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TRANSCRIPT

## The Republican Debate

The following is a transcript of the Republican presidential debate in Boca Raton, Fla., as provided by the Federal News Service.

PARTICIPANTS:

FORMER NEW YORK MAYOR RUDY GIULIANI  
FORMER ARKANSAS GOVERNOR MIKE HUCKABEE  
SENATOR JOHN MCCAIN  
REPRESENTATIVE RON PAUL  
FORMER MASSACHUSETTS GOVERNOR MITT ROMNEY

MODERATORS:

BRIAN WILLIAMS, NBC ANCHOR  
TIM RUSSERT, NBC ANCHOR  
PAUL TASH, ST. PETERSBURG TIMES EDITOR AND CHAIRMAN

LOCATION: FLORIDA ATLANTIC UNIVERSITY, BOCA RATON, FLORIDA

MR. WILLIAMS: So to our candidates, gentlemen, welcome to you all. Thank you for being here, and let's begin. And Governor Romney, I thought we'd begin with you. The president just today signed off on this economic stimulus plan that would send out 116 million checks to American homes. The plan is somewhat contrary to yours, providing lots of short-term stimulus to individuals. Your plan, as you know, focuses as much on the long term as the short term. Are you disappointed that your recipe for the economy was not embraced by the president? And as a follow-up, will you now embrace his plan?

MR. ROMNEY: Well, there's a great deal that is effective in his plan. I just wish it went further. What's effective is, first, he's getting money back to consumers. And given the fact that two-thirds of our economy is a consumer economy, getting money back into the hands of our citizens, a lot of them paying a lot for gasoline, a lot for heating oil, a lot of people concerned about how to make ends meet, that makes sense to me. Mine was a little different. It had a permanent tax cut for people at the lowest income tax bracket. I also have a savings plan for individuals that allows folks who are making under \$200,000 a year to save their money tax free, no (interest on ?) interest, dividends or capital gains. I guess we can get to that later. But his first start to help the consumers is a good start.

I just think we need to go further.

Second, we go to -- to corporate support and helping corporations have the incentive to buy more capital equipment. That he also does. I do it more aggressively than he does by writing off a larger amount of capital expenditures -- getting companies to, frankly, buy more stuff so that as they do so that other companies will hire people because if you want to turn an economy around, the key thing is to grow jobs. It's not just to get checks in the hands of consumers; it's consumers buying things that creates jobs. It's companies buying things that create jobs.

And then finally, his last leg is with regards to helping the FHA take on a broader array of -- of -- of homes that are in trouble, homeowners that are in trouble. And that's really very important, and I'm appreciative of the fact that the president took that step. We -- we really have across the country a housing crisis, a mortgage crisis, that seems to have spilled out into the entire economy, and -- and the effect of this, of course, is to put a lot of pain against a lot of people. And so helping reverse the housing crisis is critical.

And that's why expanding the FHA loan requirements, or excuse me, if you will, loosening those requirements and expanding the ability of FHA to help out homeowners would make a big difference. So net-net is something I support, and I look forward to taking it further.

MR. WILLIAMS: And time is up, Governor.

Senator McCain, will you support the part of this that does not make the Bush tax cuts permanent? And as the only member of the Senate on the stage, will you vote for this compromise?

SEN. MCCAIN: Yes, I will and I'm disappointed, because I think it's very important that we make the Bush tax cuts permanent. I voted to make them permanent twice already.

If people and businesses and families in America are now planning their 2010 budget, there's a great deal of uncertainty. And if we don't make the tax cuts permanent, then they will experience what amounts to a tax increase.

I applaud the efforts and the rapidity with which apparently we are moving.

But I also would make sure that the -- not only the tax cuts are made permanent, but we cut corporate income taxes. That would keep businesses here, and it would keep jobs here and create jobs here. We pay the highest corporate income tax of any nation in the world except for Japan.

I think that it would be very important that no pork barrel projects be added as this bill winds its way through the various committees of Congress. I worry about that. I worry that we're going to add pork barrel projects.

I'm glad to see that we're going to allow people to expense new investments in equipment, so they

can write them off in a -- in a very short period of time.

But I really think that -- that we have to understand that the rate cuts by Bernanke are a good beginning. Apparently the markets have stabilized a little bit.

But we also need to continue to cut tax rates in America. And we also have to encourage savings, because if we don't restrain spending, if we don't restrain spending, then we're going to end up in the same position that we were in earlier, and that's with an economy that has very serious fiscal difficulties.

MR. WILLIAMS: Senator, time is up.

Mayor Giuliani, you've in the past supported a wide array of tax cuts. Do you think it's a mistake that they're not in this package?

MR. GIULIANI: I think this package, for what it does, is okay, and I would support it, but it doesn't go far enough. I think in the face of what's been going on, which obviously is a matter of serious concern, we should be very aggressive.

Congressman Dreier and Senator Bond introduced legislation -- I think it was yesterday -- that with my tax package, it would be the largest tax reduction in American history. It would take the Bush tax cuts, make them permanent, reduce the corporate tax, reduce the capital gains tax, reduce taxes on those things that would allow business to see America as more competitive. And you almost don't have a distinction any longer between temporary and permanent in the kind of an economy that we live in.

Is it a problem for your campaign that the economy is now the most important issue, one that, by your own acknowledgement, you are not well versed on?

SEN. MCCAIN: Actually, I don't know where you got that quote from. I'm very well versed in economics.

I was there at there at the Reagan Revolution. I was there when we enacted the first, or just after we enacted the first tax cuts and the restraints on spending. I was chairman of the Commerce Committee in the United States Senate, which addresses virtually every major economic issue that affects the United States of America.

I'm very well versed on economics, and that's why I have the support of people like Jack Kemp, people like Phil Gramm, people like Warren Rudman, people like Doug Holtz-Eakin, people like Marty Feldstein. That's why I have a strong team around me that respect my views and my vision. And that's why The Wall Street Journal, in a survey of economists recently, that the majority of economists thought that I could handle the nation's economy best.

And I have been a consistent fighter to restrain spending and to cut taxes. And my credentials and my experience and my knowledge of these economic issues, I think, are extensive. And I would match them against anybody who's running.

MR. RUSSERT: You all have described yourself as tax cutters, and yet in your records there are shortcomings on that issue.

Governor Huckabee, are you comfortable with the fact that Governor Romney raised fees a quarter of a million dollars as governor of Massachusetts? Do you trust him as a tax cutter?

MR. HUCKABEE: You know, it's going to be really more do the voters trust him, and do they trust me. I know this: I balanced a budget every year I was governor. I left a surplus of \$850 million coming up from a deficit of \$200 million. I know I signed the first- ever broad-based tax cuts. And I know that I made tax cuts that really impacted families by eliminating the marriage penalty, doubling the child care tax credit, raising the income level at which people paid their income tax.

But let me speak to the really heart of what I think a lot of Americans are concerned about with the economy. And frankly, in talking about the stimulus package, one of the concerns that I have is that we'll probably end up borrowing this \$150 billion from the Chinese. And when we get those rebate checks, most people are going to go out and buy stuff that's been imported from China. I have to wonder whose economy is going to be stimulated the most by the package.

And I'm grateful that something is being done. I think we all could at least acknowledge that it's good to see Congress working with the president to do something.

But if we're going to spend \$150 billion, I'd like to suggest that maybe we add two lanes of highway from Bangor all the way to Miami on I-95. A third of the United States population lives within 100 miles of that.

This nation's infrastructure is falling apart. And if we built those lanes of highways -- with American labor, American steel, American concrete -- I believe it would do more to stimulate the economy.

