

really reinforces in my mind that the best initiatives are always those that kind of spring out of the hearts of people who really care more about their communities than anybody in a distant Government could possibly care. And it reminds me of what I try to tell people when they say, "What can I do to help America? What can I do to help fight in the war against terror?" Well, if you're not wearing a uniform, I've got a suggestion for you: Love your neighbor like you'd like to be loved yourself. It's kind of a universal admonition. It doesn't pertain to one religion or another, but it's pretty good advice, it seems like to me. Because if you're worried about fighting evil, one way to do so is to do some good. One way this Nation can stand up to forces of evil is through the gathering momentum of millions of acts of kindness which take place every day, not because of Government but because a loving citizen has said to him or herself, "What can I do to help? What can I do to make my community a better place?"

Every time somebody in America walks next door to see a shut-in and says, "I care about you," that's part of the momentum of kindness that I was talking about. If you mentor a child and say to that child, "I love you," teach a child how to read, you really are standing in the face of terror and evil.

Now, the great strength of the country is really not in the halls in Washington; it's in the hearts and souls of the people of North Carolina and Texas and every other State in the Union. And my job is to capture the spirit of this country and to rally the strength, to stand tall in the face of evil. And there's no doubt we can do this in this Nation.

I believe that we're on the verge of changing a culture that will have lasting benefits. Not only do I believe that what we pursue overseas will make the world more peaceful for generations to come, I believe that what's taking place in America today could make America a more compassionate and kind place for years to come, as well.

A lot of us grew up during a time when the culture said, "If it feels good, just go ahead and do it, and if you've got a problem, blame somebody else." I believe this Nation is on the cusp of welcoming in a period of personal responsibility, a responsibility era,

an era which says each of us are responsible for the decisions we make in life. And that starts with moms and dads understanding their most important job is to love their children with all their heart and all their soul. It also means, in a period of responsibility, that we love a neighbor like we'd like to be loved ourselves.

Personal responsibility extends to the corporate world as well, by the way. Corporate America has got the responsibility to disclose all assets and liabilities for shareholders and employees. It's also got a responsibility to treat the employees with respect and help. It's like the corporate responsibility I saw today when corporate Charlotte was working to help people find jobs and find work, understanding that in work they find dignity.

Now, I absolutely believe that America is going to make some right choices in life. And those choices collectively will help change the culture, and we'll be better off for it. The enemy hit us. They thought we were weak and soft. Instead, they found a nation that is strong and determined, but a nation, as well, that is compassionate and decent, a nation that will defend the values of freedom, but a nation that will also make sure the doors of hope and justice and opportunity are open to every person who's fortunate enough to be called an American.

Thank you for coming. May God bless you all.

NOTE: The President spoke at 12:28 p.m. in the James Richardson Ball Room at the Charlotte Convention Center. In his remarks, he referred to Mayor Patrick McCrory of Charlotte; and Barbara Hayes, wife of Representative Robin Hayes. Representative Hayes is a candidate for reelection in North Carolina's Eighth Congressional District.

## **Remarks to the National Summit on Retirement Savings**

*February 28, 2002*

Thank you all very much. I appreciate that warm welcome. It's a pleasure to be here with friends and those who are promoting an important cause, and that is promoting the security and dignity of Americans who are in retirement.

Americans can help secure their own future by saving. Government must support policies that promote and protect saving. And saving is the path to independence for Americans in all phases of life, and we must encourage more Americans to take that path.

I want to thank the Secretary of Labor, Elaine Chao, for helping put on this conference, and I appreciate her service. I appreciate the Director of the Small Business Administration for being here; Hector, thank you for coming. It is good to see at least one fellow Texan, Sam Johnson. I appreciate you being here, Sammy; thank you for coming. And I appreciate Bill Roth, the former Senator from Delaware, for being here, as well. Thank you, Senator, for coming today.

