The third of the new Latin American trade agreements that my administration negotiated is with Panama. This agreement will immediately eliminate tariffs on 88 percent of our industrial and consumer goods exports to Panama. It will increase access for American farmers and ranchers, and it will open opportunities for American businesses to participate in the multibillion dollar project to expand the Panama Canal.

As we work to pass these trade agreements with nations in Latin America, we'll also work to pass a landmark free trade agreement with an ally in the Far East, South Korea. This agreement would open up one of the world's most powerful economies to more American goods and services exports. This agreement is projected to add more than $10 billion to America's economy. And like our agreements in Latin America, this agreement would strengthen our relationship with a democratic partner in a critical part of the world.

I know many Americans feel uneasy about new competition and worry that trade will cost jobs. So the Federal Government is providing substantial funding for trade adjustment assistance that helps Americans make the transition from one job to the next. We are working to improve Federal job-training programs, and we are providing strong support for America's community colleges, where people of any age can go to learn new skills for a better, high-paying career.

Expanding trade will help our economy grow. By passing these trade agreements, we will also serve America's security and moral interests. We will strengthen our ties with our friends. We will help counter the false populism promoted by hostile nations. And we will help young democracies show their people that freedom, openness, and the rule of law are the surest path to a better life. So I call on Congress to act quickly and get these agreements to my desk.

Thank you for listening.

NOTE: The address was recorded at 7:50 a.m. on October 12 in the Cabinet Room at the White House for broadcast at 10:06 a.m. on October 13. The transcript was made available by the Office of the Press Secretary on October 12 but was embargoed for release until the broadcast. The Office of the Press Secretary also released a Spanish language transcript of this address.

Remarks at Stribling Packaging, Inc., in Rogers, Arkansas

October 15, 2007

The President. One of the reasons I've stopped by this facility here in Arkansas is to remind people that small business is the backbone of our economy. These good folks are making a living; more importantly, they're providing labor for people here in this facility. And that's what we want. We want people working in America. We've gone through now 49 consecutive months of uninterrupted job growth—that's a record for the United States.

And one of the reasons why is, our small-business owners are working hard. And another reason why is, we've got people in the United States Congress who understand the role of government, and that is not to get in the way of business, but it's to create an environment where businesses flourish. And when people are buying this man's boxes, it also means they're buying product at the retail level.

And so I want to thank you for giving me a chance to come by.

Bill Stribling. Absolutely.

The President. Appreciate the opportunity to meet your workers. As I was walking around, I was shaking the workers' hands. He said, "That's good that you're meeting them. After all, they're the reason this business is growing." And I appreciate a man who understands that. Thanks for your hospitality.

Thank you.

NOTE: The President spoke at 10:44 a.m. In his remarks, he referred to Bill Stribling, president, Stribling Packaging, Inc.

Remarks on the Federal Budget and a Question-and-Answer Session in Rogers

October 15, 2007

The President. Thank you all. Thank you very much. Thank you all very much. Thanks for coming. I may just take off my jacket, if that's all right. [*Laughter*] I hope I didn't spill any sauce on my shirt after I had barbecue at the Whole Hog. [*Laughter*] Thanks for coming. Thanks for giving me a chance

to share some thoughts with you about what's going on in Washington, and then I'll be glad to answer some questions, if you have any.

First I do want to say thank you to John Paul Hammerschmidt for a lot of things—one, being a good friend of my dad's, but more importantly, setting such a fine example for what public service should be about, which is honesty, integrity, and the willingness to serve something greater than himself. John Paul, I'm honored you're here, and thanks for—[*applause*].

And you got followed by a pretty good fellow, there, in John Boozman. I'm proud to call him friend. I hope you're proud to call him Congressman, because he's doing a fine job. And I—[*applause*].

I want to thank the mayor of Rogers, Steve Womack. Thanks for your service to your community; thanks for being in the United States military. I appreciate you joining me for lunch and enjoyed our conversation, Mr. Mayor. Thanks for what you're doing.

I want to thank members of the statehouse who are here and local government who's here. I want to thank Raymond Burns, the president and CEO of the chamber of commerce, for hosting this event. I hope you find it to be informative. One of the things the President has to do is travel around the country explaining the situation and why things are happening, at least from my perspective. I'm looking forward to explaining it.

I do appreciate very much the members of the chamber of commerce who've enabled me to come by to visit with you. I want to thank the chancellor of the mighty University of Arkansas, John White, for being here today. He hosted—the guy keeps pointing to his Razorback—I understand. Look, I'm just a simple Texas guy who—[*laughter*]—who knows full well that it was a lot of times an unpleasant experience for the Longhorns to come up here and play. [*Laughter*] But we're not going to talk about those old games, are we? We're talking about the future.

I appreciate Bill Stribling. He's the president of Stribling Packaging. I went by earlier today to his business, and I had a chance to say hello to his employees. I did so because I wanted to remind America that in order for this economy to remain strong, we got to be mindful of the needs of small-business owners. He's expanding his job base, and he's like thousands of other entrepreneurs around the country who are wondering whether or not the Government is going to put policy in place that could affect his capacity to grow. And I want to spend a little time talking about that.

We've actually had an historic couple of days. We're now in our 49th consecutive month of uninterrupted job growth. That's the longest—[*applause*]. That's a record. That's the longest number of months in a row where new jobs have been created. And that's because our small businesses are doing well. And then the fundamental question is, are we wise enough to keep policy in place to keep the small-business sector strong?

The worst thing we could do is run up taxes as this economy is growing. It's the worst thing we could to the small-business owner, is to change the depreciation schedules or raise individual rates, particularly if you're a subchapter S or a limited partnership. And yet when you listen carefully to the budget debate, that's what you're fixing to get stuck with, a tax raise. Unless, of course, I prevent them from raising your taxes, which I fully intend to do.

