

and Kim Guang Choel and Lee Seong Hee, who defected from North Korea, and their daughter, Kim Han-Mee.

Remarks on the National Economy and an Exchange With Reporters

April 28, 2006

The President. Thank you very much for joining us today. I'm joined by my two top White House economic advisers. The reason why is because we've had some very positive economic news today: The Commerce Department announced that our economy grew at an impressive 4.8 percent annual rate in the first quarter of this year. That's the fastest rate since 2003. This rapid growth is another sign that our economy is on the fast track.

The good news comes on the heels of two other important economic indicators reported earlier this week: New home sales surged forward by nearly 14 percent last month; consumer confidence reached its highest level since May of 2002. This confidence is largely driven by the many jobs being created in our country—5.1 million since August of 2003.

This good news cannot be taken for granted. With gas prices on the minds of Americans, we need to keep our foot on the pedal of this strong economy. The surest way to put the brakes on our economic growth would be to raise taxes or spend too much of the people's money here in Washington. That's why I'm going to continue to work with Congress to make the tax relief that helped spur this economic growth permanent. That's why I'm going to work with Congress to restrain the Federal Government's appetite for spending. And that's why I'm going to work with Congress to make this country less dependent on foreign sources of oil.

I commend America's workers and small-business owners, innovators and educators for contributing to the strong economic health of our Nation. I will continue to pursue progrowth policies so that opportunity reaches every American neighborhood and every American family.

With that, I'll be glad to take a couple of questions.

Q. Mr. President—

The President. Excuse me, please. Jennifer [Jennifer Loven, Associated Press].

Iran

Q. Thank you, sir. The IAEA says that Iran is not in compliance with the Security Council. What sort of sanctions do you—would you like to see and—that could bring Russia and Chinese support?

The President. The IAEA statement is an important statement. It reminds the nations of the world that there is an ongoing diplomatic effort to convince the Iranians to give up their nuclear weapons ambitions. It reminds—it should remind the Iranians that the world is united and concerned about their desire to have not only a nuclear weapon but the capacity to make a nuclear weapon or the knowledge to make a nuclear weapon, all of which we're working hard to convince them not to try to achieve.

I will consult and continue to consult with our allies on this issue. I spoke to Chancellor Merkel this morning about this issue. She will be coming to Washington next week. We will continue discussions about how we can continue to maintain a united front. It's very important for the Iranians to understand there's a common desire by a lot of nations in this world to convince them, peacefully convince them, that they ought to give up their weapons ambitions.

Steve [Steve Holland, Reuters].

Fuel/Energy

Q. Thank you, sir. You mentioned gas prices; would you go along with an effort by some Senate Republicans that could levy a significant tax on oil companies' profits? And does it bother you that the oil companies are racking up these record profits when people are paying \$3 a gallon?

The President. My attitude is that the oil companies need to be mindful that the American people expect them to reinvest their cash flows in such a way that it enhances our energy security. That means pipeline construction for natural gas deliveries. That means expansion of refineries. That means exploration in environmentally friendly ways. It also means investment in renewable sources of energy. And that's what the American people expect. They also expect to be

treated fairly at the pump, and that's why the Federal Trade Commission is going to monitor the situation very carefully to make sure the American people are treated fairly.

Q. So "no" to a tax on profits?

The President. Look, the temptation in Washington is to tax everything, and they spend the money—"they" being the people in Washington. The answer is, is for there to be strong reinvestment to make this country more secure from an energy perspective.

Listen, these oil prices are a wake-up call. We're dependent upon oil, and we need to get off oil. And the best way to do so is through technology. And I've been traveling the country talking about the need to develop alternative sources of energy, such as ethanol, and to spend money to advance technologies, such as new battery technology that will enable us to have plug-in hybrid vehicles. We signed a good energy bill a while ago, and that encouraged—for example, one thing it's got in there is a tax credit to encourage people to purchase hybrid vehicles so that the consumptive patterns of the American people change.

And the American people have got to understand that we're living in a global economy, and so when China and India demand more oil, it affects the price of gasoline at the pump. And therefore, it's important for us to diversify away from oil.

But it's also important for the people to understand that one of the reasons why the price is gasoline is up is, there's tight gasoline supplies. And one reason there's tight gasoline supplies is because we haven't built any new refineries since the 1970s. And therefore, Congress needs to provide regulatory relief so people can expand their refineries.

