

it's because we're free. And that's a lesson we've learned from previous generations, that free societies are peaceful societies. You know, I have this great faith in the capacity of freedom to make the world a better place, so I just want to give you a quick foreign policy report and tell you that this world of ours is getting better as more people become free.

I'm also talking, of course, a lot about Social Security. I think this is a generational issue, and it's a generational issue because your generation has nothing to worry about in terms of getting the promise Government has made. There's just no doubt about it. I know there are some contradictory statements being made; it's just not true. The promise Government has made to those who are retired or near retirement will be kept.

But because the math has changed, because there's a lot of baby boomers like me are getting ready to retire, and we're living longer, and we're getting bigger benefits than the previous generation, and there are fewer workers, we need to worry about not this generation but the next generations.

And that's really what I'm here to tell people in Tucson, is that if you're getting your check, you're fine. If you've got a grandkid, you'd better ask the political peo-

ple what they intend to do about making sure Social Security, the safety net of Social Security, is available for them. And you know, I'm interested in all ideas. I think that this isn't a Republican issue or a Democrat issue; this is a national issue that requires a national dialog.

And so I want to thank you for giving me the chance to come by to the Udall Center. The mayor was telling me what a unique place this is, and he wasn't exaggerating.

Audience member. Yes, it's great.

The President. It is great—well, I hope so.

Are you playing a little cards over there? Got a little time for some cards. [Laughter] Anyway, thanks for letting me come by. I'm looking forward to meeting you all. Thank you. It's a beautiful city you've got here.

NOTE: The President spoke at 10:51 a.m. at the Morris K. Udall Recreation Center. In his remarks, he referred to Mayor Bob Walkup of Tucson, AZ. The press release issued by the Office of the Press Secretary did not include the complete opening remarks of the President. A portion of these remarks could not be verified because the tape was incomplete.

Remarks in a Discussion on Strengthening Social Security in Tucson March 21, 2005

The President. Thank you all. Thanks. Please be seated. Thanks for the warm welcome. It is nice to be back in Tucson. The last time I was here, remember, we were up dealing with forest fires. And hopefully, the Healthy Forest legislation that we got passed, thanks to the help of John and Jon and members of the Arizona congressional delegation, will help us preserve this valuable national treasure.

I'm here today to talk with some distinguished citizens from your State about Social Security. Before I do so, I'd say—I've got some other things I want to talk about. [Laughter] First, I want to talk about how much I enjoy working with Senator John McCain. I appreciate the job he's doing for the people of Arizona. And I appreciate Senator Jon Kyl from the great State of Arizona. I'm glad you're being nice to him,

because he is on the Senate Finance Committee. *[Laughter]* They're going to write the bill to make sure we have a Social Security system not only available for today's seniors but for the next generation coming up. That's what we're here to talk about. Senator, thank you for your leadership on this issue.

And how about Congressman Jim Kolbe. Appreciate you being here. Jim Kolbe has taken a lead on this issue as well. He's doing something that needs to happen. He's reached across the aisle; he has found a Democrat partner to help come up with some ideas as to how to make sure Social Security is strong for generations to come. I'm proud of your leadership, Jim. I want to thank you. He said he's been working on this issue for quite awhile.

I'm proud that Congressman Trent Franks is with us, and his wife, Josie. Thanks for coming. Congressman John Shadegg is with us. I appreciate you being here, John. You allow people from Colorado in the State? Yes. Well, if that's the case, then why don't we introduce Bob Beauprez, Congressman from Colorado, and Congressman Joel Hefley. McCain said, "Thank you for the water." *[Laughter]*

Speaking about water, I had a fascinating discussion with your mayor about water for Tucson. Mayor Bob Walkup and I actually had talked about water my last trip here. He told me that he was going to work to put a long-term plan in place to make sure this great city and this part of the world has got ample supplies of water. Mr. Mayor, thank you for your vision, and thank you for your hard work on that issue.