The other historic fact was that our deficit as a percent of GDP is at 1.2 percent. Those are just numbers, but to put it in perspective, that's lower than the 40-year average. In other words, we're beginning to get control of that deficit. And the reason why is, is that a growing economy yields additional tax revenues, and then when you work with Congress to set priorities on how we spend your money—in other words, we're fiscally sound on the expense side—you can reduce your deficit without raising taxes. And that's what we proved is possible. The deficit is 163 billion. That's about 60-some-odd-billion lower than we anticipated in February of this year, because we're growing the economy.

And we've also set priorities. One of the hardest things in Washington, DC, to do that small businesses have to do all the time is to set priorities. Every program sounds like a great program, but without setting priorities, the temptation is to overspend. The job of the President is to make sure that we don't overspend, and at the same time, keep taxes low. That's why I submitted a budget that

will balance the Federal budget by 2012 without raising taxes.

Now, that's not what the leadership in the Congress wants me to do. They want the executive branch to accept an increase in spending over the next 5 years to $205 billion. To put that in perspective, that's $1,300 in new spending every second of every minute of every hour of every day of every year for the next 5 years. That's about $13,000, as long as it took me to say that—[*laughter*]—$205 billion of additional spending will mean they're going to have to raise taxes to pay for it. I think that would be bad for the economy. I don't think it makes sense to be taking money out of the pockets of the individuals in America or money out of the pockets of small businesses—particularly if we set priorities, we can fund that which we need to fund.

And so you're fixing to see what they call a fiscal showdown in Washington. One of the reasons why they—[*applause*]—the Congress gets to propose, and if it doesn't meet needs, as far I'm concerned, I get to veto. And that's precisely what I intend to do.

I wish Congress would get me some appropriations bills. I don't know if the people in Rogers understand our calendar, but the fiscal year ended on September the 30th. And yet I hadn't seen one appropriations bill. I think we're, like, 15 days into the fiscal year, and not one appropriations bill has made it to my desk.

Congress needs to be responsible with your money, and they need to pass these appropriations bills, one at a time. And then we can work together to see whether or not they make fiscal sense for the United States. I don't think it makes sense, though, for a new Congress to come in and make promises about how they're going to be wise about what they're going to do with your money and get bills to my desk and not being able to perform.

So I'm looking forward to getting back to Washington and remind people in the United States Congress that they said they were going to do a better job with getting these bills to my desk, and I'm going to remind them they hadn't got one yet. Not one bill has come out of United States Congress that appropriates your taxpayers' money.

Recently, I did make a decision to veto a piece of legislation. I want to spend a little time talking about why, and then I'll be glad to answer some questions. There's a—what's called SCHIP—it's a Children's Health Insurance Program—made it to my desk, and I vetoed it. And I'm going to tell you why I—[*applause*]—let me tell you why.

First of all, it's important for our citizens to understand that we spend $35 billion a year for poor children's health care through Medicaid—$35 billion. So if you hear rhetoric out of Washington saying we're not taking care of poor children in America, they're just not reminding you of the fact that because of your generosity, we're spending 35 billion a year.

Secondly, a program was created to help poorer children with struggling families. When I was the Governor of Texas, I supported it, and as President, I support it. But the piece of legislation I got doesn't focus on the poorer children. Many Americans don't understand, there are a half a million kids eligible for this program that aren't getting help under the program.

The bill sent to me didn't say, we're going to focus on those half-million that are eligible; the bill sent to me said, we can expand eligibility for the program up to $83,000. Now, I want you to think about that. If you're making up to 83,000 in certain States, you're eligible for the program, and yet half a million poorer children aren't being helped. My attitude is, let's help the poorer children; let's make sure the program does what it's supposed to do.

Now, there's some in Washington, DC, who genuinely believe that the best health care policy is to expand the role of the Federal Government. I don't subscribe to that. I think the best health care policy is to encourage private medicine, is to make sure the decisions are between doctors and patients. And yet if you're saying you can make up to $83,000 and be a part of this program, it sounds like, to me, somebody wants to extend the reach of the Federal Government into medicine. That's what it sounds like to me.

Another factor that came into my thinking was not only a half a million children not being taken care of under the program and

not only is the eligibility requirements being expanded way beyond the scope of the program—which sounds like there's a nationalization of medicine going on here—but in six or seven States, more money is spent on adults than children. In other words, these States have taken that money and hadn't used it for its initial purpose.

So I vetoed the bill. The House is going to decide whether or not they're going to sustain my veto, and if they should sustain my veto, I call upon the leadership in the Congress to come to the table and let us make sure we get money to those families that are—that the program was intended to help first and foremost.

And so that's what I wanted to report to you. I thank you for giving me a chance to come and say hello. I'll be glad to answer some questions if you have any. And if not, I can keep talking, believe me. [*Laughter*]

You got one? Good. Thank you. Yes, sir. Yell it. If I don't like it, I'll just interpret it. [*Laughter*] Yes.

President's Personal Values

Q. First of all, thank you for being here. And I've got two children. I was talking with my 15-year-old son about what would be a great question to ask the President had I—if I had the opportunity, and we settled on this. In this day of information that's so accessible to all of us, if you're a 15-year-old looking for the truth—which is often hard to get—an adult looking for the truth in election time or nonelection time, where would you recommend someone that's hungry for the truth to go to get the truth about potential elected officials, programs to support, that kind of information?

The President. Yes, it's a great question. I guess if I was advising a 15-year-old child where to seek the truth, I would say, go to your mother and father, is where I would ask them to seek the truth. And that's really one of the questions our society faces: Will a mom and dad be available for a child? Now, we all have different views of the truth. That's fine; I understand that. But the most important responsibility for a mom and dad is to really love that child with all their heart and all their soul and all their might.

