

Remarks in a Discussion on Strengthening Social Security in Milwaukee,  
Wisconsin  
May 19, 2005

*The President.* Thank you all very much. Pleased be seated. Thanks for coming. Thanks for the warm welcome. Dennis, thank you very much. I'm so honored that the MMAC would host this reception—or this conversation. Thanks for coming. And I appreciate Tim Sheehy as well, the president. I thank the members who are here for allowing me to come by and have a conversation with some of your fellow citizens about an incredibly important topic, and that is the Social Security system.

But before I get there, I've got some other things I want to say, if you don't mind. [*Laughter*] First, I'm sorry Laura is not traveling with me today. She is—you probably think she's home preparing a few one-liners. [*Laughter*] She's not; she's home packing her bags. She is off to Jordan and Egypt and Israel to represent our country. I can't think of a better representative than Laura Bush. She's going to help advance the freedom agenda, which is really the peace agenda. The more freedom there is in the world, the more this world will be a peaceful world.

It's been an incredible time. It's been an amazing time, hasn't it, to watch and to see these people around the world demanding their freedom. And it's such an honor to be a part of helping people realize the great potential of a free society. It was an amazing moment to stand in Georgia—Tbilisi, Georgia, in front of over 150,000 people that were so thrilled to see a representative of the United States, and they were thrilled to see us there because we stand for freedom and human dignity and the belief that everybody counts and that you ought to be able to worship freely. I hope you take great pride in what America stands for and know that, as we spread not American values but God-given values

around the world, this world is a better place.

I want to thank Congressman Paul Ryan. He's one of the bright lights in the United States Congress, a very sharp guy. He jumped on Air Force One—easy ride home, right, Ryan? [*Laughter*] Are you going back? Oh, he is going back. Good. But we spent a lot of time talking about this issue. He's a smart guy and cares a lot about the Social Security issue. I really appreciate you taking time out to come and hear this discussion.

I want to thank Andrew Ziegler, the president of the Milwaukee Art Museum, and David Gordon for letting us come by. What a fantastic building. I mean, it's really—I know you're incredibly proud of this fantastic facility, and I know the citizens of Milwaukee support it strongly, as you should. So thanks for letting us come by and use this facility. It's a—look at it this way, it's a chance to show it off for the world, to the extent the world is watching C-SPAN.

I had an amazing experience. I stopped by a business here called OnMilwaukee.com—[*applause*]—a little bit of a following. Things are catching on. I rode over here with Jeff Sherman and Andy Tarnoff, two young guys, Milwaukee citizens who started this company, entrepreneurs who took risk and have put out a product people obviously want. It's a fast-growing little business. I met our participants over there to talk about what we're going to do here, but also, I love to see entrepreneurs. You know, part of the role of Government is to create an environment in which people are willing to take risk and—which means low taxes, reasonable regulation. We've got to get rid of all these junk lawsuits that are threatening small businesses, the job creators. But I want to

thank Andy and Jeff and their employees or associates for welcoming me there. And it was—thanks for putting me on the front page of today's addition. *[Laughter]*

I also want to welcome Jack Voight, the State treasurer, and the State Senate majority leader, Dale Schultz. Hey, Dale, tell your wife hello. We traveled on a bus together.

Let me start off on Social Security by saying this: Franklin Roosevelt did a smart thing in setting up a safety net for people who, when they retired, would know they would be able to more likely live in dignity upon retirement. He did a smart thing. And it worked. Social Security worked for a long time. As a matter of fact, I fully understand that right here in the State of Wisconsin, a lot of people are counting on the Social Security check. In other words, Social Security is really important for a lot of people's lives. In my home State of Texas, a lot of people rely solely on their Social Security check.

And as we discuss Social Security, it's important for the people of Milwaukee to understand and Wisconsin to understand that this discussion we're having really is not about you, but it's about your children and your grandchildren, because I can look in the camera and say with absolute certainty, "If you're on Social Security today, nothing will change. You will get your check." The system is solvent enough—the system is solvent for people born before 1950.

The reason I have to say that is because many of you are aware of what takes place in politics. People say the darndest things to try to change people's opinions. They might say, "If old so-and-so gets elected, you're not going to get your Social Security check." In other words, people have been using Social Security to scare seniors to vote one way or the other for a long period of time. And so therefore, when I'm talking about the reform, I want you to recognize, one, Social Security is important, and two,

if you're a senior, you have nothing to worry about. You will get your check.

