

© 2004 CBS Broadcasting Inc.
All Rights Reserved

**PLEASE CREDIT ANY QUOTES OR EXCERPTS FROM THIS CBS
TELEVISION PROGRAM TO "CBS NEWS' FACE THE NATION. "**

CBS News

FACE THE NATION

Sunday, January 4, 2004

**GUESTS: Senator JOHN KERRY, (D-MA)
Democratic Presidential Contender**

**AMY WALTER
The Cook Political Report**

MODERATOR: BOB SCHIEFFER - CBS News

*This is a rush transcript provided
for the information and convenience of
the press. Accuracy is not guaranteed.
In case of doubt, please check with*

**FACE THE NATION - CBS NEWS
202-457-4481**

BOB SCHIEFFER, host:

Today on FACE THE NATION, this broadcast begins its 50th anniversary on television, and our guest is John Kerry, one of the Democrats running for president. Kerry unleashed a blistering attack on front-runner Howard Dean last week, but it seems to have had no effect. We'll ask Kerry why. Has Dean wrapped it up before the first votes have been cast, and what is Kerry's plan now to derail it? Amy Walter of The Cook Report will join in on the questioning. Then we'll look back to FACE THE NATION's first 50 years. Can you guess who our first guest was? Finally, I'll have a divine scoop.

But first John Kerry 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.

SCHIEFFER: And good morning again.

Senator John Kerry is in Des Moines today. He is at his campaign headquarters there. Joining in the questioning is Amy Walter.

Senator, welcome.

Senator JOHN KERRY (Democrat, Massachusetts; Democratic Presidential Candidate): Good morning.

SCHIEFFER: You unleashed a withering attack on Howard Dean last week, among other things saying he has--he had a shoot from the hip style, a tendency to flip-flop. You said a candidate who treats America's national security the way he does won't be elected president and, frankly, doesn't deserve to be. From here, it appears that those--those strong words have had no impact. Have they had an impact out there where you are?

Sen. KERRY: Oh, I-I disagree. I think there's a great deal of evaluation taking place, Bob. People are now really focused after the new year. They want to know who is ready to be president of the United States. Who has the experience, the vision to make our country safer in the world. This is a very perilous time, and I think that it is important to have somebody who can give confidence to the American people that we can lead the nation--we Democrats have the ability to provide safety and security to our nation without having to retract every statement we make, without having to run a foreign policy by press release clarification. And I'm ready to do exactly that, to lead our country to a place of safety.

SCHIEFFER: Well, do you think it would be dangerous to have Howard Dean as president?

Sen. KERRY: Well, How--listen, Bob, it's up to a lot of other voters to make decisions about this race. What I'm trying to do is point out that for us to beat George Bush, we need a candidate who has the ability to go face to face with him on the issue of national security. George Bush himself has said national security will be the central issue of this campaign. And it's very clear that--that Howard Dean has been all over the place. I mean, if you don't know that Saddam Hussein is guilty and you think he has to have a jury trial, if you make statements suggesting that we can't protect ourselves without the permission of the United Nations, that we have to prepare for the day when America is not the strongest military in the world, that we're not safer with Saddam Hussein captured, I think those will raise serious doubts in the minds of Americans about whether or not this is the Democratic Party of retreat and confusion or whether it is the Democratic Party in the tradition of Roosevelt and Truman that knows how to make America safe. I know how to make America safe and fight a war

on terror that does not overextend our troops, that does not put America at greater risk. And we need a nominee about whom there are no questions on the subject of national security.

SCHIEFFER: Amy.

Ms. AMY WALTER (The Cook Political Report): Senator, you're joining us from Iowa. There's been a lot of talk recently about your momentum in the state. But there's not as much momentum for your candidacy in New Hampshire, which is your back yard. Is it possible that you could do better in Iowa than in New Hampshire, and what does this say about you and your candidacy that you're running stronger in Iowa than you may do in New Hampshire, where you're better known, where you're from?

