January 31, 1990

Mr. President, Mr. Speaker, Members of the United States Congress:

I return as a former President of the Senate and a former Member of this great House. And now, as President, it is my privilege to report to you on the state of the Union.

Tonight I come not to speak about the state of the Government, not to detail every new initiative we plan for the coming year nor to describe every line in the budget. I'm here to speak to you and to the American people about the state of the Union, about our world -- the changes we've seen, the challenges we face -- and what that means for America.

There are singular moments in history, dates that divide all that goes before from all that comes after. And many of us in this Chamber have lived much of our lives in a world whose fundamental features were defined in 1945; and the events of that year decreed the shape of nations, the pace of progress, freedom or oppression for millions of people around the world.

Nineteen forty-five provided the common frame of reference, the compass points of the postwar era we've relied upon to understand ourselves. And that was our world, until now. The events of the year just ended, the Revolution of '89, have been a chain reaction, changes so striking that it marks the beginning of a new era in the world's affairs.

Think back -- think back just 12 short months ago to the world we knew as 1989 began.

One year -- one year ago, the people of Panama lived in fear, under the thumb of a dictator. Today democracy is restored; Panama is free. Operation Just Cause has achieved its objective. The number of military personnel in Panama is now very close to what it was before the operation began. And tonight I am announcing that well before the end of February, the additional numbers of American troops, the brave men and women of our Armed Forces who made this mission a success, will be back home.

A year ago in Poland, Lech Walesa declared that he was ready to open a dialog with the Communist rulers of that country; and today, with the future of a free Poland in their own hands, members of Solidarity lead the Polish Government.

A year ago, freedom's playwright, Vaclav Havel, languished as a prisoner in Prague. And today it's Vaclav Havel, President of Czechoslovakia.

And 1 year ago, Erich Honecker of East Germany claimed history as his guide, and he predicted the Berlin Wall would last another hundred years. And today, less than 1 year later, it's the Wall that's history.

Remarkable events -- events that fulfill the long-held hopes of the American people; events that validate the longstanding goals of American policy, a policy based on a single, shining principle: the cause of freedom.

America, not just the nation but an idea, alive in the minds of people everywhere. As this new world takes shape, America stands at the center of a widening circle of freedom -- today, tomorrow, and into the next century. Our nation is the enduring dream of every immigrant who ever set foot on these shores, and the millions still struggling to be free. This nation, this idea called America, was and always will be a new world -- our new world.

At a workers' rally, in a place called Branik on the outskirts of Prague, the idea called America is alive. A worker, dressed in grimy overalls, rises to speak at the factory gates. He begins his speech to his fellow citizens with these words, words of a distant revolution: "We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, and that among these are Life, Liberty and the pursuit of Happiness."

It's no secret that here at home freedom's door opened long ago. The cornerstones of this free society have already been set in place: democracy, competition, opportunity, private investment, stewardship, and of course leadership. And our challenge today is to take this democratic system of ours, a system second to none, and make it better: a better America, where there's a job for everyone who wants one; where women working outside the home can be confident their children are in safe and loving care and where government works to expand child-care alternatives for parents; where we reconcile the needs of a clean environment and a strong economy; where "Made in the USA" is recognized around the world as the symbol of quality and progress; where every one of us enjoys the same opportunities to live, to work, and to contribute to society and where, for the first time, the American mainstream includes all of our disabled citizens; where everyone has a roof over his head and where the homeless get the help they need to live in dignity; where our schools challenge and support our kids and our teachers and where all of them make the grade; where every street, every city, every school, and every child is drug-free; and finally, where no American is forgotten -- our hearts go out to our hostages who are ceaselessly on our minds and in our efforts.

That's part of the future we want to see, the future we can make for ourselves, but dreams alone won't get us there. We need to extend our horizon, commit to the long view. And our mission for the future starts today.

In the tough competitive markets around the world, America faces the great challenges and great opportunities. And we know that we can succeed in the global economic arena of the nineties, but to meet that challenge, we must make some fundamental changes -- some crucial investment in ourselves.

Yes, we are going to invest in America. This administration is determined to encourage the creation of capital, capital of all kinds: physical capital -- everything from our farms and factories to our workshops and production lines, all that is needed to produce and deliver quality goods and quality services; intellectual capital -- the source of ideas that spark tomorrow's products; and of course our human capital -- the talented work force that we'll need to compete in the global market.

Let me tell you, if we ignore human capital, if we lose the spirit of American ingenuity, the spirit that is the hallmark of the American worker, that would be bad. The American worker is the most productive worker in the world.

We need to save more. We need to expand the pool of capital for new investments that need more jobs and more growth. And that's the idea behind a new initiative I call the Family Savings Plan, which I will send to Congress tomorrow.

We need to cut the tax on capital gains, encourage risktakers, especially those in our small businesses, to take those steps that translate into economic reward, jobs, and a better life for all of us.

We'll do what it takes to invest in America's future. The budget commitment is there. The money is there. It's there for research and development, R&D -- a record high. It's there for our housing initiative -- HOPE -- to help everyone from first-time homebuyers to the homeless. The money's there to keep our kids drug-free -- 70 percent more than when I took office in 1989. It's there for space exploration. And it's there for education -- another record high.

And one more thing: Last fall at the education summit, the Governors and I agreed to look for ways to help make sure that our kids are ready to learn the very first day they walk into the classroom. And I've made good on that commitment by proposing a record increase in funds -- an extra half-a-billion dollars -- for something near and dear to all of us: Head Start.

Education is the one investment that means more for our future because it means the most for our children. Real improvement in our schools is not simply a matter of spending more: It's a matter of asking more -- expecting more -- of our schools, our teachers, of our kids, of our parents, and ourselves. And that's why tonight I am announcing America's education goals, goals developed with enormous cooperation from the Nation's Governors. And if I might, I'd like to say I'm very pleased that Governor Gardner [Washington] and Governor Clinton [Arkansas], Governor Branstad [Iowa], Governor Campbell [South Carolina], all of whom were very key in these discussions, these deliberations, are with us here tonight.

By the year 2000, every child must start school ready to learn.

The United States must increase the high school graduation rate to no less than 90 percent.

And we are going to make sure our schools' diplomas mean something. In critical subjects -- at the 4th, 8th, and 12th grades -- we must assess our students' performance.

By the year 2000, U.S. students must be first in the world in math and science achievement.

Every American adult must be a skilled, literate worker and citizen.

Every school must offer the kind of disciplined environment that makes it possible for our kids to learn. And every school in America must be drug-free.

Ambitious aims? Of course. Easy to do? Far from it. But the future's at stake. The Nation will not accept anything less than excellence in education.

These investments will keep America competitive. And I know this about the American people: We welcome competition. We'll match our ingenuity, our energy, our experience and technology, our spirit and enterprise against anyone. But let the competition be free, but let it also be fair. America is ready.

Since we really mean it and since we're serious about being ready to meet that challenge, we're getting our own house in order. We have made real progress. Seven years ago, the Federal deficit was 6 percent of our gross national product -- 6 percent. In the new budget I sent up 2 days ago, the deficit is down to 1 percent of gross national product.

That budget brings Federal spending under control. It meets the Gramm-Rudman target. It brings that deficit down further and balances the budget by 1993 with no new taxes. And let me tell you, there's still more than enough Federal spending. For most of us, $1.2 trillion is still a lot of money.

And once the budget is balanced, we can operate the way every family must when it has bills to pay. We won't leave it to our children and our grandchildren. Once it's balanced, we will start paying off the national debt.

And there's something more we owe the generations of the future: stewardship, the safekeeping of America's precious environmental inheritance. It's just one sign of how serious we are. We will elevate the Environmental Protection Agency to Cabinet rank -- not more bureaucracy, not more red-tape, but the certainty that here at home, and especially in our dealings with other nations, environmental issues have the status they deserve.

This year's budget provides over $2 billion in new spending to protect our environment, with over $1 billion for global change research, and a new initiative I call America the Beautiful to expand our national parks and wildlife preserves that improve recreational facilities on public lands, and something else, something that will help keep this country clean from our forestland to the inner cities and keep America beautiful for generations to come: the money to plant a billion trees a year.

And tonight let me say again to all the Members of the Congress: The American people did not send us here to bicker. There is work to do, and they sent us here to get it done. And once again, in the spirit of cooperation, I offer my hand to all of you. Let's work together to do the will of the people: clean air, child care, the Educational Excellence Act, crime, and drugs. It's time to act. The farm bill, transportation policy, product-liability reform, enterprise zones -- it's time to act together.

And there's one thing I hope we will be able to agree on. It's about our commitments. I'm talking about Social Security. To every American out there on Social Security, to every American supporting that system today, and to everyone counting on it when they retire, we made a promise to you, and we are going to keep it.

We rescued the system in 1983, and it's sound again -- bipartisan arrangement. Our budget fully funds today's benefits, and it assures that future benefits will be funded as well. The last thing we need to do is mess around with Social Security.

There's one more problem we need to address. We must give careful consideration to the recommendations of the health-care studies underway now. That's why tonight I'm asking Dr. Sullivan, Lou Sullivan, Secretary of Health and Human Services, to lead a Domestic Policy Council review of recommendations on the quality, accessibility, and cost of our nation's health-care system. I am committed to bring the staggering costs of health care under control.

The state of the Government does indeed depend on many of us in this very chamber. But the state of the Union depends on all Americans. We must maintain the democratic decency that makes a nation out of millions of individuals. I've been appalled at the recent mail bombings across this country. Every one of us must confront and condemn racism, anti-Semitism, bigotry, and hate, not next week, not tomorrow, but right now -- every single one of us.

The state of the Union depends on whether we help our neighbor -- claim the problems of our community as our own. We've got to step forward when there's trouble, lend a hand, be what I call a point of light to a stranger in need. We've got to take the time after a busy day to sit down and read with our kids, help them with their homework, pass along the values we learned as children. That's how we sustain the state of the Union. Every effort is important. It all adds up. It's doing the things that give democracy meaning. It all adds up to who we are and who we will be.

Let me say that so long as we remember the American idea, so long as we live up to the American ideal, the state of the Union will remain sound and strong.

And to those who worry that we've lost our way -- well, I want you to listen to parts of a letter written by Private First Class James Markwell, a 20-year-old Army medic of the 1st Battalion, 75th Rangers. It's dated December 18th, the night before our armed forces went into action in Panama. It's a letter servicemen write and hope will never be sent. And sadly, Private Markwell's mother did receive this letter. She passed it along to me out there in Cincinnati.

And here is some of what he wrote: "I've never been afraid of death, but I know he is waiting at the corner. I've been trained to kill and to save, and so has everyone else. I am frightened what lays beyond the fog, and yet do not mourn for me. Revel in the life that I have died to give you. But most of all, don't forget the Army was my choice. Something that I wanted to do. Remember I joined the Army to serve my country and ensure that you are free to do what you want and live your lives freely."

Let me add that Private Markwell was among the first to see battle in Panama, and one of the first to fall. But he knew what he believed in. He carried the idea we call America in his heart.

I began tonight speaking about the changes we've seen this past year. There is a new world of challenges and opportunities before us, and there's a need for leadership that only America can provide. Nearly 40 years ago, in his last address to the Congress, President Harry Truman predicted such a time would come. He said: "As our world grows stronger, more united, more attractive to men on both sides of the Iron Curtain, then inevitably there will come a time of change within the Communist world." Today, that change is taking place.

For more than 40 years, America and its allies held communism in check and ensured that democracy would continue to exist. And today, with communism crumbling, our aim must be to ensure democracy's advance, to take the lead in forging peace and freedom's best hope: a great and growing commonwealth of free nations. And to the Congress and to all Americans, I say it is time to acclaim a new consensus at home and abroad, a common vision of the peaceful world we want to see.

Here in our own hemisphere, it is time for all the peoples of the Americas, North and South, to live in freedom. In the Far East and Africa, it's time for the full flowering of free governments and free markets that have served as the engine of progress. It's time to offer our hand to the emerging democracies of Eastern Europe so that continent -- for too long a continent divided -- can see a future whole and free. It's time to build on our new relationship with the Soviet Union, to endorse and encourage a peaceful process of internal change toward democracy and economic opportunity.

We are in a period of great transition, great hope, and yet great uncertainty. We recognize that the Soviet military threat in Europe is diminishing, but we see little change in Soviet strategic modernization. Therefore, we must sustain our own strategic offense modernization and the Strategic Defense Initiative.

But the time is right to move forward on a conventional arms control agreement to move us to more appropriate levels of military forces in Europe, a coherent defense program that ensures the U.S. will continue to be a catalyst for peaceful change in Europe. And I've consulted with leaders of NATO. In fact, I spoke by phone with President Gorbachev just today.

I agree with our European allies that an American military presence in Europe is essential and that it should not be tied solely to the Soviet military presence in Eastern Europe. But our troop levels can still be lower. And so, tonight I am announcing a major new step for a further reduction in U.S. and Soviet manpower in Central and Eastern Europe to 195,000 on each side. This level reflects the advice of our senior military advisers. It's designed to protect American and European interests and sustain NATO's defense strategy. A swift conclusion to our arms control talks -- conventional, chemical, and strategic -- must now be our goal. And that time has come.

Still, we must recognize an unfortunate fact: In many regions of the world tonight, the reality is conflict, not peace. Enduring animosities and opposing interests remain. And thus, the cause of peace must be served by an America strong enough and sure enough to defend our interests and our ideals. It's this American idea that for the past four decades helped inspire this Revolution of '89.

Here at home and in the world, there's history in the making, history to be made. Six months ago, early in this season of change, I stood at the gates of the Gdansk shipyard in Poland at the monument to the fallen workers of Solidarity. It's a monument of simple majesty. Three tall crosses rise up from the stones, and atop each cross, an anchor -- an ancient symbol of hope.

The anchor in our world today is freedom, holding us steady in times of change, a symbol of hope to all the world. And freedom is at the very heart of the idea that is America. Giving life to that idea depends on every one of us. Our anchor has always been faith and family.

In the last few days of this past momentous year, our family was blessed once more, celebrating the joy of life when a little boy became our 12th grandchild. When I held the little guy for the first time, the troubles at home and abroad seemed manageable and totally in perspective.

Now, I know you're probably thinking, well, that's just a grandfather talking. Well, maybe you're right. But I've met a lot of children this past year across this country, as all of you have, everywhere from the Far East to Eastern Europe. And all kids are unique, and yet all kids are alike -- the budding young environmentalists I met this month who joined me in exploring the Florida Everglades; the little leaguers I played catch with in Poland, ready to go from Warsaw to the World Series; and even the kids who are ill or alone -- and God bless those boarder babies, born addicted to drugs and AIDS and coping with problems no child should have to face. But you know, when it comes to hope and the future, every kid is the same -- full of dreams, ready to take on the world -- all special, because they are the very future of freedom. And to them belongs this new world I've been speaking about.

And so, tonight I'm going to ask something of every one of you. Now, let me start with my generation, with the grandparents out there. You are our living link to the past. Tell your grandchildren the story of struggles waged at home and abroad, of sacrifices freely made for freedom's sake. And tell them your own story as well, because every American has a story to tell.

And, parents, your children look to you for direction and guidance. Tell them of faith and family. Tell them we are one nation under God. Teach them that of all the many gifts they can receive liberty is their most precious legacy, and of all the gifts they can give the greatest is helping others.

And to the children and young people out there tonight: With you rests our hope, all that America will mean in the years and decades ahead. Fix your vision on a new century -- your century, on dreams we cannot see, on the destiny that is yours and yours alone.

And finally, let all Americans -- all of us together here in this Chamber, the symbolic center of democracy -- affirm our allegiance to this idea we call America. And let us remember that the state of the Union depends on each and every one of us.

God bless all of you, and may God bless this great nation, the United States of America.

January 29, 1991

Mr. President and Mr. Speaker and Members of the United States Congress:

I come to this House of the people to speak to you and all Americans, certain that we stand at a defining hour. Halfway around the world, we are engaged in a great struggle in the skies and on the seas and sands. We know why we're there: We are Americans, part of something larger than ourselves. For two centuries, we've done the hard work of freedom. And tonight, we lead the world in facing down a threat to decency and humanity.

What is at stake is more than one small country; it is a big idea: a new world order, where diverse nations are drawn together in common cause to achieve the universal aspirations of mankind -- peace and security, freedom, and the rule of law. Such is a world worthy of our struggle and worthy of our children's future.

The community of nations has resolutely gathered to condemn and repel lawless aggression. Saddam Hussein's unprovoked invasion -- his ruthless, systematic rape of a peaceful neighbor -- violated everything the community of nations holds dear. The world has said this aggression would not stand, and it will not stand. Together, we have resisted the trap of appeasement, cynicism, and isolation that gives temptation to tyrants. The world has answered Saddam's invasion with 12 United Nations resolutions, starting with a demand for Iraq's immediate and unconditional withdrawal, and backed up by forces from 28 countries of 6 continents. With few exceptions, the world now stands as one.

The end of the cold war has been a victory for all humanity. A year and a half ago, in Germany, I said that our goal was a Europe whole and free. Tonight, Germany is united. Europe has become whole and free, and America's leadership was instrumental in making it possible.

Our relationship to the Soviet Union is important, not only to us but to the world. That relationship has helped to shape these and other historic changes. But like many other nations, we have been deeply concerned by the violence in the Baltics, and we have communicated that concern to the Soviet leadership. The principle that has guided us is simple: Our objective is to help the Baltic peoples achieve their aspirations, not to punish the Soviet Union. In our recent discussions with the Soviet leadership we have been given representations which, if fulfilled, would result in the withdrawal of some Soviet forces, a reopening of dialog with the Republics, and a move away from violence.

We will watch carefully as the situation develops. And we will maintain our contact with the Soviet leadership to encourage continued commitment to democratization and reform. If it is possible, I want to continue to build a lasting basis for U.S.-Soviet cooperation -- for a more peaceful future for all mankind.

The triumph of democratic ideas in Eastern Europe and Latin America and the continuing struggle for freedom elsewhere all around the world all confirm the wisdom of our nation's founders. Tonight, we work to achieve another victory, a victory over tyranny and savage aggression.

We in this Union enter the last decade of the 20th century thankful for our blessings, steadfast in our purpose, aware of our difficulties, and responsive to our duties at home and around the world. For two centuries, America has served the world as an inspiring example of freedom and democracy. For generations, America has led the struggle to preserve and extend the blessings of liberty. And today, in a rapidly changing world, American leadership is indispensable. Americans know that leadership brings burdens and sacrifices. But we also know why the hopes of humanity turn to us. We are Americans; we have a unique responsibility to do the hard work of freedom. And when we do, freedom works.

The conviction and courage we see in the Persian Gulf today is simply the American character in action. The indomitable spirit that is contributing to this victory for world peace and justice is the same spirit that gives us the power and the potential to meet our toughest challenges at home. We are resolute and resourceful. If we can selflessly confront the evil for the sake of good in a land so far away, then surely we can make this land all that it should be. If anyone tells you that America's best days are behind her, they're looking the wrong way.

Tonight I come before this House and the American people with an appeal for renewal. This is not merely a call for new government initiatives; it is a call for new initiatives in government, in our communities, and from every American to prepare for the next American century.

America has always led by example. So, who among us will set the example? Which of our citizens will lead us in this next American century? Everyone who steps forward today -- to get one addict off drugs, to convince one troubled teenager not to give up on life, to comfort one AIDS patient, to help one hungry child.

We have within our reach the promise of a renewed America. We can find meaning and reward by serving some higher purpose than ourselves, a shining purpose, the illumination of a Thousand Points of Light. And it is expressed by all who know the irresistible force of a child's hand, of a friend who stands by you and stays there, a volunteer's generous gesture, an idea that is simply right.

The problems before us may be different, but the key to solving them remains the same. It is the individual -- the individual who steps forward. And the state of our Union is the union of each of us, one to the other -- the sum of our friendships, marriages, families, and communities.

We all have something to give. So, if you know how to read, find someone who can't. If you've got a hammer, find a nail. If you're not hungry, not lonely, not in trouble, seek out someone who is. Join the community of conscience. Do the hard work of freedom. And that will define the state of our Union.

Since the birth of our nation, "We the People" has been the source of our strength. What government can do alone is limited, but the potential of the American people knows no limits.

We are a nation of rock-solid realism and clear-eyed idealism. We are Americans. We are the Nation that believes in the future. We are the Nation that can shape the future. And we've begun to do just that, by strengthening the power and choice of individuals and families.

Together, these last 2 years, we've put dollars for child care directly in the hands of parents instead of bureaucracies; unshackled the potential of Americans with disabilities; applied the creativity of the marketplace in the service of the environment, for clean air; and made home ownership possible for more Americans.

The strength of a democracy is not in bureaucracy. It is in the people and their communities. In everything we do, let us unleash the potential of our most precious resource -- our citizens, our citizens themselves. We must return to families, communities, counties, cities, States, and institutions of every kind the power to chart their own destiny and the freedom and opportunity provided by strong economic growth. And that's what America is all about.

I know that tonight, in some regions of our country, people are in genuine economic distress. And I hear them. Earlier this month, Kathy Blackwell, of Massachusetts, wrote me about what can happen when the economy slows down, saying, "My heart is aching, and I think that you should know your people out here are hurting badly."

I understand, and I'm not unrealistic about the future. But there are reasons to be optimistic about our economy. First, we don't have to fight double-digit inflation. Second, most industries won't have to make big cuts in production because they don't have big inventories piled up. And third, our exports are running solid and strong. In fact, American businesses are exporting at a record rate.

So, let's put these times in perspective. Together, since 1981, we've created almost 20 million jobs, cut inflation in half, and cut interest rates in half. And yes, the largest peacetime economic expansion in history has been temporarily interrupted. But our economy is still over twice as large as our closest competitor.

We will get this recession behind us and return to growth soon. We will get on our way to a new record of expansion and achieve the competitive strength that will carry us into the next American century. We should focus our efforts today on encouraging economic growth, investing in the future, and giving power and opportunity to the individual.

We must begin with control of Federal spending. That's why I'm submitting a budget that holds the growth in spending to less than the rate of inflation. And that's why, amid all the sound and fury of last year's budget debate, we put into law new, enforceable spending caps, so that future spending debates will mean a battle of ideas, not a bidding war.

Though controversial, the budget agreement finally put the Federal Government on a pay-as-you-go plan and cut the growth of debt by nearly $500 billion. And that frees funds for saving and job-creating investment.

Now, let's do more. My budget again includes tax-free family savings accounts; penalty-free withdrawals from IRA's for first-time home buyers; and to increase jobs and growth, a reduced tax for long-term capital gains.

I know there are differences among us -- [laughter] -- about the impact and the effects of a capital gains incentive. So tonight, I'm asking the congressional leaders and the Federal Reserve to cooperate with us in a study, led by Chairman Alan Greenspan, to sort out our technical differences so that we can avoid a return to unproductive partisan bickering.

But just as our efforts will bring economic growth now and in the future, they must also be matched by long-term investments for the next American century. That requires a forward-looking plan of action, and that's exactly what we will be sending to the Congress. We've prepared a detailed series of proposals that include: a budget that promotes investment in America's future -- in children, education, infrastructure, space, and high technology; legislation to achieve excellence in education, building on the partnership forged with the 50 Governors at the education summit, enabling parents to choose their children's schools and helping to make America number one in math and science; a blueprint for a new national highway system, a critical investment in our transportation infrastructure; a research and development agenda that includes record levels of Federal investment, and a permanent tax credit to strengthen private R&D and to create jobs; a comprehensive national energy strategy that calls for energy conservation and efficiency, increased development, and greater use of alternative fuels; a banking reform plan to bring America's financial system into the 21st century so that our banks remain safe and secure and can continue to make job-creating loans for our factories, our businesses, and home buyers.

You know, I do think there has been too much pessimism. Sound banks should be making sound loans now, and interest rates should be lower, now.

In addition to these proposals, we must recognize that our economic strength depends on being competitive in world markets. We must continue to expand American exports. A successful Uruguay round of world trade negotiations will create more real jobs and more real growth for all nations. You and I know that if the playing field is level, America's workers and farmers can out-work, out-produce anyone, anytime, anywhere.

And with a Mexican free trade agreement and our Enterprise for the Americas Initiative, we can help our partners strengthen their economies and move toward a free trade zone throughout this entire hemisphere.

The budget also includes a plan of action right here at home to put more power and opportunity in the hands of the individual. And that means new incentives to create jobs in our inner cities by encouraging investment through enterprise zones. It also means tenant control and ownership of public housing. Freedom and the power to choose should not be the privilege of wealth. They are the birthright of every American.

Civil rights are also crucial to protecting equal opportunity. Every one of us has a responsibility to speak out against racism, bigotry, and hate. We will continue our vigorous enforcement of existing statutes, and I will once again press the Congress to strengthen the laws against employment discrimination without resorting to the use of unfair preferences.

We're determined to protect another fundamental civil right: freedom from crime and the fear that stalks our cities. The Attorney General will soon convene a crime summit of our nation's law enforcement officials. And to help us support them, we need tough crime control legislation, and we need it now.

And as we fight crime, we will fully implement our national strategy for combating drug abuse. Recent data show that we are making progress, but much remains to be done. We will not rest until the day of the dealer is over, forever.

Good health care is every American's right and every American's responsibility. And so, we are proposing an aggressive program of new prevention initiatives -- for infants, for children, for adults, and for the elderly -- to promote a healthier America and to help keep costs from spiraling.

It's time to give people more choice in government by reviving the ideal of the citizen politician who comes not to stay but to serve. And one of the reasons that there is so much support across this country for term limitations is that the American people are increasingly concerned about big-money influence in politics. So, we must look beyond the next election to the next generation. And the time has come to put the national interest above the special interest and to totally eliminate political action committees. And that would truly put more competition in elections and more power in the hands of individuals.

And where power cannot be put directly in the hands of the individual, it should be moved closer to the people, away from Washington. The Federal Government too often treats government programs as if they are of Washington, by Washington, and for Washington. Once established, Federal programs seem to become immortal. It's time for a more dynamic program life cycle. Some programs should increase. Some should decrease. Some should be terminated. And some should be consolidated and turned over to the States.

My budget includes a list of programs for potential turnover totaling more than $20 billion. Working with Congress and the Governors, I propose we select at least $15 billion in such programs and turn them over to the States in a single consolidated grant, fully funded, for flexible management by the States.

The value, the value of this turnover approach is straightforward. It allows the Federal Government to reduce overhead. It allows States to manage more flexibly and more efficiently. It moves power and decisionmaking closer to the people. And it reinforces a theme of this administration: appreciation and encouragement of the innovative powers of States as laboratories.

This nation was founded by leaders who understood that power belongs in the hands of people. And they planned for the future. And so must we, here and all around the world.

As Americans, we know that there are times when we must step forward and accept our responsibility to lead the world away from the dark chaos of dictators, toward the brighter promise of a better day. Almost 50 years ago we began a long struggle against aggressive totalitarianism. Now we face another defining hour for America and the world.

There is no one more devoted, more committed to the hard work of freedom than every soldier and sailor, every marine, airman, and coastguardsman, every man and woman now serving in the Persian Gulf. Oh, how they deserve -- [applause] -- and what a fitting tribute to them.

You see -- what a wonderful, fitting tribute to them. Each of them has volunteered, volunteered to provide for this nation's defense, and now they bravely struggle to earn for America, for the world, and for future generations a just and lasting peace. Our commitment to them must be equal to their commitment to their country. They are truly America's finest.

The war in the Gulf is not a war we wanted. We worked hard to avoid war. For more than 5 months we -- along with the Arab League, the European Community, the United Nations -- tried every diplomatic avenue. U.N. Secretary-General Perez de Cuellar; Presidents Gorbachev, Mitterrand, Ozal, Mubarak, and Bendjedid; Kings Fahd and Hassan; Prime Ministers Major and Andreotti -- just to name a few -- all worked for a solution. But time and again, Saddam Hussein flatly rejected the path of diplomacy and peace.

The world well knows how this conflict began and when: It began on August 2d, when Saddam invaded and sacked a small, defenseless neighbor. And I am certain of how it will end. So that peace can prevail, we will prevail. [Applause] Thank you.

Tonight I am pleased to report that we are on course. Iraq's capacity to sustain war is being destroyed. Our investment, our training, our planning -- all are paying off. Time will not be Saddam's salvation.

Our purpose in the Persian Gulf remains constant: to drive Iraq out of Kuwait, to restore Kuwait's legitimate government, and to ensure the stability and security of this critical region.

Let me make clear what I mean by the region's stability and security. We do not seek the destruction of Iraq, its culture, or its people. Rather, we seek an Iraq that uses its great resources not to destroy, not to serve the ambitions of a tyrant, but to build a better life for itself and its neighbors. We seek a Persian Gulf where conflict is no longer the rule, where the strong are neither tempted nor able to intimidate the weak.

Most Americans know instinctively why we are in the Gulf. They know we had to stop Saddam now, not later. They know that this brutal dictator will do anything, will use any weapon, will commit any outrage, no matter how many innocents suffer.

They know we must make sure that control of the world's oil resources does not fall into his hands, only to finance further aggression. They know that we need to build a new, enduring peace, based not on arms races and confrontation but on shared principles and the rule of law.

And we all realize that our responsibility to be the catalyst for peace in the region does not end with the successful conclusion of this war.

Democracy brings the undeniable value of thoughtful dissent, and we've heard some dissenting voices here at home -- some, a handful, reckless; most responsible. But the fact that all voices have the right to speak out is one of the reasons we've been united in purpose and principle for 200 years.

Our progress in this great struggle is the result of years of vigilance and a steadfast commitment to a strong defense. Now, with remarkable technological advances like the Patriot missile, we can defend against ballistic missile attacks aimed at innocent civilians.

Looking forward, I have directed that the SDI program be refocused on providing protection from limited ballistic missile strikes, whatever their source. Let us pursue an SDI program that can deal with any future threat to the United States, to our forces overseas, and to our friends and allies.

The quality of American technology, thanks to the American worker, has enabled us to successfully deal with difficult military conditions and help minimize precious loss of life. We have given our men and women the very best. And they deserve it.

We all have a special place in our hearts for the families of our men and women serving in the Gulf. They are represented here tonight by Mrs. Norman Schwarzkopf. We are all very grateful to General Schwarzkopf and to all those serving with him. And I might also recognize one who came with Mrs. Schwarzkopf: Alma Powell, the wife of the distinguished Chairman of the Joint Chiefs. And to the families, let me say our forces in the Gulf will not stay there one day longer than is necessary to complete their mission.

The courage and success of the RAF pilots, of the Kuwaiti, Saudi, French, the Canadians, the Italians, the pilots of Qatar and Bahrain -- all are proof that for the first time since World War II, the international community is united. The leadership of the United Nations, once only a hoped-for ideal, is now confirming its founders' vision.

I am heartened that we are not being asked to bear alone the financial burdens of this struggle. Last year, our friends and allies provided the bulk of the economic costs of Desert Shield. And now, having received commitments of over $40 billion for the first 3 months of 1991, I am confident they will do no less as we move through Desert Storm.

But the world has to wonder what the dictator of Iraq is thinking. If he thinks that by targeting innocent civilians in Israel and Saudi Arabia, that he will gain advantage, he is dead wrong. If he thinks that he will advance his cause through tragic and despicable environmental terrorism, he is dead wrong. And if he thinks that by abusing the coalition prisoners of war he will benefit, he is dead wrong.

We will succeed in the Gulf. And when we do, the world community will have sent an enduring warning to any dictator or despot, present or future, who contemplates outlaw aggression.

The world can, therefore, seize this opportunity to fulfill the long-held promise of a new world order, where brutality will go unrewarded and aggression will meet collective resistance.

Yes, the United States bears a major share of leadership in this effort. Among the nations of the world, only the United States of America has both the moral standing and the means to back it up. We're the only nation on this Earth that could assemble the forces of peace. This is the burden of leadership and the strength that has made America the beacon of freedom in a searching world.

This nation has never found glory in war. Our people have never wanted to abandon the blessings of home and work for distant lands and deadly conflict. If we fight in anger, it is only because we have to fight at all. And all of us yearn for a world where we will never have to fight again.

Each of us will measure within ourselves the value of this great struggle. Any cost in lives -- any cost -- is beyond our power to measure. But the cost of closing our eyes to aggression is beyond mankind's power to imagine. This we do know: Our cause is just; our cause is moral; our cause is right.

Let future generations understand the burden and the blessings of freedom. Let them say we stood where duty required us to stand. Let them know that, together, we affirmed America and the world as a community of conscience.

The winds of change are with us now. The forces of freedom are together, united. We move toward the next century more confident than ever that we have the will at home and abroad to do what must be done -- the hard work of freedom.

May God bless the United States of America. Thank you very, very much.

January 28, 1992

Mr. Speaker and Mr. President, distinguished Members of Congress, honored guests, and fellow citizens:

Thank you very much for that warm reception. You know, with the big buildup this address has had, I wanted to make sure it would be a big hit, but I couldn't convince Barbara to deliver it for me. [Laughter]

I see the Speaker and the Vice President are laughing. They saw what I did in Japan, and they're just happy they're sitting behind me. [Laughter]

I mean to speak tonight of big things, of big changes and the promises they hold, and of some big problems and how, together, we can solve them and move our country forward as the undisputed leader of the age.

We gather tonight at a dramatic and deeply promising time in our history and in the history of man on Earth. For in the past 12 months, the world has known changes of almost Biblical proportions. And even now, months after the failed coup that doomed a failed system, I'm not sure we've absorbed the full impact, the full import of what happened. But communism died this year.

Even as President, with the most fascinating possible vantage point, there were times when I was so busy managing progress and helping to lead change that I didn't always show the joy that was in my heart. But the biggest thing that has happened in the world in my life, in our lives, is this: By the grace of God, America won the cold war.

I mean to speak this evening of the changes that can take place in our country, now that we can stop making the sacrifices we had to make when we had an avowed enemy that was a superpower. Now we can look homeward even more and move to set right what needs to be set right.

I will speak of those things. But let me tell you something I've been thinking these past few months. It's a kind of rollcall of honor. For the cold war didn't end; it was won. And I think of those who won it, in places like Korea and Vietnam. And some of them didn't come back. Back then they were heroes, but this year they were victors.

The long rollcall, all the G.I. Joes and Janes, all the ones who fought faithfully for freedom, who hit the ground and sucked the dust and knew their share of horror. This may seem frivolous, and I don't mean it so, but it's moving to me how the world saw them. The world saw not only their special valor but their special style: their rambunctious, optimistic bravery, their do-or-die unity unhampered by class or race or region. What a group we've put forth, for generations now, from the ones who wrote "Kilroy was here" on the walls of the German stalags to those who left signs in the Iraqi desert that said, "I saw Elvis." What a group of kids we've sent out into the world.

And there's another to be singled out, though it may seem inelegant, and I mean a mass of people called the American taxpayer. No one ever thinks to thank the people who pay a country's bill or an alliance's bill. But for half a century now, the American people have shouldered the burden and paid taxes that were higher than they would have been to support a defense that was bigger than it would have been if imperial communism had never existed. But it did; doesn't anymore. And here's a fact I wouldn't mind the world acknowledging: The American taxpayer bore the brunt of the burden and deserves a hunk of the glory.

So now, for the first time in 35 years, our strategic bombers stand down. No longer are they on 'round-the-clock alert. Tomorrow our children will go to school and study history and how plants grow. And they won't have, as my children did, air raid drills in which they crawl under their desks and cover their heads in case of nuclear war. My grandchildren don't have to do that and won't have the bad dreams children had once, in decades past. There are still threats. But the long, drawn-out dread is over.

A year ago tonight, I spoke to you at a moment of high peril. American forces had just unleashed Operation Desert Storm. And after 40 days in the desert skies and 4 days on the ground, the men and women of America's Armed Forces and our allies accomplished the goals that I declared and that you endorsed: We liberated Kuwait. Soon after, the Arab world and Israel sat down to talk seriously and comprehensively about peace, an historic first. And soon after that, at Christmas, the last American hostages came home. Our policies were vindicated.

Much good can come from the prudent use of power. And much good can come of this: A world once divided into two armed camps now recognizes one sole and preeminent power, the United States of America. And they regard this with no dread. For the world trusts us with power, and the world is right. They trust us to be fair and restrained. They trust us to be on the side of decency. They trust us to do what's right.

