

Republican Debate Transcript, Florida

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Speakers:

Mike Huckabee
Rudy Giuliani
Duncan Hunter
John McCain
Ron Paul
Mitt Romney
Tom Tancredo
Fred Thompson

This Republican debate was held in Orlando, Florida and was broadcast on the Fox News Channel. It was moderated by Brit Hume, Chris Wallace, Wendell Goler, and Carl Cameron, all of Fox News. This transcript was provided by Congressional Quarterly.

HUME: Welcome to Orlando in the heart of central Florida. Tonight we're insight the Shingle Creek Resort, where we've turned a huge convention hall into an intimate debate stage for eight candidates and an audience of more than 3,000 people who, you'll soon notice, are raring for a lively debate.

(APPLAUSE)

Good evening. Our event is being sponsored by Fox News and the Republican Party of Florida. We are being seen and heard on Fox News Channel, Fox News Radio and on FoxNews.com.

Joining me at the desk tonight are my Fox News colleagues, Chris Wallace, host of Fox News Sunday, Wendell Goler, our White House correspondent, and Carl Cameron, our chief political correspondent.

Before we meet the candidates, a few words of introduction from the debate co-sponsors.

(BEGIN VIDEO CLIP)

GREER: Hello, I'm Jim Greer, chairman of the Republican Party of Florida. As the part of Abraham Lincoln, Teddy Roosevelt and Ronald Reagan prepares to choose its nominee for president of the United States, Florida is honored to host tonight's Republican president debate.

It is now my privilege to introduce to you the governor of the great state of Florida, Charlie Crist.

CRIST: Thank you, Chairman Greer, and good evening.

We appreciate the opportunity to bring the candidates together here in Florida for an evening of dialogue on important issues that face our state and our nation.

In Florida, we have proven that when we put problem-solving above politics, we can truly accomplish great things.

From the beautiful city of Orlando, Florida, welcome to the debate.

(END VIDEO CLIP)

HUME: And now, let's meet the candidates: Congressman Tom Tancredo of Colorado, a former state legislator and currently a five- term congressman.

(APPLAUSE)

Congressman Ron Paul of Texas, the 1988 Libertarian Party nominee for president, who is currently serving his 10th term in Congress.

(APPLAUSE)

Mike Huckabee of Arkansas, who served two full terms as that state's governor and is also a Baptist minister.

HUME: Rudy Giuliani of New York City, former U.S. attorney and two-term mayor.

(APPLAUSE)

Mitt Romney of Massachusetts, most recently the governor of the Bay State and the man who ran the 2002 Salt Lake City Olympics.

(APPLAUSE)

Fred Thompson, former assistant U.S. attorney and senator from Tennessee.

Senator John McCain of Arizona, now serving his fourth term in the Senate after two previous terms in the U.S. House.

And Congressman Duncan Hunter of California, a 14-term Congressman.

Here is the format for our debate. Each candidate will be asked a series of questions on foreign policy and domestic issues. Answers are limited to one minute each. If we decide, however, that rebuttal time is needed, that will be 30 seconds.

We have green, yellow and red lights to help the candidates keep track of their time. And, if an answer runs long, candidates and everyone else will hear this sound.

HUME: We ask our large, and as you can tell enthusiastic, audience to please limit applause during the question and answer portion of the debate so we can devote as much time as possible to the candidates themselves.

Let's get started.

Chris, you are up.

WALLACE: Gentlemen, good evening. You have all been arguing at long distance over the last week or two about who was the real Republican, who was the true conservative. I hope you will all be willing to discuss this directly with each other tonight.

Mayor Giuliani, Senator Thompson says that you're soft on abortion, that you're soft on gun control, and that you've never claimed to be a conservative.

Who is more conservative: you or Fred Thompson?

GIULIANI: I can't comment on Fred. I can tell you that George Will wrote a couple of years back, toward the end of my time of being mayor of New York City, that I ran the most conservative government in the United States in the last 50 or 60 years. So I would think that was a pretty good indication of the things that he was drawing on. I brought down crime more than anyone in this country -- maybe in the history of this country -- while I was mayor of New York City.

GIULIANI: I brought down taxes, \$9 billion, cut them 23 times. I balanced the budget that was perennially out of balance; removed \$2.3 billion surpluses -- deficits and replaced them with surpluses.

So there were many -- I drove pornography out of Times Square. There were many, many things about my governing of New York that particularly in that environment -- one of the most liberal cities in the country -- I had more success than anyone ever thought I could have with a city council that was 45 Democrats and, I think it was, six Republicans -- then it went down to five at one point.

GIULIANI: So I think that was a pretty darn good conservative record. I think, in every case, you can always find one exception or two to someone being absolutely conservative or absolutely this or absolutely that, but I think I had a heck of a lot of conservative results.

WALLACE: Governor Romney, Senator Thompson says that you run to the left of Teddy Kennedy in 1994, that you were proudly pro-choice, as recently as 2005, and that his philosophy doesn't depend on geography.

Who is more conservative: you or Fred Thompson?

ROMNEY: You know, this is a critical time for our nation and for our party. We have to decide which direction we're going to head. And, in my view, we're going to have to bring together the same coalition that Ronald Reagan put together; conservatives fiscally, conservatives from a military standpoint and conservatives socially.

ROMNEY: And I believe that a candidate -- and all of us here are Republicans, all of us are trying to put together that same coalition, but it's essential that the strength of the house Ronald Reagan built is going to lead us to become the successful nation that we've always been, and our party to be successful. Because we're not going to -- we're not going to keep Hillary Clinton out of the White House by acting like Hillary Clinton.

Now, I'm proud of my record. Not just of the words, but of the record of the governor of Massachusetts. Like Mayor Giuliani I had a tough state to be running in. I was a conservative Republican in a very Democrat state. My legislature, 85 percent Democrat. We face a \$3 billion budget gap. We solved it without raising taxes, without adding debt.

We solved the problem in health care in our state not by having government take it over, the way Hillary Clinton would -- with private free-enterprise approaches.

My approach, I believe, is best for our nation.

(APPLAUSE)

WALLACE: Senator -- Senator Thompson, have these two guys convinced you that you're wrong and that, in fact, they are both consistent conservatives?

THOMPSON: Well, we've got an hour and a half.

Maybe they can work on it.

(LAUGHTER)

But, they...

(APPLAUSE)

Actually, Mitt, I didn't know there was any room to the left of Ted Kennedy, but maybe there...

(LAUGHTER)

In fact, I didn't know there was any room to the right of him, either, but maybe...

(LAUGHTER)

I was conservative as soon as I put down Conscience of a Conservative when I was in the college.

I came back to a little home town of Lawrenceburg, Tennessee, started the first Young Republicans Club.

In eight years -- in eight years in the United States Senate, I fought for tax cuts, a balanced budget, and welfare reform, all of which we achieved, and I also fought for judges who would abide by the Constitution and the law and not make it up as they went along.

(APPLAUSE)

All that time, I compiled a 100 percent pro-life voting record. Now, both of...

(APPLAUSE)

They're only giving me a minute here. So both of these gentlemen have done some good things in their respective jobs they've had.

But you mentioned Mayor Giuliani first. Mayor Giuliani believes in federal funding for abortion. He believes in sanctuary cities. He's for gun control. He supported Mario Cuomo, a liberal Democrat, against a Republican who was running for governor; then opposed the governor's tax cuts when he was there.

So I simply disagree with him those issues. And he sides with Hillary Clinton on each of those issues I just mentioned.

WALLACE: Mayor Giuliani...

GIULIANI: Well, look, you know...

WALLACE: ... why don't you respond to Senator Thompson?

GIULIANI: ... well, first of all, you know, you do one of those things and -- you know, Fred has his problems, too.

(LAUGHTER)

I mean, Fred was the single biggest obstacle to tort reform in the United States Senate. He stood with Democrats over and over again.

He voted against \$250,000 caps on damages, which they have in Texas. He voted against almost anything that would make our legal system fairer: loser pays rules, things that would prevent lawsuits like that \$54 million lawsuit by that guy who lost his pants -- you know?

(LAUGHTER)

GIULIANI: That cost that family \$100,000 in legal fees. I think the man should have to pay the family for the \$100,000 that he took from them in the abusive lawsuit.

(APPLAUSE)

Fred Thompson, along with very few Republicans, blocked tort reform over and over and over again. That is not a conservative position.

(APPLAUSE)

WALLACE: Mayor, if I may -- Senator, you can have a minute to respond to Mayor Giuliani and also tell us what your beef is with Governor Romney.

THOMPSON: You've just go a minute?

WALLACE: That's right.

THOMPSON: OK.

WALLACE: Talk fast.

THOMPSON: As far as tort reform is concerned, I supported tort reform with regard to securities legislation.

I supported tort reform with regard to product liability legislation, things that have to do with interstate commerce. I think it appropriately passed. I supported and worked for those things.

Local issues belong at the state level. Most states have passed tort reform.

(APPLAUSE)

THOMPSON: That's our system. It's not all federalized.

You know, I'd point out, as far as lawsuits are concerned, I voted for and we passed anti-sanctuary city build, outlawed them. Mayor Giuliani went to court, filed suit himself to overturn our abolition of sanctuary cities. And, fortunately, he lost.

