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must be involved, as President Bush said, in order to combat that scourge at all levels.

And so we are very happy to be here and very happy to be moving forward. Thank you.

President Bush. *Gracias, senor.*

President Colom. *Si. Gracias.*

President Bush. Thank you all.

NOTE: The President spoke at 11:41 a.m. in the Oval Office at the White House. In his remarks, he referred to Sandra Torres de Colom, wife of President Colom. President Colom spoke in Spanish, and his remarks were translated by an interpreter. The Office of the Press Secretary also released a Spanish language transcript of these remarks.

Remarks Prior to a Meeting With U.S.-Brazil CEO Forum Officials

April 28, 2008

It is my honor to welcome the U.S.-Brazil CEO Forum here to Washington. First of all, I want to thank my friend President Lula for encouraging this forum to go forward. It's an indication of the importance that we both place on our bilateral relations. Brazil is a very powerful, very important country in our neighborhood. And it's really important for this administration and future administrations to work closely with the Brazilian Government, like it is important for our respective business communities to work closely together.

I do want to thank you all very much for putting forward a list of recommendations. I'm looking forward to our discussion. As I understand, the list of recommendations includes a successful Doha round as well as a bilateral tax treaty and a bilateral investment treaty. One of the things I will share with the Brazilian CEOs is that I strongly support a successful Doha round, and our Government will work closely with Brazil to get that done. And secondly, in terms of our bilateral policy, I also strongly, as does my administration, support a bilateral tax treaty and a bilateral investment treaty.

I'm—relations between our two countries are very positive, and they're very important. And so thank you all for coming. Please give my best regards to President Lula. Thank you for being here.

NOTE: The President spoke at 1:57 p.m. in Room 350 of the Dwight D. Eisenhower Executive Office Building. In his remarks, he referred to President Luiz Inacio Lula da Silva of Brazil.

The President's News Conference

April 29, 2008

The President. Thank you. Good morning. This is a tough time for our economy. Across our country, many Americans are understandably anxious about issues affecting their pocketbook, from gas and food prices to mortgage and tuition bills. They're looking to their elected leaders in Congress for action. Unfortunately, on many of these issues, all they're getting is delay.

Americans are concerned about energy prices, and I can understand why. I think the last time I visited with you it was like—I said it was like a tax increase on the working people. The past 18 months, gas prices have gone up by $1.40 per gallon. Electricity prices for small business and families are rising as well.

I've repeatedly submitted proposals to help address these problems. Yet time after time, Congress chose to block them. One of the main reasons for high gas prices is that global oil production is not keeping up with growing demand. Members of Congress have been vocal about foreign governments increasing their oil production. Yet Congress has been just as vocal in opposition to efforts to expand our production here at home.

They've repeatedly blocked environmentally safe exploration in ANWR. The Department of Energy estimates that ANWR could allow America to produce about a million additional barrels of oil every day, which translates to about 27 millions of gallons of gasoline and diesel every day. That would be about a 20-percent increase of oil—crude oil production over U.S. levels, and it would likely mean lower gas prices. And yet such efforts to explore in ANWR have been consistently blocked.

Another reason for high gas prices is the lack of refining capacity. It's been more than 30 years since America built its last new refinery. Yet in this area too, Congress has repeatedly blocked efforts to expand capacity and build more refineries.

As electricity prices rise, Congress continues to block provisions needed to increase domestic electricity production by expanding the use of clean, safe nuclear power. Instead, many of the same people in Congress who complain about high energy costs support legislation that would make energy even more expensive for our consumers and small businesses.

Congress is considering bills to raise taxes on domestic energy production, impose new and costly mandates on producers, and demand dramatic emissions cuts that would shut down coal plants and increase reliance on expensive natural gas. That would drive up prices even further. The cost of these actions would be passed on to consumers in the form of even higher prices at the pump and even bigger electric bills.

Instead of increasing costs and imposing new roadblocks to domestic energy production, Congress needs to clear away obstacles to more affordable, more reliable energy here at home.

Americans are concerned about rising food prices. Unfortunately, Congress is considering a massive, bloated farm bill that would do little to solve the problem. The bill Congress is now considering would fail to eliminate subsidy payments to multimillionaire farmers. America's farm economy is thriving. The value of farmland is skyrocketing, and this is the right time to reform our Nation's farm policies by reducing unnecessary subsidies. It's not the time to ask American families who are already paying more in the checkout line to pay more in subsidies for wealthy farmers. Congress can reform our farm programs, and should, by passing a fiscally responsible bill that treats our farmers fairly and does not impose new burdens on American taxpayers.

Americans are concerned about making their mortgage payments and keeping their homes, and I don't blame them. Last year, I called on Congress to pass legislation that would help address problems in the housing market. This includes critical legislation that would modernize the Federal Housing Administration, reform Fannie Mae and Freddie Mac, and allow State housing agencies to issue tax-free bonds to refinance subprime loans. Yet they failed to send a single one of these proposals to my desk. Americans should not have to wait any longer for their elected officials to pass legislation to help more families stay in their homes.