Sen. KERRY: Well, so is Howard Dean. Howard Dean's a neighbor of--of New Hampshire and New Hampshire will make its decision over the course of these next weeks. I'm confident that my campaign is moving in New Hampshire, too. I think a lot of people in New Hampshire are not aware that Howard Dean wants to raise taxes on middle-class New Hampshirites. I don't. Howard Dean wants to ra--get rid of the child tax credit. There are a lot of families in New Hampshire that are going to be very negatively impacted. They can't afford tuition today. They can't afford prescription drugs. They can't afford health care. And Howard Dean's coming along and saying, 'I'm going to raise your taxes.' I think that's a mistake, a mistake for the country in terms of economic policy. I think it's a mistake in social policy. And I also think that for the Democrats to say, 'We're going to reinstate the marriage penalty and tax everybody at a higher bracket, 15 percent rather than 10 percent,' is not the way to balance the budget and fix our economy.

Bill Clinton proved that in the 1990s. We showed that we know how to balance the budget. We know how to be fiscally responsible, but we don't have to take it out of the hides of the middle class who are already hurting. I'm going to roll back George Bush's tax cut for the wealthy Americans and I'm going to use that money to invest in education and health care, but I'm not going to punish the middle class for the mistakes that George Bush has made.

Ms. WALTER: Senator, we talked a lot about Howard Dean, but for many weeks, certainly beginning of this campaign, you were the front-runner. What happened? How did Howard Dean become the front-runner? Is this more about Howard Dean? Is this something that your campaign did or did not do?

Sen. KERRY: No, I think...

Ms. WALTER: Wha--wha--what went wrong?

Sen. KERRY: I-I--first of all, I think that whoever it was or wasn't the front-runner at the beginning, I don't know that. Some people may have given the label to that effect, but something called a war happened. A war in Iraq was very, very divisive and everybody in the country knows that. And for a while, a wall came down and it took a while for people to understand the full ex--you know, understanding of why people voted the way they did and what it meant. There was a right way to do Iraq. There was a wrong way to do it. George Bush chose the wrong way in every regard and he broke his promises to the American people, and he misled the Congress and the United States.

I believe that I did what was right to protect the security of the country, but I think George Bush abused that authority and I have legitimacy to be able to hold him accountable for that. And it is clear, absolutely clear, that a man who took the United States to war previously, who tried to assassinate a president of the United States, who we knew was developing weapons of mass destruction because we destroyed them ourselves over seven and a half

years...

SCHIEFFER: Well...

Sen. KERRY: ...and who also remained a threat to us while he was out of captivity, we're better off without him. And I understand that.

SCHIEFFER: Well, that does raise the question, and--and you have certainly criticized Howard Dean for his various flip-flops, but what you have just said reminds me you told Rolling Stone on December 9th, quote, "If I were president, we wouldn't be in Iraq today. We would not be at war." And then about a week later, December 16th I think it was after Saddam Hussein was captured, you said, "I am here to say holding Saddam accountable was important. I'm here to say that doing nothing..."

Sen. KERRY: That's right.

SCHIEFFER: "...would have been the most dangerous path of all." So it sounds like, just from reading those two quotes, before they got Saddam Hussein, you were telling people, 'Gosh, I wouldn't have been there. I would have our boys in--in Iraq...

Sen. KERRY: No, Bob, that's not...

SCHIEFFER: ...and then afterwards, you're saying...

Sen. KERRY: That's actually...

SCHIEFFER: ...'That'd the worst thing of all if we did that.' Do you want to clear that up?

Sen. KERRY: That's not what I said, Bob.

SCHIEFFER: OK.

Sen. KERRY: Absolutely.

SCHIEFFER: Well, I mean, I'm reading your direct quotes here.

Sen. KERRY: I look forward to...

SCHIEFFER: But you--you explain to me.

Sen. KERRY: What I said--what I was talking about--what I was talking about, Bob, was how you go to war. I voted to give the president the authority and I was prepared to use force and I'm still prepared any time to use force to protect America. And we needed that threat of force in order to get the inspectors in. And I was prepared to use it. Absolutely prepared to use it. But I believe there was an intelligent way to do it. And the intelligent way to do it was to exhaust the patience of other countries, to use the inspections to help build the support of the world and to go with the position of maximum strength.

Again and again in the months leading up to the war, I kept saying, 'We should proceed from the position of greatest strength.' In fact, the president did not proceed from the greatest position of strength. And he has overextended the armed forces of the United States. He has turned our Reserves and Guard into active duty military personnel. We have very few divisions left to fight a war in another place if we had to. And I believe that that was not the wisest way to go to war.

That doesn't mean that I don't completely believe, as I do, that it was critical to hold Saddam Hussein accountable. I said that of Bill Clinton in 1998. So it is completely consistent to hold Saddam Hussein accountable, to be glad that he's gone, but to want to do it in a way that minimizes the exposure to our troops, minimizes the cost to the American people and maximizes the opportunity for success.

