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support them in their vital work. And the best way to honor them is to support their mission and bring them home with victory.

Thank you very much.

NOTE: The President spoke at 8:04 a.m. on the Colonnade at the White House. In his remarks, he referred to Gen. David H. Petraeus, USA, commanding general, Multi-National Force—Iraq; Prime Minister Nuri al-Maliki of Iraq; Chancellor Angela Merkel of Germany; Prime Minister Silvio Berlusconi of Italy; and Pope Benedict XVI. The Office of the Press Secretary also released a Spanish language transcript of these remarks.

Remarks to the West Virginia Coal Association in White Sulphur Springs, West Virginia

July 31, 2008

Thank you all very much. Thanks for coming. Please be seated. Thank you for your warm introduction. I have come to know your State very well. I've spent a lot of quality time here. I love its beauty, and I love its people. And I thank you for your warm greeting, and I'm proud to be here in Greenbrier.

This place has got a rich history. During the cold war, this was Congress's designated meeting place in case of an emergency in Washington. Also the site of three championship golf courses. [*Laughter*] You get to decide whether or not that was just a coincidence. [*Laughter*]

I want to talk about the energy today. No better group of people to talk about energy with than people who actually take risk to find energy. I'm—like you, I'm concerned about the price of gasoline people are paying. I know you're concerned about what it means for your workers. It's like a tax on the hard-working people here in America. So I'll spend a little time on that subject.

And I'm going to talk about the fact that this country needs a commonsense, realistic energy policy, that there's not a single solution, and that we got to work to have a comprehensive plan that takes advantage of our assets and is realistic and provides a hopeful future for our citizens.

As you know, I'm fixing to retire—[*laughter*]—in about 6 months. But I am going to sprint to the finish. And part of that sprint to the finish will be to continue to remind the American people that we need to be realistic and have common sense about today's energy needs and tomorrow's energy needs.

And I want to thank my friend Buck Harless for inviting me here. He's right: He came down to the Governor's mansion; came down just to take a sniff. [*Laughter*] And I appreciate his friendship and your friendship. I want to thank Andrew Jordon, who is the chairman of the board of the West Virginia Coal Association. I want to thank all the other members of the board, and I want to thank you as risk takers and entrepreneurs and dreamers and doers and job providers. And I welcome your family members who are here too. Thanks for coming. It's good to be with old and young alike. [*Laughter*] I appreciate Bill Raney, my friend. I've known Bill a long time; he's a good guy. And Bill, I want to thank you for being here today. You can applaud for Bill if you want.

I'm so pleased to be traveling with Congressman Nick Rahall today. I can't thank him enough. The Congress is in session. He's a—he's got a chairmanship, and yet he took time to come down to fly down on Air Force One. I can't thank you enough—it's not a bad way to travel, by the way. [*Laughter*] But I appreciate you coming, Nick.

I thank—want to thank the Secretary of State Betty Ireland. Betty has served this State with a lot of dignity. She came down from Charleston to encourage her old buddy—me. [*Laughter*] And I want to thank you for coming. I want to thank the mayor, Debbie Fogus. Madam Mayor, thank you for being here today as well; all the other State and local officials who have kindly come. But most importantly, thank you.

This is a—it's a challenging time. It's not the first time we've been through challenging times. I might remind you that in the beginning of my Presidency there were some challenging times. We had a recession, and of course, we got attacked. And yet, with good policy, and by trusting the ingenuity and the enterprise of the American people, we came through those times better than before. We'll come—the same thing is going to happen this time.

It's—we got some good news today, encouraging news. Not great news, but encouraging news—that in the second quarter, the economy grew at a rate of 1.9 percent.

Now, it's not as good as we'd like it to be, but I want to remind you a few months ago there were predictions that the economy would shrink this quarter, not grow. But in fact, the opposite has happened. As a matter of fact, it's more than double the rate we saw in the first quarter; that's positive.

It's—we saw the slowdown early, by the way. One of the jobs of people like me that you entrust is to see problems and react to them. Not, like, let problems fester and just hope for the best; it is to actually respond. And that's why we passed the stimulus package. Just so you know: Up to now we've delivered $92 billion in stimulus payments. It fits into my philosophy of government, which is I'd rather you spend your money than the Federal Government spend your money.

See, I can think you can spend it better than those of us in Washington, DC, can spend it. I'd rather have you trying to figure out what's best for your family than the Government trying to figure out what's best for your family. So the stimulus package was all part of making sure that we dealt with this slowdown that was coming.