Americans are concerned about the availability of student loans. The recent credit crunch makes it uncertain that some students will be able to get the loans they need. My administration is taking action through the Department of Education's lender of last resort program, which works to arrange loans for students who are unable to secure one from a lender on their own. In other words, we're helping. Congress needs to do more by passing a bill that would temporarily give the Federal Government greater authority to buy Federal student loans. This authority would safeguard student loans without permanently expanding the Government's role in their financing.

In all these issues, the American people are looking to their leaders to come together and act responsibly. I don't think this is too much to ask, even in an election year. My administration will reach out to Congress. We will work to find areas of agreement so that we can deal with the economic pressures that our American taxpayers and American families are feeling. I ask Congress to do its part by sending me sensible and effective bills that I can sign, instead of issuing or sending bills that simply look like political statements. We can work together. We can help Americans weather this difficult period. We can keep our country moving forward.

Now I'll be glad to take some of your questions. Jennifer [Jennifer Loven, Associated Press].

National Economy/Energy

Q. Thank you, sir. You have said that we need to wait until the first stimulus has taken effect to act again. But since it was passed, gas prices have gone up, foreclosures have gone up, there have been layoffs, news just this morning that consumer confidence is down yet again.

President Bush. Yes.

Q. Isn't it time to think about doing more?

And on another issue, would you support a summer moratorium on the Federal gas tax?

The President. First of all, the money is just now making it into people's bank accounts. And I applaud the Speaker and the leader of the Senate and minority leaders there for working together to get this done. And now, after a period of time, the money is beginning to arrive, and we'll see what the effects are.

And we'll look at any idea in terms of energy, except I will tell you this: That if Congress is truly interested in solving the problem, they can send the right signal by saying, we're going to explore for oil and gas in the U.S. territories, starting with ANWR. We can do so in an environmentally friendly way. They ought to say, why don't we—I proposed, you might remember, taking some abandoned military bases and providing regulatory relief so we can build new refineries. I mean, if we're generally interested in moving forward with an energy policy that sends a signal to the world that we're not—we're going to try to become less reliant upon foreign oil, we can explore at home as well as continue on with an alternative fuels program.

Yes, sir.

National Economy/Energy/Oil Supply

Q. So was that a yes on the moratorium?

The President. No. I'm going to look at everything they propose. We'll take a look.

Q. Thank you, Mr. President. Were you premature in saying that the U.S. economy is not in a recession when food and energy prices are soaring so high?

And what more can you do to persuade Saudi Arabia during your upcoming visit to reconsider output levels and cut prices?

The President. Yes. Look, I mean, you know, the words on how to define the economy don't reflect the anxiety the American people feel. The average person doesn't really care what we call it. The average person wants to know whether or not we know that they're paying higher gasoline prices and that they're worried about staying in their homes. And I do understand that. That's why we've been aggressively helping people refinance their homes. That's why I continue to call upon Congress to pass legislation that will enable people to stay in their homes.

These are tough times. People—economists can argue over the terminology. But—and these are difficult times, and the American people know it. And they want to know whether or not Congress knows it. I think an important signal to send on energy, just like I said, is to say, okay, we're going to go find oil here at home.

We can—we're transitioning to a new era, by the way, a new era where we're going to have batteries in our cars that will power—enable people to drive 40 miles on electricity. There's going to be more ethanol on the market, more alternative fuels. It would be—our driving habits will change. But in the meantime, we need to be sending a signal to the world markets that we intend to explore here in America. We can also send a clear signal that we understand supply and demand. And then when you don't build a refinery for 30 years, it's going to be a part of restricting supply, and therefore, we ought to expand our refining capacity by permitting new refineries and getting after it quickly.

On the electricity front, as you know, I'm a big believer in nuclear power. Except we keep getting mixed signals out of Congress, and the regulatory system sends mixed signals.

And so—and then to your question on the Saudis, look, I have made the case that the high price of oil injures economies. But I think we better understand that there's not a lot of excess capacity in this world right now. Hopefully high prices will spur more exploration to bring excess capacity on, but demand is rising faster than supply. And that's why you're seeing global energy prices rise. And that's why it's important for us to try to take the pressure off by saying, we're going to start exploring here at home.

John [John Yang, NBC News].

Alternative Fuel Sources/Price of Food

Q. Thank you, Mr. President. I'd like to ask you about an area——

The President. You're welcome.

Q. ——where food prices and energy policy come together; that's biofuels.

The President. Yes.

Q. The World Bank says about 85 percent of the increase in corn price since 2002 is due to biofuel—increased demand for

biofuels. And your Secretary of State said that—indicated yesterday that she thought that might be part of the problem. Do you agree with that? And what can the United States do—what more can the United States do to help make food more affordable around the world?