And so as far as you finding the truth, hopefully you're wise enough and old enough and experienced enough to be able to discern that which is true and not true. I'm sure you are. You wouldn't have come here to listen had you not been interested in coming up—getting enough data points so you could come to your own conclusions.

That's the great thing about our society, is that we expect our individual citizens to be involved, and you can reach your own conclusion you want to reach. And it's up to people like me to explain it as simply as possible so that, hopefully, you can understand. If I were advising somebody running for my job, or any job, I'd explain the philosophy behind my beliefs. See, I think what the American people really need to know is, what do you believe in, in order for you to be able to make the wise kind of judgment on who to listen to.

I'd be glad to share some of my beliefs. I believe in the universality of freedom. So when you hear me talking about foreign policy, I want you to keep in mind the principle that I believe is true, and that I believe there's an Almighty, and I believe a gift of the Almighty to each man, woman, and child on the face of the Earth, regardless of their religion or the color of their skin, is liberty. That's what I believe.

And a second belief I have is that you can spend your money better than the Government can. We have needs in Washington. I mean, we've got to fund a military; we got to fund help for the poor. But I do believe that the Government has got to understand that the more money you have in your pocket, the better off our economy can be, and that the more money you have in your pocket, the more likely it is that you'll be able to realize hopes and dreams for your family because you set the priorities with your money. And there's just a fundamental difference of opinion.

So to answer your question, I'd be asking people, what's your value system like? And then, hopefully, you're wise enough to discern.

Okay. Yes, sir.

Transportation

Q. I have a transportation question for you—Raymond Burns with the Rogers-Lowell Chamber. For business to continue to grow in northwest Arkansas, we're going to have to have some help with our transportation infrastructure. Apparently, that's our number-one issue. Given that we collect taxes on gasoline by the gallon and fuel efficiency means there will be less taxes collected, going forward, what will the priority for transportation help be, sir?

The President. The—step one, in order to make sure that that which we collect gets spent equitably, is to make sure that the committees in the House and Senate that appropriate the monies don't take a lot of the money as special projects. In other words, what happens is, is that the Public Works Committee is the largest committee in the House—are you on the Public Works, Boozman? Yes. [*Laughter*] It sounds like I better be diplomatic in the answer. [*Laughter*] So what happens is, these members say, "Okay, I want this for my district; I want this for my district; I want this for my district," so they get a unanimous vote out of the committee—was it unanimous last time? Yes, that's what I thought. [*Laughter*] And then—so the money isn't equitably distributed. So step one is to make sure that the committees do their jobs the right way.

Step two is to give States flexibility so that if they so choose—which I think exists today—that if you decide to have a highway for truckers paid for by fees, that you're encouraged to do so.

I mean, you're right; fuel efficiency is going to make it harder to collect gasoline taxes. Therefore, the next question is, what's the next best user fee? In other words, gasoline tax is a user fee. Is there a better way to collect money, a better user-fee system? And one thing, I think, is that if you've got a freeway, you ought to be able to parallel that freeway with a way to collect user fees, a toll way. And so people have a choice. You know, a trucker, if he's interested in moving through northwest Arkansas in expedition fashion, will pay a little extra money to be able to do so.

My attitude is, so long as the taxpayer has got a free alternative, I don't see why it makes—why it's a problem to have the paying option available as a way to collect user fees to modernize the highway system. And so that's an idea for you right there.

Yes, sir.

No Child Left Behind Act

Q. Mr. President, first of all, I'd like to commend you on your steadfastness in your faith and not letting anybody waver you on your faith with key political issues and key principles.

The President. Thank you.

Q. I think that's very, very commendable. Second of all, as a private preschool administrator, with your No Child Left Behind initiative, is there any possibility of funds for grants or stipends or something to utilize for private institutions as well as private preschools?

The President. Probably not. Anyway—[*laughter*]. Let me explain No Child Left Behind. We're spending money at the Federal level in public schools. And it seems like it makes sense that we ask the question whether or not the money is being spent wisely. In other words, if you're spending money trying to help a child get the fundamentals necessary to advance in life, I strongly believe that it makes sense, on your behalf, that we say, "Why don't you show us whether a child can read and write and add and subtract."

I think it's important to set goals with high expectations. I don't think it's too much to ask the school systems of America to teach a child to read by third grade and keep him at grade level. I don't think it's too much to ask—unless you don't believe every child can read, has the capacity to learn to read, I mean. In other words, if you believe certain children can't learn, then I can understand why you support a system that just shuffles them through. But that's unacceptable to me, to have a system that said—doesn't demand accountability.

And so the No Child Left Behind Act says, you bet there will be Federal expenditures—not nearly as much as the State; after all, it's a local responsibility. But in return for whatever money we spend, we want to know whether or not a child can read at grade level by the third grade, and if not, we expect there to be remedial help.

And that's where the private sector can come in, in terms of supplemental services. That means we're going to use the accountability system. In other words, we're going to measure. You bet we are. We're going to find out whether a child can read, write, and add and subtract. And if they're coming up short on standards, then there's money available for extra help early, before it's too late. And that's the place where private providers can compete with the public school system, in order to help after-school—in after-school programs, tutorial programs.

There's a lot of objections to No Child Left Behind; I understand that. People say, "How dare you measure." My attitude is, you got to measure. To solve a problem, you got to understand whether or not we have a problem in the first place. People say, "Well, they're just teaching the test." Uh-uh, we're teaching a child to read so they can pass a reading test.

I happen to believe this piece of legislation is an important piece of civil rights legislation. If you're interested in making sure our society provides hope for everybody, then you want to make sure every single child in America has the capacity to read, write, and add and subtract at grade level. That's what you want if you're interested in having an America that holds out its promise for every single citizen.

