becoming infested by Al Qaida.

Today, Afghanistan has got a strong President. They're going to have elections this fall for the Presidency. Young girls are going to school. The country is being rebuilt, and we've got an ally in the war on terror.

Another lesson of September the 11th is that this country must deal with threats before they fully materialize. In other words, before, we could say—before September the 11th, it was assumed that when we saw a threat, you know, we may have to deal with it, may not have to deal with it, because we never dreamt the threats would actually come to our own homeland. Now, we know the nature of the enemy, and we know the capacity of the enemy. And therefore, when we see a threat, we've got to deal with it.

First choice is diplomatically. That's the first choice the—any President must do—is say, "Let's see if we can't convince a country, for example, to change its ways." I saw a threat in Iraq. I'll tell you why I saw the threat in Iraq. First, they had a leader that hated America, a declared enemy of this country. Secondly, they had attacked their neighbors. Thirdly, they had used weapons of mass destruction on their own people. Fourthly, there were terrorist connections inside of Iraq; I mean, there was terrorist organizations. For example, Abu Nidal was a known terrorist, and his organization found safe haven there in Iraq, as has other people. A guy named Zarqawi, whose name is in the news—there was a car bomb today in Baghdad. I suspect Zarqawi ordered it. I don't know, but that's the nature of Zarqawi. See, he'll kill anybody, anywhere, anytime to try to create fear and confusion.

At any rate, we looked at the intelligence presented to us, and we saw a threat. Now,

I want you to remember that the United States Congress looked at the very same intelligence—members of both political parties looked at the intelligence, and they saw a threat. We remember the lesson of September the 11th. We knew threats must be dealt with before they fully materialize, and we saw a threat. The U.N. Security Council looked at the same intelligence, and it saw a threat.

Now, you might remember, in September of 2002, I went to the United Nations. I said, "You've called the man a threat over and over again. You've had resolution after resolution after resolution after resolution. We hope you don't become an empty debating society; we hope your word means something." So—and they listened. And we passed another resolution on a 15-to-nothing vote. In other words, nations of the world came together and said to Saddam Hussein, "Disclose, disarm, or face serious consequences." And that's the history. In other words, we put together a—we tried to convince him diplomatically. So the word spoke—world spoke, and we said, "Let inspectors go in and see whether or not he's conforming to the request of the free world." And history has shown that he was deceiving. There was a systematic deception, campaign of deception going on. In other words, we knew that he was deceiving the inspectors, and we wondered why. What did he have to hide? What did the man who had used weapons of mass destruction, what did the man who declared his hatred for America, have to hide?

In other words, I had a choice to make at this point in time in history: Do I forget the lessons of September the 11th and hope for the best? Do I trust the actions of a madman? Or do I take the action necessary to defend America? And given that choice, I will defend our country every single time.

It's been hard work; it's been really hard work. And we've lost brave troops, and we mourn for every troop. And in order to make sure that those who have sacrificed

for a better world and a safer America, to make sure their sacrifice means something, we will complete our mission in Iraq. Because a free Iraq is in this country's interests. A free Iraq in the heart of the Middle East is in the interests of the United States of America. It's in our security interests that freedom take hold in a part of the world where there's hopelessness and resentment—the ingredients necessary for the enemy to attract terrorists, killers. That's what we want.

See, the long-term solution in this fight against an ideology that is opposite of ours is to spread democracy and freedom. That's the long-term solution. And that's what you're seeing taking place. The world is changing because of the leadership of the United States of America. Think about the world 3 years ago. Afghanistan was troubled; it's now free. We got a great leader in Iraq named Prime Minister Allawi. He's a tough guy, and he believes in the hopes and aspirations of the Iraqi people. And Iraq is going to be a free society, and what an example that will serve. Imagine people looking—in the neighborhood and saying, "Gosh, they actually listen to what I think. I have a chance to raise my child in a relatively peaceful society. I don't have to be brutalized by a tyrant all the time."

Let me tell you this quick story about why I feel so strongly about what we have done and we're doing. Seven men came to see me in the Oval Office. First of all, coming into the Oval Office is a pretty powerful experience. And it's such a nice place, I'd like to stay there for a while. *[Laughter]* Anyway—you know why? You can get positive things done for the country and the world. That's the only reason to hold the office, is to lead the country toward a better tomorrow.

Anyway, these guys come in—seven of them—all seven had had their right hands chopped off by Saddam Hussein. You know why? Because his currency had been devalued, and he needed somebody to blame. That's what tyrants do. And he blamed

these seven small-business men. You say, why these seven? Well, I'll tell you. One guy, for example, sold dinars to get dollars to buy gold so he could make jewelry. And so I guess they must have looked at who was selling Iraqi currency to cause this—to blame the people for the cause of the devaluation. Anyway, not only were their right hands cut off, they had X's in their heads carved by their—by the Saddam boys.

Fortunately for them, there was a movie made about their plight, and the movie was seen by a guy in Houston, Texas, named Marvin Zindler, Big 2 News. He was—if you've ever lived in Houston, you can't escape Marvin Zindler. He's a great American, is what he is. He's a news guy who started a foundation at some point in his career to help others. And he flew them to Houston, Texas, and they had new hands fitted, the latest prosthesis. And they're coming, now, to the Oval Office. And they walk in this fantastic place—I mean, they were overwhelmed with emotion. A guy said, "Thank you." I said, "You don't need to thank me. You need to thank the American people; that's who you need to thank. You need to thank the people that understand the great power of freedom and liberty to transform lives."

It was a wonderful contrast, wasn't it, the contrast between a compassionate nation that believes in the worth of each individual as opposed to a nation run by a tyrant who's willing to chop somebody's hand off because he had a bad day. And that's what we've changed. We've changed that dynamic in the world. People in that part of the world are going to see a hopeful tomorrow when they see a free Iraq emerge. Three years ago, nobody would have dreamed that a democracy would be rising in Iraq. Today, a democracy is rising in Iraq, and America will stand with those democrats until the job is complete.

Just a couple of other points I want to make to you about how this administration is leading the world to make it a safer

place for all of us. Pakistan was a place where terrorists could—where they had—Pakistan was the only country, by the way, that recognized the Taliban at the time, and Al Qaida could move freely throughout Pakistan. This is 3 years ago. Today, the Pakistan Government is determined to rout out Al Qaida out of their country. We've got an ally in the war on terror in Pakistan.

Saudi Arabia—there wasn't much pressure on Al Qaida 3 years ago. Today, Saudi Arabian Government is focused on making sure the Al Qaida leadership and other terrorists are brought to justice. They're now an ally in the war on terror.

Libya—Libya was a country which had terrorist ties and was developing weapons programs, which we discovered, and made it clear to the Libyan leader that there was a better alternative to developing weapons of mass destruction. Because the United States speaks clearly and means what it says, he got the message and is now disarming. As a matter of fact, I was in Oak Ridge, Tennessee, the other day looking at a lot of the processing equipment we had brought back to the United States of America. Three years ago, Libya was dangerous; today, Libya has disarmed.

No, the world is changing because the United States of America is leading. And there's more to do. There's more work to be done. If you give me 4 more years, America will be a safer place because the world will be a freer place. I'm running again because I want America to be a stronger and better country as well.

Let me start first with "better." We're a better country when we educate every child. The No Child Left Behind Act is a great piece of reform. It said we'll spend more Federal money, but in return, we expect results. That seems like a reasonable thing to ask, isn't it? We want to know whether or not our children can read and write and add and subtract. That shouldn't be that hard a question. Are you able to teach a child how to read at the third-grade level, and if not, what are you going

to do to change so that child can read at the third-grade level?

