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

CBS News

FACE THE NATION

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**GUESTS: Governor TIM KAINE
Democrat, Virginia**

**Representative DEBBIE WASSERMAN
SCHULTZ
Democrat, Florida**

**Governor MATT BLUNT
Republican, Missouri**

**Former Representative ROB PORTMAN
Republican, Ohio**

**Mr. DAN BALZ
The Washington Post**

MODERATOR/PANELIST: Mr. Bob Schieffer – CBS News

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BOB SCHIEFFER, host:

Today on FACE THE NATION, Senator Obama raises an astounding \$150 million in September. Will money make the difference in the last two weeks of this campaign? Or could just a handful of states tip the balance to one candidate or the other? We'll go to the battlegrounds this morning and talk to Missouri Governor Matt Blunt, whose state is virtually tied; then to Florida and Democratic Representative Debbie Wasserman Schultz; to the always crucial Ohio and former Republican Representative Rob Portman; and finally, here in the studio, Governor Tim Kaine from Virginia, a normally Republican state where Obama is now ahead in the polls. Dan Balz of The Washington Post will tell us what to look for in the coming weeks, and I'll have a final word on what campaigns tell us about us.

But first, the battleground states, 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. Well, the big news of the morning, General Colin Powell told Tom Brokaw this morning that he will vote for Barack Obama, because he said the McCain campaign has been too polarizing, that he questions Senator McCain's judgment in picking Sarah Palin and--as his running mate, and he says attempts by the McCain campaign to connect Obama to former Vietnam protestor Bill Ayers is inappropriate. We want to ask our Republicans who are guests this morning about this. I want to go first to Governor Blunt down in Missouri.

Governor, yesterday Barack Obama drew record crowds when he appeared in St. Louis. More than 100,000 people there. He drew 75,000 in Kansas City, I am told. What about this endorsement this morning by Colin Powell? Is this going to make a difference?

Governor MATT BLUNT (Republican, Missouri): I don't know that it'll make a difference in Missouri. You know, Missourians admire Colin Powell for his many years of service to our country, but in the end they're going to evaluate where the candidates are on issues that are important to them: taxes, growing our economy, creating more wealth rather than redistributing existing wealth, protecting innocent life, protecting Second Amendment rights. In all those issues, Senator McCain obviously lines up with the values of Missourians. And obviously, there was a tremendous crowd yesterday for Senator Obama. I've heard some differing numbers, perhaps a smaller crowd than might have been reported. But I don't know that we need to quibble over numbers. He obviously has a great celebrity status, drew a couple hundred thousand people in Berlin, Germany. So he's a global celebrity, draws big crowds. That doesn't always translate into votes. In Pennsylvania they had tens of thousands of people marching through the streets of Philadelphia but still ended up losing that state by 10 points to Senator Clinton.

SCHIEFFER: What about you, Rob Portman, out there in Ohio? You're a former congressman from Ohio, you were George Bush's budget director. Do you think this is going to make a difference in Ohio?

Former Representative ROB PORTMAN (Republican, Ohio): Well, Bob, I don't think it makes a big difference. Endorsements are typically overrated, I think. But Colin Powell is well-

respected. I was interested to see that he said this morning that he thought either man would be a good president. It didn't surprise me a lot because I've heard General Powell talk about both candidates. He says he respects both men. But he's also had--he's always had a special admiration for Senator Obama.

So I think what's more important is what Governor Blunt's talking about, which is where are they on the issues. As you know, there are relatively small number of people who are undecided at this point, and those folks are looking at the economy, their jobs. They're wondering which candidate has the best proposal to help them keep their health care, keep their jobs. And I think what's been good about the campaign over the last couple of weeks is we've begun to see more focus on the sharp differences between the two candidates on those issues. I think that's how folks will make their decisions on November 4th.

SCHIEFFER: What--what's your--what's your assessment of where Ohio is right now? Most of the polls show it is very, very close.