The President. Yes, actually, I have a little different take. I thought it was 85 percent of the world's food prices are caused by weather, increased demand, and energy prices—just the cost of growing product—and that 15 percent has been caused by ethanol—or the arrival of ethanol.

By the way, the high price of gasoline is going to spur more investment in ethanol as an alternative to gasoline. And the truth of the matter is, it's in our national interests that we—our farmers grow energy as opposed to us purchasing energy from parts of the world that are unstable or may not like us.

In terms of the international situation, we are deeply concerned about food prices here at home, and we're deeply concerned about people who don't have food abroad. In other words, scarcity is of concern to us. Last year, we were very generous in our food donations, and this year, we'll be generous as well. As a matter of fact, we just released about $200 million out of the Emerson Trust as part of a ongoing effort to address scarcity.

One thing I think that would be—I know would be very creative policy is if we would buy food from local farmers as a way to help deal with scarcity, but also as a way to put in place an infrastructure so that nations can be self-sustaining and self-supporting. It's a proposal I put forth that Congress hasn't responded to yet, and I sincerely hope they do.

That would be Jim [Jim Axelrod, CBS News].

Price of Gasoline/National Economy/ 2008 Presidential Election

Q. Good morning, Mr. President. Thank you. I just want to follow up on the idea of the gas tax moratorium, if I may, because you're indicating that, perhaps, you'd be open to it. You mentioned in your opening remarks that——

The President. I'm open to any ideas, and we'll analyze everything that comes our way, but go ahead.

Q. Well, we're talking about, perhaps, the most immediate relief to people who are buying gasoline every day, because it would be an 18.4 cents a gallon tax cut. Senator Clinton and Senator McCain are in favor of it; Senator Obama is not.

The President. Yes.

Q. But Americans are hearing about this every day. So could you flesh out, perhaps, some of your thinking about why this would be a good idea or not, why you would agree with Senator McCain or Senator Obama?

The President. No, I appreciate you trying to drag me in the '08 race. And this is the first attempt to do so, and I can understand why you would want to do that.

I will tell you that, first of all, the American people have got to understand that here in the White House, we are concerned about high gasoline prices. We're concerned about high food prices. We're concerned about people staying in their homes. And we're concerned about student loans, just like I described. And Congress can be helpful. Congress—they can show leadership by dealing with these issues.

And we'll consider interesting ideas. But, Jim, what I'm not going to do is jump right in the middle of a Presidential campaign. We'll let the candidates argue out their ideas.

Q. Well, would——

The President. I just told you, I'll consider the ideas. If it's a good idea, we embrace it; if not, we're analyzing the different ideas coming forward.

Wendell [Wendell Goler, FOX News Channel].

Alternative Fuel Sources/Energy

Q. Mr. President, you just said there's not a lot of excess supply out there. Some energy experts think we may have already passed or be within a couple of years of passing the maximum oil pumping capability. In other words, we may be close to tapping all we've got. Do you think that's the case? And if you do, why haven't you put more resources into renewable energy research, sir?

The President. Wendell, we've put a lot into ethanol. And we're—as a matter of fact,

the solution to the issue of corn-fed ethanol is cellulosic ethanol, which is a fancy word for saying we're going to make ethanol out of switchgrasses or wood chips. And we're spending a lot of money along those lines.

But energy policy needs to be comprehensive. And we got to understand, we're in a transition period. The problem is, there's been a lot of focus by the Congress in the intermediate steps and in the long-term steps—the long-term steps being hydrogen; the intermediate steps being biofuels, for example, and researching the biofuels and battery technology—but not enough emphasis on the here and now.

And so you ask—you say that people think we can't—there's not any more reserves to be found. Well, there are reserves to be found in ANWR. That's a given. I just told you that there's about 27 million gallons of diesel and gasoline that could be—from domestically produced crude oil that's not being utilized. And not only that, we can explore in environmentally friendly ways. New technologies enables for—to be able to drill like we've never been able to do so before—slant hole technologies and the capacity to use a drill site, a single drill site, to be able to explore a field in a way that doesn't damage the environment. And yet this is a litmus test issue for many in Congress. Somehow if you mention ANWR, it means you don't care about the environment. Well, I'm hoping now people, when they say ANWR, means you don't care about the gasoline prices that people are paying.

Yes, sir. Rog [Roger Runningen, Bloomberg News].

Strategic Petroleum Reserve

Q. Thank you, Mr. President, and good morning.

The President. Good morning. [*Laughter*] I like a friendly guy here in the Rose Garden.

Q. Sir, 14——

The President. Would that be you, Rog, a friendly guy here in the Rose Garden? [*Laughter*]

Q. Thank you.

The President. Yes. Mr. Sunshine, they call you. [*Laughter*]

Q. Fourteen Senators, including your own Senator, Kay Bailey Hutchison from Texas, calling on you to stop filling the Strategic Petroleum Reserve. You've been asked that several times over the past few years.

The President. Yes.

Q. I know what your answer has been. But do you think now, with the rising prices, the record high oil prices, it's time to change course?