And the reason I say that is because when we were going through a recession in my state, we were in the middle of a billion-dollar highway construction program that brought about 40,000 jobs and brought a billion dollars of capital into the economy. That's a long- term stimulus package that I think would have more impact on the American long-term future. And it would keep social capital from being wasted, fuel wasted. A lot of people in Florida sit around in traffic every day, never getting to their kids' dance recitals or soccer games because they're stuck in traffic, and we've done nothing about it.

MR. RUSSERT: Governor Romney, you've criticized Senator McCain for opposing the first two Bush tax cuts. You've criticized Mayor Giuliani for going to court to try to retain a commuter tax on people coming to the city of New York. Do you trust Senator McCain and Mayor Giuliani on the

issue of being tax cutters?

MR. ROMNEY: I trust these two gentlemen and I respect them greatly. We do have differing views, and over time our record with regards to taxes has been somewhat different. But I think all of us on this stage want to see taxes brought down and want to see spending brought down.

I have a sound record of doing that. I came into a state that faced an extraordinary series of challenges. Massachusetts was in a ditch.

We had about a \$3 billion budget shortfall. Everybody thought, we're going to have to raise taxes to solve the problem.

And I went to work to get Massachusetts back on track. Working with Democrats across the aisle, we were able to do that without raising taxes. And that was critical, because it said to the business community, you don't have to worry about Taxachusetts coming back again; you're going to see Massachusetts live within its means. We balanced the budget every one of four years. We also put in place a surplus of over \$2 billion to help make sure that we'd have the kind of resources that would be needed if there were a rainy day.

Now, I also support the Bush tax cuts. Senator McCain voted against them originally. He now believes they should be made permanent. I'm glad he agrees they should be made permanent. I think he should have voted for them the first time around, and that's just a difference of viewpoint.

The Bush tax cuts helped get our economy going again when we faced the last tough times. And that's why right now, as we face tough times, we need to have somebody who understands, if you will, has the private sector, has the business world, has the economy in their DNA. I do.

I spent my life in the private sector. I know how jobs come and I know how they go, and I'll make sure that we create more good jobs for this nation. And one way to do that is by holding down taxes and making those tax cuts permanent.

MR. RUSSERT: Senator McCain, Governor Romney invoked your name. Do you believe Governor Romney raising fees a quarter-billion dollars is equivalent to raising taxes?

SEN. MCCAIN: Well, I'm sure the -- those people that had to pay it did -- (chuckles) -- I would imagine.

But look, I voted -- I voted on the tax cuts because I knew that unless we had spending under control, we were going to face a disaster. We let spending get completely out of control. Of course, those tax cuts have to remain -- remain permanent, otherwise people experience a tax increase.

We let spending get out of control. We Republicans lost an election -- we lost an election because of the bridge to nowhere and the fact that we presided over the biggest increase in the size of

government that with -- since the "Great Society." We -- we let it get out of control. And the fact is that if we had had the spending restraints that I proposed, we would be talking about more tax cuts today. We would be talking about more tax cuts. The trust and confidence in our base was eroded. I will restore that trust and confidence because I will restrain spending along with further tax cuts. And I'm very proud of my record.

And if you look at those organizations that grade people -- such as the National Taxpayers Union, the Citizens Against Government Waste, Citizens for a Sound Economy, the U.S. Chamber of Commerce -- my record is very, very high for a consistent record of being a fiscal conservative, a record that I'm very proud of.

MR. WILLIAMS: Our time --

SEN. MCCAIN: But I'm going to stop the pork barrel spending, and we're not going to have any more "Bridges to Nowhere."

MR. WILLIAMS: Senator, our time is up.

Congressman Paul, you often have a different view of these issues. So I'll ask a vastly different question. Does government -- should government, in your view, have any role at all in stimulating the economy like this?

REP. PAUL: Well, sure, indirectly. They shouldn't stimulate it by interfering in the market rate of interest. That's where our basic problem comes from. And when you do that, you get into these problems, and then everybody wants to solve the problem by printing more money and spending more money and asking the Federal Reserve to, you know, lower interest rates. And that just makes the problem that much worse.

The government does have a responsibility, but it's supposed to lower taxes, get rid of regulations, and devise a monetary policy that makes some -- makes some sense.

But to continue to say that we just appropriate more money, which is more deficit, and then expect us either to borrow it or expect the Federal Reserve to monetize it, it makes our problems worse.

Just look at what's happening today. The dollar is crashing. And why -- and -- and -- and Tim there suggests that we -- we think of the economy, but not in foreign policy. You can't do that. They're -- they're one and the same. That's where all the money's going. We're spending nearly a trillion dollars a year overseas maintaining this empire.

And then there's never been a war fought without inflation and destruction and devaluation of a currency. And this is what we're doing today to ourselves, is we're literally spending ourselves into oblivion.

But nobody here is willing to even suggest that we cut something overseas. But we have to. We don't need to cut anything here at home. I'd like to see things frozen. I'd like to see massive tax cuts. But we need deregulation. I was one of three people that voted against Sarbanes-Oxley. I knew that would be a problem, and it is a problem for the financial markets.

So this is the kind of thing we need. We need the government out of the way, but it should have sound money, low taxes, less regulations, and a sensible policy where we're not wasting our money overseas.

MR. WILLIAMS: Congressman, thank you.

Mayor Giuliani, next question goes to you. A story right out of the news over the last several days. Many big brand-name banks in this country -- Merrill Lynch, Citigroup, to name two of them -- have gone overseas, it's been said, hat in hand looking for these cash infusions, up to \$20 billion literally to stay afloat, looking for money from governments of Abu Dhabi, Japan, Korea, Saudi Prince Alwaleed, whose money you turned away in New York after 9/11.

The question is -- and I know you know a lot of these people at Wall Street firms, the big New York banks -- is there something, even though it's money to stay afloat, fundamentally un-American in what's going on?

MR. GIULIANI: Well, first of all, let's distinguish it from the presentation of the \$10 million check. That was a very different circumstance. The prince came to Ground Zero. At the request of the White House, I took him there to show him the devastation, I think in part to see how much of an alliance we could get and how much empathy we could get and how much support we could get.

He presented me with a \$10 million check for the Twin Towers Fund, and I took it.

And then an hour or so later, he -- I found out he issued a press release attacking American foreign policy, and saying that American foreign policy and American support for Israel was one of the causes of it. And I gave him the check back because I thought, and so did the people that advised me -- they thought of it as blood money. That's a different circumstance than an investment in a private institution.

America is in a global economy. That's what we are; that's where we are. We have to look carefully at investments to make sure they're honest, to make sure they're transparent, to make sure there's no other hidden motivation behind it. But we are engaged in the global economy. And when countries invest in the United States, there's a mutuality of interest that's developed that is helpful to us.

Remember, back in the '80s, all of the discussion and worry about Japanese investment? I think they even bought your building, right?

MR. : Rockefeller Plaza.

MR. GIULIANI: Well, there was a big worry that it was going to become a Japanese building, and it all changed. What happened? It all worked its way into the economy. Japan and the United States became even closer friends. They're one of our strongest allies now.

I'm pretty much in favor of trade and I'm pretty much in favor of free trade.

You've got to be careful when you have investments like this that there's no ulterior motive. But if there isn't, then this is a good thing. And we should be considering what we should be selling to them. We should be very aggressive about the global economy. Americans should be thinking about how much can we sell to the rest of the world and how much can we invest in them as they're investing in us?

MR. WILLIAMS: Mr. Mayor, time up.

