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Press Briefing by Scott McClellan

The James S. Brady Briefing Room

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12:38 P.M. EDT

MR. McCLELLAN: **Good afternoon. The President** had his usual intelligence briefings this morning. Following that, the President was pleased to welcome Prime Minister Spidla of the Czech Republic to the White House this morning. The President expressed his strong



appreciation for Prime Minister Spidla's leadership and support. The Czech Republic is a close friend and NATO ally. The two leaders discussed a number of issues, including Iraq and trans-Atlantic relations.



The President also met with Secretary Powell earlier this morning. That was one of the regularly scheduled meetings he has with the Secretary.

This afternoon, the President will meet with some bipartisan bicameral congressional leaders to discuss the progress we are making to pass meaningful Medicare reform and get seniors the long awaited prescription drug coverage that they deserve. The President believes we are on the verge of providing our nation's seniors with more choices and better benefits so they can choose the care that best meets their individual needs, similar to the kinds of choices and benefits the members of Congress already enjoy.

So the President is working closely with congressional leaders as they go into conference committee, so that they can resolve their differences and get this done as quickly as possible and achieve an important victory for our nation's seniors.

This afternoon, the Director of the OMB, Josh Bolten, will hold a press briefing at 2:30 p.m. to discuss the mid-session review for the fiscal year 2003 budget.

And with that, let's get started.

Q I'd like to ask you a question that you can draw on your vast previous experience here, before joining the White House. You successfully ran four political campaigns. Would you want to be entering an election year running on a \$455 billion deficit?

MR. McCLELLAN: John, I'm glad you brought that question up -- (laughter) -- because it gives us an opportunity to lay out and remind the American people the situation that we are in. We have a deficit that is a concern, but it is a manageable one and we are working to address it.

The President's highest priorities will always be winning the war on terrorism, protecting the American people, and getting our economy growing stronger and faster. And that's where his focus is.

Now, we had a recession. We also had declining revenues because of that. And we had a war on terrorism. That's what led to the deficit that we are in today. And the way we get out of that deficit is to continue to get our economy growing and create jobs, and that's why the President has acted on a jobs and growth plan, not only this year, but in previous years, as well.

And we also need to hold the line on spending. And that's what we're working to do with Congress. The President's budget holds growth in discretionary spending to below 4 percent because he believes government spending should not grow faster than family income.

So this is an important issue that we are working to address. And over the next few years, what you're going to see is that we're going to cut that deficit in half based on the projections that are being outlined later today. But as a percent of GDP, the deficit is currently at 4.2 percent. That's well below the 1983 peak modern day deficit of 6 percent. It's also the same, or smaller, than deficits following similar recessions. So these deficits right now are not hurting or harming our economy as interest rates remain at 45-year lows.

Q So you had a \$450 billion -- \$455 billion deficit this year, \$475 billion next year. It seems, clearly, that's a political liability heading into an election.

MR. McCLELLAN: And then you look at the economic forecast, as well, that our economy is expected to be growing a lot stronger in the coming years, beginning next year.

Q Is it not, clearly, a political liability going into an election year?

MR. McCLELLAN: No, I think the American people recognize that the President has taken decisive steps to create an environment for job creation and economic growth, that the President is focused on creating jobs. We had a recession and people are looking for work. And as long as there's one person looking for work, the President is going to remain concerned and going to remain focused on what's most important, which is getting our economy growing.

Now, at the same time, addressing the deficit is a priority, and we are doing that. And we have been very clear with the American people about why we are in the situation we are in. But, again, the fundamentals, lower taxes, a positive outcome in Iraq, strong housing markets, record low interest rates, renewed consumer confidence and low inflation have put things in place for a strong recovery in job growth.

Q **Scott, on this Iraq-Niger situation**, why is it that the President made the comment yesterday that doubts were only raised about the underlying intelligence behind that statement after the State of the Union address, when other administration officials and other evidence suggests that's not true?

MR. McCLELLAN: Well, when it came to our attention, when it came to the President's attention was when the IAEA came out in March with the report showing that those documents relating to Niger were forged. And that was only one part of the overall piece of information that was cited.

Q But doubts were raised clear back to the previous --

MR. McCLELLAN: But go back to the NIE, and in the NIE it stated that Iraq was trying to seek uranium from Africa. And I think that we have addressed this issue. We have made it clear that that statement should not have been in the speech, and if the CIA had said, take it out, we would have taken it out.

