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Press Briefing by Scott McClellan

The James S. Brady Press Briefing Room

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12:16 P.M. EDT

MR. McCLELLAN: Good afternoon, everybody. I want to begin with one announcement to the President's schedule. **The President will welcome** President Pacheco of Costa Rica, President Fernandez, of the Dominican Republic, President Saca, of El Salvador, President Berger, of Guatemala, President Maduro, of Honduras, and President Bolanos, of Nicaragua to the White House for a meeting on May 12th. The President looks forward to discussing with his colleagues the Central American and Dominican Republic Free Trade Agreement, as well as efforts to advance our common goal of a more democratic and prosperous western hemisphere.

And that is all I have to begin with, so I'll be glad to go to your questions.

Q What approach is the President going to take at this start of the **nonproliferation meeting**? Is he going to play hardball or is he going to listen to the complaints or --

MR. McCLELLAN: Well, our Assistant Secretary of State Rademacher is going to be leading the delegation. He is at the United Nations, he will be making some remarks this afternoon. And I think he will talk about the important contributions that the treaty has made to global security and he'll talk about the progress that has been made over the last 35 years. And I think that one other area he'll hit on is that the vast majority of those who are party to the treaty are meeting their obligations, but there are some that are not. And I expect he will talk about one of the serious challenges that the treaty faces is noncompliance.

So I expect that he will touch on North Korea and Iran and their noncompliance. And he will also point to some of the examples of parties that have returned to the Nonproliferation Treaty, returned to compliance with the Nonproliferation Treaty, like Libya. Libya is serving as an example that states can realize better relations with the international community if they renounce their weapons of mass destruction programs and they get rid of them, and Libya made that commitment and that was some important progress.

But I think that's kind of the areas he'll touch on. I think he'll also talk about the action plan that the President put forward in February of 2004. He outlined seven steps that we need to take to stop the spread of weapons of mass destruction. That is a very serious threat that we face in this day and age, and it's been a high priority for this administration. The Nonproliferation Treaty is an important tool in our efforts to combat the spread of weapons of mass destruction. But there is also one area where the President has called for closing a loophole in the treaty that allows for countries to provide -- or to pursue civilian nuclear program -- pursue nuclear weapons under the guise of a civilian nuclear program and that is a concern of ours, particularly with a country like Iran.

Q He's going to ask for a closing of that?

MR. McCLELLAN: I'm sorry?

Q A closing of any development of nuclear facilities?

MR. McCLELLAN: No, we've called for closing a loophole within the Nonproliferation Treaty, and that's one area that the President focused on in the seven steps that he outlined.

Q Is he going to put pressure on India -- his friends, India, Pakistan and Israel to shutdown their nuclear arsenals?

MR. McCLELLAN: I think one thing that will be reemphasized or reiterated in his remarks will be that we believe in universal adherence to the Nonproliferation Treaty.

Q Here's a loophole. One of the goals when the President decided to invade Iraq was to send a message to countries that would seek to obtain or develop weapons of mass destruction, that that would not be tolerated and you don't mess with the United States. Well, since that's happened, and on this President's watch, the North Koreans have developed, built, and are now testing nuclear weapons on the order of maybe six; the Iranians are certainly not backing down from their program. So what has gone wrong? If the idea was to send a message by invading Iraq, the message has not been heard, and the strategy apparently is backfiring.

MR. McCLELLAN: Well, first of all, these threats aren't something that develops overnight, David. So I think I would like to correct you in your question there.

Q I understand that, but there was supposed to be a kind of chilling effect that the Iraq war would have,

and the opposite is true.

MR. McCLELLAN: No, I don't necessarily agree with that. First of all, we believe that multilateral organizations ought to mean what they say, and that's something the President has made very clear. And that's important to making sure that those organizations are effective. But in terms of North Korea and Iran, Iran for some 20 years was pursuing a clandestine nuclear weapons program. They were hiding their activities from the international community.

We made a decision to support the efforts of our European friends to resolve this through diplomatic means. They are continuing to have discussions with Iran; we support the efforts of the European 3 as they move forward. And our views I think are very clear in terms of what needs to happen. We have a shared goal with the Europeans.