MR. RUSSERT: The Wall Street News and NBC News asked people all across the country in our poll today, "Which party would be better in dealing with the economy?" The Democrats had an 18-point advantage. With that in mind, and looking at the record over the last seven years, the unemployment rate in 2001 was 4.2; it's now 5.0. The debt was \$5.7 trillion; it's now \$9.2 trillion. There was a \$261 billion surplus; there's now a \$250 billion deficit. Gas was \$1.47 a gallon; it's now \$3.02.

Why should the American people continue a Republican in the White House with that kind of economic record? Senator McCain.

SEN. MCCAIN: Because you can be sure, if you watch the Democrat debates, that they will increase spending, they will increase taxes, they will expand the size of government, and they will continue the spending spree which, to a large degree, the Republicans have greater responsibility.

I'll give you some straight talk. And they will not restore the stability of the entitlement programs, which are becoming more and more unfunded in their liabilities in the future. The Democrats have already run and told us they will increase our taxes. They will increase spending.

Look, the president of the United States signed into law, two years in a row, pork barrel-laden bills, \$35 billion worth of pork, worth of earmarked projects which are outrageous. Now, we could have given a \$1,000 tax credit for every child in America for that \$35 billion. Instead we chose a bridge to nowhere.

I will, as president, veto every one of these big spending bills. I will impose some fiscal discipline. There is nothing that -- anything the Democrats have said except -- that I have seen except tax and tax, spend and spend, elect and elect.

We will clean up our act and we will regain the confidence of the American people as being careful stewards of our tax dollars, and we will fix this problem with having to borrow money from China, because then we will balance our budget, just like every governor in America has been required to do as well.

MR. RUSSERT: Governor Huckabee, George Bush has been president since 2001. The Republicans controlled Congress for most of those years, losing control in 2006. With this economic scorecard, why should the American people keep the Republicans in charge?

MR. HUCKABEE: Well, Tim, let me remind you, I wasn't in Washington during all this time, so that's one of the reasons they ought to give me a chance since I wasn't there messing this up.

MR. RUSSERT: So you do think that President Bush and the Republicans in Congress did not measure up.

MR. HUCKABEE: I don't think you can blame all of this on President Bush. The president also has done, I think, a fine job of making sure that the focus of his White House was also keeping us safe.

But let's look at those economic issues. A few months ago, when we were all in Dearborn, Michigan, your network was the sponsor with CNBC and MSNBC, and every one of us were asked, "How's the economy doing?" every one of my colleagues said, "It's doing great," and they gave all the numbers.

When they came to me, I know people acted like I was the only guy at the U.N. without a headset that night. But the truth is, I was the only guy on that stage who said it may be doing great if you're at the top. But if you talk to the people at the bottom of the economy, the people who are handling the bags, the people who are serving the food, you get a very different picture, because their health care costs are up dramatically.

The cost to educate their children are up. And the cost of their fuel has way outstripped any wage increase they've had.

Now, often we hear people talk about trickle-down economics, that if you have a wonderful surge in the economy that it eventually works its way down to all sectors. But there's another issue, too: there is a trickle-up impact when the economy begins to go sour. And if you pay attention to the people who are the single moms and the working people who barely get from paycheck to paycheck, you'd find out months in advance that this economy was headed for a downward turn. And that's what I think people need in the president, is somebody who understands the totality of the American family and not just the folks at the top.

MR. RUSSERT: Governor Romney, higher deficits, higher debt, higher unemployment, higher gas prices. Is that the kind of Republican record you want to run on?

MR. ROMNEY: I'm not going to run on that record, I'll tell you that. I'm going to run on my own

record. I'm going to run on my record of having been in the private sector for 25 years, my record for having helped turn around the Olympics, my record as the governor of Massachusetts. I'll run on that record of accomplishment.

MR. RUSSERT: Will you run away from this record?

MR. ROMNEY: What I'll do is I'll run away from the record of Washington.

You see, Washington is fundamentally broken. Washington has made promises to us over the last decade that they just haven't been able to fulfill. You can go down the list. They said they'd solve the problem of Social Security; they haven't. They said they'd rein in spending; we got all sorts of people -- almost every congressman and senator says they're going to cut spending, cut those earmarks, cut that -- that mentality in Washington, but somehow every year more and more and more money goes in.

They said they'd live by high ethics. They haven't.

They said they'd solve the problem of illegal immigration. They haven't.

They said they'd get us off of foreign oil. They haven't.

Issue after issue that's been raised over the past couple -- three decades have been -- those have been spoken about, and Washington has failed to deliver. And I'm not --

MR. RUSSERT: Both parties?

MR. ROMNEY: Both parties. And change is going to have to begin with us, in our party. We're the party of change. We are the party of fiscal responsibility, and when Republicans act like Democrats, America loses. And you've seen that over the last several years.

We're going to have to make sure that we rein in spending. It's not just the -- we -- we all agree on the -- the earmarks and the pork barrel spending and the "Bridge to Nowhere." That's -- that's an easy one to take a shot at. But the big one is entitlements and reining in entitlement costs, and that's -- that's where the big dollars are.

And then you go on to say how are we going to bring down taxation, because we have the highest tax rate, next to Japan, in the world. That's -- that hurts our economy.

What you're seeing in a weakening dollar, in a declining stock market, in -- in foreign countries coming here to -- to buy into our banks, you're seeing an underground -- the foundation of our economy being shaken by the fact that we haven't been doing the job that needs to be done in Washington. And I'm going to Washington to change Washington.

MR. WILLIAMS: Governor Romney, time is up.

Mayor Giuliani, we can give you 30 seconds. You wanted in on this.

MR. GIULIANI: I'm the only one who's actually turned around a government economy. I mean, the reality is when I became mayor of New York the economy of New York was in very, very bad shape -- tremendous deficits, ten-and-a-half percent unemployment, 300,000 jobs gone. We turned that around, cut unemployment by more than half, brought in 450,000 new jobs, and we cut taxes by 17 percent. And we did it based on growth principles, exactly the principles that are in the growth package that was introduced in Congress yesterday, which the Club for Growth said is the best stimulus for growth they've seen in a very long time. I've had the experience to do this in the 17th-largest economy in the world, and I can do it for the country.

MR. WILLIAMS: Mayor, thank you.

Congressman Paul, please take 30 seconds of your own.

REP. PAUL: Well, you know, I think that we can't run on that program. I think what we have to run on is an old-fashioned Republican program.

I can't be identified with this. I'm known as the taxpayer's best friend; I've never voted for a tax increase and I voted for the least amount of spending. So I'm not part of that crowd.

But what we need to do is -- is reinstate Republican principles. Then we could run on it. But we have drifted a long way from that, and that is because of all these programs.

But there was never my participation in this. I was waving a flag the whole time saying, slow up, slow up; this -- this isn't going well. And here we are. We're at the verge of bankruptcy.

We're -- we're moving into a new era, believe it or not. With the dollar and our economy and the world economy, this is a new era.

MR. WILLIAMS: Congressman, time is up.

As promised, our colleague Paul Tash, the editor of the St. Petersburg Times, has been very patient with us. We're going to go to some of the questions that have been sent in locally for the candidates.

Paul?

MR. TASH: Senator McCain, this question comes to us from William Harper of Bayonet Point, Florida. Our military leaders tell us that our Army is on the verge of breaking. And our economic experts tell us that we cannot sustain our economy (due to ?) deficit spending. Both tell us we cannot sustain our present efforts in Iraq.

You have stated that you would leave troops in Iraq for an indefinite period. How will you do this, both militarily and economically? Please, no generalities.

