

Governor Bush:

..... Thank you, Michael, thank you very much for that very kind introduction. It is a great joy to be here. I'm going to talk a little bit about Florida. I am Florida's chief evangelist, and so I hope you'll allow me as Governor to maybe a 5% margin of error in my enthusiasm for the state that I have the privilege of serving.

But before I begin my remarks, I want to thank the British people and your great Prime Minister for the immediate support that was shown after September 11th. I am the brother of the President, so it may be hard for you to think that somehow I represent everyday American opinion; although as a politician, if you don't represent everyday American opinion, you're not in elected office much longer. But I can assure you on this - I can assure you on this, that the American people's outpouring of love for the British people and the support that we have for you is incredible. And if Prime Minister Blair wanted to run for office in Florida or any place in the United States, I guarantee he would win on a landslide.

During our most difficult times, his steadfast support - [laughter] Yes, some people may look like they may oppose that, I don't know ..... We'll take him - we'll take him in a ....., I promise you.  
[applause]

What it did show was the bond that exists that goes beyond economics and finance and dollars

and cents. It's a bond that is a powerful bond. And throughout history, throughout modern history, it's been shown to be a very effective bond. And so gateways also are gateways to the heart, and gateways to the spirit. And I felt obliged to say that because during the weeks after September 11th, where we were angry, saddened, depressed, angry again, throughout that, each day on television Prime Minister Blair and the representatives of this government were there showing their support. And it really was uplifting for the American people.

Florida is a very dynamic people. We have a sense of history in that the two cities in Florida - Pensacola and St. Augustine are the oldest cities in North America. If you come visit, you wouldn't get a sense that we have the same sense of history as London might or we're a dynamic place that is constantly changing.

I'll give you a demographic fact of life. We have the highest number of people moving into our state of any state in the United States. We have the third highest number of people moving out. We have the highest death rate because we're blessed with a lot of people that come to retire to Florida, that actually is part of our economic success - the people that don't put too many demands on our state come to retire with their savings, and they allow us to expand our economy into other areas without raising taxes. And we have one of the highest birth rates. It is a place of constant

change. Like London it is a very multicultural place. We have people from all over the world that are aspiring to bigger and better things, and they reside in our state. We're blessed with a lot of Brits that live in our state, as well as Colombians and Mexicans and Cubans and Nicaraguans and New Yorkers - [laughter] - and even a few native Floridians.

And that dynamic nature creates lots of challenges, but it creates huge opportunities as well. The perception of Florida is that it is agricultural based, which we do have a vibrant agricultural community; that it is visitor based and we have 70+ million people come to our state, that creates all sorts of opportunities for people.

But we've really transformed in the last decade of time, and most particularly accelerated that in the most recent years to broaden out our economy. We, for example, this last year led the nation - or were second or first in the nation in job growth in general. But over the last four years we've had over 400,000 new jobs created. We've expanded into the high technology area, and because of our status as - if you look at a map and you see where Florida resides - geography has propelled us into the rest of the world. And there has been massive investments in infrastructure at our ports and airports, and now into the new economy with a fibre-optic that connects us to Europe and to Latin America, further enhancing our gateway status.

And as a result - as a result - it's a pretty darned good place to live, a pretty good place to do business in, to pursue dreams.

As Governor of the state, I look over the horizon and try to figure out, how do we - since success is never final - how do you build a climate where investment will occur more often than not in your state rather than some other place that is also aspiring for that capital. And the first premise is, as an elected official, I start with the premise that I believe in entrepreneurial capitalism. And as an elected official, that sets me apart from some, because generally people that aspire to serve in government think the government can solve many of the problems. I much prefer to have government be limited and people's hopes and dreams be grand and big. And therefore you have to create a climate where taxes are low and where people invest in their own dreams rather than trying to solve dreams for them through government.

That climate has allowed us to go through the tougher times. In the last year when the economy softened in the United States, we made adjustments in our state budget. Most state governments right now are still going through very tough choices that they have to make to cut their budgets. Florida's budget this year, starting July 1st, will grow by 6.8%, which is one of the highest in the country, because we dealt with the issues quickly, and we have confidence that people's ability to rebound individually was there before we

asked government through higher taxes and more spending to solve a problem.

And so we have no taxes; in fact we've cut taxes to a point where now personal income, the taxes as a percentage of personal income is lower in our state now than it was 10 years ago. We've invested in the longer term things like roads and sea ports and airports, to make our state competitive. And we've focused on the new economy infrastructures where there has been massive investment, most particularly in the private sector, to link up, as I said, the rest of the world through the creation of a network access point that will allow us to be competitive in the new economy.

