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

CBS News

FACE THE NATION

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**GUESTS: State Senator BARACK OBAMA, (D-IL)
Democratic Convention Keynote Speaker
Illinois Democratic Candidate for US Senate**

**Governor BILL RICHARDSON, (D-NM)
Democratic Convention Chairman**

Governor JENNIFER GRANHOLM, (D-MI)

**DAN BALZ
The Washington Post**

MODERATOR: BOB SCHIEFFER - CBS News

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**FACE THE NATION - CBS NEWS
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BOB SCHIEFFER, host:

Today on FACE THE NATION, from Boston, the 2004 Democratic Convention and the Kerry-Edwards campaign. The Democratic ticket of John Edwards and John Kerry is headed here to kick off the fall race. In a country almost evenly divided, what issues do the Democrats believe could turn the election? We'll talk with three leaders of the party, keynote speaker Barack Obama, candidate for the Senate from Illinois, Governor Jennifer Granholm of Michigan, a key state in the election, and convention Chairman Bill Richardson of New Mexico. Dan Balz of The Washington Post joins in the questioning. And we'll have a 50th-anniversary Flashback on religion and politics. Then I'll have a final word on terrorism.

But first, the Democratic Convention on FACE THE NATION.

Announcer: FACE THE NATION, with CBS News chief Washington correspondent Bob Schieffer. And now from the site of the 2004 Democratic National Convention, Bob Schieffer.

SCHIEFFER: And good morning again from the floor of FleetCenter, where this convention will get under way on Monday. Joining us here, the convention's keynote speaker, Barack Obama, Michigan Governor Jennifer Granholm and convention chairman Governor Bill Richardson. Joining in the questioning this morning, Dan Balz, our friend from The Washington Post.

Well, John Kerry says he wants to tame the rhetoric here. He wants to accentuate the positive and eliminate the negative. But how do you do that in a campaign? What will the Democrats say? Well, Dan Rather interviewed vice presidential candidate John Edwards yesterday. Here's the way that Edwards put it.

Senator JOHN EDWARDS (Democratic Vice Presidential Candidate): (From videotape) What they want to know from us is what are we going to do to make the country better, stronger, safer, make a create an America where people get a chance to do what they're capable of doing? Tomorrow's better than today? And not just in rhetoric, Dan. I mean, they want to hear the substantive ideas, specific ideas. What are you going to do to help us with our health care? How much is it going to cost? How are you going to pay for it? You know, what are you going to do to help us with our child care? Where is that money going to come from because we're already going into deficit. These are practical issues that people face, and we have a responsibility to tell them what we're going to do and how we're going to do it.

SCHIEFFER: So we'll ask our guests, Senator Obama, and we must say Senator Obama is now being talked about as being kind of a rock star of Democratic politics. He's run a sensational race...

State Representative BARACK OBAMA (Democrat, Illinois): Thank you.

SCHIEFFER: ...for the Democratic nomination for the Senate out here. And he has been chosen to give the keynote address. Do you feel any pressure?

State Rep. OBAMA: Absolutely. My--the first thing that my wife said was, 'Don't screw it up.' So--but it's a huge honor, a great privilege, and particularly because I think that the Kerry campaign and the Edwards ticket is one that is hopeful and is really going to be able to project that sense of optimism.

SCHIEFFER: Well, let's talk a little bit about what Senator Edwards was talking about there.

He wants to--and Kerry has made it clear he does not want this to be a lot of venom toward George Bush. How are you going to do that, because the Bush campaign is going to be cutting on your campaign? They've been calling John Kerry a flip-flopper, a liberal from Massachusetts. How do you overcome that? How do you resist it?