I use those words advisedly. A few days after the war began, I received a telegram from Joanne Speicher, the wife of the first pilot killed in the Gulf, Lieutenant Commander Scott Speicher. Even in her grief, she wanted me to know that some day when her children were old enough, she would tell them "that their father went away to war because it was the right thing to do." And she said it all: It was the right thing to do.

And we did it together. There were honest differences right here in this Chamber. But when the war began, you put partisanship aside, and we supported our troops. This is still a time for pride, but this is no time to boast. For problems face us, and we must stand together once again and solve them and not let our country down.

Two years ago, I began planning cuts in military spending that reflected the changes of the new era. But now, this year, with imperial communism gone, that process can be accelerated. Tonight I can tell you of dramatic changes in our strategic nuclear force. These are actions we are taking on our own because they are the right thing to do. After completing 20 planes for which we have begun procurement, we will shut down further production of the B - 2 bombers. We will cancel the small ICBM program. We will cease production of new warheads for our sea-based ballistic missiles. We will stop all new production of the Peacekeeper missile. And we will not purchase any more advanced cruise missiles.

This weekend I will meet at Camp David with Boris Yeltsin of the Russian Federation. I've informed President Yeltsin that if the Commonwealth, the former Soviet Union, will eliminate all land-based multiple-warhead ballistic missiles, I will do the following: We will eliminate all Peacekeeper missiles. We will reduce the number of warheads on Minuteman missiles to one and reduce the number of warheads on our sea-based missiles by about one-third. And we will convert a substantial portion of our strategic bombers to primarily conventional use. President Yeltsin's early response has been very positive, and I expect our talks at Camp David to be fruitful.

I want you to know that for half a century, American Presidents have longed to make such decisions and say such words. But even in the midst of celebration, we must keep caution as a friend. For the world is still a dangerous place. Only the dead have seen the end of conflict. And though yesterday's challenges are behind us, tomorrow's are being born.

The Secretary of Defense recommended these cuts after consultation with the Joint Chiefs of Staff. And I make them with confidence. But do not misunderstand me. The reductions I have approved will save us an additional $50 billion over the next 5 years. By 1997, we will have cut defense by 30 percent since I took office. These cuts are deep, and you must know my resolve: This deep, and no deeper. To do less would be insensible to progress, but to do more would be ignorant of history. We must not go back to the days of "the hollow army." We cannot repeat the mistakes made twice in this century when armistice was followed by recklessness and defense was purged as if the world were permanently safe.

I remind you this evening that I have asked for your support in funding a program to protect our country from limited nuclear missile attack. We must have this protection because too many people in too many countries have access to nuclear arms. And I urge you again to pass the Strategic Defense Initiative, SDI.

There are those who say that now we can turn away from the world, that we have no special role, no special place. But we are the United States of America, the leader of the West that has become the leader of the world. And as long as I am President, I will continue to lead in support of freedom everywhere, not out of arrogance, not out of altruism, but for the safety and security of our children. This is a fact: Strength in the pursuit of peace is no vice; isolationism in the pursuit of security is no virtue.

And now to our troubles at home. They're not all economic; the primary problem is our economy. There are some good signs. Inflation, that thief, is down. And interest rates are down. But unemployment is too high, some industries are in trouble, and growth is not what it should be. Let me tell you right from the start and right from the heart, I know we're in hard times. But I know something else: This will not stand.

In this Chamber, in this Chamber we can bring the same courage and sense of common purpose to the economy that we brought to Desert Storm. And we can defeat hard times together. I believe you'll help. One reason is that you're patriots, and you want the best for your country. And I believe that in your hearts you want to put partisanship aside and get the job done because it's the right thing to do.

The power of America rests in a stirring but simple idea, that people will do great things if only you set them free. Well, we're going to set the economy free. For if this age of miracles and wonders has taught us anything, it's that if we can change the world we can change America. We must encourage investment. We must make it easier for people to invest money and create new products, new industries, and new jobs. We must clear away the obstacles to growth: high taxes, high regulation, redtape, and yes, wasteful Government spending.

None of this will happen with a snap of the fingers, but it will happen. And the test of a plan isn't whether it's called new or dazzling. The American people aren't impressed by gimmicks; they're smarter on this score than all of us in this room. The only test of a plan is: Is it sound, and will it work?

We must have a short-term plan to address our immediate needs and heat up the economy. And then we need a longer term plan to keep combustion going and to guarantee our place in the world economy. There are certain things that a President can do without Congress, and I'm going to do them.

I have, this evening, asked major Cabinet departments and Federal agencies to institute a 90-day moratorium on any new Federal regulations that could hinder growth. In those 90 days, major departments and agencies will carry out a top-to-bottom review of all regulations, old and new, to stop the ones that will hurt growth and speed up those that will help growth.

Further, for the untold number of hard-working, responsible American workers and business men and women who've been forced to go without needed bank loans, the banking credit crunch must end. I won't neglect my responsibility for sound regulations that serve the public good, but regulatory overkill must be stopped. And I've instructed our Government regulators to stop it.

I have directed Cabinet departments and Federal agencies to speed up progrowth expenditures as quickly as possible. This should put an extra $10 billion into the economy in the next 6 months. And our new transportation bill provides more than $150 billion for construction and maintenance projects that are vital to our growth and well-being. And that means jobs building roads, jobs building bridges, and jobs building railways.

And I have, this evening, directed the Secretary of the Treasury to change the Federal tax withholding tables. With this change, millions of Americans from whom the Government withholds more than necessary can now choose to have the Government withhold less from their paychecks. Something tells me a number of taxpayers may take us up on this one. This initiative could return about $25 billion back into our economy over the next 12 months, money people can use to help pay for clothing, college, or to get a new car. Finally, working with the Federal Reserve, we will continue to support monetary policy that keeps both interest rates and inflation down.

Now, these are the things I can do. And now, Members of Congress, let me tell you what you can do for your country. You must pass the other elements of my plan to meet our economic needs. Everyone knows that investment spurs recovery. I am proposing this evening a change in the alternative minimum tax and the creation of a new 15-percent investment tax allowance. This will encourage businesses to accelerate investment and bring people back to work.

Real estate has led our economy out of almost all the tough times we've ever had. Once building starts, carpenters and plumbers work; people buy homes and take out mortgages. My plan would modify the passive loss rule for active real estate developers. And it would make it easier for pension plans to purchase real estate. For those Americans who dream of buying a first home but who can't quite afford it, my plan would allow first-time homebuyers to withdraw savings from IRA's without penalty and provide a $5,000 tax credit for the first purchase of that home.

And finally, my immediate plan calls on Congress to give crucial help to people who own a home, to everyone who has a business or a farm or a single investment. This time, at this hour, I cannot take no for an answer. You must cut the capital gains tax on the people of our country. Never has an issue been more demagogued by its opponents. But the demagogs are wrong. They are wrong, and they know it. Sixty percent of the people who benefit from lower capital gains have incomes under $50,000. A cut in the capital gains tax increases jobs and helps just about everyone in our country. And so, I'm asking you to cut the capital gains tax to a maximum of 15.4 percent.

I'll tell you, those of you who say, "Oh, no, someone who's comfortable may benefit from that," you kind of remind me of the old definition of the Puritan who couldn't sleep at night, worrying that somehow, someone somewhere was out having a good time. [Laughter] The opponents of this measure and those who have authored various so-called soak-the-rich bills that are floating around this Chamber should be reminded of something: When they aim at the big guy, they usually hit the little guy. And maybe it's time that stopped.

This, then, is my short-term plan. Your part, Members of Congress, requires enactment of these commonsense proposals that will have a strong effect on the economy without breaking the budget agreement and without raising tax rates.

While my plan is being passed and kicking in, we've got to care for those in trouble today. I have provided for up to $4.4 billion in my budget to extend Federal unemployment benefits. And I ask for congressional action right away. And I thank the committee. [Applause] Well, at last.

Let's be frank. Let's be frank. Let me level with you. I know and you know that my plan is unveiled in a political season. [Laughter] I know and you know that everything I propose will be viewed by some in merely partisan terms. But I ask you to know what is in my heart. And my aim is to increase our Nation's good. I'm doing what I think is right, and I am proposing what I know will help.

I pride myself that I'm a prudent man, and I believe that patience is a virtue. But I understand that politics is, for some, a game and that sometimes the game is to stop all progress and then decry the lack of improvement. [Laughter] But let me tell you: Far more important than my political future and far more important than yours is the well-being of our country. Members of this Chamber are practical people, and I know you won't resent some practical advice. When people put their party's fortunes, whatever the party, whatever side of this aisle, before the public good, they court defeat not only for their country but for themselves. And they will certainly deserve it.

I submit my plan tomorrow, and I'm asking you to pass it by March 20th. And I ask the American people to let you know they want this action by March 20th. From the day after that, if it must be, the battle is joined. And you know, when principle is at stake I relish a good, fair fight.

I said my plan has two parts, and it does. And it's the second part that is the heart of the matter. For it's not enough to get an immediate burst. We need long-term improvement in our economic position. We all know that the key to our economic future is to ensure that America continues as an economic leader of the world. We have that in our power. Here, then, is my long-term plan to guarantee our future.

First, trade: We will work to break down the walls that stop world trade. We will work to open markets everywhere. And in our major trade negotiations, I will continue pushing to eliminate tariffs and subsidies that damage America's farmers and workers. And we'll get more good American jobs within our own hemisphere through the North American free trade agreement and through the Enterprise for the Americas Initiative.

But changes are here, and more are coming. The workplace of the future will demand more highly skilled workers than ever, more people who are computer-literate, highly educated. We must be the world's leader in education. And we must revolutionize America's schools. My America 2000 strategy will help us reach that goal. My plan will give parents more choice, give teachers more flexibility, and help communities create new American schools. Thirty States across the Nation have established America 2000 programs. Hundreds of cities and towns have joined in. Now Congress must join this great movement: Pass my proposals for new American schools.

That was my second long-term proposal, and here's my third: We must make commonsense investments that will help us compete, long-term, in the marketplace. We must encourage research and development. My plan is to make the R&D tax credit permanent and to provide record levels of support, over $76 billion this year alone, for people who will explore the promise of emerging technologies.

Fourth, we must do something about crime and drugs. It is time for a major, renewed investment in fighting violent street crime. It saps our strength and hurts our faith in our society and in our future together. Surely a tired woman on her way to work at 6 in the morning on a subway deserves the right to get there safely. And surely it's true that everyone who changes his or her life because of crime, from those afraid to go out at night to those afraid to walk in the parks they pay for, surely these people have been denied a basic civil right. It is time to restore it. Congress, pass my comprehensive crime bill. It is tough on criminals and supportive of police, and it has been languishing in these hallowed halls for years now. Pass it. Help your country.

Fifth, I ask you tonight to fund our HOPE housing proposal and to pass my enterprise zone legislation which will get businesses into the inner city. We must empower the poor with the pride that comes from owning a home, getting a job, becoming a part of things. My plan would encourage real estate construction by extending tax incentives for mortgage revenue bonds and low-income housing. And I ask tonight for record expenditures for the program that helps children born into want move into excellence, Head Start.

Step six, we must reform our health care system. For this, too, bears on whether or not we can compete in the world. American health costs have been exploding. This year America will spend over $800 billion on health, and that is expected to grow to 1.6 trillion by the end of the decade. We simply cannot afford this. The cost of health care shows up not only in your family budget but in the price of everything we buy and everything we sell. When health coverage for a fellow on an assembly line costs thousands of dollars, the cost goes into the products he makes, and you pay the bill.

We must make a choice. Now, some pretend we can have it both ways. They call it "play or pay," but that expensive approach is unstable. It will mean higher taxes, fewer jobs, and eventually a system under complete Government control.

Really, there are only two options. And we can move toward a nationalized system, a system which will restrict patient choice in picking a doctor and force the Government to ration services arbitrarily. And what we'll get is patients in long lines, indifferent service, and a huge new tax burden. Or we can reform our own private health care system, which still gives us, for all its flaws, the best quality health care in the world.

Well, let's build on our strengths. My plan provides insurance security for all Americans while preserving and increasing the idea of choice. We make basic health insurance affordable for all low-income people not now covered, and we do it by providing a health insurance tax credit of up to $3,750 for each low-income family. And the middle class gets help, too. And by reforming the health insurance market, my plan assures that Americans will have access to basic health insurance even if they change jobs or develop serious health problems. We must bring costs under control, preserve quality, preserve choice, and reduce the people's nagging daily worry about health insurance. My plan, the details of which I'll announce very shortly, does just that.

Seventh, we must get the Federal deficit under control. We now have, in law, enforceable spending caps and a requirement that we pay for the programs we create. There are those in Congress who would ease that discipline now. But I cannot let them do it, and I won't.

My plan would freeze all domestic discretionary budget authority, which means no more next year than this year. I will not tamper with Social Security, but I would put real caps on the growth of uncontrolled spending. And I would also freeze Federal domestic Government employment. And with the help of Congress, my plan will get rid of 246 programs that don't deserve Federal funding. Some of them have noble titles, but none of them is indispensable. We can get rid of each and every one of them.

You know, it's time we rediscovered a home truth the American people have never forgotten: This Government is too big and spends too much. And I call upon Congress to adopt a measure that will help put an end to the annual ritual of filling the budget with pork barrel appropriations. Every year, the press has a field day making fun of outrageous examples: a Lawrence Welk museum, research grants for Belgian endive. We all know how these things get into the budget, and maybe you need someone to help you say no. I know how to say it, and I know what I need to make it stick. Give me the same thing 43 Governors have, the line-item veto, and let me help you control spending.

We must put an end to unfinanced Federal Government mandates. These are the requirements Congress puts on our cities, counties, and States without supplying the money. If Congress passes a mandate, it should be forced to pay for it and balance the cost with savings elsewhere. After all, a mandate just increases someone else's burden, and that means higher taxes at the State and local level.

Step eight, Congress should enact the bold reform proposals that are still awaiting congressional action: bank reform, civil justice reform, tort reform, and my national energy strategy.

And finally, we must strengthen the family because it is the family that has the greatest bearing on our future. When Barbara holds an AIDS baby in her arms and reads to children, she's saying to every person in this country: Family matters.

And I am announcing tonight a new Commission on America's Urban Families. I've asked Missouri's Governor John Ashcroft to be Chairman, former Dallas Mayor Annette Strauss to be Cochair. You know, I had mayors, the leading mayors from the League of Cities, in the other day at the White House, and they told me something striking. They said that every one of them, Republican or Democrat, agreed on one thing, that the major cause of the problems of the cities is the dissolution of the family. They asked for this Commission, and they were right to ask because it's time to determine what we can do to keep families together, strong and sound.

There's one thing we can do right away: Ease the burden of rearing a child. I ask you tonight to raise the personal exemption by $500 per child for every family. For a family with four kids, that's an increase of $2,000. This is a good start in the right direction, and it's what we can afford.

It's time to allow families to deduct the interest they pay on student loans. I am asking you to do just that. And I'm asking you to allow people to use money from their IRA's to pay medical and education expenses, all without penalties.

And I'm asking for more. Ask American parents what they dislike about how things are going in our country, and chances are good that pretty soon they'll get to welfare. Americans are the most generous people on Earth. But we have to go back to the insight of Franklin Roosevelt who, when he spoke of what became the welfare program, warned that it must not become "a narcotic" and a "subtle destroyer" of the spirit. Welfare was never meant to be a lifestyle. It was never meant to be a habit. It was never supposed to be passed from generation to generation like a legacy. It's time to replace the assumptions of the welfare state and help reform the welfare system.

States throughout the country are beginning to operate with new assumptions that when able-bodied people receive Government assistance, they have responsibilities to the taxpayer: A responsibility to seek work, education, or job training; a responsibility to get their lives in order; a responsibility to hold their families together and refrain from having children out of wedlock; and a responsibility to obey the law. We are going to help this movement. Often, State reform requires waiving certain Federal regulations. I will act to make that process easier and quicker for every State that asks for our help.

I want to add, as we make these changes, we work together to improve this system, that our intention is not scapegoating or finger-pointing. If you read the papers and watch TV, you know there's been a rise these days in a certain kind of ugliness: racist comments, anti-Semitism, an increased sense of division. Really, this is not us. This is not who we are. And this is not acceptable.

And so, you have my plan for America. And I'm asking for big things, but I believe in my heart you'll do what's right.

You know, it's kind of an American tradition to show a certain skepticism toward our democratic institutions. I myself have sometimes thought the aging process could be delayed if it had to make its way through Congress. [Laughter] You will deliberate, and you will discuss, and that is fine. But, my friends, the people cannot wait. They need help now.

There's a mood among us. People are worried. There's been talk of decline. Someone even said our workers are lazy and uninspired. And I thought: Really? You go tell Neil Armstrong standing on the moon. Tell the men and women who put him there. Tell the American farmer who feeds his country and the world. Tell the men and women of Desert Storm.

Moods come and go, but greatness endures. Ours does. And maybe for a moment it's good to remember what, in the dailiness of our lives, we forget: We are still and ever the freest nation on Earth, the kindest nation on Earth, the strongest nation on Earth. And we have always risen to the occasion. And we are going to lift this Nation out of hard times inch by inch and day by day, and those who would stop us had better step aside. Because I look at hard times, and I make this vow: This will not stand.

And so, we move on together, a rising nation, the once and future miracle that is still, this night, the hope of the world. Thank you. God bless you, and God bless our beloved country. Thank you very, very much.

January 29, 2002

Thank you very much. Mr. Speaker, Vice President Cheney, Members of Congress, distinguished guests, fellow citizens: As we gather tonight, our Nation is at war; our economy is in recession; and the civilized world faces unprecedented dangers. Yet, the state of our Union has never been stronger.

We last met in an hour of shock and suffering. In 4 short months, our Nation has comforted the victims, begun to rebuild New York and the Pentagon, rallied a great coalition, captured, arrested, and rid the world of thousands of terrorists, destroyed Afghanistan's terrorist training camps, saved a people from starvation, and freed a country from brutal oppression.

The American flag flies again over our Embassy in Kabul. Terrorists who once occupied Afghanistan now occupy cells at Guantanamo Bay. And terrorist leaders who urged followers to sacrifice their lives are running for their own.

America and Afghanistan are now allies against terror. We'll be partners in rebuilding that country. And this evening we welcomed the distinguished interim leader of a liberated Afghanistan, Chairman Hamid Karzai.

The last time we met in this Chamber, the mothers and daughters of Afghanistan were captives in their own homes, forbidden from working or going to school. Today, women are free and are part of Afghanistan's new Government. And we welcome the new Minister of Women's Affairs, Dr. Sima Samar.

Our progress is a tribute to the spirit of the Afghan people, to the resolve of our coalition, and to the might of the United States military. When I called our troops into action, I did so with complete confidence in their courage and skill. And tonight, thanks to them, we are winning the war on terror. The men and women of our Armed Forces have delivered a message now clear to every enemy of the United States: Even 7,000 miles away, across oceans and continents, on mountaintops and in caves, you will not escape the justice of this Nation.

For many Americans, these 4 months have brought sorrow and pain that will never completely go away. Every day a retired firefighter returns to Ground Zero to feel closer to his two sons who died there. At a memorial in New York, a little boy left his football with a note for his lost father: "Dear Daddy, please take this to heaven. I don't want to play football until I can play with you again some day."

Last month, at the grave of her husband, Micheal, a CIA officer and marine who died in Mazar-e-Sharif, Shannon Spann said these words of farewell, "Semper Fi, my love." Shannon is with us tonight. Shannon, I assure you and all who have lost a loved one that our cause is just, and our country will never forget the debt we owe Micheal and all who gave their lives for freedom.

Our cause is just, and it continues. Our discoveries in Afghanistan confirmed our worst fears and showed us the true scope of the task ahead. We have seen the depth of our enemies' hatred in videos where they laugh about the loss of innocent life. And the depth of their hatred is equaled by the madness of the destruction they design. We have found diagrams of American nuclear powerplants and public water facilities, detailed instructions for making chemical weapons, surveillance maps of American cities, and thorough descriptions of landmarks in America and throughout the world.

What we have found in Afghanistan confirms that, far from ending there, our war against terror is only beginning. Most of the 19 men who hijacked planes on September the 11th were trained in Afghanistan's camps, and so were tens of thousands of others. Thousands of dangerous killers, schooled in the methods of murder, often supported by outlaw regimes, are now spread throughout the world like ticking timebombs, set to go off without warning.

Thanks to the work of our law enforcement officials and coalition partners, hundreds of terrorists have been arrested. Yet, tens of thousands of trained terrorists are still at large. These enemies view the entire world as a battlefield, and we must pursue them wherever they are. So long as training camps operate, so long as nations harbor terrorists, freedom is at risk. And America and our allies must not and will not allow it.

Our Nation will continue to be steadfast and patient and persistent in the pursuit of two great objectives. First, we will shut down terrorist camps, disrupt terrorist plans, and bring terrorists to justice. And second, we must prevent the terrorists and regimes who seek chemical, biological, or nuclear weapons from threatening the United States and the world.

Our military has put the terror training camps of Afghanistan out of business, yet camps still exist in at least a dozen countries. A terrorist underworld, including groups like Hamas, Hizballah, Islamic Jihad, Jaish-e-Mohammed, operates in remote jungles and deserts and hides in the centers of large cities.

While the most visible military action is in Afghanistan, America is acting elsewhere. We now have troops in the Philippines, helping to train that country's armed forces to go after terrorist cells that have executed an American and still hold hostages. Our soldiers, working with the Bosnian Government, seized terrorists who were plotting to bomb our Embassy. Our Navy is patrolling the coast of Africa to block the shipment of weapons and the establishment of terrorist camps in Somalia.

My hope is that all nations will heed our call and eliminate the terrorist parasites who threaten their countries and our own. Many nations are acting forcefully. Pakistan is now cracking down on terror, and I admire the strong leadership of President Musharraf. But some governments will be timid in the face of terror. And make no mistake about it: If they do not act, America will.

Our second goal is to prevent regimes that sponsor terror from threatening America or our friends and allies with weapons of mass destruction. Some of these regimes have been pretty quiet since September the 11th, but we know their true nature.

North Korea is a regime arming with missiles and weapons of mass destruction, while starving its citizens.

Iran aggressively pursues these weapons and exports terror, while an unelected few repress the Iranian people's hope for freedom.

Iraq continues to flaunt its hostility toward America and to support terror. The Iraqi regime has plotted to develop anthrax and nerve gas and nuclear weapons for over a decade. This is a regime that has already used poison gas to murder thousands of its own citizens, leaving the bodies of mothers huddled over their dead children. This is a regime that agreed to international inspections, then kicked out the inspectors. This is a regime that has something to hide from the civilized world.

States like these and their terrorist allies constitute an axis of evil, arming to threaten the peace of the world. By seeking weapons of mass destruction, these regimes pose a grave and growing danger. They could provide these arms to terrorists, giving them the means to match their hatred. They could attack our allies or attempt to blackmail the United States. In any of these cases, the price of indifference would be catastrophic.

We will work closely with our coalition to deny terrorists and their state sponsors the materials, technology, and expertise to make and deliver weapons of mass destruction. We will develop and deploy effective missile defenses to protect America and our allies from sudden attack. And all nations should know: America will do what is necessary to ensure our Nation's security.

We'll be deliberate; yet, time is not on our side. I will not wait on events while dangers gather. I will not stand by as peril draws closer and closer. The United States of America will not permit the world's most dangerous regimes to threaten us with the world's most destructive weapons.

Our war on terror is well begun, but it is only begun. This campaign may not be finished on our watch; yet, it must be and it will be waged on our watch. We can't stop short. If we stop now, leaving terror camps intact and terrorist states unchecked, our sense of security would be false and temporary. History has called America and our allies to action, and it is both our responsibility and our privilege to fight freedom's fight.

Our first priority must always be the security of our Nation, and that will be reflected in the budget I send to Congress. My budget supports three great goals for America: We will win this war; we will protect our homeland; and we will revive our economy.

September the 11th brought out the best in America and the best in this Congress. And I join the American people in applauding your unity and resolve. Now Americans deserve to have this same spirit directed toward addressing problems here at home. I'm a proud member of my party. Yet as we act to win the war, protect our people, and create jobs in America, we must act, first and foremost, not as Republicans, not as Democrats but as Americans.

It costs a lot to fight this war. We have spent more than a billion dollars a month, over $30 million a day, and we must be prepared for future operations. Afghanistan proved that expensive precision weapons defeat the enemy and spare innocent lives, and we need more of them. We need to replace aging aircraft and make our military more agile to put our troops anywhere in the world quickly and safely. Our men and women in uniform deserve the best weapons, the best equipment, the best training, and they also deserve another pay raise.

My budget includes the largest increase in defense spending in two decades, because while the price of freedom and security is high, it is never too high. Whatever it costs to defend our country, we will pay.

The next priority of my budget is to do everything possible to protect our citizens and strengthen our Nation against the ongoing threat of another attack. Time and distance from the events of September the 11th will not make us safer unless we act on its lessons. America is no longer protected by vast oceans. We are protected from attack only by vigorous action abroad and increased vigilance at home.

My budget nearly doubles funding for a sustained strategy of homeland security, focused on four key areas: bioterrorism, emergency response, airport and border security, and improved intelligence. We will develop vaccines to fight anthrax and other deadly diseases. We'll increase funding to help States and communities train and equip our heroic police and firefighters. We will improve intelligence collection and sharing, expand patrols at our borders, strengthen the security of air travel, and use technology to track the arrivals and departures of visitors to the United States.

Homeland security will make America not only stronger but, in many ways, better. Knowledge gained from bioterrorism research will improve public health. Stronger police and fire departments will mean safer neighborhoods. Stricter border enforcement will help combat illegal drugs. And as government works to better secure our homeland, America will continue to depend on the eyes and ears of alert citizens.

A few days before Christmas, an airline flight attendant spotted a passenger lighting a match. The crew and passengers quickly subdued the man, who had been trained by Al Qaida and was armed with explosives. The people on that plane were alert and, as a result, likely saved nearly 200 lives. And tonight we welcome and thank flight attendants Hermis Moutardier and Christina Jones.

Once we have funded our national security and our homeland security, the final great priority of my budget is economic security for the American people. To achieve these great national objectives—to win the war, protect the homeland, and revitalize our economy—our budget will run a deficit that will be small and short term, so long as Congress restrains spending and acts in a fiscally responsible manner. We have clear priorities, and we must act at home with the same purpose and resolve we have shown overseas. We'll prevail in the war, and we will defeat this recession.

Americans who have lost their jobs need our help, and I support extending unemployment benefits and direct assistance for health care coverage. Yet, American workers want more than unemployment checks; they want a steady paycheck. When America works, America prospers, so my economic security plan can be summed up in one word: jobs.

Good jobs begin with good schools, and here we've made a fine start. Republicans and Democrats worked together to achieve historic education reform so that no child is left behind. I was proud to work with members of both parties: Chairman John Boehner and Congressman George Miller; Senator Judd Gregg. And I was so proud of our work, I even had nice things to say about my friend Ted Kennedy. [*Laughter*] I know the folks at the Crawford coffee shop couldn't believe I'd say such a thing— [*laughter*]—but our work on this bill shows what is possible if we set aside posturing and focus on results.

There is more to do. We need to prepare our children to read and succeed in school with improved Head Start and early childhood development programs. We must upgrade our teacher colleges and teacher training and launch a major recruiting drive with a great goal for America, a quality teacher in every classroom.

Good jobs also depend on reliable and affordable energy. This Congress must act to encourage conservation, promote technology, build infrastructure, and it must act to increase energy production at home so America is less dependent on foreign oil.

Good jobs depend on expanded trade. Selling into new markets creates new jobs, so I ask Congress to finally approve trade promotion authority.

On these two key issues, trade and energy, the House of Representatives has acted to create jobs, and I urge the Senate to pass this legislation.

Good jobs depend on sound tax policy. Last year, some in this Hall thought my tax relief plan was too small; some thought it was too big. But when the checks arrived in the mail, most Americans thought tax relief was just about right. Congress listened to the people and responded by reducing tax rates, doubling the child credit, and ending the death tax. For the sake of long-term growth and to help Americans plan for the future, let's make these tax cuts permanent.

The way out of this recession, the way to create jobs, is to grow the economy by encouraging investment in factories and equipment and by speeding up tax relief so people have more money to spend. For the sake of American workers, let's pass a stimulus package.

Good jobs must be the aim of welfare reform. As we reauthorize these important reforms, we must always remember the goal is to reduce dependency on government and offer every American the dignity of a job.

Americans know economic security can vanish in an instant without health security. I ask Congress to join me this year to enact a patients' bill of rights, to give uninsured workers credits to help buy health coverage, to approve an historic increase in the spending for veterans' health, and to give seniors a sound and modern Medicare system that includes coverage for prescription drugs.

A good job should lead to security in retirement. I ask Congress to enact new safeguards for 401(k) and pension plans. Employees who have worked hard and saved all their lives should not have to risk losing everything if their company fails. Through stricter accounting standards and tougher disclosure requirements, corporate America must be made more accountable to employees and shareholders and held to the highest standards of conduct.

Retirement security also depends upon keeping the commitments of Social Security, and we will. We must make Social Security financially stable and allow personal retirement accounts for younger workers who choose them.

Members, you and I will work together in the months ahead on other issues: productive farm policy; a cleaner environment; broader homeownership, especially among minorities; and ways to encourage the good work of charities and faith-based groups. I ask you to join me on these important domestic issues in the same spirit of cooperation we've applied to our war against terrorism.

During these last few months, I've been humbled and privileged to see the true character of this country in a time of testing. Our enemies believed America was weak and materialistic, that we would splinter in fear and selfishness. They were as wrong as they are evil.

The American people have responded magnificently, with courage and compassion, strength and resolve. As I have met the heroes, hugged the families, and looked into the tired faces of rescuers, I have stood in awe of the American people.

And I hope you will join me—I hope you will join me in expressing thanks to one American for the strength and calm and comfort she brings to our Nation in crisis, our First Lady, Laura Bush.

None of us would ever wish the evil that was done on September the 11th. Yet, after America was attacked, it was as if our entire country looked into a mirror and saw our better selves. We were reminded that we are citizens with obligations to each other, to our country, and to history. We began to think less of the goods we can accumulate and more about the good we can do.

For too long our culture has said, "If it feels good, do it." Now America is embracing a new ethic and a new creed, "Let's roll." In the sacrifice of soldiers, the fierce brotherhood of firefighters, and the bravery and generosity of ordinary citizens, we have glimpsed what a new culture of responsibility could look like. We want to be a nation that serves goals larger than self. We've been offered a unique opportunity, and we must not let this moment pass.

My call tonight is for every American to commit at least 2 years, 4,000 hours over the rest of your lifetime, to the service of your neighbors and your Nation. Many are already serving, and I thank you. If you aren't sure how to help, I've got a good place to start. To sustain and extend the best that has emerged in America, I invite you to join the new USA Freedom Corps. The Freedom Corps will focus on three areas of need: responding in case of crisis at home; rebuilding our communities; and extending American compassion throughout the world.

One purpose of the USA Freedom Corps will be homeland security. America needs retired doctors and nurses who can be mobilized in major emergencies, volunteers to help police and fire departments, transportation and utility workers well-trained in spotting danger.

Our country also needs citizens working to rebuild our communities. We need mentors to love children, especially children whose parents are in prison. And we need more talented teachers in troubled schools. USA Freedom Corps will expand and improve the good efforts of AmeriCorps and Senior Corps to recruit more than 200,000 new volunteers.

And America needs citizens to extend the compassion of our country to every part of the world. So we will renew the promise of the Peace Corps, double its volunteers over the next 5 years, and ask it to join a new effort to encourage development and education and opportunity in the Islamic world.

This time of adversity offers a unique moment of opportunity, a moment we must seize to change our culture. Through the gathering momentum of millions of acts of service and decency and kindness, I know we can overcome evil with greater good.

And we have a great opportunity during this time of war to lead the world toward the values that will bring lasting peace. All fathers and mothers, in all societies, want their children to be educated and live free from poverty and violence. No people on Earth yearn to be oppressed or aspire to servitude or eagerly await the midnight knock of the secret police. If anyone doubts this, let them look to Afghanistan, where the Islamic "street" greeted the fall of tyranny with song and celebration. Let the skeptics look to Islam's own rich history, with its centuries of learning and tolerance and progress. America will lead by defending liberty and justice because they are right and true and unchanging for all people everywhere.

No nation owns these aspirations, and no nation is exempt from them. We have no intention of imposing our culture. But America will always stand firm for the nonnegotiable demands of human dignity: the rule of law; limits on the power of the state; respect for women; private property; free speech; equal justice; and religious tolerance.

America will take the side of brave men and women who advocate these values around the world, including the Islamic world, because we have a greater objective than eliminating threats and containing resentment. We seek a just and peaceful world beyond the war on terror.

In this moment of opportunity, a common danger is erasing old rivalries. America is working with Russia and China and India, in ways we have never before, to achieve peace and prosperity. In every region, free markets and free trade and free societies are proving their power to lift lives. Together with friends and allies from Europe to Asia and Africa to Latin America, we will demonstrate that the forces of terror cannot stop the momentum of freedom.

The last time I spoke here, I expressed the hope that life would return to normal. In some ways, it has. In others, it never will. Those of us who have lived through these challenging times have been changed by them. We've come to know truths that we will never question: Evil is real, and it must be opposed. Beyond all differences of race or creed, we are one country, mourning together and facing danger together. Deep in the American character, there is honor, and it is stronger than cynicism. And many have discovered again that even in tragedy—especially in tragedy— God is near.

In a single instant, we realized that this will be a decisive decade in the history of liberty, that we've been called to a unique role in human events. Rarely has the world faced a choice more clear or consequential.

Our enemies send other people's children on missions of suicide and murder. They embrace tyranny and death as a cause and a creed. We stand for a different choice, made long ago on the day of our founding. We affirm it again today. We choose freedom and the dignity of every life.

Steadfast in our purpose, we now press on. We have known freedom's price. We have shown freedom's power. And in this great conflict, my fellow Americans, we will see freedom's victory.

Thank you all. May God bless.

January 28, 2003

Mr. Speaker, Vice President Cheney, Members of Congress, distinguished citizens and fellow citizens: Every year, by law and by custom, we meet here to consider the state of the Union. This year, we gather in this Chamber deeply aware of decisive days that lie ahead.

You and I serve our country in a time of great consequence. During this session of Congress, we have the duty to reform domestic programs vital to our country. We have the opportunity to save millions of lives abroad from a terrible disease. We will work for a prosperity that is broadly shared, and we will answer every danger and every enemy that threatens the American people.

In all these days of promise and days of reckoning, we can be confident. In a whirlwind of change and hope and peril, our faith is sure; our resolve is firm; and our Union is strong.

This country has many challenges. We will not deny, we will not ignore, we will not pass along our problems to other Congresses, to other Presidents, and other generations. We will confront them with focus and clarity and courage.

During the last 2 years, we have seen what can be accomplished when we work together. To lift the standards of our public schools, we achieved historic education reform, which must now be carried out in every school and in every classroom so that every child in America can read and learn and succeed in life. To protect our country, we reorganized our Government and created the Department of Homeland Security, which is mobilizing against the threats of a new era. To bring our economy out of recession, we delivered the largest tax relief in a generation. To insist on integrity in American business, we passed tough reforms, and we are holding corporate criminals to account.

Some might call this a good record. I call it a good start. Tonight I ask the House and the Senate to join me in the next bold steps to serve our fellow citizens.

Our first goal is clear: We must have an economy that grows fast enough to employ every man and woman who seeks a job. After recession, terrorist attacks, corporate scandals, and stock market declines, our economy is recovering. Yet, it's not growing fast enough or strongly enough. With unemployment rising, our Nation needs more small businesses to open, more companies to invest and expand, more employers to put up the sign that says "Help Wanted."

Jobs are created when the economy grows. The economy grows when Americans have more money to spend and invest, and the best and fairest way to make sure Americans have that money is not to tax it away in the first place.

I am proposing that all the income-tax reductions set for 2004 and 2006 be made permanent and effective this year. And under my plan, as soon as I've signed the bill, this extra money will start showing up in workers' paychecks. Instead of gradually reducing the marriage penalty, we should do it now. Instead of slowly raising the child credit to $1,000, we should send the checks to American families now.

The tax relief is for everyone who pays income taxes, and it will help our economy immediately. Ninety-two million Americans will keep, this year, an average of almost $1,100 more of their own money. A family of four with an income of $40,000 would see their Federal income taxes fall from $1,178 to $45 per year. Our plan will improve the bottom line for more than 23 million small businesses.