SEN. MCCAIN: I know of no military leader, including General Petraeus, who says we can't sustain our effort in Iraq. So you're wrong. The fact is, we are succeeding in Iraq. We're going back down to previous levels, and we will be able to withdraw troops over time if we succeed.

If we do what Senator Clinton said that she wanted to do night before last, and that's wave the white flag of surrender and set a date of withdrawal, then we will have expenses, my friends, in American blood and treasure, because al Qaeda will then have won.

We are succeeding in Iraq, and every indicator is that, and we will reduce casualties and gradually eliminate them. Anybody who doesn't understand that it's not American presence, it's American casualties. We have American troops all over the world today and nobody complains about it because we're defending freedom.

That's one of the obligations of being the world's superpower.

I'm proud to be the only one on this stage that said that we have to abandon the Rumsfeld strategy and we have to adopt the strategy that is succeeding, and that's happened. I'm the only one that said that. It is succeeding. And we will be able to reduce our costs, and we will be able to have a stable Middle East, where our vital national interests, national security interests are at stake.

And I'm so proud of the job that the men and women in the military are doing there, and they don't want us to raise the white flag of surrender, like Senator Clinton does. They know we can win. And their message to you and to me is, let us win.

MR. WILLIAMS: Senator McCain, thank you.

Governor Romney, retired four-star U.S. Army General Barry McCaffrey is just back from one of his many trips, from Iraq, and has written a report that, an after-action report on his findings. This sentence stood out. The U.S. Army is too small and poorly resourced to continue successful counterinsurgency operations in Iraq and Afghanistan at the current level.

The question, Governor, is, how do you double the size of it, from 400,000 to 800,000, as the general recommends in here, without a draft?

MR. ROMNEY: Well, I'm recommending that we add 100,000 active-duty personnel to our military. We're right now at about 1.5 million. Take that up to about 1.6 million.

We found in our state that we were losing enrollees for the National Guard at about 6 percent per year. And the legislature and I got together and passed something called the Welcome Home Bill. We said, you know what; if you'll sign up for the National Guard, we'll pay for your entire education for four years.

We put in some other benefits as well -- life insurance and other features that we decided to pay for.

And the result of that was, the next year enrollments went up 30 percent. And so if we want more people to sign up for the military, we have to improve the deal.

And -- and frankly, our GI Bill has gotten a little old. We need to update our funding level for that, so that young people who go into the military get a full ride as they come home and get to go into college.

But let me step back also and just talk about what we saw the other night with the Democratic debate, as we think about the commitment that needs to be made to Iraq and Afghanistan. It is simply unthinkable that the Democrats would have said at that debate, when they were asked, "What's more important to you, that we get out or that we win," that with their answer -- they wouldn't answer it directly, but with each of their answer, it was very clear getting out was their only objective, just get out as fast as you can, regardless of the consequences. And that's simply wrong. We cannot turn Iraq over to al Qaeda and have al Qaeda have a safe haven from which they could recruit people to carry out bombings, to attack this country and our friends around the world. It's unthinkable. And that's why I will not walk away from Iraq until we have been successful and finish that job.

And one more thing. What -- what an audacious and arrogant thing for the Democrats to say, as Hillary Clinton did, that they are responsible for the progress that the surge has seen, by virtue of their trying to pull out so quickly.

Look, the success over there is due to the -- the blood and the courage of our servicemen and -women, and to General Petraeus and to President Bush, not to General Hillary Clinton.

MR. WILLIAMS: Governor, thank you. Tim. (Applause.)

MR. RUSSERT: The Wall Street Journal/NBC News poll today, the highest percentage ever of Americans -- six in 10 -- said that the removal of Saddam Hussein from power was not worth the price we have paid in blood and treasure. Every Democratic -- (applause) -- excuse me. Excuse me, please. The Democratic nominee will go to the country and say the war in Iraq is a bad idea not worth the price in blood and treasure, and we should get out.

I want each of you to take 30 seconds. Will you go to the country, Senator McCain, and say the war was a good idea worth the price in blood and treasure, and we will stay?

SEN. MCCAIN: It was worth getting rid of Saddam Hussein. He had used weapons of mass destruction, and it's clear that he was hell-bent on acquiring them.

The problem was not the invasion of Iraq; the problem was the mishandling of Iraq for nearly four years by Rumsfeld. And again, I railed against that. I was criticized by Republicans. There were others that -- that called for a phased or secret withdrawal.

The war in Iraq is justified because of the threat of Saddam Hussein.

It was the mishandling of the war. Now we're on the right track. Now we are succeeding. And if we withdraw and if we decide that we have to get out of there, I guarantee you al Qaeda will be trumpeting to the world that they have defeated the United States of America --

MR. RUSSERT: But Senator, my question is, was the --

SEN. MCCAIN: (Inaudible) -- my answer.

MR. RUSSERT: -- was the war a good idea, worth the price in blood and treasure?

SEN. MCCAIN: It was a good idea. It was not worth the failures that happened, but it is worth it at the end of the day because we will have peace and success in the Middle East, and our men and women will return, and return with honor, and they won't have to go back and fight al Qaeda there.

MR. RUSSERT: Mayor Giuliani, was the war a good idea and worth the price in blood and treasure?

MR. GIULIANI: It's very, very interesting the way you put that question is with a poll, because when the polls were six and seven out of 10 Americans thinking it was a good idea, Hillary Clinton was in favor of the war. And now when the polls are six out of 10 are against, Hillary Clinton is against the war.

MR. RUSSERT: What does Rudy Giuliani think?

MR. GIULIANI: I was for it when six out of 10 were for it; I'm for it when six out of 10 are against it. I'm for it not because of polls but because America is in a war, an Islamic terrorist war against us. America has to succeed in Iraq. And the goal in Iraq is an Iraq that's stable and an ally of the United States. And to be president of the United States, you have to be able to read polls, but you can't have them push you around.

MR. RUSSERT: Congressman Paul, was the war a good idea, worth the blood and treasure that we have spent?

REP. PAUL: It was a very bad idea, and it wasn't worth it. (Cheers, applause.) The al Qaeda wasn't there then; they're there now. There were no weapons of mass destruction. Had nothing to do with 9/11.

There was no aggression. This decision on policy was made in 1998 under the previous administration because they called for the removal of Saddam Hussein. It wasn't worth it, and it's a sad story because we started that war and we should never be a country that starts war needlessly.

MR. RUSSERT: Governor Huckabee, was the war a good idea, and is it worth the cost in blood and treasure?

MR. HUCKABEE: I supported the president when he led us into this, as did the Democrats. And I think we owe him not a lot of scorn; we owe him our thanks that he had the courage to recognize there was a potential of weapons of mass destruction, and whether than wait until we had another attack, he went and made sure that it wasn't going to happen from Saddam Hussein.

Now, everybody can look back and say, oh, well, we didn't find the weapons. It doesn't mean they weren't there. Just because you didn't find every Easter egg didn't mean that it wasn't planted.

My point is that when the president acted, this country was united in believing it was a necessary thing to do. It's easy to second-guess a president. Whoever of us is elected, we'll be second-guessed, too. But I hope we have the courage and the resolve, once we commit to something, to make sure that we don't back away just because the polls say we should.

MR. RUSSERT: Governor Romney, was the war in Iraq a good idea worth the cost in blood and treasure we have spent?

MR. ROMNEY: It was the right decision to go into Iraq. I supported it at the time; I support it now.