But if you've got a grandchild, you've got plenty to worry about if you care about your children and your grandchildren. And here's why—here's why. There's a lot of us getting ready to retire. We're called baby boomers. I'm one. As a matter of fact, my retirement age is in 2008. *[Laughter]* I turn 62 in 2008; it's kind of convenient. *[Laughter]* And there's a lot of us. As a matter of fact, by the time the baby boomers fully retire, there's going to be over 70 million of us. That's compared to 40-some odd million today. So the number of retirees that the system will have to take care of is increasing dramatically, and we're living longer.

A lot of baby boomers have been working out and taking care of our bodies, making good choices, and medicine is better, and we're living longer. It's just a fact. We're living longer than the previous generation, and we've been promised greater benefits. People were running for office saying, "Vote for me. I'm going to give you more benefits when it comes to Social Security." And sure enough, they got elected, and they kept their promise. And so you've got a lot of people getting ready to retire who are living longer who are getting greater benefits, and fewer people paying into the system.

In 1950, there was, like, 15 workers to one beneficiary. In other words, you had a lot of workers relative to the number of beneficiaries. Today, there's 3.3 workers per beneficiary. Relatively quickly, it will be two workers per beneficiary—fewer people paying greater benefits to a greater number of people who are living longer.

Now, secondly, Social Security is not a savings account. In my travels around the country, I hear people say, "Why don't you just give us the money back we put in?" But that's not the way Social Security works. It's a pay-as-you-go system. You pay; we go ahead and spend. *[Laughter]* You pay through payroll taxes. We spend on

paying for the beneficiaries, the retirees for that year. But if we've got any money left over, we didn't save it for you. We spent it on Government. That's the way it works. It's a pay-as-you-go. And then there's—all that's left over is a file cabinet full of IOUs. I have seen the file cabinet in West Virginia firsthand, and I saw all the IOUs. But the system is not the kind of system where we're holding the money for you. That's not the way it works. We're spending your money and left behind some paper that can only be good if the Government decides to redeem the paper. That's a pay-as-you-go system.

The pay-as-you-go system starts to go in the red, because it's going to pay out more in benefits than it collects in taxes, in 2017. That's 12 years from now. If you've got a 6-year-old child, that will be about the time your child starts to drive, if the driving age is 18 here in Wisconsin. In 2027—and by the way, the situation gets worse every year, fewer people paying in for more beneficiaries. In 2017, the system will be \$200 billion for that year in the red. I don't know where they're going to get the money. Every year it gets worse. In 2032, it's like \$300 billion in the red. In 2041, it's bust.

Now, if you're a senior, you have nothing to worry about because it's got plenty of money for you. But if you're a young worker, a young entrepreneur, a young mom paying into the system, you're paying into a bankrupt system unless the United States Congress decides to act.

Now, I see a problem. I fully recognize that some in Washington don't see a problem. They'd rather kind of sweep this issue under the rug. But that's not the job of the President. The job of the President is to confront problems and not pass those problems on to another President or another Congress or another generation. And I realize if we don't act, it's going to cost \$600 billion a year because of inaction. And I realize if we don't act, we're liable to saddle a younger generation of Americans

with an 18-percent payroll tax to make good for the promises that you've made for me. And that's not fair, and that's not right.

And so I went in front of the Congress and said, "We got a problem." I said it at the State of the Union. I also told the leadership that I plan on campaigning on this issue, in other words traveling the country doing exactly what we're doing here, making it perfectly clear to the American people we have a problem. Guess what. They now know we got a problem. And that's bad news for people in Washington, DC, who would rather do nothing, because once the people figure out we got a problem, the next question they're going to say to Members of the United States Congress is, "What do you intend to do about it?"

Now, I have an obligation to do more than just say we got a problem. I've got an obligation to say, "Here's some ideas that we got to work on." First, anything we do, we got to make sure that future generations receive benefits equal to or greater than benefits enjoyed by today's seniors. I think that's a reasonable principle.

Secondly, I believe that—I know we can solve a lot of the issue by embracing what's called progressive indexing of benefits. It's a long word, fancy words for this. Here's what happens: The promises Congress has made says that your benefits will raise—rise based upon wage increases. If you were to say to the upper income folks, "Your benefits will raise—rise based upon inflation," you've gone a long way to solving the solvency problem. It sounds simple, but it basically means that poor people won't have to retire into poverty, and the wealthier people in America will get benefits that increase with the rate of inflation—for people born prior to 1950—I mean, after 1950.