You, the Congress, have already passed all these reductions and promised them for future years. If this tax relief is good for Americans 3 or 5 or 7 years from now, it is even better for Americans today.

We should also strengthen the economy by treating investors equally in our tax laws. It's fair to tax a company's profits. It is not fair to again tax the shareholder on the same profits. To boost investor confidence and to help the nearly 10 million seniors who receive dividend income, I ask you to end the unfair double taxation of dividends.

Lower taxes and greater investment will help this economy expand. More jobs mean more taxpayers and higher revenues to our Government. The best way to address the deficit and move toward a balanced budget is to encourage economic growth and to show some spending discipline in Washington, DC.

We must work together to fund only our most important priorities. I will send you a budget that increases discretionary spending by 4 percent next year, about as much as the average family's income is expected to grow. And that is a good benchmark for us. Federal spending should not rise any faster than the paychecks of American families.

A growing economy and a focus on essential priorities will be crucial to the future of Social Security. As we continue to work together to keep Social Security sound and reliable, we must offer younger workers a chance to invest in retirement accounts that they will control and they will own.

Our second goal is high quality, affordable health for all Americans. The American system of medicine is a model of skill and innovation, with a pace of discovery that is adding good years to our lives. Yet for many people, medical care costs too much, and many have no health coverage at all. These problems will not be solved with a nationalized health care system that dictates coverage and rations care.

Instead, we must work toward a system in which all Americans have a good insurance policy, choose their own doctors, and seniors and low-income Americans receive the help they need. Instead of bureaucrats and trial lawyers and HMOs, we must put doctors and nurses and patients back in charge of American medicine.

Health care reform must begin with Medicare. Medicare is the binding commitment of a caring society. We must renew that commitment by giving seniors access to preventive medicine and new drugs that are transforming health care in America.

Seniors happy with the current Medicare system should be able to keep their coverage just the way it is. And just like you, the Members of Congress, and your staffs and other Federal employees, all seniors should have the choice of a health care plan that provides prescription drugs.

My budget will commit an additional $400 billion over the next decade to reform and strengthen Medicare. Leaders of both political parties have talked for years about strengthening Medicare. I urge the Members of this new Congress to act this year.

To improve our health care system, we must address one of the prime causes of higher cost, the constant threat that physicians and hospitals will be unfairly sued. Because of excessive litigation, everybody pays more for health care, and many parts of America are losing fine doctors. No one has ever been healed by a frivolous lawsuit. I urge the Congress to pass medical liability reform.

Our third goal is to promote energy independence for our country while dramatically improving the environment. I have sent you a comprehensive energy plan to promote energy efficiency and conservation, to develop cleaner technology, and to produce more energy at home. I have sent you Clear Skies legislation that mandates a 70-percent cut in air pollution from powerplants over the next 15 years. I have sent you a Healthy Forests Initiative, to help prevent the catastrophic fires that devastate communities, kill wildlife, and burn away millions of acres of treasured forests.

I urge you to pass these measures, for the good of both our environment and our economy. Even more, I ask you to take a crucial step and protect our environment in ways that generations before us could not have imagined.

In this century, the greatest environmental progress will come about not through endless lawsuits or command-and-control regulations but through technology and innovation. Tonight I'm proposing $1.2 billion in research funding so that America can lead the world in developing clean, hydrogen-powered automobiles.

A simple chemical reaction between hydrogen and oxygen generates energy which can be used to power a car, producing only water, not exhaust fumes. With a new national commitment, our scientists and engineers will overcome obstacles to taking these cars from laboratory to showroom, so that the first car driven by a child born today could be powered by hydrogen and pollution-free. Join me in this important innovation to make our air significantly cleaner and our country much less dependent on foreign sources of energy.

Our fourth goal is to apply the compassion of America to the deepest problems of America. For so many in our country, the homeless and the fatherless, the addicted, the need is great. Yet there's power, wonder-working power, in the goodness and idealism and faith of the American people.

Americans are doing the work of compassion every day, visiting prisoners, providing shelter for battered women, bringing companionship to lonely seniors. These good works deserve our praise. They deserve our personal support, and when appropriate, they deserve the assistance of the Federal Government.

I urge you to pass both my Faith-Based Initiative and the "Citizen Service Act," to encourage acts of compassion that can transform America, one heart and one soul at a time.

Last year, I called on my fellow citizens to participate in the USA Freedom Corps, which is enlisting tens of thousands of new volunteers across America. Tonight I ask Congress and the American people to focus the spirit of service and the resources of Government on the needs of some of our most vulnerable citizens, boys and girls trying to grow up without guidance and attention and children who have to go through a prison gate to be hugged by their mom or dad. I propose a $450 million initiative to bring mentors to more than a million disadvantaged junior high students and children of prisoners. Government will support the training and recruiting of mentors. Yet it is the men and women of America who will fill the need. One mentor, one person, can change a life forever, and I urge you to be that one person.

Another cause of hopelessness is addiction to drugs. Addiction crowds out friendship, ambition, moral conviction and reduces all the richness of life to a single destructive desire. As a government, we are fighting illegal drugs by cutting off supplies and reducing demand through antidrug education programs. Yet for those already addicted, the fight against drugs is a fight for their own lives. Too many Americans in search of treatment cannot get it. So tonight I propose a new $600 million program to help an additional 300,000 Americans receive treatment over the next 3 years.

Our Nation is blessed with recovery programs that do amazing work. One of them is found at the Healing Place Church in Baton Rouge, Louisiana. A man in the program said, "God does miracles in people's lives, and you never think it could be you." Tonight let us bring to all Americans who struggle with drug addiction this message of hope: The miracle of recovery is possible, and it could be you.

By caring for children who need mentors and for addicted men and women who need treatment, we are building a more welcoming society, a culture that values every life. And in this work, we must not overlook the weakest among us. I ask you to protect infants at the very hour of their birth and end the practice of partial-birth abortion. And because no human life should be started or ended as the object of an experiment, I ask you to set a high standard for humanity and pass a law against all human cloning.

The qualities of courage and compassion that we strive for in America also determine our conduct abroad. The American flag stands for more than our power and our interests. Our Founders dedicated this country to the cause of human dignity, the rights of every person, and the possibilities of every life. This conviction leads us into the world to help the afflicted and defend the peace and confound the designs of evil men.

In Afghanistan, we helped to liberate an oppressed people. And we will continue helping them secure their country, rebuild their society, and educate all their children, boys and girls. In the Middle East, we will continue to seek peace between a secure Israel and a democratic Palestine. Across the Earth, America is feeding the hungry. More than 60 percent of international food aid comes as a gift from the people of the United States. As our Nation moves troops and builds alliances to make our world safer, we must also remember our calling as a blessed country is to make the world better.

Today, on the continent of Africa, nearly 30 million people have the AIDS virus, including 3 million children under the age 15. There are whole countries in Africa where more than one-third of the adult population carries the infection. More than 4 million require immediate drug treatment. Yet across that continent, only 50,000 AIDS victims—only 50,000—are receiving the medicine they need. Because the AIDS diagnosis is considered a death sentence, many do not seek treatment. Almost all who do are turned away. A doctor in rural South Africa describes his frustration. He says, "We have no medicines. Many hospitals tell people, ‘You've got AIDS. We can't help you. Go home and die."' In an age of miraculous medicines, no person should have to hear those words.

AIDS can be prevented. Antiretroviral drugs can extend life for many years. And the cost of those drugs has dropped from $12,000 a year to under $300 a year, which places a tremendous possibility within our grasp. Ladies and gentlemen, seldom has history offered a greater opportunity to do so much for so many.

We have confronted and will continue to confront HIV/AIDS in our own country. And to meet a severe and urgent crisis abroad, tonight I propose the Emergency Plan for AIDS Relief, a work of mercy beyond all current international efforts to help the people of Africa. This comprehensive plan will prevent 7 million new AIDS infections, treat at least 2 million people with life-extending drugs, and provide humane care for millions of people suffering from AIDS and for children orphaned by AIDS. I ask the Congress to commit $15 billion over the next 5 years, including nearly $10 billion in new money, to turn the tide against AIDS in the most afflicted nations of Africa and the Caribbean.

This Nation can lead the world in sparing innocent people from a plague of nature. And this Nation is leading the world in confronting and defeating the manmade evil of international terrorism.

There are days when our fellow citizens do not hear news about the war on terror. There's never a day when I do not learn of another threat or receive reports of operations in progress or give an order in this global war against a scattered network of killers. The war goes on, and we are winning.

To date, we've arrested or otherwise dealt with many key commanders of Al Qaida. They include a man who directed logistics and funding for the September the 11th attacks, the chief of Al Qaida operations in the Persian Gulf who planned the bombings of our embassies in east Africa and the U.S.S. *Cole*, an Al Qaida operations chief from Southeast Asia, a former director of Al Qaida's training camps in Afghanistan, a key Al Qaida operative in Europe, a major Al Qaida leader in Yemen. All told, more than 3,000 suspected terrorists have been arrested in many countries. Many others have met a different fate. Let's put it this way: They are no longer a problem to the United States and our friends and allies.

We are working closely with other nations to prevent further attacks. America and coalition countries have uncovered and stopped terrorist conspiracies targeting the Embassy in Yemen, the American Embassy in Singapore, a Saudi military base, ships in the Straits of Hormuz and the Straits of Gibraltar. We've broken Al Qaida cells in Hamburg, Milan, Madrid, London, Paris, as well as Buffalo, New York.

We have the terrorists on the run. We're keeping them on the run. One by one, the terrorists are learning the meaning of American justice.

As we fight this war, we will remember where it began: Here, in our own country. This Government is taking unprecedented measures to protect our people and defend our homeland. We've intensified security at the borders and ports of entry, posted more than 50,000 newly trained Federal screeners in airports, begun inoculating troops and first-responders against smallpox, and are deploying the Nation's first early warning network of sensors to detect biological attack. And this year, for the first time, we are beginning to field a defense to protect this Nation against ballistic missiles.

I thank the Congress for supporting these measures. I ask you tonight to add to our future security with a major research and production effort to guard our people against bioterrorism, called Project Bio-Shield. The budget I send you will propose almost $6 billion to quickly make available effective vaccines and treatments against agents like anthrax, botulinum toxin, Ebola, and plague. We must assume that our enemies would use these diseases as weapons, and we must act before the dangers are upon us.

Since September the 11th, our intelligence and law enforcement agencies have worked more closely than ever to track and disrupt the terrorists. The FBI is improving its ability to analyze intelligence and is transforming itself to meet new threats. Tonight I am instructing the leaders of the FBI, the CIA, the Homeland Security, and the Department of Defense to develop a Terrorist Threat Integration Center, to merge and analyze all threat information in a single location. Our Government must have the very best information possible, and we will use it to make sure the right people are in the right places to protect all our citizens.

Our war against terror is a contest of will in which perseverance is power. In the ruins of two towers, at the western wall of the Pentagon, on a field in Pennsylvania, this Nation made a pledge, and we renew that pledge tonight: Whatever the duration of this struggle and whatever the difficulties, we will not permit the triumph of violence in the affairs of men; free people will set the course of history.

Today, the gravest danger in the war on terror, the gravest danger facing America and the world, is outlaw regimes that seek and possess nuclear, chemical, and biological weapons. These regimes could use such weapons for blackmail, terror, and mass murder. They could also give or sell those weapons to terrorist allies, who would use them without the least hesitation.

This threat is new. America's duty is familiar. Throughout the 20th century, small groups of men seized control of great nations, built armies and arsenals, and set out to dominate the weak and intimidate the world. In each case, their ambitions of cruelty and murder had no limit. In each case, the ambitions of Hitlerism, militarism, and communism were defeated by the will of free peoples, by the strength of great alliances, and by the might of the United States of America.

Now, in this century, the ideology of power and domination has appeared again and seeks to gain the ultimate weapons of terror. Once again, this Nation and all our friends are all that stand between a world at peace and a world of chaos and constant alarm. Once again, we are called to defend the safety of our people and the hopes of all mankind. And we accept this responsibility.

America is making a broad and determined effort to confront these dangers. We have called on the United Nations to fulfill its charter and stand by its demand that Iraq disarm. We're strongly supporting the International Atomic Energy Agency in its mission to track and control nuclear materials around the world. We're working with other governments to secure nuclear materials in the former Soviet Union and to strengthen global treaties banning the production and shipment of missile technologies and weapons of mass destruction.

In all these efforts, however, America's purpose is more than to follow a process; it is to achieve a result, the end of terrible threats to the civilized world. All free nations have a stake in preventing sudden and catastrophic attacks. And we're asking them to join us, and many are doing so. Yet the course of this Nation does not depend on the decisions of others. Whatever action is required, whenever action is necessary, I will defend the freedom and security of the American people.

Different threats require different strategies. In Iran, we continue to see a Government that represses its people, pursues weapons of mass destruction, and supports terror. We also see Iranian citizens risking intimidation and death as they speak out for liberty and human rights and democracy. Iranians, like all people, have a right to choose their own Government and determine their own destiny, and the United States supports their aspirations to live in freedom.

On the Korean Peninsula, an oppressive regime rules a people living in fear and starvation. Throughout the 1990s, the United States relied on a negotiated framework to keep North Korea from gaining nuclear weapons. We now know that that regime was deceiving the world and developing those weapons all along. And today, the North Korean regime is using its nuclear program to incite fear and seek concessions. America and the world will not be blackmailed.

America is working with the countries of the region, South Korea, Japan, China, and Russia, to find a peaceful solution and to show the North Korean Government that nuclear weapons will bring only isolation, economic stagnation, and continued hardship. The North Korean regime will find respect in the world and revival for its people only when it turns away from its nuclear ambitions.

Our Nation and the world must learn the lessons of the Korean Peninsula and not allow an even greater threat to rise up in Iraq. A brutal dictator, with a history of reckless aggression, with ties to terrorism, with great potential wealth, will not be permitted to dominate a vital region and threaten the United States.

Twelve years ago, Saddam Hussein faced the prospect of being the last casualty in a war he had started and lost. To spare himself, he agreed to disarm of all weapons of mass destruction. For the next 12 years, he systematically violated that agreement. He pursued chemical, biological, and nuclear weapons, even while inspectors were in his country. Nothing to date has restrained him from his pursuit of these weapons, not economic sanctions, not isolation from the civilized world, not even cruise missile strikes on his military facilities.

Almost 3 months ago, the United Nations Security Council gave Saddam Hussein his final chance to disarm. He has shown instead utter contempt for the United Nations and for the opinion of the world. The 108 U.N. inspectors were sent to conduct— were not sent to conduct a scavenger hunt for hidden materials across a country the size of California. The job of the inspectors is to verify that Iraq's regime is disarming. It is up to Iraq to show exactly where it is hiding its banned weapons, lay those weapons out for the world to see, and destroy them as directed. Nothing like this has happened.

The United Nations concluded in 1999 that Saddam Hussein had biological weapons sufficient to produce over 25,000 liters of anthrax, enough doses to kill several million people. He hasn't accounted for that material. He's given no evidence that he has destroyed it.

The United Nations concluded that Saddam Hussein had materials sufficient to produce more than 38,000 liters of botulinum toxin, enough to subject millions of people to death by respiratory failure. He hasn't accounted for that material. He's given no evidence that he has destroyed it.

Our intelligence officials estimate that Saddam Hussein had the materials to produce as much as 500 tons of sarin, mustard, and VX nerve agent. In such quantities, these chemical agents could also kill untold thousands. He's not accounted for these materials. He has given no evidence that he has destroyed them.

U.S. intelligence indicates that Saddam Hussein had upwards of 30,000 munitions capable of delivering chemical agents. Inspectors recently turned up 16 of them, despite Iraq's recent declaration denying their existence. Saddam Hussein has not accounted for the remaining 29,984 of these prohibited munitions. He's given no evidence that he has destroyed them.

From three Iraqi defectors we know that Iraq, in the late 1990s, had several mobile biological weapons labs. These are designed to produce germ warfare agents and can be moved from place to a place to evade inspectors. Saddam Hussein has not disclosed these facilities. He's given no evidence that he has destroyed them.

The International Atomic Energy Agency confirmed in the 1990s that Saddam Hussein had an advanced nuclear weapons development program, had a design for a nuclear weapon, and was working on five different methods of enriching uranium for a bomb. The British Government has learned that Saddam Hussein recently sought significant quantities of uranium from Africa. Our intelligence sources tell us that he has attempted to purchase high-strength aluminum tubes suitable for nuclear weapons production. Saddam Hussein has not credibly explained these activities. He clearly has much to hide.

The dictator of Iraq is not disarming. To the contrary, he is deceiving. From intelligence sources we know, for instance, that thousands of Iraqi security personnel are at work hiding documents and materials from the U.N. inspectors, sanitizing inspection sites, and monitoring the inspectors themselves. Iraqi officials accompany the inspectors in order to intimidate witnesses. Iraq is blocking U-2 surveillance flights requested by the United Nations. Iraqi intelligence officers are posing as the scientists inspectors are supposed to interview. Real scientists have been coached by Iraqi officials on what to say. Intelligence sources indicate that Saddam Hussein has ordered that scientists who cooperate with U.N. inspectors in disarming Iraq will be killed, along with their families.

Year after year, Saddam Hussein has gone to elaborate lengths, spent enormous sums, taken great risks to build and keep weapons of mass destruction. But why? The only possible explanation, the only possible use he could have for those weapons, is to dominate, intimidate, or attack.

With nuclear arms or a full arsenal of chemical and biological weapons, Saddam Hussein could resume his ambitions of conquest in the Middle East and create deadly havoc in that region. And this Congress and the American people must recognize another threat. Evidence from intelligence sources, secret communications, and statements by people now in custody reveal that Saddam Hussein aids and protects terrorists, including members of Al Qaida. Secretly and without fingerprints, he could provide one of his hidden weapons to terrorists or help them develop their own.

Before September the 11th, many in the world believed that Saddam Hussein could be contained. But chemical agents, lethal viruses, and shadowy terrorist networks are not easily contained. Imagine those 19 hijackers with other weapons and other plans, this time armed by Saddam Hussein. It would take one vial, one canister, one crate slipped into this country to bring a day of horror like none we have ever known. We will do everything in our power to make sure that that day never comes.

Some have said we must not act until the threat is imminent. Since when have terrorists and tyrants announced their intentions, politely putting us on notice before they strike? If this threat is permitted to fully and suddenly emerge, all actions, all words, and all recriminations would come too late. Trusting in the sanity and restraint of Saddam Hussein is not a strategy, and it is not an option.

The dictator who is assembling the world's most dangerous weapons has already used them on whole villages, leaving thousands of his own citizens dead, blind, or disfigured. Iraqi refugees tell us how forced confessions are obtained, by torturing children while their parents are made to watch. International human rights groups have cataloged other methods used in the torture chambers of Iraq: electric shock, burning with hot irons, dripping acid on the skin, mutilation with electric drills, cutting out tongues, and rape. If this is not evil, then evil has no meaning.

And tonight I have a message for the brave and oppressed people of Iraq: Your enemy is not surrounding your country; your enemy is ruling your country. And the day he and his regime are removed from power will be the day of your liberation.

The world has waited 12 years for Iraq to disarm. America will not accept a serious and mounting threat to our country and our friends and our allies. The United States will ask the U.N. Security Council to convene on February the 5th to consider the facts of Iraq's ongoing defiance of the world. Secretary of State Powell will present information and intelligence about Iraqi's legal—Iraq's illegal weapons programs, its attempt to hide those weapons from inspectors, and its links to terrorist groups.

We will consult. But let there be no misunderstanding: If Saddam Hussein does not fully disarm, for the safety of our people and for the peace of the world, we will lead a coalition to disarm him.

Tonight I have a message for the men and women who will keep the peace, members of the American Armed Forces: Many of you are assembling in or near the Middle East, and some crucial hours may lay ahead. In those hours, the success of our cause will depend on you. Your training has prepared you. Your honor will guide you. You believe in America, and America believes in you.

Sending Americans into battle is the most profound decision a President can make. The technologies of war have changed; the risks and suffering of war have not. For the brave Americans who bear the risk, no victory is free from sorrow. This Nation fights reluctantly, because we know the cost and we dread the days of mourning that always come.

We seek peace. We strive for peace. And sometimes peace must be defended. A future lived at the mercy of terrible threats is no peace at all. If war is forced upon us, we will fight in a just cause and by just means, sparing, in every way we can, the innocent. And if war is forced upon us, we will fight with the full force and might of the United States military, and we will prevail.

And as we and our coalition partners are doing in Afghanistan, we will bring to the Iraqi people food and medicines and supplies and freedom.

Many challenges, abroad and at home, have arrived in a single season. In 2 years, America has gone from a sense of invulnerability to an awareness of peril, from bitter division in small matters to calm unity in great causes. And we go forward with confidence, because this call of history has come to the right country.

Americans are a resolute people who have risen to every test of our time. Adversity has revealed the character of our country, to the world and to ourselves. America is a strong nation and honorable in the use of our strength. We exercise power without conquest, and we sacrifice for the liberty of strangers.

Americans are a free people who know that freedom is the right of every person and the future of every nation. The liberty we prize is not America's gift to the world; it is God's gift to humanity.

We Americans have faith in ourselves, but not in ourselves alone. We do not know—we do not claim to know all the ways of providence, yet we can trust in them, placing our confidence in the loving God behind all of life and all of history.

May He guide us now. And may God continue to bless the United States of America.

January 20, 2004

Mr. Speaker, Vice President Cheney, Members of Congress, distinguished guests, and fellow citizens: America this evening is a nation called to great responsibilities, and we are rising to meet them.

As we gather tonight, hundreds of thousands of American service men and women are deployed across the world in the war on terror. By bringing hope to the oppressed and delivering justice to the violent, they are making America more secure.

Each day, law enforcement personnel and intelligence officers are tracking terrorist threats; analysts are examining airline passenger lists; the men and women of our new Homeland Security Department are patrolling our coasts and borders. And their vigilance is protecting America.

Americans are proving once again to be the hardest working people in the world. The American economy is growing stronger. The tax relief you passed is working.

Tonight Members of Congress can take pride in the great works of compassion and reform that skeptics had thought impossible. You're raising the standards for our public schools, and you are giving our senior citizens prescription drug coverage under Medicare.

We have faced serious challenges together, and now we face a choice: We can go forward with confidence and resolve, or we can turn back to the dangerous illusion that terrorists are not plotting and outlaw regimes are no threat to us. We can press on with economic growth and reforms in education and Medicare, or we can turn back to old policies and old divisions.

We've not come all this way, through tragedy and trial and war, only to falter and leave our work unfinished. Americans are rising to the tasks of history, and they expect the same from us. In their efforts, their enterprise, and their character, the American people are showing that the state of our Union is confident and strong.

Our greatest responsibility is the active defense of the American people. Twenty-eight months have passed since September the 11th, 2001—over 2 years without an attack on American soil. And it is tempting to believe that the danger is behind us. That hope is understandable, comforting— and false. The killing has continued in Bali, Jakarta, Casablanca, Riyadh, Mombasa, Jerusalem, Istanbul, and Baghdad. The terrorists continue to plot against America and the civilized world. And by our will and courage, this danger will be defeated.

Inside the United States, where the war began, we must continue to give our homeland security and law enforcement personnel every tool they need to defend us. And one of those essential tools is the PATRIOT Act, which allows Federal law enforcement to better share information to track terrorists, to disrupt their cells, and to seize their assets. For years, we have used similar provisions to catch embezzlers and drug traffickers. If these methods are good for hunting criminals, they are even more important for hunting terrorists.

Key provisions of the PATRIOT Act are set to expire next year. The terrorist threat will not expire on that schedule. Our law enforcement needs this vital legislation to protect our citizens. You need to renew the PATRIOT Act.

America is on the offensive against the terrorists who started this war. Last March, Khalid Sheik Mohammed, a mastermind of September the 11th, awoke to find himself in the custody of U.S. and Pakistani authorities. Last August the 11th brought the capture of the terrorist Hambali, who was a key player in the attack in Indonesia that killed over 200 people. We're tracking Al Qaida around the world, and nearly two-thirds of their known leaders have now been captured or killed. Thousands of very skilled and determined military personnel are on the manhunt, going after the remaining killers who hide in cities and caves, and one by one, we will bring these terrorists to justice.

As part of the offensive against terror, we are also confronting the regimes that harbor and support terrorists and could supply them with nuclear, chemical, or biological weapons. The United States and our allies are determined: We refuse to live in the shadow of this ultimate danger.

The first to see our determination were the Taliban, who made Afghanistan the primary training base of Al Qaida killers. As of this month, that country has a new constitution guaranteeing free elections and full participation by women. Businesses are opening. Health care centers are being established, and the boys and girls of Afghanistan are back in school. With the help from the new Afghan army, our coalition is leading aggressive raids against the surviving members of the Taliban and Al Qaida. The men and women of Afghanistan are building a nation that is free and proud and fighting terror, and America is honored to be their friend.

Since we last met in this Chamber, combat forces of the United States, Great Britain, Australia, Poland, and other countries enforced the demands of the United Nations, ended the rule of Saddam Hussein. And the people of Iraq are free.

Having broken the Ba'athist regime, we face a remnant of violent Saddam supporters. Men who ran away from our troops in battle are now dispersed and attack from the shadows. These killers, joined by foreign terrorists, are a serious, continuing danger. Yet we're making progress against them. The once all-powerful ruler of Iraq was found in a hole and now sits in a prison cell. Of the top 55 officials of the former regime, we have captured or killed 45. Our forces are on the offensive, leading over 1,600 patrols a day and conducting an average of 180 raids a week. We are dealing with these thugs in Iraq just as surely as we dealt with Saddam Hussein's evil regime.

The work of building a new Iraq is hard, and it is right. And America has always been willing to do what it takes for what is right. Last January, Iraq's only law was the whim of one brutal man. Today, our coalition is working with the Iraqi Governing Council to draft a basic law with a bill of rights. We're working with Iraqis and the United Nations to prepare for a transition to full Iraqi sovereignty by the end of June.

As democracy takes hold in Iraq, the enemies of freedom will do all in their power to spread violence and fear. They are trying to shake the will of our country and our friends, but the United States of America will never be intimidated by thugs and assassins. The killers will fail, and the Iraqi people will live in freedom.

Month by month, Iraqis are assuming more responsibility for their own security and their own future. And tonight we are honored to welcome one of Iraq's most respected leaders, the current President of the Iraqi Governing Council, Adnan Pachachi. Sir, America stands with you and the Iraqi people as you build a free and peaceful nation.

Because of American leadership and resolve, the world is changing for the better. Last month, the leader of Libya voluntarily pledged to disclose and dismantle all of his regime's weapons of mass destruction programs, including a uranium enrichment project for nuclear weapons. Colonel Qadhafi correctly judged that his country would be better off and far more secure without weapons of mass murder.

Nine months of intense negotiations involving the United States and Great Britain succeeded with Libya, while 12 years of diplomacy with Iraq did not. And one reason is clear: For diplomacy to be effective, words must be credible, and no one can now doubt the word of America.

Different threats require different strategies. Along with nations in the region, we're insisting that North Korea eliminate its nuclear program. America and the international community are demanding that Iran meet its commitments and not develop nuclear weapons. America is committed to keeping the world's most dangerous weapons out of the hands of the most dangerous regimes.

When I came to this rostrum on September the 20th, 2001, I brought the police shield of a fallen officer, my reminder of lives that ended and a task that does not end. I gave to you and to all Americans my complete commitment to securing our country and defeating our enemies. And this pledge, given by one, has been kept by many.

You in the Congress have provided the resources for our defense and cast the difficult votes of war and peace. Our closest allies have been unwavering. America's intelligence personnel and diplomats have been skilled and tireless. And the men and women of the American military—they have taken the hardest duty. We've seen their skill and their courage in armored charges and midnight raids and lonely hours on faithful watch. We have seen the joy when they return and felt the sorrow when one is lost. I've had the honor of meeting our service men and women at many posts, from the deck of a carrier in the Pacific to a mess hall in Baghdad.

Many of our troops are listening tonight, and I want you and your families to know: America is proud of you, and my administration and this Congress will give you the resources you need to fight and win the war on terror.

I know that some people question if America is really in a war at all. They view terrorism more as a crime, a problem to be solved mainly with law enforcement and indictments. After the World Trade Center was first attacked in 1993, some of the guilty were indicted and tried and convicted and sent to prison. But the matter was not settled. The terrorists were still training and plotting in other nations and drawing up more ambitious plans. After the chaos and carnage of September the 11th, it is not enough to serve our enemies with legal papers. The terrorists and their supporters declared war on the United States, and war is what they got.

Some in this Chamber and in our country did not support the liberation of Iraq. Objections to war often come from principled motives, but let us be candid about the consequences of leaving Saddam Hussein in power. We're seeking all the facts. Already, the Kay Report identified dozens of weapons-of-mass-destruction-related program activities and significant amounts of equipment that Iraq concealed from the United Nations. Had we failed to act, the dictator's weapons of mass destruction programs would continue to this day. Had we failed to act, Security Council resolutions on Iraq would have been revealed as empty threats, weakening the United Nations and encouraging defiance by dictators around the world. Iraq's torture chambers would still be filled with victims, terrified and innocent. The killing fields of Iraq, where hundreds of thousands of men and women and children vanished into the sands, would still be known only to the killers. For all who love freedom and peace, the world without Saddam Hussein's regime is a better and safer place.

Some critics have said our duties in Iraq must be internationalized. This particular criticism is hard to explain to our partners in Britain, Australia, Japan, South Korea, the Philippines, Thailand, Italy, Spain, Poland, Denmark, Hungary, Bulgaria, Ukraine, Romania, the Netherlands, Norway, El Salvador, and the 17 other countries that have committed troops to Iraq. As we debate at home, we must never ignore the vital contributions of our international partners or dismiss their sacrifices.

From the beginning, America has sought international support for our operations in Afghanistan and Iraq, and we have gained much support. There is a difference, however, between leading a coalition of many nations and submitting to the objections of a few. America will never seek a permission slip to defend the security of our country.

We also hear doubts that democracy is a realistic goal for the greater Middle East, where freedom is rare. Yet it is mistaken and condescending to assume that whole cultures and great religions are incompatible with liberty and self-government. I believe that God has planted in every human heart the desire to live in freedom, and even when that desire is crushed by tyranny for decades, it will rise again.

As long as the Middle East remains a place of tyranny and despair and anger, it will continue to produce men and movements that threaten the safety of America and our friends. So America is pursuing a forward strategy of freedom in the greater Middle East. We will challenge the enemies of reform, confront the allies of terror, and expect a higher standard from our friend. To cut through the barriers of hateful propaganda, the Voice of America and other broadcast services are expanding their programming in Arabic and Persian, and soon a new television service will begin providing reliable news and information across the region. I will send you a proposal to double the budget of the National Endowment for Democracy and to focus its new work on the development of free elections and free markets, free press, and free labor unions in the Middle East. And above all, we will finish the historic work of democracy in Afghanistan and Iraq so those nations can light the way for others and help transform a troubled part of the world.

America is a nation with a mission, and that mission comes from our most basic beliefs. We have no desire to dominate, no ambitions of empire. Our aim is a democratic peace, a peace founded upon the dignity and rights of every man and woman. America acts in this cause with friends and allies at our side, yet we understand our special calling: This great Republic will lead the cause of freedom.

In the last 3 years, adversity has also revealed the fundamental strengths of the American economy. We have come through recession and terrorist attack and corporate scandals and the uncertainties of war. And because you acted to stimulate our economy with tax relief, this economy is strong and growing stronger.

You have doubled the child tax credit from 500 to $1,000, reduced the marriage penalty, begun to phase out the death tax, reduced taxes on capital gains and stock dividends, cut taxes on small businesses, and you have lowered taxes for every American who pays income taxes.

Americans took those dollars and put them to work, driving this economy forward. The pace of economic growth in the third quarter of 2003 was the fastest in nearly 20 years; new home construction, the highest in almost 20 years; homeowner-ship rates, the highest ever. Manufacturing activity is increasing. Inflation is low. Interest rates are low. Exports are growing. Productivity is high, and jobs are on the rise. These numbers confirm that the American people are using their money far better than Government would have, and you were right to return it.

America's growing economy is also a changing economy. As technology transforms the way almost every job is done, America becomes more productive and workers need new skills. Much of our job growth will be found in high-skilled fields like health care and biotechnology. So we must respond by helping more Americans gain the skills to find good jobs in our new economy.

All skills begin with the basics of reading and math, which are supposed to be learned in the early grades of our schools. Yet for too long, for too many children, those skills were never mastered. By passing the No Child Left Behind Act, you have made the expectation of literacy the law of our country. We're providing more funding for our schools, a 36-percent increase since 2001. We're requiring higher standards. We are regularly testing every child on the fundamentals. We are reporting results to parents and making sure they have better options when schools are not performing. We are making progress toward excellence for every child in America.

But the status quo always has defenders. Some want to undermine the No Child Left Behind Act by weakening standards and accountability. Yet the results we require are really a matter of common sense: We expect third graders to read and do math at the third grade level, and that's not asking too much. Testing is the only way to identify and help students who are falling behind. This Nation will not go back to the days of simply shuffling children along from grade to grade without them learning the basics. I refuse to give up on any child, and the No Child Left Behind Act is opening the door of opportunity to all of America's children.

At the same time, we must ensure that older students and adults can gain the skills they need to find work now. Many of the fastest growing occupations require strong math and science preparation and training beyond the high school level. So tonight, I propose a series of measures called Jobs for the 21st Century. This program will provide extra help to middle and high school students who fall behind in reading and math, expand advanced placement programs in low-income schools, invite math and science professionals from the private sector to teach part-time in our high schools. I propose larger Pell grants for students who prepare for college with demanding courses in high school. I propose increasing our support for America's fine community colleges, so they can—I do so, so they can train workers for industries that are creating the most new jobs. By all these actions, we'll help more and more Americans to join in the growing prosperity of our country. Job training is important, and so is job creation. We must continue to pursue an aggressive, progrowth economic agenda.

Congress has some unfinished business on the issue of taxes. The tax reductions you passed are set to expire. Unless you act, the unfair tax on marriage will go back up. Unless you act, millions of families will be charged $300 more in Federal taxes for every child. Unless you act, small businesses will pay higher taxes. Unless you act, the death tax will eventually come back to life. Unless you act, Americans face a tax increase. What Congress has given, the Congress should not take away. For the sake of job growth, the tax cuts you passed should be permanent.

Our agenda for jobs and growth must help small-business owners and employees with relief from needless Federal regulation and protect them from junk and frivolous lawsuits.

Consumers and businesses need reliable supplies of energy to make our economy run, so I urge you to pass legislation to modernize our electricity system, promote conservation, and make America less dependent on foreign sources of energy.

My administration is promoting free and fair trade to open up new markets for America's entrepreneurs and manufacturers and farmers, to create jobs for American workers. Younger workers should have the opportunity to build a nest egg by saving part of their Social Security taxes in a personal retirement account. We should make the Social Security system a source of ownership for the American people. And we should limit the burden of Government on this economy by acting as good stewards of taxpayers' dollars.

In 2 weeks, I will send you a budget that funds the war, protects the homeland, and meets important domestic needs while limiting the growth in discretionary spending to less than 4 percent. This will require that Congress focus on priorities, cut wasteful spending, and be wise with the people's money. By doing so, we can cut the deficit in half over the next 5 years.

Tonight I also ask you to reform our immigration laws so they reflect our values and benefit our economy. I propose a new temporary-worker program to match willing foreign workers with willing employers when no Americans can be found to fill the job. This reform will be good for our economy because employers will find needed workers in an honest and orderly system. A temporary-worker program will help protect our homeland, allowing Border Patrol and law enforcement to focus on true threats to our national security.

I oppose amnesty, because it would encourage further illegal immigration and unfairly reward those who break our laws. My temporary-worker program will preserve the citizenship path for those who respect the law while bringing millions of hard-working men and women out from the shadows of American life.

Our Nation's health care system, like our economy, is also in a time of change. Amazing medical technologies are improving and saving lives. This dramatic progress has brought its own challenge, in the rising costs of medical care and health insurance. Members of Congress, we must work together to help control those costs and extend the benefits of modern medicine throughout our country.

Meeting these goals requires bipartisan effort, and 2 months ago, you showed the way. By strengthening Medicare and adding a prescription drug benefit, you kept a basic commitment to our seniors. You are giving them the modern medicine they deserve.

