

NOTE: The President spoke at 9:55 a.m. on the South Lawn at the White House. In his remarks, he referred to entertainer Phil Vassar; Cpl. Visnu Gonzalez, USMC, son of Maria Baez; and Patricia, wife, and Ric, fa-

ther, of PO 3d Class Nathan B. Bruckenthal, USCG, who was killed in the northern Persian Gulf on April 24, 2004. The Military Spouse Day proclamation of May 5 is listed in Appendix D at the end of this volume.

## Remarks in a Discussion With President Martin Torrijos Espino of Panama May 6, 2008

*President Bush.* It's been my pleasure to welcome my friend, the President of Panama. Mr. President, welcome back. It's good to see you, sir. I can't thank you enough for your friendship and your leadership. Under your leadership, relations between the United States and Panama are strong and healthy and vibrant.

I'll never forget being your guest in your beautiful country and going to see the Panama Canal. It's a engineering marvel. And then when you shared with me your vision about the expansion of the Canal, I said, now here's a man who thinks big. And, in fact, not only do you think big, but you act. And the President has shared with me the expansion plans, the progress being made, and I congratulate you very much for that progress.

Secondly, we talked about trade. The Panamanian free trade vote is a priority of this Government. It is—it should be a priority of the United States Congress. The President has heard a lot of talk about whether or not trade bills will move or not. And I assured him that we will do everything in our capacity to move the trade bills, not only the Panamanian bill but the Colombian bill and the Korean bill. It's in this country's interest, Mr. President. I want to thank you for going up to the Hill to work the issue.

We talked about food prices. The President is deeply concerned about the cost of food for the citizens of his country. I expressed the same concerns. I told him that if there's any way that we can help

with food shortages, we'll try to help. And—but I appreciate your compassion and *corazon grande*.

And finally, we talked about drugs—*drogas*. And I assured him I understood that the drug issue is two way. One, that because too many of our citizens use drugs, it provides an avenue for the movement of drugs. And we've got to do a better job in America of reducing the demand for drugs. And we must also help our friends in the neighborhood deal with the suppliers of drugs. The President is committed to sharing intelligence and working closely—and so are we—working closely together to prevent drugs from being transhipped through Panama, which is bad for his country and bad for ours.

And there's a bill, a funding issue up on Congress called the Merida project, that not only works with Mexico but also works with our Central American friends, including Panama. It's a strategy designed by experts on both sides. It's a strategy that we're convinced will work. And I ask Congress to pass the Merida project in whole, as written.

And, Mr. President, I'm honored you're here, and I thank you again for coming.

*President Torrijos.* Thank you, Mr. President.

*President Bush.* *Bueno hombre.*

*President Torrijos.* Thank you, Mr. President. I want to thank you for your interest in the region—in Latin America. You have not only studied the problems of Latin

America, but you have visited Latin America. It's been part of your concern. And I want to thank you for your commitment on free trade and on the hopes that we can successfully conclude the—[*inaudible*—trade that we have together.

I want to thank you for the cooperation that we are experiencing in this difficult time regarding food prices and exchanging ideas, the projects that we have on the bilateral agenda—projects on education, projects on health—and of course, a mutual commitment of fighting drug trafficking in benefit of both countries and building the capacity of the region to be able to handle the problems related to drugs and crime.

So thank you, President. It's been really a privilege, the friendship that Panama has with the United States. And we hope that this success story of Panama and the United States solving the issue of the Panama Canal, and now looking forward for the future of the canal expansion, it's something that we always keep in mind of how we can build a mutual future.

*President Bush.* Thank you, sir. *Gracias.*

*President Torrijos.* Thank you.

*President Bush.* Yes. Thank you.

NOTE: The President spoke at 3:07 p.m. in the Oval Office at the White House.

## Message to the Senate Transmitting the Iceland-United States Taxation Convention

May 6, 2008

*To the Senate of the United States:*

I transmit herewith, for Senate advice and consent to ratification, the Convention Between the Government of the United States of America and the Government of Iceland for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, and accompanying Protocol, signed on October 23, 2007, at Washington, D.C. (the “proposed Treaty”). The proposed Treaty would replace the existing income tax Convention with Iceland that was concluded in 1975 (the “existing Treaty”). Also transmitted for the information of the Senate is the report of the Department of State with respect to the proposed Treaty.

The proposed Treaty contains a comprehensive provision designed to prevent so-called treaty shopping. The existing Treaty contains no such protections, resulting in substantial abuse of the existing Treaty's provisions by third-country investors. The proposed Treaty also reflects changes to U.S. and Icelandic law and tax treaty policy since 1975.

I recommend that the Senate give early and favorable consideration to the proposed Treaty and give its advice and consent to ratification.

GEORGE W. BUSH

The White House,  
May 6, 2008.