State Rep. OBAMA: Yeah. I think that slash-and-burn politics hasn't been effective. I think the public is tired of it. When I travel across the state, as I've been doing for the last 18 months, what I'm struck by is how much people just want practical common-sense solutions to the concrete problems that they're experiencing; economics, security, figuring out how they can send their kids to college, making sure that health care is affordable. And if we provide them with meaningful, detailed solutions to those problems, people respond. What they don't want to hear is a bunch of partisan bickering, and those who practice those dark arts I don't think are going to do particularly well come November.

SCHIEFFER: Dan?

Mr. DAN BALZ (The Washington Post): Governor Richardson, terrorism is obviously a big issue in this campaign. The 9-11 Commission reported unanimously last week, and one of the things they concluded was this country is safer than it was on 9/11, though not completely safe. Senator Kerry has spent months saying that President Bush has left this country less safe than it was on 9/11. Doesn't the 9-11 Commission report undermine that argument?

Governor BILL RICHARDSON (Democrat, New Mexico; Convention Chairman): No it doesn't, Dan. What Governor Kean, the chairman of the commission, a Republican, said is that we may be safer but we are not safe, and what Senator Kerry is saying is that we're not going to politicize this issue. There are a lot of shortcomings in the 9/11 report with the conduct of this administration, but at the same time we have got to fix our intelligence failures. We've got to set up a counterterrorism center within the FBI, we've got to get our agencies when they deal with terrorism to talk to each other and coordinate. We've got to have viable plans for homeland security so Governor Granholm and I can make sure that our police, our firemen, our chemical plants, our nuclear plants are protected. And we don't have that.

I think what Senator Kerry wants to do is fix the problem. And he has called for the Congress to go back into session in August and pass legislation that creates an intelligence czar, that fixes some of these intelligence failures, that concentrates our efforts and our foreign policy and national security on the war on terrorism and not focus our entire national security objectives on a war in Iraq that has cost us \$220 billion that we could have spent here at home on our domestic problems, on our schools, on our road.

SCHIEFFER: Let me ask Governor Granholm, in Michigan, when I think everybody agrees that it's going to be one of the key states in this election, what is more important to voters in Michigan right now? Is it jobs or is it war?

Governor JENNIFER GRANHOLM (Democrat, Michigan): I think if you ask most voters, while both are important, jobs is the whole ball of wax. It is true that in Michigan we've got a higher unemployment rate than the national average because we've lost so many manufacturing jobs. We obviously are the automotive capital of the world. And because of the ease with which companies can now offshore and the incentives provided to do that, we've lost so many jobs. In Michigan we've lost almost 300,000 jobs alone since the president took office. So that really, for us, is such a huge issue. How do we replace those jobs, bring those jobs back home, keep the jobs we've got and make sure that the middle class is not getting squeezed in the meantime?

SCHIEFFER: Well, do people in Michigan think that Kerry has a plan to bring back the jobs?

Gov. GRANHOLM: Absolutely. And he does. I mean, here's the great thing I think about John Kerry is that he's got very detailed plans on all of these issues, which is why he can stay positive. He's got a lot to talk about. With respect to jobs, he has--he wants to revamp the tax structure, the international tax structure, to provide incentives to bring those jobs and the capital back home. He's going to use that money to invest in the United States. He wants to be a tiger at the World Trade Organization, make sure that we stand up for our businesses who want to be able to export but other countries are putting up barriers.

SCHIEFFER: Where do you think the race stands in Michigan right now?

Gov. GRANHOLM: Three points--it's a three-point spread. Kerry's on top, it's within the margin of error. There's no doubt it's going to be a close race as it is across the country. Michigan is a battleground state.

SCHIEFFER: Dan?

Mr. BALZ: Let me follow up on that with a question for Senator Obama. Senator Kerry has proposed a \$900 billion health-care plan. He's proposed new spending on energy, education and a variety of other areas. He's proposed some new tax cuts. He also says he wants to reduce the deficit significantly. At this point it's not clear how he adds all that up. How is he going to do that?