Just over a hundred years ago, at the turn of the last century, the average life expectancy in America was only 47 years. Today, that number has increased by three full decades. This amazing advance in the health of Americans is also profoundly changing our society. Americans who retire today may have decades—decades—of healthy life before them.

This is time to volunteer, making seniors one of the greatest resources of compassion in America. This is time for family, to pass on values to grandchildren and to strengthen the bonds between grandparents and family members. And increasingly, retirement is a time of new beginnings, a time to travel and explore, a time to take up new hobbies, and a time to take up new careers.

Some 80 percent of baby boomers—I happen to be one—*[laughter]*—say they plan to work at least part-time in retirement. And smart employers will be wise to use their experience and their competence.

The choices seniors make in retirement should not be limited by arbitrary dates or obsolete stereotypes. Increasingly, the choices of seniors will only be limited by two things, the state of their health and the state of their savings.

Because the nature of retirement is changing, the needs of retirement are changing, as well. Older Americans now require a retirement nest egg large enough for decades of enjoyment and ambition. As medicine increases the length of life, adequate savings

must increase the options we have on longer lives.

Saving is never easy; it's hard for some to do. But it's always worthwhile. Particularly when you think about the power of compounding interest. The power of compound interest is one of the great advantages of American citizens, and they must learn to use it. If a worker starts saving just \$20 a week at age 22 and earns a 5.5 percent real interest rate on the investment, that adds up to a nest egg of nearly \$180,000 by age 65.

This summit was created by Congress to educate workers and citizens about the power and rewards of saving, and I want to thank you for participating. You've accomplished a great deal, but there's much more to do.

Americans are saving too little, often dangerously too little. The average 50-year-old in America has less than \$40,000 in personal financial wealth. The average American retires with only enough savings to provide 60 percent of his former annual income. This problem is especially acute for women and minorities.

We must encourage, for all our people, the security and independence provided by savings. I want America to be an ownership society, a society where a life of work becomes a retirement of independence.

Savings start as an individual responsibility, but Government can help by expanding the rewards of saving and by strengthening protections for saving. Last year, the Congress passed and I proudly signed powerful new incentives for retirement savings. Many of you in this room were involved in that effort, and I want to thank you.

We relaxed the restrictions on how much workers can invest in their individual retirement accounts and 401(k) plans. Last year's tax relief plan allowed workers over the age of 50 to make overpayments to their retirement plans. This is especially important for women who take time out of the labor force to stay at home with their children.

We passed some important reforms to give workers more choices and more rights. We created a new kind of 401(k) that allows workers to pay their taxes now and make tax-free withdrawals when they retire, just like

the way the Roth IRA works. And we required companies to vest their employees' retirement rights more quickly. Your retirement money becomes yours faster, now more than ever.

And finally, we made it easier to roll over retirement savings from one account to another. We know that American workers change jobs more frequently today than they used to. This means that people are seeing opportunity, and they're seizing it. But if workers are going to move, their retirement savings need to move with them without unnecessary bureaucracy and unnecessary paperwork.

Thanks to the 2001 tax relief program, our Tax Code is now friendlier to saving than it has been in a long time. Not only am I proud of cutting taxes, I'm proud of reforming the savings, and I'm proud of the good work that Congress did on this matter.

But there's still more to do. Even when people are saving enough, they need to feel more secure about the laws protecting their savings. In recent months, we've seen how workers can lose a lifetime's worth of savings if their company were to fail. So my administration has proposed reforms to make sure that the money Americans put away in their working years grows safely, so it is available in their retirement years.

More than 40 million workers own 401(k) accounts totaling over \$1.8 trillion in assets. Many of these assets have been contributed by employers who match their workers' own savings. We know that employers contribute more when they have the option to give company stock as well as cash, and that option ought to remain as positive for American workers. But a worker should also have more freedom to choose how to invest their retirement savings.

Companies that contribute stock to employee 401(k)s should not be permitted to lock their employees into owning that stock for years and years. My proposal will allow workers to sell company stock and diversify into other investment options after 3 years in their own company's plan. We need action to give workers the right to put their savings—to put their eggs in more than one basket.