I'm proud we've got folks from the statehouse here. Secretary of State Jan Brewer is with us. Madam Secretary, thank you for joining us. Good to see you again. The president of the senate and the speaker of the house are with us. We're honored you all are here. Thanks for coming. Good to see you men again. We got supervisors; we got local officials.

Mostly I want to thank the Tucson Chamber of Commerce for hosting this event. I appreciate you being here. Steve Touche and Jack Camper, I'm honored that you all would—and the chamber members for inviting us to come and have a dialog about a really important issue, which I'm working my way toward. *[Laughter]*

I know you're playing baseball here. I wish the mighty Diamondbacks, with Ken Kendrick, all the best this year. Good to see you, Ken. Thank you, sir. Good luck.

Russell Gursky is with us. Russell, thank you for coming. Russ, why don't you stand up. Hold your applause for Russell. Russell, you right there. Oh, there he is, sorry. This Russell Gursky. He came to the airport. He is a volunteer, 91 years old, still volunteering with the RSVP program to provide help at the Tucson Police Department. I'm honored for your service. Thank you for volunteering, sir.

A couple of issues I do want to talk about. Democrats and Republicans in Congress came together last night to give Terri Schiavo's parents another opportunity to save their daughter's life. This is a complex case with serious issues, but in extraordinary circumstances like this, it is wise to always err on the side of life. I appreciate the work of the Senate and the House to get that bill for me to sign last night at about 1:08—or this morning, at about 1:08.

I also want to say something about the freedom agenda. I appreciate the strong support of Senator McCain, Senator Kyl, members of the congressional delegation for understanding that everyone desires to be free, that deep in everybody's soul is the desire to live in a free society. And they also understand that free societies are peaceful societies and that if you're interested in a peaceful world, which we're interested in, for our children and our grandchildren, the best thing to do is to spread freedom, which is precisely what is taking place. I want to assure you that over the next 4 years, we will work with our friends and allies to encourage those who live

under tyranny to be bold and confident and to follow their hearts. We will work with friends and allies to make the world a more peaceful place by spreading freedom.

And freedom is on the march. Just think about what has happened in Afghanistan, for example. Millions went to the polls after they were shackled by the Taliban. We acted in our own self-interest. We upheld doctrine that said, "If you harbor a terrorist, you're equally as guilty as the terrorist." As a result of our action in self-defense and defending America, millions of people in Afghanistan are now free. The first voter in the election was a woman.

The Ukraine had elections. There will be a Palestinian state, a democracy living side by side with our close friend and ally Israel, which will lead to peace. And then in Iraq, millions went to the polls in spite of the terrorists, in spite of the threats. You know why? People long to be free, and if just given the chance, they'll take the risk necessary to be free.

These are exciting times. And I appreciate so very much working with people in the United States Congress who understand the deep desire for all souls, regardless of religion or where they live, to realize the greatest gift the Almighty can provide, and that is freedom to each man and woman in this world.

I've got one other issue I want to talk about. I appreciate the fact that our economy is growing. You've got a, I think, about a 4 percent unemployment rate here in the great State of Arizona. That's a good sign. People are working. Today, more people are working in America than ever before in our Nation's history. And I want to thank the entrepreneurs who are here and the small-business owners and the dreamers and doers and job creators.

But like you, I'm concerned about our energy prices. I'm concerned about the fact that we're—people are seeing more—paying more at the pump. And so I urge the Congress to stop debating and get an en-

ergy bill to my desk. We need an energy bill that encourages more conservation, an energy bill that works on renewable sources of energy, an energy bill that modernizes the electricity grid, an energy bill that allows for environmentally safe exploration for natural gas in our own homeland. We do not need an energy bill that provides tax breaks for oil companies. We need an energy bill that is a—that represents a broad strategy to encourage better use of energy and to find more energy so we become less dependent on foreign sources of energy.

Now, let me talk about Social Security. First of all, right off the bat, I want to tell you, one of my predecessors did a smart thing. Franklin D. Roosevelt did a good thing in creating the Social Security system. The system has provided a safety net for millions of seniors. I want you to hear—you'll hear it more than one time—if you're a person now receiving a Social Security check, nothing will change for you. This United States Government will keep our promise to people who have retired or near retirement. Nothing is going to change. I don't care what the fliers say; I don't care what the ads say; I don't care what the political rhetoric says. If you're getting a check, nobody is going to change the system for you. And that's important for you to hear.