State Rep. OBAMA: Well, I don't think that anybody expects at this stage that we've figured it out to the nickel. I think that what you see from Senator Kerry and what you're going to see in this convention is laying out a broad set of priorities that contrasts with the current administration, an emphasis on making sure, as the governor stated, that we invest and incentivize jobs here at home as opposed to abroad, that we make sure that we expand health care so it's more affordable, particularly to children, and people who are vulnerable, making certain that we can provide college educations at a time when the global economy is going to demand that kind of competitiveness.

Now I think that Senator Kerry has been very clear that an overarching theme of that whole process is making sure that we put our fiscal house back in order. And he has suggested that 'Although I'm painting broad outlines in terms of the direction that this country needs to move, I'm going to be dictating my policies on the basis of how I can make sure that we have stability in our fiscal system and we are not loading up debt for future generations.' And so I'm confident that the voters, as they watch this convention, are going to get a sense of a broad outline of what the Kerry platform is going to be. But Senator Kerry is going to recognize once he is President Kerry that he is going to have to make choices and prioritize and I think fiscal responsibility is going to be one of those priorities.

Mr. BALZ: But isn't part of the campaign laying out what those choices are? And so far it's not clear that he's doing anything other than kind of telling variety of audiences things they want to hear. People who want to see more on education, he tells them that. People who are concerned about the deficit, he tells them that.

State Rep. OBAMA: Well, my sense is if you look at what's happening during the course of this campaign and what's going to be happening coming out of this convention that the battle is going to be joined. At this point each campaign is laying out its broad priorities. People back in Illinois are just starting to focus on this campaign. And this convention really is the point of demarcation for the serious business of deciding who the next president is going to

be. There's going to be an opportunity, I think, for both sides to examine in detail what their contrasting policies are, what their contrasting priorities are.

SCHIEFFER: Well, let me ask Governor Richardson. Governor, you and I have been around for a long time. And you keep talking about putting the accent on the positive here. Will you not talk about Vice President Cheney? I mean, he seems to be--and we've been hearing all these things about the vice president, how he's now a drag on the Republican ticket. Will we hear anything about him at this convention?

Gov. RICHARDSON: Well, the accent is on the positive. Yes, there are going to be some partisan statements here, but we're going to emphasize three things. One, Senator Kerry has character--where he comes from, his values as a father, as a Vietnam veteran, lifetime of service. Number two, the issue of values--what we've been talking about, fiscal responsibility. Senator Kerry has a plan. That's a value. His lifetime of service in Vietnam, 19 years in the Foreign Relations Committee, and then the overarching theme that you will see at this convention, stronger at home, a plan for health care, for education, for a safer country, for energy independence and respect abroad; a foreign policy where we have alliances, where we have an exit plan on Iraq. You know, Iraq, I believe, has become the biggest issue in this campaign, and Senator Kerry has a plan to bring international support to our goals in Iraq and around the world.

SCHIEFFER: You know, you say the purpose of this convention is really to introduce Senator Kerry to the American people. You've spent \$80 million in television ads and you say he still--the people still don't know him. Why is it that the country is not yet warm to Senator Kennedy--to Senator Kerry?

Gov. RICHARDSON: Well, I think Senator Obama--and these are the two new stars of our party that we're highlighting--said it right. The American people haven't focused, but, Bob, at this stage, a challenger like Senator Kerry is far ahead of any challenger in our history that we've had in a presidential race against an incumbent. Most challengers are behind 16 points. We're ahead maybe 3 or 4 points. It's a deadlock race, and what we're trying to do at this convention is basically appeal to about 10 percent of undecided voters--there are 45 percent on both sides that are heavily in one direction--and get them to see Senator Kerry, a leader that is a proven, tested leader with experience and with commitment. That's the purpose of this convention.

SCHIEFFER: Dan.

