

granted, and Lieutenant Ford was assigned to the aircraft carrier USS *Monterey*, which saw action in some of the biggest battles of the Pacific.

Gerald Ford showed his character in public office. As a young Congressman, he earned a reputation for an ability to get along with others without compromising his principles. He was greatly admired by his colleagues, and they trusted him a lot. And so when President Nixon needed to replace a Vice President who had resigned in scandal, he naturally turned to a man whose name was a synonym for integrity: Gerald R. Ford. And 8 months later, when he was elevated to the Presidency, it was because America needed him, not because he needed the office.

President Ford assumed office at a terrible time in our Nation's history. At home, America was divided by political turmoil and wracked by inflation. In Southeast Asia, Saigon fell just 9 months into his Presidency. Amid all the turmoil, Gerald Ford was a rock of stability. And when he put his hand on his family Bible to take the Presidential oath of office, he brought grace to a moment of great doubt.

In a short time, the gentleman from Grand Rapids proved that behind the affability was firm resolve. When a U.S. ship called the *Mayaguez* was seized by Cambodia, President Ford made the tough decision to send in the Marines, and all the crew members were rescued. He was criticized for signing the Helsinki accords, yet history has shown that document helped bring down the Soviet Union, as courageous men and women behind the Iron Curtain used it to demand their God-given liberties. Twice assassins attempted to take the life of this good and decent man, yet he refused to curtail his public appearances. And when he thought that the Nation needed to put Watergate behind us, he made the tough and decent decision to pardon President Nixon, even though that decision probably cost him the Presidential election.

Gerald Ford assumed the Presidency when the Nation needed a leader of character and humility—and we found it in the man from Grand Rapids. President Ford's time in office was brief, but history will long remember the courage and common sense

that helped restore trust in the workings of our democracy.

Laura and I had the honor of hosting the Ford family for Gerald Ford's 90th birthday. It's one of the highlights of our time in the White House. I will always cherish the memory of the last time I saw him this past year in California. He was still smiling, still counting himself lucky to have Betty at his side, and still displaying the optimism and generosity that made him one of America's most beloved leaders.

And so, on behalf of a grateful nation, we bid farewell to our 38th President. We thank the Almighty for Gerald Ford's life, and we ask for God's blessings on Gerald Ford and his family.

NOTE: The President spoke at 11:20 a.m. at the National Cathedral.

Remarks Following a Cabinet Meeting

January 3, 2007

Thank you all. We just finished our first Cabinet meeting of 2007. I want to thank my Cabinet officers for joining me here. We discussed our priorities for the next 2 years and how we plan to achieve them. The Congress has changed; our obligations to the country haven't changed.

Tomorrow Members of the 110th Congress will take their oaths of office, and I congratulate them. I welcome their arrival into town. I'm looking forward to working with them and so are members of my Cabinet. We've all been entrusted with public office at a momentous time in our Nation's history, and together we have important things to do. It's time to set aside politics and focus on the future.

I've been encouraged by the productive meetings that I've had with many of the new leaders of Congress, people from both parties. I want to thank them for coming down to the White House and talking to me about their ambitions and their goals for our country. I'm hopeful that Republicans and Democrats can find common ground to serve our folks, to do our jobs, to be constructive for our country.

One area where we must work together is that we've got to make sure we spend the people's money wisely. Over the past few years, pro-growth economic policies have generated higher revenues. Together with spending restraint, these policies allowed us to meet our goal of cutting the budget deficit in half 3 years ahead of schedule. We did so without taxing the working people. We kept taxes low.

It's now time to take the next step. Next month I will submit a 5-year budget proposal that will balance the Federal budget by 2012. This budget will restrain spending while setting priorities. It will address the most urgent needs of our Nation, in particular the need to protect ourselves from radicals and terrorists, the need to win the war on terror, the need to maintain a strong national defense, and the need to keep this economy growing by making tax relief permanent.

By balancing the budget through pro-growth economic policies and spending restraint, we are better positioned to tackle longer term fiscal challenges facing our country, namely the entitlement programs. These programs need to be reformed for the sake of younger Americans. We need to reform Social Security and Medicare and Medicaid so future generations of Americans can benefit from these vital programs without bankrupting our country.

Another area where we can work together is to reform the earmark process. One important message we all should take from the elections is that people want to end the secretive process by which Washington insiders are able to get billions of dollars directed to projects, many of them pork-barrel projects, that have never been reviewed or voted on by the Congress.

Some of the earmarks are not even included in the legislation. They are stuffed into committee reports that have never been passed and are never signed into law. Earmarks often divert precious funds from vital priorities like national defense, and each year they cost the taxpayers billions of dollars.

I appreciate the fact that Senator Byrd and Congressman Obey, the Democrats who will lead the appropriations process in the new Congress, heard the same message. For this year's budget, they pledged to maintain cur-

rent levels of spending without additional earmarks. They agreed to a temporary moratorium on all earmarks. And this is a good start, and I appreciate their position. I also appreciate the fact that House Republicans last fall passed strong earmark reform idea—put forth earmark reform ideas. And I appreciate their hard work, but we need to do more.

Here's my own view to end the "dead of the night" process: Congress needs to adopt real reform that requires full disclosure of the sponsors, the costs, the recipients, and the justifications for every earmark. Congress needs to stop the practice of concealing earmarks in so-called report language, and Congress needs to cut the number and cost of earmarks next year by at least half.

To help rein in wasteful spending and restore fiscal discipline in Washington, I call on Congress to give the President the tool that 43 Governors have, a line-item veto.

These are just a few of the issues that we're going to need to work on in the year ahead. This new year brings new opportunities for progress, and I'm looking forward to working with the new Congress.

Thank you for your time.

NOTE: The President spoke at 10:19 a.m. in the Rose Garden at the White House.

The President's News Conference With Chancellor Angela Merkel of Germany

January 4, 2007

President Bush. Madam Chancellor, thank you. Welcome back to Washington. It's good to welcome you here to the White House. And Laura and I are looking forward to feeding you dinner. I'm not so sure it's going to be as good a dinner as the barbecue you fed us—[laughter]—but we'll try.

This new year marks the beginning of Germany's Presidency of both the EU and the G-8. And we just had a wide-ranging discussion about a lot of issues. We talked about the Chancellor's ambitious agenda for both those leadership roles. We discussed how we can continue to work together to promote prosperity and security and peace.