That progressive indexing plan does a couple of things. One, I think it is an important principle to say to somebody who has been working all their life in a hard

job that you're not going to retire into poverty. America can make that promise, and it's a promise we ought to make for people. It makes sense. We want our people retiring with dignity. That's one way to make the Social Security system better.

But it also makes sense to say to somebody who doesn't think they're going to see any benefits anyway, "You're going to get benefits. They're just not going to grow quite as fast. They'll grow. They're going to be bigger—equal to or bigger than their previous generation. They're just not going to be quite as big as the Government promised you—that politicians promised you. They'll be bigger, but for the sake of solvency and permanency, if we don't do this, you're going to be saddled with a \$200-billion-a-year bill in 2027." In other words, there's a reasonable approach that I'm confident that Congress, if it takes a look at, will see it is reasonable.

Now, we've got to come together and solve other problems to make sure we permanently solve the issue. I keep saying "permanently" because I remember in 1983 when President Reagan and Speaker O'Neill, in the spirit of bipartisanship, said, "We got a problem with Social Security," and they came together and said, "We're going to put out a 75-year fix." The problem is, we're now 22 years later, and that 75-year fix didn't stick. In other words, if we're going to sit down at the table, let's get it done forever. Let's say to a younger generation of Americans, we're going to permanently solve the Social Security issue so you can grow up with peace of mind.

I'm almost through. I think as we permanently fix the system, there's an opportunity—I know there's an opportunity to make the system a better deal for younger workers. And so I've asked Congress to consider this idea: Younger workers ought to be allowed to take some of their own payroll taxes, if they so choose, and set up a personal savings account. Some of the taxes will be in a—that they pay; after all, it's their money that they're paying—they

ought to be allowed to take some of their money and set up a personal savings account.

Here are the benefits for doing that. One, the Government does a lousy job on getting a good rate of return on your money. As a matter of fact, people calculate that in the Social Security system you earn about 1.8 percent on your money. That's not a very good deal. You see, if you have a personal savings account, you could do a lot better than 1.8 percent. A conservative mix of bonds and stocks, you can get up to 7 or 8 percent. Four percent—if you're only in T-bills, you do better than 1.8 percent. And it's that difference in interest that, over time, compounds that means a lot.

In other words, if you start setting aside money, with a decent rate of return, it grows over time; it compounds. And it's that power of compound interest which younger workers ought to be allowed to take advantage of. But the system today doesn't let them take advantage of that.

So let me give you an example. If you're a 20-year-old mom earning \$8 an hour over the career and you're allowed to take a third of your payroll taxes and put it in a conservative mix of bonds and stocks, by the time that person retires, she would have a \$100,000 nest egg. See, that's the power of compound interest.

Here's another interesting example for you. Say you've got a child and that child decides to become a police force [policeman]\*, marries a nurse. They're in the workplace in 2011, and they work their entire careers. They set aside money based upon the average salary of a policeman and nurse. By the time they retired at 65, they would have a \$669,000 nest egg.

That's what money does when it grows. That's what happens, and people ought to be allowed to take advantage of that, if they choose. The Government is not saying, "You have to set up a personal retirement."

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\* White House correction.

I fully understand some people might not feel comfortable about putting their money in bonds and stocks. I know that. That's why this is a personal savings account, a voluntary personal account. Government is not saying, "You must do this." They're saying, "If you so choose, you should be allowed to make that decision."

And a lot of people are going to make that decision. You know why? The world has changed when it comes to investors. We're about to talk to some young investors. I can assure you, when I was their age, I wasn't spending much time thinking about 401(k)s. They didn't exist. There wasn't a lot of talk about people running—you know, "How's your IRA doing?" They didn't exist. The whole notion of people being—entrusting people with their money and watching it grow is changing. The culture is changing. The investor class is no longer confined to just a few people. The investor class is varied, and we ought to have policies in place that encourage every American to become an owner and investor and watch their assets grow.

Laura said, "Don't get too long-winded," but it's not working. [Laughter] A couple of other points I want to make, the system is inherently unfair to some. If you and your spouse are working and both of you contributing in the Social Security system and one of you die early, when you turn 62, you get a choice to make. You can either take the benefits accrued in the Social Security system to you or to your husband but not both.

