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

CBS News

FACE THE NATION

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GUESTS: Mr. BOB WOODWARD
Author, "The War Within"

Mr. MICHAEL ERIC DYSON
Author, "April 4, 1968: Martin
Luther King Jr.'s Death and
How it Changed America."

Ms. JANE MAYER
Author, "The Dark Side"

Mr. FAREED ZAKARIA
Author, "The Post-American World"

MODERATOR/PANELIST: Mr. Bob Schieffer – CBS News

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BOB SCHIEFFER, host:

Today on FACE THE NATION, the new administration and the issues it faces, from international terrorism to the failing economy. Our annual books and authors show.

He may have won a decisive victory, but as the news from India underlines, President-elect Obama faces a world already changed from Election Day. Today we ask the authors of four of the year's most important books to assess the problems the new administration will face. We'll talk with Bob Woodward, author of "The War Within: A Secret White House History"; Fareed Zakaria, author of "The Post-American World"; Jane Mayer, author of "The Dark Side: The Inside Story of How the War on Terror Turned into a War on American Ideas"; and Michael Eric Dyson, author of "April 4th, 1968: Martin Luther King Jr.'s Death and How it Changed America." I'll have a final word on the dangerous world of bargain hunting.

But first, the world and Barack Obama 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 joining us this morning: Bob Woodward, Michael Eric Dyson, Jane Mayer and Fareed Zakaria.

Fareed, I want to start with you. We've been spending so much time talking about the economy, but were we ever reminded this weekend that terrorism is still there and it still must be dealt with. What is this all about, what has happened this weekend in India?

Mr. FAREED ZAKARIA (Author, The Post-American World): Well, at some level--I mean, this is actually quite personal for me. My mother has an office at the Taj hotel.

SCHIEFFER: Really?

Mr. ZAKARIA: She's the editor of the Taj magazine and the office was destroyed. Luckily, she wasn't there.

But I think if you step back, what's happening now is the problems of Pakistan, Afghanistan and India are bleeding into one another so that what you have is a kind of south Asian terrorism where these groups are feeding off each other, finding pockets where they can train in lawless parts of the--of the country. And you really have to ask yourself, if you are looking at this from Washington, what can we do about it? Because in many place--cases, these are parts of Afghanistan and Pakistan that those governments have not had control of for 200 years.

But the key, if there is a key, is that the Pakistani military has created, trained and sustained groups like this for three decades. I don't think the government is involved in this one, the Pakistani government, but they have to really re-orient themselves strategically to say, you know, there are no good militants and bad militants. The Pakistani military used to feel the good militants are the ones that destabilize India and Afghanistan, which is good for Pakistan, and the bad ones are the ones that kill Pakistani citizens. The problem is they're all blurring into one another. And can we affect a strategic re-orientation in Pakistan? There are some good signs. The

Pakistani government seems more understanding of this reality than in a long time. But that's the real challenge.

SCHIEFFER: What can we do, or should we do?

Mr. ZAKARIA: Well, we've given Pakistan tell--\$10 billion of aid in the last--over the last five or six years. We have close relations with the military. If any outside player can play a role here, it's us. And I think it would be to try to make the Pakistanis understand that, you know, it is not in their interest that Afghanistan be unstable, that India be on edge; that they will prosper as a nation. It's a sort of broader, you know, economic understanding of national security than a narrow, competitive, political, military one, and it's a--there's a really interesting question of can you get the Pakistani military to see their national security in this broader way?

SCHIEFFER: Bob Woodward...

Mr. BOB WOODWARD (Author, The War Within): Yes.

SCHIEFFER: ...the president, if all goes as expected, at 10:50 Eastern time tomorrow will announce his new national security team, to be headed by Hillary Rodham Clinton as secretary of state.