In terms of North Korea, let's keep in mind -- I think the latest public assessment that was released by our intelligence community was that they may have -- that we believe they may have one or two. That was the latest public assessment that was made available. And in terms of North Korea, nuclear weapons aren't something that are developed overnight. We know that in the 1990s that they came to an agreement and immediately turned around and violated that agreement. That's why the President felt it was so important to bring all parties in the region together in a multilateral, six-party talk process to get North Korea to abandon its nuclear weapons.

Q You're making a different argument here. I mean, what is the point of going in and taking down a guy who you thought had -- who had weapons of mass destruction and did not, while at the same time, other countries have developed theirs and are not taking any message from the invasion of Iraq. I mean, if the whole point of this foreign policy of this President is to prevent terrorists or rogue nations from getting really bad weapons that could do grave damage to the United States or our allies, we went into Iraq where he didn't have any. And now you've got these two countries who are --

MR. McCLELLAN: That was a choice that the regime --

Q -- thumbing their nose at the U.S. and are only more dangerous.

MR. McCLELLAN: That was a choice that the regime in Iraq made. And it is the decision of the regimes in these countries that they need to make a strategic decision to abandon their nuclear weapons programs. They have a strategic choice to make. And the international community is speaking very clearly to both nations and saying, you're only going to further isolate yourself if you take steps that run contrary to what the international community expects. And you will realize better relations if you pursue a course like Libya, and abandon your nuclear weapons programs.

Q Scott, I'm confused by something the President said in his press conference the other night where he's talking about **Social Security** and he says that it spends the money on current retirees and with the money left over, it funds other government programs, and all that's left behind is file cabinets full of IOUs. Those IOUs are U.S. Treasury obligation, and it's the sovereign debt of the United States. Is he saying something about something the U.S. possibly defaulting on those IOUs? Isn't that guaranteed?

MR. McCLELLAN: Actually, I think that the President, if you'll recall, went to West Virginia and stood in front of the file cabinet to point out to people what the trust fund really is. I mean, most people when they think of a trust fund, I think you would agree, believe that money is being set aside in account, and that it's their money and that they're going to receive that money back. Well, that's not the case. In terms of the so-called Social Security trust fund, it is a file cabinet of paper IOUs. And that's what it is.

Q Well, it is the case to the extent that the United States guarantees that it will repay on that. If the United States government, if the President or if any President decides he wasn't going to repay that debt, then, of course, they argue it --

MR. McCLELLAN: What is happening now under the current Social Security system, as the President has talked about, is a pay-as-you-go system. Money is being paid in to support today's retirees. So that money is not being set aside, it's being spent by the government. And the President, one thing he has talked about, is the importance of personal accounts.

Maybe someone is trying to help you with a follow-up there. (Laughter.)

Q I've got a follow-up all ready. (Laughter.)

MR. McCLELLAN: And that's why the President believes personal accounts are an important part of a comprehensive solution for making Social Security permanently sound. Personal accounts will be something that is your money, it's being set aside, it's real savings. It's not phantom savings. And that money will be there for you when you retire, and it will accrue a better rate of return than under the current system. And it's something that Washington can never touch, it is yours. And I think that's one of the points the President was making in the press conference.

Q Just to follow up, Scott. But even if you have your money in dollar bills, if the United States decides that they aren't going to guarantee that dollar bill, that money is worthless, too -- the same way with U. S. Treasury obligations. People buy them. They used to buy them for 30 years, because they were confident that the U.S. was not going to default on them. And what the President seems to be indicating is that that possibility does exist. What does he mean by that?

MR. McCLELLAN: Yes, it's the difference between real savings and phantom savings. It's what I just explained. Would you agree that a trust fund is where you set aside someone's money, and it's their money, and that they get it back?

Q It's no good unless the person issuing the money --

MR. McCLELLAN: That's not what's happening under the current system.

Q -- is going to --

Q Scott, should **North Korea** look at Iraq for a lesson on the consequences of not getting right with the international community?