And that's the basis of No Child Left Behind. I believe in local control of schools. That's up to you to chart the path to excellence, but it's up to us to make sure your money is spent wisely.

You know, we have an achievement gap in America, and that means our—the white kids are reading at a certain level here at—in the fourth grade, and African Americans or Latino kids are reading down here. That's not good enough for our country. And that achievement gap is beginning to grow. It's amazing what happens when you raise standards and hold people to account.

And so my—any effort to weaken No Child Left Behind Act will get a Presidential veto. I believe this piece of legislation is important, and I believe it's hopeful, and I believe it's necessary to make sure we got a educated group of students who can compete in the global economy when they get older.

Yes, sir.

Alternative Fuel Sources/Border Security/Immigration Reform

Q. Mr. President, I'm a third-generation dairy farmer. We milk 300 cows out west of town. And we're very concerned with immigration and the ag jobs and also the economic impact that the ethanol—the Government subsidy on ethanol production has had on feed costs. And agriculture is still number one in Arkansas, even with all this fantastic economic growth that we've got in this area.

The President. Thank you, sir.

Q. Could you please comment, sir?

The President. I will. First of all, I'm guilty on promoting ethanol. And the reason why is, is because I think it's in our interests to diversify away from oil. And the reason why it's—I know that's hard for a Texan to say. But the reason why we've got to diversify away from oil is that we end up with dependency on oil from certain parts of the world where people don't particularly like us. And secondly, given the globalization of the world today—and disruption of oil, you know, in one part of the world is going to cause the price of your gasoline to go up. And so I promoted ethanol and still believe it's important for the future.

I'm also promoting research that will enable us to make ethanol out of something other than corn because I fully understand the constraints on corn. I mean, I hear it everywhere I go, that the people like yourself who rely upon reasonable feed prices know full well that demand for corn as a result of the demand for ethanol going up is costing your—making it harder for you to make a living. And one of these days we're going to be able to make ethanol out of wood chips or switch grass. It's called cellulosic ethanol. And we're spending a lot of money to develop the technologies that will enable us to use something other than corn.

The first part of the question was immigrant—immigration. As you know, I'm a person who believes strongly in comprehensive immigration reform. I agree with our citizens who say that we've got to do a better job of enforcing the laws of the country. And the laws of the country is, you know, you can't employ somebody who is here illegally—

knowingly employ somebody who is here illegally—and that you've got a border for a reason, a Border Patrol for a reason, to enforce the border. And I'm for that, and I supported congressional efforts to modernize our border, and we are. It's a long, hard border to enforce, but we've doubled the Border Patrol; we're using technologies to find people sneaking in here.

But I also recognize this, that in order to truly, effectively work the border in a way that most Americans want, you've got to have a program that will enable somebody to come here and legally work on a temporary basis, because if you're somebody who's got a starving family at home and you're interested in putting food on the table, you'll go to great lengths to come to America to do jobs Americans aren't doing. And so therefore, in order for us to have good border policy, it makes sense to have a worker policy, a temporary-worker plan with verifiable, tamper-proof cards to allow somebody to come here to do a job Americans aren't willing to do.

You got a lot of people up here that are working jobs Americans aren't willing to do. There are not a lot of Americans who want to pluck chickens. I don't know what they're doing on your place, but I'm sure it's hard work, and it's hard to find workers. But if you find somebody who's got a hungry family, it's amazing how hard they'll work. And so it seems like to me that in order to have good border policy, we got to have a tamper-proof card available for temporary workers to come.

And then the big issue is, what are we going to do with the 11 million people already here? Well, you can't kick them out. Some people say, you can kick them out. I don't think you can kick them out. I don't think it's realistic policy. On the other hand, I think it's a mistake to have instant citizenship. The reason I don't believe you should have instant citizenship is because it will cause the next 11 million to want to come. And we're trying to make sure they have an orderly immigration policy.

And so I supported the plan in the Senate that gave people an opportunity over time to prove their worth as a citizen, to show that they pay taxes and were—they had the ability to be a constructive citizen. Give them a chance to get at the back at the line. That's what I thought we ought to do. But it didn't pass, and it was a mistake that the Congress didn't pass comprehensive immigration reform. That's why it's still an issue. That's why the President comes to speak in Rogers, and he stands up and says, "What are you going to do about the problem?" Congress, by passing on the problem, obviously means this is going to be around for awhile.

This debate needs to be constructed in a way that upholds the proud traditions of America. We are a land of immigrants. Whether or not some of us want to admit it, this is a country that was founded by immigrants. And many in this hall's parents or grandparents were immigrants to the United States. And when people come to our country to work hard and realize dreams, it renews our soul, it makes us a better place. And so however this debate is played out here in Rogers or anywhere else, it needs to be conducted by treating people with dignity and people with honor.

Yes, sir. Thank you, sir. Proud member of the VFW.

Presidential Election

Q. Yes, sir. I was sitting—I had the honor of sitting up front when you addressed the national convention of VFW in Kansas City.

The President. Yes, sir.

Q. After all——

The President. Were you the guy that was sound asleep? [*Laughter*]

Q. No, sir. I'm not the guy.

The President. Okay, good. [*Laughter*]

Q. After all of the Presidential hopefuls had paraded through for 3 days before you got there and you gave your wonderful speech, the straw poll throughout the entire room, sir, was that we wish you could run for another 4 years.

The President. Thank you. Yes. Well, I can't, and it's time for new blood. After 18—15 more months, I'm going to sprint to the finish; you don't have to worry about that. I'm going to give it my all. And there's nothing better for a democracy than to renew itself by elections and new leadership. So, anyway, thanks for saying it. Plus, I'd be single. [*Laughter*]

President's Commission on Care for America's Returning Wounded Warriors

Q. Mr. President, we all thank you for your Wounded Warriors Commission on a national basis. The final report in July—31 July to you from that wonderful Commission headed by Senator Bob Dole was absolutely the future bible for Veterans Affairs and veterans' handling throughout the United States. Sir, thank you again for being a veterans advocate number one.