So it's a combination of people investing the cash flows, as well as regulatory relief to enhance the ability for people to achieve the objective, which is more gasoline on the market, which will help our consumers.

Dick Keil [Richard Keil, Bloomberg News].

Sudan

Q. Thank you, Mr. President. You have a meeting later today on Darfur, and the Sudanese Government continues to thwart efforts by the U.N. and other multinational or-

ganizations to take a firmer control of the situation there. Is there anything you can do to leverage the Sudanese Government, and what's your message to them?

The President. My message to them is, we expect there to be full compliance with the international desire for there to be peace in the Darfur region. We have taken the situation to the United Nations Security Council. My belief is that the AU forces that are on the ground—and by the way, we helped the AU forces get in there in the first place—we think that force needs to be expanded and blue-helmeted with the NATO overlay, with NATO help.

And so therefore, the message to the Sudanese Government is, we're very serious about getting this problem solved. We don't like it when we see women raped and brutalized. And we expect there to be a full effort by the Government to protect human life and human condition.

We also recognize there's a parallel political track taking place, and that we urge the rebels, as well as the Government to forge a consensus at Abuja, so that there is a way forward from this—from the impasse, political impasse that has taken place thus far in Sudan. There is a good go-by for people to look at, and that is the north-south agreement that this Government helped fashion under the leadership of Secretary of State Colin Powell as well as Special Envoy Jack Danforth. The north-south agreement shows that political solutions are possible.

And so we expect the Sudanese Government to be good-faith bargainers; we expect the rebels to be good-faith bargainers. But we also expect people to—particularly the Sudanese Government, to make a more concerted effort to control the Janjaweed and protect human life. The meeting today and the rallies around the country are a clear signal that the United States is committed to peace in Darfur.

Mark Smith [Associated Press Radio].

Iran

Q. Mr. President, let's come back to Iran, if we can. The Iranians have said they're going to ignore what happens at the U.N. Security Council. Doesn't that mean the diplomatic options are dwindling?

The President. No, I think the diplomatic options are just beginning. As you might recall, about 6 or 7 months ago, you were asking me questions about the United Nations Security Council vis-a-vis Iran, and now we're headed to the United Nations Security Council. And I look forward to working with all interested parties to make sure that there's a common voice.

Listen, the first thing that has to happen diplomatically for anything to be effective is that we all agree on the goal. And we've agreed on the goal, and that is the Iranians should not have a nuclear weapon, the capacity to make a nuclear weapon, or the knowledge as to how to make a nuclear weapon. And now that we've got the goal in mind, we're working on the tactics. And today's IAEA report should remind us all that the Iranian Government's intransigence is not acceptable.

David Gregory [NBC News].

Second-Term Agenda

Q. Mr. President, we're seeing some turnover and some change within your administration, and I wonder what it says about what you think is necessary to turn your Presidency around at this point?

The President. I think it's necessary to continue doing—to achieving results for the American people. We've got big challenges for this country, and I've got a strategy to deal with them.

The biggest challenge we face is winning the war on terror and to protect the American people. And we'll continue to keep on the offense, to keep the terrorists off balance, to find them and bring them to justice. And at the same time, we'll continue to work to spread democracy, understanding that democracy is the best way to defeat an ideology of hatred.

At home, it's important to make sure this economy continues to grow, and that's why I'm working with Congress to make the tax cuts permanent. I fully understand there are some here who would like the tax cuts to expire, or raise taxes. In my judgment, that would be bad for the economy. It would hurt small-business formation and hurt the entrepreneurial spirit. So I will continue to work

with Congress to make these tax cuts a real part of economic life for a long time coming.

And we've also got to be wise about spending. I issued a veto threat the other day because I was deeply concerned that the supplemental was getting out of hand. And I recognize that in order for us to cut the deficit in half, we've got to keep pro-growth economic policies in place, as well as control Federal spending.

I talked about the need for this country not to fear the future but to shape it. In other words, we shouldn't worry about competition from China and India. And because—we can outcompete those countries if we're wise about what we do here at home. And one of the most wise things we can do is to make sure our children have got the skills necessary to fill the jobs of the 21st century.