Starting this year, under the law you passed, seniors can choose to receive a drug discount card, saving them 10 to 25 percent off the retail price of most prescription drugs, and millions of low-income seniors can get an additional $600 to buy medicine. Beginning next year, seniors will have new coverage for preventive screenings against diabetes and heart disease, and seniors just entering Medicare can receive wellness exams.

In January of 2006, seniors can get prescription drug coverage under Medicare. For a monthly premium of about $35, most seniors who do not have that coverage today can expect to see their drug bills cut roughly in half. Under this reform, senior citizens will be able to keep their Medicare just as it is, or they can choose a Medicare plan that fits them best, just as you, as Members of Congress, can choose an insurance plan that meets your needs. And starting this year, millions of Americans will be able to save money tax-free for their medical expenses in a health savings account.

I signed this measure proudly, and any attempt to limit the choices of our seniors or to take away their prescription drug coverage under Medicare will meet my veto.

On the critical issue of health care, our goal is to ensure that Americans can choose and afford private health care coverage that best fits their individual needs. To make insurance more affordable, Congress must act to address rapidly rising health care costs. Small businesses should be able to band together and negotiate for lower insurance rates, so they can cover more workers with health insurance. I urge you to pass association health plans. I ask you to give lower income Americans a refundable tax credit that would allow millions to buy their own basic health insurance.

By computerizing health records, we can avoid dangerous medical mistakes, reduce costs, and improve care. To protect the doctor-patient relationship and keep good doctors doing good work, we must eliminate wasteful and frivolous medical lawsuits. And tonight I propose that individuals who buy catastrophic health care coverage as part of our new health savings accounts be allowed to deduct 100 percent of the premiums from their taxes.

A Government-run health care system is the wrong prescription. By keeping costs under control, expanding access, and helping more Americans afford coverage, we will preserve the system of private medicine that makes America's health care the best in the world.

We are living in a time of great change in our world, in our economy, in science and medicine. Yet some things endure: courage and compassion, reverence and integrity, respect for differences of faith and race. The values we try to live by never change, and they are instilled in us by fundamental institutions such as families and schools and religious congregations. These institutions, these unseen pillars of civilization, must remain strong in America, and we will defend them. We must stand with our families to help them raise healthy, responsible children. When it comes to helping children make right choices, there is work for all of us to do.

One of the worst decisions our children can make is to gamble their lives and futures on drugs. Our Government is helping parents confront this problem with aggressive education, treatment, and law enforcement. Drug use in high school has declined by 11 percent over the last 2 years. Four hundred thousand fewer young people are using illegal drugs than in the year 2001. In my budget, I propose new funding to continue our aggressive, community-based strategy to reduce demand for illegal drugs. Drug testing in our schools has proven to be an effective part of this effort. So tonight I propose an additional 23 million for schools that want to use drug testing as a tool to save children's lives. The aim here is not to punish children but to send them this message: We love you, and we do not want to lose you.

To help children make right choices, they need good examples. Athletics play such an important role in our society, but unfortunately, some in professional sports are not setting much of an example. The use of performance-enhancing drugs like steroids in baseball, football, and other sports is dangerous, and it sends the wrong message, that there are shortcuts to accomplishment and that performance is more important than character. So tonight I call on team owners, union representatives, coaches, and players to take the lead, to send the right signal, to get tough, and to get rid of steroids now.

To encourage right choices, we must be willing to confront the dangers young people face, even when they're difficult to talk about. Each year, about 3 million teenagers contract sexually transmitted diseases that can harm them or kill them or prevent them from ever becoming parents. In my budget, I propose a grassroots campaign to help inform families about these medical risks. We will double Federal funding for abstinence programs, so schools can teach this fact of life: Abstinence for young people is the only certain way to avoid sexually transmitted diseases.

Decisions children now make can affect their health and character for the rest of their lives. All of us, parents and schools and government, must work together to counter the negative influence of the culture and to send the right messages to our children.

A strong America must also value the institution of marriage. I believe we should respect individuals as we take a principled stand for one of the most fundamental, enduring institutions of our civilization. Congress has already taken a stand on this issue by passing the Defense of Marriage Act, signed in 1996 by President Clinton. That statute protects marriage under Federal law as a union of a man and a woman and declares that one State may not redefine marriage for other States.

Activist judges, however, have begun redefining marriage by court order, without regard for the will of the people and their elected representatives. On an issue of such great consequence, the people's voice must be heard. If judges insist on forcing their arbitrary will upon the people, the only alternative left to the people would be the constitutional process. Our Nation must defend the sanctity of marriage.

The outcome of this debate is important, and so is the way we conduct it. The same moral tradition that defines marriage also teaches that each individual has dignity and value in God's sight.

It's also important to strengthen our communities by unleashing the compassion of America's religious institutions. Religious charities of every creed are doing some of the most vital work in our country: mentoring children, feeding the hungry, taking the hand of the lonely. Yet Government has often denied social service grants and contracts to these groups, just because they have a cross or a Star of David or a crescent on the wall. By Executive order, I have opened billions of dollars in grant money to competition that includes faith-based charities. Tonight I ask you to codify this into law, so people of faith can know that the law will never discriminate against them again.

In the past, we've worked together to bring mentors to children of prisoners and provide treatment for the addicted and help for the homeless. Tonight I ask you to consider another group of Americans in need of help. This year, some 600,000 inmates will be released from prison back into society. We know from long experience that if they can't find work or a home or help, they are much more likely to commit crime and return to prison. So tonight I propose a 4-year, $300 million prisoner reentry initiative to expand job training and placement services, to provide transitional housing, and to help newly released prisoners get mentoring, including from faith-based groups. America is the land of second chance, and when the gates of the prison open, the path ahead should lead to a better life.

For all Americans, the last 3 years have brought tests we did not ask for and achievements shared by all. By our actions, we have shown what kind of nation we are. In grief, we have found the grace to go on. In challenge, we rediscovered the courage and daring of a free people. In victory, we have shown the noble aims and good heart of America. And having come this far, we sense that we live in a time set apart.

I've been witness to the character of the people of America, who have shown calm in times of danger, compassion for one another, and toughness for the long haul. All of us have been partners in a great enterprise. And even some of the youngest understand that we are living in historic times. Last month a girl in Lincoln, Rhode Island, sent me a letter. It began, "Dear George W. Bush. If there's anything you know I, Ashley Pearson, age 10, can do to help anyone, please send me a letter and tell me what I can do to save our country." She added this P.S.: "If you can send a letter to the troops, please put, 'Ashley Pearson believes in you."'

Tonight, Ashley, your message to our troops has just been conveyed. And yes, you have some duties yourself: Study hard in school; listen to your mom or dad; help someone in need; and when you and your friends see a man or woman in uniform, say, "Thank you." And Ashley, while you do your part, all of us here in this great Chamber will do our best to keep you and the rest of America safe and free.

My fellow citizens, we now move forward with confidence and faith. Our Nation is strong and steadfast. The cause we serve is right, because it is the cause of all mankind. The momentum of freedom in our world is unmistakable, and it is not carried forward by our power alone. We can trust in that greater power who guides the unfolding of the years. And in all that is to come, we can know that His purposes are just and true.

May God continue to bless America.

February 02, 2005

Mr. Speaker, Vice President Cheney, Members of Congress, fellow citizens:

As a new Congress gathers, all of us in the elected branches of Government share a great privilege: We've been placed in office by the votes of the people we serve. And tonight that is a privilege we share with newly elected leaders of Afghanistan, the Palestinian Territories, Ukraine, and a free and sovereign Iraq.

Two weeks ago, I stood on the steps of this Capitol and renewed the commitment of our Nation to the guiding ideal of liberty for all. This evening I will set forth policies to advance that ideal at home and around the world.

Tonight, with a healthy, growing economy, with more Americans going back to work, with our Nation an active force for good in the world, the state of our Union is confident and strong.

Our generation has been blessed by the expansion of opportunity, by advances in medicine, by the security purchased by our parents' sacrifice. Now, as we see a little gray in the mirror—or a lot of gray— [*laughter*]—and we watch our children moving into adulthood, we ask the question: What will be the state of their Union? Members of Congress, the choices we make together will answer that question. Over the next several months, on issue after issue, let us do what Americans have always done and build a better world for our children and our grandchildren.

First, we must be good stewards of this economy and renew the great institutions on which millions of our fellow citizens rely. America's economy is the fastest growing of any major industrialized nation. In the past 4 years, we've provided tax relief to every person who pays income taxes, overcome a recession, opened up new markets abroad, prosecuted corporate criminals, raised homeownership to its highest level in history. And in the last year alone, the United States has added 2.3 million new jobs. When action was needed, the Congress delivered, and the Nation is grateful.

Now we must add to these achievements. By making our economy more flexible, more innovative, and more competitive, we will keep America the economic leader of the world.

America's prosperity requires restraining the spending appetite of the Federal Government. I welcome the bipartisan enthusiasm for spending discipline. I will send you a budget that holds the growth of discretionary spending below inflation, makes tax relief permanent, and stays on track to cut the deficit in half by 2009. My budget substantially reduces or eliminates more than 150 Government programs that are not getting results or duplicate current efforts or do not fulfill essential priorities. The principle here is clear: Taxpayer dollars must be spent wisely or not at all.

To make our economy stronger and more dynamic, we must prepare a rising generation to fill the jobs of the 21st century. Under the No Child Left Behind Act, standards are higher, test scores are on the rise, and we're closing the achievement gap for minority students. Now we must demand better results from our high schools, so every high school diploma is a ticket to success. We will help an additional 200,000 workers to get training for a better career by reforming our job training system and strengthening America's community colleges. And we'll make it easier for Americans to afford a college education by increasing the size of Pell grants.

To make our economy stronger and more competitive, America must reward, not punish, the efforts and dreams of entrepreneurs. Small business is the path of advancement, especially for women and minorities, so we must free small businesses from needless regulation and protect honest job-creators from junk lawsuits. Justice is distorted and our economy is held back by irresponsible class actions and frivolous asbestos claims, and I urge Congress to pass legal reforms this year.

To make our economy stronger and more productive, we must make health care more affordable and give families greater access to good coverage and more control over their health decisions. I ask Congress to move forward on a comprehensive health care agenda with tax credits to help low-income workers buy insurance, a community health center in every poor county, improved information technology to prevent medical error and needless costs, association health plans for small businesses and their employees, expanded health savings accounts, and medical liability reform that will reduce health care costs and make sure patients have the doctors and care they need.

To keep our economy growing, we also need reliable supplies of affordable, environmentally responsible energy. Nearly 4 years ago, I submitted a comprehensive energy strategy that encourages conservation, alternative sources, a modernized electricity grid, and more production here at home, including safe, clean nuclear energy. My Clear Skies legislation will cut powerplant pollution and improve the health of our citizens. And my budget provides strong funding for leading-edge technology, from hydrogen-fueled cars to clean coal to renewable sources such as ethanol. Four years of debate is enough. I urge Congress to pass legislation that makes America more secure and less dependent on foreign energy.

All these proposals are essential to expand this economy and add new jobs, but they are just the beginning of our duty. To build the prosperity of future generations, we must update institutions that were created to meet the needs of an earlier time. Year after year, Americans are burdened by an archaic, incoherent Federal Tax Code. I've appointed a bipartisan panel to examine the Tax Code from top to bottom. And when their recommendations are delivered, you and I will work together to give this Nation a Tax Code that is progrowth, easy to understand, and fair to all.

America's immigration system is also outdated, unsuited to the needs of our economy and to the values of our country. We should not be content with laws that punish hard-working people who want only to provide for their families and deny businesses willing workers and invite chaos at our border. It is time for an immigration policy that permits temporary-guest workers to fill jobs Americans will not take, that rejects amnesty, that tells us who is entering and leaving our country, and that closes the border to drug dealers and terrorists.

One of America's most important institutions, a symbol of the trust between generations, is also in need of wise and effective reform. Social Security was a great moral success of the 20th century, and we must honor its great purposes in this new century. The system, however, on its current path, is headed toward bankruptcy. And so we must join together to strengthen and save Social Security.

Today, more than 45 million Americans receive Social Security benefits, and millions more are nearing retirement. And for them the system is sound and fiscally strong. I have a message for every American who is 55 or older: Do not let anyone mislead you; for you, the Social Security system will not change in any way.

For younger workers, the Social Security system has serious problems that will grow worse with time. Social Security was created decades ago for a very different era. In those days, people did not live as long. Benefits were much lower than they are today. And a half century ago, about 16 workers paid into the system for each person drawing benefits.

Our society has changed in ways the founders of Social Security could not have foreseen. In today's world, people are living longer and, therefore, drawing benefits longer. And those benefits are scheduled to rise dramatically over the next few decades. And instead of 16 workers paying in for every beneficiary, right now it's only about 3 workers. And over the next few decades, that number will fall to just 2 workers per beneficiary. With each passing year, fewer workers are paying ever-higher benefits to an ever-larger number of retirees.

So here is the result: Thirteen years from now, in 2018, Social Security will be paying out more than it takes in. And every year afterward will bring a new shortfall, bigger than the year before. For example, in the year 2027, the Government will somehow have to come up with an extra $200 billion to keep the system afloat, and by 2033, the annual shortfall would be more than $300 billion. By the year 2042, the entire system would be exhausted and bankrupt. If steps are not taken to avert that outcome, the only solutions would be dramatically higher taxes, massive new borrowing, or sudden and severe cuts in Social Security benefits or other Government programs.

I recognize that 2018 and 2042 may seem a long way off. But those dates are not so distant, as any parent will tell you. If you have a 5-year-old, you're already concerned about how you'll pay for college tuition 13 years down the road. If you've got children in their twenties, as some of us do, the idea of Social Security collapsing before they retire does not seem like a small matter. And it should not be a small matter to the United States Congress. You and I share a responsibility. We must pass reforms that solve the financial problems of Social Security once and for all.

Fixing Social Security permanently will require an open, candid review of the options. Some have suggested limiting benefits for wealthy retirees. Former Congressman Tim Penny has raised the possibility of indexing benefits to prices rather than wages. During the 1990s, my predecessor, President Clinton, spoke of increasing the retirement age. Former Senator John Breaux suggested discouraging early collection of Social Security benefits. The late Senator Daniel Patrick Moynihan recommended changing the way benefits are calculated. All these ideas are on the table.

I know that none of these reforms would be easy. But we have to move ahead with courage and honesty, because our children's retirement security is more important than partisan politics. I will work with Members of Congress to find the most effective combination of reforms. I will listen to anyone who has a good idea to offer. We must, however, be guided by some basic principles. We must make Social Security permanently sound, not leave that task for another day. We must not jeopardize our economic strength by increasing payroll taxes. We must ensure that lower income Americans get the help they need to have dignity and peace of mind in their retirement. We must guarantee there is no change for those now retired or nearing retirement. And we must take care that any changes in the system are gradual, so younger workers have years to prepare and plan for their future.

As we fix Social Security, we also have the responsibility to make the system a better deal for younger workers. And the best way to reach that goal is through voluntary personal retirement accounts. Here is how the idea works. Right now, a set portion of the money you earn is taken out of your paycheck to pay for the Social Security benefits of today's retirees. If you're a younger worker, I believe you should be able to set aside part of that money in your own retirement account, so you can build a nest egg for your own future.

Here's why the personal accounts are a better deal. Your money will grow over time at a greater rate than anything the current system can deliver, and your account will provide money for retirement over and above the check you will receive from Social Security. In addition, you'll be able to pass along the money that accumulates in your personal account, if you wish, to your children and—or grandchildren. And best of all, the money in the account is yours, and the Government can never take it away.

The goal here is greater security in retirement, so we will set careful guidelines for personal accounts. We'll make sure the money can only go into a conservative mix of bonds and stock funds. We'll make sure that your earnings are not eaten up by hidden Wall Street fees. We'll make sure there are good options to protect your investments from sudden market swings on the eve of your retirement. We'll make sure a personal account cannot be emptied out all at once but rather paid out over time as an addition to traditional Social Security benefits. And we'll make sure this plan is fiscally responsible by starting personal retirement accounts gradually and raising the yearly limits on contributions over time, eventually permitting all workers to set aside 4 percentage points of their payroll taxes in their accounts.

Personal retirement accounts should be familiar to Federal employees, because you already have something similar called the Thrift Savings Plan, which lets workers deposit a portion of their paychecks into any of five different broadly based investment funds. It's time to extend the same security and choice and ownership to young Americans.

Our second great responsibility to our children and grandchildren is to honor and to pass along the values that sustain a free society. So many of my generation, after a long journey, have come home to family and faith and are determined to bring up responsible, moral children. Government is not the source of these values, but Government should never undermine them.

Because marriage is a sacred institution and the foundation of society, it should not be redefined by activist judges. For the good of families, children, and society, I support a constitutional amendment to protect the institution of marriage.

Because a society is measured by how it treats the weak and vulnerable, we must strive to build a culture of life. Medical research can help us reach that goal by developing treatments and cures that save lives and help people overcome disabilities, and I thank the Congress for doubling the funding of the National Institutes of Health.

To build a culture of life, we must also ensure that scientific advances always serve human dignity, not take advantage of some lives for the benefit of others. We should all be able to agree on some clear standards. I will work with Congress to ensure that human embryos are not created for experimentation or grown for body parts and that human life is never bought or sold as a commodity. America will continue to lead the world in medical research that is ambitious, aggressive, and always ethical.

Because courts must always deliver impartial justice, judges have a duty to faithfully interpret the law, not legislate from the bench. As President, I have a constitutional responsibility to nominate men and women who understand the role of courts in our democracy and are well-qualified to serve on the bench, and I have done so. The Constitution also gives the Senate a responsibility: Every judicial nominee deserves an up-or-down vote.

Because one of the deepest values of our country is compassion, we must never turn away from any citizen who feels isolated from the opportunities of America. Our Government will continue to support faith-based and community groups that bring hope to harsh places. Now we need to focus on giving young people, especially young men in our cities, better options than apathy or gangs or jail. Tonight I propose a 3-year initiative to help organizations keep young people out of gangs and show young men an ideal of manhood that respects women and rejects violence. Taking on gang life will be one part of a broader outreach to at-risk youth, which involves parents and pastors, coaches and community leaders in programs ranging from literacy to sports. And I am proud that the leader of this nationwide effort will be our First Lady, Laura Bush.

Because HIV/AIDS brings suffering and fear into so many lives, I ask you to reauthorize the Ryan White Act to encourage prevention and provide care and treatment to the victims of that disease. And as we update this important law, we must focus our efforts on fellow citizens with the highest rates of new cases, African American men and women.

Because one of the main sources of our national unity is our belief in equal justice, we need to make sure Americans of all races and backgrounds have confidence in the system that provides justice. In America, we must make doubly sure no person is held to account for a crime he or she did not commit, so we are dramatically expanding the use of DNA evidence to prevent wrongful conviction. Soon I will send to Congress a proposal to fund special training for defense counsel in capital cases, because people on trial for their lives must have competent lawyers by their side.

Our third responsibility to future generations is to leave them an America that is safe from danger and protected by peace.We will pass along to our children all the freedoms we enjoy, and chief among them is freedom from fear.

In the 3 1/2 years since September the 11th, 2001, we have taken unprecedented actions to protect Americans. We've created a new department of Government to defend our homeland, focused the FBI on preventing terrorism, begun to reform our intelligence agencies, broken up terror cells across the country, expanded research on defenses against biological and chemical attack, improved border security, and trained more than a half million first-responders. Police and firefighters, air marshals, researchers, and so many others are working every day to make our homeland safer, and we thank them all.

Our Nation, working with allies and friends, has also confronted the enemy abroad with measures that are determined, successful, and continuing. The Al Qaida terror network that attacked our country still has leaders, but many of its top commanders have been removed. There are still governments that sponsor and harbor terrorists, but their number has declined. There are still regimes seeking weapons of mass destruction but no longer without attention and without consequence. Our country is still the target of terrorists who want to kill many and intimidate us all, and we will stay on the offensive against them until the fight is won.

Pursuing our enemies is a vital commitment of the war on terror, and I thank the Congress for providing our service men and women with the resources they have needed. During this time of war, we must continue to support our military and give them the tools for victory.

Other nations around the globe have stood with us. In Afghanistan, an international force is helping provide security. In Iraq, 28 countries have troops on the ground, the United Nations and the European Union provided technical assistance for the elections, and NATO is leading a mission to help train Iraqi officers. We're cooperating with 60 governments in the Proliferation Security Initiative to detect and stop the transit of dangerous materials. We're working closely with the governments in Asia to convince North Korea to abandon its nuclear ambitions. Pakistan, Saudi Arabia, and nine other countries have captured or detained Al Qaida terrorists. In the next 4 years, my administration will continue to build the coalitions that will defeat the dangers of our time.

In the long term, the peace we seek will only be achieved by eliminating the conditions that feed radicalism and ideologies of murder. If whole regions of the world remain in despair and grow in hatred, they will be the recruiting grounds for terror, and that terror will stalk America and other free nations for decades. The only force powerful enough to stop the rise of tyranny and terror and replace hatred with hope is the force of human freedom. Our enemies know this, and that is why the terrorist Zarqawi recently declared war on what he called the "evil principle" of democracy. And we've declared our own intention: America will stand with the allies of freedom to support democratic movements in the Middle East and beyond, with the ultimate goal of ending tyranny in our world.

The United States has no right, no desire, and no intention to impose our form of government on anyone else. That is one of the main differences between us and our enemies. They seek to impose and expand an empire of oppression in which a tiny group of brutal, self-appointed rulers control every aspect of every life. Our aim is to build and preserve a community of free and independent nations, with governments that answer to their citizens and reflect their own cultures. And because democracies respect their own people and their neighbors, the advance of freedom will lead to peace.

That advance has great momentum in our time, shown by women voting in Afghanistan and Palestinians choosing a new direction and the people of Ukraine asserting their democratic rights and electing a President. We are witnessing landmark events in the history of liberty, and in the coming years, we will add to that story.

The beginnings of reform and democracy in the Palestinian Territories are now showing the power of freedom to break old patterns of violence and failure. Tomorrow morning Secretary of State Rice departs on a trip that will take her to Israel and the West Bank for meetings with Prime Minister Sharon and President Abbas. She will discuss with them how we and our friends can help the Palestinian people end terror and build the institutions of a peaceful, independent, democratic state. To promote this democracy, I will ask Congress for $350 million to support Palestinian political, economic, and security reforms. The goal of two democratic states, Israel and Palestine, living side by side in peace is within reach, and America will help them achieve that goal.

To promote peace and stability in the broader Middle East, the United States will work with our friends in the region to fight the common threat of terror, while we encourage a higher standard of freedom. Hopeful reform is already taking hold in an arc from Morocco to Jordan to Bahrain. The Government of Saudi Arabia can demonstrate its leadership in the region by expanding the role of its people in determining their future. And the great and proud nation of Egypt, which showed the way toward peace in the Middle East, can now show the way toward democracy in the Middle East.

To promote peace in the broader Middle East, we must confront regimes that continue to harbor terrorists and pursue weapons of mass murder. Syria still allows its territory and parts of Lebanon to be used by terrorists who seek to destroy every chance of peace in the region. You have passed and we are applying the Syrian Accountability Act, and we expect the Syrian Government to end all support for terror and open the door to freedom. Today, Iran remains the world's primary state sponsor of terror, pursuing nuclear weapons while depriving its people of the freedom they seek and deserve. We are working with European allies to make clear to the Iranian regime that it must give up its uranium enrichment program and any plutonium reprocessing and end its support for terror. And to the Iranian people, I say tonight: As you stand for your own liberty, America stands with you.

Our generational commitment to the advance of freedom, especially in the Middle East, is now being tested and honored in Iraq. That country is a vital front in the war on terror, which is why the terrorists have chosen to make a stand there. Our men and women in uniform are fighting terrorists in Iraq so we do not have to face them here at home. And the victory of freedom in Iraq will strengthen a new ally in the war on terror, inspire democratic reformers from Damascus to Tehran, bring more hope and progress to a troubled region, and thereby lift a terrible threat from the lives of our children and grandchildren.

We will succeed because the Iraqi people value their own liberty, as they showed the world last Sunday. Across Iraq, often at great risk, millions of citizens went to the polls and elected 275 men and women to represent them in a new Transitional National Assembly. A young woman in Baghdad told of waking to the sound of mortar fire on election day and wondering if it might be too dangerous to vote. She said, "Hearing those explosions, it occurred to me: The insurgents are weak; they are afraid of democracy; they are losing. So I got my husband and I got my parents, and we all came out and voted together."

Americans recognize that spirit of liberty, because we share it. In any nation, casting your vote is an act of civic responsibility. For millions of Iraqis, it was also an act of personal courage, and they have earned the respect of us all.

One of Iraq's leading democracy and human rights advocates is Safia Taleb al-Suhail. She says of her country, "We were occupied for 35 years by Saddam Hussein. That was the real occupation. Thank you to the American people who paid the cost but, most of all, to the soldiers." Eleven years ago, Safia's father was assassinated by Saddam's intelligence service. Three days ago in Baghdad, Safia was finally able to vote for the leaders of her country, and we are honored that she is with us tonight.

The terrorists and insurgents are violently opposed to democracy and will continue to attack it. Yet the terrorists' most powerful myth is being destroyed. The whole world is seeing that the car bombers and assassins are not only fighting coalition forces; they are trying to destroy the hopes of Iraqis, expressed in free elections. And the whole world now knows that a small group of extremists will not overturn the will of the Iraqi people.

We will succeed in Iraq because Iraqis are determined to fight for their own freedom and to write their own history. As Prime Minister Allawi said in his speech to Congress last September, "Ordinary Iraqis are anxious to shoulder all the security burdens of our country as quickly as possible." That is the natural desire of an independent nation, and it is also the stated mission of our coalition in Iraq. The new political situation in Iraq opens a new phase of our work in that country.

At the recommendation of our commanders on the ground and in consultation with the Iraqi Government, we will increasingly focus our efforts on helping prepare more capable Iraqi security forces, forces with skilled officers and an effective command structure. As those forces become more self-reliant and take on greater security responsibilities, America and its coalition partners will increasingly be in a supporting role. In the end, Iraqis must be able to defend their own country, and we will help that proud new nation secure its liberty.

Recently an Iraqi interpreter said to a reporter, "Tell America not to abandon us." He and all Iraqis can be certain: While our military strategy is adapting to circumstances, our commitment remains firm and unchanging. We are standing for the freedom of our Iraqi friends, and freedom in Iraq will make America safer for generations to come. We will not set an artificial timetable for leaving Iraq, because that would embolden the terrorists and make them believe they can wait us out. We are in Iraq to achieve a result, a country that is democratic, representative of all its people, at peace with its neighbors, and able to defend itself. And when that result is achieved, our men and women serving in Iraq will return home with the honor they have earned.

Right now, Americans in uniform are serving at posts across the world, often taking great risks on my orders. We have given them training and equipment, and they have given us an example of idealism and character that makes every American proud. The volunteers of our military are unrelenting in battle, unwavering in loyalty, unmatched in honor and decency, and every day they're making our Nation more secure. Some of our service men and women have survived terrible injuries, and this grateful country will do everything we can to help them recover. And we have said farewell to some very good men and women who died for our freedom and whose memory this Nation will honor forever.

One name we honor is Marine Corps Sergeant Byron Norwood of Pflugerville, Texas, who was killed during the assault on Fallujah. His mom, Janet, sent me a letter and told me how much Byron loved being a marine and how proud he was to be on the frontline against terror. She wrote, "When Byron was home the last time, I said that I wanted to protect him like I had since he was born. He just hugged me and said, 'You've done your job, Mom. Now it is my turn to protect you."' Ladies and gentlemen, with grateful hearts we honor freedom's defenders and our military families, represented here this evening by Sergeant Norwood's mom and dad, Janet and Bill Norwood.

[*At this point, in the First Lady's box, guest Safia Taleb al-Suhail embraced guest Janet Norwood.*]

In these 4 years, Americans have seen the unfolding of large events. We have known times of sorrow and hours of uncertainty and days of victory. In all this history, even when we have disagreed, we have seen threads of purpose that unite us. The attack on freedom in our world has reaffirmed our confidence in freedom's power to change the world. We are all part of a great venture: To extend the promise of freedom in our country, to renew the values that sustain our liberty, and to spread the peace that freedom brings.

As Franklin Roosevelt once reminded Americans, "Each age is a dream that is dying, or one that is coming to birth." And we live in the country where the biggest dreams are born. The abolition of slavery was only a dream until it was fulfilled. The liberation of Europe from fascism was only a dream until it was achieved. The fall of imperial communism was only a dream until, one day, it was accomplished. Our generation has dreams of its own, and we also go forward with confidence. The road of providence is uneven and unpredictable, yet we know where it leads: It leads to freedom.

Thank you, and may God bless America.

January 31, 2006

Thank you all. Mr. Speaker, Vice President Cheney, Members of Congress, members of the Supreme Court and diplomatic corps, distinguished guests, and fellow citizens: Today our Nation lost a beloved, graceful, courageous woman who called America to its founding ideals and carried on a noble dream. Tonight we are comforted by the hope of a glad reunion with the husband who was taken so long ago, and we are grateful for the good life of Coretta Scott King.

Every time I'm invited to this rostrum, I'm humbled by the privilege and mindful of the history we've seen together. We have gathered under this Capitol dome in moments of national mourning and national achievement. We have served America through one of the most consequential periods of our history, and it has been my honor to serve with you.

In a system of two parties, two chambers, and two elected branches, there will always be differences and debate. But even tough debates can be conducted in a civil tone, and our differences cannot be allowed to harden into anger. To confront the great issues before us, we must act in a spirit of good will and respect for one another, and I will do my part. Tonight the state of our Union is strong, and together we will make it stronger.

In this decisive year, you and I will make choices that determine both the future and the character of our country. We will choose to act confidently in pursuing the enemies of freedom, or retreat from our duties in the hope of an easier life. We will choose to build our prosperity by leading the world economy, or shut ourselves off from trade and opportunity. In a complex and challenging time, the road of isolationism and protectionism may seem broad and inviting, yet it ends in danger and decline. The only way to protect our people, the only way to secure the peace, the only way to control our destiny is by our leadership. So the United States of America will continue to lead.

Abroad, our Nation is committed to an historic, long-term goal: We seek the end of tyranny in our world. Some dismiss that goal as misguided idealism. In reality, the future security of America depends on it. On September the 11th, 2001, we found that problems originating in a failed and oppressive state 7,000 miles away could bring murder and destruction to our country. Dictatorships shelter terrorists, and feed resentment and radicalism, and seek weapons of mass destruction. Democracies replace resentment with hope, respect the rights of their citizens and their neighbors, and join the fight against terror. Every step toward freedom in the world makes our country safer, so we will act boldly in freedom's cause.

Far from being a hopeless dream, the advance of freedom is the great story of our time. In 1945, there were about two dozen lonely democracies in the world. Today, there are 122. And we're writing a new chapter in the story of self-government—with women lining up to vote in Afghanistan, and millions of Iraqis marking their liberty with purple ink, and men and women from Lebanon to Egypt debating the rights of individuals and the necessity of freedom. At the start of 2006, more than half the people of our world live in democratic nations. And we do not forget the other half—in places like Syria and Burma, Zimbabwe, North Korea, and Iran—because the demands of justice and the peace of this world require their freedom as well.

No one can deny the success of freedom, but some men rage and fight against it. And one of the main sources of reaction and opposition is radical Islam—the perversion by a few of a noble faith into an ideology of terror and death. Terrorists like bin Laden are serious about mass murder, and all of us must take their declared intentions seriously. They seek to impose a heartless system of totalitarian control throughout the Middle East and arm themselves with weapons of mass murder.

Their aim is to seize power in Iraq and use it as a safe haven to launch attacks against America and the world. Lacking the military strength to challenge us directly, the terrorists have chosen the weapon of fear. When they murder children at a school in Beslan or blow up commuters in London or behead a bound captive, the terrorists hope these horrors will break our will, allowing the violent to inherit the Earth. But they have miscalculated: We love our freedom, and we will fight to keep it.

In a time of testing, we cannot find security by abandoning our commitments and retreating within our borders. If we were to leave these vicious attackers alone, they would not leave us alone. They would simply move the battlefield to our own shores. There is no peace in retreat, and there is no honor in retreat. By allowing radical Islam to work its will, by leaving an assaulted world to fend for itself, we would signal to all that we no longer believe in our own ideals or even in our own courage. But our enemies and our friends can be certain: The United States will not retreat from the world, and we will never surrender to evil.

America rejects the false comfort of isolationism. We are the nation that saved liberty in Europe and liberated death camps and helped raise up democracies and faced down an evil empire. Once again, we accept the call of history to deliver the oppressed and move this world toward peace. We remain on the offensive against terror networks. We have killed or captured many of their leaders. And for the others, their day will come.

We remain on the offensive in Afghanistan, where a fine President and a National Assembly are fighting terror while building the institutions of a new democracy. We're on the offensive in Iraq with a clear plan for victory.

First, we're helping Iraqis build an inclusive government, so that old resentments will be eased and the insurgency will be marginalized. Second, we're continuing reconstruction efforts and helping the Iraqi Government to fight corruption and build a modern economy, so all Iraqis can experience the benefits of freedom. And third, we're striking terrorist targets while we train Iraqi forces that are increasingly capable of defeating the enemy. Iraqis are showing their courage every day, and we are proud to be their allies in the cause of freedom.

Our work in Iraq is difficult because our enemy is brutal. But that brutality has not stopped the dramatic progress of a new democracy. In less than 3 years, the nation has gone from dictatorship to liberation, to sovereignty, to a Constitution, to national elections. At the same time, our coalition has been relentless in shutting off terrorist infiltration, clearing out insurgent strongholds, and turning over territory to Iraqi security forces. I am confident in our plan for victory; I am confident in the will of the Iraqi people; I am confident in the skill and spirit of our military. Fellow citizens, we are in this fight to win, and we are winning.

The road of victory is the road that will take our troops home. As we make progress on the ground and Iraqi forces increasingly take the lead, we should be able to further decrease our troop levels. But those decisions will be made by our military commanders, not by politicians in Washington, DC.

Our coalition has learned from our experience in Iraq. We've adjusted our military tactics and changed our approach to reconstruction. Along the way, we have benefited from responsible criticism and counsel offered by Members of Congress of both parties. In the coming year, I will continue to reach out and seek your good advice. Yet there is a difference between responsible criticism that aims for success and defeatism that refuses to acknowledge anything but failure. Hindsight alone is not wisdom, and second-guessing is not a strategy.

With so much in the balance, those of us in public office have a duty to speak with candor. A sudden withdrawal of our forces from Iraq would abandon our Iraqi allies to death and prison, would put men like bin Laden and Zarqawi in charge of a strategic country, and show that a pledge from America means little. Members of Congress, however we feel about the decisions and debates of the past, our Nation has only one option: We must keep our word, defeat our enemies, and stand behind the American military in this vital mission.

Our men and women in uniform are making sacrifices and showing a sense of duty stronger than all fear. They know what it's like to fight house to house in a maze of streets, to wear heavy gear in the desert heat, to see a comrade killed by a roadside bomb. And those who know the costs also know the stakes. Marine Staff Sergeant Dan Clay was killed last month fighting in Fallujah. He left behind a letter to his family, but his words could just as well be addressed to every American. Here is what Dan wrote: "I know what honor is— it has been an honor to protect and serve all of you. I faced death with the secure knowledge that you would not have to. Never falter. Don't hesitate to honor and support those of us who have the honor of protecting that which is worth protecting."

Staff Sergeant Dan Clay's wife, Lisa, and his mom and dad, Sara Jo and Bud, are with us this evening. Welcome.

Our Nation is grateful to the fallen, who live in the memory of our country. We're grateful to all who volunteer to wear our Nation's uniform. And as we honor our brave troops, let us never forget the sacrifices of America's military families.

Our offensive against terror involves more than military action. Ultimately, the only way to defeat the terrorists is to defeat their dark vision of hatred and fear by offering the hopeful alternative of political freedom and peaceful change. So the United States of America supports democratic reform across the broader Middle East. Elections are vital, but they are only the beginning. Raising up a democracy requires the rule of law and protection of minorities and strong, accountable institutions that last longer than a single vote.

