

© 2010, CBS Broadcasting Inc. All Rights Reserved.
PLEASE CREDIT ANY QUOTES OR EXCERPTS FROM THIS CBS
TELEVISION PROGRAM TO "CBS NEWS' FACE THE NATION."



August 15, 2010

Transcript

GUESTS: **Tim Kaine**
Chairman, Democratic National Committee

Gov. Ed Rendell
D-Pennsylvania

Ed Gillespie
Former Chairman, Republican National Committee
Resurgent Republic

Ed Rollins
Republican Strategist

TRANSCRIPT

SCHIEFFER: Today on "Face the Nation," let's talk politics, and there's plenty to talk about. The president made good on his pledge to demonstrate the Gulf Coast is still a great vacation destination.

But in a year of political irony, he's also up to his neck in political trouble with his liberal base, while the Republican establishment tries to figure out what to do about its conservative wing and the Tea Party. And now a whole new controversy over building that mosque near Ground Zero.

We'll bring in four of the best from the two sides, Democratic Governor Ed Rendell of Pennsylvania, Democratic Party Chair Tim Kaine, former Republican Party Chair Ed Gillespie, and legendary Republican strategist Ed Rollins. We'll get analysis from John Harris of Politico and Karen Tumulty of the Washington Post.

Then I'll have some final thoughts on Melvin Laird, the long-ago secretary of defense who's worried about the all-volunteer army he created and where we are in Afghanistan.

But first, American politics on "Face the Nation."

ANNOUNCER: "Face the Nation," with CBS News chief Washington correspondent Bob Schieffer. And now from Washington, Bob Schieffer.

SCHIEFFER: And good morning again.

Well, it is not often that a president pleases people on both sides of the political spectrum, but it is fair to say, when President Obama said Muslims have a right to build a mosque near Ground Zero where the Twin Towers fell, it pleased many on the liberal left. And it is also fair to say that it just delighted many on the Republican right, because they feel it is an issue that they can use against him, not only in the coming elections, but all the way into 2012.

So I want to start there, and I'm just going to poll the delegation this morning.

Governor Rendell, did the president say the right thing? And was it good politics?

RENDELL: Well, I don't know if it's good or bad politics, but I can't imagine that any American -- given the challenges facing this country -- is going to vote based on what he said about the mosque. The mosque is an unfortunate situation, but we do have a right to practice our religion freely wherever we choose. Rights are not subject to the popular vote or majority vote.

SCHIEFFER: Ed Gillespie?

GILLESPIE: Bob, it was an incredibly revealing comment by the president. You know, he basically said that the 70 percent of Americans who are opposed to this controversial imam building this controversial mosque at Ground Zero are seeking to deny the religious freedom of Muslims in this country. That's how he cast it.

And it was said in the -- in the reporting this morning that he made a conscious decision to weigh in on it in that regard. I think it -- it tells you that he has a very disdainful view of the American people, and I think that's one of the reasons his favorability ratings have come down, not just his job approval ratings. People see that in him. There's kind of a condescension toward Americans that they don't like.

SCHIEFFER: Tim Kaine?

KAINE: Well, I'm going to go with my Virginians, Thomas Jefferson and James Madison, on this one, Bob. They put the religious freedom to worship in the religion of your choosing as the First Amendment to the Constitution for a reason.

This wouldn't be a controversy if it was a proposal to build a synagogue or a church. We don't prefer people and we don't punish people based on their religion.

I'm not the New York zoning commissioner, don't know the reason for the siting decision, but we can't stop people from doing something that others could do because of the religion they practice.

SCHIEFFER: But what about the politics of it?

KAINE: Well, look, you know, again, as Ed said, the Constitution is the Constitution. You know, we see an awful lot of Republicans going out and saying we've got to respect the Constitution, and that means we have to respect it. We can't tarnish people's First Amendment rights. We shouldn't be going around raising wacky ideas, like redrafting or withdrawing the 14th Amendment. We've got to honor the Constitution, and the president is reminding us of that, and that's very important.

SCHIEFFER: Ed Rollins, you're up there in New York. You know a lot about New York politics. What's your view?

ROLLINS: First, it was, Bob, probably the dumbest thing that any president has said or candidate has said since Michael Dukakis said it was OK to burn the flag. And it was very similar. This is an emotional issue. Intellectually, the president may be right, but this is an emotional issue, and people who lost kids, brothers, sisters, fathers, what have you, do not want that mosque in New York, and it's going to be a big, big issue for Democrats across this country.