Listen, I can understand people being nervous about a Social Security dialog. You know, sometimes that just means, "Because Bush and McCain and others are talking about it, that means somebody is going to take my check away." It's just not going to happen. The system—the safety net is in good shape for people born prior to 1950.

There are holes in the safety net, however, for a generation of Americans coming up, and I'll explain to you why. The math has changed. The math has changed this way: Baby boomers like me are getting ready to retire, and there's a lot of us. I turn 62 in 2008—it's a convenient date

for me to retire. [Laughter] We're living longer. We're living a lot longer today than people were living when Franklin Roosevelt created the system. You've got a lot of us baby boomers getting ready to retire, and we're living longer. Plus, for years people ran for office saying, "Vote for me; I'm going to increase your Social Security benefits if I get in." And they fulfilled those promises. My generation is going to be getting more—a better benefit package than the previous generation. So you're beginning to get part of the equation: a lot of us, living longer, getting better benefits than the previous generation. But there's not a lot of people putting money in the system anymore.

You see, in 1950, there was 16 to 1 workers—16 workers for every beneficiary paying into the system. It means each worker didn't have much of a load to carry when it came to making sure that somebody who has retired got their benefits. Today, there are 3.3 to 1—3.3 workers paying into the system. Soon, there will be two workers paying in the system. More people getting greater benefits, living longer, and fewer people paying for us. That's a problem. And it's a problem that begins to manifest itself in 2018 when the Social Security system goes into the red.

Now, let me tell you something about the Social Security system. It's not a trust. A lot of people think, well, we're collecting your money and we're holding it for you, and then when you retire, we're going to give it back to you. That's not the way it works. We're collecting your money, and if we've got money left over—in other words, if there's more money than the benefits promised to be paid, in our hands, we're spending it and leaving behind an IOU. That's how it works. It's called—as a pay-as-you-go system. You pay; we go ahead and spend it. [Laughter]

In 2018, the system goes into the red, and every year thereafter, if we don't do anything, if we do not address the problem, it gets worse and worse and worse. To give

you an example, in 2027, the system will be \$200 billion in the red—in other words, 200 billion more to pay for the retirements promised to people like me who are living longer than coming in in payroll taxes. And it's 300 billion about 12 years later. In other words, we've got a problem out there. It's not a problem for me. It's not a problem for one senior in Tucson who's receiving a check today, but it's a problem for your grandchildren.

You see, the question is how your grandchildren are going to pay for these promises the Government has made. And that's what—and that's the problem that Congress must address. See, my attitude is, I'm going to spend a lot of time traveling the country saying, "Here's the problem," and then say to people in Congress, "Bring your ideas."

So in my State of the Union Address, I stood up and said all ideas are on the table except raising up the payroll tax rate—all ideas. See, this isn't a Republican issue or a Democrat issue; this is a national issue that requires people of both parties to give a national response. That's what the people want, and that's what the people expect. The people expect people of good faith to take on an issue today so we can solve it for a generation to come. That's why we ran for office in the first place.

A couple other points I want to make. Laura told me—by the way, she's doing fabulous. I'm a lucky man to have married Laura Bush. She just said, "Make sure you remember there's others on the stage who need to talk too." [Laughter] In other words, "Keep it short." But I'm just getting wound up. I've got a couple other things I want to share with you.

Congress needs to hear from the people that this needs to be a permanent fix. I mean, when we sit down at the table, let's make sure we solve this problem once and for all. Now, in 1983, President Reagan, Tip O'Neill, Bob Dole, I think, other Members of the House and the Senate saw a problem. They came together, and they put

together what they call a 75-year fix. The problem is, we're about 22 years after 1983, not 75 years. The math is such that there's no such thing as a 75-year fix. They may tell you there's a 75-year fix, but there's not.

