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



## **September 13, 2009 Transcript**

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## TRANSCRIPT

BOB SCHIEFFER: Today on FACE THE NATION, an angry nation, a nasty debate, and what to do about health care and so much more.

Tens of thousands of conservatives marched in Washington yesterday protesting what they called socialism and the President's health care plan. How indicative is their demonstration of the nation's mood? And what happens on health care reform now?

We'll ask President Obama's top advisor David Axelrod. Then we'll talk with Senator Olympia Snowe, the main Republican, who may hold the key to finding a bipartisan approach.

We'll bring in syndicated columnist Kathleen Parker and Roger Simon of Politico to round out the discussion.

Then I'll have a final word on what this debate is telling us about us.

But first White House advisor David Axelrod on FACE THE NATION.

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

BOB SCHIEFFER: And good morning again. Senior White House advisor David Axelrod is in Syracuse this morning. Republican Senator Olympia Snowe is here in the studio.

The demonstrators who poured on to the streets of Washington yesterday capped off an angry summer. That saw the President's popularity go down as tempers went up. Even on the floor of Congress where a back-bencher congressman called the President a liar, as the president was calling for unity.

I want to go first to David Axelrod this morning. Mister Axelrod, what do you make of this demonstration yesterday on the streets of Washington? Do you-- do you think it's indicative of the nation's mood. And what message do you have this morning for those people who were on the streets here yesterday?

DAVID AXELROD (White House Senior Advisor): Well, first of all, Bob, I don't think it's indicative of the nation's mood. In fact, I don't believe that some of the angriest, strident-- most strident voices we saw during the summer were representative of the thousands of town hall meetings that went on around the country that came off peacefully, that were constructive, people voicing their points of view. But this is, you know, and one of the great things about our country is people can express themselves even if they're not representative of the majority. Your own poll which was taken after the President's speech suggests that they don't represent a mainstream view of this health care plan. And so, you know, I-- I don't think we ought to be distracted by that.

My message to them is they're wrong. The President made it very, very clear that he wants to build on the system that we have. He wants to fix what's wrong with it so insurance company bureaucrats can't rule arbitrarily over the lives of their-- of their customers in ways that are very significant. That-- so that people don't go broke because of out-of-pocket costs from the insurance companies. And we want to make sure that people who can't afford health care today because they-- they don't get it from their employer can get health care, and at a price they can afford. Right now they have to pay three times as much as anyone else.

So that's what this is about. We are focused on what it's about and not-- not on-- on distortions of it.

BOB SCHIEFFER: All right. In an interview that's going to be shown tonight on 60 MINUTES, Mister Axelrod, Steve Kroft asked the President what he thought of all this anger that sort of erupted over the summer. Here is-- here is what he said about it.

PRESIDENT BARACK OBAMA (60 MINUTES): The truth of the matter is that there has been, I think, a coarsening of our political dialogue. I will also say that in the era of twenty-four-hour cable news cycles that the loudest, shrillest voices get the most attention. And-- and so one of the things that I'm trying to figure out is, you know, how-- how can we make sure that civility is interesting.

BOB SCHIEFFER: That entire interview is going to be seen tonight on 60 MINUTES. And let's go back to what the President said the other night to the congress, Mister Axelrod. David Brooks, a columnist from the New York Times said that basically the President had praised the so-called public option--that is this government insurance plan that many people want, then effectively buried it.

Why doesn't the President just say, we don't have the votes to pass this, we have the votes perhaps to pass a lot of other things, and just put that aside and say he's not going to push it. He-- he said, you know, he didn't think it was crucial to the plan, but he still liked it.

DAVID AXELROD: Well, he-- let me say again that he believes that it will add an element of competition where there is none in some places in this country where there's a monopolistic situation with insurance companies. And we believe competition and choice will help bring prices down and improve care and give a better deal to consumers. So he continues to believe it's a good idea. He'll-- he continues to advocate it. And I'm not willing to accept that it's not going to be in the-- in the final package.

But what he also said and what we've all said is that this is not the whole of health insurance reform, and we should not let the whole debate devolve into this one-- around-- into this one question, circulate around this one question, and lose the best opportunity we've had in generations to do something very significant about a problem that just-- that is just getting worse.