The President. In this case, I have analyzed the issue. And I don't think it would affect price, for this reason: We're buying, at the moment, about 67,000 to 68,000 barrels of oil per day, fulfilling statutory obligations to fill up the SPRo. World demand is 85 million barrels a day. So the purchases for SPRo account for one-tenth of one percent of global demand. And I don't think that's going to affect price, when you affect one-tenth of one percent. And I do believe it is in our national interests to get the SPRo filled in case there's a major disruption of crude oil around the world.

I mean, one of the—for example, one of the things the—Al Qaida would like to do is blow up oil facilities. Understanding we're in a global market, a attack on an oil facility in a major oil exporting country would affect the economies of their enemy—that would be us and other people who can't stand what Al Qaida stands for. And therefore, the SPRo is necessary, if that's the case, to be able to deal with that kind of contingency. And if I thought it would affect the price of oil positively, I'd seriously consider it. But when you're talking about one-tenth of one percent of global demand, I think the—if you—on a cost-benefit analysis, I don't think you get any benefits from making the decision. I do think it costs you oil in the case of a national security risk.

Martha [Martha Raddatz, ABC News].

Afghanistan/War on Terror

Q. Thank you, Mr. President. I'd like to switch to Afghanistan. There was another attempt on President Karzai's life. There are operations going on there right now. Is the strategy succeeding? Are we winning in Afghanistan?

The President. Yes, I think we're making progress in Afghanistan, but there's a very

resilient enemy that obviously wants to kill people that stand in the way of their reimposition of a state that is—which vision is incredibly dark. I mean, it's very important for the American people to remember what life was like in Afghanistan prior to the liberation of the country. We had a government in place that abused people's human rights. They didn't believe in women's rights. They didn't let little girls go to school. And they provided safe haven to Al Qaida. In the liberation of this country, we've achieved some very important strategic objectives: denying Al Qaida safe haven from which to plot and plan attacks and replacing this repressive group with a young democracy.

And it's difficult in Afghanistan. I mean, it's—if you know the history of the country, you understand it's hard to go from the kind of society in which they had been living to one in which people are now responsible for their own behavior. But I am pleased with a lot of things. One, I'm pleased with the number of roads that have been built. I'm pleased with the number of schools that have opened up. I'm pleased a lot of girls, young girls are going to school. I'm pleased health clinics are now being distributed around the country. I'm pleased with the Afghan Army; that when they're in the fight, they're good.

I wish we had completely eliminated the radicals who kill innocent people to achieve objectives, but that hasn't happened yet. And so I think it's very much in our interests to continue helping the young democracy, and we will.

Yes. Obviously you've got a followup.

Q. But do you think we're winning? Do you think we're winning?

The President. I do. I think we're making good progress. I do, yes.

Q. Can I just add to that? A couple of weeks ago——

The President. No, you can't. This is the second followup. You usually get one followup, and I was nice enough to give you one. I didn't give anybody on this side a followup, and now you are trying to take a second followup.

Q. They didn't try.

The President. I know you try.

Yes.

Q. Can I just say that——

The President. No, they just cut off your mike. You can't, no.

Q. A couple of weeks ago, you said——

The President. Now she's going to go without the mike. This is awesome. [*Laughter*]

Q. A couple of weeks ago, you said that in Iraq, in 2006, you said we were winning and the strategy was working to keep up troop morale.

The President. Yes.

Q. How can we believe that you're not doing the same thing here?

The President. Oh, you tried to ask me that question before. It's a repeat. Look, I said——

Q. No, I'm talking——

The President. Can I finish, please? The question you asked me before at the exclusive I gave you on the ranch was, "You said that we were winning in the past." I also said that there was tough fighting. Now, make sure you put the comments in place.

So what I'm going to tell you now is, we're making progress in Afghanistan, but there's tough fighting. I'm under no illusions that this isn't tough. I know full well we're dealing with a determined enemy. I believe it's in our interest that we defeat that enemy. And so, yes, we're making progress, but it's also a tough battle. We're facing people who are willing to strap bombs on themselves and walk into places where the innocent dwell or the innocent shop and kill them.

Is it in our interest to confront these people now, whether it be in Afghanistan or Iraq or Europe or anywhere else? And the answer is, absolutely, it's in our interest. And the notion that somehow we can let these people just kind of have their way, or, you know, let's don't stir them up, is naive or disingenuous, and it's not in our Nation's interests. We are in a global struggle against thugs and killers. And the United States of America has got to continue to take the lead.

And so in Afghanistan, yes, we're making progress. Does that mean that we're—that it's over? No, it doesn't mean it's over. We're in a long struggle, as I've told you many a time, against these jihadists. You defeat them, ultimately, by the advance of democracy. See, this is an ideological struggle.

These aren't isolated, kind of, law enforcement moments. We're dealing with a group of ideologues who use asymmetrical warfare—that means killing innocent people—to try to achieve their objectives. And one objective is to drive us out of Afghanistan, Iraq, the Middle East, or anywhere else where we try to confront them.