MR. McCLELLAN: Ken, I think that you have to keep in mind we're pursuing a diplomatic solution right now with North Korea. That remains what we are committed to. We are working closely with our partners in the region -- China, South Korea, Japan, Russia -- to get North Korea back to the six-party talks. Some of the steps and actions that North Korea continues to take only further isolate it from the international community. And --

Q But if you pursue the same diplomatic solutions with Iraq, is this what happens at the end of those if it doesn't succeed?

MR. McCLELLAN: Again, we've always said, as we move forward, we will continue to consult with our partners in the six-party process on next steps to take if North Korea doesn't come back to the talks. But I think all of us are sending the same message to North Korea: You need to come back to the talks; it's the only viable path for you to pursue a solution.

Q What's the range of those possible next steps?

MR. McCLELLAN: All countries -- we're pursuing a diplomatic solution through the six-party talks. I don't think there's a need to go through "what-ifs" at this point. We've made it clear that we'll consult with -- continue to consult with our partners in the region about how to move forward. We continue to urge North Korea to come back to the six-party talks. We have a proposal on the table. All parties in the region are in agreement that that is the only viable path for North Korea to pursue; and that North Korea, like I said, has a strategic decision that it needs to make -- it needs to make a decision to abandon its nuclear weapons program. Then it can start to become part of the international community.

Q When does it need to make this decision by?

MR. McCLELLAN: We haven't set a timetable, Ken. We continue to talk with our partners in the region.

Q Scott, has the President or the Secretary of State made any calls today to allies on this?

MR. McCLELLAN: No. The Secretary of State -- you'd have to check with the Department of State on that, I don't keep track of her phone calls. But we have an envoy that's been out in the region talking with our partners, and we stay in close contact with them on this and many other issues.

Q Scott, what do you say to those who say that, you know, the President has really done nothing more than provoke North Korea and Kim Jong-il, first of all, in his comments specifically about him, his personal comments; and then just generally in the approach that he's taken, which really hasn't gotten anywhere, these six-party talks -- has not gotten anywhere near where they need to get? Meanwhile, North Korea is --

MR. McCLELLAN: Well, I disagree. We have made progress and that's why we put forward a proposal at the last round of talks. North Korea said that it was committed to coming back to the talks; now it seems to have changed its mind. We want to see it live up to its commitment to work through the six-

party talks. But this is about North Korea and North Korea's behavior. North Korea is the one that is isolating itself from the international community through its own actions. And the President spoke very clearly about what needs to happen. And he also emphasized the importance of coming to a diplomatic solution through the six-party talks.

Q They're the one that has to -- they have to act. But so far, they haven't, and they're also the ones with potentially, I guess -- is believed to have nuclear material, even nuclear weapons, and last week we heard even the potential to put it on a long-range missile and hit the United States. So it might be in their court, but isn't it the responsibility of the U.S. --

MR. McCLELLAN: Well, that's why the President talked about we don't know if they have the capability to do that or not, but that that's all the more reason why we need to take steps under the assumption that they can, because of the regime that is in power there. And that's why he talked about the importance of moving forward on the missile defense system. That's one important deterrent that we continue to pursue.

Q Can I follow on that?

MR. McCLELLAN: Sure.

Q Scott, so given the fact that North Korea's nuclear program has advanced in the last four-and-a-half years, why shouldn't the current approach not be seen as a failure, and not working?

MR. McCLELLAN: The agreed framework, I would point out to you, is what North Korea was violating at the very time that they had agreed to it. North Korea continued its nuclear weapons activities in violation of the agreed framework. And remember, the agreed framework was simply a freeze on plutonium activity. It didn't address the uranium enrichment and reprocessing activities. And so that's why we put forward a very practical proposal at the last round of talks that we think addressed the concerns of all parties and was the way forward to -- is the way forward to resolving this issue.