BOB SCHIEFFER: One of the other things he said the other night was that he thought that this program could be self-sufficient. How can he really say that he can put all of this into effect without adding to the deficit? We don't have any other programs that haven't added to the deficit like Medicare or like social security.

DAVID AXELROD: Well, look one of the reasons we have the problems we have is because over the last eight years Congress has passed a series of-- of things: two major tax cuts for the very wealthy, funded two wars, prescription drug coverage for seniors without funding any of it. And that's why we have the tremendous deficit problem we have today.

So, what this President is saying is we need to move forward on this but we need to do it in a fiscally responsible way. So, we need to say how we are going to pay for it, and the President has identified as series of savings that he think-- that he feels can be made in-- in our public health programs.

The-- the Congressional Budget Office has certified that, yes, these are-- these are real and legitimate savings. And now we have to discuss how we close the-- the rest of the gap. He-- he embraced one idea on-- on Wednesday night relative to fees on-- on insurance companies, on high-end insurance policies, and there are menu of other things that we'll be discussing with Congress.

But he is absolutely committed that he will sign-- he will not sign a bill unless he can say to the American people honestly that this bill will not add to our deficits.

BOB SCHIEFFER: Do you sometimes wonder, Mister Axelrod, if perhaps the President just try to-- tried to bite off too much? We had all the severe problems with the economy. And maybe that's what caused people to-- to wonder about all this. Has he tried to-- to-- to bite off more than the country can chew at one time?

DAVID AXELROD: Well, as to your last point, Bob, health insurance reform, health care reform has never been an easy issue. That's why it hasn't been resolved in a hundred years since Theodore Roosevelt first raised it. So, I wouldn't ascribe it to him or anything in the current debate.

We were faced with an economy-- potential economic catastrophe when we came to office. We had to act to stem it. Senator Snowe, to her credit, was a part of that effort. And by the way for those who believe in civility in politics, she is a great example of that.

But-- but-- but-- I-- no-- so I-- I don't believe that. Here's what I believe, Bob, around kitchen tables, around in-- in-- in small businesses and large around the country people are wrestling with this issue of health care. It is-- it is a-- a-- a greater and greater burden. More people are losing their insurance, more people are being crowded out of coverage even though they pay for it. And it's only going to get worse.

BOB SCHIEFFER: All right.

DAVID AXELROD: Costs have doubled in the last ten years. They're going to double again unless we act. Everyone knows we have to do something.

BOB SCHIEFFER: All right. Thank you so much for being with this morning, Mister Axelrod.

DAVID AXELROD: Great to be with you.

BOB SCHIEFFER: And we will turn now to Senator Snowe. Did the President take the public option off the table the other night or should he be more specific about that, Senator Snowe?

SENATOR OLYMPIA SNOWE (R-Maine Finance Committee): He should be more specific. In fact, you know, I urged the President to take the public option off the table because it's universally opposed by all Republicans in the Senate. And, therefore, there's no way to pass the plan that includes the public option.

So I think it's recognizing that, because it is a roadblock to building the kind of consensus that we need to move forward. Even Chairman Baucus has indicated no proposal could be passed in the Senate that includes it. So, it would be best to just move forward.

BOB SCHIEFFER: Well, you just heard what Mister Axelrod said. He is not willing to-- to take it off the table at this point.

SENATOR OLYMPIA SNOWE (overlapping): You know, I think it's unfortunate, because I think it-- it leaves open a-- a legislative possibility that creates uncertainty in-- in this process. And I think it could give real momentum to building a consensus on other issues. I appreciate the fact that President did demonstrate flexibility on-- on the question in his speech Wednesday night, but it does leave it open and therefore unpredictable.

BOB SCHIEFFER: You first broached this idea of the so-called trigger option, and that is setting a deadline for these private insurance companies to come up with the plans that would cover everyone who needed health care. And then if they didn't get that, then consider some sort of public option. Do you still feel that way?

