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TELEVISION PROGRAM TO "CBS NEWS' FACE THE NATION."



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TRANSCRIPT

BOB SCHIEFFER: Today on FACE THE NATION, can Republicans and Democrats ever get together and do something? Partisan politics has been so mean for so long that it was news when the President and the vice president joined the Republican Speaker John Boehner and Ohio's Republican Governor John Kasich for a round of golf. But was it just a summer break or a new start in solving the country's severe economic problems? We'll talk about it with key players from both sides, the Senate Republican leader Mitch McConnell and Chuck Schumer, a top Senate Democrat.

Then we'll bring in the chairman of the House Intelligence Committee Mike Rogers to help us sort out whether Pakistan, where we've poured billions of dollars, is a friend or secretly working against us.

It's all ahead on FACE THE NATION.

ANNOUNCER: FACE THE NATION with CBS News chief Washington correspondent Bob Schieffer. And now from Washington Bob Schieffer.

BOB SCHIEFFER: And good morning again. And welcome to FACE THE NATION. The Republican leader Mitch McConnell joins us this morning from Louisville, Kentucky.

Well, senator, you've seen by now the pictures of the speaker of the House and the President playing golf yesterday. Do you think anything will come out of that? Is-- is that, do you think it will help break this gridlock we've got here in Washington?

SENATOR MITCH MCCONNELL (R-Kentucky/Republican Leader): Well, it-- it couldn't do any harm. I assume Boehner let the President win.

BOB SCHIEFFER: Well, let's talk. Let's get down to business here. You know, Republicans say over and over the way to create jobs is by cutting taxes, bringing the deficit down. But do you believe that there's anything else that the government can do to get people back to work, because every survey shows that while deficit reduction is on people's mind, what is really bothering them is unemployment. Is there anything else that can be done besides cutting taxes and-- and-- and reducing spending?

SENATOR MITCH MCCONNELL: Well, we need to quit doing what we've been doing. It's obvious that the stimulus, borrowing all that money and spending it basically on the government employees, didn't do any good. If you talk to business people and Bill Daley, the present Chief Of Staff did recently, you find out their biggest complaint is overregulation. You know, the federal government with that stimulus money hired a quarter of a million new employees. These people are busily at work trying to regulate every aspect of American life in-- in health care, financial services, through the Environmental Protection Agency, really sort of bureaucrats on steroids that are freezing up-- the private-- private sector and making it very difficult, Bob, for them to grow and expand. You know, you're seen the reports that they've two trillion in cash. The reason they're not investing that in hiring more people is the government has made it very expensive to expand employment.

BOB SCHIEFFER: So do you-- do Republicans have any plans to do anything on the unemployment front or are you just going to let things take their course?

SENATOR MITCH MCCONNELL: No, I-- I think-- what-- what we're doing is encouraging the President to-- to quit doing what he's doing. Quit overspending. And we're hoping with the debt ceiling discussions we can begin to address deficit and debt. And second, they need to quit over-regulating the American economy. This is something they can do on their own. They don't have to come to us for permission to rein in these regulators who are really at work across the American economy making it very, very difficult for businesses to function.

BOB SCHIEFFER: All right. You know, at an Economic Town Hall that aired on CBS EARLY SHOW earlier this week, your colleague Republican Senator Tom Coburn said that the reason that Democrats and Republicans can't get together is because people in both parties are simply more interested in their own political survival than they are in doing what needs to be done. He said you just don't have the courage to step up to the plate and do it. Do you-- do you believe he's right about that?

SENATOR MITCH MCCONNELL: Well, I sure hope not. I mean we're going to have an opportunity here very soon in connection with raising the debt ceiling to see whether both sides can come together and address this enormous problem. You know, when-- when the chairman of the Joint Chiefs Of Staff, our top military guy when asked what is our biggest national security problem says the debt. When Erskine Bowles, the co-chairman of the President's Deficit Reduction Commission and former Bill Clinton Chief Of Staff says this is the most predictable crisis in history. When you have got a fourteen-trillion-dollar debt as big as our economy, plus, over fifty trillion dollars in unfunded liabilities on popular programs like Medicare, Medicaid and Social Security, what else do we need to know? This is the time to come together and hopefully in connection with the debt ceiling, we can-- we can do that.