But let's put this in perspective. This issue here relates to the threat that Saddam Hussein and his regime posed to the region, to his people and to the world. And the statement in the State of the Union was one piece of one part of a much larger body of evidence that --

Q Right, but that's not -- the question I'm dealing with has to do with --

MR. McCLELLAN: -- related to the regime's **weapons of mass destruction** and the threat that the regime posed; not only that it had weapons, but it has past history.

Q I'll ask a question about that in just a second. The point is, the President said doubts were only raised after the State of the Union address -- and that's not accurate. Why did he say that?

MR. McCLELLAN: And it was laid out previously. I think we've addressed this. We've addressed this over the last couple of days, about the timing of when we found out that those -- that the documents were forged.

Q But learning about the forgeries was one piece of this. But doubts about the intelligence were raised last year.

MR. McCLELLAN: The bottom line is that we should not have put that line in the speech, and we've made that clear.

Q Yesterday, as a follow-up, your predecessor said it was "a bunch of bull" to suggest that Iraq's nuclear program was central to the case for war. Isn't that a statement that is at odds with the President's State of the Union remarks, and, indeed, the very congressional resolution that he fought to have passed, which was, in essence, the imminence of Iraq's nuclear weapons program was why this nation needed to act when it did?

MR. McCLELLAN: Wait a second. That was one part of the overall body of evidence that I talked about. And it is nonsense to suggest that there was any political reason behind those statements.

Iraq -- there is a lot of evidence showing that Iraq was reconstituting its nuclear weapons program. We outlined that evidence both going back, you know, October and previously, and even in later months, more recent months.

But the threat was established by Iraq's use of chemical weapons, not only that they had them, but that they had used them in the past; by UNSCOM's final report in 1999, which documented that thousands of chemical and biological weapons remained unaccounted for; and by Saddam Hussein's active defiance of the international community, and continued defiance, including the well-documented fact that Iraq never fully and completely cooperated with UN inspectors.

Q You're not disputing the notion that central to the argument for going to war was the threat posed by Iraq's nuclear program?

MR. McCLELLAN: That was one part of a large body of evidence about why. You go back --

Q It was more than one part.

MR. McCLELLAN: The reconstituting of nuclear weapons? That was one part. That was one part of the larger body of evidence. I think I just laid out the other parts. And if you go back to the President's own remarks, remember, we can't forget the vivid and tragic attacks of September 11th. The horrific attacks of September 11th brought to light in a very vivid way the threats of the 21st century. And the Iraq threat became even more real when we started looking at it through the lens of a post-9/11 world. But that threat goes back well before that.

Q Scott, on the same subject. Today, the ranking Democrat on the Senate Intelligence Committee sort of took the gloves off on this issue. He said on the Senate floor that this statement was not a mistake, that it was a deliberate effort to create a false impression. What's your --

MR. McCLELLAN: I think that's just nonsense. We've addressed this over the last few days. And it's just nonsense, and for the reasons I just stated. Go back to the President's remarks in October. He talked about, and I quote, "the Iraqi regime," 11 years ago, as a condition for ending the Persian Gulf War, "the Iraqi regime was required to destroy weapons of mass destruction, to cease all development of such weapons and to stop all support for terrorist groups. The Iraqi regime has violated all of those obligations. It possesses and produces chemical and biological weapons. It is seeking nuclear weapons. It has given shelter and support to terrorism and practices terrorism against its own people."

The entire world witnessed this history of defiance, deception and bad faith for 12 years. So we laid it out very clearly, and the case was very solid, about the threat that was presented, particularly in light of September 11th.

Q **How close are you to a decision on the Liberian** peacekeepers? Have you heard back from the assessment teams?

MR. McCLELLAN: We continue to wait on a full assessment and a full outline of the facts from the assessment team. The President has made it clear that if there's a need to help, we want to help. And we want to help by participating with ECOWAS. So we are continuing to wait on the facts and assess the situation. And then we will have more to say at that point.

Q Scott, on that topic, the assessment teams tell reporters in Liberia that they have quite a comprehensive understanding of the situation. Given that this is a precarious situation, where time is of the essence, why is the decision taking so long on this end?

MR. McCLELLAN: We need to know all the facts. And I think that we are moving quickly to assess those facts. And we'll move as quickly as we can, but you can't make the decision until you have all the facts before you and you know what the decision might entail.