And so, yes—I mean, look, is it tough? Yes, it's tough. Is it difficult? Absolutely. Is it worth the fight? In my judgment, yes, it is.

Yes, ma'am.

Syria/North Korea/Iran

Q. Thank you, Mr. President. What is the impact—[*inaudible*]?

The President. I can't hear you too well. Sorry, got a flawed mike. Martha, what did you do to the mike? [*Laughter*]

Q. Thank you, sir.

The President. She wanted an exclusive again. Anyway. [*Laughter*]

Q. Mr. President, thank you, sir. And previously, when asked about Israel's September bombing of the Syrian facility, you refused aggressively to discuss it. Then suddenly last week, your administration released classified photos and details of that bombing, intelligence officials claiming that it showed that this facility was a North Korean-designed nuclear facility being actually built with the help of Pyongyang. Why the turnaround, sir? What did you hope that that would accomplish? And what do you say to lawmakers of both parties on Capitol Hill who are quite concerned that, indeed, if this was what this facility was, that it took some 8 months for you to inform them, sir?

The President. Thank you. Let me correct the record. We briefed 22 Members of Congress on what I'm about to tell you. First, we were concerned that an early disclosure would increase the risk of a confrontation in the Middle East or retaliation in the Middle East. And as I mentioned to you early on, we did notify 22 Members of Congress, key committee chairmen. And I was—I'm mindful that there was going to be this kind of reaction. And we—of course, we wanted to include more Members of Congress at a time when we felt the risk of retaliation or confrontation in the Middle East was reduced. And so that moment came upon us and then extended the briefings.

We also wanted to advance certain policy objectives through the disclosures. And one would be to the North Koreans, to make it abundantly clear that we may know more about you than you think, and therefore, it's essential that you have a complete disclosure on not only your plutonium activities but proliferation as well as enrichment activities.

And then we have an interest in sending a message to Iran, and the world for that matter, about just how destabilizing a—nuclear proliferation would be in the Middle East, and that it's essential that we work together to enforce U.N. Security Council resolutions aimed at getting Iran to stop their enrichment programs. In other words, one of the things that this example shows is that these programs can exist, and people don't know about them and—because the Syrians simply didn't declare the program. They had a hidden program.

And finally, we wanted to make it clear to Syria, and the world, that their intransigence in dealing with—helping us in Iraq or destabilizing Lebanon or dealing with Hamas—which is a destabilizing force in our efforts to have a Palestinian state coexist peacefully with Israel—that those efforts are—it gives us a chance to remind the world that we need to work together to deal with those issues. So that's why we made the decision we made.

Yes, sir.

Congress/Legislative Priorities

Q. Mr. President, you've expressed frustration with Congress, obviously, over the economic—wanting them to do more on the economy. They've blocked you on Colombia. They've blocked you on the FISA issue. Are you frustrated? Are you angry? And do you have any real hope of being able to work with this Congress this year?

The President. Yes. I am—I believe that they're letting the American people down, is what I believe. The—on the FISA issue, it is hard to believe that it's okay to pass the Protect America Act in August of 2007, and that act—and that people in Congress can't—don't believe that act is relevant in 2008. I mean, the act was set to expire; it

did. And yet this threat hasn't gone away. And I can only—it's either lack of leadership or a lack of understanding of the issue. And either way, it's not good for the country. We need to make sure our professionals have the tools to protect the American people from attack.

The Colombia free trade agreement—this economy is—as I mentioned to you, it's a sour time. It's tough for the American people. And yet the Colombia free trade agreement would benefit our economy. And the reason why is, is that many goods from Colombia come into our country duty free. And yet our goods going to Colombia are taxed through tariff. And the American people expect the President and the Congress to at least insist that a foreign country treat us the way we treat them. And in this case, the benefits will be more exports, more midsized and small businesses exporting into Colombia. About 9,000 exporters into Colombia today; 8,000 are midsized and small businesses. And when you can export more, it helps the economy. And one of the bright lights of the economy has been the amount of exports going overseas.

So rather than playing politics or whatever rationale that they have made for Colombia, they ought to be saying, this is good for our economy; it's good for workers; it's good for small businesses.

And so I'm perplexed, I guess is the best way to describe it, about why there's no action, inactivity on big issues. And—because the two issues you mentioned—FISA, protecting America; and Colombia, protecting America's economy by encouraging growth—are important to people whether they be Republicans, Democrats, or Independents.

Sheryl [Sheryl Gay Stolberg, New York Times].

National Economy/Energy/Taxes

Q. Thank you, Mr. President.

The President. You're welcome.

Q. I'm still waiting for my exclusive at the ranch.

The President. Yes. [*Laughter*]

Q. Mr. President, today I'm—[*laughter*].

The President. I'm at a loss for words. If only you'd have been at the White House Correspondents' dinner, I would have invited you. [*Laughter*] Anyway, please, go ahead.