BOB SCHIEFFER: Well, let's talk about that just a little bit because that's the next big deal you've got to do here is figuring out whether or not to raise this debt limit. Do you think that the two sides are going to come together and raise that debt limit? Because talking about political courage, most people don't really want to do it. The experts say it has to be done. People say they're not sure we ought to because the spending is out of control. Will you be willing to do that?

SENATOR MITCH MCCONNELL: Well, I think what they're really to see what we'll do is to do something about the debt. What they're wondering is not whether we're going to raise the debt ceiling but whether we're going to do something about our annual deficit and the debt. I mean that's the real test. That's what Standard & Poor's and Moody's, the rating agencies are looking for. And so, you know, we-- we really need to do this. Now if we can't do something really significant about the debt ceiling, that is really large comprehensive plan that includes entitlement reform, you cannot ignore entitlement reform. Bill Clinton said that. The President and the vice president, everybody knows you have to tackle entitlement reform. If we can't do that, then we'll probably end up with a very short-term proposal over, you know, a few months. And we'll be back having the same discussion again in the fall.

BOB SCHIEFFER: Well, let me just ask you this. Is part of a deal to raise the debt ceiling, would you be willing and open to eliminating some tax breaks if Democrats will go along with some spending cuts?

SENATOR MITCH MCCONNELL: Well, we're really interested in corporate tax reform. For that matter, tax reform across the board. It's very hard, Bob, to-- to deal with a big subject like tax reform within a month. We need to do it. But it's hard to squeeze that into this time limit we have

in connection with the deficit. So we need to concentrate -- excuse me-- we need to concentrate on cutting spending

BOB SCHIEFFER: Well, if that was what it took to do the deal, would you be willing to figure out a way to do it?

SENATOR MITCH MCCONNELL: Well, we're discussing everything in-- in the context of raising the debt ceiling, but the biggest problem is the spending problem.

BOB SCHIEFFER: All right. I know something that you've been really up in arms about lately is the two terrorists who are arrested down in Kentucky. The Justice Department says it's going to put them on trial in a civilian court down there. You are saying no way. They need to be tried in-- at Guantanamo. Isn't that setting kind of an odd precedent here because these people are not people arrested overseas, they were people who were arrested in your state.

SENATOR MITCH MCCONNELL: Well, you know, they're enemy combatants. They-- they-- the-- the things that they're accused of doing or-- or in Iraq, their fingerprints were found on IEDs in Iraq. They got into this country as a mistake. These are enemy combatants. So let's get the-- the terminology right. These are not American citizens. They're enemy combatants. The attorney general said the other night our biggest weapon in the war on terror was the U.S. civilian court system. I don't know what planet he's living on. If Osama bin Laden were alive today, I think he'd say our biggest weapon was U.S. Navy SEALs. Look, foreigners are not entitled to be tried in the U.S. court system, particularly, if they are enemy combatants. And that's what these are--enemy combatants. They should-- the attorney general has the choice. He just made the wrong choice. They ought to be tried in military commissions. They-- they-- This-- this is a no-brainer. These foreigners who are exploding IEDs in Iraq shouldn't be tried in a U.S. court system and Bowling Green, or anywhere else.

BOB SCHIEFFER: All right. Well, Senator, I'm sorry. We're running out of time here but I want to thank you for sharing this part of Father's Day with us. Thanks for being with us.

SENATOR MITCH MCCONNELL: Thank you, Bob.

BOB SCHIEFFER: And now we get the other side of the story, one of the top Democrats in the Senate, Charles Schumer. He joins us this Father's Day from our New York studio. I understand, senator, you're about to go play golf with your dad this morning and your brother. And how old is your dad?

SENATOR CHARLES SCHUMER: He's eighty-eight and for Father's Day we're taking him out to play golf. Praise God, he can still play.

BOB SCHIEFFER: That's great.

SENATOR CHARLES SCHUMER (D-New York/Democratic Policy Chairman): He hits the ball not too far but very straight.

BOB SCHIEFFER: All right. Well, let's listen-- let's talk a little bit about what Senator McConnell just said. He said the stimulus package did not work and the main problem with getting people back to-- people back to work is simply to stop the President doing what he's doing. Democrats are going to be vulnerable on this, are they not? I mean, what's your reaction to what Senator McConnell just said?