What we're doing is working with our partners in the region, emphasizing that North Korea needs to come back to the talks so that we can talk about how to move forward on that proposal. That proposal was a significant step in the progress we've made over the last few years, but this is something that has been going on for a number of years, back to the last decade. And nuclear weapons are not something that are developed overnight. It takes time to develop a nuclear weapon. But it is something that is of concern to all parties in the region. And that's why the President felt it was important to bring those parties into this process. All of us have a shared goal of a nuclear-free peninsula.

Q But, Scott, you talk about North Korea and Iran's noncompliance. Why not talk about the U.N.'s enforcement or lack thereof? The administration was pretty clear that it thought that the U.N. failed during the run-up to the Iraq war. Is there a risk that this conference comes up with nothing, or does not move forward with an appropriate enforcement action, and ultimately becomes further, sort of, criticism of the U.N. as a toothless tiger?

MR. McCLELLAN: Well, the conference is just getting started. I mean, it's going to be going on over

the course of the next few weeks. Let's let the conference proceed, then maybe we can talk about it more at that point. But we have made some significant achievements over the last 35 years and believe it's an important treaty. But there are some issues and challenges that we need to address. And that's what our representative, who is heading the delegation, will talk about this afternoon.

Q Back to **Social Security**. After the press conference, I was still confused as to whether President Bush will accept the plan that does not include personal accounts. I sense -- my reading seems to be that he will not accept a plan that does not have personal accounts. Am I right?

MR. McCLELLAN: The President believes very strongly that personal accounts must be part of any solution. We need to make sure that Social Security is permanently sound. It is on an unsustainable course. And the facts are very clear that if we don't act, the only alternative is massive benefit cuts or massive tax increases.

In just three years, the baby boomers retire and start to place great strain on the system. That's why the President believes we need to make it permanently sound. He also believes that as we do, we need to make it better for our children and grandchildren. Nothing is going to change for today's retirees or those near retirement.

But personal accounts give younger workers the opportunity, if they choose, to realize a greater rate of return on their own retirement savings. The conservative estimates by the Social Security experts are that younger workers will realize a rate of return of at least 4.6 percent on personal accounts. It's a voluntary option and it will help younger workers really grow and build a nest egg of their own that the government can't touch -- Washington can't touch it, Washington can't take it away. And that's why he believes so strongly that personal accounts need to be part of any solution. And he's going to continue to make that point.

Now, he welcomes others coming to the table with ideas. So far, Democratic leaders have taken the do-nothing approach. The do-nothing approach means massive benefit cuts for all Social Security beneficiaries, at all levels. And I noticed that there were some editorials in some of the major papers this weekend and today, including The Washington Post, talking about it's time for the Democrats to come forward with ideas. We agree -- it is time for the Democrats to come forward with ideas and work with us to solve this problem for our children and grandchildren.

Q But, you know, Senator Grassley says, no bill will pass unless it's bipartisan. The Democrats say, we will not accept personal accounts. So then we -- the next step is, there will not be a Social Security reform this year.

MR. McCLELLAN: All the Democratic leaders are offering right now is a big "no." They need to offer ideas for solving this problem in a bipartisan way. The President has made it very clear that the door is open. He welcomes all ideas; come to the table and let's talk about how we can move forward in a bipartisan way. So far, the Democrats have refused.

Q Scott, are you -- are you deliberately leaving the door open -- I just want to finish up on this point -- on the idea that without personal accounts he might still accept something? I realize you don't want to

negotiate in public, but you've been asked a couple of times, this question.

MR. McCLELLAN: But you'll ask me anyway. (Laughter.)

Q Well, this question has come up. I mean, will you say the way it was posed, which is that the President will not accept a reform plan that does not include private accounts?

MR. McCLELLAN: The President believes personal accounts -- voluntary personal accounts, under the current Social Security system, are an important part of the solution. And that's the argument he's going to continue to make.

Q Are you trying to leave a door open there, or --

MR. McCLELLAN: But he's made it clear: come to the table with your ideas, and let's advance a bipartisan solution.

Q So the door is open, right? I mean, that's a fair reading?

MR. McCLELLAN: Go ahead.