Q What facts are you waiting for? What categories are you still waiting for? Because the assessment teams feel like they've done their job.

MR. McCLELLAN: They've been on the ground, and those -- that information will be coming back to us. And once we are able to look at that information, then we'll be able to make a decision at that point.

Q On that same subject, aren't we just a little afraid of getting back into Africa after what happened the last time American peacekeepers were there in Somalia? I mean, let's be straight with the American people, the reason we're taking our good, sweet time about this is, we're worried.

MR. McCLELLAN: Well, the President wants to make sure that we understand the full facts of the situation and understand how we can best contribute to help make sure that this cease-fire takes hold. That's what we're focused on. And, yes, he's been very clear with the American people about where we are and what is under consideration at this point. And he is taking into consideration a number of issues as we move forward.

Q Two quick questions, one on Iraq. When the President said of Saddam Hussein, we gave him a chance to allow the inspectors in and he wouldn't let them in, why didn't he say that, when the inspectors went into Iraq?

MR. McCLELLAN: What he was referring to was the fact that Saddam Hussein was not complying with 1441, that he continued his past pattern and refused to comply with Resolution 1441 of the United Nations Security Council, which was his final opportunity to comply. And the fact that he was trying to thwart the inspectors every step of the way, and keep them from doing their job. So that's what he's referring to in that statement.

Q But that isn't what he said.

Q Just quickly on a different subject, on North Korea. William Perry told The Washington Post today that, we're losing control over the situation with North Korea and that the country poses a danger, there's a danger of nuclear weapons being detonated in American cities. Somebody who obviously knows the situation quite well.

Given the new information that you have about what North Korea's claims are, what are you going to do, in terms of changing the policy towards North Korea?

MR. McCLELLAN: Well, keep in mind that last fall, North Korea admitted that they had a covert nuclear weapons program. So it was through their own actions that they have been isolating themselves.

But I would remind you that this is not 1994 and that that is why we insist on an irreversible end to North Korea's nuclear weapons program. That is why we are addressing this in a multilateral way. What we seek is a diplomatic solution working with our friends and allies, working with the countries in the region. China is a country that recognizes that a nuclearized peninsula serves no one's interest; they don't want to see a nuclearized peninsula and they've been helpful in this.

So we're continuing to work in a multilateral way to address this. But what we won't do is let North Korea blackmail us. We've been very clear on that point.

Q -- have been saying and others have been saying is that the multilateral approach just isn't working and, while you have been working to get other countries to pressure them, North Korea has just been

working toward the point where they're ready to make more nuclear weapons.

MR. McCLELLAN: North Korea continues to face two clear choices: they can continue isolating themselves by their own actions and own words; or they can be open to ending its nuclear weapons program and participating in multilateral talks to move forward and realize the benefits that could be offered them in the international community. But they must end, irreversibly, their pursuit of nuclear weapons. So we will continue working closely with our friends and allies in the region.

Q Can I follow-up on that? On North Korea, you said earlier this morning that the U.S. has not been able to confirm the activities that the North Koreans have claimed. How can the public have confidence in the President's desire to keep nuclear weapons out of the hands of rogue operators when we can't even figure out what is going on, on the ground in North Korea?

MR. McCLELLAN: No, what we are currently doing is what -- and what I said earlier -- is that we're evaluating those claims. Obviously, I'm not in a position to get into any intelligence matters, and I won't discuss those from this podium. But we are looking at the matter. You know, North Korea has made a lot of claims in the past, some true, some not true. So we want to evaluate their statements.

But the bottom line remains that reprocessing is a serious concern, and it's something that we will work to address. We seek a diplomatic solution. But as we move forward, we will remain in close contact with South Korea, Japan, China and others to address this and find a solution.

Q **Two on Iraq. First of all, when** you mentioned -- when the President mentioned that the concerns about the intelligence came after the speech, did anyone -- was the President aware that the CIA had taken the reference to Niger out of his October speech?

MR. McCLELLAN: Again, I think that these issues have been addressed. Those issues have been raised. The reference in the October speech was specific to amount. You are correct. But it was a different -- it was, as Ari pointed out yesterday, apples and oranges. This has been addressed. The bigger picture goes back to the threat that Saddam Hussein posed and why we took the action that we took.