(APPLAUSE)

WALLACE: Mr. Mayor, you want to respond, 30 seconds on the sanctuary city issue?

GIULIANI: Oh, the simple fact is that New York City had a policy of allowing people who are illegal immigrants to report crime and to put their children in school. Otherwise, we reported every single illegal immigrant that committed a crime.

The results had to be pretty darn good. I brought down crime by over 60 percent in New York City. I brought down homicide by 67 percent. I had the most legal city in the country. And I took the crime capital of America and I turned it into the safest large city in the country.

The senator has never had executive responsibility. He's never had the weight of people's safety and security on his shoulders.

I have. And I think I out-performed any expectations.

(APPLAUSE)

WALLACE: Senator McCain, if I may -- Senator McCain, you didn't like it much when Governor Romney said recently that he spoke for the Republican wing of the Republican party.

Who's more conservative: you or Mitt Romney?

MCCAIN: I think it's pretty obvious that that statement was a paraphrase of Howard Dean's statement about the Democrat party.

The fact is, I'm running on my record as a reliable conservative of 24 years. And the indicators of that, obviously, is that I've fought wasteful spending, I have had a strong and a long relationship on national security, I've been involved in every national crisis that this nation has faced since Beirut, I understand the issues, I understand and appreciate the enormity of the challenge we face from radical Islamic extremism. I am prepared. I am prepared. I need no on-the-job training.

I wasn't a mayor for a short period of time. I wasn't a governor for a short period of time. For 20-some years, including leading the largest squadron in the United States Navy, I led. I didn't manage for profit, I led for patriotism.

(APPLAUSE)

WALLACE: Governor Romney, Senator McCain suggests that you're conning people -- he has used that phrase -- with your conversions on a number of issues during this campaign.

Why is Senator McCain wrong?

ROMNEY: Well, Senator McCain is an American hero, and I respect his service. I respect his service in government as well.

(APPLAUSE)

And we have some differences on some issues. But when I ran against Ted Kennedy in 1994, I knew that was going to be a big uphill climb. But let me tell you, I was fighting for issues like making sure that we would have the death penalty in our state, fighting to keep our taxes down.

ROMNEY: I fought, as well, to secure our borders. I fought to keep the welfare bills from the 1960s that have created such a havoc in our nation, to try and get those changed.

So I was fighting against the liberal lion in perhaps the toughest state in America. And I'm pretty proud of what I was able to accomplish in that race, but nothing compares to the pride I have with the work that I was able to do as a governor.

I served for four years. My legislature was 85 percent Democrat. I fought to get English in our schools, to make sure we had English immersion. I fought to make sure we kept our taxes down. I fought for pro-growth strategies. I cut taxes.

All of us on the stage are Republican. But the question is, who will be able to build the house that Ronald Reagan built -- who will be able to strengthen that house, because that's the house that's going to build the house that Clinton, Hillary, wants to build.

WALLACE: Senator McCain, you didn't think much of the answer of Governor Romney in the last debate, when he said that he would ask his lawyers whether he needed congressional authorization to use military force against Iran. Why not? t.

MCCAIN: Because I don't think that's the time to call in the lawyers, when we're in a national security crisis. Those are the last people I'd call in.

The people I'd call in, I'd call in my wisdom, my knowledge, my background, my experience, and my ability to lead this nation.

Governor Romney, you've been spending the last year trying to fool people about your record. You can't -- I don't want you to start fooling them about mine. I stand on my record. I stand on my record of a conservative -- of a conservative, and I don't think you can fool the American people. I think the first thing you need is their respect, and I intend to earn their respect because they may not agree with me on a couple of issues, but they'll know I'm telling the truth, and what I believe and my steadfast positions on these issues for more than 20 years, and I know that the transcendent challenge I have the qualifications to lead, to grapple with and to emerge victorious.

I have those qualifications and I'm proud of them.

(APPLAUSE)

WALLACE: Senator Romney -- Governor Romney?

ROMNEY: Don't demote me. I want to make one thing very, very clear, and that is if there were ever a question of a security threat to this country, I would act immediately to protect the interests of America and our citizens. No question about that.

(APPLAUSE)

Let me also note, the question is -- you properly asked it, Chris -- was: What involvement would Congress have to have? Every president from the beginning of time who has had that issue has of course met with White House counsel and the attorney general and they have written opinions about the involvement of Congress. I can imagine every person on this stage would likewise apprise themselves of Congress' perspective -- excuse me, of Congress' role with those individuals.

But the decision to take our men and women to war is the most grave decision and I would do that on a very deliberate and careful basis, not a half-cocked basis. This president went to Congress.

ROMNEY: Hillary Clinton is trying to rewrite history, that somehow he did this all by himself, going to Iraq. He went to Congress and got their support. Let's not forget that.

(APPLAUSE)

HUME: Governor, thank you very much.

Thanks you, Chris.

Carl Cameron has the second round of questions.

Carl?

CAMERON: Thanks very much, Brit.

Congressman Paul, to you, on the subject of one of the core debates in the party, over social issues: gay marriage.

You've been quoted as saying, Any association that's voluntary should be permissible in a free society. And you've expressed your opposition to a constitutional ban on gay marriage.

Many of your rivals on that stage disagree. Why are they wrong?

PAUL: I'm afraid I haven't been able to get most of your question. I know you brought up the subject of gay marriage, but I didn't get the point of what you're saying. I can't hear it that well.

CAMERON: Why are on those stage who support a constitutional amendment banning gay marriage wrong?

PAUL: OK. Well, if you believe in federalism, it's better that we allow these things to be left to the state. My personal belief is that marriage is a religious ceremony.

PAUL: And it should be dealt with religiously. The state really shouldn't be involved. The state, both federal and state-wise, got involved mostly for health reasons 100 years or so ago.

But this should be a religious matter. All voluntary associations, whether they're economic or social, should be protected by the law. But to amend the Constitution is totally unnecessary to define something that's already in the dictionary.

We do know what marriage is about. We don't need a new definition or argue over a definition and have an amendment to the Constitution. To me, it just seems so unnecessary to do that. It's very simply that the states should be out of that business, and the states -- I mean, the states should be able to handle this. The federal government should be out of it.

There's no need for the federal government to be involved in this. You can accomplish this without waiting five or ten or 15 years. The authority can be put in the states by mere voting in the Congress.

(APPLAUSE)

HUME: Governor Romney, among the so-called top tier candidates, you support the ban on gay marriage. What does it say that Fred Thompson, Rudy Giuliani, John McCain and Ron Paul all don't?

ROMNEY: Well, they have a different point of view. But I've been in a state that has gay marriage, and I recognize that the consequences of gay marriage fall far beyond just the relationship between a man and a woman.

They also relate to our kids and the right of religion to be practiced freely in a society.

So, for instance, I want to make sure that our kids have a mom and a dad. I want to make sure the Catholic Church in our state, that's been banned from doing adoptions because they want the kids to go into home where there's a mom and a dad, that they can do adoptions again.

The status of marriage, if it's allowed among the same sex individuals in one state is going to spread to the entire nation. And that's why it's important to have a national standard for marriage.

And I'm committed to making sure that we reinforce the institution of marriage in this country by insisting that all states have a right to have marriage as defined as between a man and a woman; and we don't have unelected judges, liberals, standing up and saying we're going to impose same-sex marriage where it was clearly not in their state constitution.

ROMNEY: My state's constitution was written by John Adams. It isn't there. I've looked. And in Iowa as well you've got a court saying they have to have same-sex marriage.

The people need to speak on this issue and make sure that marriage is preserved as between a man and a woman.

(APPLAUSE)

CAMERON: Mayor Giuliani, your opposition to the constitutional amendment banning gay marriage has been fairly well known. I had an opportunity to talk to Tony Perkins of the Family Research Council this afternoon

who said that in a discussion with you just in the last couple of days you informed him that if, in fact, the Defense of Marriage Act were to fail, or states began -- or states began to legalize gay marriage, you would oppose a constitutional amendment banning gay marriage.

GIULIANI: I think you said that opposite, and the first part is wrong also, Carl. I have always -- I've always had...

CAMERON: You're right; my mistake.

GIULIANI: I've always had the same position.

GIULIANI: I do not believe under the state that we presently exist, with the Defense of Marriage Act and basically one state that has by judicial fiat created same-sex marriage -- and they're wrong, by the way; I think the governor is absolutely right -- I don't think we need a constitutional amendment at this point. What I said to Mr. Perkins -- which I also said five years ago and have consistently said -- is if a lot of states start to do that, three, four, five, six states, where we have that kind of judicial activism, and the kind of situation the governor is talking about actually occurs, if we're dealing with a real problem, then we should have a constitutional amendment.

I did 210 weddings when I was mayor of New York City. So I have experience doing this. They were all men and women.

(LAUGHTER)

I hope.

(LAUGHTER)

(APPLAUSE)

GIULIANI: You got to give me a little slack here. It was New York City, you know, but it's not just a religious institution.

(LAUGHTER)

GIULIANI: It is a religious institution, but Congressman Paul is wrong; it's a civil institution as well. That's why I did those 210 weddings, because it's also a civil institution.