Rep. PORTMAN: I think it is, Bob. The most recent poll is that--Rasmussen showing it at a dead heat, 49-49. If you look over the last couple weeks, you know, the average of all the polls is within the margin of error. So it's going to be very close again. It was very close in 2004. You know, George Bush won by 118,000 votes, which is one reason folks are so concerned about the integrity of this election. You've heard a lot of talk in Ohio, as you know, about the fact that some people who've registered do not have matches with federal or state databases, and there are over 200,000 people apparently out of the 600 and some thousand who have newly registered who have some of these discrepancies. So there's a lot of focus in Ohio today on being sure that the integrity of the election is upheld.

SCHIEFFER: All right. Well, let me go to Governor Kaine of Virginia, who's with us in the studio this morning. I understand you're here in Washington because this is Parents' Day at George Washington University. You have a son who's there.

Governor TIM KAINE (Democrat, Virginia): He's a freshman. And I'm glad to be with you today, Bob.

SCHIEFFER: Well, thanks for coming. You know, Governor, General Powell's announcement is one thing. But overnight there may have been an even bigger news, and that was the announcement that, as astounding as it sounds, that the Obama campaign raised a record 100 and--what is it, \$150 million in September alone. That breaks the previous record which he had set of \$66 million in August.

Gov. KAINE: In August. Right.

SCHIEFFER: I mean, these figures are just like they're coming from another universe. What's going on here?

Gov. KAINE: Well, they are--they are astounding figures, Bob. I'm--you know, it isn't ultimately about dollars. But what the fundraising shows is there's just a great embrace of Senator Obama's candidacy. And he's raised funds in an interesting way, relying very heavily on

small dollar donors, which really is at the core, I think, of the way most Americans would hope that campaigns would be financed.

As far as General Powell's endorsement, very important in Virginia for a couple of reasons. General Powell was not seen as a dividing figure, but a uniting figure. And so him vouching for Senator Obama convinces those of us who want to see a greater unification of the nation that he's the right guy.

Second, General Powell is not an ideological figure. He's a--he's a pragmatic person. And so those of us who are, you know, pragmatists first, who worry about results and just trying to do the right thing and manage government well, I think they'll see the endorsement by General Powell very positively.

Finally, it vouches for the senator in terms of that critical issue. We know he has plans to make a change in direction of national security policy. To have the confidence of General Powell in this election is very important. Virginians care about this. We're a state that loves the military; a lot of installations, a lot of folks in service or--and veterans. And so General Powell's endorsement will mean a lot to Virginians, especially to the undecideds and independents.

SCHIEFFER: Let's go quickly down to Florida now, Democratic Congresswoman Debbie Wasserman Schultz. Florida once again very much in play, Congressman. Do you think Florida is ready this time?

Representative DEBBIE WASSERMAN SCHULTZ (Democrat, Florida): Hi, Bob. We're ready. We're ready to go to the polls in droves and turn Florida blue. I believe that Barack Obama and Joe Biden will win the state of Florida. They are five points up or more in the--at least in the RealClearPolitics poll, which is a summary of polls. They have tremendous momentum. Senator Obama's going to be in the state on Tuesday and will be back a couple of times before Election Day. And, you know, I, too, want to weigh in on Colin Powell's endorsement, because that is going to resonate in Florida in a significant way. We have thousands of military retirees in the state of Florida, and I think what Colin Powell's endorsement does say is it shows that Barack Obama can build bridges across party lines. He's going to be able to reach out and bring in and embrace different ideas and, you know, isn't necessarily, you know, cut from one particular cloth. And Colin Powell has, you know, incredibly respected foreign policy experience as the former secretary of state, former chairman of the Joint Chiefs, a war hero. So, on military issues and on foreign policy issues, Colin Powell is clearly respected, and that's going to resonate with Floridians. And, you know, we're the biggest swing state in the general election, as we usually are.

SCHIEFFER: Well, let me just ask you this, though. We know about the problems in voting that we've seen in Florida in the past. Has that been fixed, or...

Rep. SCHULTZ: Sure.

SCHIEFFER: And when I said are you ready, I guess that's what I was referring to.