Q You had Niger taken out in October, and you had Niger was piece of what was talked about in January. So was the President unaware of the fact that in October a reference to African uranium -- in this case, specifically Niger -- had been deleted?

MR. McCLELLAN: The President was focused on establishing the case and we went back as a staff working throughout the administration of gathering those facts that made the case. And the case is solid. We can go back through this, but the bottom line is, we have made it very clear this should not have been in the State of the Union. That doesn't mean, with or without the evidence that -- or with or without that statement that the over-arching body of evidence -- I mean, that is still a solid case and a solid reason of why we went to war in Iraq.

Q But was the President aware that this information had been deleted in October?

MR. McCLELLAN: This had nothing to do with -- this did not -- this statement, in and of itself, was not a reason we went to war.

Q Yes, I understand that. But was the President aware that this had been deleted from the October speech, which was an early sign that the intelligence was sketchy?

MR. McCLELLAN: This has all been addressed over the last few days.

Q This question hasn't been addressed --

MR. McCLELLAN: I mean, I think these statements --

Q No, not this question.

MR. McCLELLAN: All these statements have continued to come up.

Q All right, secondly on Iraq, I understand that Condoleezza Rice has taken the position that because the speech specifically said British authorities have this information, that that made it technically correct. But the CIA had encouraged British authorities not to include this information in their dossier. So why was it okay to cite a British report that the CIA had tried to change and tried to --

MR. McCLELLAN: Well, first of all, the CIA, going back to October, they did say, take it out. We took it out. If the CIA had said in the State of the Union, which was a different -- let me remind you, I'll remind you, it was a different -- it was based on some different sourcing, and based on the national intelligence estimate, which was coming out during the drafting of the October speech. If the CIA had said, take it out of the State of the Union speech, it would have been taken out, just like it was -- or just like the other statement was in the Cincinnati speech.

Q But I guess --

MR. McCLELLAN: But -- go ahead.

Q My question is, the CIA approved the sentence as it attributed this information to the British dossier. But the CIA had encouraged the British to take this information out of the British dossier because they didn't feel like the intelligence was good. So it seems like the sentence was purposely, carefully crafted to try to avoid the fact that the CIA really didn't have a lot of confidence in this information.

MR. McCLELLAN: No, keep in mind, we had a national intelligence estimate which essentially was stating the same thing, that Iraq was seeking uranium from Africa. The British also had additional sources, and that's why they continued to believe that that statement is true, that showed -- the additional sources -- the reasoning why they said that Iraq was seeking uranium from Africa.

And one more final point. The British information was published in public documents. And so it made sense to reference that. But when you look at back on it, it wasn't -- the issue continued to be -- it

wasn't specific enough for our purposes, after learning of the forged documents, to rise to the level of a Presidential speech.

Q Scott, just one clarification on that, and then one more thing about North Korea. A week after the State of the Union, the Secretary of State looked over the same body of evidence and decided that this was not sufficient to use in his presentation to the United Nations. That leaves the impression that the White House was not as careful as Secretary of State Powell in looking over the information and making a judgement about what was appropriate.

MR. McCLELLAN: This is another issue, again. I mean, this has been addressed. The Secretary addressed this, Condi addressed this, talked about the national intelligence estimate, talked about the one intelligence agency that did raise some concerns about it in the national intelligence estimate. So it wasn't surprising by the steps that he took.

Q He was also working with Director Tenet. He sat down with him for a period of days.

MR. McCLELLAN: But this speech was circulated to, both within the White House and to the appropriate agencies involved in this, from State to DOD to CIA. And it was cleared. If the CIA had said, take it out, it would have been taken out.

Q **Okay, on North Korea, what is the administration's** assessment at this point of where North Korea is in the process of producing nuclear weapons or fissile material?

MR. McCLELLAN: Some of that is asking me to get into intelligence matters, which I won't do. But we -- well, North Korea has made a number of statements. And I pointed that it, going back to last fall, they admitted that they had a covert nuclear weapons program. They continue to make additional claims, as well. It's something that we take very seriously, that our intelligence community monitors and makes the evaluations on, and that we discussed with our friends and allies and with other countries in the region.

Q Well, officials quite often refer to published reports, and published reports suggest that they have moved along further than we anticipated. Are those published reports accurate?

MR. McCLELLAN: You'd have to tell me which specific published reports you're referring to.