The President. Thank you, sir. Yes, thanks. You're kind to say that. Senator Dole and Secretary Shalala are going to be at the White House tomorrow. And as the person who have asked these brave young men and women to go into combat, I feel a special obligation to make sure that our veterans, particularly those who've served under my watch, get the absolute best care. I'm—I marvel—isn't it interesting, by the way, it's the first military question—just an observation point—[*laughter*]—I marvel at our military, and I marvel at the kids who are in the military. Not only kids, but—at 62 you can call them "kids"—61 you can call them "kids."

We've got a military of highly trained, highly skilled people who understand the stakes of the struggle between ideologues who murder to achieve their objectives and those of us who want there to be long-term peace. The reenlistment rates are remarkable. The number of people willing to say, "I want to go back in to serve my country and to the theater in this global struggle," it's just amazing.

And therefore, we as a government have a solemn duty to, one, support their families, and two, when they come out as veterans, is to give them what they need—get them what they need, to make sure if they're wounded they can get back on their feet. Give them what they need, if they've got posttraumatic stress syndrome, the help, the mental help.

These are remarkable citizens, and my commitment is very strong to our veterans. And I thank you for bringing it up. And I asked Bob Dole and Donna Shalala to make sure that if there was any bureaucratic obstacles between somebody going from DOD to the Veterans Affairs, that we identified them and came up—come up with solutions to make sure our kids, our troops have what they need. And that's what we're going to do.

So thanks for bringing it up, and thanks for serving. Appreciate the example you set.

Veterans Administration

Q. ——Rogers. I'm a Vietnam veteran, and here comes your second question——

The President. Did they name this city after you? [*Laughter*]

Q. Did they, Mayor? [*Laughter*]

The President. I don't think so.

Q. Here's your second question about the military.

The President. Okay.

Q. As a wounded Vietnam veteran, come back, I go over to the VA hospital, and I've seen it in Fayetteville, the remarkable money that's been placed on the veterans of building that hospital up to take care of us. And I love it. But I had a time period there where after the war was over with, the conflict was over with—of which we're going to come through too—it seemed like we were forgotten. Is the administration or the Government not going to forget these people that's over in Iraq that has stood over there for many times and went back—if you could answer that.

But I also want to say, thank you very much for being my President for the last 7 years.

The President. Thank you, sir. Yes. There's a fundamental attitudinal difference, it seems like to me, now than when you served. One of the main reasons why is because we have a volunteer army. And the fundamental question facing policymakers is, how do you make sure that that Volunteer Army is robust and well-trained? And the answer is, pay people well, but also remember that the spouse makes a big decision as to whether or not people are willing to serve or at least stay in that Volunteer Army or serve in the first place.

And that's why we've improved housing. And that's why we've made sure that a spouse can communicate with his or her loved one

on a real-time basis if they're in Iraq or Afghanistan. In other words, there's a lot of effort that goes into making sure that this Government takes care of the family members.

And part of making sure that we remain a volunteer army is to make sure that the Veterans Administration is well-organized and treats people with respect and the programs address the veterans' needs. And that's exactly what we're going to do.

And that's precisely what this man was talking about. He said, we put together a Commission to make sure that we addressed any shortfalls in the Veterans Administration. It's the six—they've got six points in there that make a lot of sense. For example, you don't want your people having to argue against your own Government about whether or not they receive a certain level of disability. You might have had to do that. Well, we're going to try to make sure the process is not adversarial for our veterans. After all, they serve; they volunteer to serve.

And so you're giving me a chance to say what I really tried to say for this fellow over here, and that is, you bet we'll support our veterans. One, we owe it to them. But two, in order to make sure this Volunteer Army is robust and can continue to be active in this global war against these ideologues and strong enough to be able to do it, we got to say to somebody who's going in, when you come out, you're going to get the respect and the support you need.

Thank you.

Yes, sir.

Federal Aviation Legislation

Q. Thank you, Mr. President. First of all, I want to say, thank you very much for taking your time to come to northwest Arkansas. The people in this room really appreciate it. It means a lot to us, and we're very honored and privileged by your presence. I want to tell you that, first of all.

The President. Thank you. Glad to be here.

Q. Second of all, I wanted to talk to you about House bill 1125, on the House side—the Senate bill is Senate bill 65. I have a brother; his name is Robert Barnett. He lives in Siloam Springs, Arkansas. He's fixing to lose his job——

The President. I don't want to interrupt you, but I have no earthly idea what those numbers mean. [*Laughter*]

Q. Okay. It has to do with the pilots losing their jobs at turning age 60, the——

The President. The what?

Q. The commercial airline pilots—they're losing their jobs—that are turning age 60. And those bills reflect the policy. And I know Mary Peters and Marion Blakey have endorsed the age change, but we're losing over 200 pilots a month in this country. And they can go to foreign airline carriers and fly in the United States. We let people of 65—these pilots have lost their pensions. They're—most of them are military trained; we've spent over $2 million each. They're in good physical shape, and they want to keep their jobs. They've got kids in college; they need the incomes. Just wanted to get your response on that, sir.

The President. Well, I'm glad you told me Mary Peters is for it. If she's for it, I'm probably going to be for it too, since I named her as head of the Transportation Department. I'll be frank with you—this may come as an admission that you probably never heard a President hear—it hadn't made it to my desk yet. I'm really not sure about the issue, but I'll look into it. I have all the respect for Mary Peters, and if she said she supports raising the age—is that what you told me she said—I bet it's going to happen. At least I bet you she'll have my support.