I'll tell you what we've done. We've raised the bar because I believe every child can learn to read and write and add and subtract. We're challenging what I call the soft bigotry of low expectations. In other words, if you believe certain children can't learn, they won't. It's just as simple as that. If you've got low expectations, you're going to receive—you'll achieve mediocre results.

The No Child Left Behind Act has got great faith in the local folks to chart the path to excellence. It's got strong sense of accountability, and it raises the bar. A better America is an America in which every child receives an education early, before it is too late. It's precisely what this administration will continue to push for.

A better America is an America that understands the strength of the country is in the hearts and souls of the American citizens. That's where our strength lies. I've talked about our military; I'm going to keep it strong. You're about to hear me talk about our economy, which is strong and getting stronger. But that's not the true strength. The true strength of this country is the fact there are thousands and thousands of fellow citizens who love a neighbor just like they would like to be loved themselves, and it doesn't require a Federal law.

That's why my Faith- and Community-Based Initiative is a vital part of a better America. In other words, I need to be your President for 4 more years to continue to rally the armies of compassion, which exist all across the State of Wisconsin.

Let me give you an example: If you happen to be hooked on alcohol or drugs, you need help. And sometimes you can get the right help from a counselor, a government-sponsored counselor—nothing wrong with that, by the way. But sometimes—as a matter of fact, a lot of times, in order to change your ways, you have to change your heart. In other words, if you change your heart, you're more likely to change your

habits. Government is not love. Government is law and justice. Love comes from our religious congregations of all faiths, people have heard the call to love a neighbor. And therefore, when we're talking about how to help people get off drugs or alcohol, this Government of ours and this country of ours must not fear welcoming faith-based programs into the delivery of services which will help lives. We ought not to fear faith in America; we ought to welcome faith. [Applause] Thank you. Thank you all.

Finally—I'm watching closely to make sure somebody doesn't fall out; I might get speaking too long—[laughter]. Finally, a stronger America starts with making sure we've got a place where people can find work—good, solid jobs. That's what a stronger America—when you hear me say “safer, strong, and better,” I'm talking stronger—means a place where people can find a job and do their duty as a mom or a dad to provide for their family. That's what I'm most interested in when I talk about stronger America.

We are a strong America. Let me tell you what we've been through. Let me remind you right quick. We have been through a recession; that's when things go backwards. Ask any small-business owner what it's like to try to run a business in a recession, and they'll tell you it's difficult. It's hard, hard work.

We start coming out of recession, and the enemy hit us. And it affected our economy. The attacks of September the 11th affected our economy; it just did. It affected our way of thinking about how we must defend ourselves, and it affected the economy. You might remember, banks closed down, airplanes couldn't fly. I mean, a lot happened that rippled throughout our economy, that cost people their jobs.

And then, just as we were recovering from that—listen, we are a resilient country, and the entrepreneurial spirit is alive and well here, which I think makes us really unique in the world. And then we found

out we had some of our citizens who did not tell the truth, some of our corporate citizens. And that shook us; make no mistake about it. When you're in an economy that requires good accounting—good, honest accounting—and you find out that some of them fudged the numbers, it affected our confidence; it just did. We passed tough laws. You're now seeing on your TV screens that people are now being brought to justice, because we're not going to tolerate dishonesty in the boardrooms of America in order to make sure—[applause].

And finally, you heard me talk about the decisions I made in order to make America a safer place. When you hear on your TV screens “America is marching to war,” it's difficult to make investment. It's a negative thought. I know that. In other words, people need to be optimistic. If they're going to invest, they need to be optimistic. And it wasn't optimistic times for a while. I know that. But we've overcome all that. Why do I say that? Because our economy is growing, and it's growing strong. And right here in Wisconsin, you've got a 5.1-percent unemployment rate. That means people are working. That's way below the national average. This economy is ginning here. There's more to do, but it is strong.

I think one of the reasons why is because of the tax relief we passed. And we're going to talk about some of that tax relief right quick. Let me just remind you what was in the tax relief package. If you're—first of all, we said, “If you pay taxes, you're going to get relief.” In other words, everybody that pays taxes should get tax relief. To me, that's the most fair way to do things, not try to kind of pick and choose winners in the Tax Code. The best way to provide fairness in tax relief is to reduce the rates of everybody who pays. And that's what happened, as you recall.

Secondly, we raised the child credit. If you're a mom or dad, you get a little extra tax relief. Thirdly, we reduced the marriage penalty. It's kind of a strange Tax Code

that penalizes marriage. We're trying to encourage the opposite here in America. We want people to be married, and to penalize marriage doesn't make much sense.

We created a 10-percent tax bracket. We provide expensing deductions for new small businesses. In other words, we said, "If you invest, you get to write off more money." In other words, you save more money. We said to small businesses, "We want you to invest."

But I want you to understand something very important in this Tax Code, in these tax cuts. By far, the majority of small businesses pay taxes at the individual income-tax rate. You see, they're called Subchapter S corporations. Like all the people who work here at Mid-States, you're working for a Subchapter S corporation. And they pay tax at the individual income rate. So do sole proprietorships. So when you hear me talking about cutting individual income taxes, we also cut the taxes on thousands of small businesses too. And you know why? Most small businesses create—most new jobs are created by small businesses in America. That's the reality. And therefore, if you want people going back to work, you've got to stimulate the small-business sector.

And now, Joe's business right here is a Subchapter S corporation. Joe, why don't you stand up again? He's the president and CEO. First of all, this is Joe's business. Now, you notice he said "associates," because he's a great CEO. He makes sure everybody understands. But he's the guy that put up the money. That's what we want in America, by the way. We want people owning things. We want people owning their own homes. The homeownership rate in America is at an alltime high. That's fantastic news for our country. People own something, they have a stake in the future of the country.

And so, Joe, thanks for inviting us to your business. Tell us what you do.

[At this point, the discussion continued.]

The President. Let me tell you something. Why—why did you hire 73 people? Just to be a nice guy?

Joe Colwin. Because we're continuing to grow.

The President. There you go. The markets are growing. This is happening all across the country. Small businesses—did the tax cuts help? I'm kind of like a lawyer—I'm not one, you'll be happy to hear—nothing wrong with a good lawyer, don't get me wrong. I'm leading the witness. [Laughter] Did the tax cuts help? He's a Subchapter S corporation. In other words, we cut his taxes. Why? Because if he's got more money in his pocket, he's going to plow it back into the business, which means you're likely to keep your work. In this case, 73 more people found a job; that's what's important.

Mr. Colwin. Yes, sir. [Laughter] Pretty simple math.

The President. It helps. Tax relief helps.

Mr. Colwin. It does.

The President. Now, are you going to make investments this year?

Mr. Colwin. We're going to continue to make investments this year. We are going to make a minimum investment of \$1.6 million in continued fabrication equipment. And in this room here, we are going to invest in excess of \$6 million.

The President. Wow, that's good.

Mr. Colwin. And that's 14 million—

The President. Yes, let me explain what that means. See, that's really good news. But let me tell you what investment really means. He just said he's going to buy fabricating equipment.

Mr. Colwin. That's correct.

The President. Yes. Somebody has got to make it. See, when you hear him say, "I'm going to invest," that means he's purchasing something. And somebody has got to make that. One of your fellow workers is going to have to make that in another place, which means that person is more likely to keep a job. It may be a new hire, see. In other words, his investment may

be that which is necessary for the person to hire somebody else. It may just be that extra product that this particular company has to make in order to meet his demand that encourages them to hire somebody else. I don't know who you're buying it from. It would be a good chance to put a plug in for them. [Laughter]

Mr. Colwin. It's all over—it's all over.