(APPLAUSE)

CAMERON: Governor Huckabee, Mayor Giuliani has argued that he is, in his private life, opposed to abortion. But as a matter of public policy, would do nothing to change the laws that keep it legal right now.

What are your views on that type of a position and as it relates both to public policy and the future of the Republican Party?

HUCKABEE: Let me begin by saying, for the first time in about nine debates, I'm kind of glad I wasn't in on the first few minutes because it was all about these guys fighting each other.

(LAUGHTER)

And I am more than content to let you let them fight all they want tonight, shed each other's blood and then I'll be ready to run for president because...

(LAUGHTER)

... I'm not interested in fighting these guys.

(APPLAUSE)

What I'm interested in is fighting for the American people, and I think they're looking for a presidential candidate who's not so interested in a demolition derby against the other people in his own party.

HUCKABEE: There are some real issues out there in this country we need to be fighting for on behalf of the people. Now, one of them, quite frankly, I do believe, is the sanctity of human life...

(APPLAUSE)

... because I do believe that it is one of the defining issues of our culture and civilization in that it expresses our understanding that every single human being in this society has intrinsic value and worth.

When our founding fathers put their signatures on the Declaration of Independence, those 56 brave people, most of whom, by the way, were clergymen, they said that we have certain inalienable rights given to us by our creator, and among these life, liberty and the pursuit of happiness, life being one of them. I still believe that.

(APPLAUSE)

CAMERON: Senator Thompson, earlier this week, you were asked about your lobbying, years ago, for Planned Parenthood, the nation's largest abortion provider. And you were quoted as saying, That was private life, as if to dismiss the question.

CAMERON: Can you explain to us what you meant by that and why...

THOMPSON: No, I...

CAMERON: ... it would make a difference?

THOMPSON: No, what I said -- what I hope I said was that it was my private law practice, as opposed to my public service. I was a member of a firm, of counsel to a large firm. And it was their client. They asked me to do a little work on it. I made a few calls. And that was that.

Frankly, I'd forgotten about it. But they've come forward now, because I'm their worst nightmare.

After that happened, I went to the United States Senate and voted consistently against them on every bill that came up. Now they're trying to defeat me.

(APPLAUSE)

CAMERON: Senator McCain, in recent months and years, you've described as trying to reach out and mend fences with the evangelical right (ph) and religious conservatives across the country, having criticized them in years past, particularly their leaders.

CAMERON: And there's some skepticism. Many want to know today whether or not you are now reaching out and truly trying to mend those fences, or if you remain the maverick, and which is the straight talk they should believe.

MCCAIN: Well, I don't change. I haven't changed. I think that anybody who is going to receive the nomination of their party obviously needs to appeal to and make their case to, but not pander to, all parts of the Republican Party.

I'm proud that in my life I have engaged in reconciliation with former enemies. I did that with the Vietnamese, who killed many of my friends. I did that with other adversaries from time to time. And when Rev. Falwell came to my office and said he wanted to put our differences behind us, I was more than glad to.

And I'm even more glad today that I did. I believe in reconciliation. I believe that they're an important part of our party.

MCCAIN: I think we need to move together. We need all of us to win this election, and I think it's going to take a united party to do so.

And I hope that all elements of our party will respect the process and support the nominee of our party.

(APPLAUSE)

CAMERON: Congressman Tancredo, recently you complained that the party had become hyphenated, that where were neo-conservatives, paleo- conservatives, compassionate-conservatives, common-sense conservatives.

Is that just a good line meant to say that a lot of the folks on this stage aren't the type of complete conservatives you think the party needs?

TANCREDO: Well, you know, one thing, by being a bookend to every one of these debates you get a chance to listen...

(APPLAUSE)

... for a long time to everybody else talk about their positions on issues.

And every single person on this stage, certainly everyone of my colleagues, I believe, bring something very unique, very special, and certainly enormous capabilities to this whole debate and to the office that they are seeking.

TANCREDO: But I must tell you, they also bring differences. And those -- it is not, I think, a sin to discuss them. I don't believe it should be something that we hold back on when we talk to the American people about what it is that actually distinguishes us.

And, yes, I do think that there are organizations that should be looked at that actually rate people for their conservative history.

And the American Taxpayers Union, for one, gives me the highest rating; the American Conservative Union, highest rating of anybody running for president of the United States; an A rating from the National Right to Life; an A rating from every organization -- every conservative organization that gives ratings to those of us who are here on this stage.

Now, those are objective. You know, there's somebody else that looks at us and says: How conservative are these people really? And what we do notice is that in a primary everybody in the Republican Party, everybody runs to the right.

TANCREDO: But, as time goes on, they all move to the left. And that's why people are so cynical about this process.

(APPLAUSE)

CAMERON: Congressman Hunter?

Some pretty sensitive issues: gay marriage, abortion. And Tom Tancredo with the highest rankings. Is he the right conservative? And are these issues that are -- the Republican Party is in danger of not being conservative enough and losing track and losing connection with its principles?

HUNTER: Well, Carl, you've been dividing the party for the last 10 minutes, so let me -- let me say something that I think unites them.

This is a historic venue.

(APPLAUSE)

You know, 300 miles off this coast is a place where another party, once a great party, the Democrat Party, lost its identity. And that's when, in 1961, the Cuban freedom fighters were struggling with a toehold on the beach, trying to take back Cuba from Castro and a Democrat president with an aircraft carrier sitting a few miles offshore said we will not help the freedom fighters.

And a thousand miles away from there is El Salvador, where a Republican president, Ronald Reagan, hung tough, brought freedom to El Salvador.

HUNTER: And you know something? Today, they are fighting side by side with our guys in Iraq.

(APPLAUSE)

We're the party of freedom.

(APPLAUSE)

CAMERON: I'm not so sure I shouldn't get 30 seconds to rebut as to whether I'm dividing their party...

HUNTER: Thanks for the question, Carl.

HUME: Well, thank you very much, Congressman Hunter.

Carl, thank you.

Wendell Goler has the next round.

Wendell?

GOLER: Gentlemen, I want to ask you some questions about health care and education, which are always important issues in every presidential election.

I want to ask you to be specific and, in deference to Governor Huckabee, you don't have to beat up on each other.

Senator McCain, your plan for lowering health care costs involves switching people from employer-provided health care to policies they buy on their own. There's concern that could lead insurance companies to cherry-pick their clients.

GOLER: You also want to limit the amount doctors can charge for chronic diseases, which skeptics worry could make it difficult for people with diabetes, for example, to find doctors to take care of them.

How would you deal with these two problems?

MCCAIN: First of all, I think it is important that that will be one of the defining issues of this campaign, because we know that there will be Hillary-care resurrected. There will be efforts to raise your taxes. There will be efforts to have a single-payer big government solution by the Democrats. They've already espoused those causes. If you believe them, please take a trip to Canada or England before you decide to support such a thing.

(APPLAUSE)

America has the highest quality health care in the world. Our job is to preserve it. Our job is to keep the costs down. Last year, the Medicaid inflation was 10 percent. No, no program in the world can survive under that. So of course we want to remove the employer (OOTC:EPLI) tax, and tax incentives, and move it to the individual. Give the individual a \$2,500 refundable tax credit, a family a \$5,000 tax credit.

MCCAIN: If you need to have people in special categories such as congenital diseases, we may have to set up a fund to care for those. But the key is, make health care in America affordable and available. Don't destroy it, as the Democrats want to do.

(APPLAUSE)

GOLER: Congressman Paul, you say that insurance companies and government programs have made health care simply unaffordable. You objected so strongly to Medicaid that, as a doctor, I'm told, you simply treated patients on your own, at your own expense.

Is charity the way we should provide health care for the poor right now?

And how are you going to encourage doctors to do that -- primary care doctors to do that, when their salaries have been declining for more than a decade?

PAUL: Well, we've had managed care, now, for about 35 years. It's not working, and nobody's happy with it. The doctors aren't happy. The patients aren't happy.

PAUL: Nobody seems to be happy -- except the corporations, the drug companies and the HMOs.

You take care of poor people by turning the medical care back into the system, where people have some choices.

Now, we have a mess because we have -- a lot of people are very dependent on health care. But I have the only way we can afford to take care of people now, because we're going broke, with \$500 billion going to debt every single year. And we have a foreign policy that is draining us.

I say, take care of these poor people. I'm not against that. But save the money someplace. The only place available for us to save it is to change our attitude about running a world empire and bankrupting this country. We can take care of the poor people, save money and actually cut some of our deficit.

So you don't have to throw anybody out in the street, but long term you have move toward the marketplace. You cannot expect socialized medicine of the Hillary brand to work.

And you can't expect the managed care system that we have today, which promotes and benefits and rewards the corporations -- because it's the drug companies and the HMOs and even the AMA that comes to us and lobbies us for this managed care, and that's why the prices are high.

PAUL: It's only in medicine that technology has raised prices rather than lowering prices.

(APPLAUSE)

GOLER: Governor Romney, we have an e-mailed question from Kendrick of Oakland, California, who says the health care plan you left in Massachusetts, which required people to get their own insurance, amounts to Hillary Care. You say it was the result of a Democratic legislature.

