

I have an obligation to set great goals for this country. One of the goals I've set is to spread peace and freedom. Another great goal is to spread compassion throughout our land. I want our society to be an ownership society. See, I believe if you own something, you have a vital stake in the future. I believe if you own something in America, it helps with dignity and independence of life. We want more people owning their home. We have a minority homeownership gap in America. I look forward to working with Senator Bond to help narrow that gap.

We want people owning and managing their own health care plans. We want people owning and managing their own retirement plans. Kit Bond is a strong believer in the small-business owner of Missouri and America. We want more people owning their own small business. I look forward to working with Senator Bond to promote the ownership society of America.

Finally, I look forward to working with Senator Bond to get a faith-based initiative out of the United States Senate. I believe strongly that this Government should not fear faith but should welcome faith-based givers, neighborhood healers and helpers, when we see somebody who hurts. We all asked a question in Washington, DC: "Is the program effective that's helping save life? Is the Christian program or the Jewish program or the Muslim program effective at changing lives and saving lives?"

That's the question we ought to be asking in Washington. The truth of the matter is, the great strength of America lies in the hearts and souls of the American people. We have people who hurt in our country. We have children who need to be mentored. We've got people who are hopelessly addicted to drugs. We need to welcome the armies of compassion, no matter what their faith, into the compassionate delivery of help and succor to those of our citizens who hurt.

Kit Bond will be a valuable ally in the passage of a much needed faith-based initiative that allows for faith-based programs to access Federal money, all in the aim of loving a neighbor just like we'd like to be loved ourselves.

You just heard some of the reasons you need to send him back up there. Perhaps the

greatest reason is he believes like I do, that both of us are fortunate to represent great people, that we're fortunate to be in positions of responsibility to represent the greatest nation on the face of the Earth.

I want to thank you for helping this good man. May God bless you all, and may God continue to bless America.

NOTE: The President spoke at 6:40 p.m. at the Renaissance Grand Hotel. In his remarks, he referred to former Senator John Danforth, Special Envoy for Peace in the Sudan; Missouri Secretary of State Matt Blunt and his wife, Melanie; Catherine Hanaway, speaker, Missouri State house of representatives; Missouri State Senator Peter Kinder; Ann Wagner, cochairman, Republican National Committee, and chairman, Missouri Republican Party; William H.T. "Bucky" Bush, Missouri State chairman, Bush-Cheney '04, Inc.; Nurjaman Riduan Isamuddin (known as Hambali), Al Qaida's chief operational planner in Southeast Asia; and former President Saddam Hussein of Iraq.

Proclamation 7696—To Extend Duty-Free Treatment for Certain Agricultural Products of Israel

August 27, 2003

By the President of the United States of America

A Proclamation

1. On April 22, 1985, the United States entered into the Agreement on the Establishment of a Free Trade Area between the Government of the United States of America and the Government of Israel (FTA), which the Congress approved in the United States-Israel Free Trade Area Implementation Act of 1985 (the "FTA Act") (19 U.S.C. 2112 Note).

2. On November 4, 1996, the United States entered into an agreement with Israel concerning certain aspects of trade in agricultural products, effective from December 4, 1996, through December 31, 2001 (the "1996 Agreement"), in order to maintain the general level of reciprocal and mutually advantageous concessions with respect to agricultural trade while acknowledging differing interpretations as to the meaning of certain

rights and obligations in the FTA as to such trade.

3. Section 4(b) of the FTA Act provides that, whenever the President determines that it is necessary to maintain the general level of reciprocal and mutually advantageous concessions with respect to Israel provided for by the FTA, the President may proclaim such withdrawal, suspension, modification, or continuance of any duty, or such continuance of existing duty-free or excise treatment, or such additional duties as the President determines to be required or appropriate to carry out the FTA.

4. Consistent with section 4(b) of the FTA Act, President Clinton issued Proclamation 6962 of December 2, 1996, to provide to Israel through the close of December 31, 2001, access into the United States customs territory for specified quantities of certain agricultural products of Israel free of duty or certain fees or other import charges, consistent with the 1996 Agreement.

5. On December 31, 2001, the United States entered into an agreement with Israel to extend the 1996 Agreement through December 31, 2002, in order to allow for additional time to negotiate a successor arrangement to the 1996 Agreement. Consistent with section 4(b) of the FTA Act, I issued Proclamation 7554, of May 3, 2002, to provide to Israel through the close of December 31, 2002, access into the United States customs territory for specified quantities of certain agricultural products of Israel free of duty or certain fees or other import charges. Several rounds of negotiations were held in 2002 but did not result in conclusion of a successor arrangement to the 1996 Agreement.