Another important reform addresses the issue of blackouts, times when employees are not free to change or access their retirement accounts. When companies black-out a pension plan, they temporarily take away a worker's freedom to choose for themselves. Workers should be given a 30-day notice before any blackout period begins, and company officers should not be allowed to sell their own company stock when workers cannot. What's fair on the top floor should be fair on the shop floor.

To make good investment decisions, workers need sound advice and timely information. Employers should be required to provide updates on workers' retirement account values every 3 months. And we should change current law to remove the threat of lawsuits from employers who provide sound third-party investment advice.

All these measures will help build faith in America's pension system, and I urge Congress to act. I want to thank Senators Tim Hutchinson and Chuck Grassley, and Representatives Boehner, Portman, and Cardin, for their bipartisan efforts to put forward good, commonsense legislation that seeks to achieve many of these pension reform principles.

Every American deserves to be an owner in the American Dream. That dream includes a sound pension plan and adequate private savings, and it is ultimately completed by Social Security reform. Some people like their Social Security exactly the way it is, and they'll be able to keep it exactly the way it is. But for younger workers who want to take advantage of the power of compounding interest, we should allow for personal retirement accounts.

Today, Social Security is not a personal savings program. Retirees' benefits are paid directly from the taxes paid each year by current workers. The average return on Social Security is less than 2 percent. And in the long run, Social Security can pay retirees less than 30 percent of what they earned before retiring, and that's not good enough as we head into the 21st century.

We can do better, and a lot of people know this. Someone retiring today after 45 years of work would be entitled to a monthly benefit of \$1,128 a month from Social Security.

If that same retiree—if those Social Security taxes had been invested in the stock market over the last 45 years, during the same period of time, that person would now have a nest egg of \$590,000, or income of more than \$3,700 a month.

Because there will be an expanding number of retirees for Social Security to support in the future, we must apply the power of savings, investing, and compound interest to the challenges of Social Security by introducing personal retirement accounts into the system. Americans would own these assets. After all, it is their money. They would see more retirement income, and that's necessary as people live longer lives. And as importantly, they would be able to pass these accounts on to their children.

Franklin Roosevelt told the U.S. Congress in 1935 that his goals for Social Security included providing a secure retirement to American workers and making sure all Americans could build their personal wealth. We must dedicate ourselves to both those goals.

At a time when older Americans have longer lives and more options than ever before, we need to ensure they have access not just to a monthly check but to personal wealth. And I mean all Americans, not just a few but all Americans, especially women and minorities who are often shortchanged by the current Social Security system.

Robert Johnson, the CEO of Black Entertainment Television, explains it this way, "African-Americans die earlier, therefore receiving less in the form of Social Security payouts. One of the ways to address this is through the use of wealth-generating private accounts that form part of an estate opportunity for African-Americans." And Lea Abdnor, a member of the President's Commission to Strengthen Social Security, as was Mr. Johnson, said, "I believe very strongly that we have to give women the opportunity to create ownership and wealth for the first time." And I couldn't agree more.

My administration is working to expand growth and opportunity in our economy. That's why we cut the taxes. And we've got to make sure opportunity is available as a result of people being able to own something, own their own money so they can manage it themselves, own their own portfolio, have

the capacity to generate wealth. The generation of wealth should not be limited to a few in our society; it ought to be an opportunity for everybody. There's nothing better than providing the incentive to say, "This is my asset base. I own it. I will live on it in retirement, and I will then pass it on to somebody in my own family."

If you own something in America, you own a stake in America's future. And a good retirement vision, a good retirement future says that we must reform Social Security, not only for the good of the system but, as importantly, for the good of American workers who work all their life so that they can have an asset base to call their own.

So as you continue to meet, I hope that you will think not only about the short-term issues we face but how best to make sure that the retirement promises are kept, and how to make sure that as we devise—come up with new systems and new structures, that we fundamentally change America for the better, that we make the system open, and that opportunity extends its reach throughout every neighborhood. It is such a wonderful opportunity for the country, and I hope you join me in seizing it.