I've been talking about energy independence for a long period of time. You might remember, last summer, I was urging Congress to pass a comprehensive energy bill so that we could deal with conservation and new technologies and diversification. And so I'm going to keep working hard for the American people to get results.

By the way, we're in the midst of implementing now a Medicare bill which is helping our seniors a lot. And if you—if a senior has not signed up, I urge you to take a look at the Medicare prescription drug program, particularly if you're a low-income senior. It's an enormous benefit, and it's a necessary benefit.

So there's a lot to do today, but we'll continue to be results-oriented.

Martha Raddatz [ABC News].

Q. Sir, I'm sorry, but I asked you about your internal changes and what that says about how you think things need to be changed. They've been very public, your internal changes.

The President. Well, David, I'm a results-oriented person, and my job is to achieve things for the American people, positive results that make us more secure and more prosperous. And of course, I will have people by my side that work toward that objective.

Thank you for your penetrating question.

Q. Thank you.

The President. Plus, I'm not going to hire you, if that's what you were suggesting. [Laughter]

Q. I was not suggesting that. [Laughter]

The President. I would, except you can't pass the background check. [Laughter] Okay, an unnecessary cheap shot; I take it back. Martha.

Iran/Iraq

Q. You often say Iran is not Iraq.

The President. Yes, I do say that.

Q. There are many people who fear that this will turn into a military confrontation. Why is Iran not Iraq? There's WMD—

The President. Iraq went through 16 different Security Council resolutions. There was resolution after resolution after resolution. Iraq had invaded its neighbors. Iraq was shooting at U.S. aircraft. Iraq had actually used weapons of mass destruction on its people before. There's a difference between the two countries.

Iran's desire to have a nuclear weapon is dangerous, in my judgment. The diplomatic process is just starting.

Q. But when you talk about that, how many resolutions are you going to let go here? How far—

The President. We haven't had one yet.

Q. I know, but how far can you let them go? If you really fear that they're building a nuclear—

The President. Wait until we even get one resolution first, before you ask me about the second resolution. The diplomatic process is just beginning. We're forming a strong coalition of like-minded countries that believe that the Iranians should not have a nuclear weapon. And I've told the American people that diplomacy is my first choice, and it should be the first choice of every American President in order to solve a very difficult problem. There are significant differences between Iran and Iraq.

Kelly [Kelly O'Donnell, NBC News].

Spanish Version of National Anthem

Q. Mr. President, a cultural question for you. There is a version of the national anthem in Spanish now. Do you believe it will hold the same value if sung in Spanish as in English?

The President. No I don't.

Q. Why, sir?

The President. Because I think the national anthem ought to be sung in English. And I think people who want to be a citizen of this country ought to learn English, and they ought to learn to sing the national anthem in English.

Axelrod [Jim Axelrod, CBS].

Iran

Q. Mr. President.

The President. Yes.

Q. I just want to follow up one more time on Iran. Mr. Ahmadinejad was quoted this morning as saying, those who want to prevent Iranians from obtaining their right should "know that we do not give a damn," his words, sir, "about such resolutions."

The President. Okay.

Q. When you're talking about diplomacy, sir, a question of tactics at this point, not goals. If you have, for instance, Russia saying, they don't want a Chapter VII resolution, if you're dealing with a gentleman who uses this kind of rhetoric, what kind of tactics can you possibly come up with?

The President. I guess the first thing I would do is refer those comments to our partners and get their reaction, to see what they say, see how they react to those kind of comments. And I haven't had a chance to do that yet, since it just happened today. But I will continue to work with our friends and allies.

Listen, key—step one is to have a common goal. I know that sounds simple to you, probably, but it wasn't always that way. The world wasn't always of like mind that the Iranians were, you know, headed for a weapon, and that that would be a dangerous course of action. And now we are of like mind. And so we are in the stage now of formulating a strategy to achieve a diplomatic solution to this problem.

Q. But Mr. President, given everything you've been hearing from Mr. Ahmadinejad over the past several weeks and months, in your estimation, is this someone you can work with?

The President. That's going to be his choice, eventually. And it's going to be very important for Mr. Ahmadinejad to recognize

the world is united in our desire, and it's his choice to make.

Carl Cameron [FOX News].

Fuel

Q. Thank you, Mr. President, good morning.

The President. Thank you.