SCHIEFFER: Well...

Sen. KERRY: And that's exactly what I wanted to do.

SCHIEFFER: That raises another question that I'd--I'd like to hear you explain because frankly I don't understand it. And that was you did vote to give the president the authority to go to war. Yet you voted against the resolution, that \$87 billion, that was needed to fund the troops there.

Sen. KERRY: Yeah.

SCHIEFFER: Would you have voted for that money had your vote been needed?

Sen. KERRY: Yeah.

SCHIEFFER: Because it passed by a big margin. And they didn't need your vote to pass that.

Sen. KERRY: I would have--I--Bob, I made it absolutely dear that I support the troops. I support our being successful in Iraq. It is vital to the war on terror. It's vital to our international interests that we are successful. It's vital to Europe. It's vital to the Middle East. But I also know from my own experience in Vietnam that when something is going wrong, it's important to fix it. What I was voting for was a better way to be successful in Iraq, by bringing the international community to the table and by doing what's necessary in order to minimize the cost to the American taxpayer.

I also said--and Joe Biden and I brought this amendment. As long as we're asking our national reserves to make a sacrifice, Bob, and families to make a sacrifice and troops to make a sacrifice, it is appropriate for the wealthiest people in America to also make a sacrifice. And we brought an amendment to ask for that \$87 billion to be paid for--and I would have voted for it--if we simply took a small piece of the tax cut for wealthy Americans and made that the money that paid for it so we didn't go into deficit in our country. All we had to do was ask the richest people in America instead of getting \$690 billion of tax cuts over the next 10 years, couldn't they just make a little sacrifice along with the rest of America and only get \$600 billion? Because George Bush opposed that, I voted no.

SCHIEFFER: All right. Let me just ask you--just--let me just go back to the original question. And if you don't want to answer it, you don't have to. But had your vote been needed...

Sen. KERRY: I'm happy to.

SCHIEFFER: ...had they needed your vote to pass the money to pay for those troops, and to fund those troops, would you have voted for it had your vote been needed?

Sen. KERRY: I w--here's what would have happened. If the vote had been that close, we would have had the normal process of negotiations that take place in the United States Senate. They would have come up in a way that addressed people's objections and we would have passed it. I would never ever ever abandon troops or make it more difficult for

the troops in the field. I've been one of those troops. I will never do that. But let me tell you something. This administration isn't even providing the body armor and equipment to some of the reserves that they need. We have parents in America who are buying that equipment by themselves and sending it over to the troops. And they're cutting the VA budget and they're--they're making it difficult for the veterans who come home to have the promises of health care kept up to them. I understand what the definition of patriotism is in America. And it begins by keeping faith with the people who serve and this administration is not doing that.

SCHIEFFER: Right.

Ms. WALTER: Senator, I wanted to go back a little bit to these attacks on Dean. Is there any concern that if he is the nominee, you've actually...

Sen. KERRY: W--w--why? What...

Ms. WALTER: I'm sorry. That if indeed he is the nominee that you've really opened up a great line of attack for Republicans and the piling-on effect here could really impact him as the nominee negatively.

Sen. KERRY: Please, this race against George Bush is going to be a tough race. If you don't think Karl Rove and George Bush aren't sitting there waiting for these statements to be held accountable when they run, if he's the nominee, you're kidding yourselves. I mean, the fact is that we didn't open any of this up. Howard Dean made these statements. Howard Dean is the one who said he doesn't think we're safer with the capture of Saddam Hussein. Howard Dean is the one who said he didn't know whether or not he could have a jury trial--or he might have a jury trial before he calls him guilty even though Saddam Hussein himself announced he's guilty. Howard Dean is the one who said we need the permission of the UN to do these things. This is a campaign about the presidency of the United States of America.

Ms. WALTER: D--do you...

Sen. KERRY: And we Democrats need to choose the strongest nominee possible to go up against him. If he can't answer those questions adequately now he's not going to be able to answer them when George Bush and Karl Rove go at him.

Ms. WALTER: Well...

SCHIEFFER: Do you think he has the temperament to be president?