When we sit down at the table, my call to the United States Congress—and I know Senator McCain agrees with me on this—let's fix it once and for all. Let's do our duty and permanently fix Social Security.

I want to share one other idea with you, and then we're going to talk to our panelists here. It's an idea that I know that has been in the news. It's an idea to allow younger workers to take some of your own money and set it aside as a personal savings account. Let me tell you why I like this idea. First of all, it's voluntary. Nobody is saying to a younger worker, you must set aside a personal savings account. We're saying you can if you want to, take some of your payroll taxes and put it aside. After all, it's your money to begin with.

Secondly, a personal savings account in a conservative mix of bonds and stocks will yield a greater rate of return than money that—that your money is earning now. And that's important, because over time, that money grows. Over time, there's a compounding rate of interest. Let me give you an example. If you're a \$35,000-a-year worker over your lifetime, and you're allowed to put a third of your payroll taxes into a personal account, and you start saving at 21, by the time you retire, that account will have accumulated \$250,000. That will help you with retirement. See, money grows, and the better rate of return you get, the more the money grows. And the rate of return we're getting on your money now is abysmal compared to a mix of conservative bonds and stocks. And so, in other words, you get a better deal.

In order to fix permanent—Social Security permanently, there needs to be some things we've got to do, and I've laid them out on the table. But this is a way to make the system work better for the individual.

And I think we need to be thinking about the individual when it comes time to making the Social Security system work better, because if you allow a person to take some of their own money and it compounds with a rate of interest, it means the nest egg that person is going to have is going to be more closely tied—more closely resemble that which the Government—the promise the Government can't keep.

You see what I'm saying? In other words, when we fix the system, there're promises the Government has made that it can't keep. But one way to allow an individual worker, if they so choose, to have a retirement system that's closer to that promise is to allow that worker to get a better rate of return, a better compounding rate of return over time.

Secondly, I think if you own something, you have a vital stake in the future of the country. I think we ought to encourage ownership throughout America. I like the idea of people having their own account that they can manage themselves.

Thirdly, I like the idea of people from all walks of life being able to own an asset and pass it on to whomever they choose. That hasn't been the case throughout our history. If you think about the history of America, only a certain group of people have had assets they pass on. That's not the America I know. We want to encourage ownership throughout our—all our society. You know, they say, "Well, only certain people can invest; this is too difficult." I just don't agree with that. I don't agree there's only a certain investor class in America. I think a society that's a hopeful society is one that encourages all people to own and invest. Please don't tell me only a certain kind of person can invest.

You know how I know that that's not the case? We got this kind of plan already in place, the Federal employee Thrift Savings Plan. I'm not here on stage inventing something new; I'm here saying, if this is good enough for Federal employees to be able to take some of their own money and

set it aside in a conservative mix of bonds and stocks, it ought to be good enough for the worker who doesn't work for the Federal Government.

So that's what I think we ought to consider, for the sake of the worker. I think we ought to say, you know, there's a 401(k) culture in America—in other words, more and more people are investing their own money. They know what it's like. Why don't we extend this concept to make it available for younger workers, if they choose to do so. If a younger worker says, "Let me do this," it seems like to make a lot of sense to me for the Federal Government to say, "You bet. We'll give you an opportunity to make sure you get a better deal out of the Social Security system."

And so I'm looking forward to discussing this idea with members of both political parties. It's a powerful idea. A lot of people have thought about it before me. A lot of Republicans liked it; a lot of Democrats thought it was an interesting idea in the past; and it ought to be on the table.

Now, we've got some people with us who know—they know what they're talking about on this subject, starting with Lee Abdnor. Lee is right here to my left. Lee, tell us what you do.

[At this point, Leanne Abdnor, former member, President's Commission to Strengthen Social Security, made brief remarks.]

The President. What Lee is talking about is when we first got into office in 2001, I think it was, is I asked Senator Daniel Patrick Moynihan, former colleague of John McCain's and Jon Kyl's, from New York, Democrat Senator, to chair a panel on Social Security. I saw it was a problem; others saw it was a problem. And they put together—we put together a group of eight Republicans and eight Democrats who sat down at the table and said, "Why don't we come up with some ideas for Congress to look at."