Q. Back to gas prices just a moment ago. Insofar as you directed some of your Cabinet this week to look into the possibility of price gouging, do you have a suspicion yourself, do you have evidence here at the White House, and should the American consumer believe that you think they're being ripped off?

The President. I have no evidence that there's any rip-off taking place, but it's the role of the Federal Trade Commission to assure me that my inclination and instincts is right. More importantly, it's up to the Federal Trade Commission to assure the American people that they're being treated fairly at the pump.

Let's see—Mark Smith.

Q. Another one?

The President. Oh, you already asked one?

Q. Call on my colleagues.

The President. Did you ask one?

Q. Yes, sir.

The President. Oh, you did ask one. [Laughter]

Q. It was a memorable question.

Q. Really a great question. [Laughter]

Q. Can I follow up on the energy question, Mr. President?

The President. No, you can't, because I just embarrassed myself by calling on Smith twice. [Laughter] That's right; it was that brilliant question. How could I forget?

VandeHei [Jim VandeHei, Washington Post].

Energy/Alternative Fuel Sources

Q. In talking about gas prices, in 2001, when you did your first energy policy and gas prices were about \$1.50, a lot of people were saying, you know, you have to push CAFE standards higher for the entire fleet of vehicles; you have to scrutinize oil companies more closely; you have to spend a lot more in alternative fuels than even you were

proposing. Do you have any regrets now that gas is \$3 that you didn't do enough in your first term to prevent these prices?

The President. As you know, in order for there to be a CAFE standard increase on cars, it requires congressional action. I think it's a good idea to give the President, through the Secretary of Transportation, the opportunity to raise CAFE standards, just like I did on light trucks. And we're spending—I think it's about \$10 billion since I've been President on alternative sources of energy, and we're making progress; we're close to some significant breakthroughs.

The point is, is that it's very important for us to diversify away from oil. You might remember when I first came in—I think the price of oil was like—I know it was below \$20, and it's all of a sudden—now that the price of oil is up, alternatives become much more economically viable, and therefore, I think the American people are going to see a lot of technological development happen quickly, which will enable people to have different options and different choices.

The hybrid vehicle has just hit the road recently, as you know. There's a big demand for hybrids. I think it makes sense to have tax credits to encourage people to buy hybrids. Increase in demand will cause producers to produce more. And as you know, that there's limitations on the number of—the amount of tax credit issued per manufacturer. I think we ought to just make sure the tax credit is applied to all people purchasing hybrid vehicles.

Herman [Ken Herman, Austin American-Statesman].

Dubai Holding LLC

Q. Thank you, sir.

The President. Yes. Glad to work you into a national press conference for the first time in a long time.

Q. Proud to be here, sir. Are there inherent and unavoidable risks in allowing the sale of a defense firm to interests owned by Dubai?

The President. That question has been looked at very carefully, has been analyzed by a CFIUS committee. I signed off on it this morning because I'm convinced, at the recommendation of the CFIUS committee,

as well as our military, that it's a sale that should go through.

April [April Ryan, American Urban Radio Networks].

Elections in New Orleans, LA

Q. Mr. President, some have questioned your efforts in having every vote count in this Nation, especially after the April 22d New Orleans elections. Now with that, what are you looking to do with the three sections of the Voting Rights Act that are set to expire in 2007? How are you planning to enhance those sections, because we understand that you want to study it prior to any passing of a bill by the Senate.

The President. I think I'm on record, as a matter of fact I'm pretty clearly on record, particularly at the Rosa Parks—signing of the Rosa Parks bill, that I'm for the extension of the Voting Rights Act, right?

Q. Yes, yes you are on record. But there is word that you want to enhance it, or people within your administration want to look at it to tweak it.

The President. I wanted to make sure the Voting Rights Act is strong and capable. I'm not exactly sure what you're talking about. But my statement is my statement: The Voting Rights Act ought to be extended. The Voting Rights Act is a very important part of the civil rights legislation. Everybody ought to be encouraged to vote. Voting is a valuable part of democracy, and we want people voting.