The President. Well, that's important. And see, what you need to hear—look at and think about is the amount of investment that's taking place in America, because there's a lot of decisionmakers like Joe. Joe just told us he's going to invest at least a million six in new plant and equipment. There's a lot of Joes all over America making that same decision. And that's how the economy grows. And the tax relief plan we passed said to Joe: "We're going to help you make the decision, because if you make the decision to buy plant and equipment this year, you get a little extra tax break." Isn't that right, Joe?

Mr. Colwin. That's correct.

The President. Now, you're supposed to be doing more talking than I am. [Laughter] It's your business. [Laughter] Let me tell you something. It's got to do your heart good to hear an entrepreneur who's confident enough to say, "I've hired people, and I'm investing." That's what we've got to hear. That's what's happening all over America.

Good job, buddy. Yes, sir. Thanks.

And so some questions you've got to ask in this campaign is, who understands that the role of Government is not to create wealth but to create an environment so small businesses grow? Now, you're going to hear talk in this campaign about, "Well, I'm going to increase the Federal spending, but don't worry, I'm going to pay for it by taxing the rich." We've heard that kind of language a lot in American politics. But I'm here for a reason. I want you to understand who "the rich" is. It's the people who work in this company, because when

you're talking taxing the rich on the individual income-tax rates, you're raising taxes on Subchapter S corporations. And if this company has less money in its pocket, you're less likely to keep a job and have the benefits you expect for your families.

People need to be aware of this talk out of Washington, DC, that says, "Oh, don't worry, we're just going to tax the rich." That's not the way it works in the Tax Code. The big rich dodge taxes, anyway. It's companies like this who end up paying more taxes, and that would be wrong for our economy. We need to make sure these tax cuts we've passed are permanent and that Congress doesn't raise the taxes.

A couple other points I want to make about making sure Joe feels comfortable investing. We've got too many junk and frivolous lawsuits that threaten jobs in America. We need legal reform in this country; I'm telling you. Yes, the small-business people, what worries them—I'll tell you what worries them: trying to fight off a junk lawsuit in court. And Congress has got a role to play. We need class-action reform, for example. And yet, the Senate is controlled by the lawyers, and we can't get it out. I'm going to continue working for it. I think it's necessary to make sure this is a place for people to be able to find work; that is, reform is necessary.

I'll tell you what else is necessary is medical liability reform. One of the things that—one of the—I hear it from small businesses all the time: "I'm having trouble making sure my people working with me get good health care." The costs are going up. That's why we've got what we call associate health care plans. This will enable people to pool risk across jurisdictional boundaries so small businesses have got the capacity to buy insurance like big businesses do. In other words, if you're able to spread risk, you get a better deal for your employees. Or health savings accounts—these are tax-free alternatives to the Federal Government running the

health care system, which I am absolutely against.

Let me tell you what else is a problem: these frivolous and junk lawsuits against the doctors. Listen, if you get hurt, you ought to have your day in court. Make no mistake about it. Nobody is saying you shouldn't. But when there's lawsuit after lawsuit after lawsuit by some lawyer trying to hit the jackpot, we've got a problem. Because guess what's happening? These docs are having to pay higher premiums, which means you're having to pay higher rates. And a lot of docs have just had it. They're tired of practicing medicine.

There can be balance in the system. There can be fairness in the legal system. And you need a President who understands that. I'm going to continue to make—to battle for medical liability reform at the Federal level so people have got access to good and affordable health care.

Two other points I want to make, then we're going to talk to Tim Rice. Loosen up, buddy. [*Laughter*] Two other points. You can't run a business if you don't know if you're going to have reliable energy supplies. That's just the way it is. For this country to keep jobs here at home, we've got to make sure we're the best place in the world to invest capital and do business. And until we get an energy policy, there's going to be doubt in the minds of the investors. I'll tell you why. If you're a manufacturer and you're worried about the reliability of electricity, you're not going to be confident in investing in the future. If you're worried about the cost of natural gas, it's going to make you less willing to invest.

I submitted a plan to the United States Congress that says we'll do a better job of conserving energy—and we need to do that, and we will—we need to look for alternative sources of energy, and we're doing that. And we need to make sure that we—but we need to make sure we use our energy sources at home in a wise way. We can burn coal in clean ways. We can

explore for natural gas in environmentally friendly ways. If we expect people to work here in America, if we expect for this to be a place where people are willing to invest capital—people like Joe—we need to have an energy strategy that makes us less dependent on foreign sources of energy.

And finally, I know there's a lot of talk about trade, and there should be. It's an important discussion. But let me remind you, just to make sure you put the facts in perspective here. America has opened up its markets for years. Presidents from both political parties said it's a good thing for our consumers to have more products coming into the United States. You know why? If consumers have more choices, consumers are going to get better quality at better price. That's how the marketplace works. And so we've been a country that said, "Sure, come on, sell your goods here, compete." The more competition it is for your demand, the better deal you're going to get. That's just the way it is in the marketplace. "Please come and compete."

The problem is, we haven't said the same thing to other countries. In other words, the job of the President—and this is exactly what I'm doing—is to say, "Our market is open. You open yours." All I'm saying is, give our workers and farmers and ranchers and manufacturers and entrepreneurs a level playing field, and we can compete with anybody, anytime, anyplace.

I'm running to make America a stronger place, and I've got a vision as to how to make sure this is the best place for the Joe Colwins of America to succeed and, therefore, his associates to succeed with him. That's what this is all about.

Now let me introduce you to Tim Rice. Tim, thanks for coming. Tim is a guy who works here at Mid-States, right? How long have you worked here for, Tim?

Tim Rice. I started in May, sir, following graduation from the University of Wisconsin.

The President. Congratulations on getting out of college. Barbara just graduated too.

Mr. Rice. Thank you, sir.

The President. He started in May. It's a pretty good sign, isn't it? The economy is growing; otherwise he wouldn't be starting in May. He might have been starting in May of 1997.

And so, what were you doing before?

Mr. Rice. Prior to that, I spent 4 years in the United States Air Force, active duty, and then went to school.

The President. Thanks, yes. I know I'm prying into your business, but are you making more money now than you were?

Mr. Rice. Absolutely. [Laughter]

The President. That's good. Like, one dollar more? Two times more?

Mr. Rice. Two times more.

The President. Yes, he's making two times more money. What he did was he got an education and found a higher-paying job. Let me tell you, the reason I want—this is an interesting story—is because there is a direct corollary between higher wages and education. We're going to talk about what it means to have—be retrained for the jobs of the 21st century in a minute. But it's essential for our country to understand that the job base is changing as our economy changes, and that requires people to get education. And one of the focuses of my administration has been and will continue to be to make sure people are trained for the jobs of the 21st century.

Now, Tim went back to college, a 4-year degree, and now he makes double what he was making before. People have got to understand that means he's a more productive worker, and he's ready for the new jobs. Let me tell you something about Tim. He saved \$2,400 in tax relief in '03, 2,400 in '04—is that correct?

Mr. Rice. That's correct.

The President. And so, like, what are you doing with all that money? [Laughter]

Mr. Rice. I spent 7 years working and going to school before I graduated. I didn't see a lot of my family. I was able to take 3 months off of work before I graduated

just to go to school and spend time with my family.

The President. That's good. If you're a dad, your most important responsibility is to love your children with all your heart and your soul. That's what he just told us; isn't it? I thank you for that.