Q Scott, page one, plus follow-up stories in both The Washington Post and The Baltimore Sun have detailed such NAACP documents as two female employees getting into a fistfight over the attentions of President Kweisi Mfume, who has admitted dating female employees. And my first question, will the President ask Republican Lieutenant Governor Michael Steele of Maryland to run against the sexually-troubled Mr. Mfume?

MR. McCLELLAN: Les, I'm sure at the appropriate time we can talk about the 2006 Senate races. I think it's a little premature for that at this point.

Q Well, let me -- just one follow-up. Does the President believe that all of this may provide an explanation for the NAACP resisting an IRS audit?

MR. McCLELLAN: Les, those are questions that you need to direct to other people. In terms of the IRS --

Q Other people -- I want to know what the President --

MR. McCLELLAN: In terms of the IRS, you need to direct those questions to the IRS

Go ahead.

Q Evasion.

Q Scott, in terms of the First Lady's stellar performance Saturday night, would the President support his wife running for President or -- (laughter) -- I'm not finished -- and have they discussed the possibility --

MR. McCLELLAN: I think she's already answered that question. I know that once his time is up, the two of them look forward to returning to Texas. And he does think she did a spectacular job Saturday night. I think everybody there enjoyed it, as well as people across America who were able to see it on C-SPAN.

Q Has she heard from Don Corleone yet, Scott?

MR. McCLELLAN: Go ahead. Let me go here.

Q Ukrainian officials have said that the **long-range missiles** delivered to Iran were, in fact, stolen. If that is the case, and these missiles can be fitted with nuclear warheads, why is there not an international outrage that Iran should be forced to return these missiles to the Ukraine, given the gravity of what these missiles can do, immediately?

MR. McCLELLAN: First of all, I'll be glad to look into this. I don't have an update from when you brought this question up last time. I'll be glad to take a look into it to see if there is more. But as I pointed out, one of our highest priorities is stopping the spread of weapons of mass destruction. The greatest threat we face is weapons of mass destruction getting in the hands of terrorists. And that's why the President is acting on a number of different fronts to stop the spread of weapons of mass destruction and to go after terrorist networks.

Q Let me follow up. Is it feasible that **North Korea** could deliver a warhead now to Iran that could be fitted on a missile and then be fired, which only increases the need to address the problem immediately?

MR. McCLELLAN: I think one of our concerns with North Korea, without necessarily going into that specific issue, is that they were in violation of their safeguards obligations and their nonproliferation obligations even before they withdrew from the Nonproliferation Treaty in 2003. So proliferation is a concern when it comes to North Korea. That's one reason why we initiated the proliferation security initiative, and you have some 60 nations now working together to stop the spread of weapons of mass destruction and to interdict shipments of -- that could -- shipments of equipment or material that could be used to develop weapons of mass destruction. And we've had some successes on that front.

Q On North Korea, North Korea seems to have an intention to stage a nuclear test sooner or later or next month, June -- whatever they say. What is the United States countermeasure against a nuclear test?

MR. McCLELLAN: Well, again, that would only further isolate North Korea from the rest of the international community if they took such a step. That's why we're working, through the six-party process, to get North Korea back to the talks. That's the only viable path that they have for moving forward to resolving this issue. And that's what all parties in the talks are making clear to North Korea.

Q Scott, Senator George Voinovich pretty much put a stop to **Bolton's nomination**. He said he wanted to meet personally with him face-to-face. Has any meeting between Mr. Bolton and the Senator taken place?

MR. McCLELLAN: Let me check to see if there's an update. The State Department might be able to give you an update. I know that we, along with the State Department, have worked to make sure that his questions are addressed. And we continue to urge the Senate to move forward quickly on his nomination when they return. As you know, the Senate is out this week. I think Senator Voinovich is traveling overseas, as a matter of fact. But let me check to see if there's any update there.

Q Okay, and just as a follow-up, just if I may, my understanding is that Rob Portman was brought around the Hill after the formal introductions between the White House staff and the people that would need to approve him, that outside government lobbyists had also walked around the Hill to make sure any concerns about Portman's nomination were addressed. Has anything like that happened with John Bolton?