The great people of Egypt have voted in a multiparty Presidential election, and now their Government should open paths of peaceful opposition that will reduce the appeal of radicalism. The Palestinian people have voted in elections, and now the leaders of Hamas must recognize Israel, disarm, reject terrorism, and work for lasting peace. Saudi Arabia has taken the first steps of reform; now it can offer its people a better future by pressing forward with those efforts. Democracies in the Middle East will not look like our own, because they will reflect the traditions of their own citizens. Yet liberty is the future of every nation in the Middle East because liberty is the right and hope of all humanity.

The same is true of Iran, a nation now held hostage by a small clerical elite that is isolating and repressing its people. The regime in that country sponsors terrorists in the Palestinian territories and in Lebanon, and that must come to an end. The Iranian Government is defying the world with its nuclear ambitions, and the nations of the world must not permit the Iranian regime to gain nuclear weapons. America will continue to rally the world to confront these threats.

Tonight let me speak directly to the citizens of Iran: America respects you, and we respect your country. We respect your right to choose your own future and win your own freedom. And our Nation hopes one day to be the closest of friends with a free and democratic Iran.

To overcome dangers in our world, we must also take the offensive by encouraging economic progress and fighting disease and spreading hope in hopeless lands. Isolationism would not only tie our hands in fighting enemies, it would keep us from helping our friends in desperate need. We show compassion abroad because Americans believe in the God-given dignity and worth of a villager with HIV/AIDS or an infant with malaria or a refugee fleeing genocide or a young girl sold into slavery. We also show compassion abroad because regions overwhelmed by poverty, corruption, and despair are sources of terrorism and organized crime and human trafficking and the drug trade.

In recent years, you and I have taken unprecedented action to fight AIDS and malaria, expand the education of girls, and reward developing nations that are moving forward with economic and political reform. For people everywhere, the United States is a partner for a better life. Shortchanging these efforts would increase the suffering and chaos of our world, undercut our long-term security, and dull the conscience of our country. I urge Members of Congress to serve the interests of America by showing the compassion of America.

Our country must also remain on the offensive against terrorism here at home. The enemy has not lost the desire or capability to attack us. Fortunately, this Nation has superb professionals in law enforcement, intelligence, the military, and homeland security. These men and women are dedicating their lives, protecting us all, and they deserve our support and our thanks. They also deserve the same tools they already use to fight drug trafficking and organized crime, so I ask you to reauthorize the PATRIOT Act.

It is said that prior to the attacks of September the 11th, our Government failed to connect the dots of the conspiracy. We now know that two of the hijackers in the United States placed telephone calls to Al Qaida operatives overseas. But we did not know about their plans until it was too late. So to prevent another attack—based on authority given to me by the Constitution and by statute—I have authorized a terrorist surveillance program to aggressively pursue the international communications of suspected Al Qaida operatives and affiliates to and from America.

Previous Presidents have used the same constitutional authority I have, and Federal courts have approved the use of that authority. Appropriate Members of Congress have been kept informed. The terrorist surveillance program has helped prevent terrorist attacks. It remains essential to the security of America. If there are people inside our country who are talking with Al Qaida, we want to know about it, because we will not sit back and wait to be hit again.

In all these areas—from the disruption of terror networks, to victory in Iraq, to the spread of freedom and hope in troubled regions—we need the support of our friends and allies. To draw that support, we must always be clear in our principles and willing to act. The only alternative to American leadership is a dramatically more dangerous and anxious world. Yet we also choose to lead because it is a privilege to serve the values that gave us birth. American leaders—from Roosevelt to Truman to Kennedy to Reagan—rejected isolation and retreat, because they knew that America is always more secure when freedom is on the march.

Our own generation is in a long war against a determined enemy, a war that will be fought by Presidents of both parties who will need steady bipartisan support from the Congress. And tonight I ask for yours. Together, let us protect our country, support the men and women who defend us, and lead this world toward freedom.

Here at home, America also has a great opportunity: We will build the prosperity of our country by strengthening our economic leadership in the world.

Our economy is healthy and vigorous and growing faster than other major industrialized nations. In the last 2 1/2 years, America has created 4.6 million new jobs, more than Japan and the European Union combined. Even in the face of higher energy prices and natural disasters, the American people have turned in an economic performance that is the envy of the world.

The American economy is preeminent, but we cannot afford to be complacent. In a dynamic world economy, we are seeing new competitors like China and India, and this creates uncertainty, which makes it easier to feed people's fears. So we're seeing some old temptations return. Protectionists want to escape competition, pretending that we can keep our high standard of living while walling off our economy. Others say that the government needs to take a larger role in directing the economy, centralizing more power in Washington and increasing taxes. We hear claims that immigrants are somehow bad for the economy, even though this economy could not function without them. All these are forms of economic retreat, and they lead in the same direction, toward a stagnant and second-rate economy.

Tonight I will set out a better path: an agenda for a nation that competes with confidence; an agenda that will raise standards of living and generate new jobs. Americans should not fear our economic future because we intend to shape it.

Keeping America competitive begins with keeping our economy growing. And our economy grows when Americans have more of their own money to spend, save, and invest. In the last 5 years, the tax relief you passed has left $880 billion in the hands of American workers, investors, small businesses, and families. And they have used it to help produce more than 4 years of uninterrupted economic growth. Yet the tax relief is set to expire in the next few years. If we do nothing, American families will face a massive tax increase they do not expect and will not welcome. Because America needs more than a temporary expansion, we need more than temporary tax relief, I urge the Congress to act responsibly and make the tax cuts permanent.

Keeping America competitive requires us to be good stewards of tax dollars. Every year of my Presidency, we've reduced the growth of nonsecurity discretionary spending, and last year, you passed bills that cut this spending. This year, my budget will cut it again and reduce or eliminate more than 140 programs that are performing poorly or not fulfilling essential priorities. By passing these reforms, we will save the American taxpayer another $14 billion next year and stay on track to cut the deficit in half by 2009.

I am pleased that Members of Congress are working on earmark reform, because the Federal budget has too many special interest projects. And we can tackle this problem together, if you pass the line-item veto.

We must also confront the larger challenge of mandatory spending, or entitlements. This year, the first of about 78 million baby boomers turn 60, including two of my dad's favorite people—me and President Clinton. [*Laughter*] This milestone is more than a personal crisis—[*laughter*]— it is a national challenge. The retirement of the baby boom generation will put unprecedented strains on the Federal Government. By 2030, spending for Social Security, Medicare, and Medicaid alone will be almost 60 percent of the entire Federal budget. And that will present future Congresses with impossible choices: staggering tax increases, immense deficits, or deep cuts in every category of spending. Congress did not act last year on my proposal to save Social Security, yet the rising cost of entitlements is a problem that is not going away. And every year we fail to act, the situation gets worse.

So tonight I ask you to join me in creating a commission to examine the full impact of baby boom retirements on Social Security, Medicare, and Medicaid. This commission should include Members of Congress of both parties and offer bipartisan solutions. We need to put aside partisan politics and work together and get this problem solved.

Keeping America competitive requires us to open more markets for all that Americans make and grow. One out of every five factory jobs in America is related to global trade, and we want people everywhere to buy American. With open markets and a level playing field, no one can outproduce or outcompete the American worker.

Keeping America competitive requires an immigration system that upholds our laws, reflects our values, and serves the interests of our economy. Our Nation needs orderly and secure borders. To meet this goal, we must have stronger immigration enforcement and border protection. And we must have a rational, humane guest-worker program that rejects amnesty, allows temporary jobs for people who seek them legally, and reduces smuggling and crime at the border.

Keeping America competitive requires affordable health care. Our Government has a responsibility to provide health care for the poor and the elderly, and we are meeting that responsibility. For all Americans, we must confront the rising cost of care, strengthen the doctor-patient relationship, and help people afford the insurance coverage they need.

We will make wider use of electronic records and other health information technology to help control costs and reduce dangerous medical errors. We will strengthen health savings accounts, making sure individuals and small-business employees can buy insurance with the same advantages that people working for big businesses now get. We will do more to make this coverage portable, so workers can switch jobs without having to worry about losing their health insurance. And because lawsuits are driving many good doctors out of practice, leaving women in nearly 1,500 American counties without a single ob-gyn, I ask the Congress to pass medical liability reform this year.

Keeping America competitive requires affordable energy. And here we have a serious problem: America is addicted to oil, which is often imported from unstable parts of the world. The best way to break this addiction is through technology. Since 2001, we have spent nearly $10 billion to develop cleaner, cheaper, and more reliable alternative energy sources. And we are on the threshold of incredible advances.

So tonight I announce the Advanced Energy Initiative—a 22-percent increase in clean-energy research at the Department of Energy—to push for breakthroughs in two vital areas. To change how we power our homes and offices, we will invest more in zero-emission coal-fired plants, revolutionary solar and wind technologies, and clean, safe nuclear energy.

We must also change how we power our automobiles. We will increase our research in better batteries for hybrid and electric cars and in pollution-free cars that run on hydrogen. We'll also fund additional research in cutting-edge methods of producing ethanol, not just from corn but from wood chips and stalks or switchgrass. Our goal is to make this new kind of ethanol practical and competitive within 6 years.

Breakthroughs on this and other new technologies will help us reach another great goal: to replace more than 75 percent of our oil imports from the Middle East by 2025. By applying the talent and technology of America, this country can dramatically improve our environment, move beyond a petroleum-based economy, and make our dependence on Middle Eastern oil a thing of the past.

And to keep America competitive, one commitment is necessary above all: We must continue to lead the world in human talent and creativity. Our greatest advantage in the world has always been our educated, hard-working, ambitious people. And we're going to keep that edge. Tonight I announce an American Competitiveness Initiative to encourage innovation throughout our economy and to give our Nation's children a firm grounding in math and science.

First, I propose to double the Federal commitment to the most critical basic research programs in the physical sciences over the next 10 years. This funding will support the work of America's most creative minds as they explore promising areas such as nanotechnology, supercomputing, and alternative energy sources.

Second, I propose to make permanent the research and development tax credit to encourage bolder private sector initiative in technology. With more research in both the public and private sectors, we will improve our quality of life and ensure that America will lead the world in opportunity and innovation for decades to come.

Third, we need to encourage children to take more math and science, and to make sure those courses are rigorous enough to compete with other nations. We've made a good start in the early grades with the No Child Left Behind Act, which is raising standards and lifting test scores across our country. Tonight I propose to train 70,000 high school teachers to lead Advanced Placement courses in math and science, bring 30,000 math and science professionals to teach in classrooms, and give early help to students who struggle with math, so they have a better chance at good, high-wage jobs. If we ensure that America's children succeed in life, they will ensure that America succeeds in the world.

Preparing our Nation to compete in the world is a goal that all of us can share. I urge you to support the American Competitiveness Initiative, and together we will show the world what the American people can achieve.

America is a great force for freedom and prosperity. Yet our greatness is not measured in power or luxuries but by who we are and how we treat one another. So we strive to be a compassionate, decent, hopeful society.

In recent years, America has become a more hopeful nation. Violent crime rates have fallen to their lowest levels since the 1970s. Welfare cases have dropped by more than half over the past decade. Drug use among youth is down 19 percent since 2001. There are fewer abortions in America than at any point in the last three decades, and the number of children born to teenage mothers has been falling for a dozen years in a row.

These gains are evidence of a quiet transformation, a revolution of conscience, in which a rising generation is finding that a life of personal responsibility is a life of fulfillment. Government has played a role. Wise policies, such as welfare reform and drug education and support for abstinence and adoption have made a difference in the character of our country. And everyone here tonight, Democrat and Republican, has a right to be proud of this record.

Yet many Americans, especially parents, still have deep concerns about the direction of our culture and the health of our most basic institutions. They're concerned about unethical conduct by public officials and discouraged by activist courts that try to redefine marriage. They worry about children in our society who need direction and love, and about fellow citizens still displaced by natural disaster, and about suffering caused by treatable diseases.

As we look at these challenges, we must never give in to the belief that America is in decline or that our culture is doomed to unravel. The American people know better than that. We have proven the pessimists wrong before, and we will do it again.

A hopeful society depends on courts that deliver equal justice under the law. The Supreme Court now has two superb new members on its bench, Chief Justice John Roberts and Justice Sam Alito. I thank the Senate for confirming both of them. I will continue to nominate men and women who understand that judges must be servants of the law and not legislate from the bench.

Today marks the official retirement of a very special American. For 24 years of faithful service to our Nation, the United States is grateful to Justice Sandra Day O'Connor.

A hopeful society has institutions of science and medicine that do not cut ethical corners and that recognize the matchless value of every life. Tonight I ask you to pass legislation to prohibit the most egregious abuses of medical research: human cloning in all its forms; creating or implanting embryos for experiments; creating human-animal hybrids; and buying, selling, or patenting human embryos. Human life is a gift from our Creator, and that gift should never be discarded, devalued, or put up for sale.

A hopeful society expects elected officials to uphold the public trust. Honorable people in both parties are working on reforms to strengthen the ethical standards of Washington. I support your efforts. Each of us has made a pledge to be worthy of public responsibility, and that is a pledge we must never forget, never dismiss, and never betray.

As we renew the promise of our institutions, let us also show the character of America in our compassion and care for one another.

A hopeful society gives special attention to children who lack direction and love. Through the Helping America's Youth Initiative, we are encouraging caring adults to get involved in the life of a child. And this good work is being led by our First Lady, Laura Bush. This year, we will add resources to encourage young people to stay in school, so more of America's youth can raise their sights and achieve their dreams.

A hopeful society comes to the aid of fellow citizens in times of suffering and emergency and stays at it until they're back on their feet. So far the Federal Government has committed $85 billion to the people of the gulf coast and New Orleans. We're removing debris and repairing highways and rebuilding stronger levees. We're providing business loans and housing assistance. Yet as we meet these immediate needs, we must also address deeper challenges that existed before the storm arrived.

In New Orleans and in other places, many of our fellow citizens have felt excluded from the promise of our country. The answer is not only temporary relief but schools that teach every child and job skills that bring upward mobility and more opportunities to own a home and start a business. As we recover from a disaster, let us also work for the day when all Americans are protected by justice, equal in hope, and rich in opportunity.

A hopeful society acts boldly to fight diseases like HIV/AIDS, which can be prevented and treated and defeated. More than a million Americans live with HIV, and half of all AIDS cases occur among African Americans. I ask Congress to reform and reauthorize the Ryan White Act and provide new funding to States, so we end the waiting lists for AIDS medicines in America. We will also lead a nationwide effort, working closely with African American churches and faith-based groups, to deliver rapid HIV tests to millions, end the stigma of AIDS, and come closer to the day when there are no new infections in America.

Fellow citizens, we've been called to leadership in a period of consequence. We've entered a great ideological conflict we did nothing to invite. We see great changes in science and commerce that will influence all our lives. Sometimes it can seem that history is turning in a wide arc toward an unknown shore. Yet the destination of history is determined by human action, and every great movement of history comes to a point of choosing.

Lincoln could have accepted peace at the cost of disunity and continued slavery. Martin Luther King could have stopped at Birmingham or at Selma and achieved only half a victory over segregation. The United States could have accepted the permanent division of Europe and been complicit in the oppression of others. Today, having come far in our own historical journey, we must decide: Will we turn back or finish well?

Before history is written down in books, it is written in courage. Like Americans before us, we will show that courage, and we will finish well. We will lead freedom's advance. We will compete and excel in the global economy. We will renew the defining moral commitments of this land. And so we move forward, optimistic about our country, faithful to its cause, and confident of the victories to come.

May God bless America.

January 23, 2007

Thank you very much. And tonight I have the high privilege and distinct honor of my own as the first President to begin the State of the Union message with these words: Madam Speaker.

In his day, the late Congressman Thomas D'Alesandro, Jr., from Baltimore, Maryland, saw Presidents Roosevelt and Truman at this rostrum. But nothing could compare with the sight of his only daughter, Nancy, presiding tonight as Speaker of the House of Representatives. Congratulations, Madam Speaker.

Two Members of the House and Senate are not with us tonight, and we pray for the recovery and speedy return of Senator Tim Johnson and Congressman Charlie Norwood.

Madam Speaker, Vice President Cheney, Members of Congress, distinguished guests, and fellow citizens: The rite of custom brings us together at a defining hour when decisions are hard and courage is needed. We enter the year 2007 with large endeavors underway and others that are ours to begin. In all of this, much is asked of us. We must have the will to face difficult challenges and determined enemies and the wisdom to face them together.

Some in this Chamber are new to the House and the Senate, and I congratulate the Democrat majority. Congress has changed, but not our responsibilities. Each of us is guided by our own convictions, and to these we must stay faithful. Yet we're all held to the same standards and called to serve the same good purposes: to extend this Nation's prosperity, to spend the people's money wisely, to solve problems, not leave them to future generations, to guard America against all evil, and to keep faith with those we have sent forth to defend us.

We're not the first to come here with a government divided and uncertainty in the air. Like many before us, we can work through our differences, and we can achieve big things for the American people. Our citizens don't much care which side of the aisle we sit on, as long as we're willing to cross that aisle when there is work to be done. Our job is to make life better for our fellow Americans and to help them build a future of hope and opportunity, and this is the business before us tonight.

A future of hope and opportunity begins with a growing economy, and that is what we have. We're now in the 41st month of uninterrupted job growth, a recovery that has created 7.2 million new jobs so far. Unemployment is low; inflation is low; wages are rising. This economy is on the move, and our job is to keep it that way, not with more government but with more enterprise.

Next week, I'll deliver a full report on the state of our economy. Tonight I want to discuss three economic reforms that deserve to be priorities for this Congress.

First, we must balance the Federal budget. We can do so without raising taxes. What we need is spending discipline in Washington, DC. We set a goal of cutting the deficit in half by 2009 and met that goal 3 years ahead of schedule. Now let us take the next step. In the coming weeks, I will submit a budget that eliminates the Federal deficit within the next 5 years. I ask you to make the same commitment. Together, we can restrain the spending appetite of the Federal Government, and we can balance the Federal budget.

Next, there is the matter of earmarks. These special interest items are often slipped into bills at the last hour, when not even C-SPAN is watching. [*Laughter*] In 2005 alone, the number of earmarks grew to over 13,000 and totaled nearly $18 billion. Even worse, over 90 percent of the earmarks never make it to the floor of the House and Senate. They are dropped into committee reports that are not even part of the bill that arrives on my desk. You didn't vote them into law, I didn't sign them into law, yet they're treated as if they have the force of law. The time has come to end this practice. So let us work together to reform the budget process, expose every earmark to the light of day and to a vote in Congress, and cut the number and cost of earmarks at least in half by the end of this session.

And finally, to keep this economy strong, we must take on the challenge of entitlements. Social Security and Medicare and Medicaid are commitments of conscience, and so it is our duty to keep them permanently sound. Yet we're failing in that duty. And this failure will one day leave our children with three bad options: huge tax increases, huge deficits, or huge and immediate cuts in benefits. Everyone in this Chamber knows this to be true, yet somehow we have not found it in ourselves to act. So let us work together and do it now. With enough good sense and good will, you and I can fix Medicare and Medicaid and save Social Security.

Spreading opportunity and hope in America also requires public schools that give children the knowledge and character they need in life. Five years ago, we rose above partisan differences to pass the No Child Left Behind Act, preserving local control, raising standards, and holding schools accountable for results. And because we acted, students are performing better in reading and math, and minority students are closing the achievement gap.

Now the task is to build on the success without watering down standards, without taking control from local communities, and without backsliding and calling it reform. We can lift student achievement even higher by giving local leaders flexibility to turn around failing schools and by giving families with children stuck in failing schools the right to choose someplace better. We must increase funds for students who struggle and make sure these children get the special help they need. And we can make sure our children are prepared for the jobs of the future and our country is more competitive by strengthening math and science skills. The No Child Left Behind Act has worked for America's children, and I ask Congress to reauthorize this good law.

A future of hope and opportunity requires that all our citizens have affordable and available health care. When it comes to health care, Government has an obligation to care for the elderly, the disabled, and poor children, and we will meet those responsibilities. For all other Americans, private health insurance is the best way to meet their needs.

But many Americans cannot afford a health insurance policy, and so tonight I propose two new initiatives to help more Americans afford their own insurance. First, I propose a standard tax deduction for health insurance that will be like the standard tax deduction for dependents. Families with health insurance will pay no income on payroll tax—or payroll taxes on $15,000 of their income. Single Americans with health insurance will pay no income or payroll taxes on $7,500 of their income. With this reform, more than 100 million men, women, and children who are now covered by employer-provided insurance will benefit from lower tax bills. At the same time, this reform will level the playing field for those who do not get health insurance through their job. For Americans who now purchase health insurance on their own, this proposal would mean a substantial tax savings, $4,500 for a family of four making $60,000 a year. And for the millions of other Americans who have no health insurance at all, this deduction would help put a basic, private health insurance plan within their reach. Changing the Tax Code is a vital and necessary step to making health care affordable for more Americans.

My second proposal is to help the States that are coming up with innovative ways to cover the uninsured. States that make basic private health insurance available to all their citizens should receive Federal funds to help them provide this coverage to the poor and the sick. I have asked the Secretary of Health and Human Services to work with Congress to take existing Federal funds and use them to create Affordable Choices grants. These grants would give our Nation's Governors more money and more flexibility to get private health insurance to those most in need.

There are many other ways that Congress can help. We need to expand health savings accounts. We need to help small businesses through association health plans. We need to reduce costs and medical errors with better information technology. We will encourage price transparency. And to protect good doctors from junk lawsuits, we need to pass medical liability reform. In all we do, we must remember that the best health care decisions are not made by government and insurance companies but by patients and their doctors.

Extending hope and opportunity in our country requires an immigration system worthy of America, with laws that are fair and borders that are secure. When laws and borders are routinely violated, this harms the interests of our country. To secure our border, we're doubling the size of the Border Patrol and funding new infrastructure and technology.

Yet even with all these steps, we cannot fully secure the border unless we take pressure off the border, and that requires a temporary-worker program. We should establish a legal and orderly path for foreign workers to enter our country to work on a temporary basis. As a result, they won't have to try to sneak in, and that will leave border agents free to chase down drug smugglers and criminals and terrorists. We'll enforce our immigration laws at the worksite and give employers the tools to verify the legal status of their workers, so there's no excuse left for violating the law.

We need to uphold the great tradition of the melting pot that welcomes and assimilates new arrivals. We need to resolve the status of the illegal immigrants who are already in our country without animosity and without amnesty. Convictions run deep in this Capitol when it comes to immigration. Let us have a serious, civil, and conclusive debate, so that you can pass and I can sign comprehensive immigration reform into law.

Extending hope and opportunity depends on a stable supply of energy that keeps America's economy running and America's environment clean. For too long, our Nation has been dependent on foreign oil. And this dependence leaves us more vulnerable to hostile regimes and to terrorists who could cause huge disruptions of oil shipments and raise the price of oil and do great harm to our economy.

It's in our vital interest to diversify America's energy supply. The way forward is through technology. We must continue changing the way America generates electric power by even greater use of clean coal technology, solar and wind energy, and clean, safe nuclear power. We need to press on with battery research for plug-in and hybrid vehicles and expand the use of clean diesel vehicles and biodiesel fuel. We must continue investing in new methods of producing ethanol, using everything from wood chips to grasses to agricultural wastes.

We made a lot of progress, thanks to good policies here in Washington and the strong response of the market. And now even more dramatic advances are within reach. Tonight I ask Congress to join me in pursuing a great goal. Let us build on the work we've done and reduce gasoline usage in the United States by 20 percent in the next 10 years. When we do that, we will have cut our total imports by the equivalent of three-quarters of all the oil we now import from the Middle East.

To reach this goal, we must increase the supply of alternative fuels by setting a mandatory fuels standard to require 35 billion gallons of renewable and alternative fuels in 2017, and that is nearly five times the current target. At the same time, we need to reform and modernize fuel economy standards for cars the way we did for light trucks, and conserve up to 81⁄2 billion more gallons of gasoline by 2017.

Achieving these ambitious goals will dramatically reduce our dependence on foreign oil, but it's not going to eliminate it. And so as we continue to diversify our fuel supply, we must step up domestic oil production in environmentally sensitive ways. And to further protect America against severe disruptions to our oil supply, I ask Congress to double the current capacity of the Strategic Petroleum Reserve.

America is on the verge of technological breakthroughs that will enable us to live our lives less dependent on oil. And these technologies will help us be better stewards of the environment, and they will help us to confront the serious challenge of global climate change.

A future of hope and opportunity requires a fair, impartial system of justice. The lives of our citizens across our Nation are affected by the outcome of cases pending in our Federal courts. We have a shared obligation to ensure that the Federal courts have enough judges to hear those cases and deliver timely rulings. As President, I have a duty to nominate qualified men and women to vacancies on the Federal bench, and the United States Senate has a duty as well, to give those nominees a fair hearing and a prompt up-or-down vote on the Senate floor.

For all of us in this room, there is no higher responsibility than to protect the people of this country from danger. Five years have come and gone since we saw the scenes and felt the sorrow that the terrorists can cause. We've had time to take stock of our situation. We've added many critical protections to guard the homeland. We know with certainty that the horrors of that September morning were just a glimpse of what the terrorists intend for us, unless we stop them.

With the distance of time, we find ourselves debating the causes of conflict and the course we have followed. Such debates are essential when a great democracy faces great questions. Yet one question has surely been settled: that to win the war on terror, we must take the fight to the enemy.

From the start, America and our allies have protected our people by staying on the offense. The enemy knows that the days of comfortable sanctuary, easy movement, steady financing, and free flowing communications are long over. For the terrorists, life since 9/11 has never been the same.

Our success in this war is often measured by the things that did not happen. We cannot know the full extent of the attacks that we and our allies have prevented, but here is some of what we do know. We stopped an Al Qaida plot to fly a hijacked airplane into the tallest building on the west coast. We broke up a Southeast Asian terror cell grooming operatives for attacks inside the United States. We uncovered an Al Qaida cell developing anthrax to be used in attacks against America. And just last August, British authorities uncovered a plot to blow up passenger planes bound for America over the Atlantic Ocean. For each life saved, we owe a debt of gratitude to the brave public servants who devote their lives to finding the terrorists and stopping them.

Every success against the terrorists is a reminder of the shoreless ambitions of this enemy. The evil that inspired and rejoiced in 9/11 is still at work in the world. And so long as that's the case, America is still a nation at war.

In the mind of the terrorists, this war began well before September the 11th and will not end until their radical vision is fulfilled. And these past 5 years have given us a much clearer view of the nature of this enemy. Al Qaida and its followers are Sunni extremists possessed by hatred and commanded by a harsh and narrow ideology. Take almost any principle of civilization, and their goal is the opposite. They preach with threats, instruct with bullets and bombs, and promise paradise for the murder of the innocent.

Our enemies are quite explicit about their intentions. They want to overthrow moderate governments and establish safe havens from which to plan and carry out new attacks on our country. By killing and terrorizing Americans, they want to force our country to retreat from the world and abandon the cause of liberty. They would then be free to impose their will and spread their totalitarian ideology. Listen to this warning from the late terrorist Zarqawi: "We will sacrifice our blood and bodies to put an end to your dreams, and what is coming is even worse." Usama bin Laden declared: "Death is better than living on this Earth with the unbelievers among us."

These men are not given to idle words, and they are just one camp in the Islamist radical movement. In recent times, it has also become clear that we face an escalating danger from Shi'a extremists who are just as hostile to America and are also determined to dominate the Middle East. Many are known to take direction from the regime in Iran, which is funding and arming terrorists like Hizballah, a group second only to Al Qaida in the American lives it has taken.

The Shi'a and Sunni extremists are different faces of the same totalitarian threat. Whatever slogans they chant when they slaughter the innocent, they have the same wicked purposes. They want to kill Americans, kill democracy in the Middle East, and gain the weapons to kill on an even more horrific scale.

In the sixth year since our Nation was attacked, I wish I could report to you that the dangers have ended. They have not. And so it remains the policy of this Government to use every lawful and proper tool of intelligence, diplomacy, law enforcement, and military action to do our duty, to find these enemies, and to protect the American people.

This war is more than a clash of arms; it is a decisive ideological struggle. And the security of our Nation is in the balance. To prevail, we must remove the conditions that inspire blind hatred and drove 19 men to get onto airplanes and to come and kill us. What every terrorist fears most is human freedom: societies where men and women make their own choices, answer to their own conscience, and live by their hopes instead of their resentments. Free people are not drawn to violent and malignant ideologies, and most will choose a better way when they're given a chance. So we advance our own security interests by helping moderates and reformers and brave voices for democracy. The great question of our day is whether America will help men and women in the Middle East to build free societies and share in the rights of all humanity. And I say, for the sake of our own security, we must.

In the last 2 years, we've seen the desire for liberty in the broader Middle East, and we have been sobered by the enemy's fierce reaction. In 2005, the world watched as the citizens of Lebanon raised the banner of the Cedar Revolution. They drove out the Syrian occupiers and chose new leaders in free elections. In 2005, the people of Afghanistan defied the terrorists and elected a democratic legislature. And in 2005, the Iraqi people held three national elections, choosing a transitional government, adopting the most progressive, democratic Constitution in the Arab world, and then electing a Government under that Constitution. Despite endless threats from the killers in their midst, nearly 12 million Iraqi citizens came out to vote in a show of hope and solidarity that we should never forget.

A thinking enemy watched all of these scenes, adjusted their tactics, and, in 2006, they struck back. In Lebanon, assassins took the life of Pierre Gemayel, a prominent participant in the Cedar Revolution. Hizballah terrorists, with support from Syria and Iran, sowed conflict in the region and are seeking to undermine Lebanon's legitimately elected Government. In Afghanistan, Taliban and Al Qaida fighters tried to regain power by regrouping and engaging Afghan and NATO forces. In Iraq, Al Qaida and other Sunni extremists blew up one of the most sacred places in Shi'a Islam, the Golden Mosque of Samarra. This atrocity, directed at a Muslim house of prayer, was designed to provoke retaliation from Iraqi Shi'a, and it succeeded. Radical Shi'a elements, some of whom receive support from Iran, formed death squads. The result was a tragic escalation of sectarian rage and reprisal that continues to this day.

This is not the fight we entered in Iraq, but it is the fight we're in. Every one of us wishes this war were over and won. Yet it would not be like us to leave our promises unkept, our friends abandoned, and our own security at risk. Ladies and gentlemen, on this day, at this hour, it is still within our power to shape the outcome of this battle. Let us find our resolve and turn events toward victory.

We're carrying out a new strategy in Iraq, a plan that demands more from Iraq's elected Government and gives our forces in Iraq the reinforcements they need to complete their mission. Our goal is a democratic Iraq that upholds the rule of law, respects the rights of its people, provides them security, and is an ally in the war on terror.

In order to make progress toward this goal, the Iraqi Government must stop the sectarian violence in its capital. But the Iraqis are not yet ready to do this on their own. So we're deploying reinforcements of more than 20,000 additional soldiers and marines to Iraq. The vast majority will go to Baghdad, where they will help Iraqi forces to clear and secure neighborhoods and serve as advisers embedded in Iraqi Army units. With Iraqis in the lead, our forces will help secure the city by chasing down the terrorists, insurgents, and the roaming death squads. And in Anbar Province, where Al Qaida terrorists have gathered and local forces have begun showing a willingness to fight them, we're sending an additional 4,000 United States marines, with orders to find the terrorists and clear them out. We didn't drive Al Qaida out of their safe haven in Afghanistan only to let them set up a new safe haven in a free Iraq.

The people of Iraq want to live in peace, and now it's time for their Government to act. Iraq's leaders know that our commitment is not open ended. They have promised to deploy more of their own troops to secure Baghdad, and they must do so. They pledged that they will confront violent radicals of any faction or political party, and they need to follow through and lift needless restrictions on Iraqi and coalition forces, so these troops can achieve their mission of bringing security to all of the people of Baghdad. Iraq's leaders have committed themselves to a series of benchmarks: to achieve reconciliation, to share oil revenues among all of Iraq's citizens, to put the wealth of Iraq into the rebuilding of Iraq, to allow more Iraqis to reenter their nation's civic life, to hold local elections, and to take responsibility for security in every Iraqi Province. But for all of this to happen, Baghdad must be secure, and our plan will help the Iraqi Government take back its capital and make good on its commitments.

My fellow citizens, our military commanders and I have carefully weighed the options. We discussed every possible approach. In the end, I chose this course of action because it provides the best chance for success. Many in this Chamber understand that America must not fail in Iraq, because you understand that the consequences of failure would be grievous and far-reaching.

If American forces step back before Baghdad is secure, the Iraqi Government would be overrun by extremists on all sides. We could expect an epic battle between Shi'a extremists backed by Iran and Sunni extremists aided by Al Qaida and supporters of the old regime. A contagion of violence could spill out across the country, and, in time, the entire region could be drawn into the conflict.

For America, this is a nightmare scenario; for the enemy, this is the objective. Chaos is the greatest ally, their greatest ally in this struggle. And out of chaos in Iraq would emerge an emboldened enemy with new safe havens, new recruits, new resources, and an even greater determination to harm America. To allow this to happen would be to ignore the lessons of September the 11th and invite tragedy. Ladies and gentlemen, nothing is more important at this moment in our history than for America to succeed in the Middle East, to succeed in Iraq, and to spare the American people from this danger.

This is where matters stand tonight, in the here and now. I have spoken with many of you in person. I respect you and the arguments you've made. We went into this largely united, in our assumptions and in our convictions. And whatever you voted for, you did not vote for failure. Our country is pursuing a new strategy in Iraq, and I ask you to give it a chance to work. And I ask you to support our troops in the field and those on their way.

The war on terror we fight today is a generational struggle that will continue long after you and I have turned our duties over to others. And that's why it's important to work together so our Nation can see this great effort through. Both parties and both branches should work in close consultation. It's why I've proposed to establish a special advisory council on the war on terror, made up of leaders in Congress from both political parties. We will share ideas for how to position America to meet every challenge that confronts us. We'll show our enemies abroad that we are united in the goal of victory.

And one of the first steps we can take together is to add to the ranks of our military so that the American Armed Forces are ready for all the challenges ahead. Tonight I ask the Congress to authorize an increase in the size of our active Army and Marine Corps by 92,000 in the next 5 years. A second task we can take on together is to design and establish a volunteer civilian reserve corps. Such a corps would function much like our military reserve. It would ease the burden on the Armed Forces by allowing us to hire civilians with critical skills to serve on missions abroad when America needs them. It would give people across America who do not wear the uniform a chance to serve in the defining struggle of our time.

Americans can have confidence in the outcome of this struggle because we're not in this struggle alone. We have a diplomatic strategy that is rallying the world to join in the fight against extremism. In Iraq, multinational forces are operating under a mandate from the United Nations. We're working with Jordan and Saudi Arabia and Egypt and the Gulf States to increase support for Iraq's Government.

The United Nations has imposed sanctions on Iran and made it clear that the world will not allow the regime in Tehran to acquire nuclear weapons. With the other members of the Quartet—the U.N., the EU, and Russia—we're pursuing diplomacy to help bring peace to the Holy Land and pursuing the establishment of a democratic Palestinian state living side by side with Israel in peace and security. In Afghanistan, NATO has taken the lead in turning back the Taliban and Al Qaida offensive, the first time the Alliance has deployed forces outside the North Atlantic area. Together with our partners in China and Japan, Russia and South Korea, we're pursuing intensive diplomacy to achieve a Korean Peninsula free of nuclear weapons.

We will continue to speak out for the cause of freedom in places like Cuba, Belarus, and Burma, and continue to awaken the conscience of the world to save the people of Darfur.

American foreign policy is more than a matter of war and diplomacy. Our work in the world is also based on a timeless truth: To whom much is given, much is required. We hear the call to take on the challenges of hunger and poverty and disease, and that is precisely what America is doing. We must continue to fight HIV/ AIDS, especially on the continent of Africa. Because you funded the Emergency Plan for AIDS Relief, the number of people receiving lifesaving drugs has grown from 50,000 to more than 800,000 in 3 short years. I ask you to continue funding our efforts to fight HIV/AIDS, and I ask you to provide $1.2 billion over 5 years so we can combat malaria in 15 African countries.

I ask that you fund the Millennium Challenge Account, so that American aid reaches the people who need it, in nations where democracy is on the rise and corruption is in retreat. And let us continue to support the expanded trade and debt relief that are the best hope for lifting lives and eliminating poverty.