Think about that. Somebody has worked all their life, contributed to the system, dies early, and the money just disappears. That doesn't seem fair to me. That doesn't seem fair to me that fellow Americans working all his or her life, contributing in the system, and then dies early, and the surviving spouse gets a burial benefit and, at 62, gets the greater of the benefit structure but not both. It's not fair. If you allow a younger worker to set aside money and watch that asset base grow, you're really

saying, "If something bad happens to you, you can pass that asset on to your surviving spouse." I like the idea of having—giving the capacity to a lot of people to be able to transfer assets from one generation to the next. That's what America is about.

Before we get to our panel, a couple of other points. One, you can't take your money and put it in the lottery. In other words, this isn't one of these deals where it's a—you can take it and put it in high-flyers. This is a retirement fund. This is a safety net. Therefore, there's going to be a conservative mix of bonds and stocks available for you to choose from. You can mix it up between bonds and stocks and T-bills any way you want, but you cannot take your money to the track. In other words, it's a safety net. There will be guidelines.

Secondly, there will be fee structures that are reasonable. Wall Street can't rip you off in this deal. I'm sure you've heard people say, "Oh, Bush's plan, it's going to give Wall Street a windfall." Wait a minute. There are all kinds of public retirement funds that exist around the country where the fee structures are reasonable managed. You'll be treated fairly.

Speaking about that, all kinds of retirement systems around, I don't know if you know this or not, but the United States Congress took a look at this idea in what's called the Thrift Savings Plan. That's the Federal savings plan. And they thought about maybe giving somebody the option of putting their money in a conservative mix of bonds and stocks because they—the people who vote on that must have recognized the power of compound interest. And guess what happened. They adopted a plan that says Members of the United States Congress, if they so choose, can take some of their own money and set it aside in a conservative portfolio of bonds and stocks. Here's my attitude about that—and it should be the attitude of the American people—if setting aside money so it can grow better in a conservative mix of bonds

and stocks is okay for United States Senators, it ought to be okay for workers all across America.

Ready to go? I think we're going to get something done. I really do. I think the American people understand we've got a problem. I think seniors are now beginning to understand all the scare tactics, all the propaganda, is just that. And they're going to get their checks. And finally, the final part of this equation is, there's a lot of young Americans who are beginning to pay attention to this issue and say, "Wait a minute. I'm not contributing hard-earned money into a system that's going broke, and I don't like what I hear, and I expect members of both political parties to set aside their parties and focus on the good of the United States of America."

I want to thank you all for coming. First, we're going to start off with Jeff Brown. Jeff is what we call an expert—right?

*Jeffrey R. Brown.* I'll take that description.

*The President.* That's right. Tell us what you do. This isn't the first time we've been together, by the way. He's a fine lad.

*Dr. Brown.* Thank you, Mr. President. I'm a professor—I don't know if I should admit it here, but I'm at the University of Illinois. And—[*laughter*].

*The President.* He's sensitive. [*Laughter*]  
[At this point, Dr. Brown, assistant professor, Department of Finance, University of Illinois at Urbana-Champaign, Champaign, IL, made further remarks.]

*The President.* Are students paying attention to the issue?

*Dr. Brown.* They certainly are after they get done with my classes. [*Laughter*]

*The President.* Thanks, Jeff. Thanks for coming.

I like to remind people, he's a Ph.D., and I was a C student. [*Laughter*] I want you to take note of who's the President and who's the adviser. [*Laughter*]

Right, Bobby? Bobby Kraft. Welcome, Bobby.

*Robert Kraft.* Thank you, Mr. President.

*The President.* What do you do?

*Mr. Kraft.* I'm president and CEO of a printing and a mailing services company here in Milwaukee, First Edge Solutions.

*The President.* Started it?

*Mr. Kraft.* Yes, 2 years ago.

*The President.* Congratulations. Entrepreneurial spirit is strong.

*Mr. Kraft.* Thank you. I learned that from my chairman over there, my dad. He—his company opened first; there are 450 employees.

*The President.* Great, fantastic. You and your dad have got the same hairstyle, I notice. [*Laughter*]

*Mr. Kraft.* Absolutely.

*The President.* Yes. Sorry, Bobby.

*Mr. Kraft.* It's been tough. It's been real tough.

*The President.* Yes, yes. [*Laughter*] Anyway, how many employees you got?

*Mr. Kraft.* We have 20 full-time employees.

*The President.* Good. Add any last year?

*Mr. Kraft.* Yes, we did.

*The President.* Do you realize—it's a little off the subject, but 70 percent of new jobs in America are created by small-business entrepreneurs. And I want to thank you, Bobby, for being a small-business entrepreneur.