Q Suggesting that they have reprocessed more plutonium than had been originally thought and that they're moving along rather briskly toward the production of nuclear weapons.

MR. McCLELLAN: Are you talking about their claims? Because they have publicly -- what North Korea has done, they have publicly claimed that they were reprocessing. But now they have told us that they have finished reprocessing.

Q I'm talking about what they're actually doing and what our assessment is, based on public reports.

MR. McCLELLAN: Well, we're continuing to evaluate all their statements. But, again, all the countries in the region, as well as the United States, takes this matter very seriously.

Q Would you care to clarify at this point what the President means when he says, we will not tolerate the production of nuclear weapons?

MR. McCLELLAN: I don't think anybody in the region wants to tolerate nuclear weapons. Everybody in the region is for a non-nuclearized peninsula. And that's why we're all working together to address this. And that's why we're seeking a diplomatic solution. This is a strategy that we have been following for quite some time now.

Q **Scott, I wanted to ask you two questions on the Middle East**, please. Prime Minister Ariel Sharon will be visiting in Washington soon. Has there been a date set for Prime Minister Mahmoud Abbas --

MR. McCLELLAN: No, not at this point. Again, the President has stated that he would like for him to come visit, but there's no dates announced at this point.

Q As you take over the podium, what is your assessment of the situation in the Middle East?

MR. McCLELLAN: In the Middle East? It's the President's assessment. We remain pleased with some of the progress that is being made on the road map and to move towards two states living side-by-side in peace and security. Ambassador Wolf continues to stay on top of this in the region and work with the parties and make sure that we're monitoring things and that the parties are continuing to talk with one another so that we can keep this process moving forward.

But there are difficulties that remain, and there will be difficulties ahead. But we are pleased with some of the steps that have been taken recently.

Q **Scott, back on Liberia. Following the meeting** yesterday, the Secretary General came out and at that point and since then has laid out a scenario which he discussed with the President. It suggests that things are already in motion regarding a decision with Liberia.

Has the President actually already signaled that we need to get moving in certain areas? And how soon after the assessment is the United States prepared to move?

MR. McCLELLAN: Well, I think the President has already indicated that. He wants to move as quickly as possible, but we need to have the facts and we need to know what the assessment is.

What was the first part of your question, Ken?

Q The fact that Kofi Annan suggested that things are already in motion. In other words, he's laid out a scenario for certain steps that need to occur and at least the beginning of that process should have already begun, if he's giving that to us accurately. My question is whether or not the President does, in

fact, have some things already in motion regarding Liberia?

MR. McCLELLAN: Again, we need to see the full facts before he can reach final decisions on that matter.

Q Well, the assessment team is making it very clear that they are prepared to report back, probably within hours or within days. Can you tell us before the President leaves for --

MR. McCLELLAN: I don't want to try to put an arbitrary time line on this. I mean, we want to see the assessment, we want to evaluate the facts. And then the President will make decisions about how best to proceed, how we can help to make sure that this cease-fire takes hold. One thing is clear, though, that Charles Taylor needs to leave, and the President made that very clear yesterday, as well. He also brought that up in his discussions with Secretary Annan, Secretary General Annan.

Q **Scott, you said a couple of times already today** that you expect a deficit to be cut in half over the next couple of years. Can you tell us what his functions are going into that, specifically related to the war and what our level of involvement is going to be?

MR. McCLELLAN: I think I will let my colleague, Josh Bolten, go into more detail on it. But, obviously, it's based on our projections, and the economic forecast, and the need to control spending. We believe that we will cut the deficit in half over the next few years. It is a priority. It's something that we're working to address.

But what's most important is to continue focusing on creating jobs and economic growth. And that's why the action that the President has taken recently, where money is starting to get back into people's pockets. And small businesses will realize benefits, as well, so that they can create more jobs. And that's why that action has been so important, because we need to address it two ways, through economic growth, which will increase revenues, and controlling spending.

Q **Follow-up to that, follow-up on that.** What is the President's assessment of the effect on the jobs market of his tax cut package so far? And does he think that any other proposals are needed to create jobs?

MR. McCLELLAN: At this point, no, we're not announcing anything new or preparing to announce anything new in the near future. Remember, this economic growth and jobs plan was just recently passed, and the effects of it are just beginning to be realized now with the change in withholding tables, with the child credit checks that will be going out very soon and people will be receiving. So I think you'll start seeing the impact of that.