First of all, I appreciate the spirit. If you noticed, eight Democrats and eight Republicans sat down at the table to discuss things in a positive way. It wasn't to sit down and say, "My party is better than your party, or your party is deficient here." It was to sit down to say, "We care deeply about the future of the United States of America, and so why don't we sit down in the spirit of reform and discuss the issue."

And I want to thank you for serving on the panel, Lee. I presume there was no fistfights or anything else. [Laughter]

[Mrs. Abdnor made further remarks.]

The President. And one of the interesting things that came out of this Commission—there was a guy named Pozen on there; he's a Democrat fellow who put forth some interesting ideas that I know the Congress is looking at, and that we can make sure this system takes care of low-income retirees. In other words, there are ways to make sure the system is progressive. And I appreciated his suggestion, and it's an interesting idea that I know that some in the Senate are looking at and some in the House are looking at.

My point is, it doesn't matter who thinks of the idea. I think it's for the sake of the future of this country that people ought to sit down and put their ideas forward. Somebody who is willing to do so and somebody who understands the need to get the job done is Senator John McCain. I want to thank you. He and I have discussed this issue a lot, and so I'm confident in telling you he cares deeply about the issue and is willing to take the risk necessary to work with people of both parties to get this problem solved.

Welcome, Senator.

[Senator John McCain made brief remarks.]

The President. Thanks, John.

Joan Richardson—Joan, thank you for joining us. Appreciate you coming. Live right here in Tucson?

Joan Richardson. Yes, I do, Mr. President. Thank you.

The President. Nice place?

Mrs. Richardson. It's a pretty good place. I've been here 40 years.

The President. It seems like—40 years?

Mrs. Richardson. It's grown a little bit.

The President. Yes. It's a spectacular place. Tell us about your issues with the Social Security system, if you don't mind.

[*Mrs. Richardson, retiree, made further remarks.*]

The President. Listen, let me make sure people understand what Joan just said. She's working; she's putting money in the Social Security system. Her husband was too. He passed away. All the money he put into the system didn't go to Joan. She had a choice to make: Either take the survivor benefits as a result of his contributions or the check as a result of her own contributions, but not both. Think about the system. The husband dies early; all the money just disappears into the system. That's not fair, is it?

One reason why you ought to encourage—I think people ought to be allowed to take some of their own money and set it aside so it earns a better rate of return than their own money in the system, a nest egg they call their own, is to take care of situations like this.

Unfortunately, it happens quite often. And a personal account would certainly help, because the—in this case, the husband would have left it for Joan, and she would have something to live on. Now, you can't liquidate your personal account when you retire. It's the interest off your personal account that will complement your Social Security check, no matter how big or little it is, that you're getting from the Federal Government. That's important to remember. But as a pass-through to your family member, Joan could liquidate the account and have lived on that and helped her and her family.

So thanks for sharing that, Joan. I know it was hard, but you did a fine job. I appreciate you being here.

Mrs. Richardson. Thank you, sir.

The President. Mr. Jack Moore, straight out of Tucson, Arizona.

Jack Moore. Thank you, Mr. President.

The President. Welcome.

Mr. Moore. I have lived here in Tucson since 1947.

The President. Really?

Mr. Moore. Except for 2 years of military service.

The President. That must have been like—what was it like in 1947?

Mr. Moore. There were 48,000 people here in those days. [*Laughter*] I retired—

The President. Did they have a lot of airplanes at the—

Mr. Moore. No. [*Laughter*]

The President. No.

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

Mr. Moore. Today, I'm very grateful to have that safety net. But I'm also fully aware, sir, that this is not about me; it's about the 30-year-olds today and the children and the grandchildren today, of which I'm happy to say that two, wherever they are, Heather and Alicia—

The President. Don't hide now. There they are. Lousy seats. Wait a minute. [*Laughter*] You thought they would have got a better seat with their grandfather up here starring the way he is. [*Laughter*] Sorry about that. I'll talk to the advance man, you know. [*Laughter*] Blame it on the chamber. [*Laughter*]

Go ahead. This is a generational issue. Jack, do you have any concern that you're not going to get your check?