When America serves others in this way, we show the strength and generosity of our country. These deeds reflect the character of our people. The greatest strength we have is the heroic kindness and courage and self-sacrifice of the American people. You see this spirit often if you know where to look, and tonight we need only look above to the gallery.

Dikembe Mutombo grew up in Africa amid great poverty and disease. He came to Georgetown University on a scholarship to study medicine, but Coach John Thompson took a look at Dikembe and had a different idea. [*Laughter*] Dikembe became a star in the NBA and a citizen of the United States, but he never forgot the land of his birth or the duty to share his blessings with others. He built a brand new hospital in his old hometown. A friend has said of this good-hearted man: "Mutombo believes that God has given him this opportunity to do great things." And we are proud to call this son of the Congo a citizen of the United States of America.

After her daughter was born, Julie Aigner-Clark searched for ways to share her love of music and art with her child. So she borrowed some equipment and began filming children's videos in her basement. The Baby Einstein Company was born, and in just 5 years, her business grew to more than $20 million in sales. In November 2001, Julie sold Baby Einstein to Walt Disney Company, and with her help, Baby Einstein has grown into a $200 million business. Julie represents the great enterprising spirit of America. And she is using her success to help others, producing child safety videos with John Walsh of the National Center for Missing and Exploited Children. Julie says of her new project: "I believe it is the most important thing I have ever done. I believe that children have the right to live in a world that is safe." And so tonight we are pleased to welcome this talented business entrepreneur and generous social entrepreneur, Julie Aigner-Clark.

Three weeks ago, Wesley Autrey was waiting at a Harlem subway station with his two little girls when he saw a man fall into the path of a train. With seconds to act, Wesley jumped onto the tracks, pulled the man into the space between the rails, and held him as the train passed right above their heads. He insists he's not a hero. He says: "We got guys and girls overseas dying for us to have our freedoms. We have got to show each other some love." There is something wonderful about a country that produces a brave and humble man like Wesley Autrey.

Tommy Rieman was a teenager pumping gas in Independence, Kentucky, when he enlisted in the United States Army. In December 2003, he was on a reconnaissance mission in Iraq when his team came under heavy enemy fire. From his Humvee, Sergeant Rieman returned fire. He used his body as a shield to protect his gunner. He was shot in the chest and arm and received shrapnel wounds to his legs, yet he refused medical attention and stayed in the fight. He helped to repel a second attack, firing grenades at the enemy's position. For his exceptional courage, Sergeant Rieman was awarded the Silver Star. And like so many other Americans who have volunteered to defend us, he has earned the respect and the gratitude of our entire country.

In such courage and compassion, ladies and gentlemen, we see the spirit and character of America. And these qualities are not in short supply. This is a decent and honorable country and resilient too. We've been through a lot together. We've met challenges and faced dangers, and we know that more lie ahead. Yet we can go forward with confidence, because the State of our Union is strong; our cause in the world is right; and tonight that cause goes on. God bless.

See you next year. Thank you for your prayers.

January 28, 2008

Thank you all. Madam Speaker, Vice President Cheney, Members of Congress, distinguished guests, and fellow citizens: Seven years have passed since I first stood before you at this rostrum. In that time, our country has been tested in ways none of us could have imagined. We faced hard decisions about peace and war, rising competition in the world economy, and the health and welfare of our citizens. These issues call for vigorous debate, and I think it's fair to say, we've answered the call. [*Laughter*] Yet history will record that amid our differences, we acted with purpose, and together we showed the world the power and resilience of American self-government.

All of us were sent to Washington to carry out the people's business. That is the purpose of this body. It is the meaning of our oath. It remains our charge to keep.

The actions of the 110th Congress will affect the security and prosperity of our Nation long after this session has ended. In this election year, let us show our fellow Americans that we recognize our responsibilities and are determined to meet them. Let us show them that Republicans and Democrats can compete for votes and cooperate for results at the same time.

From expanding opportunity to protecting our country, we've made good progress. Yet we have unfinished business before us, and the American people expect us to get it done.

In the work ahead, we must be guided by the philosophy that made our Nation great. As Americans, we believe in the power of individuals to determine their destiny and shape the course of history. We believe that the most reliable guide for our country is the collective wisdom of ordinary citizens. And so in all we do, we must trust in the ability of free peoples to make wise decisions and empower them to improve their lives for their futures.

To build a prosperous future, we must trust people with their own money and empower them to grow our economy. As we meet tonight, our economy is undergoing a period of uncertainty. America has added jobs for a record 52 straight months, but jobs are now growing at a slower pace. Wages are up, but so are prices for food and gas. Exports are rising, but the housing market has declined. At kitchen tables across our country, there is a concern about our economic future.

In the long run, Americans can be confident about our economic growth. But in the short run, we can all see that that growth is slowing. So last week, my administration reached agreement with Speaker Pelosi and Republican Leader Boehner on a robust growth package that includes tax relief for individuals and families and incentives for business investment. The temptation will be to load up the bill. That would delay it or derail it, and neither option is acceptable. This is a good agreement that will keep our economy growing and our people working, and this Congress must pass it as soon as possible.

We have other work to do on taxes. Unless Congress acts, most of the tax relief we've delivered over the past 7 years will be taken away. Some in Washington argue that letting tax relief expire is not a tax increase. Try explaining that to 116 million American taxpayers who would see their taxes rise by an average of $1,800. Others have said they would personally be happy to pay higher taxes. I welcome their enthusiasm. I'm pleased to report that the IRS accepts both checks and money orders. [*Laughter*]

Most Americans think their taxes are high enough. With all the other pressures on their finances, American families should not have to worry about their Federal Government taking a bigger bite out of their paychecks. There's only one way to eliminate this uncertainty: Make the tax relief permanent. And Members of Congress should know, if any bill raises taxes reaches my desk, I will veto it.

Just as we trust Americans with their own money, we need to earn their trust by spending their tax dollars wisely. Next week, I'll send you a budget that terminates or substantially reduces 151 wasteful or bloated programs, totaling more than $18 billion. The budget that I will submit will keep America on track for a surplus in 2012. American families have to balance their budgets; so should their Government.

The people's trust in their Government is undermined by congressional earmarks, special interest projects that are often snuck in at the last minute, without discussion or debate. Last year, I asked you to voluntarily cut the number and cost of earmarks in half. I also asked you to stop slipping earmarks into committee reports that never even come to a vote. Unfortunately, neither goal was met. So this time, if you send me an appropriations bill that does not cut the number and cost of earmarks in half, I'll send it back to you with my veto.

And tomorrow I will issue an Executive order that directs Federal agencies to ignore any future earmark that is not voted on by Congress. If these items are truly worth funding, Congress should debate them in the open and hold a public vote.

Our shared responsibilities extend beyond matters of taxes and spending. On housing, we must trust Americans with the responsibility of homeownership and empower them to weather turbulent times in the housing market. My administration brought together the HOPE NOW Alliance, which is helping many struggling homeowners avoid foreclosure. And Congress can help even more. Tonight I ask you to pass legislation to reform Fannie Mae and Freddie Mac, modernize the Federal Housing Administration, and allow State housing agencies to issue tax-free bonds to help homeowners refinance their mortgages. These are difficult times for many American families, and by taking these steps, we can help more of them keep their homes.

To build a future of quality health care, we must trust patients and doctors to make medical decisions and empower them with better information and better options. We share a common goal: making health care more affordable and accessible for all Americans. The best way to achieve that goal is by expanding consumer choice, not Government control. So I have proposed ending the bias in the Tax Code against those who do not get their health insurance through their employer. This one reform would put private coverage within reach for millions, and I call on the Congress to pass it this year.

Congress must also expand health savings accounts, create association health plans for small businesses, promote health information technology, and confront the epidemic of junk medical lawsuits. With all these steps, we will ensure that decisions about your medical care are made in the privacy of your doctor's office, not in the Halls of Congress.

On education, we must trust students to learn, if given the chance, and empower parents to demand results from our schools. In neighborhoods across our country, there are boys and girls with dreams, and a decent education is their only hope of achieving them.

Six years ago, we came together to pass the No Child Left Behind Act, and today, no one can deny its results. Last year, fourth and eighth graders achieved the highest math scores on record. Reading scores are on the rise. African American and Hispanic students posted alltime highs. Now we must work together to increase accountability, add flexibilities for States and districts, reduce the number of high school dropouts, provide extra help for struggling schools.

Members of Congress, the No Child Left Behind Act is a bipartisan achievement. It is succeeding, and we owe it to America's children, their parents, and their teachers to strengthen this good law.

We must also do more to help children when their schools do not measure up. Thanks to the DC Opportunity Scholarships you approved, more than 2,600 of the poorest children in our Nation's Capital have found new hope at a faith-based or other nonpublic school. Sadly, these schools are disappearing at an alarming rate in many of America's inner cities. So I will convene a White House summit aimed at strengthening these lifelines of learning. And to open the doors of these schools to more children, I ask you to support a new $300 million program called Pell Grants for Kids. We have seen how Pell grants help low-income college students realize their full potential. Together, we've expanded the size and reach of these grants. Now let us apply the same spirit to help liberate poor children trapped in failing public schools.

On trade, we must trust American workers to compete with anyone in the world and empower them by opening up new markets overseas. Today, our economic growth increasingly depends on our ability to sell American goods and crops and services all over the world. So we're working to break down barriers to trade and investment wherever we can. We're working for a successful Doha round of trade talks, and we must complete a good agreement this year. At the same time, we're pursuing opportunities to open up new markets by passing free trade agreements.

I thank the Congress for approving a good agreement with Peru. And now I ask you to approve agreements with Colombia and Panama and South Korea. Many products from these nations now enter America duty free, yet many of our products face steep tariffs in their markets. These agreements will level the playing field. They will give us better access to nearly 100 million customers. They will support good jobs for the finest workers in the world, those whose products say "Made in the U.S.A."

These agreements also promote America's strategic interests. The first agreement that will come before you is with Colombia, a friend of America that is confronting violence and terror and fighting drug traffickers. If we fail to pass this agreement, we will embolden the purveyors of false populism in our hemisphere. So we must come together, pass this agreement, and show our neighbors in the region that democracy leads to a better life.

Trade brings better jobs and better choices and better prices. Yet for some Americans, trade can mean losing a job, and the Federal Government has a responsibility to help. I ask Congress to reauthorize and reform trade adjustment assistance so we can help these displaced workers learn new skills and find new jobs.

To build a future of energy security, we must trust in the creative genius of American researchers and entrepreneurs and empower them to pioneer a new generation of clean energy technology. Our security, our prosperity, and our environment all require reducing our dependence on oil.

Last year, I asked you to pass legislation to reduce oil consumption over the next decade, and you responded. Together, we should take the next steps. Let us fund new technologies that can generate coal power while capturing carbon emissions. Let us increase the use of renewable power and emissions-free nuclear power. Let us continue investing in advanced battery technology and renewable fuels to power the cars and trucks of the future. Let us create a new international clean technology fund, which will help developing nations like India and China make a greater use of clean energy sources. And let us complete an international agreement that has the potential to slow, stop, and eventually reverse the growth of greenhouse gases.

This agreement will be effective only if it includes commitments by every major economy and gives none a free ride. The United States is committed to strengthening our energy security and confronting global climate change. And the best way to meet these goals is for America to continue leading the way toward the development of cleaner and more energy efficient technology.

To keep America competitive into the future, we must trust in the skill of our scientists and engineers and empower them to pursue the breakthroughs of tomorrow. Last year, Congress passed legislation supporting the American Competitiveness Initiative, but never followed through with the funding. This funding is essential to keeping our scientific edge. So I ask Congress to double Federal support for critical basic research in the physical sciences and ensure America remains the most dynamic nation on Earth.

On matters of life and science, we must trust in the innovative spirit of medical researchers and empower them to discover new treatments while respecting moral boundaries. In November, we witnessed a landmark achievement when scientists discovered a way to reprogram adult skin cells to act like embryonic stem cells. This breakthrough has the potential to move us beyond the divisive debates of the past by extending the frontiers of medicine without the destruction of human life.

So we're expanding funding for this type of ethical medical research. And as we explore promising avenues of research, we must also ensure that all life is treated with the dignity it deserves. And so I call on Congress to pass legislation that bans unethical practices, such as the buying, selling, patenting, or cloning of human life.

On matters of justice, we must trust in the wisdom of our Founders and empower judges who understand that the Constitution means what it says. I've submitted judicial nominees who will rule by the letter of the law, not the whim of the gavel. Many of these nominees are being unfairly delayed. They are worthy of confirmation, and the Senate should give each of them a prompt up-or-down vote.

In communities across our land, we must trust in the good heart of the American people and empower them to serve their neighbors in need. Over the past 7 years, more of our fellow citizens have discovered that the pursuit of happiness leads to the path of service. Americans have volunteered in record numbers. Charitable donations are higher than ever. Faith-based groups are bringing hope to pockets of despair, with newfound support from the Federal Government. And to help guarantee equal treatment of faith-based organizations when they compete for Federal funds, I ask you to permanently extend charitable choice.

Tonight the armies of compassion continue the march to a new day in the Gulf Coast. America honors the strength and resilience of the people of this region. We reaffirm our pledge to help them build stronger and better than before. And tonight I'm pleased to announce that in April, we will host this year's North American Summit of Canada, Mexico, and the United States in the great city of New Orleans.

There are two other pressing challenges that I've raised repeatedly before this body and that this body has failed to address: entitlement spending and immigration. Every Member in this Chamber knows that spending on entitlement programs like Social Security, Medicare, and Medicaid is growing faster than we can afford. We all know the painful choices ahead if America stays on this path: massive tax increases, sudden and drastic cuts in benefits, or crippling deficits. I've laid out proposals to reform these programs. Now I ask Members of Congress to offer your proposals and come up with a bipartisan solution to save these vital programs for our children and our grandchildren.

The other pressing challenge is immigration. America needs to secure our borders, and with your help, my administration is taking steps to do so. We're increasing worksite enforcement, deploying fences and advanced technologies to stop illegal crossings. We've effectively ended the policy of catch-and-release at the border, and by the end of this year, we will have doubled the number of Border Patrol agents. Yet we also need to acknowledge that we will never fully secure our border until we create a lawful way for foreign workers to come here and support our economy. This will take pressure off the border and allow law enforcement to concentrate on those who mean us harm.

We must also find a sensible and humane way to deal with people here illegally. Illegal immigration is complicated, but it can be resolved. And it must be resolved in a way that upholds both our laws and our highest ideals.

This is the business of our Nation here at home. Yet building a prosperous future for our citizens also depends on confronting enemies abroad and advancing liberty in troubled regions of the world.

Our foreign policy is based on a clear premise: We trust that people, when given the chance, will choose a future of freedom and peace. In the last 7 years, we have witnessed stirring moments in the history of liberty. We've seen citizens in Georgia and Ukraine stand up for their right to free and fair elections. We've seen people in Lebanon take to the streets to demand their independence. We've seen Afghans emerge from the tyranny of the Taliban and choose a new President and a new parliament. We've seen jubilant Iraqis holding up ink-stained fingers and celebrating their freedom. These images of liberty have inspired us.

In the past 7 years, we've also seen the images that have sobered us. We've watched throngs of mourners in Lebanon and Pakistan carrying the caskets of beloved leaders taken by the assassin's hand. We've seen wedding guests in blood-soaked finery staggering from a hotel in Jordan, Afghans and Iraqis blown up in mosques and markets, and trains in London and Madrid ripped apart by bombs. On a clear September day, we saw thousands of our fellow citizens taken from us in an instant. These horrific images serve as a grim reminder: The advance of liberty is opposed by terrorists and extremists, evil men who despise freedom, despise America, and aim to subject millions to their violent rule.

Since 9/11, we have taken the fight to these terrorists and extremists. We will stay on the offense, we will keep up the pressure, and we will deliver justice to our enemies.

We are engaged in the defining ideological struggle of the 21st century. The terrorists oppose every principle of humanity and decency that we hold dear. Yet in this war on terror, there is one thing we and our enemies agree on: In the long run, men and women who are free to determine their own destinies will reject terror and refuse to live in tyranny. And that is why the terrorists are fighting to deny this choice to the people in Lebanon, Iraq, Afghanistan, Pakistan, and the Palestinian Territories. And that is why, for the security of America and the peace of the world, we are spreading the hope of freedom.

In Afghanistan, America, our 25 NATO allies, and 15 partner nations are helping the Afghan people defend their freedom and rebuild their country. Thanks to the courage of these military and civilian personnel, a nation that was once a safe haven for Al Qaida is now a young democracy where boys and girls are going to school, new roads and hospitals are being built, and people are looking to the future with new hope. These successes must continue, so we're adding 3,200 marines to our forces in Afghanistan, where they will fight the terrorists and train the Afghan Army and police. Defeating the Taliban and Al Qaida is critical to our security, and I thank the Congress for supporting America's vital mission in Afghanistan.

In Iraq, the terrorists and extremists are fighting to deny a proud people their liberty and fighting to establish safe havens for attacks across the world. One year ago, our enemies were succeeding in their efforts to plunge Iraq into chaos. So we reviewed our strategy and changed course. We launched a surge of American forces into Iraq. We gave our troops a new mission: work with the Iraqi forces to protect the Iraqi people, pursue the enemy in its strongholds, and deny the terrorists sanctuary anywhere in the country.

The Iraqi people quickly realized that something dramatic had happened. Those who had worried that America was preparing to abandon them instead saw tens of thousands of American forces flowing into their country. They saw our forces moving into neighborhoods, clearing out the terrorists, and staying behind to ensure the enemy did not return. And they saw our troops, along with Provincial Reconstruction Teams that include Foreign Service officers and other skilled public servants, coming in to ensure that improved security was followed by improvements in daily life. Our military and civilians in Iraq are performing with courage and distinction, and they have the gratitude of our whole Nation.

The Iraqis launched a surge of their own. In the fall of 2006, Sunni tribal leaders grew tired of Al Qaida's brutality, started a popular uprising called the Anbar Awakening. Over the past year, similar movements have spread across the country. And today, the grassroots surge includes more than 80,000 Iraqi citizens who are fighting the terrorists. The Government in Baghdad has stepped forward as well, adding more than 100,000 new Iraqi soldiers and police during the past year.

While the enemy is still dangerous and more work remains, the American and Iraqi surges have achieved results few of us could have imagined just 1 year ago. When we met last year, many said that containing the violence was impossible. A year later, high-profile terrorist attacks are down, civilian deaths are down, sectarian killings are down.

When we met last year, militia extremists—some armed and trained by Iran— were wreaking havoc in large areas of Iraq. A year later, coalition and Iraqi forces have killed or captured hundreds of militia fighters. And Iraqis of all backgrounds increasingly realize that defeating these militia fighters is critical to the future of their country.

When we met last year, Al Qaida had sanctuaries in many areas of Iraq, and their leaders had just offered American forces safe passage out of the country. Today, it is Al Qaida that is searching for safe passage. They have been driven from many of the strongholds they once held. And over the past year, we've captured or killed thousands of extremists in Iraq, including hundreds of key Al Qaida leaders and operatives.

Last month, Usama bin Laden released a tape in which he railed against Iraqi tribal leaders who have turned on Al Qaida and admitted that coalition forces are growing stronger in Iraq. Ladies and gentlemen, some may deny the surge is working, but among the terrorists there is no doubt. Al Qaida is on the run in Iraq, and this enemy will be defeated.

When we met last year, our troop levels in Iraq were on the rise. Today, because of the progress just described, we are implementing a policy of return on success, and the surge forces we sent to Iraq are beginning to come home.

This progress is a credit to the valor of our troops and the brilliance of their commanders. This evening I want to speak directly to our men and women on the frontlines. Soldiers and sailors, airmen, marines, and coastguardsmen: In the past year, you have done everything we've asked of you and more. Our Nation is grateful for your courage. We are proud of your accomplishments. And tonight in this hallowed Chamber, with the American people as our witness, we make you a solemn pledge: In the fight ahead, you will have all you need to protect our Nation. And I ask Congress to meet its responsibilities to these brave men and women by fully funding our troops.

Our enemies in Iraq have been hit hard. They are not yet defeated, and we can still expect tough fighting ahead. Our objective in the coming year is to sustain and build on the gains we made in 2007 while transitioning to the next phase of our strategy. American troops are shifting from leading operations to partnering with Iraqi forces and, eventually, to a protective overwatch mission. As part of this transition, one Army brigade combat team and one Marine expeditionary unit have already come home and will not be replaced. In the coming months, four additional brigades and two Marine battalions will follow suit. Taken together, this means more than 20,000 of our troops are coming home.

Any further drawdown of U.S. troops will be based on conditions in Iraq and the recommendations of our commanders. General Petraeus has warned that too fast a drawdown could result in, quote, "the disintegration of the Iraqi security forces, Al Qaida-Iraq regaining lost ground, and a marked increase in violence." Members of Congress, having come so far and achieved so much, we must not allow this to happen.

In the coming year, we will work with Iraqi leaders as they build on the progress they're making toward political reconciliation. At the local level, Sunnis, Shi'a, and Kurds are beginning to come together to reclaim their communities and rebuild their lives. Progress in the Provinces must be matched by progress in Baghdad. We're seeing some encouraging signs. The national Government is sharing oil revenues with the Provinces. The parliament recently passed both a pension law and de-Ba'athification reform. They're now debating a Provincial powers law. The Iraqis still have a distance to travel, but after decades of dictatorship and the pain of sectarian violence, reconciliation is taking place, and the Iraqi people are taking control of their future.

The mission in Iraq has been difficult and trying for our Nation, but it is in the vital interest of the United States that we succeed. A free Iraq will deny Al Qaida a safe haven. A free Iraq will show millions across the Middle East that a future of liberty is possible. A free Iraq will be a friend of America, a partner in fighting terror, and a source of stability in a dangerous part of the world.

By contrast, a failed Iraq would embolden the extremists, strengthen Iran, and give terrorists a base from which to launch new attacks on our friends, our allies, and our homeland. The enemy has made its intentions clear. At a time when the momentum seemed to favor them, Al Qaida's top commander in Iraq declared that they will not rest until they have attacked us here in Washington. My fellow Americans, we will not rest either. We will not rest until this enemy has been defeated. We must do the difficult work today so that years from now, people will look back and say that this generation rose to the moment, prevailed in a tough fight, and left behind a more hopeful region and a safer America.

We're also standing against the forces of extremism in the Holy Land, where we have new cause for hope. Palestinians have elected a President who recognizes that confronting terror is essential to achieving a state where his people can live in dignity and at peace with Israel. Israelis have leaders who recognize that a peaceful, democratic Palestinian state will be a source of lasting security. This month in Ramallah and Jerusalem, I assured leaders from both sides that America will do, and I will do, everything we can to help them achieve a peace agreement that defines a Palestinian state by the end of this year. The time has come for a Holy Land where a democratic Israel and a democratic Palestine live side by side in peace.

We're also standing against the forces of extremism embodied by the regime in Tehran. Iran's rulers oppress a good and talented people. And wherever freedom advances in the Middle East, it seems the Iranian regime is there to oppose it. Iran is funding and training militia groups in Iraq, supporting Hizballah terrorists in Lebanon, and backing Hamas efforts to undermine peace in the Holy Land. Tehran is also developing ballistic missiles of increasing range and continues to develop its capability to enrich uranium, which could be used to create a nuclear weapon.

Our message to the people of Iran is clear: We have no quarrel with you. We respect your traditions and your history. We look forward to the day when you have your freedom. Our message to the leaders of Iran is also clear: Verifiably suspend your nuclear enrichment so negotiations can begin. And to rejoin the community of nations, come clean about your nuclear intentions and past actions, stop your oppression at home, cease your support for terror abroad. But above all, know this: America will confront those who threaten our troops, we will stand by our allies, and we will defend our vital interests in the Persian Gulf.

On the homefront, we will continue to take every lawful and effective measure to protect our country. This is our most solemn duty. We are grateful that there has not been another attack on our soil since 9/11. This is not for the lack of desire or effort on the part of the enemy. In the past 6 years, we've stopped numerous attacks, including a plot to fly a plane into the tallest building in Los Angeles and another to blow up passenger jets bound for America over the Atlantic. Dedicated men and women in our Government toil day and night to stop the terrorists from carrying out their plans. These good citizens are saving American lives, and everyone in this Chamber owes them our thanks.

And we owe them something more; we owe them the tools they need to keep our people safe. And one of the most important tools we can give them is the ability to monitor terrorist communications. To protect America, we need to know who the terrorists are talking to, what they are saying, and what they're planning. Last year, Congress passed legislation to help us do that. Unfortunately, Congress set the legislations to expire on February the 1st. That means if you don't act by Friday, our ability to track terrorist threats would be weakened and our citizens will be in greater danger. Congress must ensure the flow of vital intelligence is not disrupted. Congress must pass liability protection for companies believed to have assisted in the efforts to defend America. We've had ample time for debate. The time to act is now.

Protecting our Nation from the dangers of a new century requires more than good intelligence and a strong military. It also requires changing the conditions that breed resentment and allow extremists to prey on despair. So America is using its influence to build a freer, more hopeful, and more compassionate world. This is a reflection of our national interests; it is the calling of our conscience.

America opposes genocide in Sudan. We support freedom in countries from Cuba and Zimbabwe to Belarus and Burma.

America is leading the fight against global poverty with strong education initiatives and humanitarian assistance. We've also changed the way we deliver aid by launching the Millennium Challenge Account. This program strengthens democracy, transparency, and the rule of law in developing nations, and I ask you to fully fund this important initiative.

America is leading the fight against global hunger. Today, more than half the world's food aid comes from the United States. And tonight I ask Congress to support an innovative proposal to provide food assistance by purchasing crops directly from farmers in the developing world, so we can build up local agriculture and help break the cycle of famine.

America is leading the fight against disease. With your help, we're working to cut by half the number of malaria-related deaths in 15 African nations. And our Emergency Plan for AIDS Relief is treating 1.4 million people. We can bring healing and hope to many more. So I ask you to maintain the principles that have changed behavior and made this program a success. And I call on you to double our initial commitment to fighting HIV/AIDS by approving an additional $30 billion over the next 5 years.

America is a force for hope in the world because we are a compassionate people, and some of the most compassionate Americans are those who have stepped forward to protect us. We must keep faith with all who have risked life and limb so that we might live in freedom and peace. Over the past 7 years, we've increased funding for veterans by more than 95 percent. And as we increase funding, we must also reform our veterans system to meet the needs of a new war and a new generation. I call on Congress to enact the reforms recommended by Senator Bob Dole and Secretary Donna Shalala so we can improve the system of care for our wounded warriors and help them build lives of hope and promise and dignity.

Our military families also sacrifice for America. They endure sleepless nights and the daily struggle of providing for children while a loved one is serving far from home. We have a responsibility to provide for them. So I ask you to join me in expanding their access to child care, creating new hiring preferences for military spouses across the Federal Government, and allowing our troops to transfer their unused education benefits to their spouses or children. Our military families serve our Nation, they inspire our Nation, and tonight our Nation honors them.

The strength—the secret of our strength, the miracle of America, is that our greatness lies not in our Government, but in the spirit and determination of our people. When the Federal Convention met in Philadelphia in 1787, our Nation was bound by the Articles of Confederation, which began with the words, "We the undersigned delegates." When Gouverneur Morris was asked to draft the preamble to our new Constitution, he offered an important revision and opened with words that changed the course of our Nation and the history of the world: "We the people."

By trusting the people, our Founders wagered that a great and noble nation could be built on the liberty that resides in the hearts of all men and women. By trusting the people, succeeding generations transformed our fragile, young democracy into the most powerful nation on Earth and a beacon of hope for millions. And so long as we continue to trust the people, our Nation will prosper, our liberty will be secure, and the state of our Union will remain strong.

So tonight, with confidence in freedom's power and trust in the people, let us set forth to do their business. God bless America.

January 30, 2018

*The President.* Mr. Speaker, Mr. Vice President, Members of Congress, the First Lady of the United States, and my fellow Americans: Less than 1 year has passed since I first stood at this podium, in this majestic Chamber, to speak on behalf of the American people and to address their concerns, their hopes, and their dreams. That night, our new administration had already taken very swift action. A new tide of optimism was already sweeping across our land. Each day since, we have gone forward with a clear vision and a righteous mission: to make America great again for all Americans.

Over the last year, we have made incredible progress and achieved extraordinary success. We have faced challenges we expected and others we could never have imagined. We have shared in the heights of victory and the pains of hardship. We have endured floods and fires and storms. But through it all, we have seen the beauty of America's soul and the steel in America's spine.

Each test has forged new American heroes to remind us who we are and show us what we can be. We saw the volunteers of the Cajun Navy racing to the rescue with their fishing boats to save people in the aftermath of a totally devastating hurricane. We saw strangers shielding strangers from a hail of gunfire on the Las Vegas strip.

We heard tales of Americans like Coast Guard Petty Officer Ashlee Leppert, who is here tonight in the gallery with Melania. Ashlee was aboard one of the first helicopters on the scene in Houston during the Hurricane Harvey. Through 18 hours of wind and rain, Ashlee braved live power lines and deep water to help save more than 40 lives. Ashlee, we all thank you. Thank you very much.

We heard about Americans like firefighter David Dahlberg. He's here with us also. David faced down walls of flame to rescue almost 60 children trapped at a California summer camp threatened by those devastating wildfires. To everyone still recovering in Texas, Florida, Louisiana, Puerto Rico, and the Virgin Islands—everywhere—we are with you, we love you, and we always will pull through together, always. Thank you to David and the brave people of California. Thank you very much, David. Great job.

Some trials over the past year touched this Chamber very personally. With us tonight is one of the toughest people ever to serve in this House, a guy who took a bullet, almost died, and was back to work 3½ months later: the legend from Louisiana—[*laughter*]—Congressman Steve Scalise. [*Applause*] I think they like you, Steve. [*Laughter*] We are incredibly grateful for the heroic efforts of the Capitol Police officers, the Alexandria Police, and the doctors, nurses, and paramedics who saved his life and the lives of many others; some in this room. In the aftermath—[*applause*]—yes. Yes.

In the aftermath of that terrible shooting, we came together, not as Republicans or Democrats, but as representatives of the people. But it is not enough to come together only in times of tragedy. Tonight I call upon all of us to set aside our differences, to seek out common ground, and to summon the unity we need to deliver for the people. This is really the key. These are the people we were elected to serve. [*Applause*] Thank you. Over the last year, the world has seen what we always knew: that no people on Earth are so fearless or daring or determined as Americans. If there is a mountain, we climb it. If there is a frontier, we cross it. If there's a challenge, we tame it. If there's an opportunity, we seize it. So let's begin tonight by recognizing that the state of our Union is strong because our people are strong. And together, we are building a safe, strong, and proud America.

Since the election, we have created 2.4 million new jobs, including 200,000 new jobs in manufacturing alone. Tremendous numbers. After years and years of wage stagnation, we are finally seeing rising wages. Unemployment claims have hit a 45-year low. And something I'm very proud of: African American unemployment stands at the lowest rate ever recorded. And Hispanic American unemployment has also reached the lowest levels in history.

Small-business confidence is at an alltime high. The stock market has smashed one record after another, gaining $8 trillion and more in value in just this short period of time. The great news for Americans: 401(k), retirement, pension, and college savings accounts have gone through the roof.

And just as I promised the American people from this podium 11 months ago, we enacted the biggest tax cuts and reforms in American history. Our massive tax cuts provide tremendous relief for the middle class and small business. To lower tax rates for hard-working Americans, we nearly doubled the standard deduction for everyone. Now, the first $24,000 earned by a married couple is completely tax free. We also doubled the child tax credit. A typical family of four making $75,000 will see their tax bill reduced by $2,000, slashing their tax bill in half. In April, this will be the last time you will ever file under the old and very broken system, and millions of Americans will have more take-home pay starting next month—a lot more.

We eliminated an especially cruel tax that fell mostly on Americans making less than $50,000 a year, forcing them to pay tremendous penalties simply because they couldn't afford Government-ordered health plans. We repealed the core of the disastrous Obamacare. The individual mandate is now gone, thank heavens. [*Applause*] Great job.

We slashed the business tax rate from 35 percent all the way down to 21 percent, so American companies can compete and win against anyone else anywhere in the world. These changes alone are estimated to increase average family income by more than $4,000, a lot of money. Small businesses have also received a massive tax cut and can now deduct 20 percent of their business income.

Here tonight are Steve Staub and Sandy Keplinger of Staub Manufacturing, a small, beautiful business in Ohio. They've just finished the best year in their 20-year history. Because of tax reform, they are handing out raises, hiring an additional 14 people, and expanding into the building next door. It's a good feeling.

One of Staub's employees, Corey Adams, is also with us tonight. Corey is an all-American worker. He supported himself through high school, lost his job during the 2008 recession, and was later hired by Staub, where he trained to become a welder. Like many hard-working Americans, Corey plans to invest his tax cut raise into his new home and his two daughters' education. Corey, please stand. And he's a great welder. [*Laughter*] I was told that by the man that owns that company that's doing so well. So congratulations, Corey.

Since we passed tax cuts, roughly 3 million workers have already gotten tax cut bonuses, many of them thousands and thousands of dollars per worker. And it's getting more every month, every week. Apple has just announced it plans to invest a total of $350 billion in America and hire another 20,000 workers. And just a little while ago, ExxonMobil announced a $50 billion investment in the United States—just a little while ago.

This, in fact, is our new American moment. There has never been a better time to start living the American Dream. So to every citizen watching at home tonight, no matter where you've been or where you've come from, this is your time. If you work hard, if you believe in yourself, if you believe in America, then you can dream anything, you can be anything, and together, we can achieve absolutely anything.

Tonight I want to talk about what kind of future we are going to have and what kind of a nation we are going to be. All of us, together, as one team, one people, and one American family can do anything. We all share the same home, the same heart, the same destiny, and the same great American flag. Together, we are rediscovering the American way. In America, we know that faith and family, not government and bureaucracy, are the center of American life. The motto is, "In God We Trust." And we celebrate our police, our military, and our amazing veterans as heroes who deserve our total and unwavering support.

Here tonight is Preston Sharp, a 12-year-old boy from Redding, California, who noticed that veterans' graves were not marked with flags on Veterans Day. He decided all by himself to change that and started a movement that has now placed 40,000 flags at the graves of our great heroes. Preston, a job well done. Young patriots, like Preston, teach all of us about our civic duty as Americans. And I met Preston a little while ago, and he is something very special, that I can tell you. Great future. Thank you very much for all you've done, Preston. Thank you very much.

Preston's reverence for those who have served our Nation reminds us of why we salute our flag, why we put our hands on our hearts for the Pledge of Allegiance, and why we proudly stand for the national anthem. Americans love their country, and they deserve a Government that shows them the same love and loyalty in return. For the last year, we have sought to restore the bonds of trust between our citizens and their Government. Working with the Senate, we are appointing judges who will interpret the Constitution as written, including a great new Supreme Court Justice and more circuit court judges than any new administration in the history of our country. We are totally defending our Second Amendment and have taken historic actions to protect religious liberty.

And we are serving our brave veterans, including giving our veterans choice in their health care decisions. Last year, Congress also passed, and I signed, the landmark VA Accountability Act. Since its passage, my administration has already removed more than 1,500 VA employees who failed to give our veterans the care they deserve. And we are hiring talented people who love our vets as much as we do. And I will not stop until our veterans are properly taken care of, which has been my promise to them from the very beginning of this great journey.

All Americans deserve accountability and respect, and that's what we are giving to our wonderful heroes, our veterans. Thank you. So tonight I call on Congress to empower every Cabinet Secretary with the authority to reward good workers and to remove Federal employees who undermine the public trust or fail the American people.

In our drive to make Washington accountable, we have eliminated more regulations in our first year than any administration in the history of our country. We have ended the war on American energy, and we have ended the war on beautiful, clean coal. We are now, very proudly, an exporter of energy to the world. In Detroit, I halted Government mandates that crippled America's great, beautiful autoworkers so that we can get Motor City revving its engines again. And that's what's happening. Many car companies are now building and expanding plants in the United States, something we haven't seen for decades. Chrysler is moving a major plant from Mexico to Michigan. Toyota and Mazda are opening up a plant in Alabama, a big one. And we haven't seen this in a long time. It's all coming back.

Very soon, auto plants and other plants will be opening up all over our country. This is all news Americans are totally unaccustomed to hearing. For many years, companies and jobs were only leaving us. But now they are roaring back. They're coming back. They want to be where the action is. They want to be in the United States of America. That's where they want to be.