I want to ask you: If a Democratic Congress placed such a plan on your desk in the Oval Office, would you sign it? And why was the plan good for Massachusetts and not good for the nation?

ROMNEY: First of all, I'm not going to give the Democratic legislature credit for the plan that I helped build. So, I want to let you know I'm very proud of what we did in Massachusetts, and I think it's a model that other states can adopt in some respects.

But let me tell you something about our plan. It's different than Hillary Clinton's in a lot of important ways. But one thing that I'm happy about is that Republicans are talking about health care. This isn't a Democrat issue. It's a Republican issue.

ROMNEY: For Democrats, they want to have government take it over. And I don't want to have the guys who did the cleanup at Katrina taking responsibility for health care in this country.

The right answer...

(APPLAUSE)

The right answer is to get people insured, all of our citizens insured so they don't have to worry about losing their insurance if they change jobs or have a preexisting condition.

But Hillary says the federal government's going to tell you what kind of insurance, and it's all government insurance. And I say no, let the states create their own plans, and instead of government insurance, private, market-based insurance.

Hillary's plan costs an extra \$110 billion. My plan doesn't cost any additional money. We use the money we're already spending, we just use it a good deal more wisely.

And the real question here is, are we going to talk about health care and get everybody insured with private insurance? Absolutely. Because the alternative is unthinkable. As P.J. O'Rourke said, if you think health care's expensive now, just wait until it's free. We're not going Hillary's way.

(APPLAUSE)

GOLER: Governor, I think one of the aspects of your plan required individuals to provide their own health insurance, and I think Congressman Hunter wants to talk to you about that.

HUNTER: Yes. Wendell, I think the governor's plan goes in exactly the wrong direction, because while it allows for private health insurance, it has lots of mandates.

He has a good piece of those 1,000 or so mandates that drive up the cost of health care. That means that every single plan in the governor's state has to have certain things.

HUNTER: It's got to have, for example, fertility coverage. Well, what if you're 90 years old? We may appreciate Governor Romney's optimism...

(LAUGHTER)

... but you may not need fertility coverage.

Those 1,000 mandates that we have throughout the States, where we do have mandated health insurance plans, is driving up the cost of health care by about 35 percent. We need freedom. We need to allow people to buy their health care across state lines. That will bring down the cost of health care.

(APPLAUSE)

ROMNEY: Oh, I've got to respond to that.

GOLER: Briefly, Governor.

ROMNEY: We took as many mandates out as we could in our policies. And the legislature kept some there. I tried to take them all out; they put some back in. It was a compromise. They put some mandates there.

But, let me tell you how many we got out. The price of the premium for an individual, 42 years old, in Boston, used to \$350 a month. Now, it's \$180. We basically cut it in half by deregulating.

ROMNEY: Congressman, you're absolutely right that taking regulation out of insurance brings the price down, and that's why my plan would go state by state, deregulate them so we can get the cost of premiums down. But it is unacceptable to keep talking about this and still have 47 million people without health insurance. We got the job done. This is the first state in America that is on track to have everybody insured. Half of my uninsured are now insured, and I am proud of what we've done.

(APPLAUSE)

GOLER: Governor Huckabee has wanted to say something for a couple of minutes now, and I get the sense he doesn't think you got enough regulations removed.

Governor?

HUCKABEE: First of all, we don't have a health care system. We have a health care maze. And we don't have a health care crisis. We have a health crisis. Eighty percent of the \$2 trillion we spend on health care in this country is spent on chronic disease. If we don't change the health of this nation by focusing on prevention, we're never going to catch up with the costs no matter what plan we have.

(APPLAUSE)

HUCKABEE: The reality is it's a health crisis, and I would further say that one of the challenges we face is that a lot of the Democrats want to turn it over to the government, while the Republicans want to turn it over completely to the private insurance companies.

I think the better idea is to turn it over to each individual consumer and let him or her make that choice. I trust me a lot more than I trust government or a lot more than I trust the insurance companies.

And we've got a situation with 10,000 baby boomers a day signing up for Social Security, going into the Medicare system. And I just want to remind everybody when all the old hippies find out that they get free drugs, just wait until what that's going to cost out there.

(LAUGHTER) (APPLAUSE)

GOLER: Congressman Tancredo, your health care plans seems intended to show how tough you would be on illegal immigration.

Your concerns involve the illegal immigrants using our hospital emergency rooms. The RAND Corporation says that illegal immigrants account for about 1.5 percent of the nation's health care costs.

You also want to import cheaper drugs, prescription drugs from Canada, though the president says there would be no way to regulate them.

Where is your help for the nearly 50 million Americans who don't have health insurance?

TANCREDO: One of the most interesting parts of this debate about health care is the fact that we continually talk about the federal government's role in it.

We should actually be debating that specific point, not what kind of government program. You know, Michael Moore went to Cuba not too long ago, and wrote this documentary about the greatness of the system, how wonderful it was to be in Cuba and have a socialized medical system.

You notice, however, that Michael Moore came back to the United States.

(LAUGHTER)

(APPLAUSE)

Now, there's a reason that he did that, of course. It's because we have the best system in the world. And why? It's because we do rely more on individuals than not.

TANCREDO: Really and truly, it's a fascinating thing to think about this, that we have moved all the way to the point of simply debating what kind of federal plan we might have rather than debating what's the constitutional right of the federal government to get involved in this particular issue. That's a challenge I think we all have to accept.

(APPLAUSE)

Now, if there's a federal role, I completely accept the idea of giving people the greater opportunity -- individual opportunity to use health savings accounts. Why? Because that takes individuals. They become the consumer in the marketplace dealing directly with the provider.

That's called a marketplace. That will drive down the costs. Get the federal government -- don't even talk about our responsibilities, because they always -- gives people the option to think that there is -- naturally the federal government should be involved. It shouldn't.

(APPLAUSE)

GOLER: Senator Thompson, you voted in favor of the No Child Left Behind law, though critics warned that it was too intrusive, too bureaucratic. They also warned that teachers would teach to the test.

THOMPSON: Yes.

GOLER: Now you say all those things are true.

GOLER: Was your vote a mistake, and how would you change No Child to correct those problems?

THOMPSON: Yeah. I did vote for it, and some of those critics were right. And some of us were wrong. What has happened is that, indeed, states have taught to the test. We've not gotten the transparency and the accountability that we thought we were getting.

I like the idea of testing. (inaudible) it can't be like Lake Wobegon, where all the children are above average, you know. Everybody's, you know, making 90 on the test, you're not learning very much.

I think what we need to do is realize the proper role of the federal government. The federal government only is responsible for about 8 percent of what is spent. We need to concentrate on helping the states, making sure that 8 percent is spent wisely.

THOMPSON: But there are a lot of good things going on at the state level, you know, in terms of free markets, in terms of competition, and the things that work in the rest of our society, vouchers, charter schools, things of that nature.

States ought to be allowed to experiment and do the things that they know best at the state and local level. And we can't lay all this at the feet of any government. We have to accept some hard truths. Part of the problem in our education system and with our children has to do with the societal breakdown that's going on in this country. We need more fathers to stay and raise their kids.

(APPLAUSE)

GOLER: Mayor Giuliani, most people agree that you helped New York's crime problem and its economy, but you met your match with the schools.

GIULIANI: I couldn't get that. I'm sorry, Wendell.

GOLER: You met your match with the city school system.

You said that the school system was, quote, No good and beyond redemption ; that it was, quote, dysfunctional and should be blown up.

(LAUGHTER) (APPLAUSE)

GOLER: A lot of teachers, frankly, hated you, sir.

The No Child Bill has already alienated a lot of the nation's teachers. Why are you the person to bring them back in the fold and how would you do it?

GIULIANI: Well, I mean, because what we need is choice. I'll give you a -- probably...

GOLER: That's going to bring back public school teachers?

GIULIANI: Well, I'm actually -- I love teachers. I think teachers are wonderful. There are great ones, there are average ones and there are bad ones, but I really care about the kids more. Sorry, Wendell.

(APPLAUSE)

And I just want to tell you a little story, because this is the thing that made me feel very strongly about choice. There was a school scholarship program about 1996, '97 -- they offered 2,500 scholarships to parents of public school children in New York City if they wanted to send their child to a private school, a parochial school, a charter school.

GIULIANI: We had 168,000 applications by those parents. We had to turn most of them down. We had to tell them because they don't have enough money, they couldn't put the child in the school of their choice. It seems to me the thing that's wrong right at the core of No Child Left Behind is the enforcer of standards should not be the bureaucrat in Washington or on the board of education. It should be the parent. We should have choice. We should empower parents. They should decide -- private school, parochial school, public school, charter school, home school.

(APPLAUSE)

That will give the parents the kind of control over their children's education. They understand their children better. Why should a government bureaucrat be sending 168,000 children to failing schools when parents think they can do better for their children? I think it's the single biggest civil rights issue that we face in the 21st century.

(APPLAUSE)

HUME: Mr. Mayor, thank you very much.

Candidates, it is time for a break. Coming up, how will these candidates run against the Democrats' front-running Senator Hillary Clinton? We will find out live from the Shingle Creek Resort in Orlando, Florida, right after these messages.