Let me tell you something about this tax relief plan. The reason I've saved these examples for the end, it's important to know that parts of this tax relief are going to expire. And the reason I've asked Tim and Deb and others to come is because the Members of Congress and the Senate sometimes forget that when we're talking about tax relief, we're actually talking about it affecting people's pocketbooks in a positive way. See, I know that 2,400 doesn't sound like a lot to some of them in Washington. Ask Tim if it's a lot. I asked him. And he said, "You bet it's a lot." And if they don't pass tax relief, his tax burden is going to go up by \$1,100. In other words, that's \$1,100 less money in his pocket for he and his family to decide what to do with it.

Here's what I think about tax relief. I think you set priorities. I think you're wise with the people's money. But I think you've got to understand that Tim can spend his money far better than the Federal Government can.

Thanks for coming. Go ahead. Thanks, Tim.

Deb Winterhack is with us. All right, Deb. Let her go.

Deb Winterhack. Hi.

The President. Married?

Mrs. Winterhack. Married.

The President. How many children?

Mrs. Winterhack. I have three—one in college, one on their way to college.

The President. See, I told her I thought she was fooling me when she told me. [Laughter]

Mrs. Winterhack. Yes, well, I feel it. [Laughter]

The President. Are they here?

Mrs. Winterhack. No, they're at Williamsport Baseball Tournament.

The President. Really?

Mrs. Winterhack. Yes, starts today.

The President. You're a Little League mom?

Mrs. Winterhack. I'm a Little League mom.

The President. I was raised by a Little League mom. [Laughter] The difference is, is that my mother's hair turned white. [Laughter]

Mrs. Winterhack. Mine probably did too. [Laughter]

The President. No, no. All right, tell us what you do and what you were doing. She works—

Mrs. Winterhack. I'm at—I'm an admissions director here at Fond du Lac at ManorCare, HCR ManorCare. Previously, I was a web technology salesperson in Beaverton, Wisconsin, so totally took my web technology to—totally out in left field to health care. So I just wanted to get into health care. I just loved it.

The President. Yes, let me tell you something about health care. I'm sorry to interrupt, and you can tell us how you got into health care. [Laughter]

Mrs. Winterhack. That's okay.

The President. We haven't rehearsed this too well—[laughter].

Mrs. Winterhack. No, I just met him. [Laughter]

The President. She's doing the fox trot, and I'm doing the twist. [Laughter] Anyway—they still do the twist? [Laughter] I know, a little odd. There's a lot of jobs in health care. I remember going down to North Carolina where there's—where the textile industry reigned, and then the textile industry couldn't compete. People started losing jobs in the textile industry. But guess what happened? The health industry started to expand—better-paying jobs. And the challenge in this case in North Carolina and the challenge elsewhere is going to be to take people who have got one set of

skills and train them for the jobs that now exist. That's the real challenge.

I am a big backer of the community college system in America. And I think we ought to help people go to community colleges to train for the jobs of the 21st century. Community colleges provide education that is accessible and affordable. And guess what happens at community colleges? They change their curriculum to meet the needs of the times. And that's what we're going to continue to use community colleges for in a wise way.

What happened with you?

[Mrs. Winterhack made further remarks.]

The President. See, a lot of corporations do the responsible thing and train people for the jobs—they took Deb—she was obviously a smart person and capable person and motivated person. What Government can't do is say, "Deb, go motivate yourself." That's up to you. That's something Government cannot do. She wanted to improve her salary.

Mrs. Winterhack. The salary went up quite a bit, so—well, \$8,000. So that was a great jump for me.

The President. She became a productive worker for the jobs which now exist and are expanding. If people are looking for work, think about the health care industry. Now, you're going to have to go back and get some schooling. But there's help all across our Government. There's all kinds of assistance to help people get reeducated, and that's a good use of taxpayers' money, by the way.

The thing about Deb is, is that—two things happened to her: One, she retrained and gets more money; and two, the tax relief came along, which means she's got more after-tax money in her pocket. She's got more of her own money to spend. And if Congress does not make the tax relief permanent, she's paying an increase of \$900 next year, and that doesn't make any sense.

So thanks for coming. You got anything else you want to say? Here's your chance.

Mrs. Winterhack. Four more years. [Laughter]

The President. That's good. Thank you. Glad I called on you. [Laughter]

All right, we've got Mark and Wendy Bodden, the last family that's with us. Thanks for coming. We're honored you all are here. Who do you got with you?

[The discussion continued.]

The President. The reasons I've asked the Boddens here—here again, this is an example of what I'm talking about, why tax relief matters. You see, a lot of times they throw around numbers in Washington, but they forget the stories behind the numbers. I've asked them to come because I want the Members of the United States Senate and the Congress to understand the effects of bad policy on these people. It's bad policy to be raising their taxes right now. You can find every excuse in the book, believe me—this needs to happen, that needs to happen, this, that, or the other. I think it's important that they have enough money so that they're able to realize their dreams.

It's not unrealistic. We've got plenty of money in Washington. Listen, we can reduce our deficit in half if we're wise—over 5 years—if we're wise about how you spend—we spend your money. We can reduce the deficit in half and still fund the war on terror and protect the homeland. We just can't meet every single political promise that people feel comfortable throwing out. And it's a dangerous time—it's an election year—and you're going to hear every promise in the book. That's what you're going to hear.

If these people saved—how much did you save in '03 and '04?

Mr. Bodden. I believe it was \$1,700.

The President. Yes—\$1,700 in '03, \$1,700 in '04. Now, that's like extra money. So what did you do?

Mr. Bodden. Well, it's very important to us that our children attend a Catholic

school for education, and we put it into tuition.

The President. Did you? Good. That's good.

Mr. Bodden. Very happy. Thank you for that.

The President. That's a wise use of extra money, isn't it, educating your children. By the way, if Congress doesn't respond, the child credit is going down, the marriage penalty is going up, and the 10-percent bracket is gone, which means these people are going to have to pay \$700 additional tax. In other words, the tax burden goes up by \$700. That doesn't make sense. It doesn't make sense from an economic perspective. See, the more money you have in your pocket, the more you're going to spend. And when you spend it, you ask for an additional good or a service. You heard what Joe—Joe feels confident he's going to spend additional. So are other consumers with more money in their pocket.

It also doesn't make sense because these people are saving for their kids' education. They're paying for their kids' education. Congress must listen to the voices of people like Mark and Wendy. Got any voice to tell Congress? [Laughter]

Mr. Bodden. We appreciate the extra money. [Laughter]

The President. Yes, well, that's good. I want to thank you for coming. The reason I've asked these good folks to come—thanks for coming—is I just wanted to make it—I just wanted people to have a sense for why I made the decisions I made and ask Congress to join me—a sense for how to make America a stronger place. I understand how this economy works, and I've got great faith in the entrepreneurs and consumers of our country. And I believe that the consumers make better decisions, oftentimes, than the Government makes. And that's why the tax relief package came at the right time. And that's why it's important to reject raising taxes on people right now.

In order to make sure America is a stronger place, we've got to have good, sound tax policy. Joe needs certainty in the Tax Code. We need good legal reform, good health care, good trade policy. Most of all, you need to have a President who understands that the role of Government is not to create wealth; the role of Government is to create an environment in which the entrepreneur and small-business man and farmer can flourish, and that is me.

All right, let me answer some questions. I hope you've got a sense that I want the job for 4 more years, and I've got a plan to make sure the country is safer, stronger, and better. That's really what I'm here to tell you, that I know where I want to lead this country.