And remember that the first, back in 2001, we were in a recession. And it was one of the shallowest and shortest in history, and the reason was partly because of the action we took to cut taxes and get more money back into people's pockets. And that helped make it one of the shortest and shallowest.

Q **In February, you actually projected a lower deficit** than you are now. What confidence do you

have that these numbers are going to be accurate, that we're not going to even get into more of a deficit?

MR. McCLELLAN: Well, again, I don't want to get too far ahead of our briefer here, that you're going to have in a short amount of time here, and he's going to go into a lot more detail about some of the reasoning behind those projections. And bottom line is it remains a concern, but it's a very manageable one because of the steps that we are taking and because of the economic forecast and what we're doing with Congress to hold the line on spending. And it's a reminder to Congress, as well, of the need to hold the line on spending.

Q I just have my own quick question, but first I want to clarify what you said to Dana. Basically, are you -- on the inspections in Iraq, are you clarifying that, or saying that, or conceding that he mis-spoke?

MR. McCLELLAN: No, what I was saying was that he was referring to the fact that he was trying to keep the inspectors from doing their job. Saddam Hussein was not complying with Resolution 1441. He would not let them do their job. So that's not --

Q -- possible, but people mis-speak all the time. It's possible that he did mis-speak.

MR. McCLELLAN: It's what I've said. I've addressed this two or three times now.

Q On the deficit, the President often meets with foreign leaders and reporters often have questions for him and they go either the top of the bottom of the meeting. Is the reason they're not doing it today, is it safe to assume that you don't want the President talking about the deficit today?

MR. McCLELLAN: Are you talking about the Medicare meeting?

Q No, why he didn't take questions with the Czech Prime Minister.

MR. McCLELLAN: It was still photographers. There are different ways we do all these. This was scheduled previously. I don't connect the two at all, and I don't think you should, either. If you want to, that's fine, but I wouldn't do that.

Q First of all, again, congratulations for the first briefing as press secretary.

MR. McCLELLAN: Thank you. I'm still here.

Q Going back to Iraq. Yesterday, when Kofi Annan, Secretary General of the United Nations, met with the President here in the Oval Office, I'm sure that they must have discussed Iraq and peacekeeping forces there. Now India has decided that India will not send any peacekeeping forces to Iraq at this time. If President is in touch with the Indian authorities or anybody else?

MR. McCLELLAN: I'm sorry, what was the question?

Q If the President is in touch with Indian Prime Minister or anybody there, why India has decided not to --

MR. McCLELLAN: Well, we have been in touch with India. We've been in touch with a number of countries. Obviously, each country has to come to its own decision and make the decisions based on its own domestic considerations. I would remind you that there are already 19 countries committed to be part of the stabilization force in Iraq. We continue to talk with many others about participation, as well. It remains our hope, over time, that India will be able to join this effort, too.

Sara.

Q Thank you.

Q Do you know --

MR. McCLELLAN: Sara.

Q Do you know --

MR. McCLELLAN: No, Sara.

Q Do you know --

MR. McCLELLAN: Is your name Sara? (Laughter.)

Q **Thank you, and welcome. My question is on North Korea.** You have answered most of my question, but will the President consider bilateral talks with North Korea?

MR. McCLELLAN: We are pursuing this in a multilateral way; we've made that very clear, that we seek a diplomatic solution. We're willing to talk, but not until North Korea makes clear that they're ending their nuclear weapons program in an irreversible way, as well.

So there's a lot, and I think I addressed some of this earlier, but we are pursuing a multilateral approach and that's the approach we will continue to pursue.

Q **On the budget, you said that the deficit is really** no harm to the economy, and then you later say that addressing it is a definite priority. If it's not doing any harm, why does the administration feel it needs to be addressed?

MR. McCLELLAN: Well, right now -- and the reasons I cite that is because interest rates are at 45-year lows. And I also point out the fundamentals are in place for a recovery and job growth. It's something

that you have to continue to monitor over time. But right now it is not.

Q Okay. But it could turn into a problem in the future, or near future?

MR. McCLELLAN: Well, if Congress goes and starts spending a lot more than they should be, not holding the line on spending, sure, that could become a problem. But that's why we're working to address it and that's why we're addressing it in those two ways -- getting the economy growing, holding the line on spending.