Mr. WOODWARD: She never goes away, she and her husband. It's an amazing national security team that Obama appears to have selected. It's kind of like "Goldilocks and the Three Bears." You've got too cool, which might be--or at least appropriately cool, General Jones as the national security adviser; Gates is kind of just right, in the middle; and Hillary Clinton, hot. This is going to be a whole new center of gravity for the news media, for the whole world. My assessment without having any knowledge, really, is that the economists and the economic team around Obama convinced him that the economic crisis is so deep and going to require to much time, go ahead and give Hillary and Bill the world.

SCHIEFFER: Well, we all keep hearing that he read Doris Kearns Goodwin's book about "Team of Rivals," but is there a danger that this could become rival teams? Because we saw something very much like that happen during the Bush administration, as you chronicled in your four books.

Mr. WOODWARD: Yes. Well, I mean, it's going to be most interesting. And I think General Jones is the surprise here. And Jones, who was Marine commandant, NATO commander, somebody who served as military--senior military aide to Bill Cohen when he was secretary of defense, so he knows all the pieces. And Jones comes out of the Rumsfeld Pentagon as one of the renegades, to a certain extent, who would say publicly that Rumsfeld had emasculated the Joint Chiefs of Staff. So Jones is strong and he's going to be a voice. He obviously has established a relationship with Obama, and I think Obama's got to be a voice. So you know, what's Hillary's role?

Mr. ZAKARIA: I think the Jones choice is fascinating because Jones is highly respected general. He's respected not just here, but he was extremely popular NATO commander with the Europeans, which is actually a rare feat. But it also, I think, signals that Obama wants somebody at the White House who can run the process very well but who will take charge and be very centrally involved in the two big problems he has immediately, which are Afghanistan and Iraq. I

think you're right, Hillary may get the world and there may be a certain amount of traveling. But it certainly suggests--the Jones appointment suggests that Iraq and Afghanistan will be managed out of the White House.

Ms. JANE MAYER (Author, *The Dark Side*): I think the problem--yes.

SCHIEFFER: Well, Jane Mayer--yeah, let me just ask you about that, because your fascinating book "*The Dark Side*" tells how the current vice president, Richard Cheney, amassed power unknown to any vice president in our history. I'd like to ask you first, how did he do that? And do you see Joe Biden having the kind of power--I would say that with the naming of Hillary Clinton, that was the strongest signal yet that President-elect Obama will not have the kind of vice president that we saw in the Bush administration.

Ms. MAYER: Well, right, because one of the ways that Cheney amassed this power was that President Bush, when he came in, gave Vice President Cheney the national security portfolio, and that is not happening here. You're seeing very strong players divvying up this national security portfolio. So I--that won't--it takes a president like Bush to have a vice president like Cheney. Obama, so far, seems to be so much more involved in the details and in kind of wanting to command the policies all the way up and down, really--so I don't see it repeating.

Another difference that's very important is that both the president coming in and the vice president are lawyers, and one of the things that happened in the last administration was neither of them were. They were not constitutional scholars and they enacted policies that--including legalizing torture for all purposes--that really were not constitutional. And I don't think we're going to see that again. This is a--this is a group of people who--and the secretary of state is also a lawyer now. These people respect the law, I think.

SCHIEFFER: Michael Dyson, you have written a fascinating book about Martin Luther King Jr. and his death...

Mr. MICHAEL ERIC DYSON (April 4, 1968: *Martin Luther King, Jr.'s Death & How it Changed America*): Mm-hmm.

SCHIEFFER: ...and what that meant to the civil rights movement. Obviously, I think it's fair to say had there not been a Martin Luther King Jr., there would not have been a Barack Obama. At least not in our lifetime.

Mr. DYSON: Absolutely.

SCHIEFFER: What is the fact that we will have our first African-American president. Obviously that's historic.

Mr. DYSON: Mm-hmm.

SCHIEFFER: But what impact do you think that that will have?