And people believe that the stimulus package should have a positive effect in the third quarter. Of course, you can listen to these economists, on the one hand they'll say, and then on the other hand—if they had three hands, it would be on the one hand, the second hand, and the third hand. [*Laughter*] The stimulus package has been positive.

There's other good economic news. Productivity increases are up, which makes America—our goods more competitive. I think you understand the definition of productivity increases in your own industry. You've seen the change, mighty change take place in your businesses. Workers are more productive, and your businesses are more competitive as a result.

Exports are on the rise; it's a—durable good orders are strong. What that means is that—that suggests that businesses are anticipating a better second half of the year. So I believe the foundations of this economy are strong. I think with sound policies and the ingenuity of the American people, we're going to emerge better and stronger. We've done it in the past and we'll do it again this time.

You know, one of the challenges is energy prices—it's energy prices today. Another challenge is to make sure we've got energy for tomorrow as well. I'm a big believer in technology and innovation. I'm going to spend a little time today talking about how technology can change basic industry to keep us competitive and to keep us economically viable in the future.

I will also want to emphasize that the energy—the best energy we have is the ingenuity of the American people, the hard-working, enterprising, entrepreneurial people that get up every single day to make a living for their families and to contribute to the economic vitality of the country.

I want to talk about electricity and I want to talk about fuel we need for our cars and trucks. In order for this country to be economically competitive beyond my time and time of some of the others around here, we need to be—make sure we've got a reliable supply of electricity. You can't grow your economy, you can't provide hope for your people, you can't afford to buy new—or spend money on new technologies unless you have a strong economy. And part of that strong economy is to make sure we have reliable sources of electricity. And there's no more reliable source of electricity than coal.

Coal is affordable and coal is available right here in the United States of America. Coal allows us to keep our prices reasonable, and it provides jobs. It provides jobs for hard-working people right here in the great State of West Virginia and other States as well.

We use about 1.1 billion tons of coal a year. That sounds like a lot to me. It—and so the challenge is, how do we make sure that this reliable source of U.S. energy remains in the center of our strategy? I believe the best way to do that is for the Government to invest in clean coal research and development.

Buck just wasn't down there to have lunch. [*Laughter*] He said, "Do you understand the promise of clean coal technology and will you support it?" I said, "I will." As a matter of fact, I didn't say it just to him; I've said it throughout this State—not one time, but many times.

This year—I mean, since we've been in office, we've spent $2.5 billion on clean coal research. Why? Because it's a good investment to make sure that an abundant supply of energy is available and is in use for a long time coming. That's why we're doing it.

This year alone we've requested nearly $650 million in the budget for advanced coal research. It's the largest such request in 25 years. The funding is supported—is supporting the development of technology to capture carbon dioxide emissions that come from coal. This is something the industry wants the Government to do. We want us to be on the leading edge of change. We want to be able to capture CO_2. These advances, obviously, are going to make coal more environmentally friendly. It'll make it easier for people to say, "Let's use this abundant resource."

Today my administration announced $36 million for new carbon capture projects. In other words, it's more than just research. We're now beginning to get into the implementation stage of promising new technologies. And eventually the technology may allow us to prevent 90 percent of coal's carbon emissions from being released into the environment. We're working collaboratively together, and I want to thank the Coal Association's support of this kind of technology and research and development. It makes a lot of sense.

Secondly, we've got to use nuclear power. Coal is obviously going to be an important part of the mix as we go forward, and it should be. What do they say—got 250 years of reserves here? That's a long time. Two hundred and fifty years is a—should—of reserves should say, gosh, we're in good shape; we got energy available right here in the United States of America.

This new technology will help us use those reserves, but we can also use nuclear power, too. I'm a big believer in civilian nuclear power. I think it makes a lot of sense. People out there in the environmental community talk about the need for zero-emission, renewable fuel—there's one right there called nuclear power. And they ought to be supporting nuclear power.

Part of the problem with nuclear power is that it's hard to get a plant built because of excessive regulation and lawsuits. You understand the deployment of capital. There has to be certainty when it comes time to deploy capital. The deployment of capital entails risk, and that is the return on—whether or not there's a decent return on your capital. But risk can also come if the government steps in at the last minute or a lawsuit steps in the last minute and says all the capital you deployed isn't going to be utilized. And that's been part of the problem.

So we're working to—and by the way, there hasn't been one new nuclear powerplant built in this country in 30 years. If you're interested in making sure that we've got a viable economic future we need electricity, and we can get good electricity from coal, and we can get good electricity from nuclear power as well.

So we've been working to help eliminate the barriers to development in nuclear powerplants. We want there to be regulatory certainty. We want there to be fewer lawsuits. We invested more than $300 million in research and development for energy technology. We want these little ones when they grow up to know that there's safe engineering in these plants.