Q. Do you think it was valuable in April—for the April 22d elections in New Orleans?

The President. I'm not going to second-guess the Federal judge. I was just down there yesterday; I didn't hear much complaining about it, though, when I was there. And, obviously, it's a more difficult election with people scattered around, but the State worked very hard to encourage people to vote. And I was with Mayor Nagin and Governor Blanco, and the subject, frankly, didn't come up. That's not to say it's not on their minds. It's on Mayor Nagin's mind because he wants to win; he wants people voting.

But the State bent over backwards to encourage people to participate in the mayoral election, and it looked like the process, given the circumstances the city had been under,

pretty smooth process, which is not necessarily a given.

Yes, sir.

Emergency Management/Gulf Coast Recovery

Q. Mr. President, yesterday Senators Lieberman and Collins said they want to see FEMA abolished. I'd like you to comment on that. But also, with hurricane season only a month away, can you assure the American people that your Government has learned the lessons of Katrina?

The President. Thanks for the question. That was obviously on people's minds when I went down to New Orleans and Mississippi. The lessons of Katrina are very important. We've learned a lot here at the Federal level: One, there needs to be better coordination between local and State governments; secondly, that there needs to be a communications package that will be available to help deal with the situation that happened last time, which was total destruction of communications capabilities; third, that there needs to make sure that there is a law enforcement alternative in case there's a local—a breakdown of local law enforcement; fourthly, there needs to be a prepositioning of assets so that if a major storm were to come, we'd be able to move equipment in faster.

But most important, there needs to be a coordination and an understanding of the evacuation and relief plans. And I talked to the Mayor and both Governors that I met with yesterday about our seriousness in working with them to make sure that the plans are as effective as possible.

The communications, obviously, this time around are a lot better than last time around. And so the lessons are being learned. And my attitude toward the recommendations by Fran Townsend, who is a part of my administration, or the Congress is, we ought to take them all seriously. The objective is to respond to these natural disasters as well as we possibly can.

The other issue down there for New Orleans, of course, are the levees. And we've got money in the sup to make sure that these levees are pre-Katrina or better prior to June 1st. I think we'll achieve that objective. Additional money will be spent so that the levees

are improved significantly by September of '07. The levees are important—the rebuilding of the levees, or improving of the levees are very important to assure the people of New Orleans that if there is a storm, they're built to pre-Katrina levels, as least in the initial stage. But also, it's important to convince people that it's okay to risk capital in New Orleans.

The amazing thing in the area down there—I don't know if you all went with me—but it was—there's this totally different attitude from when we were there before, early on, obviously, after the storm. People are coming back. Sales taxes along the gulf coast of Mississippi are higher today than they were a year ago this date. And that's positive.

But look, there's still a lot of work to be done, a lot of reconstruction. The CDBG money—and it's very important for the Congress to pass the CDBG money I requested so that the housing issue can get—people can get back to rebuilding their homes. And Mississippi, the CDBG money will be coming out pretty quick; New Orleans, they've still got a little work. The Governor has proposed a plan that will be in front of the legislature, I think, this weekend. It's a very important step to getting this process moving.

And so, got a lot of work to do. But, yes, we're much more ready this time than last time. And we're taking very seriously the lessons learned from Katrina.

Q. Abolish FEMA?

The President. I've looked at all suggestions, but my attitude is, let's make it work. We're about 6 weeks away from—we're getting pretty close.

Who are you again? [*Laughter*]

Q. I got a few more, if you like.

The President. You've had a big day. [*Laughter*]

Q. That's three. That's three.

The President. Butting in once, called on unnecessarily once.

Cooper [Christopher Cooper, Wall Street Journal].

Emergency Response Preparation

Q. Yes, sir, regarding FEMA, do you think that they're prepared for the season? And is there any way to measure that at this point?

The President. I think preparation is—Chris, preparation is preparation at all levels of government. Most Governors will tell you that the main responsibility for disaster relief is at the State level. And the job of the Federal Government is to step in and help. And so Chertoff has been down there. Secretary Chertoff has been down there working with these local governments to review their plans and to analyze where the Federal Government can help if there's any breakdown whatsoever.

One of the key issues, of course, again, in New Orleans, is transportation. We remember those pictures of those buses—people looking to get out, and yet there were these buses in flooded areas. And so one of the areas where Homeland Security Department, working with the State and local governments, is to make sure there's a transportation plan that will work.