Q. Well said.

The President. It's an inside joke, for everybody listening. [*Laughter*]

Q. Mr. President, you have spoken today about opening ANWR for drilling and also refineries. But these are clearly long-term solutions to the problem of rising gas prices. What can you tell Americans about what your administration is doing in the short term?

And secondly, have you been briefed on tomorrow's GDP numbers, and are you concerned——

The President. No, I haven't been.

Q. Okay—and are you concerned that they will show us to officially be in a recession?

The President. I think they'll show that we're—it's a very slow economy. I can't guess what the number will be, and I haven't been shown, truly.

And by the way, opening up ANWR is not long term; it's intermediate term. But it sends a clear signal, is what it does. It sends a clear signal to the markets that the United States is not going to restrict exploration; the United States is going to encourage exploration.

And in the meantime, we have done—increasing CAFTA, for example. But the market's going to do as much for encouraging conservation as anything else is now. And so I firmly believe that—you know, if there was a magic wand to wave, I'd be waving it, of course. It's—I strongly believe it's in our interest that we reduce gas prices—gasoline prices. I mean, it would be like a major tax cut for people. And——

Q. But what——

The President. But let me finish, please, Sheryl. Strike one on the exclusive. [*Laughter*] Excuse me, strike two. [*Laughter*]

That—you made me lose my train of thought, of course. Maybe that's what you were attempting to do. No, I think that if there was a magic wand and say, okay, drop price, I'd do that. And so part of this is to make—set the psychology right that says to the world, we're not going to become more beholden on your oil; we're going to open up and be aggressive and have an aggressive energy policy. Secondly, we're going to be—

send the signal we're going to be building new refineries.

But there is no magic wand to wave right now. It took us awhile to get to this fix. That's why I told you that if Congress had responded—as a matter of fact, Congress did pass ANWR in the late 1900s—I mean, 1990s—and the 1900s—1990s, but it didn't go forward. And it's in my considered judgment, given the technological advances, to say, this is—we'll destroy the environment is just—I don't think it's an accurate statement.

And so I think it's very important, Sheryl, for Congress. The other thing Congress can do, if you want to send a good signal during these uncertain times, is make the tax cuts permanent, is to let people—send the signal that people are going to be able to keep their money. And I think that will help the psychology of the country.

Yes, Mark [Mark Knoller, CBS Radio].

Hamas/Situation in the Middle East

Q. Mr. President, do you feel——

The President. Yes, you can use a mike.

Q. Do you feel your foreign policy in the Middle East has been undermined by Jimmy Carter's meeting with Hamas leaders? What harm does it do for him to have met with Hamas leaders?

The President. No. Foreign policy and peace is undermined by Hamas in the Middle East. They're the ones who are undermining peace. They're the ones whose foreign policy objective is the destruction of Israel. They're the ones who are trying to create enough violence to stop the advance of the two-party state solution. They are a significant problem to world peace—or Middle Eastern peace.

And that's the reason I'm not talking to them. And that's the reason why—it's just important for people to understand that this is a—we're in a—we're witnessing a struggle between those who understand liberty and believe in the advance of liberty and those who want to stop the advance of liberty. And Hamas has made their position very clear.

Unfortunately, they're getting help. In Syria, they get help. There's rumors about Iranian help. And these countries that I just named are—take, for example, Lebanon. I talked to Prime Minister Siniora today. Here's a struggling democracy in the heart of the Middle East that is—whose internal politics are being influenced by Syria, Hizballah—as a result of Iranian influence with Hizballah, all aiming to destabilize the country, which should be a clear signal about the intents of—the intentions of groups like Hizballah and Hamas.

And so when you want to talk about peace being difficult in the Middle East, it's going to be difficult. But it's even made more difficult by entities like Hamas, who insist upon lobbing rockets into Israel, trying to provoke response and trying to destabilize—even destabilize the region more.

And anybody can talk to who they want, but I just want the people to understand that the problem is Hamas. And until Hamas changes or until there's a competing vision in the Middle East for President Abbas, Prime Minister Fayyad to offer to the Palestinian people, that's all the more reason to try to define a state. And that's why I'm going to the Middle East, besides going to the 60th anniversary of Israel.

Yes, Ann [Ann Compton, ABC News].

Hamas/Middle East Peace Process

Q. Thank you, sir. Did any good come out of President Carter's talks with Hamas? And did anyone in your administration ask him not to do it? And will it have any impact on your trip to the Middle East?

The President. I didn't talk to him, and I don't know. I don't know what the conversations were, and I don't see Hamas changing. It's up to Hamas to change. And you get these meetings with these people, and they say one thing and do another. And this is the way it's been now for 7½ years in this administration, watching Hamas be a destabilizing influence.

And I supported the elections, by the way. And curiously enough, they won the elections against Fatah because they ran on a non-corruption campaign. The sad situation is, now they've been given power, they haven't delivered for the people in Gaza.