It was not well managed in the -- after the takedown of Saddam Hussein and his military. That was done brilliantly, an extraordinary success. But in the years that followed, it was not well -- we were undermanaged, underprepared, underplanned, understaffed, and then we come into the phase that we have now. The plan that President Bush and General Petraeus put together is working. It's changing lives there.

And perhaps most importantly, it's making sure that al Qaeda and no other group like them is becoming a superpower, if you will, in the communities, and having a safe haven from which they launch attacks against us.

It's critical for us. When we think about debating the Democrats, they might want to go back and talk about what happened at the beginning. But the most important issue is what do we do now, and their just run and retreat regardless of the consequences is going to be a real problem for them when they face a debate with a Republican on the stage.

MR. WILLIAMS: Governor Romney, thanks. Time is up.

As we go to a break, two quick notes. We've asked members of the audience prior to going on the air tonight to not applaud, no outbursts of any kind. We're going to have to repeat that request.

Number two, we have embedded in tonight's broadcast two short commercial breaks to give everyone in here a break. We're going to take the first of those now. When we come back in the next segment, the candidates will ask each other the questions. (Applause.)

(Announcements.)

MR. WILLIAMS: We are back in Boca Raton, Florida, where we just now have a quorum back on stage. Our candidates are assembled, and we are going to begin the second segment of tonight's debate, where the candidates can ask the fellow candidate of their choice a question. The answer falls into the 90-second category, in the exigency that a rebuttal is required, those again moderator's discretion for 30 seconds.

We're going to start this round with Governor Romney.

MR. ROMNEY: I think Governor Huckabee raised a good question when he spoke about China and the impact of China. I think what you're seeing in the world is that as the emergence of Asia occurs, that the demand for more oil around the world is driving prices very high. The Chinese are supplying to us today toys and Christmas tree ornaments and dog food, but they're going to want to make jumbo jets and patents for various medicines and software. They're going to be a much tougher competition, China is, competitor, than we have seen from Europe in a long time.

And the question that I have is, how are we going to make sure that as we compete with China, and I'm going to address this to Mayor Giuliani, as we compete with China, how do we make sure that trade is done in a way that levels the playing field? How do we make sure that China stabilizes the world economically, but that we protect American industry and American jobs, and do not cause a departure of jobs from this country? What kind of relations do we need to have with China economically?

I know our military issues but economically, Mayor, what kinds of things do you think we can do to make sure that the trade is done at a level playing field, and where American industries are strengthened and not put in jeopardy by virtue of the growth of this great part of the world?

MR. GIULIANI: Before, I told you I wasn't going to answer your question. (Laughter.) But I will. We were kidding around about the questions before, who was going to ask whom.

The reality is that China is a great opportunity for America and a great caution for America, both. It's a great opportunity for us to engage, to engage in trade, and the more America engages in trade, the more we get to know a country, the less likely we are to have military hostilities.

I think we should be working with China to try to push down some of these barriers; protection for intellectual property; rule of law; an ability to sue in China, so that you can be protected if you're doing business there. We've got to be very careful about what we import from China, from the point of view of safety and security, not as much from the point of view of our economy.

And then I think we have to look at the rise of China as a wonderful opportunity. I see 20 (million) or 30 million people coming out of poverty in China every year. To me, that's 20 (million) or 30 million more customers for the United States. That's 20 (million) or 30 million more people we can be selling things to.

We should be thinking like aggressive entrepreneurial Americans. What can we sell to China? We can sell them energy independence. They need it more than we do. We can sell them health processes. We can sell them information processes. They are at a level of development that's here. We're at a higher level of development. They need to buy what we have.

And then I believe there's a military aspect to it as well. I think we should increase the size of our military substantially to overcome the damage that Bill Clinton did with the peace dividend, because when the two of you were talking about the military, what I wanted to jump in and say was, a lot of the cause of this was Bill Clinton's peace dividend, in which he cut the military 25 and 30 percent.

We've never redone or did up -- made up for that damage.

MR. WILLIAMS: Time.

MR. GIULIANI: We have to do that.

MR. WILLIAMS: Time, Mr. Mayor.

And a reminder to our candidates. Number one, these are questions to each other. And number two, please use the blinking lights as your guide to when time is up.

Senator McCain, your turn to ask a question of one of your colleagues.

SEN. MCCAIN: Governor Huckabee, you have been one of the strongest and most persuasive proponents of the so-called fair tax. And it is -- I must tell you, every town hall meeting I have, there's somebody that shows up with a T-shirt on and there's enormous groundswell for it.

How do you answer the criticism that a flat-out just sales tax wouldn't cause lower-income Americans more of the pain and the burden of running our government and paying for its operations? How do you respond to that particular criticism of it? And also, how do you account for the resonance that this proposal has gotten throughout the nation?

MR. HUCKABEE: Well, the reason that it's getting resonance is because people would love to see the IRS abolished. They know, as Dr. Phil might say: We've had it since 1913; how's that working out for us? It's not working out so well. The fact is we're penalized for productivity in this country. The harder you work, the more you earn, the more the IRS and the government wants from you.

What the Fair Tax does is says, we want you to earn; we want you to save and we want you to buy things and sell things and make a profit. Republicans ought to embrace the Fair Tax, as should Democrats, because it stops this nonsense and goes to the common sense of the idea that we should encourage people to work and get something for it.

(Cross talk.)

Now, on the bottom end of the spectrum, here's the thing. A lot of people have never read the entire Fair Tax because when I first heard about the Fair Tax, the consumption tax, quite frankly it sounds like it would be oppressive and regressive to the poor. The poor come out best of all because of the provision in the Fair Tax called the prebate in which every American, each month, is given the amount of the Fair Tax back up to the level of poverty. Everybody gets it, not just those under the level of poverty.

It actually untaxes the poor, untaxes the elderly. It makes sure that we don't end up paying taxes on groceries and medicine and the basic necessities of life. And for each third of the economy, there is a benefit, about a 14 percent benefit for those at the bottom; those in the middle, about a 7 percent; even those at the very top end of the economy end up with about a 5 percent benefit.

Everybody gets in the economy -- no more underground economy. Drug dealers, prostitutes, pimps, gamblers, non-Republicans -- (laughter) -- all of those people out there will be paying taxes. Nobody's working under the table.

And so you have now a broad base in which you're receiving the money. And it's a completely different, transparent tax system, as opposed to the one now, where about 22 percent of our products we buy, the tax is hidden into it.

Corporations don't pay tax; they build that cost in, pass it on to the consumer.

MR. RUSSERT: Time.

MR. HUCKABEE: And what's killing the American economy is that embedded tax and the invisibility of the tax. That's why I support the Fair Tax.

MR. RUSSERT: Governor, time is -- Governor?

MR. HUCKABEE: I want to -- I want to put the IRS out of business.

MR. RUSSERT: Governor, there's a real issue of enforceability. I want to ask a follow-up. The Citizens for Tax Justice say that 93 percent of Americans in effect pay less than 15 percent tax right now. You're imposing a 30 percent sales tax. How does that help the 93 percent of Americans who are paying 15 percent or less right now?

MR. HUCKABEE: Well, first of all, Tim, it's 23 percent if we were to break even.

And they're not paying 15 percent; that's in their visible tax in the terms of the takeout from their checks. When you include the built-in tax, the embedded tax in the products we buy that corporations build in, the average American is paying 33 percent in his or her taxes. The average American is working through the month of May just to pay off the government. It would be a dramatic difference if the taxpayers got to choose the taxes, which they would do under the Fair

Tax.

I think most of us realize that there's got to be a better system. The one we have now is irreparably broken. It's chased jobs. Now we have \$12 trillion of working capital moved offshore because our tax system has chased it away.