It's going to be interesting—let's pray—first of all, pray there's no hurricanes. That would be, like, step one. Step two, if one is coming, I suspect people are going to take hurricane warnings very seriously and that evacuation orders will be heeded very seriously. And so it's going to be a—and therefore, there's a need to make sure that the forecasting is accurate—and this is pretty much the way it is these days, been very accurate forecasting—and that the response by all of us is in a timely fashion to give people time to prepare.

But now is the time to put these plans in place, and we're doing it. And I feel pretty good about the coordination and the sessions that have been taking place down there. And as I understand, Secretary Chertoff will be going back down there again.

And, by the way, the plans are not just for New Orleans and Mississippi; they're for Alabama and Florida and Texas as well. In other words, it's for Hurricane Alley.

Yes. Dallas Morning News man [G. Robert Hillman, Dallas Morning News].

Immigration Reform

Q. Yes, Mr. President, on Monday, several million illegal immigrants, worried about some forms of immigration legislation in the Congress, are going to walk off the job and keep their kids home from schools. What is

your view of this call for a national boycott on Monday?

The President. I'm not a supporter of boycotts; I am a supporter of comprehensive immigration. I understand how difficult this issue is for some people here in Washington and around the country, but there is—my judgment, that enforcing our border requires a—and by the way, I think most Americans agree that we've got to enforce our border. I don't think there's any question about that—

Q. Do you think—

The President. Let me finish, please, Bob, thank you—that there needs to be interior enforcement as well. But I recognize it's hard to enforce the border and have interior enforcement if there is a smuggling network that's bringing people across and there's a forgery network that's providing people false documents. And therefore, I believe a temporary-worker program will make it easier to enforce the border, as well as have interior enforcement.

And if somebody is coming across to do a job on a temporary basis, they don't need to sneak across. They don't need a *coyote* to stuff them in the back of an 18-wheeler. They don't need to walk across the desert and risk their lives. And so a rational way to make sure our border is enforced is to have a temporary-worker program. And that's what I support.

I think it's very important for people, when they do express themselves, they continue to do so in a peaceful way, in a respectful way—respectful of the—how highly charged this debate can become. One of the things that's very important is, when we debate this issue that we not lose our national soul. One of the great things about America is that we've been able to take people from all walks of life bound as one nation under God. And that's the challenge ahead of us.

And I look forward to working with members of both political parties to get a bill out of the United States Senate and into conference, which would then mean we have a chance to get a comprehensive bill to my desk. And I want a comprehensive bill, one that enforces the border, one that makes sure that we've got interior enforcement procedures in place that actually work, one that

provides a temporary-worker process for people, one that does not provide automatic citizenship—I don't think anybody really wants there to be automatic amnesty for people—one that allows somebody here to be able to get in—if they want to be a citizen, to be able to get in line, but not the front of the line but the back of the line.

And that's what I'm for, a comprehensive plan. I think we can get one done if people would set aside politics and focus on what's best for the United States of America.

Thank you for your time. I've enjoyed this. I will see you all tomorrow night, I guess. Looking forward to it. I hope you are as well.

NOTE: The President spoke at 11:47 a.m. in the Rose Garden at the White House. In his remarks, he referred to Edward P. Lazear, Chairman, Council of Economic Advisers; former Secretary of State Colin L. Powell; former Senator John C. "Jack" Danforth of Missouri; Chancellor Angela Merkel of Germany; President Mahmoud Ahmadinejad of Iran; Mayor C. Ray Nagin of New Orleans, LA; Gov. Kathleen Babineaux Blanco of Louisiana; and Gov. Haley Barbour of Mississippi.

Remarks Following a Meeting on Sudan

April 28, 2006

I just had an extraordinary conversation with fellow citizens from different faiths, all of who have come to urge our Government to continue to focus on saving lives in Sudan. They agree with thousands of our citizens—hundreds of thousands of our citizens—that genocide in Sudan is unacceptable.

And there will be rallies across our country to send a message to the Sudanese Government that the genocide must stop. Those rallies will also be an indication that thousands and hundreds of thousands of our citizens urge the world to unite with the United States in concerted action.

We have got AU troops on the ground; those troops need to be augmented and increased through strong United Nations action. And the United States strongly supports a U.N. resolution to do that. I believe it's important for the United States to be involved, and the best way to be involved with the AU troops is through NATO. I've worked