SCHIEFFER: So you see it as an issue that's going to continue?

ROLLINS: Absolutely. No question about it. Every candidate -- every candidate who's in the challenge districts are going to be asked, how do you feel about building the mosque on the Ground Zero sites?

SCHIEFFER: All right. You know, we're going into this election in a year that is really, really fraught with irony. You have Democrats on the one hand saddled with a very bad economy, high unemployment among many on the Democratic base, the -- the core of this president's base, unemployment among African-Americans is now 12.5 percent, to the -- to the point that some people are even saying unemployed -- the unemployed may be the swing vote in this coming election.

Republicans, on the other hand, have -- find themselves suddenly with some very, well, how would I say it, unusual candidates, people who have taken very extreme views on things.

And one thing that comes to mind is the Senate race up there in Connecticut, where you have Linda McMahon, who is formally -- or maybe she still is part of the World Wrestling Federation, formerly an executive to that. She winds up as the Republican candidate up there. And I have to say one thing, she really packs a lot of kick. I mean, just -- just watch this video here.

Ed Gillespie, I expect Republicans are going to be seeing that video a lot this year, and they're going to have to defend it. Is this somebody who's going to be good for the Republican Party? Is this a good image for Republicans to have? I mean, if the president's going to -- every candidate is going to have to defend what the president did on the mosque down there, isn't this going to be kind of a tough one for you guys?

GILLESPIE: Well, a couple of things, Bob. You could also show the footage of President Obama when he was running for president appearing on WWE, calling out to voters there, watching and saying, "Can you smell what Barack is cooking?" A takeoff of the Rock. So, clearly, not so long ago, President Obama and the Democrats thought the WWE was a great place to go to talk to voters.

Linda McMahon, like a lot of other Republicans around the country, is not an establishment politician, not someone who's a career Washington figure, not someone who is a conventional candidate. And this is a

good year, by the way, for that, you know, to run against -- and her race has tightened since she got the nomination -- to run against a career politician in -- in Connecticut with a problematic record.

On the issues of spending and taxes and deficit and debt and the fact that we need to put a check on President Obama and the Democratic Congress, not hand them a blank check, those are the issues that are going to matter in this election.

SCHIEFFER: So you're comfortable with her? And you think on balance she helps or hurts Republicans overall?

GILLESPIE: Oh, I think she's got a great chance to win in -- in the Connecticut Senate race because the voters are making a decision based on which of these two candidates is going to go to Washington to try to change what's going on, in terms of record deficits, \$1.5 trillion deficit this year. President Obama and this White House have created more debt in 20 months than President Bush in eight years. Unemployment at 9.5 percent, with 1.4 million Americans already out of the workforce, not even calculated into that, when they said it was -- was not going to go above 8 percent as a result of a \$1 trillion stimulus package. So, yes, I feel very good about it.

SCHIEFFER: Well, I mean, she does have a good kick. I mean, there's no question.

Governor Kaine, you're head of the DNC. What -- what -- what do you think about some of these candidates?

KAINE: Two things, Bob. You know, it's not just Linda McMahon. It's Rand Paul, who says the Civil Rights Act shouldn't have been passed. It's Republicans all over the country who are attacking Social Security, calling it a Ponzi scheme, saying it needs to be privatized. The Republicans are putting up a whole series of extreme candidates that are way outside the mainstream of what Americans want.

And with respect to Ed Gillespie's position about the deficit, I chuckle to hear Ed Gillespie -- part of the Bush administration -- criticize Democrats about the deficit. A recent analysis by the New York Times showed that, of the current deficit, 55 percent of it was caused by Bush administration policies, 33 percent caused by the economic climate, and only 10 percent caused by decisions that President Obama has made since he's been in office.

The good news is, the president has said I'm going to do what the previous Democratic president, Bill Clinton, did. I'm going to get control of this deficit. And so he's cut domestic spending and -- and frozen discretionary spending. They're making strategic cuts to defense. He's got a deficit commission working that the Republicans tried to block.

The only party that's ever done anything about deficits in this country has been the Democratic Party in recent years. And if you want to fight deficits, don't put the Republicans back in. They'll blow it sky-high.