Mr. BALZ: Governor Granholm, when you all say you want to introduce Senator Kerry, the Republicans say there's a political makeover under way here, that Senator Kerry's going to use this convention to distance himself from 19 years of votes in the Senate which is a pretty liberal record of voting that he has. What are the two or three things that you think people ought to know about Senator Kerry that they may not that you hope they come out of this convention with other than the fact that he was a Vietnam veteran and has spent a lot of time working on foreign policy in the Senate?

Gov. GRANHOLM: I think people need to know him as a person. When they hear his wife talk about him and their experiences, they need to get a gut feeling about him. So having others talk about their experiences with him is important. The Vietnam vet thing is critical because it shows that he has got the strength to decide to serve our country but also to help pull people out of the water, to save lives. That's a critical fact about his life that not very many people have focused on.

So we need to make sure that that aspect of him is shown but also his personal values. He is

a man of faith. He is a person of conviction. He has stood up for people and for policies that are important to average citizens. Between he and John Edwards, it's a dynamo team that will stand up for average citizens, and that's what people need to get a sense of. They've had four years of the current administration. They know what they're getting. This team is a new team. That's why we've got to show them all of these aspects of their character.

Mr. BALZ: When you say he's a man of conviction, I want to ask you about one thing that he said recently. Senator Kerry, as you know, is strongly pro-choice on abortion. He said recently he believes life begins at conception. How do you square those two statements?

Gov. GRANHOLM: That's the whole point: choice. I have the exact same position as that. I'm a Catholic as is he. We believe that life begins at conception. We also believe it's not government's role to step into the doctor's office, that different faiths believe differently about when life begins. It's perfectly consistent with somebody who doesn't want government to get involved in the most intimate choices that a human being may have. And so there is nothing inconsistent about that, and people just need to understand where he comes from.

SCHIEFFER: Senator Obama, I want to ask you about something that President Bush said the other day.

State Rep. OBAMA: Yeah.

SCHIEFFER: He said that the Democratic Party is taking the African-American vote for granted. Isn't there a grain of truth in that?

State Rep. OBAMA: Well, I think, first of all, I'm glad that the president addressed the Urban League. I think he made a mistake in not addressing the NAACP. My attitude is if you're the president, you're the president of all people including people who are your critics. That's part of the job. And I think that the fact that he squarely talked about the problems that the Republican Party is having with the African-American community is a healthy thing. I want the Republican Party to compete in the African-American community, but let's be clear. The reason that they have not done well is not because the African-American community is ideologically predisposed to one party or the other. It's a very practical assessment of which party has looked out for civil rights, which party is focused on the issues that working people face, who's providing grants to kids to go to college, who's thinking about the insured. And the fact of the matter is that the Democratic Party consistently has built its platform on the idea that we're going to bring people up and provide opportunity to all and to the...

SCHIEFFER: Why do you--well, why do you suppose, if all that's true, that African-Americans are not more enthusiastic about Senator Kerry?

State Rep. OBAMA: Oh, I think they are extraordinarily enthusiastic but, like most voters, they haven't started paying attention and expressing that enthusiasm. Right now what we have is--up until this point, until the convention, we've got a lot of insider baseball. But when you go out and you talk to people, they are impressed with Senator Kerry's commitment and devotion to this country. They understand as they learn his story that this is somebody who doesn't just talk the talk, he walks the walk. And as they get more familiar with that record, I think they're going to warm to him. People have to recall that Bill Clinton was not the favorite of the African-American community in his initial campaign. It took awhile for people to become familiar with his record. And when they realized that this was somebody who was going to fight for them, they embraced him and stayed extremely loyal to him. I think the same thing's going to happen to John Kerry.

SCHIEFFER: Dan?

Mr. BALZ: Governor Richardson, I'd like to go back to Iraq for a minute. A lot of Americans wonder how long US forces will remain in Iraq. Senator Kerry has given no indication that he has a timetable in mind to bring them home. Can you distinguish at this point the difference between Senator Kerry and President Bush on Iraq, going forward, what they would do--how he would be different than what President Bush has done?