We've launched a program called Nuclear Power 2010, which is a partnership between the industry and the Government to encourage the construction of new plants. Interestingly enough—I'm sure this hasn't made it to you yet, but I think you'll find this interesting, that we've received applications to build or operate 18 new nuclear reactors in the United States. And we anticipate another seven applications submitted this year. I'm glad to report that because there needs to be a comprehensive plan. There's not a single solution to making sure we got enough electricity. There needs to be a comprehensive solution.

And here's an important part of the plan. We ought to be utilizing wind. I tell people all the time, they ought to be putting wind turbines in Washington—[*laughter*]—particularly those that utilize hot air. [*Laughter*] We've increased our wind production by more than 400 percent since 2001. There's a lot of wind turbines out in my part of the country, out in west Texas in the desert

where there's a lot of wind and a lot of open space.

Interestingly enough, last year more than 30 percent of the new electrical generating capacity came from wind. And this country has installed more wind power capacity than any other country in the world. It's an interesting mix, isn't it? Make no mistake about it: Most of the energy is going to come from the kind of plants that we now have in existence, but wind can be an additive; it can be an additional part of an energy mix.

And so can solar energy. Solar energy has got a lot of promise, particularly in parts of the world where the sun shines a lot. [*Laughter*] We're working hard to figure out what's available, what's viable, how do you store, how do you feed back into the electricity grid solar energy. My only point to you is, is that—I'm going to keep saying this over and over again, because the country has got to hear it—we need a variety of sources of power in order to deal with the problems today, and as importantly send the signal that the future is going to be viable for people, that there's going to be plenty of electricity.

I want to talk to you about gasoline prices here for a while. And there are some things we can do; there's some signals we can send. The—we're living in an interesting world, because a demand for gas—for oil in a remote part of the world affects the gasoline prices right here in West Virginia.

Hydrocarbon—oil is a commodity, and there are now growing economies like China and India that are demanding more oil in order to keep their economies growing. I don't know if you know this or not, but I find it very interesting that in India there are 350 million people in their middle class. That's more than all of America.

And so these people—they want better lives just like our citizens want better lives. And so there is increasing demand for gasoline, which means increasing demand for oil. Most Americans, I'm confident, understand that when the price of crude oil goes up it drives the price of gasoline.

The demand for oil worldwide is outstripping the supply of oil worldwide, which creates pricing pressures. And so what do you do about it? It's one thing to identify the problem; it's another thing to do something about it. Well, one thing you do about it is obviously conservation. I mean, when people drive less it takes pressure off the market.

I happen to believe in the collective wisdom of the American people, and you can make your own decision whether or not you want to drive extra or not. That's the marketplace and how it works. But the Government can help, and that's why we passed increased fuel efficiency standards for cars and trucks.

I want to talk about the supply side. We have got to increase domestic production of oil. If you want to take the price pressure—[*applause*]—if you want to take the pressure off price, we ought to be sending a signal that the United States is going to find oil right here in our own hemisphere. And at the same time, we ought to be working on alternative sources. So I'll spend a little time on ethanol and biodiesel and hydrogen power. But I do want to concentrate on oil.

Congress has got an opportunity to send a signal to our own citizens in the world that we will, in environmentally friendly ways, explore vast opportunities to find—bring more oil to the market right here in the United States. I'd rather be buying our oil from U.S. producers than sending our money overseas.

And there's a lot of frustration building up. People are looking at Washington to actually do something constructive, and yet we can't get any votes on some practical solutions. Here they are: First, we ought to be drilling offshore exploration, what's called the Outer Continental Shelf. These limits are—this Outer Continental Shelf is off limits, and it has been for a while; although the experts say that this could produce enough oil to match our current production for nearly 10 years. There's a lot of potential. Problem is that the Congress has restricted access to key areas of the OCS since the early 1980s; in other words, there's prohibitions in law.

Technologies has advanced a lot since the 1980s. You know it in your own industry, but if you know anything about the oil and gas business, you know that there's been unbelievable technological breakthroughs when it comes for exploration for oil and gas. I mean, you can be very—you can drill in a single-

site location with horizontal drilling to explore reservoirs, which makes it easier to protect coral reefs, for example, in the offshore—we all want to be environmentally friendly people, but we also want to have practical policies that deal with the problems we face today and the problems we'll face tomorrow if we don't get going.