SCHIEFFER: Let me shift to something else. And I would also add, the Democrats have their share of candidates that some of the other Democrats might think are rather embarrassing to have on the ticket this year, Charlie Rangel being one name that comes to mind.

But, Ed Rollins, I want to ask you about this. I mean, quite frankly -- and no offense to Ed Gillespie, who I've been dealing with and know to be a good guy for years and years and years -- but he wouldn't be here if the chairman of the Republican Party currently, Michael Steele, was willing to go on television. But he's so immersed in controversy that he's -- he's kind of in a bunker these days.

Are Republicans going to have to do something about Michael Steele?

ROLLINS: Well, there's no time. He's obviously been a disaster. You have three men on this show who have -- not me, but the other three -- who have all been party chairmen and very distinguished party chairmen. Michael Steele has failed miserably to do the things you're supposed to do: raise money, basically go out and articulate a message.

It's not going to matter, though. In 11 weeks from now, what he says or does in the next 11 weeks is not going to matter. What's going to matter is Ed Gillespie, Haley Barbour, others who've picked up the mantle and are raising the resources that we need.

ROLLINS: There critical thing is -- you want to talk about Ms. McMahon up in Connecticut -- there are seven incumbent Democrats, including Harry Reid, who are in the fight of their lives. There are four or five seats today, Democrat seats, that any -- any handicapper will give us right today.

In the House, as of today, the best handicappers, Charlie Cook, RealClearPolitics, National Journal would put it at 202 -- 202, with 31 competitive seats left. Thirty of those are Democrat seats. So Democrats are in big, big trouble and this should be a great election.

SCHIEFFER: Well, let me get to Governor Rendell to talk a little bit about that. Because I've got to say, Governor, these unemployment figures -- we've had now 15 months of unemployment above 9 percent, and that's -- that's something of a record in modern times, as far as I know. I don't think we've ever had a period about -- of that long, 9 percent-plus unemployment, since they started keeping track of this, back in about 1948, or at least under the current things.

How are Democrats going to get around that? Because, after all, when people are unemployed, they generally blame it on the people in office. And it's a midterm when -- Democrats are the party in power -- normally loses seats anyway. How do you convince people that they ought to stick with this team?

RENDELL: Well, I think, first of all, you have to have people understand that President Obama and the Democrats inherited a recession that was caused in 2008, or came to fruition in 2008, and we were losing 750,000 jobs a month then, in the beginning of 2009. Now we're gaining private sector jobs every month. In fact, in Pennsylvania, in the last four months, we've gained nearly 70,000 private sector jobs. So that's number one.

Number two, you've got to say, who's trying to do something about it?

On unemployment, extension of unemployment benefits, the Republican Party, almost to a person, voted against it, cruelly voted against it. That's number one.

Number two, on the bill to save teachers and policemen and firemen's jobs, except for Senator Snowe and Senator Collins, the Republican Party voted against it.

Who's trying to bring the economy back? Who's trying to stop it for what -- I think for purely political reasons? If the American people understand that, you'll see a change. And, by the way, in the recent Wall Street Journal poll, things got better by almost 10 percent for Democrats in that poll. I think there's momentum on our side.

SCHIEFFER: I want to ask all of you about another issue and a couple of these cultural issues.

Do you, Ed Gillespie, think that immigration is going to be an issue?

Because a lot of people are saying, even people who had problems with the current efforts at immigration reform, saying Republicans may have gone a step too far when they start talking about amending the 14th -- the Constitution, the 14th amendment, which would bar the children of illegal immigrants from

having citizenship. That's something that's been with us for a long, long time and came about as slavery was ended. Is this a problem for you?

GILLESPIE: I don't think immigration is actually going to be much of an issue in the campaign.

SCHIEFFER: Really?

GILLESPIE: I think it's an issue in the media quite a bit, but I think the issue in this campaign is going to be jobs and the economy. And if I can correct Governor Rendell, the fact is we have not created jobs every month for the past six months.

RENDELL: Private-sector jobs we have. Private-sector jobs have gone up the entire six months.

(CROSSTALK)

GILLESPIE: We lost 131,000 jobs in July. And the fact is that we have 9.5 percent unemployment.

(CROSSTALK)

RENDELL: ... every month in the last six month.

(CROSSTALK)

GILLESPIE: Did we lose 131,000 jobs in July, Governor?