And my mission is to—when I go to the Middle East—is to continue to work with both Israelis and President Abbas and his

Government on a variety of fronts: one, coming up with the vision, helping them find the common ground on the vision; but also working with the Israelis to empower the Palestinians in the West Bank to be more in charge of security, to have less obstacles with which to deal with, to help the Palestinians with economic vitality and growth. There's some very interesting initiatives that are being developed there.

I'm still hopeful we'll get an agreement by the end of my Presidency. Condi is heading back out there. I've been in touch with President Abbas here in the Oval Office, and I talk to Prime Minister Olmert, and the attitude is good. People do understand the importance of getting a state defined.

But Hamas is—look, when you're Israel and you've got people lobbing rockets into your country, you're going to take care of business. But you got to ask, why is Hamas lobbing rockets? And one reason why is because they're trying to destabilize and create chaos and confusion. And to answer whether or not the people's conversations with them were more effective, all we got to do is watch and see how Hamas behaves.

Richard [Richard Wolf, USA Today].

Congressional Action on Supplemental Appropriations/Veterans' Benefits

Q. Thank you, Mr. President. Congress is preparing to add a couple of things to your supplemental spending request for Iraq. And I'm wondering, some of these seem like things you could support: extending unemployment benefits and, particularly, additional help for Iraq and Afghanistan war veterans in terms of educational benefits. Are these things you might agree to, even though you have set a $108 billion ceiling on the package?

The President. Richard, 108 is 108. And I made my position very clear to Congress, and I will not accept a supplemental over 108 or a supplemental that micromanages the war, ties the hands of our commanders.

We will work with Congress and—on these veterans' benefits. I'm a firm believer that we ought to treat our veterans with respect. In the State of the Union, I talked about the idea of transferring—a soldier being able to transfer educational benefits to spouse or children. We've sent legislation to that effect up to Congress; we would like for them to move on it quickly. But the 108 is 108.

Michael [Michael Allen, Politico].

2008 Presidential Election/U.S. Foreign Policy

Q. Thank you, Mr. President. I wonder if there's a big, urgent problem facing the country, coming down the road, that you worry your successor will neglect or postpone. That is, when the politics are done, after the war on terror, what do you think should be at the top of the list of the person who moves into that office?

The President. Yes. I don't think John McCain is going to neglect the war on terror, and I do think he'll be the President. Here I am interjecting myself in the '08 campaign, just like I told you I wouldn't. That's unfair, isn't it?

He—it's very important for the President to understand that America is still in danger of attack and that we're dealing in—with an ideological struggle that can only be solved with the spread of liberty. And a concern of mine, as you've heard me say, is that the Nation has had the tendency, in the past, to become isolationist and correspondingly protectionist. And I would hope whoever the President is—and I do believe it will be John—will be willing to resist the impulse, the temptation to say, well, it's not worth it anymore to confront an enemy; it's not worth it to try to do the hard work of helping democracies thrive and succeed. Because not only is it worth it; we will succeed in laying the foundation for peace if we have faith in the capacity of liberty to be transformative.

I'm also concerned about protectionism. This lad right here asked me about Congress's intransigence on Colombia. I think it reflects the fact that there is a strong protectionist sentiment in the United States. People—good people—believe it is not in our interest to be opening up markets. You might remember the CAFTA trade vote. We won by one vote, and it was a tough vote to get. And now the Speaker pulled a unique maneuver to stop the Colombia from moving forward. And it's a sign of—that the country is losing its confidence, to a certain extent;

that protectionist policy is better than confidently trading and treating unfairness in the marketplace.

And so my worry—not worry—my hope is, is that whoever the President is understands that America is a force for good in the world; that we're—that in the spread of liberty, we're adhering to a universal value—it's not an American value; it's a universal value—the notion of liberty. And you've heard me say it a lot. I do believe it's a gift from the Almighty to every man, woman, and child. And if you believe in that and act on that, you're really acting on a platform of peace, because ultimately, liberty yields the peace you want. It's transformative and powerful. And I believe that people will be making a mistake if they say, we can't compete economically, and therefore, let's throw up walls. And yet the tendencies here in America are pretty strong right now.

There's a lot of concern around the world, by the way, about America's retreat. They're wondering whether or not America is going to remain a leader. They're wondering whether or not, for example, will capital be welcomed back into our country. And so it's the "isms" that bother me—isolationism and protectionism.

April [April Ryan, American Urban Radio Networks].

National Economy/Zimbabwe

Q. Thank you, Mr. President.

The President. Yes. You're looking good in yellow.

Q. Thank you.

The President. How's the baby?

Q. She's good.

The President. Good. Yes.

Q. Thank you. You're trying to get me off.

The President. No.

Q. But it's okay.

The President. Is it true you named her Georgia?