*Mr. Kraft.* Thank you, Mr. President.

*The President.* I asked the same question to—OnMilwaukee.com. They added some employees last year too. It's a good sign, young entrepreneurs taking risks, building businesses, and employing people.

Now, Bobby, tell me—you're here on Social Security.

*Mr. Kraft.* Correct.

*The President.* Why? Besides the fact you got invited, and you wanted to see the art museum. [*Laughter*]

*Mr. Kraft.* Before I got into printing, I did have a short stint as an investment adviser. And the first thing I learned getting

into the industry and studying all the financial books is that don't count on Social Security to be there. We take that same level of education, and we teach our employees that they need to take advantage of the 401(k) we put in place for them because of the fact, the way the Social Security system is set up, we cannot count on that to be here.

*The President.* Yes, let me stop you. Young guy sitting here in Milwaukee, Wisconsin, in front of the President, "Don't count on Social Security to be there." A lot of people feeling that way here in America. What I'm telling you is, if we can get the United States Congress to listen to you, we can put a plan in place to make sure Social Security is there.

Keep going, Bobby.

*Mr. Kraft.* Keep going?

*The President.* It's got to be a little depressing to be paying small-business rates, small-business payroll taxes into a system where you say, "It's not going to be there." That's not good Government—ask people to work hard, pay a payroll tax, and have people think—a lot of people think it's not going to be around. That's the problem. That's the issue. If you're a senior, you're going to get your check. Bobby is a little worried about his.

Keep going.

[*Mr. Kraft made further remarks.*]

*The President.* I appreciate that. So Bobby just said he's setting up a plan that says to his workers, you can watch your money grow. In other words, we want you to have a retirement system called a 401(k). Appreciate you setting it up.

But part of what we're talking about is an educational process. I understand that. You know, Bobby said some people going around the water cooler aren't so sure they want to take risks with the money. It's managed risk. It's certainly not an overwhelming risk. And my attitude about that is, if you're nervous about it, stay in the system. Stay in the system as is. If not,

you'll get some Social Security benefits, but you're also going to get the benefit of owning your own money and watching it grow. And then when you retire, you'll have a nest egg—by the way, a nest egg that doesn't end up in a file cabinet in West Virginia, a nest egg you call your own that the United States Government cannot take away from you.

Keep going, Bobby.

*Mr. Kraft.* Okay, thank you. You know, really the disheartening thing for us as employers is talking to our employees who are working paycheck to paycheck at times and telling them that the percentage of tax that's being yanked from their check every time is going really to nowhere, and they're not able to grow it at all. And that's not fun to tell one of your employees that, that you can't count on that. Because we prefer to work on an optimistic basis, growing a company, being entrepreneurial, you take risks and you understand how to mitigate them. But at the same time, when you know that part of your employees' checks are going to be just going really to something that you can't count on, there's not a lot of confidence out there.

*The President.* I appreciate you. That's the problem. That's the issue. It's the issue confronting people in the Democrat Party, issue confronting people in the Republican Party. And the fundamental question in Washington, DC, is, is there the political will to do what's right, to answer the question Bobby just brought up, and that is, how can you look a worker in the eye and say, "You're working hard. You're contributing in a system that's going bankrupt." Now is the time to get after it and solve this problem once and for all.

Bobby, thanks for coming. Very articulate. Good luck in your business. Glad you're here.

*Mr. Kraft.* Thank you, Mr. President.

*The President.* Christy Paavola.

*Christy Paavola.* Yes.

*The President.* College senior.

*Ms. Paavola.* Yes, I am, at Concordia University, Wisconsin.

*The President.* Yes, actually, I've been there.

*Ms. Paavola.* Yes?

*The President.* Yes. It's a great place.

*Ms. Paavola.* We think so.

*The President.* Beautiful campus. So when will you graduate?

*Ms. Paavola.* May 2006.

*The President.* Got another year to go.

*Ms. Paavola.* Yes.

*The President.* Are you out of school now?

*Ms. Paavola.* What?

*The President.* I mean, summer—a little summer break.

*Ms. Paavola.* Yes. Yes, we just finished Friday.

*The President.* Good. Well, congratulations. All A's?

*Ms. Paavola.* Hopeful.

*The President.* Yes—[laughter]—"None of your business, Mr. President." [Laughter] What would you like to do upon graduation?