RENDELL: Private-sector jobs have gone up every month in the last six months.

GILLESPIE: So the fact is that Americans are going to be looking at the economy, and they're very concerned about all of this uncertainty out there. And that's why they're -- companies are not hiring. We're looking at the largest tax increase in American history, that's going to take place on January 1, 2011. It's going to hit investors. It's going to hit employees. It's going to hit small- business owners. It's going to hit people with children. It's going to hit people who are married. SCHIEFFER: That's because, you say, the Bush tax cuts are going to run out by then...

(CROSSTALK)

GILLESPIE: They expire on January 1, 2011. And they will -- unless Congress acts, Americans are going to get hit with the largest tax increase in American history, including on dividends and capital gains income and on individual income, which affects small-business owners who are responsible, historically, for hiring two-thirds of the new jobs coming out of a recession.

SCHIEFFER: Tim Kaine, I want to go back to you, because Harry Reid said the other day that he cannot imagine why any Hispanic would want to vote for Republicans now, after all of this controversy about immigration has come about. Is that overstating the case or do you think -- is he making a good point?

KAINE: Well, I think Senator Reid was making a point that the Republican policies, which are so anti-new American, even to the point of shredding up the 14th amendment that was -- that's still advertised on the RNC web page as one of the RNC -- Republican Party's prime accomplishments, is chasing new Americans, not just Latinos, into the Democratic camp.

This is a party whose leaders will not even sit down at the table to discuss immigration reform, and yet they think that doing a political stunt like talking about amending the Constitution makes sense. And these are key leaders in the party.

I think the immigration issue will be an issue in the election because it shows how far and how extreme some of these Republican candidates are.

(CROSSTALK)

SCHIEFFER: We have got about 40 seconds, so 30 now--

ROLLINS: Let me make one, let me make one--

SCHIEFFER: OK, Ed, I am going to let you make it, but you have got to make it really quick.

ROLLINS: We have had two presidents -- President Bush, this president both wanted immigration reforms. For four years, Democrats have controlled the Congress. Where is the immigration bill? They haven't passed immigration bill.

(CROSSTALK)

KAINE: It's waiting for Republican votes in the Senate is where it is.

ROLLINS: Why? You have a majority. You have a majority in the Senate.

KAINE: The Democrats are on board--

ROLLINS: You have a majority -- and you have had a majority --

(CROSSTALK)

GILLESPIE: President Obama torpedoed the immigration reform bill. When he was senator, President Obama torpedoed the bill in the Senate.

(CROSSTALK)

SCHIEFFER: All right. Gentlemen, we seem to have run out of time.

(CROSSTALK)

SCHIEFFER: Thank you all. We sure didn't settle it today, but we got some new insights into all of it. Back in a minute.

(COMMERCIAL BREAK)

SCHIEFFER: We're back now with two of Washington's top political reporters, Karen Tumulty of the Washington Post and John Harris of Politico.

And John, I just cannot get over the irony of what we are seeing here. President Obama having trouble with his base, the people on the left, the Republicans having trouble with their base, the people on the right of their party.

Robert Gibbs, the White House press secretary, attacks what he called the professional left last week, saying that these people wouldn't be satisfied if Dennis Kucinich was president or words to that effect. Is this by design? Is there more here going on than the surface?

HARRIS: I think the frustration is clearly real, and it's one that we have been hearing privately from the White House for a long time. And so, you know, it wasn't totally surprising that this came out in public.

It does seem almost by design the way that the White House hasn't really backed off. They said, look, these guys are foolish if they think they can get a better president who's more in tune with their agenda than Barack Obama. And specific -- I think it pays to be precise about this, because there's a group of commentators -- that's what he meant by the professional left -- who is unhappy with President Obama. If you look at the polls, self-identified liberals are happy with this president. It's the independents where he's got a little bit of trouble.

SCHIEFFER: Well, do you think he is looking for a little bit of a fight with the people on the far left, so he can appear more of a centrist candidate going into these elections?

HARRIS: There is -- that word from the Clinton era, remember, triangulation. There are a lot of people speculating that this seems to be the Obama administration's effort to say, hey, we're in the middle, yes, our left is unhappy, and at a time when independents are fleeing the Democratic Party, according to the polls, maybe they don't mind that getting out there.

SCHIEFFER: And Democrats seem determined to run against George Bush. Is that going to work, Karen?