6. On December 31, 2002, the 1-year extension of the 1996 Agreement expired. In order to allow additional time to conclude negotiations, the United States and Israel each have elected to extend through 2003 the tariff treatment provided for agricultural products in 2002 under the 1996 Agreement. Israel has already extended through 2003 the tariff benefits for United States agricultural imports provided in 2002 under the 1996 Agreement.

7. Consistent with section 4(b) of the FTA Act, I have determined that it is necessary,

in order to maintain the general level of reciprocal and mutually advantageous concessions with respect to Israel provided for by the FTA, to provide through the close of December 31, 2003, duty-free treatment for specified quantities of certain agricultural products of Israel.

8. Section 604 of the Trade Act of 1974 (19 U.S.C. 2483) (the "Trade Act") authorizes the President to embody in the Harmonized Tariff Schedule of the United States (HTS) the substance of the relevant provisions of that act, and of other acts affecting import treatment, and actions thereunder, including removal, modification, continuance, or imposition of any rate of duty or other import restriction.

Now, Therefore, I, George W. Bush, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States, including section 4 of the FTA Act and section 604 of the Trade Act, do hereby proclaim:

(1) In order to maintain the general level of reciprocal and mutually advantageous concessions with respect to Israel provided for by the FTA, and, in particular, to provide duty-free treatment for specified quantities of certain agricultural products of Israel, subchapter VIII of chapter 99 of the HTS is modified as provided in the Annex to this proclamation.

(2) Any provisions of previous proclamations and Executive Orders that are inconsistent with the actions taken in this proclamation are superseded to the extent of such inconsistency.

(3)(a) The modifications to the HTS made by the Annex to this proclamation shall be effective with respect to goods that are the product of Israel and are entered, or withdrawn from warehouse for consumption, on or after January 1, 2003, including entries for which the liquidation of duties has not become final under section 514 of the Tariff Act of 1930, as amended (19 U.S.C. 1514).

(b) The provisions of subchapter VIII of chapter 99 of the HTS, as modified by the Annex to this proclamation, shall continue in effect through the close of December 31, 2003.

In Witness Whereof, I have hereunto set my hand this twenty-seventh day of August, in the year of our Lord two thousand three, and of the Independence of the United States of America the two hundred and twenty-eighth.

George W. Bush

[Filed with the Office of the Federal Register, 8:45 a.m., August 28, 2003]

NOTE: This proclamation was published in the *Federal Register* on August 29.

Memorandum on Export-Import Bank Support for U.S. Exports to Iraq

August 27, 2003

Presidential Determination No. 2003-33

Memorandum for the Secretary of State

Subject: Determination on Export-Import Bank Support For U.S. Exports to Iraq

Consistent with section 2(b)(4) of the Export-Import Bank Act of 1945, as amended, I hereby determine and certify to the Congress that it is in the national interest for the Export-Import Bank to guarantee, insure, or extend credit, or participate in the extension of credit in support of United States exports to Iraq.

You are directed to report this determination to the Congress and to provide copies of the justification explaining the basis for this determination. You are further directed to publish this determination in the *Federal Register*.

George W. Bush

Letter to Congressional Leaders Transmitting an Alternative Plan for Pay Increases for Civilian Federal Employees

August 27, 2003

Dear Mr. Speaker: (Dear Mr. President:)

I am transmitting an alternative plan for across-the-board and locality pay increases payable to civilian Federal employees covered by the General Schedule (GS) and certain other pay systems in January 2004.

Under title 5, United States Code, civilian Federal employees covered by the GS and certain other pay systems would receive a two-part pay increase in January 2004: (1) a 2.7 percent across-the-board increase in scheduled rates of basic pay derived from Employment Cost Index data on changes in the wages and salaries of private industry workers, and (2) a locality pay increase based on Bureau of Labor Statistics' salary surveys of non-Federal employers in each locality pay area, which would cost about 10 percent of payroll for the calendar year. Including increases for blue-collar and other workers, the total Federal employee pay increase would cost about 13 percent of payroll in calendar year 2004. For Federal employees covered by the locality pay system, the overall average pay increase would be about 15.1 percent.

For each part of the two-part pay increase, title 5, United States Code, authorizes me to implement an alternative pay plan if I view the adjustment that would otherwise take effect as inappropriate due to "national emergency or serious economic conditions affecting the general welfare." For the reasons described below, I have determined that it would be appropriate to exercise my statutory alternative plan authority to limit the January 2004 GS pay increases.

A national emergency has existed since September 11, 2001, that now includes Operation Enduring Freedom in Afghanistan and Operation Iraqi Freedom. Full statutory civilian pay increases costing 13 percent of payroll in 2004 would interfere with our Nation's ability to pursue the war on terrorism. Such increases would cost about \$13 billion in fiscal year 2004 alone—\$11 billion more than the 2 percent overall Federal civilian