*Ms. Paavola.* I would like to teach in the Lutheran schools for the Lutheran Church, Missouri Synod.

*The President.* Awesome. Yes, good. Wants to be a teacher.

*Ms. Paavola.* Yes.

*The President.* Thanks for teaching. By the way, anybody who's looking for a way to contribute to society: Teach. And you don't have to be a classroom—you want to be a classroom teacher?

*Ms. Paavola.* Correct.

*The President.* Yes. You can mentor a child, by the way. That's teaching. You can help save a child's life by teaching him or her how to read. So I hope you do. Thanks for setting a good example.

*Ms. Paavola.* Thank you, Mr. President.

*The President.* So here you are, senior in college, sitting right next to the President of the United States. [Laughter]

*Ms. Paavola.* Yes. [Laughter]

*The President.* You got any thoughts about Social Security?

*Ms. Paavola.* Yes. I don't think it's going to be there when I retire, which is really scary.

*The President.* Interesting, isn't it? They took a survey amongst youngsters. Somebody explained to me, I didn't actually watch—see the survey, but I heard what the person said. He said more people are—that are Christy's age think they're more likely to see a UFO than get a Social Security check. [Laughter] Pretty frightening when you think about the fact that a lot of young people are going to be putting a lot of money into a system that may not be around. So we're sitting here with a senior in college saying, "I don't think the system is going to be around."

Got anything else you want to say?

*Ms. Paavola.* I really like the idea of personal savings accounts. I like the fact that I have control over my money, and I have the assurance of knowing that that money will be there when I retire.

*The President.* Yes, thanks. That's a pretty sophisticated point of view for a college senior. I appreciate it. I hope people your age are paying attention to the issue.

*Ms. Paavola.* Hopefully. It's an important issue.

*The President.* It's a huge issue. It's a huge issue when you think about working hard and putting payroll tax into a system that's going broke. Imagine that. Just say we just started anew, and I say, "All of you who want to contribute hard-earned money to a system that will be broke within 20 years, please raise your hand." Not a lot of contributors. You don't have the choice. But we've got a choice in Washington to do something about it. That's what the choice is, and I intend—[ap-  
plause].

Now is your chance. All kinds of cameras. [Laughter]

[*Ms. Paavola made further remarks.*]



*The President.* There you go. Well, I appreciate you coming.

*Ms. Paavola.* Thank you very much.

*The President.* You did a heck of a job. You deserve an "A." You'll have to carry it over for next year, though.

*Ms. Paavola.* Okay.

*The President.* Good job. Thanks for coming.

*Ms. Paavola.* Thank you.

*The President.* Andrea Marton, welcome.

*Andrea Marton.* Thank you. It's an honor to be here, Mr. President.

*The President.* Andrea, just a little bit about yourself.

*Ms. Marton.* Well, first of all, I'm assistant director at a preschool in Germantown, Rainbows End.

*The President.* Good. Got a child?

*Ms. Marton.* Yes, I do. He's three, and it's one of the hardest jobs I've ever had to do.

*The President.* Yes. Listen, Andrea is a single mom. Being a single mom is the hardest job in America. And I want to thank you for being a good mom. So you go to work. How is it?

*Ms. Marton.* I love it. I love being with kids. I love improving the future, and they are the future.

*The President.* You bet.

*Ms. Marton.* I come from a long line of teachers.

*The President.* Do you really?

*Ms. Marton.* Yes. Both my parents are teachers, and my grandfather was a teacher.

*The President.* Are they here?

*Ms. Marton.* Yes, they are—my parents. Yes, they are.

*The President.* Right here in the audience?

*Ms. Marton.* Yes, over there.

*Mr. Marton.* You're doing great, Andrea!

*The President.* What did he say?

*Ms. Marton.* I'm doing great.

*The President.* I'm not going to comment about your hair. [Laughter] Thanks for coming.

So, tell me, the Social Security issue interests you?

*Ms. Marton.* Yes. Well, being a single mother and part of the working poor, it's very important for me to have something to rely on. And with the current system in place, we look down the road and it's not going to be there. And if it is there, it's going to be real slim.

*The President.* You paying payroll taxes?

*Ms. Marton.* Oh, you better believe it. [Laughter]

*The President.* Do you feel it?

*Ms. Marton.* I don't see it.

*The President.* But you feel it.

*Ms. Marton.* Oh, yes.

*The President.* Well, you see why—you see what would have been and what wasn't when you get your check stub, right?