SENATOR OLYMPIA SNOWE: Yes-- yes, I do. I think it is a possibility. You know, bridging the gap at some point in-- in this process as we move forward. And, in fact, I recommended it to the President months ago, even before our health care was at the forefront in Congress, because I saw it as a way of assuring coverage, not instituting, you know, a public option, but making sure that people have access to choices of affordable coverage.

If the health insurance industry doesn't perform under a newly-restructured market, similar to what we did in the Part D prescription drug benefit, which actually-- it worked. There were so many choices we never triggered the fall back, in fact.

BOB SCHIEFFER: Well, you are a part of the Senate Finance Committee and part of the group that's trying to put together some sort of a bipartisan group. Will that be in the-- in the plan that the Finance Committee puts forward?

SENATOR OLYMPIA SNOWE: It's not on the table and it won't be. We'll be using co-op as-- as an option at this point as a-- as a means for injecting competition in the process.

BOB SCHIEFFER: Senator Snowe, you of course are a key vote in all of this, maybe the only Republican that will wind up being-- being for it. Will you vote for it if you're the only Republican, because Senator Grassley, another key Republican, said he's not going to vote for it, if he has to be the only Republican. It has to be broader plan than that. Would you be willing to vote if you're the only Republican that's for this?

SENATOR OLYMPIA SNOWE: Well, I'm focusing on getting the best strategy so we can maximize the support among Republicans and Democrats and of course the American people. And we're working mightily within this group of six, and the only bipartisan effort, I might add, in either committee of the House or Senate that's working for more than three months to exhaustively examine all the issues. We debate the issues. We don't debate political philosophies.

And, frankly, we have to take the time to do that. That's what the American people expect us to do. I view time as our ally not as an enemy so we can build that support. That's the key here. I want to be able to craft the very best policy for access, affordability, and addressing costs; both to the consumer and to the government.

BOB SCHIEFFER: But would you vote for a bill that you believed in even if you were the only Republican.

SENATOR OLYMPIA SNOWE: Well, I'll do what's right based on, you know, what is the right policy. But I think it is important to-- to build support. And that's what I'm looking for. I'd like-- and that's what we're all looking for--both Senator Grassley and Senator Enzi, and-- and the other members, Chairman Baucus and-- and Senator Conrad and Senator Bingaman. I think it's a real tribute to Chairman Baucus by the way and Senator Grassley for engaging in this effort that has truly been bipartisan.

And we have been working, as I said, deliberately and intensively to maximize the potential for a bipartisan agreement. That would engender broader support in the Senate, in the Congress, and in-- in America.

BOB SCHIEFFER: You do not believe at this point a-- a public option, a plan that included the public option, could pass the Senate?

SENATOR OLYMPIA SNOWE: Correct. I do not.

BOB SCHIEFFER: This morning, Kathleen Sebelius, the Secretary of Health and Human Services said that the President would specifically support language that prohibits using money for abortion.

SENATOR OLYMPIA SNOWE: That's-- that's an important statement. We certainly are working on that issue within the group of six. And I think that there should be a specific prohibition similar to what is in-- in current law--Hyde Amendment applies currently to the Medicaid funding. But they should be, you know, explicit, that, you know, funding isn't provided for tax subsidies and other benefits within the health insurance and those ones should be segre-- segregated.

BOB SCHIEFFER: Let-- let me change the subject just slightly to these demonstrations that we saw yesterday, this backbencher congressman who got up on the floor the other night during the joint session and shouted out "you lie" to the President. What-- what is-- what is your sense of what's going on here?

SENATOR OLYMPIA SNOWE: Well, you know, it's a good question, Bob. And, you know, it's-- it was unfortunate and disgraceful incident that occurred in the House of Representatives. I've served sixteen years there and I-- I've-- you know, I've never witnessed that. So I think it is unfortunate that, you know, that it brings disrespect to the institutions and to elected officials.

And I think it's, you know, for the American people to express themselves is appropriate. I think the question is how we conduct ourselves as elected officials within the legislative process. And frankly, if there was more civility, we perhaps could get more done for the American people. And that would set an example for everybody else.