MR. WILLIAMS: Time for the rebuttal is up.

Congressman Paul, a question for one of your colleagues on stage.

REP. PAUL: My -- my question is for Senator McCain.

This is an economic question that I wanted to ask. It has to do with the President's Working Group on Financial Markets.

I'd like to know what your opinion is of this and whether you would keep it in place, what their role would be, or you would get rid of this group. And if you kept the group, would you make sure we would see some sunlight and know what they're doing and how they're being involved in our markets?

SEN. MCCAIN: Well, obviously we'd like to see more sunshine.

But I as president, as every other president, rely primarily on my secretary of the Treasury, on my Council of Economic Advisers, on the head of that. I would rely on the circle that I have developed over many years of people like Jack Kemp, Phil Gramm, Warren Rudman, Pete Peterson and the Concord group. I have a process of leadership, Ron, that is sort of an inclusive one that I have developed, a circle of acquaintances and people that are supporters and friends of mine who I have worked with for many, many years.

REP. PAUL: So you'd get rid of the group?

SEN. MCCAIN: You remember back in 1982 when Phil Gramm -- Phil Gramm and Warren Rudman and Gramm-Latta and all of those people got the first real tax cuts done, the real -- first real restraints in taxes. I was there. You were there. And I rely on those people to a much larger degree than any, quote, "formal" organization, although the secretary of Treasury is obviously one of the key and important posts that I would have.

MR. WILLIAMS: Senator, thank you.

Governor Huckabee.

GOV. HUCKABEE: Mitt, I'd like to ask you a question that came up during your interview with Tim Russert on "Meet the Press," and it has to do with the Second Amendment. You have indicated that you support Second Amendment, but on that interview, you indicated that you also supported a ban on

so-called -- and I use the term "so-called" -- assault weapons and supported Brady.

For many of us who are strong adherents of the Second Amendment, that's not quite consistent, to say you're for Brady and so-called assault gun ban, but supported the Second Amendment, because we see that -- that's really a denial of the Second Amendment. I'd appreciate some clarification on do you support Brady, do you support the assault weapon ban, and your position on exactly what restrictions government should put on Second Amendment rights.

MR. ROMNEY: I do support the Second Amendment, and I believe that this is an individual right of citizens and not a right of government. And I hope the Supreme Court reaches that same conclusion.

I also, like the president, would have signed the assault weapon ban that came to his desk. I said I would have supported that and signed a similar bill in our state. It was a bill worked out, by the way, between pro-gun lobby and anti-guy lobby individuals. Both sides of the issue came together and found a way to provide relaxation in licensing requirements and allow more people to -- to have guns for their own legal purposes. And so we signed that in Massachusetts, and I said I'd -- I would support that at the federal level, just as the president said he would. It did not pass at the federal level.

I do not believe we need new legislation.

I do not support any new legislation of an assault weapon ban nature, including that against semiautomatic weapons. I instead believe that we have laws in place that, if they're implemented and enforced, will provide the protection and the safety of the American people. But I do not support any new legislation, and I do support the right of individuals to bear arms, whether for hunting purposes or for protection purposes or any other reasons. That's the right that people have.

MR. WILLIAMS: Mayor Giuliani, a question for one of the candidates.

MR. GIULIANI: I have a question for Governor Romney.

Governor, people in Florida, as you know, traveling back and forth across the state as I have, are having real difficulties getting property insurance. Some of them can't afford it. For some it's not accessible at all. They're living in these homes already and they may lose their homes. And, added to the other burdens now in our economy, this is a really very difficult burden.

Senator McCain has said that he does not support a national catastrophic fund as a backstop. I do. I believe it's necessary. I believe it can be done in a way that is responsible and in a way that ultimately would actually cost the government less money. Senator McCain believes that FEMA should handle this.

SEN. MCCAIN: Who's answering this question? (Laughter.)

MR. GIULIANI: Well, you can answer it too, John.

SEN. MCCAIN: Thank you.

MR. GIULIANI: Okay.

Now, you've said that -- I'm not sure exactly the position that you took on it, and you said you were going to talk to the insurance companies and get their advice. And I wonder if you have come to a position on it, because I think this is something that is important to the people of Florida. Do you have a position on the national catastrophic fund? Yes? No? And what qualifications?

MR. ROMNEY: The answer is yes, I do support some kind of national catastrophic effort to make sure that people can get homeowner's insurance that protects them against flood or hurricane or tornado or whatever natural disaster might occur, or man-made disaster in some cases.

We had the problem not just in Florida, but we also had the problem in Massachusetts. Those poor folks that are snow birds, that go from Massachusetts to Florida, see it in both states, because people who live along the coastline across the Atlantic have the same problem. Getting homeowner's insurance is oftentimes almost impossible.

And so what we're going to have to do, as you just indicated, we're going to have to work together to create a program that gets people in high-risk areas insured. Now, I'm not in favor of saying that the people in Iowa should have to subsidize the people in Massachusetts or the people in Florida -- that doesn't make a lot of sense -- but to have those states that are in high-risk areas come together and say, "How do we organize an effort on a national basis that actuarially deals with the differences between different states and the different risks they face and make sure that we have a backstop behind the private insurance industry?"

That makes a lot of sense, and that's something which I -- well, frankly, I took on tough problems like that in health insurance. People thought it was impossible to get everybody health insurance. And I got a group of people together from the industry, from government, from academics. We came together and we found a way to get everybody insured with private free-market health insurance. And I want to do the same thing with regards to --

MR. GIULIANI: But in that case, you used mandates, and you're not in favor of mandates for the country.

MR. ROMNEY: Well, that's a whole different question, so we'll come back and talk about our health insurance plan.

MR. WILLIAMS: We are --

MR. ROMNEY: But I do support an effort to get everybody some form of catastrophic coverage.

And it may be a public-private partnership between private insurance industries and the federal government. It may be done with the states. But I'll bring together the governors of all 50 states, as well as leadership in Washington, as well as industry representatives, to say, "What's the right way to fashion this that makes the most sense for the people of America?"

MR. WILLIAMS: Time is up.

Senator McCain, I did hear your name embedded in that question.

MR. GIULIANI: (Laughs.)

MR. WILLIAMS: Do you want to -- take 30 seconds for a rebuttal, please.

SEN. MCCAIN: Well, frankly, it takes a little more than 30 seconds. But this is a terrible problem, not only here in Florida but across the states that are subject to hurricanes. And as more and more violent weather patterns take place, people's homes are more and more in jeopardy.

We've got to address this issue. We can address it regionally. We can address it with the governors and the legislatures working with the federal government to have insurance spread across state lines, increasing the risk pool. We can reform insurance. We can -- there are so many things that we can do, and we have to sit down together and figure it out.

Now, the bill that passed through the House of Representatives was \$200 billion -- no insurance reform whatsoever associated with it, no way to pay for it, and that burden is shared by everybody. We -- we can sit down together -- I will call the regulators, the governors and the legislators together, and we will work together, and we will provide every American that's in jeopardy particularly of hurricanes to have the insurance that they need and deserve. I'm confident we can do it together working with the insurance companies, not setting up another huge federal bureaucracy of \$200 billion which still nobody has said how you're going to pay for.

MR. RUSSERT: Mayor Giuliani, I have a follow-up on a potential catastrophe. Florida has 1,200 miles of beautiful coast which can be threatened with climate change, global warming, in a major way, as the world's population goes from 6 billion to 9 billion and the level of greenhouse gases doubles over the next 20 to 30 years. And yet you are against a mandatory cap on greenhouse gases. Why?