Mr. Moore. Oh, not a bit. This is not about me.

The President. I appreciate him understanding that. Some are concerned you're not going to get your check; I know that. Some seniors hear the debate, and all they think is, "Well, that just means old George

W. is going to make sure I don't get my check." That's just not the way it's going to work, folks. And Jack understands that. Once you understand that, if you've got your check here in Arizona, then do you know what the next question is going to be? Just like Jack, "What are you going to do for my grandkids? You've got a problem, Members of Congress, Mr. President; go fix it now so that we don't saddle my grandkids with an unnecessary burden."

I appreciate your spirit, Jack. Thank you.

Mr. Moore. Thank you, sir.

The President. Appreciate that.

Mr. Moore. And if I may, I appreciate you, sir, for your dedication and perseverance and taking on the hard issue such as updating Social Security.

The President. Well, let me tell you my theory on this—not my theory; my view. [Applause] Thank you all, but here's what I believe. I know the Senator believes this—I know Senators believe it; I know Members—these Members of the House believe it. Our job is not to pass problems on to future Presidents or future Congresses. That's not why we ran for office. We ran for office, and we said to the people, "When we see a problem, in good faith we will work together to solve it." That's what we said. This is a problem; now is the time for members of both political parties to work together to solve the problem so that a person like Jack says to Members of the Congress, both parties, "Job well done, you've done what we expected you to do."

Mary-Margaret Raymond, welcome.

Mary-Margaret Raymond. Thank you very much, Mr. President.

The President. I appreciate you being here.

Mrs. Raymond. Oh, my great pleasure.

The President. Well, this is a lot of fun, isn't it? [Laughter] It's not exactly what you thought you'd be doing last week, is it?

Mrs. Raymond. Yes.

The President. Oh, it was? Okay. [Laughter] Shows you what I don't know. [Laughter]

Mrs. Raymond. I've lived—I'm 84 years old, and I've lived in Tucson 80 years.

The President. Hold on for a minute, 80 years?

Mrs. Raymond. Yes.

The President. How many people lived back 80 years ago? [Laughter]

Mrs. Raymond. Well, I didn't go to the university 80 years ago, but when I went to the university, I majored in public administration, and the major thing we had to learn about was the Social Security Act, because it passed in 1935. And when I got a degree from the University of Arizona in 1942, during the Second World War, we learned the basic principles of the Social Security Act. And except for the tinkering that they've done with it, it hasn't changed much.

The President. Right, you're right.

Mrs. Raymond. That's not good. [Laughter] Your refrigerator has changed—[laughter]—your automobile has changed; your education principles have changed. So it's time to look into Social Security. I'm all for you.

I want to say this to my generation, particularly my generation of women: The President and everybody else concerned over this has said, if you're 55 years old and older, it's not going to make any change in what you get from the Social Security. Get off of your stick and quit worrying. What a waste of time. Get busy and learn about it.

The President. It sounds like you were well-educated at the university—are you pulling for the Wildcats in the basketball tournament?

Mrs. Raymond. You bet I'm for the Wildcats. I'm a darn good Wildcat.

I think that the Social Security Act, along with a lot of other things, has many good points. But it needs to be updated.

The President. I appreciate that.

Mrs. Raymond. And I think you are the person that can do it.

The President. Yes, ma'am. [Laughter] Thank you. Just tell your friends, I can't do it alone. That's why I'm traveling the country. I think this is my 17th State since the State of the Union Address. I'm enjoying getting out of Washington. I like coming to places—I like Tucson and talking to folks like Mary-Margaret, and I'm going to continue. It doesn't matter how long it takes for the—I'm going to work as hard as I can to tell the people, these are the facts. I'm not making anything up. These are the facts. And now is the time for people to come together to solve this problem.