(COMMERCIAL BREAK)

HUME: And we're back in Orlando with the Republicans running for their party's presidential nomination. Our debates continues with more questions from Chris Wallace.

Chris?

WALLACE: Gentlemen, you all have a couple of things in common. You all seem to be planning to run against Hillary Clinton in the general election and at this point all of you -- I repeat all of you -- are losing to her in the polls. So let's talk about how you intend to beat her.

Governor Romney, you trail Clinton by 12 points in the latest Fox News/Opinion Dynamics poll. You have compared Clinton to Karl Marx. You say when Clinton...

(APPLAUSE)

... when Clinton hears about private sector, she thinks that that's a new recruit in the Army.

(LAUGHTER)

Is Hillary Clinton fit to be commander in chief?

AUDIENCE: No!

ROMNEY: The audience -- the audience is telling you the answer.

You know, look at the challenges that America faces right now.

ROMNEY: And not only do we face global jihad, with all of the implications of a group of people who want to bring down our nation and free nations around the world, but you also face an emerging economic superpower in China. It's the new Asian tiger.

And China and India are coming in a remarkable way to compete for our jobs.

The idea that someone wants to be president who's never worked in the private sector is really a big question mark. I've spent 25 years in the business world, running a small business that became a large one. I've worked in 20 countries around the world, working on investments and helping manage a business and so forth.

That skill, that experience is essential. Hillary Clinton wants to run the largest enterprise in the world, the government of the United States. It employs millions of people, trillions of dollars in revenue.

ROMNEY: She hasn't run a corner store. She hasn't run a state. She hasn't run a city. She has never run anything. And the idea that she could learn to be president, you know, as an internship just doesn't make any sense.

I have spent my life running things. I've learned how to run a business. I've learned how to run a state. I ran the Olympics. In each case, I brought change.

And if there's ever been a time we needed change in Washington to bring strength to America, it's now.

WALLACE: Governor, I'm going to give you...

(APPLAUSE)

WALLACE: Governor, I'm going to give you 30 more seconds. I asked you specifically is she fit to be commander in chief?

ROMNEY: Well, I'd vote no. I'd vote no. I don't want her as commander in chief. I don't believe she has the experience in leadership and running something of the scale of our military to be the commander in chief of this nation.

If you asked me, if the ballot is put in front of anybody in this room, I think you heard what they said. The answer is, absolute -- anyone here want to vote for Hillary?

AUDIENCE: No!

ROMNEY: I agree with them.

WALLACE: Mayor Giuliani, you trail Clinton by four points in our latest Fox News/Opinion Dynamics Poll. Governor Romney says the Republicans aren't going to beat Hillary Clinton by acting like Hillary Clinton. And the point seems to be that on a lot of the social issues, like abortion and gay rights and gun control, that there's not much difference between you and Clinton. Is there?

GIULIANI: You got to be kidding.

(LAUGHTER)

You have got to be kidding.

Wait a second. There is -- there are two things I agree with Hillary Clinton on. First of all, we're both Yankee fans.

(LAUGHTER)

Well, wait a second. I became a Yankee fan growing up in New York. She became a Yankee fan growing up in Chicago.

(LAUGHTER)

Do you believe that?

(LAUGHTER)

Second, she made a statement last week -- and I've been very critical of her, but I want to tell her I agree with this one. Quote, Hillary Clinton, I have a million ideas; America cannot afford them all.

(LAUGHTER)

I'm not making it up. I am not making it up.

One more time, I have a million ideas, America can't afford them all.

No kidding, Hillary. America can't afford you.

WALLACE: Mayor, Mayor, I'm going to give you 30 more seconds because I want to -- you made a big point on the campaign trail about how you know how to beat Senator Clinton. But the fact is, I looked today at the latest polls in all the key battleground states: Florida, Pennsylvania, Ohio -- you trail her in all three.

GIULIANI: Almost every one of them is within the statistical margin of error, and, and, if those polls are correct, then the president of the United States right now is John Kerry last time I checked.

If those polls are correct, we'd have Al Gore here to -- I don't know, it might be a little colder, I'm not sure. But I'm not sure we'd be any better off. Right, we'd be in a lot worse shape with Al Gore.

Thank, thank you Florida.

(LAUGHTER) (APPLAUSE)

GIULIANI: Thank you.

(APPLAUSE)

You saved us in 2000. That was a big one.

(LAUGHTER)

I'd also like to note, on behalf of all my Republican colleagues, we're not going to boycott Florida the way the Democrats are.

(APPLAUSE)

We're going to be here, campaigning for your vote.

WALLACE: Senator McCain, you're running the closest to Clinton, but you still trail her by three points in our latest poll. The biggest issue between the two of you clearly is the war in Iraq.

You strongly support the troop surge. She wants to start pulling the troops out. Is that a winner for Republicans in 2008?

MCCAIN: I don't know. And I can't be concerned. Because I know too many brave young Americans that are serving and sacrificing in Iraq, as we speak.

(APPLAUSE)

I would much rather lose a campaign than lose a war. And now I'm...

(APPLAUSE)

Let me just say that I know and respect Senator Clinton.

MCCAIN: The debate that I have between me and her will be based on national security, on fiscal conservatism, and on social conservatism. It will be a respectful debate. That is what the American people want.

Now, one of them will be spending. I have fought against out-of-control and disgraceful spending that's been going on and I have saved the American people as much as \$2 billion at one stroke.

In case you missed it, a few days ago, Senator Clinton tried to spend \$1 million on the Woodstock Concert Museum. Now, my friends, I wasn't there. I'm sure it was a cultural and pharmaceutical event.

(LAUGHTER)

I was tied up at the time.

(LAUGHTER)

But the fact is...

(APPLAUSE)

MCCAIN: My friends, no one can be president of the United States that supports projects such as these. And I believe that wasteful spending has got to be eliminated. And I will have this debate and win because she is a liberal Democrat and I am a proud, reliable, consistent conservative Republican. That's why I'll win.

(APPLAUSE)

WALLACE: Governor Huckabee, I'm sorry to say we didn't call the horse race between you and Senator Clinton, but you say that she will win next November if the Republican Party doesn't do a better job of reaching out to minorities.

(APPLAUSE)

Was it a mistake for some of your colleagues on this stage to skip those minority-sponsored debates?

HUCKABEE: I think it was a mistake. We need to be making sure that the Republican Party is the most inclusive party for the simple reason that our message touches more Americans and helps more people from the bottom get to the next rung on the ladder than anybody.

(APPLAUSE)

You know, it's interesting, the most, I guess, wonderful reaction we've had in this entire room is when Hillary's name is mentioned. It gets louder than an Aerosmith concert.

(LAUGHTER)

But I want to say this -- you've asked: What's the difference? No matter which one of us is on this stage -- and, look, I like to be funny, let me be real honest with you. There's nothing funny about Hillary Clinton being president. Let me tell you why.

(APPLAUSE)

If she's president, taxes go up, health care becomes the domain of the government, spending goes out of control, our military loses its morale, and I'm not sure we'll have the courage and the will and the resolve to fight the greatest threat this country's ever faced in Islamofascism.

(APPLAUSE)

We've got an enemy that wants to kill every last one of us. We cannot be soft. We must be strong.

We'll sign crazy bills like the Law of the Sea Treaty and give away our sovereignty.

And that's why, with all of the fun we're going to have talking about it, there's nothing funny about Hillary being president.

(APPLAUSE)

WALLACE: Senator Thompson, you trail Clinton by 12 points in our latest poll.

You said the other day that Republicans don't need to worry so much about Clinton as much as they need to worry about themselves.

What do you mean by that?

THOMPSON: Well, just what I said. Hillary is always a good applause line and almost everything everybody has said has been accurate.

If we go down that road, we're going to go down the road of higher taxes. Hillary basically says that, you know, 40 percent of the people pay about 99 percent of the taxes. Why not 30 percent of the people? Why not 20 percent of the people?

We're going to have a windfall when the tax cuts expire at the end of 2010. Let's use that money our way. We'll go down the road of power spending, where people are told, Don't worry about your kids, don't worry about the next generation, although we're clearly bankrupting them, with regard to their Social Security and Medicare expenditures.

THOMPSON: We can't sustain it. But don't worry about that. We'll make it all up out of the rich.

The only problem with Democrats is that everybody who works for a living is rich, according to them.

(APPLAUSE)

They say that all we've got to do is bring the troops home, and the world will leave us alone. They're the party that insults our generals and tries our troops in the newspaper. And when they're exonerated, they're on page 15 or 20.

(APPLAUSE)

So what I meant was, if we stick to our basic principles, we will win next November. But we've got to remember our first principles -- the fact that what the founding fathers told us a long, long time ago, that our basic rights come from God, not from government; that we have a system of divided government, both state and local and state and federal level.

We believe in free markets. We believe in free people. We believe in free enterprise. And Americans who work hard and play by the rules have a decent chance of living the American Dream, just like I have and so many others have.

That's the things that we have to keep in mind. Let's don't get diverted onto some single individual, whoever their nominee is. They're going to lead us down the road to a comfortable mediocrity. And that's not the United States of America I grew up in.

(APPLAUSE)

WALLACE: Congressman Paul...