Q One more thing, if I may. You had a laundry list, basically, about what has contributed to the deficit, and you didn't include the tax cuts in there. Was that an oversight?

MR. McCLELLAN: No, no. Again, there's going to be a full briefing on there. But, clearly, it was, you know, the slower economic recovery and weak stock market that caused revenues to decline, which explains the biggest change that you'll see in our budget position -- followed by cost of war and the economic growth plan.

But, I point out, if there had been no tax cuts in 2001, 2002, 2003, the budget would still be in triple deficits today.

Q Would it be as bad?

MR. McCLELLAN: I promised Connie. She was looking at me. She's been patient. You can be patient, as well. I'm not going anywhere.

Q **Thank you, Scott, for going by topics rather** than seats, rows, too. That is very helpful. On North Korea, one other, you're not saying what will happen. Secretary Perry, in his interview, said that the countries might drift into war. What will happen if North Korea does not reverse its nuclear program?

MR. McCLELLAN: That's getting into a speculative question at this point. What we have made very clear is that they must end their pursuit of nuclear weapons. They must end their nuclear weapons program and do so irreversibly and irrevocably. And we have to work this in a multilateral way. This is a situation that we are pursuing in a diplomatic way.

Obviously, you never take any options off the table, but we seek a diplomatic solution. We continue to talk with our friends and allies. We continue to talk with the countries in the region of how best to proceed and how to remind North Korea that all they are doing is further isolating themselves with the actions they are taking and with the statements that they are making; and that there is an opportunity for North Korea, if they'll end their nuclear weapons program, to have talks with the international community, have multilateral talks and start to realize some of the help that can come if they want to become a participating member of that international community.

Q **Still on Iraq. In terms of the broad coalition** that the President spoke of before the war -- that was very strong support in the United States, so far seems that there is no broad coalition of support in

what's going on in Iraq. And my question to you is, is the President worried that he's losing credibility around the world, because this kind of uranium from Africa and do you --

MR. McCLELLAN: I'm sorry, the -- oh, okay, go ahead.

Q And do you think that which countries in the same coalition that support President Bush before the war is going to be ready to help in the situation in Iraq right now?

MR. McCLELLAN: I'm sorry, the last part?

Q **Which countries in that same coalition** that supported President Bush before the war are ready to help?

MR. McCLELLAN: Well, I mentioned that there are some 19 countries that are already participating and helping. I think you can talk to the coalition provisional authority about some of those more specifics and some of the ones that we're talking to, as well.

The first part of your question -- let me be very clear. We've addressed this in a very straightforward manner. The reference you made, we've said that that statement should not have been put in the speech. And I think the American people accept that fact. The reason why is because they realize -- the President was very clear in outlining the threat posed by Saddam Hussein and the risk that he posed.

And when you look at that threat through post-September 11 lens, it becomes even more real. And the reason we acted was for a number of factors. There was a lot of evidence there, unaccounted stockpiles of chemical and biological weapons, a long history of defiance, deception and trying to deceive. His support for terrorists.

Q The world is still waiting for the evidence to be presented about the link between Saddam Hussein and al Qaeda. And so far there is no biological weapon, no chemical weapons and no links between terrorism and Saddam Hussein. So when the world is going to see the evidence?

MR. McCLELLAN: Well, I disagree. There is some evidence that has already come forward and we're continuing to, with the help of David Kaye and the Iraq survey group, pursue this issue and learn more about his weapons of mass destruction program. But there are already two mobile biological weapons labs, I remind you, that have been discovered. There was a nuclear scientist who had buried materials and documents that could be used to begin a program.

So the evidence -- there is already evidence coming forward, and we continue to pursue the rest of it, and we're confident that we will find the full extent of his weapons of mass destruction program and his weapons of mass destruction.

Q **Scott, you opened this a second ago, let me just pursue it.** You said that, a minute ago, that even without the tax cut, it will still be a triple digit deficit. What does your little research note say that

deficit would be without the tax cut?

MR. McCLELLAN: Well, again, there's going to be a full book, or full report presented to you, as well.

Q Do you have the numbers?

MR. McCLELLAN: But I might let -- I'm going to let the OMB Director spell out the specific numbers more thoroughly. That's what the briefing was set up for, for today.

Q Do you have a calculation of what the deficit would be, minus the tax cut?