MR. GIULIANI: The very best way to do it is to support the technologies that are alternatives that can save the environment, and to get us to the point where those technologies can actually take over.

We haven't -- we haven't licensed a nuclear power plant in 30 years. France is 80 percent nuclear; we're 20 percent nuclear, we're going down to 15 percent nuclear. We have to crack through there.

We need to expand the use of hybrid vehicles.

We need to expand the use of clean coal. Carbon sequestration is expensive, but it's a process that works.

We have more coal reserves in the United States than they have oil reserves in Saudi Arabia. I prefer incentives for these new industries. Same thing is true with biofuels.

We should expand biofuels, the way Brazil has done. We should expand wind, solar, hydroelectric. We should expand natural gas, liquid natural gas. We should have a project like putting the man on a moon, the way we did back in the '50s and '60s.

It should be a major national project, to be energy independent. That's a matter of national security. It's also the best way, the very best way, to protect against global warming.

Just think about this. If we did everything we could, we put all these caps on, all these negative incentives on, we would crush American industry. And China and India would be sending out more greenhouse gases than we could ever match.

You've got to solve it as a world problem. You cannot solve it just in the United States. It needs new industries, new ideas. They're there. They need to be supported, and you have to do this in a positive way, not a negative way.

MR. RUSSERT: Senator McCain, you are in favor of mandatory caps.

SEN. MCCAIN: No, I am in favor of cap-and-trade. And Joe Lieberman and I, one of my favorite Democrats and I, have proposed that it's, and we did the same thing with acid rain. They're doing it in Europe now, although not very well.

And all we are saying is, look, you can reduce your greenhouse gas emissions; you earn a credit. Somebody else is going to increase theirs; you can sell it to them.

And meanwhile we have a gradual reduction in greenhouse gas emissions.

We need a global agreement, but it has to include India and China. We need to go back to nuclear power. We cannot be dependent on \$400 billion a year paying for foreign oil. There's a nexus here.

But climate change, in my view, is real. It can affect states like Florida dramatically because I think it has to do with violent weather changes, as well.

But I am confident, I am confident American technology can -- and the embrace of green technologies, many of the things that Rudy just talked about, and nuclear power being one of them -- we can reduce these greenhouse gas emissions.

And suppose that we are wrong and there's no such thing as climate change and we hand our kids a cleaner world. But suppose we are right and do nothing. I think that's a challenge for America. We can meet it.

MR. WILLIAMS: Time is up, Senator.

Time is up, in fact, for this segment. We'll take one more break. When we come back, that will take us the rest of the way tonight with the Republican candidates for president from Boca Raton, Florida.

(Announcements.)

MR. WILLIAMS: We are back in Boca Raton, Florida. Tonight our final segment will be going the rest of the way in our 90-minute debate tonight among the Republican candidates for the nomination.

To resume the questioning, we'll go to you, Mayor Giuliani. Say what you will about polls and their accuracy these days, our latest NBC News-Wall Street Journal poll shows you having gone, in the space of 10 months, from a positive rating of 58 percent to your current low of 29 percent today. And if you cast aside the polls, your last three finishes have been sixth, fourth and sixth. What has happened to your campaign?

MR. GIULIANI: This has become a very competitive race, and I always expected it would be a very competitive race. And I believe that I'm going to have the same faith that the New York Giants had last week -- (laughter) -- and we're going to come from behind and surprise everyone. We have them all lulled into a very false sense of security now. We're going to -- (laughter) -- (chuckles) -- when -- when -- when Mitt Romney asked me a question, notice he asked me a very nice question. So I think I lulled him into a false sense of security. (Laughter.) And we are going to come from behind, we're going to win here in Florida, and if you look at the races that are coming up after that, I think we're -- we're in good shape.

You know, this is -- these are terrific candidates. They're all running very, very good races. I always expected it would be very close. And I think, as it all got down to it, everyone is going to have a chance, and I think we're going to do very well here in Florida, and I think we're going to do very well on February 5th, and I believe that I'll get the nomination.

MR. WILLIAMS: Senator McCain, next question to you. In an interview with our friend Steve Scully over at C-SPAN, your mother, who has come up in the campaign once or twice at the age of 95, your mother Roberta said that the Republican party is going to have to, quote, "hold its nose" and pick you, her son, as the nominee. (Laughter, cross talk.)

In all seriousness, and moms get a special exemption, it's a notable quote, because she expresses a view you hear around the GOP, because you haven't voted with your party on some core stances like

taxes and judges and immigration and campaign reform. How do you expect to unite a party behind you?

SEN. MCCAIN: In all due respect, Brian, I love the way you throw all those together. I'm so proud of my record on judges, that those of us who got together and got Justice Alito and Roberts and so many judges together. And I won't go list by list there, point by point.

But look, I won the majority of Republican vote in both New Hampshire and South Carolina. Most conservative Republicans' major concern is the threat of radical Islamic extremism. I'm making my case that I can make American safe and safer -- I can restore trust and confidence -- and that I can make the needed changes to have the fundamentals of our economy, which are still strong, bring us through this difficult times.

Conservative Republicans are also concerned about climate change that we just mentioned because of their belief in their stewardship of this planet and our stewardship. There's many people who are concerned and have a priority of the -- the independence of the state of Israel. They know that I know how to keep Israel independent as well.

So I'm proud of the broad base of support. I will continue to work in every way to show people that I have a very, very conservative record. I'm proud to be a conservative -- a conservative. But there are times, like when Rumsfeld's strategy was going wrong, I was criticized by Republicans. When I opposed the "Bridge to Nowhere," that was a Republican policy. When I went after Jack Abramoff, there were people who were Republicans who suffered from that. When I saved the taxpayers \$6 billion in a bogus tanker deal, that was a Republican policy deal there. So there are times -- and the reason why I've had such strong support amongst independents is because they know that I'll put my country above my party every single time, and I'm proud to be a conservative.

MR. WILLIAMS: Senator, thank you. (Applause.)

Tim.

MR. RUSSERT: Governor Romney, as has become apparent over the last few weeks, if Hillary Clinton is the Democratic nominee, she'll be running as a team with her husband. Specifically -- specifically, how would you run against Hillary and Bill Clinton in November? (Laughter.)

MR. ROMNEY: I frankly can't wait, because the idea of Bill Clinton back in the White House with nothing to do is something I just can't imagine. I can't imagine the American people can imagine. And -- (laughter) -- and I --

MR. RUSSERT: What does that mean?

MR. ROMNEY: I -- I just think that we want to have a president, not a whole -- a team of husband and wife thinking that they're going to run the country, and instead you want to elect a president.

But I'm not going to run on the basis of Bill Clinton. If Hillary Clinton is the nominee, it's going to be Hillary Clinton. It's going to be her position and her postures on -- on a whole series of issues. And frankly, she is so out of step with the American people on everything from taxes -- she wants to raise taxes. She has a plan for health care. Her health care plan, quite simply, is one which says, look, we're going to give health insurance to everybody by the government. It's going to cost \$110 billion more every single year -- trillion-plus dollars over 10 years. Her approach to the war in Iraq: just get out as fast as you can. Just -- don't even think about the sacrifice that's been made or the need to keep al Qaeda from establishing safe havens. She is exactly what's wrong in Washington.

I said before Washington is broken. She is Washington to the core. She's been there too long. Bill Clinton's been there too long. The last thing America needs is sending the Clintons back to Washington. Look, sending the same people back to Washington expecting a different result is not going to get America on track, and I'm going to make sure that we strengthen this country and we do it the old-fashioned Republican way -- the Ronald Reagan way of pulling together economic conservatives, social conservatives and foreign policy/national defense conservatives. I speak to those three groups. I will pull them together. That's how we'll win the election, and that's also how we're going to keep the country strong and vibrant.