Sen. KERRY: That's not for me to decide. That's for the American people to decide. I'm trying to run a campaign on the issues and on the differences between us, not a personal one. It makes a difference to people in America whether they're going to pay additional taxes. I don't want the middle class to pay additional taxes. Howard Dean and Dick ki--Gephardt are both willing. They want to raise taxes on the middle class. That's what campaigns are about. You want to tax me? Don't you want to tax me? How will you protect me? How will you not protect me? These are the issues on which you decide the presidency.

And I've had a lifetime record of standing up and fighting against special interests. I think it's important that I've tried to close tax loopholes in places like Bermuda and tried to make the tax system fair so the average American isn't paying taxes while CEOs and companies are walking away with the store. Howard Dean opened up Vermont and tried to make it a snowy Bermuda, as a tax haven for insurance companies. I think it's important for people to know that the things you do in the course of your career define the things you may do later

on as a leader. That's what leadership is about. That's what an election is about. That's why we have campaigns. That's why we have debates. And nobody should shy away from articulating the legitimate differences between us on issues that make a difference to the American people.

Ms. WALTER: W--Senator...

SCHIEFFER: All right. I--I take your point.

Sen. KERRY: How else are the American people supposed to decide?

SCHIEFFER: I take your point.

Ms. WALTER: Right. Right, right. So, Senator, what is your road map after Iowa and New Hampshire? Where do you go from here?

Sen. KERRY: Well...

Ms. WALTER: How do you win this nomination?

Sen. KERRY: I'm going to do well in Iowa. I'm going to do well in Iowa. Everybody has been sort of writing campaigns off and just talking about the polls, and we've had months and months of campaign by polls. Now we need to have campaigns by people, campaigns by people who are independent-minded and who vote. I will tell you I have been stunned, impressed, by the people of Iowa. They listen. They take this process seriously. They're looking for leadership. They understand the issues. They don't care what the polls say. They're going to go to those caucuses on January 19th and they're going to pick the person that they believe can lead America to a safer, stronger place, put them back to work, give them health care, stand up to George Bush and his bullies, and that's precisely what's happening here in Iowa.

SCHIEFFER: Well, what would be good...

Sen. KERRY: And that's why I'm excited.

SCHIEFFER: What would...

Sen. KERRY: My campaign is moving out here.

SCHIEFFER: What would be good for you in Iowa, to finish second, finish ahead of Gephardt? What would you call success?

Sen. KERRY: Well, I'm--I'm not going to play that--I'm not--I'm not going to play that game. David Yepsen, who's the sort of premier observer of Iowa politics, has always written that there are three tickets out of Iowa. I'll take my ticket of I--out of Iowa, and then I'll go on from there. I'm going to do the best I can. I'm going to meet every voter I can. We did a 24-hour tour of the state the other day. Notwithstanding everybody's conventional wisdom and preconceived notions, I trust the people of Iowa. And I'm out there meeting people every single day, and they're responding because they know I have a plan to lower the cost of health care for them. They know that I have a plan to lift our schools up, to help rural America, to stop agribusiness from crushing small family farms. They want somebody who's going to stand up and fight for them. And long before Howard Dean got into politics or other candidates in this race stood up, I've been fighting consistently over 35 years to make our government work for people. And that's exactly what I'm going to do as president.

SCHIEFFER: All right. I think that's a good place to leave it. Senator, good luck to you.

Sen. KERRY: Thank you.

SCHIEFFER: We hope to see you again along the campaign trail.

Sen. KERRY: You will.

SCHIEFFER: And stay o-or watch the snow out there, because I hear it's coming down. We'll be back in just a moment.

Sen. KERRY: I sure will.

(Announcements)

SCHIEFFER: This year marks FACE THE NATION's 50th year on television, and over this year we'll mark that anniversary with occasional FACE THE NATION flashbacks to memorable programs of the past. Today we begin where it all began, that first broadcast on November 7th, 1954, a time of the Red scare, when people still smoked on TV and our first guest was Senator Joe McCarthy.

(Excerpt from FACE THE NATION, November 7, 1954)

Announcer #2: FACE THE NATION, live from Indianapolis...

SCHIEFFER: (Voiceover) With the Senate set to begin debate the following day on whether to censure him, McCarthy was in a foul humor and predicted senators would not treat him fairly.

Senator JOSEPH McCARTHY: I've been so busy being investigated in preparing for this lynch bee starting tomorrow that I haven't had an opportunity to...

Unidentified Host: You call a meeting of the United States Senate a lynch bee?

Sen. McCARTHY: Well, let's call...