And that's what I-- what I like about this group of six. I wish the American people had a chance to see, have a window into our daily deliberations. It's what the legislative process should be all about in bringing Republicans and Democrats together to discuss real ideas irrespective of our differences. And that's what--

BOB SCHIEFFER (overlapping): What--

SENATOR OLYMPIA SNOWE: --we would-- we could-- I think, would be so much better off in dealing-- addressing the major issues of our time. We have to demonstrate to the American people we have the capacity to address the major issues of our time.

BOB SCHIEFFER: Senator Snowe, it's always a pleasure to have you with us. And thank you for coming by.

SENATOR OLYMPIA SNOWE: Thank you, Bob.

BOB SCHIEFFER: And we'll be back in just a minute with our round table.

(ANNOUNCEMENTS)

BOB SCHIEFFER: And we're back now with syndicated columnist Kathleen Parker and Politico's Roger Simon.

So has the President taken the public option off the table or hasn't he? And if he hasn't, why hasn't he?

ROGER SIMON (Politico): I--

KATHLEEN PARKER (Syndicated Columnist) (overlapping): Well, go ahead.

ROGER SIMON: Thank you, Kathleen. I-- I think he's going to let the U.S. Senate take the public option off the table for him.

KATHLEEN PARKER: Yeah.

ROGER SIMON: The public option is popular in his party. It's a misconception that the left wing of the Democratic Party wants the public option. The left wing of the Democratic Party wants single payer, what they have in Canada. It-- it's the Democratic wing of the Democratic Party that wants the public option. And that is the wing that Barack Obama slowly has to move off of it. And he's going to use the Senate and say, look, we can't get it passed. We're not going to lose this whole bill over it.

KATHLEEN PARKER: Yeah. I agree with that. That's exactly right. He's-- why would he remove it? You know, as Roger says somebody else is going to do it for him. And then he can say, look, I-- I did my best and-- and he doesn't alienate, you know, his own party and he-- in the process. And it's off the table clearly. But it's not his fault.

BOB SCHIEFFER: Well, all right. So it's-- once it's off the table, he still got a whole bunch of Democrats over there in the House that say we don't like anything unless it has this public option, as you say, Roger, and you-- you know, you have these senators who say no way, no how.

Will they come together? Can he bring them together and get them to pass the other things that he wants and that he can probably get passed, or can he?

ROGER SIMON: His argument is going to be, look, you're-- you're never going to have a President who is more popular right now, even though my numbers may be dropping. If we don't do it now we're not going to get it done. We've been talking about this thing for decades. Your constituents want health care reform. They want insurance reform. Are you really going to be the person who goes back to your district and says I'm denying you health care reform in your lifetime because it wasn't exactly what I wanted or are we going to take what we can get?

KATHLEEN PARKER: Right. And, you know, this is without the public option, there's-- this is still vast reform. This is a huge, huge step. And I think what the President will say is look how far we've come. You know, we really have-- backing up just a minute. If you talk to anybody in this process along the way they've known all along sort of where we were going to wind up, that it was going to be just, you know, the public option was really never going to be taken seriously, certainly on the Republican side.

And so, you know, a lot of the moderate Democrats have been through-- hoping that this-- this group of six would save them so that they could vote for something that they believed in and that they could go home and defend.

So this is actually in the end going to end up pretty much where people sort of knew it was going to end up but they had to go through this process and play the political game along the way.

BOB SCHIEFFER: Do you think in the end that any Republicans will vote for this with the possible exception of Senator Snowe, Kathleen?

KATHLEEN PARKER: (Overlapping) I do.

BOB SCHIEFFER: I know you have very good sources on that side of the aisle.

KATHLEEN PARKER: Well, you know, there is this sort of assumption that-- that there are no Republicans that could support health care reform. That's not true. That may be true in the House side, but there are plenty of people on this-- on the Senate side who, if-- if there-- if-- if we have something included that-- that is a Republican idea then they're going to come on board. So, yes, I-- think some Republicans will vote for this.

ROGER SIMON: I-- I'm not sure. You may be right. But we're in an era of hyper-partisanship. This is clearly going to be a Democratic health care bill. The Democrats are going to take credit for it, for doing this historic act. And there's very little upside if you're a Republican for adding your name to it, and possibly a lot of downside.