Let me answer some questions, and then we're going to get back on the bus and take it up the highway. Who has got a question? Yes, sir. Yell it—oh, there's a mike.

USA PATRIOT Act

Q. The PATRIOT Act—

The President. PATRIOT Act.

Q. The PATRIOT Act is due to expire—

The President. Yes.

Q. —coming next year. And I find that an important tool for protecting America. And in Wisconsin here, we have Senator Russ Feingold, as you're aware, the only Senator to vote against the PATRIOT Act. Wondering if you can tell us all here the importance of the PATRIOT Act and what we can do to help get that renewed.

The President. Let me—that's a great question. A couple of things that are very important for you to understand about the PATRIOT Act. First of all, any action that takes place by law enforcement requires a court order. In other words, the Government can't move on wiretaps or roving wiretaps without getting a court order.

Now, we've used things like roving wiretaps on drug dealers before. Roving wiretaps mean you change your cell phone. And

yet, we weren't able to use roving wiretaps on terrorists. And so what the PATRIOT Act said is, let's give our law enforcement the tools necessary, without abridging the Constitution of the United States, the tools necessary to defend America.

Secondly, the PATRIOT Act now allows intelligence gathering and law enforcement segments of the FBI to discuss cases with each other. You're not going to believe this—at least I didn't believe it—that the FBI, the branch involved with intelligence—in other words, who might be coming into the country, who might be—who somebody suspects might do us harm—could not discuss a case with the law enforcement division of the FBI. There was a wall between the two, which meant we could not share information, readily share information.

The most important way to protect the homeland is to be able to get good intelligence and share that intelligence with those responsible for protecting the American people. And yet, the laws prevented us from doing that. And the PATRIOT Act wisely broke down that law so that those people responsible for defending you or finding information to defend you can better do their jobs. This was a practical application of law that did not take anybody's rights away.

And the PATRIOT Act is indispensable for the defense of this country. You ask anybody involved with law enforcement; they will tell you that the law protects the constitutional rights of our citizens and, at the same time, enables them to better do their job. We need to have the PATRIOT Act renewed so that the people of America can be better protected by the hard-working folks of this country. I appreciate that question.

Yes, sir. It's going to be a duo. Why don't you both ask the questions at the same time, and I'll answer the one I want to. [*Laughter*]

Promoting Job Growth

Q. I'm wondering, when you're elected in November, how are you going to continue job growth over the next 4 years?

The President. Yes, I appreciate that. Were you asleep? No—[*laughter*]. That's an unfair question. No, I know. Good tax policy, fiscal discipline in Washington, DC, fair trade policy, legal reforms, good health care policy, and job training is the best way to make sure America is a place where people can find a job. That's what you've got to figure out—how to create the environment for job growth and opportunity so people can find work.

Okay.

Support for U.S. Troops/War on Terror

Q. Small-business owner, entrepreneur, and an Army veteran, went to school with the G.I. Bill, put all—everything I learned in the Army into work, into the business. But it breaks my heart when I see all the soldiers in Afghanistan and Iraq doing fantastic things, as you mentioned when you initially came out here—they come home; they put the television on; and they just see horrible news of what's going on, a completely different perspective of what they have done during their tour of duty. What can I do as an American citizen to show my appreciation? I tell them every single time, "Thank you for your service," whenever I see them in uniform. But what can I do to go that extra mile to show my appreciation to them?

The President. I appreciate you saying that. Look, the best thing you can do is what you're doing. And there are a lot of people like you who understand the stakes and the hard work. Thanks for saying that. And it's really to thank people in the uniform. It really is. It's—and you can't—I can't tell you how far that goes when you take time out of your life to say, "Thank you for your service." That's the best thing you can do. I could be self-serving—the best thing you could do is put me in again, but it's—but, no, I appreciate that spirit.

And, listen, what's going to matter in the long run is that these troops come back and realize they've made a significant contribution to this country's safety and to peace and freedom.

Let me remind you all of something, speaking about what we're doing. You know, there were a lot of skeptics after World War II as to whether or not what America was doing would work. What we were doing was trying to rebuild Germany and work for democracy in Germany. What we were doing was trying to rebuild—or help Japan rebuild herself and there be a democracy there. After fighting these countries and after losing lives in a war against them, the United States of America—at least my predecessors—made the decision to rebuild those countries into democratic nations or at least to help them rebuild themselves. That was the decision we made. And there were a lot of skeptics. There were a lot of people who said it couldn't be done. The plans weren't working. And it took a long time, and it was hard, hard work.

You know, there were skeptics who said, "Well, the Japanese, they'll never be able to self-govern. After all, they're not Anglo-Saxon, or they're not Methodists, or I don't know." There was a lot of skepticism about whether they could self-govern. And there's still that skepticism today. There are some who I'm confident doubt whether or not a Muslim nation can self-govern. We don't doubt that in America. You see, we understand liberty. Thankfully, my predecessors did not fall prey to pessimistic attitudes after World War II, because today Germany and Japan are allies in the war on terror.

It came home to me very vividly when I was having dinner with Prime Minister Koizumi, who, by the way, loves Elvis—anyway—[*laughter*]. And so we were—guess what we were talking about? We were talking about how to keep the peace. The Prime Minister of a former enemy is sitting down with the President of the

United States talking about how to keep the peace. Had my predecessors fallen prey to the pessimism about the ability of liberty to change societies for the better, I don't know whether I'd have been having that discussion. We were talking about Kim Chong-il in North Korea and the danger he poses to free societies in the Far East. That's because people after World War II had great faith in what America believes and what America stands for.

It's really important for the families of the service men and women overseas to hear the message that the work that their loved ones are doing are essential to America's freedom and to peace, to long-term peace, because free societies are peaceful societies. Free societies listen to the hopes and aspirations of the people. Societies which are not free are those which breed resentment and hatred, and it gets bottled up and sometimes it doesn't manifest itself overnight, but it will manifest itself. And now it's manifesting itself in the form of terror.

Now, let me—just one other thing I want to share with you, now that I got me going here. [Laughter] This is called a filibuster. Anyway—[laughter]—not really. Anyway, the battle is a battle of ideology. Think about the Taliban. It's an ideology that is radical in nature, that doesn't believe in women's rights, human rights, human dissent, political dissent. It's dim. It is backward. These people have hijacked a religion. I don't think they're religious people. I don't think you order suiciders to kill innocent men, women, and children if you're a religious person. I think your heart has been corroded. But that's the—and the alternative of that is freedom. That's the alternative, is a free society.

Now, these radicals use terror as a weapon. They know our good hearts. They know America has a—a country of conscience. We're really decent people, very loving people. And they know we hate the death of innocents. But that's why their terror tool is so effective, because they'll kill any-

body, anytime. See, they're trying to shake our will. That's what they're trying to do. They're trying to drive us from the world because they want their dim vision of the world to spread.

They don't know our country. We will not be intimidated by these types. We will do our duty. We will remember the lessons of the past. And someday, an American President is going to be sitting down with a duly elected leader of Iraq talking about how to keep the peace. And they're going to say, "Thank God this generation didn't fold under pressure, had a clear vision."

All right, little guy, what you got? Here's your chance. You've got something for me?

Support for the President

Q. [Inaudible] I love you.

The President. I think he said, "Four more years." I'm not sure.

Yes, ma'am.

2004 Election

Q. Thank you for coming to Wisconsin, Mr. President. And we know that you're in a tough race for reelection, very, very tough, and the future of America is at stake. What can all of us here do to help you and Dick Cheney be sure to be re-elected?