I want to thank you for giving me the chance to come by. Elaine is right; I do worry about the security of the American people. I worry about the security of those who retire. And I want you to know every day I'm worried about the homeland security, too. Every day we wake up—I wake up and go into the beautiful Oval Office and read about threats to the United States. And it reminds me that the security of this country is my most important job.

And I want to assure you all that our administration is doing everything that we possibly can to make sure innocent Americans do not lose their lives here at home. We're running down every lead. We're following every hint, every suggestion, every opportunity to chase down some possible clue of an attack. We are doing it. And I'm proud of our law enforcement officers at the Federal, State, and local level for their diligence.

But I also want to remind you that in order to make sure the homeland is secure as it

can possibly be for our children and grandchildren, that we must hunt down the killers and would-be killers, terrorists, Al Qaida terrorists, and bring them to justice. This is going to require more time than people may want. It's going to require a patient and determined nation.

But having traveled around the country some, having had a chance to listen to the American people, I'm proud of the fact that our Nation is patient and is determined. Because our Nation understands that we fight for freedom, and any time our freedom is challenged, we stand strong in the face of those who would take away our freedom.

Our military is making great strides. I'm proud of the U.S. military. And as fellow Americans, I will assure you that so long as I'm the President, I will do whatever it takes to protect the American people.

I want to thank you for letting me come by. May God bless you all.

NOTE: The President spoke at 1:23 p.m. in the Presidential Ballroom at the Capital Hilton Hotel. In his remarks, he referred to Robert L. Johnson, chairman and chief executive officer, BET Holdings, Inc.; and Leanne Abdnor, former executive director, Alliance for Retirement Security.

### **Remarks Following a Roundtable Discussion on Retirement Savings and an Exchange With Reporters in Des Moines, Iowa**

*March 1, 2002*

**The President.** I want to thank Bill and the employees here at Printers for sharing with me their thoughts on the advantages and the importance of 401(k) plans. The 401(k) plan allows a person to invest his or her own money in a savings account which will enhance their asset base in their retirement years.

We talked about how important it is to have an ownership society, where people own assets. We talked about the importance of 401(k) plans for small businesses in America. And Bill very wisely has set up a really constructive and interesting plan, one of

which the owners—the whole concept is that this is the workers' money, that this is Diana's money or Judy's money, and they ought to be trusted in the management of that money.

And that's what this plan does here, it gives instant access to the Web site. They can make investment decisions, obviously, within the guidelines of the law. Now, there are some reforms that are necessary for privately held businesses, such as allowing for more investment advice to the workers, without fear of being sued.

But they've got a very constructive plan here. I want to thank Bill and thank you all for sharing with me the vibrancy of your 401(k) plan. A little later on I'm going to talk again about some of the reforms we're proposing in Congress, as well as some of the expansions to the 401(k) that we enacted into law during the last—during the tax debate.

I'll be glad to answer a couple of questions. Steve [Steve Holland, Reuters].

### **Action Against Terrorism**

**Q.** Mr. President, what did you make of Senator Daschle's comments yesterday with the war—Mullah Omar and Usama bin Laden are still out there?

**The President.** Well, I think most Americans understand that it's going to—it's going to take a while to achieve all our objectives, that by far the vast majority of Americans are patient. They know, when you're looking for one person who may be hiding in a cave, it may take a while. But what Usama bin Laden has got to understand, if we haven't already gotten him—I don't know where he is. But I think he now understands that this patient and determined Nation is going to hunt him down, that he can't hide long enough.

And the other point I'd like to make is, as I've said repeatedly—and most Americans understand this, as well—that our war against terror is far greater than one person, that in order to defend freedom and protect our children and our children's children, that we must rout out terror wherever it tries to hide.

And that's why we are working with our coalition on an active basis to deny safe harbor, to disrupt financial plans. And the American people are beginning to see that we have