One of the things in a complex environment like the Presidency is, you got to surround your people—surround the President, or surround myself, with people whose judgment you trust. And I listen to my Cabinet Secretaries, and I bring them into the Oval Office. They've got access to me. They've got to be able to come in and say, "Here's what I believe." The temptation of politics is for somebody to walk in when you're not looking so good, and walk in the Oval Office and say, "Man, you're looking beautiful," when you're not. You got to have Cabinet Secretaries who can walk in and say, "Here's what's on my mind." And I bet you if I ask Mary and she gives me the reason why she's for it, I bet you I support it.

And so thanks for bringing that up.

Yes, ma'am. Let's get a little diversity here. Yes, get up there.

U.S. National Guard and Reserve Deployments/War on Terror

Q. [*Inaudible*]

The President. Yes.

Q. [*Inaudible*]

The President. No.

Q. [*Inaudible*]

The President. I don't think the National Guard is close to being the Regular Army. A matter of fact, they have been a integral part of working alongside the Army.

There will be no chance for a draft under my watch. I'm against a draft. I don't think we need a draft. I'm a strong supporter of the Volunteer Army. I am for making sure that our Guard ends up with rotations that are known. In other words, we got to make sure that when we make a promise to somebody in the Guard, that if you're in for a year, you're out for a certain set period of time. I am for that.

The Regular Army is carrying the bulk of this fight, and the Guard is being a very important part of helping. A couple of things about the Guard—one is that if you're an employer here giving a Guard member or a Reserve member a chance to go to help this country secure itself, I thank you. You're making a vital contribution to the security of the United States of America. And I do appreciate our Guard a lot. I appreciate what they've done. I appreciate the sacrifices they and their families have made.

And those sacrifices are necessary because we face an enemy that would like to harm us again. And we've got a two-prong strategy to protect you. You got to just understand that after September the 11th, I made up my mind I would do everything in my power to protect the American people. Secondly—[*applause*]. And on the one hand, that means finding these people before they come and hurt us. In other words, defeat them overseas so they can't come here to hurt us. That means—and so I just want to explain some of the policies. That means we've got to have good intelligence sharing to find out where they are hiding and have the flexibility and the desire to go rout them out of their hiding places, to bring them to justice before they come and hurt us again.

Believe me, they want to. It's one of the lessons of September the 11th, is that while we grew up thinking everything was fine, that we could be protected by oceans, the enemy came and killed 3,000 of our people and others from other nations on our soil. So I think a lot about how to protect you. And that's why I think it's very important that we have techniques that protect your civil liberties, but at the same time, listen to known Al Qaida folks and try to get to figure out what they're doing.

People have got to understand that the programs we'll put in place will protect your right as an American citizen, but if you're talking to Al Qaida, we want to know why, in order to protect the American people. It makes sense for us, when we capture one of these folks on the battlefield, one of these extremists, a person who murders to advance an ideology that is so foreign to America that sometimes we just dismiss it as implausible, that we ought to have techniques available to find out what they know—without torture. See, what I'm talking about is a lot of what you're reading in the newspapers. But what we're doing is all aimed to protect you, to get information, actionable intelligence so we can move.

This is a war that we're not used to in America. We're not fighting a nation-state. We're fighting a movement of people who have a set of beliefs and are willing to murder the innocent to achieve their objectives and can do so with weapons that hardly cost anything. They know full well that when they destroy innocent life, it gets on our TV screens. And we are a nation that believes in life. We're compassionate people, and it horrifies our fellow citizens to see the violence. And they're trying to shake—not only shake our will, but shake the will of the people in Afghanistan or the people of Iraq. And yet the only way to defeat them is to find them and bring them to justice. That's the short-term strategy.

The long-term strategy is to defeat their ideology with a more hopeful ideology, and that's an ideology based upon liberty. I told you—I was setting it up, setting his answer up when I said, I believe in the universality

of freedom. I wasn't surprised when 12 million Iraqis went to the polls. If given a chance to be free after a brutal tyranny, people will say, "I want to be free." The question is, how fast can they get their Government working? And that's what we're trying to help them do.

I will remind you, the Articles of Confederation in our own history is indicative of how hard democracy can be. But success in Iraq and success in Afghanistan are vital for the struggle against extremists because ultimately, it's going to be liberty that provides us the peace we want.

I was telling some folks at lunch today about the relationship I had had with Prime Minister of Japan Koizumi. He's a—you might remember, he's the fellow that asked Laura and me to take him to Elvis's place in Memphis. [*Laughter*] It's a pretty interesting request. [*Laughter*] And we went. I sit at the table with the man, and we were talking about how liberty can transform enemies to allies. My dad fought the Japanese. Sixty years later, his son is talking peace with the Prime Minister of the former enemy. Something happened. Freedom has got the capacity to bring the peace we want.

And the same thing is going to happen in the Middle East unless we lose our will and our vision. People want to live in a free society. And one of the lessons of history is, liberty is transformative. In other words, liberty can help an enemy become an ally. Liberty can take a region of hopelessness and convert it to a region of hope. And the enemy preys upon hopelessness. And so it—whether it be the brutality of tyranny or the scourge of disease and hunger, it's in the interest of the United States to help the world deal with that for our own peace, for our own security.

It's one thing if the enemy couldn't hit us here at home; we could just let them—let the world run its course; just let everything happen that's meant—that it may be meant to happen, you know, just let it go. But what matters—what happens overseas matters here in the homeland. That's one of the lessons of September the 11th.

I also happen to believe it's in our moral interest to help people dying of HIV/AIDS live. I believe it's in our moral interest to do that as well as our security interest. I believe it's in the interest of our soul. To whom much is given, much is required. We've been given a lot, and when we find hungry children, it's in our interest—it's in our security interest, but it's also in the interest of the very, kind of, moral fabric of America.