The President. Thank you very much. Listen, I'll tell you what you can do. Thanks. We are in a tough race, and that's okay. I like to get out and campaign. I mean, I think a good, healthy debate about vision and philosophy is important. And I think it's important for people to get out—outside of Washington and ask for the vote.

And that's what I'm doing now, and it's what I'm going to continue to do to election day. I've got the energy; I've got the drive; I've got the will to be your President. And I need your help. And the help you can do is register people to vote. And don't be afraid to find discerning Democrats and independents. There's a difference of philosophy that is emerging. People see a clear difference—clear difference of attitude,

clear difference of vision, clear difference of how to get there. And register people. And then when we're coming down the stretch, get them to vote.

Listen, the race in 2000 in Wisconsin was very close, if you really think about it. Not many votes per precinct separated me and my opponent. And so, obviously, the more people per precinct we get to the polls, the easier it is to carry the State of Wisconsin, which is a crucial battleground State. It's a crucial State. I'm going to spend a lot of time here, thankfully. It's a good place to come. Thank you.

Yes, sir.

Energy

Q. Mr. President—

The President. I thought for a minute we had John Glenn here. [Laughter]

Q. You know what, Mr. President, I've been accused of that before. [Laughter]

The President. He's a good man.

Q. Thank you. You touched on energy a little earlier in your speech, and I'm just wondering what your views are on renewable energy such as ethanol, biodiesel, wind power.

The President. Yes, I may—when I talked about alternative sources of energy, that's what I was referring to. As a matter of fact, it is a grand vision to think about a President saying—reading the corn harvest and saying, “Oh, they're up, and now we're less dependent on foreign sources of energy.” I mean, it would be a fantastic moment for any President to know that we can grow our way out of dependence.

And I'm a believer in ethanol—said so in the 2000 campaign, and it's an integral part of the energy bill. And I'm for spending money on research and development for biomass, and it makes sense. And maybe someday, wind energy will be competitive.

As a matter of fact, really what you're asking about is, can we—at least the way I put it is, can we manage our way through the short term until technology changes

how we use energy? And I think we're talking about maybe a decade. Remember, I put out the hydrogen fuel cell alternative, asked for Congress to spend money for research and development. Someday, American automobiles will be powered by hydrogen. And that's going to be a fantastic change, which will make us less dependent on foreign sources of energy.

We're in a transition period. Someday, hopefully, we'll find a better way to use nuclear power that people have confidence in. Someday, our clean coal technologies will give people more confidence in burning coal. In other words, we're making changes as to how we use energy and how we supply energy. And we're in a period of transition, and I believe technology is going to change. And the fundamental question is, are we able to grow our economy until it does? And I think we can do so in a balanced way.

But, no, I can't think of anything better for the future than to say, “Gosh, the corn crop is up, and now we have to buy less foreign sources of energy.” But in the meantime, we're hooked. We import over 60 percent—or about 50-something percent of our energy supplies. And that means we've got to have a short-term energy policy that makes sense until technology changes.

And that's what you're seeing; you really are. You're seeing a changing world. And it's going to be an exciting time for people to be driving different kind of automobiles. It's just going to happen. It's just a function of when. And our job is to speed up the “when” by research and development money.

Yes, sir.

Visit to Fond du Lac

Q. Mr. President, on behalf of the city of Fond du Lac, I'm the president of the city council—

The President. Thank you, Councilman. Thank you for serving.

Q. We are totally honored to have you here today, and you're welcome back anytime you want to come.

The President. Thank you, Councilman.

Q. My question—

The President. I thought it was going to be the classic, like, where's the key? [Laughter]

Q. Well, we gave one to your dad when he was here in '92.

The President. That's why I'm asking, you know? [Laughter] I don't—I'm not sure the message.

Q. I wasn't on the agenda. I tried.

The President. Okay, good. [Laughter]

Insurance Costs for Small Businesses/Health Care Reform

Q. My question is, I'm a commercial lender for a bank in Oshkosh, and I see a lot of small-businesses' financials, and their biggest expense is the increase in insurance costs.

The President. Yes.

Q. Do you have anything in mind to reduce the medical insurance and other insurance costs going forward?

The President. Yes, I do. I mean, for example, you heard me explain the association health care plans. Now, what that means is, is that a company like Joe's can pool his risk with other like companies that exist in other States. You can't do that now. Like, if you're a restaurant owner here at Fond du Lac and you have 20 employees, you're now going to the marketplace and you've got to buy insurance for your 20 employees. And therefore, you're not able to pool risk. In other words, the more people you can—you insure, the better premiums you get because you're spreading risk.

And so we've got to let the restaurateur here or the Joes across the country pool risk. In other words, they can lump together as an association and then go to the insurance company and say, "Look, we've now got not 20 employees, insure a million employees." And that's a better

way to be able to control risk than the alternative, which is to have the Federal Government try to control price, which means, they're the decisionmakers. You don't want that, believe me.

Secondly, we've got what's called health savings accounts. These are all set up for small-business owners, by the way, to make a better deal for their employees. You put money in tax-free; you accumulate money in the account tax-free; you withdraw it tax-free—all to pay ongoing medical costs, ordinary medical costs and, as well, is you buy yourself a catastrophic plan.

So, in other words, on an annual basis, you're contributing tax-free or the company contributes for the employee, so the employee is the decisionmaker. It's in the employee's interest that they make wise decisions. In other words, you don't want to purchase too much health care. In other words if you go to the doctor here, doctor there, doctor—into the office—so you start asking questions, "Do I really need this?"

And so the employee—the customer makes the decisions. The customer shops. And if you don't spend more than you put in, that's your money. You roll it over. So you've got catastrophic to take care of major medical expenses, and you've got tax incentives to encourage you to make the right decisions.

And thirdly, medical liability reform is the way to control costs.

Two other things I want to talk about. One of the things we've done is we've expanded what's called community health centers all across the country. These are very—it's a wise use of taxpayers' money. It's like primary care facilities for people who can't afford insurance. It takes people out of the emergency rooms and puts them into a primary care facility so they get the help they need.

And the other thing is—that Tommy and I are working on is we're trying to modernize health care, which is going to save people a lot of money. This is now—still a system in which people carry paper files

from one appointment to the next. Sometimes they literally don't carry them, but your files are on paper. And it leads to medical error when things are handwritten, particularly if a doc has handwritten it. [Laughter] Or something is amiss in the files. And yet, most businesses these days are able to put their files on the—use the Internet to be able to have better efficiency with their files and paperwork, better cost savings when it comes to recordkeeping.

And so what Tommy and I are working on is what they call electronic medical records. Everybody is going to have an electronic medical record that you'll be able to carry with you, that you'll be able to send to whoever you want to send. It will cost—it will reduce cost in the health care system, and it will reduce errors in the health care system. And it makes eminent sense for the health care industry to get into the 21st century. It's stuck in the past.

So there are some—there are ways right there, practical ways to work on the cost of health care so that health care is more affordable to the small-business owners in America. And we're making progress. There's a battle in Washington; I readily concede it. And the battle is, do the consumers and docs make the decision, or does the Government make the decision? And it's a philosophical argument. And you know where I come down. I'm on the side of the consumers and the marketplace for best controlling the cost of health care.

Yes, you've got a question? Let her rip.

Right To Vote

Q. Okay. Hi, Mr. President.

The President. Hi.

Q. I'm 18, and this will be my first time I can vote.

The President. Okay, let me stop you right there. I'm the first guy to ask for your vote. [Laughter] Remember that when you get in the booth. [Laughter]

Q. All right, so this will be my first time being—Presidential voting. And I was wondering, since everyone has the right to vote,

do you think there should be something so that everybody has to vote, so then you get more of a majority?