I asked the Congress to lift the legislative ban in June and to allow there to be offshore exploration. Tomorrow is the 1st of August. That is now 6 weeks since I made the request, and Democratic leaders there haven't done anything. I—Members are fixing to go home on their August break; they get to explain to their citizens why nothing positive has happened. Looking forward to listening to the explanations. It's—there's legislation pending in Congress to lift the restrictions. My call is, before you go home for an extended period of time, you ought to bring these bills to the floor. The leaders ought to be giving these Members a vote, a chance to say yes or no as to whether or not we ought to be finding more domestic oil to take the pressure off gasoline prices.

There were executive restrictions on OCS exploration. I've taken them off; I've done my part. And now the Congress needs to do its part.

Secondly, we ought to expand oil production by tapping into oil shale. Oil shale is out West, in the Rocky Mountain West, and that alone, if fully recovered, equals more than a century's worth of imports at current levels; in other words, there's huge potential. And there's new technologies that may make this become economically viable.

The problem is, is that there's a provision inserted into law that blocks oil shale leasing on Federal lands. In other words, the Federal lands that contain the oil shale—you can't lease them. And if you can't lease them, obviously you can't explore. The provision was slipped in; it can be slipped out. [*Laughter*]

We ought to be drilling in Alaska. I told you about the new exploration techniques, the new drilling techniques. You can have a drilling site that protects the flora and the fauna, and explore in ways to get—to be—doesn't deplete your reservoir unnecessarily. In other words, we get oil and gas to the pipeline. We can drill on a tiny footprint relative to the vast tract of land, and it's estimated that that would produce about 10 billion barrels of oil. Now, some of the critics say, that's not much oil. Well, that's 10 billion barrels times current price less money going overseas and staying here in the United States of America.

One of the real problems we have is that we haven't built a refinery in the United States in 30 years. Isn't that an interesting statistic? It's kind of a sad statistic, because—you probably don't know this, but much of the gasoline that we use here in America is imported from overseas. We haven't built a refinery because there's typically a lot of regulatory burdens and costly litigation. And Congress can fix it, and they ought to fix it. I actually asked Congress a couple of times to allow for refineries to be built on abandoned military bases and expedite the regulatory process so we can get these refineries up so we can get more gasoline, U.S.-produced gasoline, into the pumps for U.S. consumers.

Supply and demand works. And if you got a pinched supply relative to increasing demand, you're going to have higher prices. We can send a signal to the world that the United States is going to get after these reserves here in the United States of America; that we're going to have an aggressive policy that respects our environment to take the pressure off international price; and we can also relieve pressure on our own gasoline stocks by producing it right here in the United States of America.

And so I'm talking about a comprehensive plan. But it starts with being wise about our own resources and having confidence that technology will enable us to extract those resources that accomplishes several objectives: one, an efficient way to get the product to market; two, keeping our money here at home; and three, protecting the environment. And I'm confident we can do all three.

We're in a interesting period of time. I happen to believe we're in a—it's in our national security interest to become less dependent on foreign oil. Matter of fact, I know it's in our national security interest. I sometimes remind people that we have to buy oil from places where people don't particularly

like us. And so therefore, finding oil here domestically helps, but it also helps to promote alternative energy sources. I like the idea of our farmers growing product that powers our automobiles. That's one way to keep money at home. And that's why I'm a big believer in ethanol. And I understand the pressure on corn. If you're a chicken raiser, you're not happy about things right now. If you're a hog raiser, you know that your feed prices are going up.

And my answer is: It is just the beginning of an industry that is going to develop away from corn ethanol, because I feel pretty good about the fact that our research and development would allow us to use other sources of raw materials for ethanol, like wood chips. You got yourself a lot of wood here in West Virginia. Wouldn't it be possible—[*applause*]—and there is waste materials when it comes to the wood industry, the timber industry. Wouldn't it make sense to—and I think this is going to happen—to be able to use the waste material to produce energy that goes into our automobiles?

There's a lot of cars that are flex-fuel. I don't know if you pay attention to whether your car is flex-fuel or not, but that means you can either regular gasoline or ethanol. And the automobile industry has been responding to demands. In my part of the world, they could be growing switchgrass; it's a grass that grows where there's not a lot of rain. And that too could be converted. It's called cellulosic ethanol; that's a fancy term for using different kind of products to be able to manufacture ethanol. Biodiesel, as well, has got a lot of potential to it.

I believe that one really promising source of energy, so we can power our automobiles and become less dependent on foreign energy, is coal-to-liquids projects. I believe that it's worthwhile to—[*applause*]. I appreciate the fact that the leaders here in this State have pushed this project hard. I want to thank your—the industry for making sure people explore all possibilities. This has got a lot of potential to be able to help us in America diversify away from foreign oil. And I'm not sure how long it's going to take, but don't be surprised if technological breakthroughs don't enable you to become gasoline producers.