Exciting progress is happening every single day. To speed access to breakthrough cures and affordable generic drugs, last year, the FDA approved more new and generic drugs and medical devices than ever before in our country's history. We also believe that patients with terminal conditions and terminal illness should have access to experimental treatment immediately that could potentially save their lives. People who are terminally ill should not have to go from country to country to seek a cure. I want to give them a chance right here at home. It's time for Congress to give these wonderful, incredible Americans the right to try. [*Applause*] Right?

One of my greatest priorities is to reduce the price of prescription drugs. In many other countries, these drugs cost far less than what we pay in the United States. And it's very, very unfair. That is why I have directed my administration to make fixing the injustice of high drug prices one of my top priorities for the year. And prices will come down substantially. Watch.

America has also finally turned the page on decades of unfair trade deals that sacrificed our prosperity and shipped away our companies, our jobs, and our wealth. Our Nation has lost its wealth, but we're getting it back so fast. The era of economic surrender is totally over. From now on, we expect trading relationships to be fair and, very importantly, reciprocal.

We will work to fix bad trade deals and negotiate new ones. And they'll be good ones, but they'll be fair. And we will protect American workers and American intellectual property through strong enforcement of our trade rules.

As we rebuild our industries, it is also time to rebuild our crumbling infrastructure. America is a nation of builders. We built the Empire State Building in just 1 year. Isn't it a disgrace that it can now take 10 years just to get a minor permit approved for the building of a simple road? I am asking both parties to come together to give us safe, fast, reliable, and modern infrastructure that our economy needs and our people deserve.

Tonight I'm calling on Congress to produce a bill that generates at least $1.5 trillion for the new infrastructure investment that our country so desperately needs. Every Federal dollar should be leveraged by partnering with State and local governments and, where appropriate, tapping into private sector investment to permanently fix the infrastructure deficit. And we can do it.

Any bill must also streamline the permitting and approval process, getting it down to no more than 2 years and perhaps even 1. Together, we can reclaim our great building heritage. We will build gleaming new roads, bridges, highways, railways, and waterways all across our land. And we will do it with American heart and American hands and American grit. We want every American to know the dignity of a hard day's work. We want every child to be safe in their home at night. And we want every citizen to be proud of this land that we all love so much. We can lift our citizens from welfare to work, from dependence to independence, and from poverty to prosperity.

As tax cuts create new jobs, let's invest in workforce development, and let's invest in job training, which we need so badly. Let's open great vocational schools so our future workers can learn a craft and realize their full potential. And let's support working families by supporting paid family leave.

As America regains its strength, opportunity must be extended to all citizens. That is why this year, we will embark on reforming our prisons to help former inmates, who have served their time, get a second chance at life.

Struggling communities, especially immigrant communities, will also be helped by immigration policies that focus on the best interests of American workers and American families. For decades, open borders have allowed drugs and gangs to pour into our most vulnerable communities. They've allowed millions of low-wage workers to compete for jobs and wages against the poorest Americans. Most tragically, they have caused the loss of many innocent lives.

Here tonight are two fathers and two mothers: Evelyn Rodriguez, Freddy Cuevas, Elizabeth Alvarado, and Robert Mickens. Their two teenage daughters—Kayla Cuevas and Nisa Mickens—were close friends on Long Island. But in September 2016, on the eve of Nisa's 16th birthday—such a happy time it should have been—neither of them came home. These two precious girls were brutally murdered while walking together in their hometown.

Six members of the savage MS-13 gang have been charged with Kayla and Nisa's murders. Many of these gang members took advantage of glaring loopholes in our laws to enter the country as illegal, unaccompanied alien minors, and wound up in Kayla and Nisa's high school. Evelyn, Elizabeth, Freddy, and Robert: Tonight everyone in this chamber is praying for you. Everyone in America is grieving for you. Please stand. Thank you very much. I want you to know that 320 million hearts are right now breaking for you. We love you. Thank you.

While we cannot imagine the depths of that kind of sorrow, we can make sure that other families never have to endure this kind of pain. Tonight I am calling on Congress to finally close the deadly loopholes that have allowed MS-13 and other criminal gangs to break into our country. We have proposed new legislation that will fix our immigration laws and support our ICE and Border Patrol agents—these are great people; these are great, great people—that work so hard in the midst of such danger so that this can never happen again.

The United States is a compassionate nation. We are proud that we do more than any other country anywhere in the world to help the needy, the struggling, and the underprivileged all over the world. But as President of the United States, my highest loyalty, my greatest compassion, my constant concern is for America's children, America's struggling workers, and America's forgotten communities. I want our youth to grow up to achieve great things. I want our poor to have their chance to rise.

So tonight I am extending an open hand to work with members of both parties, Democrats and Republicans, to protect our citizens of every background, color, religion, and creed. My duty, and the sacred duty of every elected official in this Chamber, is to defend Americans, to protect their safety, their families, their communities, and their right to the American Dream. Because Americans are dreamers too. Here tonight is one leader in the effort to defend our country, Homeland Security Investigations Special Agent Celestino Martinez. He goes by "D.J." and "C.J." He said, "Call me either one." [*Laughter*] So we'll call you "C.J." [*Laughter*] Served 15 years in the Air Force before becoming an ICE agent and spending the last 15 years fighting gang violence and getting dangerous criminals off of our streets. Tough job.

At one point, MS-13 leaders ordered C.J.'s murder. And they wanted it to happen quickly. But he did not cave to threats or to fear. Last May, he commanded an operation to track down gang members on Long Island. His team has arrested nearly 400, including more than 220 MS-13 gang members. And I have to tell you, what the Border Patrol and ICE have done, we have sent thousands and thousands and thousands of MS-13 horrible people out of this country or into our prisons. So I just want to congratulate you, C.J. You're a brave guy. Thank you very much.

And I asked C.J., "What's the secret?" He said, "We're just tougher than they are." And I like that answer. [*Laughter*] Now, let's get Congress to send you—and all of the people in this great Chamber have to do it; we have no choice. C.J., we're going to send you reinforcements, and we're going to send them to you quickly. It's what you need.

Over the next few weeks, the House and Senate will be voting on an immigration reform package. In recent months, my administration has met extensively with both Democrats and Republicans to craft a bipartisan approach to immigration reform. Based on these discussions, we presented Congress with a detailed proposal that should be supported by both parties as a fair compromise, one where nobody gets everything they want, but where our country gets the critical reforms it needs and must have.

Here are the four pillars of our plan: The first pillar of our framework generously offers a path to citizenship for 1.8 million illegal immigrants who were brought here by their parents at a young age. That covers almost three times more people than the previous administration covered. Under our plan, those who meet education and work requirements and show good moral character will be able to become full citizens of the United States over a 12-year period.

The second pillar fully secures the border. That means building a great wall on the southern border, and it means hiring more heroes, like C.J., to keep our communities safe. Crucially, our plan closes the terrible loopholes exploited by criminals and terrorists to enter our country, and it finally ends the horrible and dangerous practice of catch-and-release.

The third pillar ends the visa lottery, a program that randomly hands out green cards without any regard for skill, merit, or the safety of American people. It's time to begin moving toward a merit-based immigration system, one that admits people who are skilled, who want to work, who will contribute to our society, and who will love and respect our country.

The fourth and final pillar protects the nuclear family by ending chain migration. Under the current broken system, a single immigrant can bring in virtually unlimited numbers of distant relatives. Under our plan, we focus on the immediate family by limiting sponsorships to spouses and minor children. This vital reform is necessary, not just for our economy, but for our security and for the future of America.

In recent weeks, two terrorist attacks in New York were made possible by the visa lottery and chain migration. In the age of terrorism, these programs present risks we can just no longer afford. It's time to reform these outdated immigration rules and finally bring our immigration system into the 21st century. These four pillars represent a down-the-middle compromise and one that will create a safe, modern, and lawful immigration system. For over 30 years, Washington has tried and failed to solve this problem. This Congress can be the one that finally makes it happen. Most importantly, these four pillars will produce legislation that fulfills my ironclad pledge to sign a bill that puts America first. So let's come together, set politics aside, and finally get the job done.

These reforms will also support our response to the terrible crisis of opioid and drug addiction. Never before has it been like it is now. It is terrible. We have to do something about it. In 2016, we lost 64,000 Americans to drug overdoses: 174 deaths per day, 7 per hour. We must get much tougher on drug dealers and pushers if we are going to succeed in stopping this scourge.

My administration is committed to fighting the drug epidemic and helping get treatment for those in need, for those who have been so terribly hurt. The struggle will be long, and it will be difficult, but as Americans always do, in the end, we will succeed. We will prevail.

As we have seen tonight, the most difficult challenges bring out the best in America. We see a vivid expression of this truth in the story of the Holets family of New Mexico. Ryan Holets is 27 years old, an officer with the Albuquerque Police Department. He's here tonight with his wife Rebecca. Thank you, Ryan.

Last year, Ryan was on duty when he saw a pregnant, homeless woman preparing to inject heroin. When Ryan told her she was going to harm her unborn child, she began to weep. She told him she didn't know where to turn, but badly wanted a safe home for her baby.

In that moment, Ryan said he felt God speak to him: "You will do it, because you can." He heard those words. He took out a picture of his wife and their four kids. Then, he went home to tell his wife Rebecca. In an instant, she agreed to adopt. The Holets named their new daughter Hope. Ryan and Rebecca, you embody the goodness of our Nation. Thank you. Thank you, Ryan and Rebecca.

As we rebuild America's strength and confidence at home, we are also restoring our strength and standing abroad. Around the world, we face rogue regimes, terrorist groups, and rivals like China and Russia that challenge our interests, our economy, and our values. In confronting these horrible dangers, we know that weakness is the surest path to conflict and unmatched power is the surest means to our true and great defense.

For this reason, I am asking Congress to end the dangerous defense sequester and fully fund our great military. As part of our defense, we must modernize and rebuild our nuclear arsenal, hopefully, never having to use it, but making it so strong and so powerful that it will deter any acts of aggression by any other nation or anyone else. Perhaps someday in the future, there will be a magical moment when the countries of the world will get together to eliminate their nuclear weapons. Unfortunately, we are not there yet, sadly.

Last year, I also pledged that we would work with our allies to extinguish ISIS from the face of the Earth. One year later, I am proud to report that the coalition to defeat ISIS has liberated very close to 100 percent of the territory just recently held by these killers in Iraq and in Syria and in other locations as well. But there is much more work to be done. We will continue our fight until ISIS is defeated.

Army Staff Sergeant Justin Peck is here tonight. Near Raqqa, last November, Justin and his comrade, Chief Petty Officer Kenton Stacy, were on a mission to clear buildings that ISIS had rigged with explosive so that civilians could return to that city, hopefully, soon and, hopefully, safely.

Clearing the second floor of a vital hospital, Kenton Stacy was severely wounded by an explosion. Immediately, Justin bounded into the booby-trapped and unbelievably dangerous and unsafe building, and found Kenton, but in very, very bad shape. He applied pressure to the wound and inserted a tube to reopen an airway. He then performed CPR for 20 straight minutes during the ground transport and maintained artificial respiration through 2½ hours and through emergency surgery.

Kenton Stacy would have died if it were not for Justin's selfless love for his fellow warrior. Tonight Kenton is recovering in Texas, Raqqa is liberated, and Justin is wearing his new Bronze Star, with a "V" for valor. Staff Sergeant Peck, all of America salutes you.

Terrorists who do things like place bombs in civilian hospitals are evil. When possible, we have no choice but to annihilate them. When necessary, we must be able to detain and question them. But we must be clear: Terrorists are not merely criminals, they are unlawful enemy combatants. And when captured overseas, they should be treated like the terrorists they are.

In the past, we have foolishly released hundreds and hundreds of dangerous terrorists, only to meet them again on the battlefield, including the ISIS leader, al-Baghdadi, who we captured, who we had, who we released. So today I'm keeping another promise. I just signed, prior to walking in, an order directing Secretary Mattis—who is doing a great job, thank you—to reexamine our military detention policy and to keep open the detention facilities in Guantanamo Bay. I am asking Congress to ensure that, in the fight against ISIS and Al Qaida, we continue to have all necessary power to detain terrorists, wherever we chase them down, wherever we find them. And in many cases, for them, it will now be Guantanamo Bay.

At the same time, as of a few months ago, our warriors in Afghanistan have new rules of engagement. Along with their heroic Afghan partners, our military is no longer undermined by artificial timelines, and we no longer tell our enemies our plans.

Last month, I also took an action endorsed unanimously by the U.S. Senate just months before. I recognized Jerusalem as the capital of Israel. Shortly afterwards, dozens of countries voted in the United Nations General Assembly against America's sovereign right to make this decision. In 2016, American taxpayers generously sent those same countries more than $20 billion in aid. That is why tonight I am asking Congress to pass legislation to help ensure American foreign-assistance dollars always serve American interests and only go to friends of America, not enemies of America.

As we strengthen friendships all around the world, we are also restoring clarity about our adversaries. When the people of Iran rose up against the crimes of their corrupt dictatorship, I did not stay silent. America stands with the people of Iran in their courageous struggle for freedom. I am asking Congress to address the fundamental flaws in the terrible Iran nuclear deal. My administration has also imposed tough sanctions on the communist and socialist dictatorships in Cuba and Venezuela.

But no regime has oppressed its own citizens more totally or brutally than the cruel dictatorship in North Korea. North Korea's reckless pursuit of nuclear missiles could very soon threaten our homeland. We are waging a campaign of maximum pressure to prevent that from ever happening. Past experience has taught us that complacency and concessions only invite aggression and provocation. I will not repeat the mistakes of past administrations that got us into this very dangerous position. We need only look at the depraved character of the North Korean regime to understand the nature of the nuclear threat it could pose to America and to our allies.

Otto Warmbier was a hard-working student at the University of Virginia, and a great student he was. On his way to study abroad in Asia, Otto joined a tour to North Korea. At its conclusion, this wonderful young man was arrested and charged with crimes against the state. After a shameful trial, the dictatorship sentenced Otto to 15 years of hard labor, before returning him to America last June, horribly injured and on the verge of death. He passed away just days after his return.

Otto's wonderful parents, Fred and Cindy Warmbier, are here with us tonight, along with Otto's brother and sister, Austin and Greta. Please. Incredible people. You are powerful witnesses to a menace that threatens our world, and your strength truly inspires us all. Thank you very much. Thank you. Tonight we pledge to honor Otto's memory with total American resolve. Thank you.

Finally—[*applause*]—thank you. We are joined by one more witness to the ominous nature of this regime. His name is Mr. Ji Sung-ho. In 1996, Sung-ho was a starving boy in North Korea. One day, he tried to steal coal from a railroad car to barter for a few scraps of food, which were very hard to get. In the process, he passed out on the train tracks, exhausted from hunger. He woke up as a train ran over his limbs. He then endured multiple amputations without anything to dull the pain or the hurt. His brother and sister gave what little food they had to help him recover and ate dirt themselves, permanently stunting their own growth.

Later, he was tortured by North Korean authorities after returning from a brief visit to China. His tormentors wanted to know if he'd met any Christians. He had, and he resolved, after that, to be free. Sung-ho traveled thousands of miles on crutches all across China and Southeast Asia to freedom. Most of his family followed. His father was caught trying to escape and was tortured to death.

Today, he lives in Seoul, where he rescues other defectors and broadcasts into North Korea what the regime fears most: the truth. Today, he has a new leg. But, Sung-ho, I understand you still keep those old crutches as a reminder of how far you've come. Your great sacrifice is an inspiration to us all. Please. Thank you. Sung-ho's story is a testament to the yearning of every human soul to live in freedom.

It was that same yearning for freedom that nearly 250 years ago gave birth to a special place called America. It was a small cluster of colonies caught between a great ocean and a vast wilderness. It was home to an incredible people with a revolutionary idea: that they could rule themselves; that they could chart their own destiny; and that, together, they could light up the entire world.

That is what our country has always been about. That is what Americans have always stood for, always strived for, and always done. Atop the dome of this Capitol stands the statue of Freedom. She stands tall and dignified among the monuments to our ancestors who fought and lived and died to protect her: monuments to Washington and Jefferson and Lincoln and King. Memorials to the heroes of Yorktown and Saratoga; to young Americans who shed their blood on the shores of Normandy and the fields beyond; and others, who went down in the waters of the Pacific and the skies all over Asia. And Freedom stands tall over one more monument: this one. This Capitol—this living monument—this is the monument to the American people.

*Audience members.* U.S.A.! U.S.A.! U.S.A.!

*The President.* We're a people whose heroes live not only in the past, but all around us, defending hope, pride, and defending the American way.

They work in every trade. They sacrifice to raise a family. They care for our children at home. They defend our flag abroad. And they are strong moms and brave kids. They are firefighters and police officers and border agents, medics and marines. But above all else, they are Americans. And this Capitol, this city, this Nation, belongs entirely to them. Our task is to respect them, to listen to them, to serve them, to protect them, and to always be worthy of them.

Americans fill the world with art and music. They push the bounds of science and discovery. And they forever remind us of what we should never, ever forget: The people dreamed this country, the people built this country, and it's the people who are making America great again.

As long as we are proud of who we are and what we are fighting for, there is nothing we cannot achieve. As long as we have confidence in our values, faith in our citizens, and trust in our God, we will never fail. Our families will thrive. Our people will prosper. And our Nation will forever be safe and strong and proud and mighty and free.

Thank you. And God bless America. Goodnight.

February 05, 2019

*The President.* Madam Speaker, Mr. Vice President, Members of Congress, the First Lady of the United States, and my fellow Americans: We meet tonight at a moment of unlimited potential. As we begin a new Congress, I stand here ready to work with you to achieve historic breakthroughs for all Americans.

Millions of our fellow citizens are watching us now, gathered in this great Chamber, hoping that we will govern not as two parties, but as one Nation. The agenda I will lay out this evening is not a Republican agenda or a Democrat agenda. It's the agenda of the American people.

Many of us have campaigned on the same core promises: to defend American jobs and demand fair trade for American workers; to rebuild and revitalize our Nation's infrastructure; to reduce the price of health care and prescription drugs; to create an immigration system that is safe, lawful, modern, and secure; and to pursue a foreign policy that puts America's interests first.

There is a new opportunity in American politics, if only we have the courage, together, to seize it. Victory is not winning for our party, victory is winning for our country.

This year, America will recognize two important anniversaries that show us the majesty of America's mission and the power of American pride.

In June, we mark 75 years since the start of what General Dwight D. Eisenhower called the Great Crusade, the Allied liberation of Europe in World War II. On D-day, June 6, 1944, 15,000 young American men jumped from the sky, and 60,000 more stormed in from the sea, to save our civilization from tyranny. Here with us tonight are three of those incredible heroes: Private First Class Joseph Reilly, Staff Sergeant Irving Locker, and Sergeant Herman Zeitchik. Please. Gentlemen, we salute you.

In 2019, we also celebrate 50 years since brave young pilots flew a quarter of a million miles through space to plant the American flag on the face of the Moon. Half a century later, we are joined by one of the *Apollo 11* astronauts who planted that flag: Buzz Aldrin. Thank you, Buzz. This year, American astronauts will go back to space on American rockets.

In the 20th century, America saved freedom, transformed science, redefined the middle class, and when you get down to it, there's nothing anywhere in the world that can compete with America. Now we must step boldly and bravely into the next chapter of this great American adventure, and we must create a new standard of living for the 21st century. An amazing quality of life for all of our citizens is within reach.

We can make our communities safer, our families stronger, our culture richer, our faith deeper, and our middle class bigger and more prosperous than ever before. But we must reject the politics of revenge, resistance, and retribution, and embrace the boundless potential of cooperation, compromise, and the common good.

Together, we can break decades of political stalemate. We can bridge old divisions, heal old wounds, build new coalitions, forge new solutions, and unlock the extraordinary promise of America's future. The decision is ours to make. We must choose between greatness or gridlock, results or resistance, vision or vengeance, incredible progress or pointless destruction. Tonight I ask you to choose greatness.

Over the last 2 years, my administration has moved with urgency and historic speed to confront problems neglected by leaders of both parties over many decades. In just over 2 years since the election, we have launched an unprecedented economic boom, a boom that has rarely been seen before. There's been nothing like it. We have created 5.3 million new jobs and, importantly, added 600,000 new manufacturing jobs, something which almost everyone said was impossible to do. But the fact is, we are just getting started.

Wages are rising at the fastest pace in decades and growing for blue-collar workers, who I promised to fight for. They're growing faster than anyone else thought possible. Nearly 5 million Americans have been lifted off food stamps. The U.S. economy is growing almost twice as fast today as when I took office. And we are considered, far and away, the hottest economy anywhere in the world. Not even close.

Unemployment has reached the lowest rate in over half a century. African American, Hispanic American, and Asian American unemployment have all reached their lowest levels ever recorded. Unemployment for Americans with disabilities has also reached an alltime low. More people are working now than at any time in the history of our country: 157 million people at work.

We passed a massive tax cut for working families and doubled the child tax credit. We virtually ended the estate tax—or death tax, as it is often called—on small businesses, for ranchers, and also for family farms. We eliminated the very unpopular Obamacare individual mandate penalty. And to give critically ill patients access to lifesaving cures, we passed, very importantly, "right to try."

My administration has cut more regulations in a short period of time than any other administration during its entire tenure. Companies are coming back to our country in large numbers thanks to our historic reductions in taxes and regulations. And we have unleashed a revolution in American energy. The United States is now the number-one producer of oil and natural gas anywhere in the world. And now, for the first time in 65 years, we are a net exporter of energy.

After 24 months of rapid progress, our economy is the envy of the world, our military is the most powerful on Earth, by far, and America is again winning each and every day. Members of Congress: The state of our union is strong.

*Audience members.* U.S.A.! U.S.A.! U.S.A.!

*The President.* That sounds so good. [*Laughter*]

Our country is vibrant, and our economy is thriving like never before. On Friday, it was announced that we added another 304,000 jobs last month alone, almost double the number expected. An economic miracle is taking place in the United States, and the only thing that can stop it are foolish wars, politics, or ridiculous, partisan investigations. If there is going to be peace and legislation, there cannot be war and investigation. [*Laughter*] It just doesn't work that way.

We must be united at home to defeat our adversaries abroad. This new era of cooperation can start with finally confirming the more than 300 highly qualified nominees who are still stuck in the Senate, in some cases, years and years waiting. Not right. The Senate has failed to act on these nominations, which is unfair to the nominees and very unfair to our country. Now is the time for bipartisan action. Believe it or not, we have already proven that that's possible. In the last Congress, both parties came together to pass unprecedented legislation to confront the opioid crisis, a sweeping new farm bill, historic VA reforms. And after four decades of rejection, we passed VA Accountability so that we can finally terminate those who mistreat our wonderful veterans.

And just weeks ago, both parties united for groundbreaking criminal justice reform. They said it couldn't be done. Last year, I heard, through friends, the story of Alice Johnson. I was deeply moved. In 1997, Alice was sentenced to life in prison as a first-time nonviolent drug offender. Over the next 22 years, she became a prison minister, inspiring others to choose a better path. She had a big impact on that prison population and far beyond.

Alice's story underscores the disparities and unfairness that can exist in criminal sentencing and the need to remedy this total injustice. She served almost that 22 years and had expected to be in prison for the remainder of her life.

In June, I commuted Alice's sentence. When I saw Alice's beautiful family greet her at the prison gates, hugging and kissing and crying and laughing, I knew I did something right. Alice is with us tonight, and she is a terrific woman. Terrific. Alice, please. Alice, thank you for reminding us that we always have the power to shape our own destiny. Thank you very much, Alice. Thank you very much.

Inspired by stories like Alice's, my administration worked closely with members of both parties to sign the First Step Act into law. Big deal. It's a big deal. This legislation reformed sentencing laws that have wrongly and disproportionately harmed the African American community. The First Step Act gives nonviolent offenders the chance to reenter society as productive, law-abiding citizens. Now States across the country are following our lead. America is a nation that believes in redemption.

We are also joined tonight by Matthew Charles from Tennessee. In 1996, at the age of 30, Matthew was sentenced to 35 years for selling drugs and related offenses. Over the next two decades, he completed more than 30 Bible studies, became a law clerk, and mentored many of his fellow inmates. Now Matthew is the very first person to be released from prison under the First Step Act. Matthew, please. Thank you, Matthew. Welcome home.

Now Republicans and Democrats must join forces again to confront an urgent national crisis. Congress has 10 days left to pass a bill that will fund our Government, protect our homeland, and secure our very dangerous southern border. Now is the time for Congress to show the world that America is committed to ending illegal immigration and putting the ruthless coyotes, cartels, drug dealers, and human traffickers out of business.

As we speak, large, organized caravans are on the march to the United States. We have just heard that Mexican cities, in order to remove the illegal immigrants from their communities, are getting trucks and buses to bring them up to our country in areas where there is little border protection. I have ordered another 3,750 troops to our southern border to prepare for this tremendous onslaught.

This is a moral issue. The lawless state of our southern border is a threat to the safety, security, and financial well-being of all America. We have a moral duty to create an immigration system that protects the lives and jobs of our citizens. This includes our obligation to the millions of immigrants living here today who followed the rules and respected our laws. Legal immigrants enrich our Nation and strengthen our society in countless ways. I want people to come into our country in the largest numbers ever, but they have to come in legally. Tonight I am asking you to defend our very dangerous southern border out of love and devotion to our fellow citizens and to our country. No issue better illustrates the divide between America's working class and America's political class than illegal immigration. Wealthy politicians and donors push for open borders while living their lives behind walls and gates and guards.

Meanwhile, working-class Americans are left to pay the price for mass illegal immigration: reduced jobs, lower wages, overburdened schools, hospitals that are so crowded you can't get in, increased crime, and a depleted social safety net. Tolerance for illegal immigration is not compassionate; it is actually very cruel.

One in three women is sexually assaulted on the long journey north. Smugglers use migrant children as human pawns to exploit our laws and gain access to our country. Human traffickers and sex traffickers take advantage of the wide-open areas between our ports of entry to smuggle thousands of young girls and women into the United States and to sell them into prostitution and modern-day slavery.

Tens of thousands of innocent Americans are killed by lethal drugs that cross our border and flood into our cities, including meth, heroin, cocaine, and fentanyl.

The savage gang, MS-13, now operates in at least 20 different American States, and they almost all come through our southern border. Just yesterday an MS-13 gang member was taken into custody for a fatal shooting on a subway platform in New York City. We are removing these gang members by the thousands. But until we secure our border, they're going to keep streaming right back in.

Year after year, countless Americans are murdered by criminal illegal aliens. I've gotten to know many wonderful Angel moms and dads and families. No one should ever have to suffer the horrible heartache that they have had to endure.

Here tonight is Debra Bissell. Just 3 weeks ago, Debra's parents Gerald and Sharon were burglarized and shot to death in their Reno, Nevada, home by an illegal alien. They were in their eighties and are survived by 4 children, 11 grandchildren, and 20 great-grandchildren. Also here tonight are Gerald and Sharon's granddaughter Heather and great-granddaughter Madison.

To Debra, Heather, Madison, please stand. Few can understand your pain. Thank you. And thank you for being here. Thank you very much. I will never forget, and I will fight for the memory of Gerald and Sharon that it should never happen again. Not one more American life should be lost because our Nation failed to control its very dangerous border.

In the last 2 years, our brave ICE officers made 266,000 arrests of criminal aliens, including those charged or convicted of nearly 100,000 assaults, 30,000 sex crimes, and 4,000 killings or murders. We are joined tonight by one of those law enforcement heroes: ICE Special Agent Elvin Hernandez. When Elvin—[*applause*]—thank you. When Elvin was a boy, he and his family legally immigrated to the United States from the Dominican Republic. At the age of 8, Elvin told his dad he wanted to become a Special Agent. Today, he leads investigations into the scourge of international sex trafficking.

Elvin says that "If I can make sure these young girls get their justice, I've really done my job." Thanks to his work, and that of his incredible colleagues, more than 300 women and girls have been rescued from the horror of this terrible situation, and more than 1,500 sadistic traffickers have been put behind bars. Thank you, Elvin. We will always support the brave men and women of law enforcement, and I pledge to you tonight that I will never abolish our heroes from ICE. Thank you.

My administration has sent to Congress a commonsense proposal to end the crisis on the southern border. It includes humanitarian assistance, more law enforcement, drug detection at our ports, closing loopholes that enable child smuggling, and plans for a new physical barrier, or wall, to secure the vast areas between our ports of entry.

In the past, most of the people in this room voted for a wall, but the proper wall never got built. I will get it built. This is a smart, strategic, see-through steel barrier, not just a simple concrete wall. It will be deployed in the areas identified by the border agents as having the greatest need. And these agents will tell you: Where walls go up, illegal crossings go way, way down.

San Diego used to have the most illegal border crossings in our country. In response, a strong security wall was put in place. This powerful barrier almost completely ended illegal crossings.

The border city of El Paso, Texas, used to have extremely high rates of violent crime, one of the highest in the entire country, and considered one of our Nation's most dangerous cities. Now, immediately upon its building, with a powerful barrier in place, El Paso is one of the safest cities in our country. Simply put: Walls work, and walls save lives. So let's work together, compromise, and reach a deal that will truly make America safe.

As we work to defend our people's safety, we must also ensure our economic resurgence continues at a rapid pace. No one has benefited more from our thriving economy than women, who have filled 58 percent of the newly created jobs last year.

[*At this point, Democratic Congresswomen joined other Members of Congress, Cabinet members, and attendees in a standing ovation.*]

You weren't supposed to do that. Thank you very much. Thank you very much. [*Laughter*]

All Americans can be proud that we have more women in the workforce than ever before.

[*Democratic Congresswomen joined other Members of Congress and others in another standing ovation.*]

Don't sit yet. You're going to like this. [*Laughter*]

And exactly one century after Congress passed the constitutional amendment giving women the right to vote, we also have more women serving in Congress than at any time before.

*Audience members.* U.S.A.! U.S.A.! U.S.A.!

*The President.* That's great. Really great. And congratulations. That's great.

As part of our commitment to improving opportunity for women everywhere, this Thursday we are launching the first-ever Governmentwide initiative focused on economic empowerment for women in developing countries.

To build on—[*applause*]—thank you. To build on our incredible economic success, one priority is paramount: reversing decades of calamitous trade policies. So bad.

We are now making it clear to China that, after years of targeting our industries and stealing our intellectual property, the theft of American jobs and wealth has come to an end. Therefore, we recently imposed tariffs on $250 billion of Chinese goods, and now our Treasury is receiving billions and billions of dollars.

But I don't blame China for taking advantage of us; I blame our leaders and representatives for allowing this travesty to happen. I have great respect for President Xi, and we are now working on a new trade deal with China. But it must include real, structural change to end unfair trade practices, reduce our chronic trade deficit, and protect American jobs. [*Applause*] Thank you.

Another historic trade blunder was the catastrophe known as NAFTA. I have met the men and women of Michigan, Ohio, Pennsylvania, Indiana, New Hampshire, and many other States whose dreams were shattered by the signing of NAFTA. For years, politicians promised them they would renegotiate for a better deal, but no one ever tried, until now.

Our new U.S.-Mexico-Canada Agreement, the USMCA, will replace NAFTA and deliver for American workers like they haven't had delivered to for a long time. I hope you can pass the USMCA into law so that we can bring back our manufacturing jobs in even greater numbers, expand American agriculture, protect intellectual property, and ensure that more cars are proudly stamped with our four beautiful words: Made in the U.S.A.

Tonight I am also asking you to pass the United States Reciprocal Trade Act so that if another country places an unfair tariff on an American product, we can charge them the exact same tariff on the exact same product that they sell to us.

Both parties should be able to unite for a great rebuilding of America's crumbling infrastructure. I know that Congress is eager to pass an infrastructure bill, and I am eager to work with you on legislation to deliver new and important infrastructure investment, including investments in the cutting-edge industries of the future. This is not an option, this is a necessity.

The next major priority for me, and for all of us, should be to lower the cost of health care and prescription drugs and to protect patients with preexisting conditions. Already, as a result of my administration's efforts, in 2018, drug prices experienced their single largest decline in 46 years.

But we must do more. It's unacceptable that Americans pay vastly more than people in other countries for the exact same drugs, often made in the exact same place. This is wrong, this is unfair, and together, we will stop it, and we'll stop it fast.

I am asking Congress to pass legislation that finally takes on the problem of global freeloading and delivers fairness and price transparency for American patients, finally. We should also require drug companies, insurance companies, and hospitals to disclose real prices to foster competition and bring costs way down.

No force in history has done more to advance the human condition than American freedom. In recent years, we have made remarkable progress in the fight against HIV and AIDS. Scientific breakthroughs have brought a once-distant dream within reach. My budget will ask Democrats and Republicans to make the needed commitment to eliminate the HIV epidemic in the United States within 10 years. We have made incredible strides. Incredible. Together, we will defeat AIDS in America and beyond.

Tonight I am also asking you to join me in another fight that all Americans can get behind: the fight against childhood cancer. Joining Melania in the gallery this evening is a very brave 10-year-old girl, Grace Eline. Every birthday—[*applause*]. Hi, Grace. [*Laughter*] Every birthday since she was 4, Grace asked her friends to donate to St. Jude's Children's Hospital. She did not know that one day she might be a patient herself. That's what happened.

Last year, Grace was diagnosed with brain cancer. Immediately, she began radiation treatment. At the same time, she rallied her community and raised more than $40,000 for the fight against cancer. When Grace completed treatment last fall, her doctors and nurses cheered—they loved her; they still love her—with tears in their eyes as she hung up a poster that read: "Last day of chemo." Thank you very much, Grace. You are a great inspiration to everyone in this room. Thank you very much.

Many childhood cancers have not seen new therapies in decades. My budget will ask Congress for $500 million over the next 10 years to fund this critical lifesaving research.

To help support working parents, the time has come to pass school choice for Americans' children. I am also proud to be the first President to include in my budget a plan for nationwide paid family leave so that every new parent has the chance to bond with their newborn child.

*Audience member.* Yes!

*The President.* There could be no greater contrast to the beautiful image of a mother holding her infant child than the chilling displays our Nation saw in recent days. Lawmakers in New York cheered with delight upon the passage of legislation that would allow a baby to be ripped from the mother's womb moments from birth. These are living, feeling, beautiful babies who will never get the chance to share their love and their dreams with the world. And then, we had the case of the Governor of Virginia where he stated he would execute a baby after birth.

To defend the dignity of every person, I am asking Congress to pass legislation to prohibit the late-term abortion of children who can feel pain in the mother's womb. Let us work together to build a culture that cherishes innocent life. And let us reaffirm a fundamental truth: All children—born and unborn—are made in the holy image of God.

The final part of my agenda is to protect American security. Over the last 2 years, we have begun to fully rebuild the United States military, with $700 billion last year and $716 billion this year.

We are also getting other nations to pay their fair share. Finally. [*Applause*] Finally. For years, the United States was being treated very unfairly by friends of ours, members of NATO. But now we have secured, over the last couple of years, more than $100 billion of increase in defense spending from our NATO Allies. They said it couldn't be done.

As part of our military buildup, the United States is developing a state-of-the-art missile defense system.

Under my administration, we will never apologize for advancing America's interests.

For example, decades ago, the United States entered into a treaty with Russia in which we agreed to limit and reduce our missile capability. While we followed the agreement and the rules to the letter, Russia repeatedly violated its terms. It's been going on for many years. That is why I announced that the United States is officially withdrawing from the Intermediate-Range Nuclear Forces Treaty, or INF Treaty. Perhaps—[*applause*]—we really have no choice. Perhaps we can negotiate a different agreement, adding China and others, or perhaps we can't, in which case, we will outspend and outinnovate all others by far.

As part of a bold new diplomacy, we continue our historic push for peace on the Korean Peninsula. Our hostages have come home, nuclear testing has stopped, and there has not been a missile launch in more than 15 months. If I had not been elected President of the United States, we would right now, in my opinion, be in a major war with North Korea. Much work remains to be done, but my relationship with Kim Jong Un is a good one. Chairman Kim and I will meet again on February 27 and 28 in Vietnam.

Two weeks ago, the United States officially recognized the legitimate Government of Venezuela and its new President, Juan Guaidó. We stand with the Venezuelan people in their noble quest for freedom, and we condemn the brutality of the Maduro regime, whose socialist policies have turned that nation from being the wealthiest in South America into a state of abject poverty and despair.