Seniors have nothing to worry about. You're going to get your check. But younger folks, the ones they say aren't paying attention to politics—first of all, they are paying attention to politics. But, secondly, younger folks ought to be paying close attention to this issue. This is an issue that's going to affect your pocketbook. And that's why we asked Valerie Gallardo-Weller to join us. Valerie, welcome.

Valerie Gallardo-Weller. Thank you very much.

The President. Proud you're here. Thanks for coming. What are you doing these days? How are you—besides sitting on the stage with McCain, how are you occupying your time? [Laughter]

[Mrs. Gallardo-Weller, dispatcher, Southwest Gas Corp., Phoenix, AZ, made brief remarks.]

The President. Let me interrupt you there. I'm sorry to interrupt, but let me—I don't remember talking about 401(k)s when we were growing up. As a matter of fact, baby boomers like me really weren't thinking about what's now called a defined contribution plan. In other words, first of all, we never worried about Social Security. We never talked about Social Security. But we were never really thinking about setting aside retirement accounts which we would manage. In other words, when I was 33

years old, I don't think a lot of people my age were talking that way. And now you've got a 33-year-old sitting on the stage with the President saying, "I set up my own 401(k)." In other words, she's investing her own money.

Is that not true?

Mrs. Gallardo-Weller. My father made me. [Laughter]

The President. Sometimes dads impart knowledge. [Laughter] Girls, remember that, will you? Anyway—[laughter].

Mrs. Gallardo-Weller. And I do thank him for it. He's right there.

The President. There he is. Good job, Dad. You're just warming up. You're doing good.

[Mrs. Gallardo-Weller made further remarks.]

The President. It's a very interesting statement she just said. It's the new reality of the Social Security system. Do you realize—one time a young person walked up to me and talked about a survey that said young people in America thinks it's more likely they'll see a UFO than to get a Social Security check. [Laughter]

Senator McCain. On the issue of personal savings accounts, my friend, I think you should understand that not only do Federal workers but also Members of Congress can avail themselves of it. We can invest in one of five different groups. The average return of those five different groups over many years now has been between 6 and 9 percent. Compare that with the 1.8 percent that is the interest on the money that goes into the Treasury. My friends, this is not the solution to Social Security, but isn't it a way to help everyone's retirement and give them a much better kind of lifestyle than the one they would get under the present system? Private savings accounts work. They have been proven to work not only in America but all over the world, and we ought to really strongly support it.

The President. In other words, what the Senator says, you can't take your money and put it in the lottery. [Laughter] You've got a lottery here? You do? Well, you can't use it in the Arizona lottery. You put it in a conservative mix. In other words, there's a range of options. I don't know, are you comfortable with that concept?

Mrs. Gallardo-Weller. Actually, I am. In the 9 years that I've been putting in the most—maximum amount—I work for a good company that matches it, and I thank the Southwest Gas for that—but I've seen, even with the country and the economy going up and down, I've seen a positive rate of return.

The President. And do you get a quarterly statement of what—how do you catch up with—

Mrs. Gallardo-Weller. I do get a quarterly statement, and I can see where things are moving, and it's long term. My 401(k) is not something I'm putting in for now; it's long term. So, from what I understand, your plan pretty much does the same thing.

The President. Well, absolutely. You can't—in other words, if this is a part of a personal—personal accounts are part of the Social Security, you can't pull your money out until it comes time to retire. And then you can't pull out the capital; you pull out the interest and you live on it, and then you leave your money to whomever you want. That's the way it works. It is a long-term hold.

You know, how about the idea of younger folks on a quarterly basis watching their asset base? Now, think about that. Doesn't that make sense for Americans all across this country to open up their mail and say—watch their assets—"Here's my worth." This is a real asset as opposed to a promise that the Government may or may not be able to keep, but an asset, something you call your own.

And let me say one other thing. The more savings that we have available in our economy, the more money available for investment; the more money available for in-

vestment, the more our entrepreneurial spirit remains strong; and the stronger the entrepreneurial spirit, the more likely somebody is going to find a job. In other words, encouraging savings is good for our economy.