*Ms. Marton.* Right, right, right. So, for me, to have the option and the choice to put my money into something that I will see in the future, you know, is just great.

*The President.* Yes, see, it's an interesting thought, isn't it? A single mom sitting here saying she wants to be—have the opportunity to take some of her payroll taxes—you called yourself the working poor?

*Ms. Marton.* Yes, I did.

*The President.* Well, I hope that doesn't stay that way. Keep working.

*Ms. Marton.* I hope not either.

*The President.* Yes. But the point is, is that this issue affects people from all walks of life, all income levels. But how about—I gave the example of a single mom working an \$8 job all her life and is able to put aside a third of her payroll taxes and watch it grow in a reasonable rate of return. That person will end up with \$100,000, coupled with a Social Security system that will have her benefits grow with wages.

And see—and then all of a sudden, Andrea is sitting there with \$100,000 as part of her retirement plan that she can do with whatever she wants. In other words, you can use it for your retirement or drop it on the little one.

*Ms. Marton.* Exactly, and that's—

*The President.* The little guy.

*Ms. Marton.* Yes, Angelo is a big part of my life, and I want to make sure that not only my future is secure but his as well. And with this plan, I believe that it is a great option to put my money into a fund that will earn interest and will be there, and for the next 40 to 50 years that I work, I'm going to see it, because I deserve it.

*The President.* There you go. I couldn't have said it better myself. Thanks for coming.

Okay, finally, we've got Joel and Tonya Bruins.

*Tonya Bruins.* Hello.

*The President.* Fine, fine. Where do you all live?

*Joel Bruins.* Are you going to do the talking or do you want me to? *[Laughter]*

*The President.* It's like one of these couple talk show things, you know. *[Laughter]* What's your favorite color? Anyway—*[laughter]*.

*Mr. Bruins.* We live in Brandon, Wisconsin. I'm a dairy farmer. I'm a partner with both my brother, John, and my dad, Bill, which you met last year.

*The President.* Yes.

*Mr. Bruins.* And my uncle, Cal. And the name of the farm is Homeland Dairy. We milk about 500 cows. And—

*The President.* What's your job?

*Mr. Bruins.* I take care of the cows. I'm the herdsman.

*The President.* Herdsman, good.

*Mr. Bruins.* So any breeding and reproduction and calves and anything dealing with the cattle is what I take care of.

*The President.* Good, good.

*Mr. Bruins.* And personnel, I guess, I get into sometimes too. To all the 15 employees, they keep you on your toes.

*The President.* That's good. It's a good-size operation?

*Mr. Bruins.* Yes, very—it's a very good-size operation.

*The President.* Great. Tonya, you work?

*Mrs. Bruins.* Yes, I work at the National Bank of Waupan. I'm in the bookkeeping department there, and I also take care of all the ACH processing for the bank.

*The President.* Good. So you're familiar with finances?

*Mrs. Bruins.* Right.

*The President.* Give me your thoughts on Social Security. Dairy farmer sitting there—I can presume dairy farmers think about Social Security.

*[Mr. Bruins made further remarks.]*

*The President.* We've got a farmer right here, with his wife, Tonya, set up an IRA. It's pretty interesting, isn't it? In other words, this notion about investing—people watching their money is pretty well filtering through most of society. "Roth" is kind of a fancy word for dealing with tax going in and coming out, right?

*Mr. Bruins.* Right.

*The President.* Anyway, so, you all watch your investments grow?

*Mr. Bruins.* We watch them, yes, we do.

*The President.* Make the decision?

*Mr. Bruins.* Yes, we have made the decisions on it.

*The President.* Tonya, do you want to say something?

*Mrs. Bruins.* I'm also—my profit sharing plan at the bank allows me to control where I—what funds I want to put my—

*The President.* So you've got choices? How does it work?

*Mrs. Bruins.* Right, yes. We've got 15 different funds we can choose to invest in. You know, if we want to keep it high risk or low risk, it's our decision.

*The President.* Yes, see, it's an interesting idea, isn't it? The bank she works for, a little country bank, says, "Wait a minute, we're going to trust our employees to be able to make a decision with their own money about what to put the money in, 15 different options." Was it hard to learn about how to do that?

*Mrs. Bruins.* They keep us very well-informed. They have people that come in

every year and advisers we can talk to and learn from them.