So investing in the long term things and limiting government, and hopefully creating an entrepreneurial climate, is part of this pursuit of building a field of dreams.

Secondly is focusing on education, which ought to be the first priority I think globally. We have huge challenges in our own country and in our state of an achievement gap that limits people's abilities to access entrepreneurial activity. If you can read and write or calculate math or understand things that have a sense of history or be able to think abstractly, it will be very difficult 10 years from now or 15 years from now to be successful in life. And so from the very beginning of education we're

focusing on challenging every basic assumption about how education works.

And it's the greatest joy I have - Commissioner Galda here is the Commissioner of Insurance and former Commissioner of Education in our state, and he and I fought the battles together. And it is the greatest challenge and joy that I have to take on a very entrenched establishment that refused to change.

In Florida, for example, we grade schools based on student achievement, and we grade them so that moms and dads understand A through F. And so when a school's an F, there's outrage. And communities come together to try to solve the problem. And the result over four years is, after we've spent a lot of money on education, we have high standards, accountability that is really second to none in the western countries, and we've seen rising student achievement, particularly with the kids that historically people have told us they couldn't learn. Kids of low income, kids of families that may not be completely intact, Afro-American, Hispanic children - the story goes that they couldn't learn as well as others, and we're disproving that in Florida. And in the long run that effort, along with very good job training, will prepare us to compete with anybody, any place, in any area of economic life.

And then we focus on the things that are our niche. We're not going to be the car

manufacturing capital of the world. Geographically it would be impossible for that to occur because of the need to be centrally located for distribution.

We have capable workers, but geography compels all the manufacturers, when they look at the United States, to be more centrally located. But we can compete with the rest of the world as it relates to providing goods and services to a market of 450 million people, which is the Caribbean and Latin America. And that market has its ups and downs, but it is a dynamic place with a very bright future.

And so with the human capacity we have - we have more chambers of commerce perhaps - almost as many as London has. We have a financial chamber of commerce for every Latin American country and Caribbean country, and when they get into fights they split like cells, and they recreate. And sometimes we've even had three. I think at one point there were three Venezuelan chambers of commerce [laughter]. And in a dynamic world that's a good thing. We have the human resources available to trade goods and services with every - with every country in the region. The freight lines are all geared towards South Florida and the Tampa ports, particularly as it relates to the rest of the world. But the top 15 of our trading partners, 14 of them are from the region - the United Kingdom is one of those 15.

The amount of private investment in our state from Latin America is enormous. Particularly, sadly,

when times get tough in Latin America, the amount of flight capital invested in our state provides support for us temporarily until that money goes back to be reinvested to create more trade opportunities for our state. We're the bankers, the doctors, the lawyers, the accountants, the customers' brokers for this gigantic region. And that provides us a niche that I think will bode us well going forward.

So Florida is a place in complete transition, is a place that redefines itself on a regular basis. And it is a joy to be its governor. We're here - and I'll close with this, and I'll be happy to answer any questions or comments you might have - we're here as part of the Farnborough Air Show, which is important for us because Florida's modern economic history was defined by air travel and by the aviation business.

In World War II, for example, there was a young fighter pilot to be, at that time aspiring to be the youngest navy pilot in World War II. It happened to be - we call him 41, which is different than 43 was the current occupant in the White House, my dad. He trained in Fort Lauderdale and in Pensacola, and almost every naval aviator and almost every aviator in World War II was trained in Florida. And once World War II was over, we had all of this infrastructure in place, and it became a source of important business for the state - the modern Florida was defined by two or three things: by someone having the infinite wisdom of locating

the Kennedy Space Centre - mustn't call it the Kennedy Space Centre now - but the Cape Canaveral in Florida, a perfect location for space launch. A visionary from California by the name of Walt Disney, who had the foresight to purchase thousands of acres and a dream to build something which we encourage you to go see, since it's ever-changing as well.

And the modern industrial base of Florida that was created because of aviation. And so at the Farnborough exhibit, for example, you'll see more - the Florida exhibit is one of the larger ones in terms of states, is the largest one in terms of states. And amongst our delegation are many businesses that provide very good support for the aviation industry. It is a vital part of our state. Without air travel, we would not survive, and without the jobs created, high wage jobs in the aviation sector, Florida would not be as prosperous as it is today.

We welcome you to come visit. In fact, Michael, I'll make a point - I'll be in the heat of battle then, and it'll be a nice refreshing pause to come and say hello if you invite me in October in Orlando. We're delighted that you'll be taking part in one of our largest businesses, which is the travel business. We'd be delighted that you come, and I really appreciate you all - the sponsors sponsoring this breakfast, and you all coming today, to allow me to share some thoughts about the state I love.

Thank you all very much.