One of these days we're going to be driving cars with battery technologies that will enable you to be able to have a car that doesn't look like a golf cart—[*laughter*]—but will be able to get you from point A to point B. It's estimated that new battery technologies will be on the market relatively quickly, where you can drive the first 40 miles on electricity. That takes the pressure off of crude oil because it means you're not using gasoline. Of course, we're going to have to have enough electricity to be able to drive the cars. That's the challenge.

We're working on hydrogen-powered automobiles. These little fellows will be driving—maybe driving hydrogen-powered automobiles. That's not going to be happening any time soon, but there's a great potential in tapping hydrogen. I would repeat, in order to manufacture hydrogen you're going to have to have enough electricity to be able to do so. But there's some great promise. If you think back to the changes in America, I mean, it's remarkable progress in our country. Technology has changed a lot about how we live, and it's going to continue doing it.

And that's why we got—that's why I'm confident in the future. I just want to make sure that we understand that there isn't a single solution, and to make sure the American people understand, you're a part of the solution. You're a part of making sure that the country remains optimistic and hopeful.

I talk a lot about our energy resources, but the best resource in America is the brain power and the optimism of the American people. We're a fabulous country. You know, I have seen America at its very best in 7½ years. I marvel at the entrepreneurial spirit in our country. I love the fact that people go from nothing to something. I'm—our small-business owners are great people. I love the fact that we've got people who understand the dangers we face, understand we're facing ideological people that use murder to achieve their objectives, and want to hurt us again here at home.

I marvel at the fact that we've got a country where people say, "I want to serve, and to wear the uniform of the United States."

And I am constantly amazed at the millions of acts of kindness and compassion that take place on a daily basis in the United States

of America. We've got people who feed the hungry, provide care for the homeless, love a neighbor in need, and it doesn't require one law from Washington, DC. Many of these folks respond to a higher law, a higher calling. This is a compassionate, decent, fantastic country, and it's been my honor to be your President for 7½ years.

I'm proud to be here with you. I'm proud to call you friend. This is not a farewell address. [*Laughter*] I'm sprinting to the finish. [*Laughter*]

God bless.

NOTE: The President spoke at 10:38 a.m. at the Greenbrier. In his remarks, he referred to James H. "Buck" Harless, chairman of the board, International Industries Incorporated; William B. Raney, president, West Virginia Coal Association; and Mayor Debbie Fogus of White Sulphur Springs, WV.

Letter to the Speaker of the House of Representatives Transmitting Budget Amendments

August 1, 2008

Dear Madam Speaker:

I ask the Congress to consider the enclosed amendments to my FY 2009 Budget for the Departments of Agriculture, Commerce, Education, Health and Human Services, Homeland Security, the Interior, Labor, and State, as well as the Environmental Protection Agency. The amounts requested are fully offset by proposed reductions to other accounts.

Overall, the discretionary budget authority proposed in my FY 2009 Budget would not be increased by these proposed requests.

The details of these amendments are set forth in the enclosed letter from the Director of the Office of Management and Budget.

Sincerely,

George W. Bush

Digest of Other White House Announcements

The following list includes the President's public schedule and other items of general interest announced by the Office of the Press Secretary and not included elsewhere in this issue.

July 26

In the morning, the President had an intelligence briefing.

July 28

In the morning, the President had an intelligence briefing.

In the afternoon, the President had lunch with Prime Minister Syed Yousuf Raza Gilani of Pakistan. Later, in the East Room, he participated in a photo opportunity with members of the Texas 4–H and Youth Development Program. Then, in the Oval Office, he participated in an interview with John Chettle for his book "The Shaping of the President's Mind: What They Read and Why It Matters."

July 29

In the morning, the President had an intelligence briefing. Later, in the Oval Office, he and Mrs. Bush participated in a bill signing ceremony for H.R. 1553, the Caroline Price Walker Conquer Childhood Cancer Act of 2008.

During the day, the President met with Chinese human rights activists Bob Fu, Sasha Gong, Ciping Huang, Rebiya Kadeer, Wei Jingsheng, Harry Wu, and interpreter Alim Seytoff. Later, he dropped by a meeting between National Security Adviser Stephen J. Hadley and Minister of Foreign Affairs Yang Jiechi of China.

In the afternoon, the President traveled to Cleveland, OH, where, upon arrival, he met with USA Freedom Corps volunteer Linda Campbell. Later, he traveled to Euclid, OH, where he toured Lincoln Electric Company. He then traveled to Gates Mill, OH, where, at a private residence, he attended a Congressional Trust 2008 reception.