SENATOR CHARLES SCHUMER: Well, you know, my reaction is Senator McConnell didn't say one thing about how to create jobs and we should be doing that. We should be doing-- deficit reduction is necessary but not sufficient. And there hasn't been enough focus on jobs and job creation. And we Democrats are going to put forth an agenda this summer and this fall, jobs first. Now economists will tell you or-- or rather you look at the election and there were two mandates. One, get the deficit down, get rid of wasteful spending. But two, and even more important create jobs and get the economy growing. An economist will tell you that one of the best ways to do that--we're going to look at two things. One is, deficit-- one is infrastructure and one is some kind of encouraging of employment. Now economists will tell you that when you build infrastructure, it creates new jobs. And we should be doing something like that. Our roads, our highways, our water and sewer, that's the old type of infrastructure. And we should be doing some more of that. We should also be doing some new types of infrastructure a-- like a national power grid, making sure every home gets broadband. And we have a bunch of different ideas to do that. Barbara Boxer has a highway bill. There's an infrastructure bank, Build America Bonds and helping green jobs. And then, we will also look at a payroll tax holiday for employers. That's one of the possible proposals. And what we would say is if an employer who hires a new employee, an additional employee, gets a payroll tax holiday for a year. And that's aimed at sort of bringing our Republican colleagues along to do something. If they're against a business tax cut to help employment, they've always been for business tax cuts in the past. You got to wonder maybe they don't want the economy to grow. Our overall guidepost is this. We want to do deficit reduction and we have to. There's a fourteen-trillion-dollar deficit. We should have as a goal, as a guidepost for every trillion we cut in the deficit we should seek to create a million jobs in the short term. And we can do both. Economists will tell you, we need to deal with--

BOB SCHIEFFER (overlapping): All right.

SENATOR CHARLES SCHUMER: --deficit reduction over the next ten years but we need to deal with job creation now.

BOB SCHIEFFER (overlapping): Well, you're certainly talking--

SENATOR CHARLES SCHUMER (overlapping): We should be doing both.

BOB SCHIEFFER: You're really talking about some very grandiose plans there when you're talking about a-- a big new construction bill, cutting the payroll tax. I guess the question-- first question has to be how you're going to pay for any of this?

SENATOR CHARLES SCHUMER: Well, you know, the bottom line is if-- if they should be factored into the ten-year deficit reduction plan. But in the immediate, you need to get this economy going. We only created fifty-four thousand jobs in the-- in-- in May and that was a shot across the bow. And just about, you know, the vast majority of economists, including some conservative economists see-- say if you're not going to create jobs, we're never going to get out of this rut. And we will never really reduce the deficit either.

BOB SCHIEFFER: Well, you heard what Senator McConnell said. He said the stimulus that the President put forward last time out just didn't work. Why do you think--

SENATOR CHARLES SCHUMER (overlapping): Well, you know--

BOB SCHIEFFER (overlapping): --this will work?

SENATOR CHARLES SCHUMER: Yeah, he was, he-- he didn't state it correctly. About forty percent of the stimulus was a tax cut. About twenty, twenty-five percent were infrastructure jobs. And yes, some of the jobs were saved were teachers and firefighters and cops. Those were the government jobs he's talking about, jobs that help our kids and help k-- keep our streets safe. And so, the bottom line is that the stimulus probably prevented us from go-- going into a depression, a deflationary spiral. Most economists say it was successful. But the economy is because of the difficult situation, the worst recession around, the typical medicine we use to get the economy going, low interest rates, you lowering interest rates, we couldn't do that because-- they were already at zero. If to just sit there and twiddle your thumbs and say we're not going to do anything to create jobs and get the economy going is flying in the face of good economics and what the American people have ordered us to do, both things--

BOB SCHIEFFER (overlapping): Let me--

SENATOR CHARLES SCHUMER (overlapping): --reduce the deficit but create jobs.

BOB SCHIEFFER: Let me ask you about this, the Association of Retired People, AARP, their spokesman said last week that they are willing to discuss a reduction in Social Security benefits as part of reform. Now he said it's got to be down the line not affecting people now. Do you see this as a significant statement? I mean what do you make of that?