Here in the United States, we are alarmed by the new calls to adopt socialism in our country.

*Audience members.* Boo!

*The President.* America was founded on liberty and independence and not Government coercion, domination, and control. We are born free, and we will stay free.

*Audience members.* U.S.A.! U.S.A.! U.S.A.!

*The President.* Tonight we renew our resolve that America will never be a socialist country.

*Audience members.* U.S.A.! U.S.A.! U.S.A.!

*The President.* One of the most complex set of challenges we face, and have for many years, is in the Middle East. Our approach is based on principled realism, not discredited theories that have failed for decades to yield progress. For this reason, my administration recognized the true capital of Israel and proudly opened the American Embassy in Jerusalem.

Our brave troops have now been fighting in the Middle East for almost 19 years. In Afghanistan and Iraq, nearly 7,000 American heroes have given their lives. More than 52,000 Americans have been badly wounded. We have spent more than $7 trillion in fighting wars in the Middle East.

As a candidate for President, I loudly pledged a new approach. Great nations do not fight endless wars. When I took office, ISIS controlled more than 20,000 square miles in Iraq and Syria, just 2 years ago. Today, we have liberated virtually all of the territory from the grip of these bloodthirsty monsters. Now, as we work with our allies to destroy the remnants of ISIS, it is time to give our brave warriors in Syria a warm welcome home.

I have also accelerated our negotiations to reach—if possible—a political settlement in Afghanistan. The opposing side is also very happy to be negotiating. Our troops have fought with unmatched valor. And thanks to their bravery, we are now able to pursue a possible political solution to this long and bloody conflict.

In Afghanistan, my administration is holding constructive talks with a number of Afghan groups, including the Taliban. As we make progress in these negotiations, we will be able to reduce our troop's presence and focus on counterterrorism. And we will indeed focus on counterterrorism. We do not know whether we'll achieve an agreement, but we do know that, after two decades of war, the hour has come to at least try for peace. And the other side would like to do the same thing. It's time.

Above all, friend and foe alike must never doubt this Nation's power and will to defend our people. Eighteen years ago, violent terrorists attacked the USS *Cole*. And last month, American forces killed one of the leaders of that attack.

We are honored to be joined tonight by Tom Wibberley, whose son, Navy Seaman Craig Wibberley, was one of the 17 sailors we tragically lost. Tom, we vow to always remember the heroes of the USS *Cole*. Thank you, Tom.

My administration has acted decisively to confront the world's leading state sponsor of terror: the radical regime in Iran. It is a radical regime. They do bad, bad things. To ensure this corrupt dictatorship never acquires nuclear weapons, I withdrew the United States from the disastrous Iran nuclear deal. And last fall, we put in place the toughest sanctions ever imposed by us on a country.

We will not avert our eyes from a regime that chants "Death to America" and threatens genocide against the Jewish people. We must never ignore the vile poison of anti-Semitism or those who spread its venomous creed. With one voice, we must confront this hatred anywhere and everywhere it occurs.

Just months ago, 11 Jewish Americans were viciously murdered in an anti-Semitic attack on the Tree of Life synagogue in Pittsburgh. SWAT Officer Timothy Matson raced into the gunfire and was shot seven times chasing down the killer. And he was very successful. Timothy has just had his 12th surgery, and he is going in for many more. But he made the trip to be here with us tonight. Officer Matson, please. Thank you. We are forever grateful. Thank you very much.

Tonight we are also joined by Pittsburgh survivor, Judah Samet. He arrived at the synagogue as the massacre began. But not only did Judah narrowly escape death last fall, more than seven decades ago, he narrowly survived the Nazi concentration camps. Today is Judah's 81st birthday.

[*Audience members sang "Happy Birthday."*]

*The President.*[*Laughter*] Great.

*Pittsburgh, PA, resident Judah Samet.* Thank you! [*Laughter*]

*The President.* They wouldn't do that for me, Judah. [*Laughter*]

Judah says he can still remember the exact moment, nearly 75 years ago, after 10 months in a concentration camp, when he and his family were put on a train and told they were going to another camp. Suddenly, the train screeched to a very strong halt. A soldier appeared. Judah's family braced for the absolute worst. Then, his father cried out with joy: "It's the Americans! It's the Americans!" [*Applause*] Thank you.

A second Holocaust survivor who is here tonight, Joshua Kaufman, was a prisoner at Dachau. He remembers watching through a hole in the wall of a cattle car as American soldiers rolled in with tanks. "To me," Joshua recalls, "the American soldiers were proof that God exists, and they came down from the sky." They came down from Heaven. I began this evening by honoring three soldiers who fought on D-day in the Second World War. One of them was Herman Zeitchik. But there is more to Herman's story. A year after he stormed the beaches of Normandy, Herman was one of the American soldiers who helped liberate Dachau. He was one of the Americans who helped rescue Joshua from that hell on Earth.

Almost 75 years later, Herman and Joshua are both together in the gallery tonight, seated side by side, here in the home of American freedom. Herman and Joshua, your presence this evening is very much appreciated. Thank you very much. [*Applause*] Thank you.

When American soldiers set out beneath the dark skies over the English Channel in the early hours of D-day, 1944, they were just young men of 18 and 19, hurtling on fragile landing craft toward the most momentous battle in the history of war. They did not know if they would survive the hour. They did not know if they would grow old. But they knew that America had to prevail. Their cause was this Nation and generations yet unborn.

Why did they do it? They did it for America. They did it for us. Everything that has come since—our triumph over communism, our giant leaps of science and discovery, our unrivaled progress towards equality and justice—all of it is possible thanks to the blood and tears and courage and vision of the Americans who came before.

Think of this Capitol. Think of this very Chamber, where lawmakers before you voted to end slavery, to build the railroads and the highways and defeat fascism, to secure civil rights, and to face down evil empires.

Here tonight, we have legislators from across this magnificent republic. You have come from the rocky shores of Maine and the volcanic peaks of Hawaii; from the snowy woods of Wisconsin and the red deserts of Arizona; from the green farms of Kentucky and the golden beaches of California. Together, we represent the most extraordinary nation in all of history.

What will we do with this moment? How will we be remembered? I ask the men and women of this Congress: Look at the opportunities before us. Our most thrilling achievements are still ahead. Our most exciting journeys still await. Our biggest victories are still to come. We have not yet begun to dream.

We must choose whether we are defined by our differences or whether we dare to transcend them. We must choose whether we squander our great inheritance or whether we proudly declare that we are Americans. We do the incredible. We defy the impossible. We conquer the unknown.

This is the time to reignite the American imagination. This is the time to search for the tallest summit and set our sights on the brightest star. This is the time to rekindle the bonds of love and loyalty and memory that link us together as citizens, as neighbors, as patriots. This is our future, our fate, and our choice to make. I am asking you to choose greatness. No matter the trials we face, no matter the challenges to come, we must go forward together.

We must keep America first in our hearts, we must keep freedom alive in our souls, and we must always keep faith in America's destiny that one Nation, under God, must be the hope and the promise and the light and the glory among all the nations of the world.

Thank you, God bless you, and God bless America. Thank you very much. Thank you.

February 04, 2020

*The President.* Thank you very much. Thank you. Thank you very much.

Madam Speaker, Mr. Vice President, Members of Congress, the First Lady of the United States, and my fellow citizens: Three years ago, we launched the great American comeback. Tonight, I stand before you to share the incredible results. Jobs are booming, incomes are soaring, poverty is plummeting, crime is falling, confidence is surging, and our country is thriving and highly respected again. America's enemies are on the run, America's fortunes are on the rise, and America's future is blazing bright.

The years of economic decay are over. The days of our country being used, taken advantage of, and even scorned by other nations are long behind us. Gone too are the broken promises, jobless recoveries, tired platitudes, and constant excuses for the depletion of American wealth, power, and prestige.

In just 3 short years, we have shattered the mentality of American decline, and we have rejected the downsizing of America's destiny. We have totally rejected the downsizing. We are moving forward at a pace that was unimaginable just a short time ago, and we are never, ever going back.

I am thrilled to report to you tonight that our economy is the best it has ever been. Our military is completely rebuilt, with its power being unmatched anywhere in the world, and it's not even close. Our borders are secure. Our families are flourishing. Our values are renewed. Our pride is restored. And for all of these reasons, I say to the people of our great country and to the Members of Congress: The state of our Union is stronger than ever before.

The vision I will lay out this evening demonstrates how we are building the world's most prosperous and inclusive society, one where every citizen can join in America's unparalleled success and where every community can take part in America's extraordinary rise.

From the instant I took office, I moved rapidly to revive the U.S. economy, slashing a record number of job-killing regulations, enacting historic and record-setting tax cuts, and fighting for fair and reciprocal trade agreements. Our agenda is relentlessly pro-worker, pro-family, pro-growth, and, most of all, pro-American. [*Applause*] Thank you. Thank you. We are advancing with unbridled optimism and lifting our citizens of every race, color, religion, and creed very, very high.

Since my election, we have created 7 million new jobs, 5 million more than Government experts projected during the previous administration. The unemployment rate is the lowest in over half a century. And very incredibly, the average unemployment rate under my administration is lower than any administration in the history of our country. [*Applause*] True. If we hadn't reversed the failed economic policies of the previous administration, the world would not now be witnessing this great economic success.

The unemployment rate for African Americans, Hispanic Americans, and Asian Americans has reached the lowest levels in history. African American youth unemployment has reached an alltime low. African American poverty has declined to the lowest rate ever recorded.

The unemployment rate for women reached the lowest level in almost 70 years. And last year, women filled 72 percent of all new jobs added. The veterans unemployment rate dropped to a record low. The unemployment rate for disabled Americans has reached an alltime low. Workers without a high school diploma have achieved the lowest unemployment rate recorded in U.S. history. A record number of young Americans are now employed.

Under the last administration, more than 10 million people were added to the food stamp rolls. Under my administration, 7 million Americans have come off food stamps, and 10 million people have been lifted off of welfare. In 8 years under the last administration, over 300,000 working-age people dropped out of the workforce. In just 3 years of my administration, 3.5 million people—working-age people—have joined the workforce.

Since my election, the net worth of the bottom half of wage earners has increased by 47 percent, three times faster than the increase for the top 1 percent. After decades of flat and falling incomes, wages are rising fast, and wonderfully, they are rising fastest for low-income workers, who have seen a 16-percent pay increase since my election. This is a blue-collar boom. Real median household income is now at the highest level ever recorded.

Since my election, U.S. stock markets have soared 70 percent, adding more than $12 trillion to our Nation's wealth, transcending anything anyone believed was possible. This is a record. It is something that every country in the world is looking up to. They admire. Consumer confidence has just reached amazing new highs.

All of those millions of people with 401(k)s and pensions are doing far better than they have ever done before with increases of 60, 70, 80, 90, and 100 percent and even more.

Jobs and investments are pouring into 9,000 previously neglected neighborhoods thanks to Opportunity Zones, a plan spearheaded by Senator Tim Scott as part of our great Republican tax cuts. In other words, wealthy people and companies are pouring money into poor neighborhoods or areas that haven't seen investment in many decades, creating jobs, energy, and excitement. This is the first time that these deserving communities have seen anything like this. It's all working.

Opportunity Zones are helping Americans like Army veteran Tony Rankins from Cincinnati, Ohio. After struggling with drug addiction, Tony lost his job, his house, and his family. He was homeless. But then, Tony found a construction company that invests in Opportunity Zones. He is now a top tradesman, drug-free, reunited with his family, and he is here tonight. Tony, keep up the great work. Tony. Thank you, Tony.

Our roaring economy has, for the first time ever, given many former prisoners the ability to get a great job and a fresh start. This second chance at life is made possible because we passed landmark criminal justice reform into law. Everybody said that criminal justice reform couldn't be done, but I got it done, and the people in this room got it done.

Thanks to our bold regulatory reduction campaign, the United States has become the number one producer of oil and natural gas anywhere in the world, by far. With the tremendous progress we have made over the past 3 years, America is now energy independent, and energy jobs, like so many other elements of our country, are at a record high. We are doing numbers that no one would have thought possible just 3 years ago.

Likewise, we are restoring our Nation's manufacturing might, even though predictions were, as you all know, that this could never, ever be done. After losing 60,000 factories under the previous two administrations, America has now gained 12,000 new factories under my administration, with thousands upon thousands of plants and factories being planned or being built. Companies are not leaving; they are coming back to the U.S.A. The fact is that everybody wants to be where the action is, and the United States of America is indeed the place where the action is. One of the biggest promises I made to the American people was to replace the disastrous NAFTA trade deal. In fact, unfair trade is perhaps the single biggest reason that I decided to run for President. Following NAFTA's adoption, our Nation lost one in four manufacturing jobs. Many politicians came and went, pledging to change or replace NAFTA, only to do so, and then absolutely nothing happened. But unlike so many who came before me, I keep my promises: We did our job.

Six days ago, I replaced NAFTA and signed the brand-new U.S.-Mexico-Canada Agreement into law. The USMCA will create nearly 100,000 new high-paying American auto jobs and massively boost exports for our farmers, ranchers, and factory workers. It will also bring trade with Mexico and Canada to a much higher level, but also to be a much greater degree of fairness and reciprocity. We will have that: fairness and reciprocity. And I say that, finally, because it's been many, many years that we were treated fairly on trade. This is the first major trade deal in many years to earn the strong backing of America's labor unions.

I also promised our citizens that I would impose tariffs to confront China's massive theft of America's jobs. Our strategy has worked. Days ago, we signed the groundbreaking new agreement with China that will defend our workers, protect our intellectual property, bring billions and billions of dollars into our treasury, and open vast new markets for products made and grown right here in the U.S.A.

For decades, China has taken advantage of the United States. Now we have changed that, but, at the same time, we have perhaps the best relationship we've ever had with China, including with President Xi. They respect what we've done, because, quite frankly, they could never really believe that they were able to get away with what they were doing year after year, decade after decade, without someone in our country stepping up and saying, "That's enough." Now we want to rebuild our country, and that's exactly what we're doing. We are rebuilding our country.

As we restore American leadership throughout the world, we are once again standing up for freedom in our hemisphere. That's why my administration reversed the failing policies of the previous administration on Cuba.

We are supporting the hopes of Cubans, Nicaraguans, and Venezuelans to restore democracy. The United States is leading a 59-nation diplomatic coalition against the socialist dictator of Venezuela, Nicolás Maduro. Maduro is an illegitimate ruler, a tyrant who brutalizes his people. But Maduro's grip on tyranny will be smashed and broken.

Here this evening is a very brave man who carries with him the hopes, dreams, and aspirations of all Venezuelans. Joining us in the Gallery is the true and legitimate President of Venezuela, Juan Guaidó. Mr. President, please take this message back to your homeland. Thank you, Mr. President. Great honor. Thank you very much.

Please take this message back that all Americans are united with the Venezuelan people in their righteous struggle for freedom. Thank you very much, Mr. President. Thank you very much.

Socialism destroys nations. But always remember: Freedom unifies the soul.

To safeguard American liberty, we have invested a record-breaking $2.2 trillion in the United States military. We have purchased the finest planes, missiles, rockets, ships, and every other form of military equipment, and it's all made right here in the U.S.A.

We are also getting our allies, finally, to help pay their fair share. I have raised contributions from the other NATO members by more than $400 billion, and the number of allies meeting their minimum obligations has more than doubled. And just weeks ago, for the first time since President Truman established the Air Force more than 70 years earlier, we created a brand-new branch of the United States Armed Forces. It's called the Space Force. Very important.

In the Gallery tonight, we have a young gentleman. And what he wants so badly—13 years old—Iain Lanphier. He's an eighth grader from Arizona. Iain, please stand up. Iain has always dreamed of going to space. He was the first in his class and among the youngest at an aviation academy. He aspires to go to the Air Force Academy, and then he has his eye on the Space Force. As Iain says: "Most people look up at space. I want to look down on the world." [*Laughter*]

But sitting behind Iain tonight is his greatest hero of them all. Charles McGee was born in Cleveland, Ohio, one century ago. Charles is one of the last surviving Tuskegee Airmen—the first Black fighter pilots—and he also happens to be Iain's great-grandfather. Incredible story.

After more than 130 combat missions in World War II, he came back home to a country still struggling for civil rights and went on to serve America in Korea and Vietnam. On December 7, Charles celebrated his 100th birthday. A few weeks ago, I signed a bill promoting Charles McGee to Brigadier General. And earlier today I pinned the stars on his shoulders in the Oval Office. General McGee, our Nation salutes you. Thank you, sir.

From the pilgrims to the Founders, from the soldiers at Valley Forge to the marchers at Selma, and from President Lincoln to the Reverend Martin Luther King, Americans have always rejected limits on our children's future.

Members of Congress, we must never forget that the only victories that matter in Washington are victories that deliver for the American people. The people are the heart of our country, their dreams are the soul of our country, and their love is what powers and sustains our country. We must always remember that our job is to put America first.

The next step forward in building an inclusive society is making sure that every young American gets a great education and the opportunity to achieve the American Dream. Yet, for too long, countless American children have been trapped in failing government schools. To rescue these students, 18 States have created school choice in the form of Opportunity Scholarships. The programs are so popular that tens of thousands of students remain on a waiting list.

One of those students is Janiyah Davis, a fourth grader from Philadelphia. Janiyah. Janiyah's mom, Stephanie, is a single parent. She would do anything to give her daughter a better future. But last year, that future was put further out of reach when Pennsylvania's Governor vetoed legislation to expand school choice to 50,000 children. Janiyah and Stephanie are in the Gallery. Stephanie, thank you so much for being here with your beautiful daughter. Thank you very much.

But, Janiyah, I have some good news for you, because I am pleased to inform you that your long wait is over. I can proudly announce tonight that an "opportunity scholarship" has become available, it's going to you, and you will soon be heading to the school of your choice.

Now I call on Congress to give 1 million American children the same opportunity Janiyah has just received. Pass the Education Freedom Scholarships and Opportunities Act, because no parent should be forced to send their child to a failing government school.

Every young person should have a safe and secure environment in which to learn and to grow. For this reason, our magnificent First Lady has launched the "Be Best" initiative to advance a safe, healthy, supportive, and drug-free life for the next generation: online, in school, and in our communities. Thank you, Melania, for your extraordinary love and profound care for America's children. Thank you very much. My administration is determined to give our citizens the opportunities they need regardless of age or background. Through our Pledge to American Workers, over 400 companies will also provide new jobs and education opportunities to almost 15 million Americans.

My budget also contains an exciting vision for our Nation's high schools. Tonight I ask Congress to support our students and back my plan to offer vocational and technical education in every single high school in America.

To expand equal opportunity, I am also proud that we achieved record and permanent funding for our Nation's Historically Black Colleges and Universities.

A good life for American families also requires the most affordable, innovative, and high-quality health care system on Earth. Before I took office, health insurance premiums had more than doubled in just 5 years. I moved quickly to provide affordable alternatives. Our new plans are up to 60-percent less expensive and better.

I've also made an ironclad pledge to American families: We will always protect patients with preexisting conditions. And we will always protect your Medicare, and we will always protect your Social Security. Always.

The American patient should never be blindsided by medical bills. That is why I signed an Executive order requiring price transparency. Many experts believe that transparency, which will go into full effect at the beginning of next year, will be even bigger than health care reform. It will save families massive amounts of money for substantially better care.

But as we work to improve Americans' health care, there are those who want to take away your health care, take away your doctor, and abolish private insurance entirely.

*Audience members.* Boo!

*The President.* One hundred thirty-two lawmakers in this room have endorsed legislation to impose a socialist takeover of our health care system, wiping out the private health insurance plans of 180 million very happy Americans. To those watching at home tonight, I want you to know: We will never let socialism destroy American health care.

Over 130 legislators in this Chamber have endorsed legislation that would bankrupt our Nation by providing free taxpayer-funded health care to millions of illegal aliens, forcing taxpayers to subsidize free care for anyone in the world who unlawfully crosses our borders. These proposals would raid the Medicare benefits of our seniors, and that our seniors depend on, while acting as a powerful lure for illegal immigration. That is what is happening in California and other States. Their systems are totally out of control, costing taxpayers vast and unaffordable amounts of money.

If forcing American taxpayers to provide unlimited free health care to illegal aliens sounds fair to you, then stand with the radical left. But if you believe that we should defend American patients and American seniors, then stand with me and pass legislation to prohibit free Government health care for illegal aliens.

This will be a tremendous boon to our already very strongly guarded southern border where, as we speak, a long, tall, and very powerful wall is being built. We have now completed over 100 miles and have over 500 miles fully completed in a very short period of time. Early next year, we will have substantially more than 500 miles completed.

My administration is also taking on the big pharmaceutical companies. We have approved a record number of affordable generic drugs, and medicines are being approved by the FDA at a faster clip than ever before. And I was pleased to announce last year that, for the first time in 51 years, the cost of prescription drugs actually went down. And working together, Congress can reduce drug prices substantially from current levels. I've been speaking to Senator Chuck Grassley of Iowa and others in Congress in order to get something on drug pricing done, and done quickly and properly. I'm calling for bipartisan legislation that achieves the goal of dramatically lowering prescription drug prices. Get a bill on my desk, and I will sign it into law immediately.

*Audience members.* H.R. 3! H.R. 3! H.R. 3!

*The President.*With unyielding commitment, we are curbing the opioid epidemic. Drug overdose deaths declined for the first time in nearly 30 years. Among the States hardest hit, Ohio is down 22 percent, Pennsylvania is down 18 percent, Wisconsin is down 10 percent, and we will not quit until we have beaten the opioid epidemic once and for all.

Protecting Americans' health also means fighting infectious diseases. We are coordinating with the Chinese Government and working closely together on the coronavirus outbreak in China. My administration will take all necessary steps to safeguard our citizens from this threat.

We have launched ambitious new initiatives to substantially improve care for Americans with kidney disease, Alzheimer's, and those struggling with mental health. And because Congress was so good as to fund my request, new cures for childhood cancer, and we will eradicate the AIDS epidemic in America by the end of this decade.

Almost every American family knows the pain when a loved one is diagnosed with a serious illness. Here tonight is a special man, beloved by millions of Americans who just received a stage-4 advanced cancer diagnosis. This is not good news, but what is good news is that he is the greatest fighter and winner that you will ever meet. Rush Limbaugh, thank you for your decades of tireless devotion to our country.

And, Rush, in recognition of all that you have done for our Nation, the millions of people a day that you speak to and that you inspire, and all of the incredible work that you have done for charity, I am proud to announce tonight that you will be receiving our country's highest civilian honor, the Presidential Medal of Freedom.

I will now ask the First Lady of the United States to present you with the honor. Please.

[*At this point, the First Lady presented the Presidential Medal of Freedom to radio show host Rush H. Limbaugh III, who was seated beside her in the House Gallery.*]

*Audience member.*Thank you, Rush! [*Applause*]

*The President.*Rush and Kathryn, congratulations. Thank you, Kathryn.

As we pray for all who are sick, we know that America is constantly achieving new medical breakthroughs. In 2017, doctors at St. Luke's Hospital in Kansas City delivered one of the earliest premature babies ever to survive. Born at just 21 weeks and 6 days, and weighing less than a pound, Ellie Schneider was a born fighter. Through the skill of her doctors and the prayers of her parents, little Ellie kept on winning the battle of life. Today, Ellie is a strong, healthy 2-year-old girl sitting with her amazing mother Robin in the Gallery. Ellie and Robin, we are glad to have you with us tonight.

Ellie reminds us that every child is a miracle of life. And thanks to modern medical wonders, 50 percent of very premature babies delivered at the hospital where Ellie was born now survive. It's an incredible thing. Thank you very much.

Our goal should be to ensure that every baby has the best chance to thrive and grow just like Ellie. That is why I'm asking Congress to provide an additional $50 million to fund neonatal research for America's youngest patients. That is why I'm also calling upon Members of Congress here tonight to pass legislation finally banning the late-term abortion of babies. Whether we are Republican, Democrat, or Independent, surely we must all agree that every human life is a sacred gift from God.

As we support America's moms and dads, I was recently proud to sign the law providing new parents in the Federal workforce paid family leave, serving as a model for the rest of the country. Now I call on the Congress to pass the bipartisan Advancing Support for Working Families Act, extending family leave to mothers and fathers all across our Nation.

Forty million American families have an average $2,200 extra thanks to our child tax credit. I've also overseen historic funding increases for high-quality childcare, enabling 17 States to help more children, many of which have reduced or eliminated their wait-lists altogether. And I sent Congress a plan with a vision to further expand access to high-quality childcare and urge you to act immediately.

To protect the environment, days ago, I announced that the United States will join the 1 Trillion Trees initiative, an ambitious effort to bring together government and private sector to plant new trees in America and all around the world.

We must also rebuild America's infrastructure. I ask you to pass Senator John Barrasso's highway bill to invest in new roads, bridges, and tunnels all across our land. I'm also committed to ensuring that every citizen can have access to high-speed internet, including and especially in rural America.

A better tomorrow for all Americans also requires us to keep America safe. That means supporting the men and women of law enforcement at every level, including our Nation's heroic ICE officers. Last year, our brave ICE officers arrested more than 120,000 criminal aliens charged with nearly 10,000 burglaries, 5,000 sexual assaults, 45,000 violent assaults, and 2,000 murders.

Tragically, there are many cities in America where radical politicians have chosen to provide sanctuary for these criminal illegal aliens.

*Audience members.* Boo!

*The President.* In sanctuary cities, local officials order police to release dangerous criminal aliens to prey upon the public, instead of handing them over to ICE to be safely removed.

Just 29 days ago, a criminal alien freed by the sanctuary city of New York was charged with the brutal rape and murder of a 92-year-old woman. The killer had been previously arrested for assault, but under New York's sanctuary policies, he was set free. If the city had honored ICE's detainer request, his victim would still be alive today.

The State of California passed an outrageous law declaring their whole State to be a sanctuary for criminal illegal immigrants—a very terrible sanctuary—with catastrophic results. Here is just one tragic example. In December 2018, California police detained an illegal alien with five prior arrests, including convictions for robbery and assault. But as required by California's Sanctuary Law, local authorities released him.

Days later, the criminal alien went on a gruesome spree of deadly violence. He viciously shot one man going about his daily work. He approached a woman sitting in her car and shot her in the arm and in the chest. He walked into a convenience store and wildly fired his weapon. He hijacked a truck and smashed into vehicles, critically injuring innocent victims. One of the victims is—a terrible, terrible situation; died—51-year-old American named Rocky Jones.

Rocky was at a gas station when this vile criminal fired eight bullets at him from close range, murdering him in cold blood. Rocky left behind a devoted family, including his brothers, who loved him more than anything else in the world. One of his grieving brothers is here with us tonight. Jody, would you please stand?

*Audience member.* Jody!

*The President.* Jody, thank you. Jody our hearts weep for your loss, and we will not rest until you have justice. Senator Thom Tillis has introduced legislation to allow Americans like Jody to sue sanctuary cities and States when a loved one is hurt or killed as a result of these deadly practices.

I ask Congress to pass the Justice for Victims of Sanctuary Cities Act immediately. The United States of America should be a sanctuary for law-abiding Americans, not criminal aliens.

In the last 3 years, ICE has arrested over 5,000 wicked human traffickers. And I have signed nine pieces of legislation to stamp out the menace of human trafficking, domestically and all around the globe. My administration has undertaken an unprecedented effort to secure the southern border of the United States.

Before I came into office, if you showed up illegally on our southern border and were arrested, you were simply released and allowed into our country, never to be seen again. My administration has ended catch-and-release. If you come illegally, you will now be promptly removed from our country.

Very importantly, we entered into historic cooperation agreements with the governments of Mexico, Honduras, El Salvador, and Guatemala. As a result of our unprecedented efforts, illegal crossings are down 75 percent since May, dropping 8 straight months in a row. And as the wall rapidly goes up, drug seizures rise, and the border crossings are down, and going down very rapidly.

Last year, I traveled to the border in Texas and met Chief Patrol Agent Raul Ortiz. Over the last 24 months, Agent Ortiz and his team have seized more than 200,000 pounds of poisonous narcotics, arrested more than 3,000 human smugglers, and rescued more than 2,000 migrants. Days ago, Agent Ortiz was promoted to Deputy Chief of Border Patrol, and he joins us tonight. Chief Ortiz, please stand. A grateful nation thanks you and all of the heroes of Border Patrol and ICE. Thank you very much. Thank you.

To build on these historic gains, we are working on legislation to replace our outdated and randomized immigration system with one based on merit, welcoming those who follow the rules, contribute to our economy, support themselves financially, and uphold our values.

With every action, my administration is restoring the rule of law and reasserting the culture of American freedom. Working with Senate Majority Leader Mitch McConnell—thank you, Mitch—and his colleagues in the Senate, we have confirmed a record number of 187 new Federal judges to uphold our Constitution as written. This includes two brilliant new Supreme Court Justices, Neil Gorsuch and Brett Kavanaugh. Thank you. And we have many in the pipeline. [*Laughter*]

My administration is also defending religious liberty, and that includes the constitutional right to pray in public schools. In America, we don't punish prayer. We don't tear down crosses. We don't ban symbols of faith. We don't muzzle preachers and pastors. In America, we celebrate faith, we cherish religion, we lift our voices in prayer, and we raise our sights to the glory of God.

Just as we believe in the First Amendment, we also believe in another constitutional right that is under siege all across our country. So long as I am President, I will always protect your Second Amendment right to keep and bear arms. In reaffirming our heritage as a free nation, we must remember that America has always been a frontier nation. Now we must embrace the next frontier, America's manifest destiny in the stars. I am asking Congress to fully fund the Artemis program to ensure that the next man and the first woman on the Moon will be American astronauts, using this as a launching pad to ensure that America is the first nation to plant its flag on Mars.

My administration is also strongly defending our national security and combating radical Islamic terrorism.

Last week, I announced a groundbreaking plan for peace between Israel and the Palestinians. Recognizing that all past attempts have failed, we must be determined and creative in order to stabilize the region and give millions of young people the chance to realize a better future.

Three years ago, the barbarians of ISIS held over 20,000 square miles of territory in Iraq and Syria. Today, the ISIS territorial caliphate has been 100 percent destroyed, and the founder and leader of ISIS—the bloodthirsty killer known as al-Baghdadi—is dead.

We are joined this evening by Carl and Marsha Mueller. After graduating from college, their beautiful daughter Kayla became a humanitarian aid worker. She once wrote: "Some people find God in church. Some people find God in nature. Some people find God in love. I find God in suffering. I've known for some time what my life's work is, using my hands as tools to relieve suffering." In 2013, while caring for suffering civilians in Syria, Kayla was kidnapped, tortured, and enslaved by ISIS and kept as a prisoner of al-Baghdadi himself. After more than 500 horrifying days of captivity, al-Baghdadi murdered young, beautiful Kayla. She was just 26 years old.

On the night that U.S. Special Forces Operations ended al-Baghdadi's miserable life, the Chairman of the Joint Chiefs of Staff, General Mark Milley, received a call in the Situation Room. He was told that the brave men of the elite special forces team that so perfectly carried out the operation had given their mission a name: "Task Force 8–14." It was a reference to a special day: August 14, Kayla's birthday. Carl and Marsha, America's warriors never forgot Kayla, and neither will we. Thank you.

Every day, America's men and women in uniform demonstrate the infinite depth of love that dwells in the human heart. One of these American heroes was Army Staff Sergeant Christopher Hake. On his second deployment to Iraq in 2008, Sergeant Hake wrote a letter to his 1-year-old son, Gage: "I will be with you again," he wrote to Gage. "I will teach you to ride your first bike, build your first sandbox, watch you play sports, and see you have kids also. I love you, son. Take care of your mother. I am always with you. Daddy."

On Easter Sunday of 2008, Chris was out on patrol in Baghdad when his Bradley fighting vehicle was hit by a roadside bomb. That night, he made the ultimate sacrifice for our country. Sergeant Hake now rests in eternal glory in Arlington, and his wife Kelli is in the Gallery tonight, joined by their son, who is now a 13-year-old and doing very, very well. To Kelli and Gage: Chris will live in our hearts forever. He is looking down on you now. Thank you. Thank you very much. Thank you both very much.

The terrorist responsible for killing Sergeant Hake was Qasem Soleimani, who provided the deadly roadside bomb that took Chris's life. Soleimani was the Iranian regime's most ruthless butcher, a monster who murdered or wounded thousands of American servicemembers in Iraq. As the world's top terrorist, Soleimani orchestrated the deaths of countless men, women, and children. He directed the December assault and went on to assault U.S. forces in Iraq. Was actively planning new attacks when we hit him very hard. And that's why, last month, at my direction, the U.S. military executed a flawless precision strike that killed Soleimani and terminated his evil reign of terror forever. Our message to the terrorists is clear: You will never escape American justice. If you attack our citizens, you forfeit your life.

In recent months, we have seen proud Iranians raise their voices against their oppressive rulers. The Iranian regime must abandon its pursuit of nuclear weapons; stop spreading terror, death, and destruction; and start working for the good of its own people.

Because of our powerful sanctions, the Iranian economy is doing very, very poorly. We can help them make a very good and short-time recovery. It can all go very quickly, but perhaps they are too proud or too foolish to ask for that help. We are here. Let's see which road they choose. It is totally up to them.

As we defend American lives, we are working to end America's wars in the Middle East. In Afghanistan, the determination and valor of our warfighters has allowed us to make tremendous progress, and peace talks are now underway. I am not looking to kill hundreds of thousands of people in Afghanistan, many of them totally innocent. It is also not our function to serve other nations as law enforcement agencies. These are warfighters that we have—the best in the world—and they either want to fight to win or not fight at all. We are working to finally end America's longest war and bring our troops back home.

War places a heavy burden on our Nation's extraordinary military families, especially spouses like Amy Williams from Fort Bragg, North Carolina, and her two children, 6-year-old Elliana and 3-year-old Rowan. Amy works full-time and volunteers countless hours helping other military families. For the past 7 months, she has done it all while her husband, Sergeant First Class Townsend Williams, is in Afghanistan on his fourth deployment in the Middle East. Amy's kids haven't seen their father's face in many months. Amy, your family's sacrifice makes it possible for all of our families to live in safety and in peace, and we want to thank you. Thank you, Amy.

But, Amy, there is one more thing. Tonight we have a very special surprise. I am thrilled to inform you that your husband is back from deployment. He is here with us tonight, and we couldn't keep him waiting any longer.

*Audience members.* U.S.A.! U.S.A.! U.S.A.!

*The President.* Welcome home, Sergeant Williams. Thank you very much.

As the world bears witness tonight, America is a land of heroes. This is a place where greatness is born, where destinies are forged, and where legends come to life. This is the home of Thomas Edison and Teddy Roosevelt, of many great generals including Washington, Pershing, Patton, and MacArthur. This is the home of Abraham Lincoln, Frederick Douglass, Amelia Earhart, Harriet Tubman, the Wright Brothers, Neil Armstrong, and so many more. This is the country where children learn names like Wyatt Earp, Davy Crockett, and Annie Oakley. This is the place where the pilgrims landed at Plymouth and where Texas patriots made their last stand at the Alamo—[*applause*]—the beautiful, beautiful Alamo.

The American nation was carved out of the vast frontier by the toughest, strongest, fiercest, and most determined men and women ever to walk on the face of the Earth. Our ancestors braved the unknown; tamed the wilderness; settled the Wild West; lifted millions from poverty, disease, and hunger; vanquished tyranny and fascism; ushered the world to new heights of science and medicine; laid down the railroads, dug out the canals, raised up the skyscrapers. And, ladies and gentlemen, our ancestors built the most exceptional republic ever to exist in all of human history, and we are making it greater than ever before.

This is our glorious and magnificent inheritance. We are Americans. We are pioneers. We are the pathfinders. We settled the New World, we built the modern world, and we changed history forever by embracing the eternal truth that everyone is made equal by the hand of Almighty God.

America is the place where anything can happen. America is the place where anyone can rise. And here, on this land, on this soil, on this continent, the most incredible dreams come true.

This Nation is our canvas, and this country is our masterpiece. We look at tomorrow and see unlimited frontiers just waiting to be explored. Our brightest discoveries are not yet known. Our most thrilling stories are not yet told. Our grandest journeys are not yet made. The American age, the American epic, the American adventure has only just begun.

Our spirit is still young, the Sun is still rising, God's grace is still shining, and, my fellow Americans, the best is yet to come.

Thank you, God bless you, and God bless America. Thank you very much.