Rep. SCHULTZ: Oh, yeah. No, no, no. I--we are absolutely ready. We have now changed to optical scan voting, and that was embraced in a bipartisan way. Our new governor, Charlie Crist,

helped work with my colleague Congressman Robert Wexler so we could change all of our counties over to optical scanning, which will allow for a manual recount in the event of a very close election. We have election protection volunteers in all of the precincts that we think we might have a problem. People are going to have to get used to this new voting system, a little bit concerned about the length of the lines, because the turnout's going to be overwhelming. But we do have a system that will be able to make sure we can manually recount, and we have a paper trail now. And that was a bipartisan effort here in Florida, which was really nice.

SCHIEFFER: All right. Well, let's take a break right here for 60 seconds, and we'll come back and talk about how these two candidates--what is the road that each much take from here on in? In a minute.

(Announcements)

SCHIEFFER: And back now, talking about these battleground states. I want to go back to Missouri and Governor Blunt.

General Powell said today that, frankly, Sarah Palin is just not ready to be president, and he said he thought that raised questions about Senator McCain's judgment. How's that being taken down in Missouri? How do people feel about Sarah Palin down there, Governor?

Gov. BLUNT: She is a perfect candidate for Missouri. And I can take Sarah Palin to my hometown of Stratford, or any community in our state and she would immediately connect with people. She understands the real world, she understands the struggles that ordinary families face. She is the type of person we need in Washington, DC. She's a proven reformer. And she's been a great help in Missouri as we move forward this campaign. You know, Senator McCain is the underdog, he's being severely outspent in Missouri, but he appears to be in the lead today. That lead's been growing over the past several days. The reason he's being outspent is because Barack Obama broke a pledge to participate in the public funding system. And that's created a challenge for Senator McCain, but it's something that Missourians see through, and they're embracing Senator McCain's candidacy.

SCHIEFFER: All right. Well, Congressman Wasserman, how is Sarah Palin playing down in your territory?

Rep. SCHULTZ: Well, I think what's happening is that it's--there's an overwhelming reaction to John McCain's extremely bad judgment. I mean, there have been several examples of John McCain's bad judgment, Sarah Palin being the top of the list as far as choices are concerned. It's--Sarah Palin's selection as his running mate has really disturbed the Jewish community, which is going to be pivotal in the state of Florida. I mean, she has extreme right-wing fringe views on most of the issues that the Jewish community cares about; you know, opposed to a woman's right to choose, even in the case of rape or incest, you know, really wrong on civil rights and civil liberties, wrong on public education, wrong on health care. I mean, there are some really core values that...

SCHIEFFER: Well...

Rep. SCHULTZ: ...the Jewish community shares.

SCHIEFFER: Well, she's the very strong...

Rep. SCHULTZ: And Sarah Palin and John McCain oppose most of them.

SCHIEFFER: She's very strong...

Rep. SCHULTZ: Sorry...

SCHIEFFER: ...for Israel, though, isn't she? And that's certainly of interest to the Jewish community.

Rep. SCHULTZ: Well, you know, it is most definitely of interest to the Jewish community, but the Jewish community wants a president and vice president that share all of our values, not just some of them. I mean, it's extremely important that we have a president that will stand up on the issues that matter the most to the Jewish community, to the entire American community. And Sarah Palin is--and John McCain are wrong on the issues that matter to working families: establishing universal health care, investing in alternative energy research, bringing our troops home. That's why on November 4th we're going to elect Barack Obama and Joe Biden.

SCHIEFFER: All right. All right, take your point.

Let me go now to Rob Portman. How is Sarah Palin playing out there? I want to ask you that first, Congressman Portman; and also, how does John McCain get there now from here? When you look at where he is on the electoral map, he's--it looks like he's the heavy favorite in 18 states. Georgia is leaning toward him. But even when you put those states together, he still only has 140 electoral votes. If he wins all of the toss-up states now, the states we list as toss-up, he'll still be short of the 270 he needs to get elected. Obviously, he's got to win in Ohio, but what else has he got to do here to turn this around?

Rep. PORTMAN: Well, first of all, Sarah Palin is drawing record crowds in Ohio, as you probably know. She brings a lot of energy and enthusiasm to the ticket. She's got great executive experience. As the two governors, probably, on the show this morning would agree, that's the best experience to be president. She's the most popular governor in America. So I think she has a lot of assets she's bringing to the campaign.