SENATOR CHARLES SCHUMER: Well, actually the main thing they said, which is something Democrats agree with is that Social Security should not be part of the deficit reduction plan. That makes sense. Why? First, it is not adding to the deficit, Social Security isn't. It has its own trust fund. And second, it's solvent until 2037. Our deficit problem is more immediate than that and caused by other things. So we ought to-- here is my view of what we ought to do. And I'm-- I don't know if it's that different than AARP. I don't know the details and they sort of backtracked a little bit yesterday. But my view is we ought to first solve the deficit problem and get America working again. Once we do that, we should look at Social Security because it does have to be dealt with, but the way to do it is the way we did it in 1983, when Democrats and Republicans led-- then by Moynihan and Greenspan get together, figure out a plan and present it to all of us. Anyone who says do this, don't do that, do that, don't do this ahead of time is making it harder to solve that problem.

BOB SCHIEFFER: Senator, we-- we're about out of time. And let me just ask you quickly about Afghanistan. The President is going to have to make some hard decisions here pretty soon about whether to make a minimal withdrawal of our troops from Afghanistan, which seems to be what the secretary of defense is talking about these days or make a major withdrawal. Where-- where are you on that?

SENATOR CHARLES SCHUMER: Well, my view is that the success our troops have had and the great job they've done over the last ten years culminating in the elimination of Bin Laden has given us the ability to protect ourselves with fewer troops. The drones, they are doing a very, very good job. And it seems that we can keep America safe with a significantly fewer amount of troops using the drones. A-- a mission that involves nation building, I-- I'm dubious of that.

BOB SCHIEFFER (overlapping): Or--

SENATOR CHARLES SCHUMER: It's very costly in terms of both life and treasure. And we have huge deficit problems here in terms of the treasure part.

BOB SCHIEFFER (overlapping): So you want--

SENATOR CHARLES SCHUMER (overlapping): Having Karzai as the head of this country. It's a large country, a tribal country, a divided country where nobody seems, none of his countrymen seem to like Karzai. I think we should just focus on the first mission, protecting ourselves, and I think that can be done with significantly fewer troops.

BOB SCHIEFFER: All right. Well, senator, thank you so much. Happy Father's Day.

We'll be back in a minute to talk about that--

SENATOR CHARLES SCHUMER (overlapping): Thank you.

BOB SCHIEFFER: --with the head of the House Intelligence Committee Mike Rogers.

In a minute.

(ANNOUNCEMENTS)

BOB SCHIEFFER: And welcome back. Congressman Mike Rogers is the chairman of the House Intelligence Committee. He's in our Chicago bureau this morning. He is from Michigan, of course. Well, Congressman, you just heard what a very influential Democrat in the House Chuck Schumer said. He says that things are in good enough shape right now in Afghanistan and we can make a major withdrawal of our forces from there. Where do you come down on that?

REPRESENTATIVE MIKE ROGERS (R-Michigan/Intelligence Committee Chairman): Well, Bob, I don't know what he's looking at. I must have missed that particular brief. Well, we are in a very, very precarious place in Afghanistan right now. And we can't-- what it seems to me is there's a political solution that's trying to find a military component to it versus the other way around. We need to apply a military solution to our problem there and then talk about it to the American public. And I think this administration's weakness is they-- they want to have those successes. They-- I think they truly do want to keep America safe but they want to do it politically first and then find the military component. We need to flip that around. They need to be able to come to the American people and explain where we are.

BOB SCHIEFFER (overlapping): Well--

REPRESENTATIVE MIKE ROGERS: What we're arguing if it's two thousand troops or five thousand troops we have completely missed the point of what the threat of a safe haven is in Afghanistan.

BOB SCHIEFFER: Well, I think he's talking about more than five thousand troops being drawn out of there. What-- what if-- what-- let's say the President does decide to make a major withdrawal. What-- what do you see happening?

REPRESENTATIVE MIKE ROGERS: Well, if you do it because that's the, you know, the solution that we want versus the reality that we find, I think we're going to-- we're going to find ourselves in trouble. And I think that's what Secretary Gates has been saying. We shouldn't base this on some political calculation. We've got a thirty thousand-troop surge. This is the

spring offensive. This is when the Taliban thinks that they rock us back. The administration is already talking about suing for peace, if you will, with the Taliban, which I-- I just think is a disaster for what our real objectives are. And if our objectives are to-- to nullify political concerns back at home, that's one thing. I think that's a disaster. If it is to actually take Afghanistan off the safe haven list, and remember, this wasn't about Osama bin Laden. It was about Osama bin Laden being able to operate in a safe haven of Afghanistan. And part of that component was the Taliban. We need to make sure that Afghanistan can defend itself when we leave. If we do anything short of that, I think we do a huge disservice. And I guess what? We will be back there in the future. And I think that's a serious mistake.