One of the things Laura is working on is to help people deal with malaria. We could solve the malaria issue. The solution is right at hand. It just takes will and determination. There's no reason for little babies to be dying of mosquito bites around the world. There's just no reason. So the United States has taken the lead—and Laura has taken the lead in our house—to get us to focus on solving problems. It's in the Nation's interest to do that.

A couple of more, then I got to go. Yes, sir.

Situation in Burma

Q. Mr. President, you mentioned freedom. What do you think are the right next steps for democracy and freedom in Burma?

The President. Yes, great question. Enormous international pressure to make it clear to the generals that they will be completely isolated and not accepted into the international community of nations. It's—Aung San Suu Kyi is a great woman who gets a huge vote and yet is now under house arrest. And so she serves as a classic example of why the world needs to work together to help save societies. Her example is one of bravery being confined by unelected military junta.

And by the way, those examples exist. I met with a woman in the Oval Office the other day whose husband was a doctor, plastic surgeon, in Cuba. And he wrote some—I guess wrote some stuff on freedom, and he's now in a prison. He now weighs 106 pounds. She, by the way, brought her four children to the United States of America to be able to raise them in freedom. And she's wondering whether or not we have that same passion toward Cuba that we have with Burma. And the answer—I told her, absolutely. As a matter of fact, America must have passion for political prisoners wherever they exist, for the human condition is important to the future of this country.

And so, sir, to answer your question, whether it be the people in Burma who are

being brutalized by the military junta or the people in Cuba or the people in other tyrannical societies, it's in our interest to rally the world and to pressure and to keep the focus and use our respective bully pulpits—those of us in free societies—use our respective bully pulpits to remind people of the condition, the human condition in these societies that are being deeply affected by tyrannical regimes.

And so I talk about Burma all the time to leaders. I spend a lot of time rallying the world—at least rallying my fellow leaders on issues such as Burma and Cuba and Sudan and Iran. And so thanks for bringing up the question. I just hope we get good results. Sometimes international bodies are nonconsequential. In other words, they're good talking, but there's not a consequence. At some point, there has to be consequences.

So, along the lines in Burma, we have sanctioned individuals within Burma and are considering additional sanctions. But sanctions don't mean anything if we're the only sanctioner. They just find safe haven somewhere else—in trade, for example.

And so it's a tough question, a tough issue, and the United States must always confront these tyrannical situations. It's in our interest that we do so.

Yes, sir.

The Environment/Alternative Fuel Sources/Energy

Q. [*Inaudible*]—welcome to northwest Arkansas. We have a little local mom-and-pop retailer by the name of Wal-Mart that's leading the charge——

The President. Now you're bragging. [*Laughter*]

Q. ——leading the charge on sustainability in the environment. And local governments all across the country are trying to do the same thing. What can the Federal Government do to step up and bring the United States back into a role of leadership in sustainability and in environmental protection?

The President. Yes. The fundamental question is whether or not we will be able to grow our economy and be good stewards of the environment at the same time. I'm interested in good policy. Kyoto, I thought, was bad policy because Kyoto would have basically said—[*applause*]—basically would have said that we would have had to ground our economy down in order to achieve—maybe achieve some positive changes in greenhouse gases.

And so I came with a different approach, sir, and that is, I asked a question: How best to develop new technologies that will enable us to meet our responsibilities as stewards of the environment—of being responsible stewards of the environment? That's why—here, the way I'll do this is, there's three basic aspects to the environment: One is how we generate electricity; two is how we drive our cars; and three is how we build our buildings. We've got good conservation policies available for building construction.

Two, I've just explained to the man who's trying to raise dairy cows, and he's now not so happy with the cost of corn, that we've taken a very aggressive approach on how—on providing alternatives to gasoline. So in other words, dependency on oil is a national security issue, it's an economic security issue, but it's also an environmental issue. The less oil we use, the better stewards of the environment we will be. So that's why I'm a big promoter of ethanol, and I've set a mandatory goal for the country of reducing our gasoline usage by 20 percent over the next 10 years.

Finally, electricity—and that's the interesting issue because, one, we got a lot of coal. And it seems like to me that we want to make sure that if we're going to have economic—you can't, by the way, be good stewards of the environment if you're broke. You just can't. This is an expensive proposition, to make sure that we've got enough cashflow in our society to develop new technologies. So we've got a lot of coal, and it's a plentiful supply. That's why we're spending about $2 billion of your money for clean coal technologies. In other words, we want to be able to power our economy and be good stewards of the environment, so why don't we work for zero-emission coal-fired plants, which is precisely what we're doing.

Secondly, we've got a strong nuclear power initiative going. If you're truly—if you're truly an environmentalist, you'll support nuclear power because it will enable you to generate the electricity necessary to generate the wealth necessary to invest in technologies

and, at the same time, have zero greenhouse gases. And so we've got a comprehensive approach.

I will tell you this: Unless all economies, major economies are at the table, it's a—this is a venture that will not work. So that's why I called together the leaders of the major economies, including China, and said, okay, why don't we sit down at the table and come up with a goal, a reduction of greenhouse gases over a period of time? See, if you can get somebody to agree on a goal, you can begin to get them to agree on a solution. But if certain nations aren't at the table, they're not going to participate.

Secondly, I think each nation is going to have to develop its own strategy. We're different from other countries in the world. We have shown, however, that you can grow your economy and reduce greenhouse gases. You ask what the Federal Government is doing. Whatever we're doing is working because last year, we grew our economy, and the gross amount of greenhouse gases we put in the environment actually went down. And so it's a—you know, this is an important issue.