(APPLAUSE)

WALLACE: Congressman Paul, you're against the Iraq war. So is Senator Clinton. So what are the differences between you?

PAUL: Well, there's a very big difference, and I think the American people, if we as a party realize this and understand it, 70- some percent of the people in America want the war over with. They're sick and tired of it and they want our troops to come home.

Now, Senator Clinton has nothing new to offer. She's endorsing the same policy. She said that the troops would be there for another five years, continue to build this embassy that's going to be bigger than the Vatican, continue to build 14 air bases as are going on there, these private bases going on there, and never change.

PAUL: We in this party have to realize the American people are sick and tired of big government, big government overseas, an empire we can't maintain, the bankruptcy of this country, and also the attack on our personal civil liberties. We don't have privacy left anymore, and Hillary Clinton offers no solution to that, and neither does any of the Democrats. And we are not doing a very good job either.

If we don't recognize that, we don't have a chance because we need to get back to the basics, believe in the Constitution, believe in the rule of law, and not allow our government to spend endlessly and bankrupt this country.

(APPLAUSE)

HUME: Congressman Paul, thank you.

Senator Thompson, I want to go to the issue that you mentioned in passing just a couple of minutes ago, the solvency of Medicare and Social Security. You said those programs were threatened with bankruptcy. They indeed are, as countless economists have advised us. If they were to be kept in their present form, it is argued that they could swamp the private economy with unacceptable levels of taxation or would force severe benefit cuts.

HUME: You have stepped out on this, suggesting that we could change the indexing method for the growth of benefits in Social Security. You have said that we couldn't really afford the prescription drug bill that was passed under President Bush.

You have talked about the possibility that high-income Medicare beneficiaries would have to accept less benefits.

This is a hard area, as the president's adventure on this has shown. Are you prepared to say, tonight, that you would propose these things and make them part of your campaign?

THOMPSON: Yes. As I think that you have stated them, yes. I don't want to be bound to your exact words, but the principles that you've outlined are absolutely...

HUME: Me either...

THOMPSON: ... are absolutely correct.

It's based on the notion that there's no reason to run for the presidency of the United States if you can't tell the truth. It's a difficult thing politically...

(APPLAUSE)

THOMPSON: ... but the fact of the matter is we're bankrupting the next generation. We're spending the money of our grandkids and those yet to be born. They don't have a seat at the table.

Our present mandatory spending cycle leaves us in an unsustainable position. The comptroller tells us that, the Government Accountability Office -- everybody that looks at it says it's unsustainable.

Can you imagine something that's unsustainable and threatens our economy for our grandchildren and those yet to be born not being discussed more on the campaign trail?

I've just set out a couple of things that I think will avoid future generational warfare, where we have to fight over a lot higher taxes or big benefit cuts. If we do some responsible things now we don't have to do that.

And the indexing of benefits in the future, from wages to prices, is one way to do that. Current retirees -- or for those near retirement wouldn't be affected. And those retiring in the future would get the same benefits in real dollars as those retiring now, but not more.

HUME: All right.

(APPLAUSE)

What Senator Thompson said, Mayor Giuliani, will open him to accusations that he's trying to cut Social Security benefits. He will be accused of being willing to diminish or take away the prescription drug benefit that many now have come to depend on.

He has suggested that Medicare beneficiaries might have to suffer loss of benefits (inaudible) high income. He's out on a limb on that.

Are you prepared to be as bold?

GIULIANI: Was that question for me?

HUME: Yes it is.

GIULIANI: OK. I think the reality is that we have to deal with Social Security.

The first thing we have to do is get a consensus behind private accounts if we're going to change it.

(APPLAUSE)

It doesn't make much sense to figure out what the compromises are going to be if you can't get the big thing that you need to really change Social Security. And the fact is, Medicare and Medicaid and presently more expensive than Social Security.

GIULIANI: And within 10 years, they'll be twice as expensive. So they're going to go bankrupt a lot faster. And they need a private solution as well.

What we need to do if we're going to bring down the cost of Medicare and Medicaid is bring down the cost of the entire health insurance market.

And in the discussion you were having about health insurance before, the point that I think was missed -- we only have 17 million people in America who buy their own health insurance. If we have 50 million or 60 million people who bought their own health insurance, the price of health insurance would be cut in more than half.

And the way you cover the people that aren't presently covered -- the people who aren't presently covered with health insurance are not the poorest people; they're covered with Medicaid.

The people who are presently not covered are all buying something -- they're consumers. They may be buying a television, they may be buying -- I hate to mention a cellphone, but they may be buying a cellphone.

But in any event, they have -- they have consumer power. They have to start getting into that market. It's the only way in which you bring down costs.

So I think in both cases, if you start to establish a private market, you're going to be able to figure out how to solve these things within costs that are sustainable.

(APPLAUSE)

HUME: How about it, Governor Romney? Are you prepared to be as bold as Senator Thompson has been in making an -- in addressing these extremely politically sensitive entitlement programs?

ROMNEY: I'm prepared to be entirely bold, but I'm not prepared to cut benefits for low-income Americans. We're going to make sure that we protect these programs for our seniors. That's number one.

Number two...

HUME: How?

ROMNEY: Well, our current seniors. Currently, we're taking more money into Social Security that we actually send out. So our current seniors, their benefits are not going to change.

For people 20 and 30 and 40 years old, we have four major options, for instance, for Social Security. One is the one Democrats want: raise taxes. It's the wrong way to go.

Number two, the president said let's have private accounts and take that surplus money that's being gathered now in Social Security and put that into private accounts. That works.

Other people said, well, extend the retirement age.

ROMNEY: That mathematically works. It's not as attractive. And the last is to index the Social Security benefits, the first benefit, to something other than wages, which is what it has always been.

But, in my view, that's the wrong way to go. That's the wrong way to go other than for higher-income Americans. Higher-income Americans -- that is the Posen plan -- yes, let's consider doing that. That is indexing based on prices rather than wages.

But the others, Medicaid and Medicare, we can solve those. I know that. We did it in our state. We are on track to have everybody in our state insured. These problems are not impossible to solve.

Good, effective leadership that brings people from both sides of the aisle together can get this job done. I have done it in business. I did it at the Olympics. I did it as a governor. I will do it as president.

HUME: You spoke well of private accounts. President Bush tried very hard. He came into office with a reputation of being able to bring people together in Texas. He tried very hard to bring people together around his proposal. You saw what happened to it.

ROMNEY: Yes.

HUME: How could you do better?

ROMNEY: Well, you know, I will learn from his experience and from my own, because it took us about a couple of years to get find a way to get everybody in our state insured.

ROMNEY: We wanted them insured, but we didn't want government to have to pick up a new bill. And so we spent a lot of time working on it.

We didn't just have a bunch of bureaucrats. We had a professor from MIT, an investment banker, a head of a consulting firm. We all worked on it, came up with an idea, and then we met with Democrats and said: Can we find common ground here?

And, you know, Democrats also love America. As Ronald Reagan used to say, it's not that liberals are ignorant. It's just that what they know is wrong.

(LAUGHTER)

So, you've got to -- you can educate each other. We've got some things to learn from time to time, too. And you find common ground. we will do that, and we will solve these entitlement problems.

HUME: Governor Huckabee?

(APPLAUSE)

HUCKABEE: The president had the right idea, but he used the wrong word. When he used the word privatization, it scared the daylights out of a lot of people because it was right in the middle...

HUME: Well, he didn't. He used the word private accounts.

HUCKABEE: Well, but it scared the daylights out of people because they're thinking Enron and WorldCom, and that that's where their money would go. The right word is personalization. Empower individuals to have a greater say over their money.

And that's what it is. Keep the government from robbing the trust funds, which is something that, if it was done in the private sector, would get a guy in jail.

(APPLAUSE)

And that's been going on. And then another thing is to come up with some creative solutions. You asked: Are we willing to be bold?

Yes. We have to be bold. It's a big problem. It needs a big solution. One thing, when people reach retirement age, if they really have enough retirement benefits, they don't need Social Security for the long term, give them the option of one-time buyout, or the opportunity to purchase an annuity, with their funds, tax-free, that frees up the long-term obligation of the government.

Because the problem is the actuarial tables were designed so that people would retire at 65 and die at 67.

(LAUGHTER)

Well, I'm sorry, but folks aren't dying that early. And short of taking them out, which is not a good idea...

(LAUGHTER)

... we're going to have to make the benefits work better. And that's one way to get it done.

(APPLAUSE)

HUME: Congressman Paul, your thoughts on these issues?

PAUL: it's a mess. And it proves that the government is not very good at central economic planning, even for retirement.

PAUL: The money was taken from the people with good intention. We should do our best to return it to those that have taken it.

But we need to allow the young people to just flat out get out of the system. Because, I tell you what...

(APPLAUSE)

... if you have the government managing these accounts, it's not going to work.

And the other thing that you have to consider if you're really serious about protecting people's incomes, each and every one of us, is how you're going to protect the dollar. If you don't have the dollar maintaining its value, no matter where you put the money you're not going to have any value. That's where the crisis is coming.

You're going to go up with all these cost of living increases but you'll never keep up with the cost of living because the dollar's going down, the cost of living is going up.