Gov. RICHARDSON: Well, there are several key distinctions. The main one is the fact that Senator Kerry would internationalize this effort substantially more than President Bush has.

Mr. BALZ: But could I interrupt on that? I mean, when the NATO summit was held in Istanbul recently, Senator Kerry put out a statement before that meeting, urging the NATO countries to participate much more significantly. They turned their back on him...

Gov. RICHARDSON: Well...

Mr. BALZ: ...as they did on President Bush.

Gov. RICHARDSON: One of the reasons, Dan, is that we pursued in Iraq a unilateralist policy. We shunned allies. We shunned NATO; 'We're going to do it alone. We're going to bypass the United Nations.' We're paying for that. Now that doesn't mean that Senator Kerry--as president-elect and as president, he will reach out to Muslim countries, he will reach out to the European Union, to NATO, to help us share the burden. We're paying \$220 billion in a war because we had bad planning. We didn't have an exit strategy.

And so what Senator Kerry, with his 19 years on the Foreign Relations Committee, his Vietnam service, his extensive travel around the world--he is ready to assume an internationalist posture. And this doesn't mean do everything the UN wants. This basically means that what Senator Kerry wants to do is get international support, our own alliances, our friends, to back us in our goals.

SCHIEFFER: And we have to end it there. Thank you all for coming this morning.

Gov. GRANHOLM: Thank you.

State Rep. OBAMA: Thank you so much.

SCHIEFFER: I'll be back with another FACE THE NATION 50th-anniversary Flashback in a minute.

(Announcements)

SCHIEFFER: There's been a lot of talk this year about how much emphasis a candidate should put on religion. But when Al Gore made history four years ago by choosing Jewish-American Joe Lieberman as his running mate, Lieberman said his religion wasn't the important thing. That's our 50th-anniversary Flashback.

On the eve of the 2000 convention, Lieberman came on FACE THE NATION to say no one's religion should be an issue, but he said credit should go to Gore for choosing him.

Senator JOE LIEBERMAN (Democrat, Connecticut): (From 2000) Credit because he had enough confidence in the American people to believe, as I do, that they will not vote for me or against me based on my religion. I hope that his choice of me really says more about him than me. He's got guts. He's got character. We share a commitment to family and faith. We

have a common vision of the future. We celebrate the exchange of views between us. We both spent our lives committed to public service. So, you know, I hope in the end that my-- the fact that I'm if first Jewish-American running for vice president won't be an issue at all.

SCHIEFFER: Although the Democrats lost, Lieberman proved to be a tireless and effective campaigner, and his religion was never an issue.

Another FACE THE NATION 50th-anniversary Flashback.

I'll be back with a final word.

(Announcements)

SCHIEFFER: Finally today, to understand how the terrorists have changed our way of life, come here to Boston. Political conventions have long been a prize cities have sought. But if Boston won first prize, its citizens must wonder what is second. The threat of terrorism hangs over everything here. More than 40 miles of roads and highways will be closed this week. The train station where 25,000 commuters enter the city each day will shut down. Restaurants and businesses are closing. If Congress believes there is any option other than finding a way to improve our intelligence-gathering as the 9-11 Commission has recommended, let them come here to Boston.

Deep in its 600-page report is perhaps the commission's most important conclusion: that this is not a war with terrorists, but a battle over ideology, a battle with a far-flung group so convinced that their system is superior to ours that they are teaching their children to hate us.

As David Brooks points out in The New York Times, ideologues are always committed to the battle for as long as it takes. So, too, must we be. Because this battle will require more than military weapons. It will also mean a massive and more complicated effort to show the other side that they are wrong.

We must remember we have won these battles before. Defeating communism took a long time. But we won. We had no choice. Strengthening the barricades makes us safer. But we cannot be secure until we change the minds of the kids being taught to hate us. Is it worth it? Just come to Boston.

That's it for us. We'll see you next week right here on FACE THE NATION.