TUMULTY: You know, I think there's real limits to how far they can get doing that. And as much -- basically, people are very worried about the economy, and not just at how they're feeling about the economy now, but what they see going forward. And unless -- unless people feel like it's getting better, the Democrats are going to have a problem this fall.

SCHIEFFER: You know, we talk about all these social issues and cultural issues, but the fact of the matter was, Ronald Reagan in his first midterm lost 26 seats Republicans in the Congress, and unemployment then was only 8 percent. And now, you know, as we were saying, people see the unemployed now as maybe the swing vote here.

TUMULTY: But also, if you look at the direction of unemployment, it was actually -- it was steeper going up at that point. And again, that's the real issue. It's what people see in the coming months.

SCHIEFFER: I don't -- well, I mean, I kind of take issue with what Ed Gillespie says about some of these Tea Party candidates.

SCHIEFFER: I thought from the beginning Tea Party was a bigger problem for the Republican establishment than maybe it was for Democrats.

HARRIS: Right.

SCHIEFFER: Where do you see some of these candidates going, John? Isn't it going to be very difficult for them?

HARRIS: Well, it will be interesting to -- and Ed was valiant here on the show, but it would be interesting to talk to him on truth serum as to what he really thinks about this. There's no question that the sort of professional operative class which, frankly, all of your earlier guests were part of on the show, they think

that the Republicans have not nominated the most electable candidates, certainly in Nevada, where Harry Reid could have been knocked off and now he looks to be favorite for re-election against Sharron Angle.

There is no question that the candidate in Colorado, Ken Buck, was not the choice -- is not regarded as the most electable by everybody else.

TUMULTY: And that does play into -- the Democrats have a strategy, they keep saying over and over, this election is a choice, it's not a referendum. It's very difficult for them to sell the policies that are out there. So their best hope and where they're going to be spending all of this money that they have, they have a huge financial advantage, is in going sharply negative between now and November.

SCHIEFFER: Do you think, Karen, as good a politicians as they were, and as smart as the campaign was that Barack Obama ran, especially against Hillary Clinton, have they lost a step here? They seem to be doing some things that sometimes suggest they might be a little tone deaf, like Michelle Obama going off to Spain on this vacation, taking 70 Secret Service agents. And they don't seem to understand why some people say, was this trip really necessary?

TUMULTY: Well, it -- that in and of itself I think is not such a big deal. But it plays into this in narrative of somehow the Democrats that -- the Obamas are out of touch with the things that ordinary Americans are struggling through, which is why you saw them in Panama City, Florida, this weekend. It was both an effort to cast a vote of confidence in the Gulf, but also to get back in touch with where ordinary Americans are.

SCHIEFFER: All right. To be continued. Thank you, both.

And I'll be back in a moment with some final thoughts.

(COMMERCIAL BREAK)

SCHIEFFER: Finally today, I came to Washington in 1969 during the Nixon administration. My first beat was the Pentagon and the secretary of defense was former Republican Congressman Melvin Laird, who I came to believe, was, with the possible exception of Lyndon Johnson, the best politician I ever knew, certainly one of the wisest.

Mel and I became life-long friends. He's well into his 80s now, but he's sharp as ever and he's worried. Worried about the all-volunteer Army that he helped to create. And worried about where we're going in Afghanistan.

In a letter last week, he said the volunteer force has far exceeded his expectations, but that "we are asking much of it now and the multiple deployments and disregard for the personal and family life of our troops and their emotional well-being threaten to undermine our national security."

Afghanistan worries him even more. He first went there in 1953 and he says: "Its culture is tribal, not nationalistic, yet we hope to build a nation there. We fought eight years and lost a thousand Americans, yet we are no closer today to stability, let alone victory."

Laird remembers how bad intelligence and misunderstanding led us to Vietnam and he wonders now if we have made the same mistakes again. "I know something," he says, "about misguided wars and how easy it is to get mired down in something that started with the best intentions."

Mel Laird's opinion is one view, and there are others. But Mel Laird has seen a lot and if he's worried, I guess so am I. Back in a minute.

(COMMERCIAL BREAK)

SCHIEFFER: Next week our guests will be Greg Mortenson, author of the bestselling book "Three Cups of Tea," who has built hundreds of schools in Afghanistan. We'll talk to him about the advice he's giving to the American military. See you then.