No one knows how it's going to work. Most importantly, especially to Republicans, no one really knows how we're going to pay for it.

BOB SCHIEFFER (overlapping): Do you think, Roger, that-- that the President is simply trying to bite off too much? The question that I asked David Axelrod? I mean, in addition to health care he's launched all of these other programs. I'm not saying that any of them were not programs that perhaps needed to be done. But is this too much too quickly here?

ROGER SIMON: He was elected as a change President. That was his message. After eight years of portraying a President who didn't do much except plunge us into a-- a foreign war, this is what Barack

Obama sees as his mission. It's what his party wants. And I think it's, at this point, still what most of the country wants.

KATHLEEN PARKER: I do agree with you. I mean, change is what he ran for obviously. But it has been a lot at once. This comprehensive health care reform plan that is so complicated. Anybody who has read it, you know, realizes that it's almost incomprehensible in parts, the House bill certainly.

And so, you know, Americans are-- they're uneasy. There's so much else going on. You know, they've lost their jobs and-- and you-- they see this huge growth of-- of government cost and then now we've got Afghanistan escalating. So that adds another wrinkle. So, you know, if he had taken pieces of reform and done it incrementally I think there would be less unease, but yet, you know, it wouldn't have been what he promised.

BOB SCHIEFFER (overlapping): You know, he-- there's no question he's the best salesman on the staff.

KATHLEEN PARKER: Oh, yeah.

BOB SCHIEFFER: But is-- does he run the-- the risk of overexposing himself? I mean, he has done so many speeches now and-- and-- and-- and yet there's another one and then another one. Does he lose some of his power by-- by talking too much?

KATHLEEN PARKER: Well, I do wonder. They're going to have to change it to Obama-span because he's on TV giving a speech all the time. And, you know, we never get off the note-taking ticket.

But, yeah, it's-- there is always that risk of overexposure. And, yet if you watched his speech yesterday in Minneapolis, he sort of redeems himself every time he goes out there in front of the public because he is so good.

ROGER SIMON: It is a risk but he keeps topping himself.

KATHLEEN PARKER: Yeah.

ROGER SIMON: Every time you think this guy can't give another speech that's better than the last one he gives another speech that's better than the last one. And he's achieving his purpose. It wasn't really a bipartisan speech to Congress. And it wasn't really to unite Democrats around a plan. It was to unite Democrats around him as a man who can get this job done.

BOB SCHIEFFER: All right. I want to thank both of you. I'll be back with a final thought in just a minute.

(ANNOUNCEMENTS)

BOB SCHIEFFER: Finally today, that was not a state of the union speech we heard the other night. But, it had all the trappings. And when that congressman hollered "you lie" at the President, we did get a snapshot of the nation's state and it was not a pretty picture.

The country is in an angry mood, people are frustrated, tempers are short, congressmen being shouted down at town hall meetings where constituents sometimes show up with guns, and at rallies like the one yesterday in Washington where people carried signs such as "bury health care with Kennedy."

The irony of a congressman trying to heckle a President in the midst of a speech, it was among other things about the need for civility, is just one ugly sign of the mindless meanness that has settled over our politics.

How different it was in the aftermath of a far more difficult time, those days after 9/11 whose anniversary we marked on Friday. I remember watching then not far from where that congressman hurled his insult, as Senate Republican leader Trent Lott put his hand on the shoulder of his Democratic counterpart, Tom

Daschle, to announce the Senate had passed a forty-billion-dollar emergency appropriations bill and passed it unanimously.

That day the country came together as it had not done since World War II and it made us proud to know what we could do when we had to. It brought out our best.

Put aside for the moment who is right and who is wrong in the current debate and ask yourself--can anyone really be proud of the side of America this argument is bringing out?

Back in a minute.

(ANNOUNCEMENTS)

BOB SCHIEFFER: And that's our broadcast. Watch 60 MINUTES tonight and see President Obama's interview with Steve Kroft.

Thanks. We'll be back right here Sunday.