Our dollar today is worth 4 cents compared to the dollar of 1913, when the Federal Reserve took charge of it. And if you don't deal with the dollar there will be no retirement for anybody. We're going to have chaos.

And that is why you have to cut spending. That's why we need a new foreign policy. We need to tie it to people over here in this country, the people who are dependent, but we need to let the people get out, whether it's Social Security or medical care or education. The Constitution doesn't advise that we do any of that anyway.

PAUL: That's the only way we can solve the problem.

(APPLAUSE)

HUME: Senator McCain, you've grappled with this issue as long as anybody here. You've heard all the proposals and you heard what Senator Thompson offered.

Your thoughts?

MCCAIN: First of all, I'm glad they're not dying at 67, Governor.

(LAUGHTER)

(APPLAUSE)

Pleased to know that.

Look, what Americans need is some straight talk. They need to know -- every man, woman and child in America needs to know that both of these are going broke. They're going broke and we've got to do the hard things.

We've got to fix it for the future generations of Americans. Don't we owe that to young Americans today? I say we do.

(APPLAUSE)

And you can do it with a couple of charts. One of them, on Social Security, is you can show them how much money is going out, how much is going in and when there's no money left.

And then you look at a model for that, and that took place in 1983 The last time Social Security was in serious trouble, a liberal Democrat named Tip O'Neill and Ronald Reagan stood together in the Rose Garden and they fixed Social Security.

MCCAIN: I got to tell you another little secret: It's got to be bipartisan. There's not 60 votes in the United States Senate.

And you have to get to the American people and say we don't -- we won't raise your taxes. We need personal savings accounts, but we got to fix this system. And the American people, as always, when told of a crisis, will respond and support a solution.

(APPLAUSE)

HUME: Congressman Hunter?

HUNTER: You know, Brit, one thing we need with this smaller generation that's coming up, that's going to have to carry these massive loads -- economic loads and security loads -- is bigger paychecks.

You take a \$75,000-a-year job, and you move it to China, and that guy gets a \$20,000-a-year job, the amount of money that he or she contributes to Medicare and Social Security falls off the cliff.

Now, we've lost over 3 million high-paying manufacturing jobs in the last five years because we haven't insisted on a level playing field with out competitors. They all get their taxes rebated to their manufacturers. American manufacturers pay double taxes.

HUNTER: And for that reason, we've got a trade deficit with countries that have higher labor rates than we have.

Now, what we're going to have to do is demand a level playing field. That means that we're going to -- I think we should involve ourselves in what I call mirror trade, and that means that if another country is

charging us a 19 percent tariff, we're going to hold up a mirror, and they're going to see it when their goods come into our country.

(APPLAUSE)

HUME: Congressman, do you really...

HUNTER: Leveling the playing field.

(APPLAUSE)

HUME: ... do you really think we can solve the Social Security and Medicare entitlement programs with trade policy?

HUNTER: Let me give you one statistic, Brit. We have a \$161 billion deficit this year. We have an \$800 billion trade deficit. And that is closely linked with the ability to take care of our seniors, to take care of Medicare, and to pay Social Security, absolutely.

HUME: Congressman Tancredo, you haven't been heard from on this issue. Please, sir?

TANCREDO: Well, I certainly agree with everything that's been said, especially with regard to the issue of structurally changing both Social Security and Medicare. We have to.

When we talked earlier, in the other debates, about what problems we face as a nation in terms of trying to reduce our deficits and the rest, all the stuff that we talk about in terms of discretionary spending that we can cut, ridiculous.

TANCREDO: I mean, not ridiculous, but on the other hand it won't matter in the total scheme of things. You've got to go after those and structurally change them. I agree entirely with the idea of doing it by giving people the ability to control their own money, moving it from -- just exactly like they would in their 401(k). But let me add one more thing, and Mr. Mayor quipped something to me during the break, and here's my chance, Mr. Mayor, to do what you were saying.

(LAUGHTER)

The fact is that we haven't talked about this aspect of it. In reality, of course, there is a plan to give Social Security benefits to illegal aliens who have worked in this country. That is ridiculous. And we should never, ever, do anything that would harm not just the Social Security plan, but also you go back and talk to me about health care.

TANCREDO: Let me tell you what health care means, with illegal immigrants: \$1 billion a year in California, 86 or more hospitals closed, maybe up to hundreds of hospitals closed, throughout this country, because they've had to provide care for illegal immigrants and cannot be reimbursed.

So there's a health care plan -- I mean, problem -- and a Social Security problem that also deals with illegal immigration.

HUME: Congressman Tancredo, thank you very much. We're going to take a break. When we come back, we'll deal with issues of foreign policy. And, time permitting, we'll have a lightning round of wild card questions.

Stay with us.

(COMMERCIAL BREAK)

HUME: More questions for the candidates now, beginning with Carl Cameron.

Carl?

CAMERON: Thanks, Brit.

Senator McCain, it's been some time since the first debate question on foreign policy was about Russia and not the Middle East. But let's do that.

Vladimir Putin has announced just in the last 24 hours that he plans a new, quote, grandiose, nuclear weapons program to counter the U.S. missile defense system. President Bush just recently described President Putin as wily.

(LAUGHTER)

Are we headed back to a new Cold War, or has the Bush administration been naive in dealing with Mr. Putin?

MCCAIN: I don't know about naive, but I do know that when I looked into Mr. Putin's eyes, I saw three letters: a K, a G and a B.

(LAUGHTER) (APPLAUSE)

And I'm not saying we will have a return of the Cold War, because Russia doesn't have the kind of capabilities, the territory nor other things. But have no doubt, the problems they are causing us are severe. And the United Nations Security Council assisting Iran as they continue to develop nuclear weapons, as he continues to consolidate power as he attempts to restore the old Russian empire.

MCCAIN: And he bullies his neighbors and he wants to get a control of the energy supply of Western Europe. This is a dangerous person. And he has to understand that there's a cost to some of his actions.

And the first thing I would do is make sure that we have a missile defense system in place in Czechoslovakia and Poland, and I don't care what his objections are to it.

(APPLAUSE)

And he's going to cause us to set up a league of democracies to address issues from Darfur to Burma to Iran and others, because he and the Chinese are blocking meaningful action to keep us in a peaceful world in the United Nations.

It's going to be some tough times ahead.

CAMERON: Congressman Hunter, did you have a comment there?

HUNTER: Yes, just one comment.

You know, President Putin did give us one opening, and I think we should exploit it. And that is that he offered to work with us on sea-based missile defenses. The threat of the -- of missiles launched from Iran at western Europe would go over the Black Sea.

HUNTER: I think we should undertake an initiative with Putin's people and discuss the prospects of putting our Aegis missile defense cruisers in the Black Sea, ask them if they're interested in a partnership that would protect Western Europe, also protect us.

But, lastly, you know last month, we had a successful intercept above the Pacific Ocean with a missile coming out from Alaska with an interceptor coming up from Vandenberg. And we hit it 100 miles above the surface of the Earth. That was a demonstration of the new success of what Ronald Reagan started with missile defense. We've got to keep missile defense strong.

(APPLAUSE)

CAMERON: Mayor Giuliani, do you agree with the idea that now is the time to start working with Russia on missile security?

GIULIANI: You know, I think now is the time to make it clear to Putin that America can speak softly and carry a big stick. We want to engage...

(APPLAUSE)

We want to engage Russia. We want to continue to commercially engage them.

GIULIANI: But at the same time, the senator is absolutely right; we should move as quickly as we can to build missile defense.

I think this would be a heck of a good time to expand NATO. NATO needs a little revitalization. I think we could look to countries like Australia; we could look to Japan; we could look to expand it, geographically. It's certainly the time to make sure we shore up our relationships with the Eastern European countries that have emerged into being free market countries, democracies.

Ukraine isn't quite there yet. Ukraine is in a struggle, internally. They need us. They need us to support them to -- they'd be a good hedge against Russia.

And at the same time, I think we should make it very, very clear that we understand that we can both engage a country, commercially, like we are doing with Russia, or at the same time, we can be very, very firm in our own defense.

Ronald Reagan gave us the best answer to how to deal with these situations.

GIULIANI: The answer is a very, very strong military that no other country on earth would ever consider challenging.

(APPLAUSE)

According to Gorbachev, in his book, he says that Ronald Reagan spent the Soviets out of existence. Right now, an increase in military spending, increasing the size of our military in all aspects in a sensible way, would send a heck of a signal both to Russia and to China to not think about challenging us down the road.

(APPLAUSE)

CAMERON: Senator Thompson, violence escalated again today on the Turkish-Iraq border. The terrorist group, PKK, took Turkish soldiers hostage. If as President Bush says, we are fighting terrorists in Iraq to protect our homeland, shouldn't the Turks be able to go into Iraq to protect their own?

THOMPSON: Well, let's hope it doesn't come to that. I think the underlying point here is that Turkey is a friend of ours. We've got an important base there, actually more than one, but one especially important as far as our efforts in Iraq are concerned.

THOMPSON: They've got a right to defend themselves from acts of terrorism, and PKK are terrorists.

The Kurds in the northern part of Iraq are our friends, too.