John McCain has really a very simple message now, which is that for the economy, Barack Obama is going to be risky. And it's very clear. If you look at what Senator Obama's proposing in terms of taxes, he is saying he wants to tax the generators of what little economic activity we have out there. Small businesses have created over 300,000 new jobs this year, while we've lost 760,000 jobs. Here in Ohio, small business is the absolute backbone of our economy. And what Senator Obama's saying is he wants to tax the most productive of those. And, you know, Joe the plumber kind of put the face on it, but the fact is there are plumbing contractors, there are restaurant owners, there are small manufacturers, there are small software companies all around this beautiful Ohio state who are saying, 'Look, I'm--you know, I'm having a hard time keeping the employees I have. I want to add more employees. Don't tax me.' So Barack Obama talks about spreading the wealth, but it's going to be spreading the pain to the--to the very people who are creating jobs out there, and this is a big distinction.

SCHIEFFER: All right.

Rep. PORTMAN: And then on the spending side, Bob, he's got to make the argument...

Rep. SCHULTZ: Bob, can I...

Rep. PORTMAN: ...continually that this is not just \$860 billion of new spending, but it's on top of the \$700 billion we just spent, so.

SCHIEFFER: OK, I have--I'm sorry.

Rep. PORTMAN: So if he gets that message out he'll do well in Ohio and other states.

SCHIEFFER: Congressman, I have to give Governor...

Rep. SCHULTZ: Can I respond to that please, Bob?

SCHIEFFER: No, Congresswoman, because I have to give Governor Kaine a chance to respond here.

Rep. SCHULTZ: Of course. No problem.

Gov. KAINÉ: Absolutely. Look, if you--if you compare the records of--and plans of Senator McCain and Senator Obama, what you see is it's Senator Obama that is going to give tax relief for the middle class. Joe the plumber gets a tax break under Senator Obama's plan, not under Senator McCain's. Senator Obama has tax relief for the middle class and also for small businesses.

Rep. PORTMAN: That's not true, Tim.

Gov. KAINÉ: There's not a single proposal that Senator McCain has which would give most small businesses anything in terms of relief. To the contrary, the combination of his plans, especially with his proposal to radically change the nation's health care system, would mean an awful lot of small businesses wouldn't be providing health insurance to their employees. And so what Senator Obama does is tax cuts for the middle class, and let small businesses succeed through no capital gains for small businesses, tax cuts for those who are making less than \$250,000, tax cuts for small businesses to buy health insurance for their employees. The Joe the plumbers of the world are going to do much better under Senator Obama as president than Senator McCain.

SCHIEFFER: All right, gentlemen, lady...

Rep. PORTMAN: Bob...

SCHIEFFER: ...we're going to have to end it there. The clock just ran out on us. I think all of you got to make your points. Thanks so much.

Offscreen Voice: Thank you, Bob.

SCHIEFFER: We'll be back with Dan Balz of The Washington Post in just a minute.

(Announcements)

SCHIEFFER: And back now for our Campaign Quick Check. Joining us in the studio, my friend Dan Balz of The Washington Post.

And, man, when did you go on your first trip to cover this campaign, Dan?

Mr. DAN BALZ (The Washington Post): The first trip was in late November 2006 for the Tom Vilsack announcement for president. And the second trip was to New Hampshire about 10 days later for Barack Obama's first ever trip to New Hampshire, before he had quite decided to run.

SCHIEFFER: I'll ask you what everybody asks me. Have you ever seen one like this?

Mr. BALZ: No, I really haven't. I mean, I think that the only one you might compare it to would be '68. Two assassinations in that year, that tumultuous riot of a convention in Chicago in '68. But in so many ways, this campaign has had things that I don't think any campaign has had in terms of the cast of characters, the twists and turns and, frankly, the historic nature of what this campaign is about.

SCHIEFFER: It really has. I mean, we keep using this word historic, but...

Mr. BALZ: It really is. Yeah.