Mr. DYSON: Well, obviously Martin Luther King Jr. laid the predicate for the rise of Barack Obama, as did Jesse Jackson in '84 and '88. Jesse Jackson had to be the brutal linebacker who

opened up the space for Mr. Obama to slither through with grace. And I think that he's been able to rise to the stature he's been able to achieve as a result of the brutal battles and the internecine squabbles that were occasioned by civil rights battles that Mr. Obama himself is not implicated in. The skirmishes that happened along the racial front Mr. Obama's not implicated in, therefore he comes with a kind of clean portfolio, so to speak, so that when he stand to talk about race he stands as a person who certainly is indebted to those traditions but not, if you will, blemished by them. And I think that that gives him a kind of moral purchase in the broader world, as it occasions skepticism among those who were worried about whether or not he'll continue some of those civil rights trajectories. And I think he certainly will, as a lawyer, as a person who's conscious, who's taught constitutional law, who deals with civil rights law, civil rights lawyer and a community organizer. It may not be his race as much as his community organizing background that will play a significant difference here, because a person who's organized poor people, who's attempted to get their interests and concerns as part of his bailiwick will exert a profound influence over those issues when it comes to the economy, when it comes to making America safe, when it comes to protecting borders and when it comes to trying to articulate ideas that will resonate not simply with Africa-Americans, but more broadly. I mean, the fact that you have a black first family, two beautiful children, a intelligent and brilliant wife and an intelligent and brilliant president does an enormous good to people. The psychological advantage of waking up every morning, seeing that this is the most powerful man in the world, does an incredible amount of good to people who look on. But what he proves is that, look, 'OK, that got me in the door in terms of my skill and talent, but now I've got to really go forward here and govern in a way that respects all Americans,' because all of America elected him president.

SCHIEFFER: Do you think having an African-American president will have more of an impact on black people or white people?

Mr. DYSON: Well, I think certainly for the broader society, the mainstream society, I think white Americans certainly probably never felt they'd see this day. They always say black people say, 'Boy, I never thought I'd see the day that a black man would be in the White House.' But many more white Americans, perhaps, felt the same thing.

In realistic terms, black Americans don't expect much from an Obama presidency that specifically targets them. What Mr. Obama has shrewdly comprehended is that if we're going to help everybody, we--if we're going to help African-American people, we have to help everybody, so that his policies will be geared in a universal way. In terms of affirmative action, certainly he continues to be a supporter of that, but more in terms of class than in race. He talks about policies for poor people that will benefit the working class and the working poor, but also the middle class. So I think that for white Americans to see an intelligent, articulate, sophisticated, cool black man whose feathers are not easily ruffled, who is able to carry himself with a manner of self-possession and confidence without bleeding into the Bush swagger that ended up being quite reckless, I think is an--is a--is a example that black people can, when chosen, perform a job, and that when they perform and execute that job they do so with passion and intelligence. And I think that's a tremendous signal to the broader world.

SCHIEFFER: Is...

Ms. MAYER: It certainly--to the rest of the world, it sends a tremendous signal, I agree. I mean, especially at a point where we're being accused in this country of not living up to our ideals

because of things like Guantanamo and black site prisons. And so to have an election where it shows that democracy really works, and there's a meritocracy in the country and racism isn't going to stop somebody from getting to the top, I think has been a tremendously, you know, just liberating moment for the country and for the rest of the world to see this. And it's totally discomfited al-Qaeda, among others. I mean, you've got these bizarre sort of statements from Ayman Zawahiri, the spokesman for al-Qaeda, trying to sort of readjust himself and say that, you know, there--it--America is still a, you know, a racist country. He's kind of at a loss for how to deal with this. So it's been very helpful.

Mr. WOODWARD: But there's--and there is all of this optimism and hope. I mean, it's running on eight cylinders at full speed. And if you go back eight years when Bush was coming in, there was optimism then--compassionate conservative, moderate, crackerjack national security team, \$5.4 trillion surplus. Remember that? Everyone's going to get a tax cut. Nine-eleven came along, the reality of the economy, and the crackerjack national security team and Bush decided the solution to all of the problems is to invade Iraq. So I think the chief operator in bringing the world down to the real level is going to have to be Obama. He's going to have to come out and say, 'This is not a 100-day administration.'