So we've got to get these people together. It's one of those situations where we've got friends on both sides. But militarily and strategically, we have to understand Turkey's position. I hope that they don't invade.

I think that this is one area where diplomacy could work because you have two people or two countries -- or two areas, I should say -- that we're used to talking to and used to working with.

But Turkey is a NATO ally, and they have helped us as far as Iraq is concerned. Not everything they do is pleasing to us, and we have some issues with them.

Now, Nancy Pelosi has brought up an Armenian genocide proposal which is totally irresponsible. She's interjecting partisan politics into a matter of national security.

(APPLAUSE)

CAMERON: Thank you, Senator.

Congressman Tancredo, I saw that you had your hand up.

TANCREDO: That was it. I just wanted to say that we have to remember why this is happening in Turkey.

TANCREDO: And that is exactly right. It is because the present leadership of the House of Representatives brought up this bill, agreed to bring up a bill, a resolution, that we knew would in fact, if they did that, would cause Turkey to do exactly what they did.

Now, that goes to show you that pandering for votes, which was what this was partly based upon, and a complete ignorance of the foreign policy implications of doing such a thing, are the reasons why we are here now.

And we should take away from this some very important lessons, not the least of which is that Nancy Pelosi is not a very good speaker of the House, and she is an even lousier secretary of state.

(LAUGHTER) (APPLAUSE)

CAMERON: Governor, I saw that you -- do you want to weigh in on this, Governor?

HUCKABEE: When, four days ago, the parliament of Turkey indicated that they would amass those troops, it's a clear signal -- not just saber-rattling, they're serious about defending themselves.

It would seem to me that we should dispatch the secretary of state immediately to do two things. First of all, we need to train and equip the Kurds to fight the terrorists in their midst.

The PKK is a terrorist organization. Those 3,500 terrorists can best be dealt with by trained and armed Kurds. We don't have to put our military in harm's way. The Kurds have the capacity to do it against those in the PKK -- but also to try to get Turkey to realize that there's nothing to be gained by crossing into that border and creating yet another hostile situation. None of us need it. None of us want it.

And I would hope that maybe the base in Irbil that was shut down earlier could become the base in which those operations could be staged.

(APPLAUSE)

CAMERON: Mr. Paul?

PAUL: This is a -- this is a result of a foreign policy of interventionism. The founders advised non-interventionism. And even our president won the election in the year 2000 to have a more humble foreign policy, not to go into nation-building, and not get involved in the internal affairs of other nations. And we won an election on that.

But here we are. We're over there and we've invaded this country and this is just another unintended consequence. The war is spreading, the war is likely to go into Iran, nobody's willing to take anything off the table.

What would it be like if somebody came in here into Mexico and did some of these things -- say, like, putting missiles in Europe? We're just looking for trouble. It's so unnecessary. And we jeopardize ourselves. And, quite frankly, we're not able to afford this.

So we don't need to go looking for trouble. We don't need another Cold War. And all we have to do is start talking to people and trading with people.

We don't need to assume that the world is going to blow up. Just think of...

(AUDIENCE BOOING)

PAUL: When I was drafted into the military, and I served five years in the military, the Soviets had 40,000 nuclear weapons.

And here, we're now learning about agitating and putting missiles in Europe.

PAUL: It's the Turks' business. It's not our business.

(AUDIENCE BOOS)

(APPLAUSE)

HUME: Governor Romney, I assume you're eager to get into this. Go ahead.

ROMNEY: Yes, we spoke -- about Russia, we've spoken about what's happening in Turkey and, obviously, Iraq. As you look around the world, you recognize that it's still a dangerous place.

During the Clinton years, the president said we're going to take a peace dividend. We got the dividend. We didn't get the peace.

He reduced the scale of our military dramatically, took 500,000 troops out, cut back our Navy by 80 ships, knocked our Air Force down 25 percent. Our aircraft fleet today are 28 years old.

The U.N. is failing in its mission to protect the world and to prevent genocide.

(APPLAUSE)

The strategy for America's safety is not to live in what Charles Krauthammer called a holiday from history, but to realize America must be strong.

ROMNEY: We need a strong military to protect us with more troops, more equipment and better care when our troops come home.

(APPLAUSE)

We also need a strong economy so we can have a strong military, and we need strong families and values to teach our kids to build a strong economy and a strong military.

(APPLAUSE)

HUME: Thank you, Governor.

Last round, Wendell Goler.

Wendell?

(APPLAUSE)

GOLER: Gentlemen, I want to ask you a series of questions on no particular subject. These are simply questions I haven't had a chance to ask yet.

Congressman Paul, I want to start with you. You have drawn some of the strongest reactions of any person on the stage, both pro and con, sir. When Ronald Reagan became a Republican, he said he hadn't left the Democratic Party, the Democrats had left him.

Given your differences with the other gentlemen on the stage, has the Republican Party left you? Have these gentlemen left the Republican Party?

PAUL: I think in many ways they haven't followed our platform and they don't follow the Constitution. So they're really not following (inaudible). I think in many ways we have become big spenders. Republicans are the big spenders. Our big-government conservatives, they're part of the neo-conservative movement. They've lost their traditions about traditional conservatism and the Constitution.

We have benefited for so many years and decades by having a position of less use of force. Eisenhower won his election in 1952 by trying to clean up the mess that Democrats created in Korea. Nixon won in '68. We continuously won in taking this position of a more commonsensical foreign policy.

Like I said, even George Bush won criticizing this interventionism, and now all of a sudden, just in this short period of time, we have accepted the Democrats' position on foreign policy, on entitlements, on deficits. I mean, we have lost our way.

No, I think that the position of the Republican Party today has not fulfilled their traditions.

And that's why we lost last year. And if we don't go back to our traditions and believe in the Constitution, limited government, personal liberties, and a foreign policy that's noninterventionist, that won't bankrupt us, so that we can defend this country -- we can't even defend our own cities while we're prancing around the entire world.

(APPLAUSE)

GOLER: Mayor Giuliani, given our experience in Iraq, does the prospect of a nuclear-armed Iraq worry you more than the prospect of going to war with Iran?

GIULIANI: There's no question that the idea of going to war with Iran, or even taking military action against Iran would be very dangerous. It would be something you would not want to do. It would be a last resort. But if you're asking me the question, which is more dangerous, a nuclear-armed Iran is more dangerous. And it should be the clear position of the United States government that we will not allow them to become -- to become nuclear.

(APPLAUSE)

And I honestly believe -- and, again, I think this comes from the wisdom of Ronald Reagan -- if we can be clear about this, and our allies can understand this, and China and Russia can understand that we would take action to stop them from becoming nuclear, in our judgment, you know, when that has to happen, if they thought we were very serious about that, I think the chance of the sanctions working -- direct, indirect, disinvestment from Iran, I think the sanctions working would work much more effectively.

China and Russia have, obviously, economic interests in dealing with Iran. What they have to see is that America would act. And if America acted, that would be inconsistent with what would be good for them. You've got to understand, in foreign affairs, just like in the affairs of people, self-interest is enormously important. You've got to figure out the other person's self-interest, and then you have to deal with that. And I think our taking a strong position here would be similar to the difference between Ronald Reagan and Jimmy Carter, when he was dealing with Iran.

(APPLAUSE)

Jimmy Carter had hostages for 444 days. In one hour, the Iranians released the hostages. And they saw something different in Ronald Reagan's eyes than in Jimmy Carter's eyes.

GOLER: Thank you, Mayor.

(APPLAUSE)

Senator Thompson, reporters on your campaign say your stumbles on the Terry Schiavo case and on the issue of oil drilling in the Everglades show that you don't do your homework.

The week after, though -- you took a week off after the last debate. Speech yesterday was about five minutes long. Some people say you're lazy, sir.

How do you deal with that?

(LAUGHTER)

THOMPSON: Well -- no, it's OK. Let me answer that.

I was a father at the age of 17 and a husband at the age of 17. I got started working in a factory. I borrowed and worked my way through. My folks did what they could to help. They were country folks -- came in off the farm.

I was able to be an assistant U.S. attorney when I was 28, prosecuting most of the major federal crimes in middle Tennessee -- most of the major ones.

THOMPSON: Howard Baker selected me to go to Washington and be his counsel on the Watergate Committee at the age of 30.

I came back, took on a corrupt state administration, and won against them. I went to the United States Senate, got elected twice by 20 points in a state that Bill Clinton carried twice.

Condoleezza Rice called upon me to head up an international security advisory board to advise her on international security matters. President Bush called me to help shepherd Chief Justice -- now-Chief Justice John Roberts' nomination through the Judiciary Committee.

If a man can do all that and be lazy, I recommend it to everybody.

(LAUGHTER) (APPLAUSE)

HUME: And that is it for us tonight. Our thanks to the candidates.

THOMPSON: And I should add, the most important -- the most important part is I'm a proud father of five; two of them are under the age of four. So let me add that to the list.

(LAUGHTER) (APPLAUSE)

HUME: Our thanks to the candidates and their staffs, to our debate partner, the Republican Party of Florida, and also to all the great people here at the Shingle Creek Resort.

Candidates, please note our next debate is in Iowa, Tuesday, December 4th. That's just less than a month before the caucus themselves.

We'll see you there.