MR. McCLELLAN: Some of the numbers, as you know, have already been kind of circulating out, so I wanted to -- I just wanted to put this in context and -- I wanted to put this in context for you a little bit because there are some numbers circulating out there, and make sure you understand that point. I think that the OMB Director will go into more detail so you can better understand.

Q Is one of those numbers what the deficit would be without the tax cut?

MR. McCLELLAN: I'm sorry?

Q Is one of those numbers where the deficit would be without the tax cut?

MR. McCLELLAN: I think he'll go into those numbers. Yes, so I do expect him to.

Q Scott, Scott, Scott, please.

MR. McCLELLAN: Is this on the deficit?

Q No, but has there been a change --

MR. McCLELLAN: I'm coming.

Q -- It's been four times here.

MR. McCLELLAN: I know, but let's stay on this one subject. I'm coming to you, Les, I promise.

Q **On the deficit, the other side of the coin** is the state deficit, and as you know, state budgets are reeling with lack of funding. Is the administration at all concerned that the budget shortfall on the state side is going to adversely affect the U.S. economy, as well as cut possibly in half the stimulative effect of the federal tax cuts and make it difficult, if not virtually impossible, to carry out federal mandates in terms of leave no child behind, Medicaid assistance, and cutting back on Medicaid recipients?

MR. McCLELLAN: What's going to help states is getting our economy growing stronger, getting our

economy growing faster. That's going to create more revenues. That's going to help states and get more people back to work, as well.

Q But as you know, one of the fundamentals you mentioned was a strong housing market. And the flip side of that is it means higher property taxes. Many people on the state level, the local level, are complaining that, yes, they might be receiving a less of a tax burden on the federal side, but it's being practically wiped out on the state and local side.

MR. McCLELLAN: Well, states have to make decisions just like we do at the federal level, as well. But what's going to help states is getting this economy growing, getting more revenues coming in.

Q I'm at long last able to welcome you. Scott, the NAACP President, Kweisi Mfume -- I have a two-part -- has bitterly denounced Senator Lieberman and Congressman Kucinich and Gephardt for their refusal to attend the NAACP convention in Miami Beach, where Julian Bond last year compared American conservatives to the Taliban, and this year, said, "Republicans appeal to the dark underside of American culture."

And my question, since the President also refused to attend this annual convention, he doesn't believe these three members of Congress deserve to be so pilloried, does he, Scott?

MR. McCLELLAN: I don't know I agree with some of your characterization within there. And, frankly, I didn't hear the specific comments that were made about these individuals.

Q Page one of the Washington Times. Page one. You have no comment?

MR. McCLELLAN: I saw the reports. But what's your question?

Q Well, the President doesn't believe these Congressmen should be pilloried like that, does he? He's not going.

MR. McCLELLAN: Well, the President focuses on what brings us together. He's an inclusive leader. And he's going to keep focusing on what can bring us together, not things that might divide us or separate us. And he's going to continue reaching out to people from all walks of life.

Q On July the 4th, Chairman Elijah Cummings of the Congressional Black Caucus, in a tape-recorded interview, said he hoped the President would speak out on both historical slavery, as well as black slavery today in Sudan, which he said is atrocious.

But in the President's speech on Goree Island, he said not one word about today's black slaves. But, instead, said, Christian men and women wind to the clearest command of their faith, added hypocrisy to injustice, which indicts a number of Texans. How does the President believe it is not hypocritical to denounce historic slavery while ignoring thousands of black slaves in the neighboring country of Mauritania?

MR. McCLELLAN: I think the President's Goree Island remarks were very clear, and he spoke very clearly, and he --

Q No mention of slavery today.

MR. McCLELLAN: And his visit to Africa was a very successful visit. It's a great continent of possibilities, like he talked about.

Q No mention of slavery today, as Elijah Cummings asked.

MR. McCLELLAN: Let's go back here.

Q **On Liberia, Charles Taylor yesterday** said on Fox News that his leaving would require a major nation rebuilding effort, maybe 10 years, 5,000 U.S. troops. Is there any White House reaction on that?

MR. McCLELLAN: We've made clear that Charles Taylor needs to leave. We've made that very clear. I want to wait until we have an opportunity to evaluate all the facts and have an assessment, and then we will be able to say more at that point when decisions are made, and explain why those decisions were reached.

Q Thank you.

MR. McCLELLAN: Thank you.

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