Mr. DYSON: Right.

Mr. WOODWARD: This is something we're going to have to take our time on, think strategically. The problems on his plate are monumental.

Mr. DYSON: Well--yeah.

Ms. MAYER: I've heard--I've heard he's worried about the expectations. But I've also heard at the same time--I was talking to the pollster Peter Hart, who said that his polls show that the country seems in a patient mood. It understands how terrible the problems are, particularly the economy, so they might give him a little more time than you--than the 100 days.

Mr. DYSON: We...

Mr. ZAKARIA: But the world is not in a patient mood. I think he's inheriting a very different world than George Bush did.

Mr. WOODWARD: Yeah.

Mr. ZAKARIA: I mean, George Bush came in at really the peak of American unipolarity. The world was his oyster, America had these monumental surpluses, everything seemed to be going its way. Now you have a situation where Iraq had delegitimized American political and military power, the financial crisis has delegitimized American economic power and, most importantly, this broad phenomena that has taken place, which is what I describe in my book as the rise of the rest, the rest of the world really feels empowered.

If you look at trade negotiations, if you look at--I mean, think about just this last summer: you have Russia attacking Georgia, you have India scuttling the globe trade talks, the Doha Round, you have China spending \$45 billion on an Olympics. None of this could have happened 10 years

ago. These countries are powerful, they're confident. And dealing--operating in that world is very different, I think, from the world we've known for the last six decades.

Mr. DYSON: But I think he's the perfect president for that, because obviously, without the kind of empire and imperialistic bluster of a Bush, but a person who forges connections among various constituencies, this team of rivals is not simply a domestic reality, it's a global one.

SCHIEFFER: All right, let's take a break right here. We'll talk about all of this some more when we come back in one minute.

(Announcements)

SCHIEFFER: Back again with our panel of distinguished authors.

This campaign started out being about Iraq. Suddenly it wasn't about Iraq anymore, it's about the economy. I want to talk about Iraq in a minute.

But, Bob, the fact that we face these severe financial problems right now and this--what looks like an economic downturn coming, is this going to--doesn't Obama have to set some priorities here? There are just simply going to be some things he's not going to be able to do here in the beginning, and yet you have these pressing problems.

Mr. WOODWARD: Well, I mean, you talk about an economic downturn, I think it's really a crisis. And the movement was to save the banks and the financial system now, and what Obama has said in the--I think the chief challenge he's got now is to prevent a further decline and then to deliver something to the middle class he talks about; also, the people who've lost jobs, lost their homes. I mean, all of this trillions of dollars in, you know, bailouts and guarantees and so forth. I mean, here just the other day Citigroup got a guarantee of over \$300 billion of troubled assets. That's half the defense budget of this country. So now the people who are on the line, who are feeling the pain, are going to have to in the, you know, the coming months feel, ah, this administration is delivering some protections and something for them in terms of jobs and keeping their homes.

Mr. ZAKARIA: And, Bob, I think that your--you might actually be understating the problem. Because, look, this is a monumental economic challenge, because first of all you have simultaneously a cyclical recession, the meltdown of the financial system, a drying up of credit happening. Nobody knows what the right answers are.

Let's focus on one thing. The bank bailout, you know, that has been passed in Congress, it still hasn't worked. You know, you still do not have credit flowing easily around the country. You still do not have the availability of capital for all the businesses that need it. That has to be--you know, we've got to figure out how that's going to work. Then you have the problem which the government has made all these guarantees, from the Citigroup one to deposits that you and I have. When do the--when does it stop making those guarantees? Or is the government in perpetuity going to guarantee every kind of financial instrument in the country?

Mr. WOODWARD: It's going to draw the line with the media. The media will get no bailout.

SCHIEFFER: No bailout.