Listen, I want to thank our panelists. I want to thank you all for coming. I hope you found this to be as interesting a discussion as I did. I hope you all take away from here this—a couple of things. One, if you're a senior, you're going to get your check. Two, we've got a problem for younger Americans. Three, now is the time to solve the problem. The longer we wait, the more difficult it is going to be to solve the problem. And four, there are some interesting ideas that empower the individual, that make the system better for the individual American.

I'm going to keep talking about it. I know the Senator is going to keep talking about it. You talk about it. You talk about it to your friends and neighbors. This is an issue that the American people will—help decide the future on this issue. I'm absolutely convinced of it, because once the Members of Congress hear from the people that there is a serious problem, the next question from the people is going to be, "What are you going to do about it?" And the Members here—that are here and the Senators that are here, we're ready to work with people to get it done.

I want to thank you for giving us a chance to come and discuss this issue. I want to thank the chamber. God bless you all.

NOTE: The President spoke at 11:45 a.m. at the Tucson Convention Center. In his remarks, he referred to Mayor Bob Walkup of Tucson, AZ; Arizona Secretary of State Janice K. Brewer; Ken Bennett, president, Arizona State Senate; James P. Weiers, speaker, Arizona State House of Representatives; Steve Touche, chairman of the board, and John C. "Jack" Camper, president, Tucson Metropolitan Chamber of Commerce; Ken

Kendrick, lead general partner, Arizona Diamondbacks; Robert and Mary Schindler, parents of Theresa Marie Schiavo, Florida hospice patient who was receiving nutrition and hydration by tube until it was withheld

by court order on March 18; former Senator Bob Dole; and Robert C. Pozen, former member, President's Commission to Strengthen Social Security.

Remarks in a Discussion on Strengthening Social Security in Denver, Colorado

March 21, 2005

The President. Thanks for coming. Thanks for the warm welcome. Thanks for greeting me and Senator McCain. He's up here to claim some water, he said. [*Laughter*]

Audience members. Oo-o-oh!

The President. Never mind. Just an inside joke that didn't work. [*Laughter*] But we appreciate you coming today. We're going to have a serious dialog on Social Security. It's an issue that requires a lot of dialog and a lot of discussion. And so I want to thank our panelists for joining us. I want to thank you all for your interest in this subject.

Before I begin, I do want to thank Governor Bill Owens and Frances for joining us today. Good to see you all. Congressman Bob Beauprez is with us. Good to see you, Congressman. Thank you, sir. Congressman Joel Hefley from down the road is with us. Lieutenant Governor Jane Norton is with us. Thanks for coming. The attorney general of the great State of Colorado is with us; thanks for coming, General Suthers. Mark Hillman is with us; Joe Stengel is with us; a lot of people are with us. We appreciate you being here.

I hope you've been as impressed by the spread of freedom as I've been. We believe in America that freedom is not America's gift to the world, but it's the Almighty's gift to every person in the world. That's what we believe. And we shouldn't be surprised. I know some of us were surprised, but we shouldn't be surprised when people

are willing to take risk for freedom. If you believe that freedom is etched in every person's soul, then you understand why, in Afghanistan, for example, millions of people, after having been freed from the Taliban, were willing to go to the polls, were willing to say, "We're free, and we want to exercise our right."

The same thing happened in Ukraine. The same thing happened in the Palestinian Territories when they voted for President Abbas. I believe he's committed to democracy. I believe the march of freedom will extend to the Palestinian Territories so that our friend Israel will have a partner in peace, a true democracy in the Palestinian country.

John recently went to Iraq. He was telling me what amazing place Iraq now is. How many times you been there? Two or three times—twice. Things have changed, and things changed not because, necessarily, our decisions; things changed because of courageous Iraqis that were willing to go to the polls in the face of incredible threat, but they wouldn't be denied because people do want to be free.

And it's important for the youngsters here to understand that the march of freedom will yield peace, the peace we want. Free societies are peaceful societies; free societies are hopeful societies; free societies are the best way to defeat the dark vision of the terrorists. And so for the next 4 years, I look forward to working with