The President. Yes, no, I appreciate that. I just don't think it's going to work, you know—compulsory voting. I wish everybody would vote. But it's a right—it's a right. It's like the right to worship the way you want to worship. It's a right. I just don't think compulsory voting would work. I'm not sure what the penalty is.

I mean, it's—so, therefore, the thing we've got to do—thanks for bringing this up because it gives me a chance to remind people about their solemn duty, in my judgment, to go to the polls. Of course, I want everybody to be for me. I know it's not going to be the case, but I'm still urging people to vote. I want there to be widespread voter participation. It is—here we are working in Afghanistan, convincing the people of Afghanistan to go vote; we ought to be doing the same thing in our own country.

So I—both candidates—I'm confident my opponent is doing the same thing, and it's the right thing to do. Part of traveling the country is to say, "Listen, you have a duty. Get your neighbors to go vote. Please, go vote."

And so thanks for bringing that up. But, no, I don't see how you can get compulsory voting because I'm not sure what the consequences.

Yes.

Usama bin Laden/War on Terror/ Intelligence Capabilities

Q. Mr. President?

The President. Yes, ma'am.

Q. Do you have an updates on the whereabouts or possible capture of Usama bin Laden?

The President. Thank you for bringing that up. I tell you, if I knew, I wouldn't tell you. [Laughter] I'd be telling our forces which are stationed over there. He's on the run. He is, best guess, in the remote regions of Pakistan or Afghanistan, up there

in kind of the—in the mountainous regions there, best guess. I really don't know.

I do know that the organization is—got the ability to kind of exist without his physical presence. In other words, there's command—there's commanders that are able to rise up even though we may capture a previous commander. Khalid Sheik Mohammed no longer is—somebody took his place. They tend to be decentralized at times. This guy, Zarqawi, operating out of Iraq, we call him an affiliate of Al Qaida. We're not sure he has sworn allegiance to Al Qaida, but he gets instructions from Al Qaida. They deal with Al Qaida. We've intercepted an e-mail, as you might remember, of Zarqawi to Al Qaida types in remote parts of Pakistan—I think it's where the e-mail came from. At any rate, it talked about how Zarqawi was to incite Shi'a-Sunni violence in Iraq so that a civil war would stop the advance of freedom. In other words, there was a dialog between the two.

My point to you is, is that there are these kind of loosely affiliated cells along with direct chains of command that we're dealing with all over the world. And we've got a lot of intelligence cooperation. I mean, in order—this is a—I remember after September the 11th, this is a different kind of war. I remember specifically telling the country that. Sometimes you'll see action; sometimes you won't see action. It's a different kind of a contest. It requires good intelligence.

Let me talk about our intelligence right quick. Listen, I thought we would find stockpiles of weapons of mass destruction because the Agency thought we would. And we didn't. But what we have known and found is that Saddam Hussein had the capability of producing weapons. In other words, he had the capacity, and he was a sworn enemy.

And so the fundamental—listen, I'm—I know we did the right thing. We did the right thing for our security for the country. But the question the country must

ask is, how do we make sure we have the best intelligence possible? That will be the next important discussion in Washington, DC. And I welcome it. Look, I want great intelligence. I can't do my job, we can't find people hiding in remote caves unless we've got good intelligence. That means more human intelligence; it means better electronic intelligence. We want to be able to listen to people better. It means to make sure there's better coordination inside Washington. And I'm convinced that out of the recent investigations will come a better system so that this President and future Presidents will be able to do as good a job as we possibly can for the American people.

Let me also remind you, however, that the CIA has had some great successes. Let me tell you one right quick, because I want the CIA agents who work for America to understand how much I appreciate their sacrifice and service and dedication. A.Q. Khan was a citizen of Pakistan who was a prominent scientist. A.Q. Khan went in the business of selling secret nuclear information, know-how, processing, to countries like Libya, Iran, and North Korea, and we caught him. And we penetrated his network—we—these are brave citizens of the United States—penetrated his network and exposed it to the world. And one of the great proliferators of weapon of mass destruction technology is no longer a threat to the United States and the free world. We've got some really good people working hard for the American people.

Yes. Go ahead and yell it out.

Minimum Wage

Q. [*Inaudible*—Restaurant Group, of which we are—we have 370 employees throughout 10 restaurants. Senator Kennedy's minimum wage increase amendment that he's proposing is detrimental to small business. As a family-owned small-business owner, labor costs is one of our most—it's our most detrimental cost. And as labor costs go up, we are forced to cut jobs,

raise prices, and it's a domino effect. I want to know your opinion on the minimum wage.

The President. My opinion is, is that I think there is a reasonable level to which we can raise the minimum wage and, at the same time, make sure small businesses are not penalized. And Mitch McConnell is working on such an idea on the Senate floor, and I'm going to continue working with Mitch.

No, I understand what you're saying. It's very important that we have a wage policy which does not price people out of jobs. And so I'm confident that if there is a minimum wage increase, it will, one, be reasonable, and two, will make sure small businesses aren't hurt.

Yes, sir.

Marriage/Education/Faith-Based Programs

Q. Mr. President, I'd like to thank you for making this country stronger and making me a better dad in helping to support my family as well.

The President. Thanks. Yes. You know what: I can't make you a better dad. That's up to you. Thanks for saying that, but it's really your job.

Q. I'd like to also thank your daughter for giving you up for 8 years.

The President. Thanks, yes. [Laughter] Thanks for saying that.

Q. I'm executive director of a faith-based organization, and we direct—try to redirect the lives of delinquent and at-risk youth from the inner city. And we get a lot of young men from Milwaukee. I want to thank you for your efforts and leadership on faith-based organizations, but particularly, we have a dear gentleman in this country, a comedian, Bill Cosby, who has really taken some leadership interest and throwing some different punchlines towards the community and the inner city and looking at the social culture of our cities. And as a compassionate conservative, I'd like to get your views and your vision on how to

work with the social culture and lead that inner city into a brighter future.

The President. Yes, I think that, first of all, I believe that families are a very important part of a stable future. And I believe that it's very important for Government to promote and stand on the side of families.

You know, we're having a debate in Washington, and it needs to be a very sensitive, thoughtful debate as to the nature of family. I have made my position clear. I believe that a traditional marriage—marriage between a man and woman—is an important part of stable families. [Applause] Thank you. I, again, to repeat, I want this debate to be a thoughtful debate. It needs to be a sensitive debate. But I feel strongly about what I just said.

Secondly, the Government must work to strengthen family. Part of our welfare reform law was to encourage families to stay together. We put money aside—Tommy worked on this; it's a very important part of the law—to encourage people to stay together. Part of a stable society anywhere, whether it be in rural America or inner-city America, is for families to stay together.

Secondly, education. You know, a lot of inner-city schools are schools that, for some reason or another, quit on kids. They just shuffle them through. Maybe people said, "They're too hard to educate, therefore, let's just move them through." There's no doubt in my mind, when implemented, the No Child Left Behind Act is going to say to each child: "We believe in your worth. We believe in your talents." There's extra money, by the way, for Title I kids. "We're raising the bar. We're going to measure to determine whether or not you've got the skills necessary to read and write and add and subtract. And if you don't, we'll correct them early." That's what the message is. I think that's going to help make inner city a much more hopeful place, just like it will make rural America a much more hopeful place.