My principle is, I want to make sure that whatever we do doesn't hamper our capacity to grow. I want our people working. I want people realizing their dreams. I want people to be able to put food on the table. And I believe you can have economic growth and good economic—environmental stewardship through technologies. And that's exactly what we're doing right now. And thanks for bring up the question.

Yes, ma'am.

Health Care

Q. My question is, Mr. President, do you invest money in health care buses to go around the world and give health insurance to people without it?

The President. Here's what I'm going to try to do. First of all, if you're poor, the Government is going to help you. If you're old, the Government has an obligation—elderly, excuse me—the Government—[*laughter*]—I'm old; you're elderly—[*laughter*]—I should have listened to my mother, shouldn't I have, yes—is to make sure a Medicare system fulfills its promise. But I firmly believe that private medicine is the best health care. And the reason I do is because health care needs innovation and it needs professionalism. And our system is—private medicine does encourage innovation and does encourage professionalism.

I know—I'm sure you've—everybody has got a complaint about health care in America, but it's a great health care system. Is there a need for improvement? You bet, but the quality of health care in America is fabulous compared to the rest of the world. It really is.

Secondly, I believe government ought to incent people to go—to be able to have available—ought to incent—ought to change the system to make sure an individual can get into the marketplace and be able to better afford private insurance. Rather than help people through public policy—government programs, is to encourage people through private insurance.

One of my problems with SCHIP, by the way, is that expanding eligibility meant one-third of all families that would sign up on to it would go from private care into the public. That's the exact opposite direction we ought to be moving people, it seems like to me. We ought to be encouraging private medicine and private care.

So I—look, this is a long answer for you, sorry. It's a complex subject, though. We ought to change the Tax Code. Right now, if you're working for corporate Wal-Mart, you're—you benefit, rather than somebody who's trying to buy insurance in the private market. That health care—the taxes in health care says, if you're working for a big company, you do fine; if you're working for a small company or you're unemployed or you're individual sole proprietorship, you're paying health care with after-tax dollars. So the Tax Code needs to be changed.

One option is to say, you deduct the first $15,000 for a family of two—I mean, for a married couple—deduct $15,000 off your expense, $15,000 of your income—on your income. Or another option some are considering in Congress is a tax credit. Either way, it's all intended to get people into the private markets. In other words, the incentive has got to be not to be part of government. The incentive has got to be to have the private sector work.

One of the problems we face is, many people pay your bills for you. This is a third-party payer system. And therefore, you don't really have much to say—if somebody is going to pay it, you don't ask what's the price or what's the quality. There's very little consumerism in health care. And yet consumerism can help with price and quality. And so the question is, can government help consumerism become a part of health care? And one way we do—we buy a lot of health care, and so we then insist upon transparency. We say, if you're going to take government money as a hospital, we expect you to put your prices up there for everybody to see, and then encourage programs like HSAs to put the consumer in charge of the purchasing.

It's a long answer to a simple question; I apologize. But it's a complex subject. And the truth of the matter is, the debate is whether or not the Federal Government is going to run your health care, or whether or not we're wise enough to not let that happen. And for the next 16 months, I can assure you we're wise enough to not let that happen, and that's—[*applause*].

Last question.

Presidential Election/President's Decisionmaking

Q. Mr. President, when do you think there will be a girl President for the Republican Party?

The President. Well—[*laughter*]—I do think—yes, you took my line. [*Laughter*] I think a lady will be President, yes, and she'll be a Republican. [*Laughter*] Look, I—yes, I do. I believe—I absolutely believe it. Look, I—one of the things I benefited from is the advice of strong women, not only in my own house—[*laughter*]—but at the Cabinet table. And I've seen women who are plenty capable of being President of the United States and capable of making the hard decisions and capable of making sure they stick to principle.

See, one of the hardest things about making good, solid decisions is—one of the worst things you can do is to try to chase a poll or a focus group. In order to make decisions that will yield the peace, you got to make them based upon certain fundamental principles and certain values.

And I hope you got a sense of the values and principles by which I'm making decisions today. I'm honored you let me come by. I'm heading to Memphis, believe it or not, and I thank you for the chance to share my thoughts with you. God bless you, and God bless the United States of America.

NOTE: The President spoke at 12:55 p.m. at the John Q. Hammons Convention Center. In his remarks, he referred to former Representative John P. Hammerschmidt of Arkansas; former Senator Bob Dole and former Secretary of Health and Human Services Donna E. Shalala, Cochairs, President's Commission on Care for America's Returning Wounded Warriors; former Prime Minister Junichiro Koizumi of Japan; Aung San Suu Kyi, leader of the National League for Democracy in Burma; and Yamile Llanes Labrada, wife of Cuban political prisoner Jose Luis Garcia Paneque, who was arrested in Cuba on March 18, 2003. A participant referred to former Federal Aviation Administration Administrator Marion C. Blakey; and H.R. 1125 and S. 65.

Remarks Following a Meeting With the President's Commission on Care for America's Returning Wounded Warriors

October 16, 2007

Good afternoon. Thanks for coming. Welcome to the Rose Garden. I appreciate Senator Dole and Secretary Shalala and other members of their Commission for joining me today. Welcome.

I just finished an inspiring meeting with Secretary Gates and Acting Secretary Mansfield, with service members who were rebuilding their lives after being severely wounded in the service of our country. I wish all Americans could hear the service members talk about their strong desire to not only rehabilitate but to enter—be productive citizens here in America. I was most impressed by your spirit and your courage, and I—welcome here to the White House.

I appreciate the fact that they are helping to find a—to define a culture that says, we're going to judge people by their potential, not their disabilities. I appreciate the fact that they are demonstrating the great breakthroughs in technologies that are now available for the wounded. I don't know if you noticed, two of them came in on a Segway.