MR. McCLELLAN: We've stayed in close contact with members of the Senate committee that is moving forward on his nomination. And we will continue to do so. I don't know what specifically you're asking.

Q I mean, have you employed, like, an outside -- an outside-the-White House lobbying firm --

MR. McCLELLAN: Well, the State Department has provided some updates. I've provided some updates recently. Secretary Card noted yesterday that he had been in touch with Senator Voinovich. We will remain in contact with the senators as needed, to address any outstanding issues that may be on their minds. But the bottom line is, I think, that John Bolton has addressed these issues through his testimony and through his written responses. And it's time to move forward on his nomination so that he can get in place and go about the important work of reform at the United Nations. And that's what we continue to emphasize.

Q This is a follow-up on Connie's question, and I assure you there was no collusion. A little bit of a prelude before I get to my question. As you, undoubtedly, have heard, there has been speculation inside the Beltway that if Hillary Rodham Clinton decides to run in 2008 she could possibly choose as a running mate her husband, former President Bill Clinton. And, obviously, after the great boffo performance by the First Lady Saturday night, there is now speculation that she could run, and possibly choose the President to be her running mate.

Now, under the 22nd amendment to the Constitution, no President can serve more than two terms. But I think under the 25th, if a President is for any reason incapacitated, the Vice President moves up. Has anybody here addressed this possible conflict --

MR. McCLELLAN: That's quite a scenario you just spun there. But as I said, I think it's too early to talk about the 2006 race, and it's certainly too early to talk about 2008. We've got a lot of important work to do on behalf of the American people, and that's where the President's focus remains.

Q Let me ask about the President's trip tomorrow, and ask just the outline of why the President is going to a Nissan trip. But I guess I also want to ask about the **60-day blitz** now being over with. You've spoken of the new phase that the whole Social Security thing is entering. Does it look any different, from the President's perspective, than the previous 60 days?

MR. McCLELLAN: Sure. The initial phase of our outreach effort to the American people has been a great success. The American people recognize, in overwhelming numbers, that there are serious challenges facing Social Security, and that Congress needs to act. I think younger workers, in particular, recognize that if Congress doesn't act, that Social Security won't be there for them when they retire. And all you have to do is look at some of the surveys to see that the overwhelming number of Americans -- some 70, 80 percent -- recognize there are serious problems. And there was one recent survey that showed over 60 percent said it's time for Congress to act. That's why it's important to act this year.

And tomorrow the President looks forward to going to Mississippi, and he'll be at the plant, the Nissan plant there in Mississippi. We were invited to come there. We go to a lot of different locations. The reason he's going there is to talk to the workers there, who will be part of the conversation, as well as in attendance, and to talk about the importance of fixing the hole in the safety net. It's time to make Social Security permanently sound, and make it better by giving younger workers the option to set aside money in personal retirement accounts so that they can realize a much greater rate of return on their own savings. And that's where the President's focus will be tomorrow in his remarks.

Q This new phase, is he basically going to the same kinds of places and saying the same things as he already was in the first 60 days?

MR. McCLELLAN: Well, no, because we put forward some new proposals just last week in the press conference that the President believes ought to be part of any comprehensive solution. Congress is now moving forward on the legislative front. Chairman Thomas and Senator Grassley are beginning hearings, in both the House and Senate respectfully [sic], and we want to do everything we can to help advance a bipartisan solution. And so the President is spending his time focusing on how we advance a bipartisan solution that makes it permanently sound and that allows younger workers to realize a greater rate of return on their savings through voluntary personal accounts. And that's what he's going to continue to emphasize.

This is an issue that affects all Americans. He's going to continue reaching out to the American people, traveling across the United States, and making sure that they're involved as Congress moves forward, because this is about making it better for future generations. And I think, particularly, seniors are now realizing that nothing is going to change when it comes to them, but they want that Social Security that they've benefited from to be there for their children and grandchildren. And I think they are starting to recognize the need to really strengthen it for our children and grandchildren, too.

Q Thank you.

MR. McCLELLAN: Thank you.

END 12:45 P.M. EDT

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