Q. No. Is that okay with you?

The President. It's your baby. [*Laughter*]

Q. Anyway, moving on to the subject of the day, I talked to James Clyburn before this press conference. He said, "As a man thinketh, so are we." And Americans believe we are in a recession. What will it take for you to say those words, that we are in a recession?

And also on Zimbabwe, what's the next step? And does South Africa play a part in that?

The President. Yes, thank you. I've answered my—the question on the words and terminologies. I will tell you that these are very difficult economic times—very difficult. And we'll let the economists define it for what it is. I would hope that those who worry about recession, slowdown, whatever you want to call it, make the tax cuts permanent as a way of helping to address this issue. Because if you're somebody out there trying to plan your future and you're worried about the future and you think your taxes are going to go up, it's going to cause different behavioral patterns.

Secondly, I do want to thank the Members of Congress. And the man you talked to is a leader and did a very good job of helping shepherd through this billions of dollar package that is now beginning to hit America's pocketbooks. And we'll see how that goes. I hope it's as stimulative as we think it will be. But you can tell the good man you talked to, who is a good guy, that I fully understand that people are concerned. And they're concerned about high gasoline prices. They're worried about high food prices, worried about staying in their homes.

The new issue, of course, is student loans. The House of Representatives passed a bill that—sponsored by Mr. Miller, George Miller, that is a—that we think can do the job. I hope the Senate moves a version of it very quickly so that we can help address this issue. I mean, one of the things that Government can do is either create more anxiety or less. And if you think your taxes are going to go up, that's going to make you anxious. If you think the Government is going to step in with a good policy that will help your child get a student loan, that will make you less anxious.

One of the things we've done on homeownership is the HOPE NOW Alliance, which hopefully makes people less anxious. Hopefully it helps—has kind of brought some sense of not only concern but action into the marketplace. And I was told this morning that HOPE NOW has affected

about 1.4 million homeowners and helped a lot of them refinance, get refinancing, or helped a lot of them get different interest payment schedules, all aiming for creditworthy people to be able to stay in their homes during this difficult period.

Zimbabwe—first of all, the will of the people needed to be respected in Zimbabwe. And it is clear that they voted for change, as they should've, because the—Mr. Mugabe has failed the country. It's a country that used to be an exporter of food; it's now got terrible human conditions there.

Secondly, the violence and the intimidation is simply unacceptable. The Government is intent upon, and is, intimidating the people there.

We support the U.N. Security Council discussions that are going on. But the truth of the matter is, April—and you mentioned this—it's really incumbent upon the nations in the neighborhood to step up and lead and recognize that the will of the people must be respected and recognize that that will came about because they're tired of failed leadership.

Thank you all for your interest. Enjoyed it.

NOTE: The President's news conference began at 10:31 a.m. in the Rose Garden at the White House. In his remarks, he referred to Prime Minister Fuad Siniora of Lebanon; President Mahmoud Abbas (Abu Mazen) and Prime Minister Salam Fayyad of the Palestinian Authority; Prime Minister Ehud Olmert of Israel; and President Robert Mugabe of Zimbabwe. Reporters referred to former President Jimmy Carter; and Representative James E. Clyburn of South Carolina.

Remarks Following a Discussion With Special Representative of the United Nations Secretary-General for Afghanistan Kai Eide

April 29, 2008

President Bush. I have just had a very constructive and important dialog with the United Nations envoy to Afghanistan. Mr. Ambassador, thank you so very much for coming to the Oval Office, and thank you so much for serving the cause of peace.

Ambassador Eide. Thank you.

President Bush. You've been given a very difficult job, which is to help coordinate world—the world's efforts to help this young democracy succeed. And I want to assure you that the United States Government and I personally support you in everything you're going to do.

We've supported this—the creation of this position. We supported your nomination because you're a man of action, a man of determination, and a man willing to sacrifice to help the Karzai Government, but more importantly, help the people of Afghanistan realize the blessings of liberty.

The Afghan theater in this war against the extremists is a vital part of making sure that peace prevails. And no question, there's challenges. As I told the Ambassador, if this were easy, we wouldn't have selected a man of his caliber to—or the U.N. wouldn't have selected a man of his caliber to take on the task.

And so I appreciate your time. This is our first meeting, and I hope that—I know it won't be the last. He's given me good advice. He's given me a picture of what—on how the United States Government can help him accomplish his missions, and we're more than willing to help.

And so I welcome you to the Oval Office. And thank you for your great service.

Ambassador Eide. Thank you very much, Mr. President. For me, it's been an honor to be here and also to feel the support and confidence that you have shown me as I now take on this very difficult assignment. That support is very important to me; that I know that I have the confidence of the international community and also the confidence of the Afghan Government and the President of Afghanistan, which I feel very strongly——

President Bush. Yes, sir.

Ambassador Eide. ——after my first few weeks. That's—those are important tools for me in order to perform my duties effectively.

We also discussed one important event that lies ahead of us, which is the Paris conference on the 12th of June, and the importance of doing everything we can to mobilize support, mobilize donors, and also see to it