BOB SCHIEFFER: You know, a lot of Americans, I mean it really knocked their socks off this week when they pick up the New York Times and read that Pakistan, where we have poured billions of dollars into, which is supposed to be our ally in all this, we find out that the Pakistan military has gone out and arrested the people who tipped us off to where Osama bin Laden was hiding in Pakistan. What's going on here, Congressman?

REPRESENTATIVE MIKE ROGERS: Now well-- and first of all-- well, many, many of those people had absolutely nothing to do with our effort on finding Osama bin Laden. That is horribly unfortunate. I just returned from Pakistan last week, had some very hard, candid conversations with General Kayani who is head of the army and Pasha who is head of the intelligence service, both general officers. And I've been going there for six years trying to work this relationship to one degree or another. And I have to tell you, Bob, I am more pessimistic coming out of this trip than I have been in the past. Pakistan needs to understand that there is no such thing as a good terrorist. They have played a very dangerous game in the past. They have been helpful to us. They've put their military into the tribal areas and taken five thousand casualties, taking out al Qaeda and Taliban targets for us. They've arrested hundreds over this last decade of al Qaeda and Taliban leadership in the settled areas of Pakistan. So they haven't been complete enemies in this. They have been helpful. At the same time, they're playing this very dangerous game of destabilization by having elements of the ISI and the army sympathetic to the Taliban and al Qaeda.

BOB SCHIEFFER: What can we do about this? I mean, what can we do about this?

REPRESENTATIVE MIKE ROGERS: Well, one thing we have to understand who they are. Pakistan today is an army with a country, not a country with an army and we have to start dealing with them, I think, in that context. We have to lay out some benchmarks. And I have been very reluctant to do this in the past having Congress layout the bench-- benchmarks. I don't see any other way that we are going to continue a working relationship if we don't lay out some benchmarks for Pakistan. I think the support for there is important. They're a nuclear country. They're one of the few, a matter of fact, maybe the only growing nuclear state in the world which is concerning enough. But they also have this huge terrorism problem within their own country. So you have all of these dynamics so we have to be there. We're going to have to continue to work with them. They do help us in some ways. But this is incredibly concerning when they continue to have these problems with helping bad guys. The IED factor that was reported--

BOB SCHIEFFER (overlapping): Yeah.

REPRESENTATIVE MIKE ROGERS: --in the press is a great example. This-- this-- these arrests around the neighborhood in Abbottabad very, very concerning. It just sends the wrong message that--

BOB SCHIEFFER (overlapping): And I have--

REPRESENTATIVE MIKE ROGERS: --they've gotten lesson.

BOB SCHIEFFER (overlapping): Good. I-- I take your point congressman.

REPRESENTATIVE MIKE ROGERS: Go ahead.

BOB SCHIEFFER: I'm sorry. We've-- we've run out of time. Thank you so much.

REPRESENTATIVE MIKE ROGERS: Yeah.

BOB SCHIEFFER: Back in a minute.

REPRESENTATIVE MIKE ROGERS: Hey, thanks, Bob. Appreciate it.

(ANNOUNCEMENTS)

BOB SCHIEFFER: Here's an item that caused hardly a ripple in last week's news cycle but I wish it had. A national test showed only twelve percent of our high school seniors had a solid grasp of American history. Tested on seven subjects, including math and science, America's high school seniors scored lowest on American history. Experts cited various reasons but the Education Secretary Arne Duncan said it best. We're failing to give our children a well rounded education, which may be the understatement of the year. Our schools are a mess and have been since the days when we got good teachers on the cheap because teaching was one of the few professions open to women. When other opportunities opened to women they took them but teacher pay stayed low. There were some wonderful exceptions but for the most part we got what we paid for. We've never really faced up to that. We give education lip service but with every budget crunch, it's education that suffers. These latest test underlines just how wrong and dangerous our priorities are. We keep talking about American exceptionalism and how our core strength is American values. But if our students don't know enough history to understand how our values were shaped and who shaped them, don't we risk losing through ignorance what those who came of about us fought and died for? Education is among other things our real first line of defense. Why don't we have a presidential campaign about that?

Back in a minute.

(ANNOUNCEMENTS)

BOB SCHIEFFER: And that's it for today. Hope you'll join us next week when Republican presidential candidate Michele Bachmann will be our guest. We'll see you then and happy Father's Day to all.

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