*The President.* Yes, we do—there are some pockets of financial illiteracy in our country, but there's nothing like solving financial illiteracy when you're watching—when you're making decisions for your own money. You start asking questions; there's advisers, there's people around to help you make a rational decision what to do with your own money. And a good way to learn is when you're watching your own money grow.

And so you get, what, quarterly statements, monthly statements?

*Mrs. Bruins.* Quarterly.

*The President.* Quarterly statements?

*Mrs. Bruins.* Yes.

*The President.* Open it right up, sit down at the kitchen table and say, "Look at the—look what's happening here."

*Mrs. Bruins.* Yes. We also have the option to change funds whenever we want to. We can check them online at any time as well.

*The President.* Sure. Think about that, though. It sounds pretty simple, but isn't it—doesn't it make sense to have people from all walks of life opening up a quarterly statement to watch their assets? It certainly makes you pay attention to the decision Government makes. It is, to me, a healthy America when more people are able to say, "I'm watching my own assets." I like it when more Americans are owning their own home, owning their own business, and managing their own retirement plans. It's good for this country to have that kind of—  
[applause].

You've got the mic.

[*Mr. Bruins made further remarks.*]

*The President.* Yes, I appreciate that. By the way, one way to make sure families stay on the farm is to insist that the United States Congress get rid of the death tax forever.

Listen, I hope you've enjoyed this as much as I. I want to thank you all for coming. Good job. I'm just beginning this debate. I'm going to spend whatever time it takes to continue traveling this country and make it absolutely clear to the people, we've got a problem.

I will continue to reassure seniors who are counting on their Social Security check, you have nothing to worry about. You're going to get your check. I don't care what the mailers say, what the advertisements say. You will get your check. That's the pledge this Government has made, and it's a pledge we'll keep.

And I'm going to continue reminding youngsters that they need to get involved in this issue because if the United States Congress does not act, we have saddled a young generation with an incredible burden. And I don't think that's right. I think now is the time for people in Washington, DC, to set aside partisanship and come together and solve this issue one time and for all, for the good of the United States of America.

Thank you all for coming, and God bless.

NOTE: The President spoke at 11:25 a.m. at the Milwaukee Art Museum. In his remarks, he referred to Dennis Kuester, chairman, and Tim Sheehy, president, Metropolitan Milwaukee Association of Commerce; David Gordon, director and chief executive officer, Milwaukee Art Museum; and Jeff Sherman, co-owner and president, and Andy Tarnoff, co-owner and publisher, OnMilwaukee.com.

Message to the Congress on Continuation of the National Emergency  
Protecting the Development Fund for Iraq and Certain Other Property in  
Which Iraq Has an Interest

May 19, 2005

*To the Congress of the United States:*

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice to the *Federal Register* for publication. This notice states that the national emergency declared in Executive Order 13303 of May 22, 2003, as expanded in scope by Executive Order 13315 of August 28, 2003, modified in Executive Order 13350 of July 29, 2004, and further modified in Executive Order 13364 of November 29, 2004, is to continue in effect beyond May 22, 2005. The most recent notice continuing this emergency was published in the *Federal Register* on May 21, 2004 (69 *FR* 29409).

The threats of attachment or other judicial process against (i) the Development Fund for Iraq, (ii) Iraqi petroleum and petroleum products, and interests therein, and proceeds, obligations, or any financial in-

struments of any nature whatsoever arising from or related to the sale or marketing thereof, or (iii) any accounts, assets, investments, or any other property of any kind owned by, belonging to, or held by, on behalf of, or otherwise for the Central Bank of Iraq create obstacles to the orderly reconstruction of Iraq, the restoration and maintenance of peace and security in the country, and the development of political, administrative, and economic institutions in Iraq. Accordingly, these obstacles continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. For these reasons, I have determined that it is necessary to continue the national emergency protecting the Development Fund for Iraq, certain other property in which Iraq has an interest, and the Central Bank of Iraq, and to maintain in force the sanctions to respond to this threat.

GEORGE W. BUSH

The White House,  
May 19, 2005.

NOTE: The notice is listed in Appendix D at the end of this volume.

Message to the Congress Transmitting the “2005 Comprehensive Report  
on U.S. Trade and Investment Policy Toward Sub-Saharan Africa and  
Implementation of the African Growth and Opportunity Act”

May 19, 2005

*To the Congress of the United States:*

Consistent with title I of the Trade and Development Act of 2000, I am providing

a report prepared by my Administration, the “2005 Comprehensive Report on U.S. Trade and Investment Policy Toward Sub-