Thirdly, many of the kids that you talk about need love. And I think it's the role of Government to encourage loving institutions to be more likely to interface with those who need help. What the—let me just tell you what it means. It means we're opening up Federal monies to grants to faith-based institutions. There was an argument in our country that said we couldn't do that, see. We couldn't do that. It would blur the line of church and state. Listen, I strongly believe in the separation of church and state. The church shouldn't be the state, and the state shouldn't be the church. On the other hand, I do think it's important for people in positions like I'm in to say, "Does the program work?" In other words, "Does it have a social objective?"—for example, mentoring kids who need help. They need love in their lives. That's an objective. And therefore, we ought to ask how best to achieve the objective. And if it's a faith-based program that is better able to do that objective, I don't see anything wrong with making Federal monies accessible to that faith-based program.

And it must be done—the program must be done without causing the program not to be able to practice its faith, see. How can you be a faith-based program if the Government says you can't practice faith? You can't be. And one of the interesting challenges we have faced is that faith-based programs were fearful of interfacing with Federal bureaucracies because the bureaucracies say, "Well, you can't have the Star of David on the wall or the cross on the wall. You can't have that." And so we have tried to change the culture in Washington.

So there are three practical steps there: strengthening families, better education, and then unleashing the great compassion to help people such as yourself save lives. And it's working.

Let me tell you something: The faith-based programs are beginning to take hold, and they're taking effect. We're getting more Federal money into the hands of the

faith-based folks, what I call the social entrepreneurs, which are beginning to change people's lives in an incredibly positive way. And it's important to stay with the program because—as I can repeat; it sounds like a trite saying but it's not—the strength of the country is in the hearts and souls of the citizens.

There are a million kids whose mom and dad is in prison—a mom or dad is in prison. Those are kids who've got a future that may not look so bright to them. It can be brightened by love; I'm telling you. It can be brightened by a mentor. It can be brightened by somebody who comes in their life and say, "I love you, brother. What can I do to help you? How can I help you realize a better tomorrow?" Now, that sounds like a heavy lift—million mentors—but when you think about how many churches there are and synagogues there are and mosques there are and community programs there are, we're not talking about that many people.

And my job is to rally the people of the country and, at first, to understand the proper relationship between the Federal Government and the strength—you know, you hear people say, "Oh, the great strength of the country is our Government." No, that's not me. I don't believe that. I think Government is an indispensable part of our country, but the great strength is the people's hearts. And as your President, I will continue to call upon people to serve their country by loving their neighbor. That's one of my most important jobs.

Yes, buddy, last question. We've got to go up the road. A couple of questions. Fire away. Go ahead. Well, maybe they don't want you to ask the question.

Education

Q. Will you send more money for education——

The President. Send more money in education——

Q. —to help the kids get their lives—to help them go to college and get the money to help the people?

The President. Yes. Very good. He wants to know about education funding. I think that's what it was, right? [*Laughter*] Or just money in general? Well, the best way to send money to the people is to let them keep their own money in the first place. We've increased Federal spending for elementary and secondary schools by over 40 percent since 2001, which is a hefty increase. In other words, we're doing our duty. What's changed is we've said now, "Show us whether or not the money is actually working." See, before we'd send money and then they wouldn't ask the question. Now we're asking that question, "Can a child read, and if not, why?"

In terms of Pell grants and education grants that help people, deserving people, go to college, we've increased that spending as well. We're doing our job. But I want to remind you when it comes to public education, the primary funder of public schools are the States and local jurisdictions. That's the way it has been in the past, and in my judgment, that's the way it ought to be. And the Federal Government can help with Title I students or IDEA funding, which is for disabled students. But it is the primary responsibility of your State government to make education the number one priority.

When I ran for Governor of Texas, I said education is to a State what national defense is to the Federal Government. The primary responsibility of the State is to make sure that the public school system runs well. And the primary obligation of the State is to fund the schools so they go well. And the Federal Government provides a complementary role. That's the way it is now, and that's the way it is, so long as I'm going to be the President.

One final question, and then I've got to hit the bus.

Public Service

Q. Mr. President, I'd like to welcome you to Wisconsin as well. And as an older mother of many children, we've tried to—we've had a number of kids that were interested in going into politics that were really turned off for a few years, but because of gentlemen like Tommy Thompson and yourself, we now have a son in politics, and we're very proud and also working for your benefit. Also, I heard you say that you'd like to return to Wisconsin. We have a great city about 40 miles from here, on the shores of Lake Michigan—Sheboygan—and we'd welcome you there with open arms.

The President. Thank you. Let me talk about service. Thanks for bringing it up. There's obviously a proud mom, and that's neat that one of her children has chosen to go into public service. I encourage people to run and to go into public service. But I recognize not everybody is suited for it, and some people just aren't interested. But there's all kinds of ways to serve. It's just not—you don't have to be a candidate to serve. You can serve by loving your neighbor. You can serve by mentoring a child. You can serve your community by just walking across the street to a shut-in's home and saying, "What can I do to make your day better?" There are all kinds of ways to serve.

I'm proud of your son for running. I think it's great. It's very important for people to step up and put their hat in the ring and get out there and mix it up. It's an exciting life. I mean, it's a—you've got to have a Type A personality, I recognize, but—[*laughter*]. Let me tell you something. I enjoy it. I enjoy being with people. I love the people of this country, and I love being with you today.

Thanks for coming. May God bless you all.

NOTE: The President spoke at 12:18 p.m. in the factory. In his remarks, he referred to

President Hamid Karzai of Afghanistan; former President Saddam Hussein of Iraq; Palestinian terrorist Abu Nidal, who was found dead in Baghdad, Iraq, on August 19, 2002; senior Al Qaida associate Abu Musab Al Zargawi; Prime Minister Ayad Allawi of the Iraqi Interim Government; Col. Muam-

mar Abu Minyar al-Qadhafi, leader of Libya; Prime Minister Junichiro Koizumi of Japan; Chairman Kim Chong-il of North Korea; and Khalid Sheik Mohammed, senior Al Qaida leader responsible for planning the September 11, 2001, attack, who was captured in Pakistan on March 1, 2003.

Exchange With Reporters in Oshkosh, Wisconsin July 14, 2004

President's Visit to Wisconsin

Q. Mr. President, your reaction to the crowds and the towns?

The President. Very, very warm and very hospitable reaction. A lot of people coming out, for which I'm grateful.

Q. What did you get?

The President. Vanilla custard. It's highly recommended. I'm recommending vanilla for Hillman [G. Robert Hillman, Dallas Morning News].

Q. You are dripping. You need a napkin.

The President. I'm going to get one in a minute. Would you like some?

Q. No, thanks.

The President. I'm trying to get you a little national publicity.

Q. I think I've got all I need. [*Laughter*]

The President. I enjoyed talking to you, girls. Enjoyed talking to you. Thank you. All right, let's go back to work.

Q. First a candy store and now ice cream, sir?

The President. I'm loading up, carbo-loading for the weekend. [*Laughter*]

NOTE: The exchange began at 2:50 p.m. at Leon's Frozen Custard. A tape was not available for verification of the content of this exchange.

Statement on Senate Action To Block a Constitutional Amendment on Marriage July 14, 2004

I am deeply disappointed that the effort to pass a constitutional amendment affirming the sanctity of marriage as being between a man and a woman was temporarily blocked in the Senate.

Activist judges and local officials in some parts of the country are not letting up in their efforts to redefine marriage for the

rest of America—and neither should defenders of traditional marriage flag in their efforts.

It is important for our country to continue the debate on this important issue, and I urge the House of Representatives to pass this amendment.