Unidentified Host: It has...

Sen. McCARTHY: Let's call it the censure.

(End of excerpt)

SCHIEFFER: McCarthy hoped his appearance would build public sympathy, but his remarks enraged senators and they made the censure motion against him even more severe.

Unidentified Man #1: (From videotape) Nikita S. Khrushchev...

SCHIEFFER: FACE THE NATION's biggest scoop came in 1957, an exclusive interview with Soviet boss Nikita Khrushchev, the first interview ever by any Communist leader. The broadcast was praised around the world, but the Eisenhower administration was furious that Khrushchev was allowed to appear uncensored. Secretary of State Dulles refused to watch, saying he had better things to do than to listen to a Communist.

In January 1959, FACE THE NATION got another scoop, an interview with Fidel Castro in the hours after he came to power in Cuba. He denied he was a Communist and promised elections in 18 months.

(Excerpt from January 1959 broadcast)

Mr. RYAN: What is the guarantee that there will be free elections after 18 months?

Mr. FIDEL CASTRO: Well, the public opinion, in first place. Second place, our word.

(End of excerpt)

SCHIEFFER: Of course, the elections never came, and within two years Castro said he had been a Communist all his life.

Civil rights and Vietnam would dominate the broadcast during the '60s.

Dr. MARTIN LUTHER KING Jr: Free at last, free at last...

SCHIEFFER: Martin Luther King Jr. was a frequent guest in the four years leading up to his death, while a parade of officials appeared to defend Vietnam policy. Always, they predicted good news ahead, but it never came. Vice President Agnew said even if North Vietnamese troops attacked, as US troops were withdrawing, the media had to keep it in context.

Vice President SPIRO AGNEW: (From vintage broadcast) This doesn't mean that a military victory of any consequence has been achieved and it's important that it not be blown out of perspective.

Unidentified Man #2: The eagle has landed.

SCHIEFFER: Americans would go to the moon. Watergate would force Richard Nixon to leave the White House. The Berlin Wall would come down and, in time, the Soviet Union would collapse.

Announcer #3: (From vintage broadcast) Dwight D. Eisenhower will face the nation.

SCHIEFFER: Since Eisenhower, every man who has served as president has appeared on FACE THE NATION. And presidential politics has always been a major focus of the broadcast. But no story ever got the intense, continuous coverage we gave to the turmoil in Clinton White House. Over a year, we devoted 49 broadcasts to that one subject.

When the war broke out in Iraq, the new technology allowed us to broadcast directly from the battlefield.

SCOTT PELLEY (CBS News): ...even against the mortars like the one that's about to go off behind me.

SCHIEFFER: It became routine to debrief our war correspondents on the scene.

ELIZABETH PALMER (CBS News): We had a fellow in here just a few minutes ago who swears he was taken to see Saddam Hussein, who told him that he ought to keep fighting and keep up the resistance.

SCHIEFFER: It's all a far cry from that first broadcast that began with these words back in

1954.

Mr. TED KOOP: (From vintage broadcast) How do you do? And welcome to FACE THE NATION.

SCHIEFFER: Though the changes in technology have been nothing short of breathtaking, the mission of FACE THE NATION has never changed: to find and interview the person who knows the most about this week's big story.

And that mandate has made FACE THE NATION more than just a television program. It has become a window on history.

Back in a minute with a final word.

(Announcements)

SCHIEFFER: And finally, today, I just not--could not believe it when I saw in the paper that Pat Robertson said, 'God had told him George Bush was going to win the election,' and not just win but win in a blowout, a walk. 'Gee,' I thought, 'the president does look pretty strong right now, but if God starts leaking these results eight months before the election, these races aren't going to be much fun and it will be hell on Earth for the candidates.' If people know who's going to win, the candidates won't be able to raise a dime and they won't be able to buy TV commercials and that could put the whole economy in the dumper.

Well, not to worry. I think my heavenly sources are just as good as Pat Robertson's and my source says there was nothing to this story. He says, 'Robertson must have misunderstood.' The way my source explained it, 'God does know who's going to win all right.' 'He knows everything but,' he said, 'God would never tell that kind of thing. It would ruin all of it.' 'He wouldn't tell that any more than he would tell the winning Powerba--ball numbers,' he said. And he said, 'You have no idea the kinds of deals people try to make with God to get those numbers.' I thought that's how it was, but it's sure good to get it from a source at the highest level.

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