SCHIEFFER: ...it really--it really was historic. So, your assessment of Colin Powell's announcement?

Mr. BALZ: Well, I think it's obviously significant. I don't think endorsements ultimately mean that much, but there are two, I think, important things that happen with his endorsement of Senator Obama. One is to say to people who have perhaps had questions about it, that he believes he's ready to be president and to be commander in chief. Colin Powell obviously speaks with credibility on that issue. And I think for people who may be still on the fence wondering about that, there's some reassurance there. I think the other is the criticism of McCain for picking Governor Palin as his running mate, he said explicitly he did not think she was ready. This is something that is beginning to become almost a chorus in some parts of the Republican Party. I think, again, that will raise questions for people who are undecided.

SCHIEFFER: He also said that he--he said, 'I've known John McCain for years, but I believe his campaign has become too polarizing.' And I thought that was an interesting comment to be coming from Colin Powell.

Mr. BALZ: Well, and it's a damning criticism, frankly, because John McCain has never been known for that. John McCain has been known as somebody who has reached across party lines, he's obviously worked successfully with a lot of Democrats, been seen as a maverick and an

independent-minded person. And I think that there are people who believe that the campaign has gone down too narrow a track.

SCHIEFFER: Do you think it's going to be difficult for John McCain now when you look at this electoral map? I think we have about nine states that we list as toss-ups at this point. If my adding and analysis is correct, John McCain probably has to win every one of the states we know listed as toss-up as well as the ones where he's now the favorite, and he probably has to win a couple more that are now leaning toward Obama.

Mr. BALZ: He has a almost entirely defensive strategy at this point, or defensive need. If you look at where the Republican National Committee is advertising, they're in eight states--excuse me--only one of those is a Democratic state. The rest are all Republican states. In Chicago, the Obama people talk about the three, two, one strategy. One state will do it, an Ohio or Florida is enough to put him over the top. They're assuming they get Iowa and New Mexico, two states that went for Bush. There's a two state strategy in which if he wins Virginia, he needs only one of those states. Or a three state strategy: Iowa, New Mexico and Colorado. They have so many avenues at this point that John McCain, if he tries to plug a leak in one state, there's another elsewhere. What he needs at this point is a general rising of the water in his direction so that some of these states that have looked like they're tilting to Obama become tight again and maybe there will be a sense. But it is a very tough road he's got.

SCHIEFFER: But as you and I both know, anything can happen in politics. So it's not over...

Mr. BALZ: That's right.

SCHIEFFER: ...till it's over. That's for sure. Dan, thank you very much.

Mr. BALZ: Thanks, Bob.

SCHIEFFER: And I'm just glad you made it thus far. I didn't know if I would. But it's been quite a campaign.

Mr. BALZ: Sure has.

SCHIEFFER: I know you wouldn't have missed it, either.

Back with the final word in just a minute.

(Announcements)

SCHIEFFER: Finally today, if I learned one thing during this campaign season, it was this: Campaigns are about more than just who gets elected. They tell us all about us, where we've been and where we're going. When I saw those black kids and white kids working together at Ole Miss to make sure everything was perfect for the first presidential debate, it just reminded me how far we've come since I had last set foot on that campus back in 1962. Back then, a riot broke out and two people were killed as a mob tried to prevent one black student from enrolling. Way to go, Ole Miss.

How many times can you call a campaign historic? But this one was and is. All those reports that America had lost interest in politics turned out to be dead wrong. Just check the TV ratings and the crowds. Public rallies are back. John McCain drew record crowds in Virginia yesterday; 100,000 turned out to see Obama in St. Louis. We're not only still serious about politics, it remains our favorite contact sport. Way to go, America.

For sure, we learned more than we needed to know this time about plumbers. As a young guy I belonged to the carpenters union, so I wanted equal time for the guys with the hammers. But what can you do? We'll just have to live with that one.

And here is one other thing I learned. Until Chris Parnell started imitating me on "Saturday Night Live", I never realized how much I sound like Tom Brokaw. I've got to work on that.

That's it for us. See you next Sunday right here on FACE THE NATION.