Mr. ZAKARIA: But all this, you know, is going to require--I just wonder, Obama is going to have to spend a lot of time figuring this stuff out, working on it and trying different things. Let's remember, you know, we thought we were so superior to Japan. But Japan, after a couple of years of denying all its problems, it tried all this. It injected massive amounts of equity into the banking system, it spent massively on infrastructure projects and it lowered interest rates to zero. None of it worked.

SCHIEFFER: Jane, will--what happens to Iraq? I mean, that's the one thing we haven't even talked about here except just to mention it.

Ms. MAYER: Well...

SCHIEFFER: Is it in fairly good shape now? Is it--or--will George Bush leave Iraq a better place than he found it?

Ms. MAYER: You know, I think one of the smart appointments that Obama has made is to keep Gates in at the Defense Department. So whatever happens in Iraq, it's just going to be seen as some kind of continuity with the problems from before, and not a radical shift that will be blamed politically on Obama. But you know, it's still very shaky, obviously, and so I think that there's no guarantees there. I think, you know, some of you have been--spent more time, probably, covering Iraq in particular than I have.

Mr. WOODWARD: I mean, the big--the big problem is...

Ms. MAYER: You've written a whole wonderful book on the surge.

Mr. WOODWARD: ...we've got 140,000 of our fellow citizens there, and there are plans and talk of small draw downs and a long-term plan. But those people are essentially acting as a police force in an incredibly violent place, and you see the violence every day. And so when we leave, does the violence go up?

Mr. ZAKARIA: Right.

Mr. WOODWARD: Do all the political problems increase?

Mr. ZAKARIA: I mean, Obama...

Mr. WOODWARD: I big question mark.

Mr. ZAKARIA: Obama's basic point about the surge, you know, everybody now says he was wrong about the surge. Fine, at some level it's true. But the basic point was you need political deals on the ground that will stick to make this work, because at some point we're going to leave.

Ms. MAYER: Meanwhile, I mean, our friends--yeah.

SCHIEFFER: Let me just ask Michael, just as a closer--we have about 30 seconds left.

Mr. DYSON: Hm.

SCHIEFFER: What do you want to hear Barack Obama say on Election Day?

Mr. DYSON: Well, obviously, you have to address all these questions. You've got deal with Iraq, you've got to deal with Afghanistan, you've got to deal with that region, the promiscuous--the promiscuous forms of terror, the salvation terror that Fareed talked about has to be addressed. But also domestically, our hopefulness and our anticipation that the American future will be brighter. And black people have dealt with cash poor, credit and debt for a long time. To have a brother in the White House right now is a tremendous advantage right now. We can make a dollar out of 15 cents.

SCHIEFFER: All right. Well, I want to thank all of you for a great discussion.

Back in a final--with final word in a second.

(Announcements)

SCHIEFFER: Finally today, this was not the happiest of Thanksgivings. A nation which was shaken by an economic crisis that no one seems quite certain how to repair was horrified again by the awful tragedy that unfolded in India. No matter how terrible, tragedy always seems more cruel on a holiday.

Against that background came news on Black Friday that an angry mob pushed in the doors at a Wal-Mart on Long Island and trampled a sales clerk to death. Bargain hunting on Black Friday has gotten dangerous in recent years. Pushing, shoving, the occasional fistfight and injuries were reported at other stores on Friday. But the Long Island incident marked the first ever Black Friday shopping fatality. It made me wonder, what were they shopping for? Christmas gifts? They didn't show much Christmas spirit. When store officials ordered the mob out of the store because someone had died, many called it unfair because they said they had been waiting hours to shop.

The terrorist attack in India will cause us to redouble our anti-terrorist efforts, and economic recovery plans are already in the works. But shouldn't the death of that poor sales clerk give us some pause as well? If we have become a people so self-centered that we're willing to step over a lifeless body to get a bargain, we have problems that go beyond terrorists, the credit crunch and bad mortgages. Surely we can do better than that.

Back in a minute.

(Announcements)

SCHIEFFER: And that's our broadcast. Thanks for watching. We'll see you here next week on FACE THE NATION.