MR. RUSSERT: Another quick question. People observing this race in Florida have been somewhat amazed by the number of television ads you've been running. Can you tell the voters of Florida and Republicans across the country, how much of your own money have you spent on this race so far?

MR. ROMNEY: In Florida? We'll report that on the -- on the 31st of January as required by law, and probably not a minute earlier. You'll just have to wait, Tim.

MR. RUSSERT: But why not tell the voters of Florida and across the country how much of your own wealth you're spending so they can make a judgment and factor that into their -- their own decision?

MR. ROMNEY: Well, I'm not concerned about the voters. I'm much more concerned about the other guys on this stage. And we have some -- it's competitive information we make sure that we use for our own benefit.

But I can tell you this. I have raised more money than any other Republican in this race. Raised more. Friends of mine have come together, people I knew in high school, and helped raise money for me. So I've raised more money.

And I've also made a very substantial contribution. Not as much, by the way, as John Corzine did to become governor of New Jersey. Not as much as Steve Forbes did when he ran back some years ago. Certainly not as much as Mayor Bloomberg did in his race. But I made a substantial contribution. I can't imagine having gone to my friends and asked them to do what they've done, going out and raising money in my behalf, without saying I'm going to put some of my contributions behind this

effort as well, because frankly, I think it's important.

And one thing's real clear. Given the contributions I made in this race, I know I owe no one anything. I don't have some group there that I have a special obligation to that raised money for me. I'm by far the biggest contributor to my own campaign. And people can count on the fact that there's no nobody that can call me and say, "Hey, look, you owe me," because they don't. I'm in this race because I want to make a difference for America.

MR. WILLIAMS: Governor --

MR. RUSSERT: And immune from criticism that you're trying to buy the state of Florida or buy the nomination?

MR. ROMNEY: You know, this is always raised any time someone makes a contribution to their own campaign. And the answer is, I care very deeply about this. I've been successful in life, enough to be able to save enough money. And I'm using that money in a campaign for a presidency to try and change this country.

I'm concerned about the America my kids will inherit and their kids will inherit and the kids of the entire nation will inherit, and I want to make sure that we have a strong and vibrant nation. And I happen to think that at a time like this, we need someone whose life has been in the private sector, who knows how America works; not just how Washington works, but how America works.

MR. WILLIAMS: Governor --

MR. ROMNEY: And for that reason, I'm giving it my all.

MR. WILLIAMS: Governor, we've got an NBC News/Wall Street Journal poll coming out in the morning that says, among a lot of other things, 44 percent of respondents say a Mormon president would have a difficult time uniting the country. And I know you've answered similar questions about what you were able to do with the Catholic vote in Massachusetts, but 44 percent nationally writ large is a large number.

MR. ROMNEY: You know, I just don't believe that people in this country are going to choose their -- their candidate based on which church he or she goes to. I just don't believe that.

And you know, polls ask people a lot of questions, and my faith isn't terribly well known around this country, but I don't think for a minute the American people are going to say, you know what, we're not going to vote for this guy for a secular position because of his church. I just don't believe it.

I think when the Constitution and the founders said no religious test shall ever be required for qualification for office or public trust in these United States that the founders meant just that. And I don't believe for a minute that Republicans, or Americans for that matter, are going to impose a

religious test when the founders said it's as un-American as anything you can think of.

And so I believe that I'll ultimately get the nomination. I can't be sure of that, but I'm -- I'm pretty confident. And I believe in a head-to-head with Hillary Clinton the differences in our perspectives on how to get America going again and how to get us on the right track are as different as night and day. She takes her inspiration from the Europe of old, Big Brother, big government and big taxes. I take mine from Republican ideals: small government, small taxes, individual freedom. I believe that free American people are the source of America's greatness.

And so I don't think you're going to see religion figuring into this race after people have had a chance to get to know all the candidates.

MR. RUSSERT: Dr. Paul -- Congressman Paul, I'd like to talk about Social Security. The last time you ran for president, a Libertarian Party candidate, you filled out a questionnaire asking about Social Security and you said, quote, "abolish it." There are 3.5 million people in Florida --

REP. PAUL: (Laughs.)

MR. RUSSERT: -- who rely on Social Security payments. Are you still in favor of abolishing Social Security?

REP. PAUL: Yes, but not overnight. As a matter of fact, my -- my program's the only one that is going to be able to take care of the elderly.

I'd like to get the young people out -- out of it, just the younger generation, because there's no money there, and they're going to have to pay 50 years and they're not going to get anything.

Now, I'm saying I'd take care of all the elderly, all those who are dependent, but I would save the money from this wild spending overseas. We can save hundreds of billions of dollars and still take care of the elderly. Right now they're getting behind because they're having a 10 to 12 percent inflation rate and we give them a 2 percent increase, and they're really hurting. I don't want taxes on the Social Security benefits that they receive. I have a bill in that would secure the trust fund, where none of that money could be spent in the -- in the general revenues.

So in many ways, though, the goal would be to get us out of this program that is a failure -- it doesn't work -- and is going to bankrupt this country; that the only way you can do that is save enough money, tide the people over, let the young people get out, because they're going to be paying all these years and they're not going to get anything.

So ironically, I, who defend the position that, you know, the federal government probably should have never been involved, I probably have the only program that would really help the elderly because the way we're going now, the money's not going to be there.

There's no way these cost-of-living increases are ever going to keep up with their, you know, their benefits are never going to keep up with their cost of living. They're decreasing. I say, my program has a better chance of helping them than any other one.

MR. RUSSERT: Governor Huckabee, the chairman of the Federal Reserve, Ben Bernanke, said very straightforward: If entitlement spending continues, as the baby boomers retire, from 40 million to 80 million on Social Security and Medicare, we will have to raise taxes by a third or cut all other programs, other than Medicare and Social Security, by half.

That is his testimony. What will you do specifically to save Social Security?

MR. HUCKABEE: I'm going to address that but I want to first comment on Mitt's decision on the -- putting an extraordinary amount of money in the campaign.

First of all, let me say, you've got five exceptional sons I know you're very proud of. And you said you wanted them to inherit a great country, and I have a solution, Mitt, that I think will work. If the country will elect me president, they'll inherit a great country. And your boys will still get your money, too, and I think that would be a great answer. So I want to offer that as a solution tonight for inheritance.

On the Social Security question, one of the reasons that we're in trouble is because we have a smaller group of people paying into the Social Security system, fewer wage earners, more Americans getting their wealth from dividends and from investments.

So you have a shrinking supply -- you have 10,000 baby boomers a day getting into the system.

One of the reasons I'm a strong supporter of the Fair Tax is that you suddenly have a different funding stream for Social Security. It comes out of the general fund. So you now have a more reliable, a more stable and a much broader funding system that will supply Social Security.

MR. RUSSERT: But if you don't have a Fair Tax, which is highly unlikely, with --

GOV. HUCKABEE: Well, you know, everybody keeps talking about how unlikely it is.

MR. RUSSERT: But --

GOV. HUCKABEE: It was unlikely that we'd go to the moon.

MR. RUSSERT: All right, but if --

GOV. HUCKABEE: It was unlikely that we would have the Manhattan Project.

MR. RUSSERT: But specifically, what will you do --

GOV. HUCKABEE: Being president -- now, Tim, I just want to say everybody talks about how

unlikely these things are. That's what's wrong in America. We're -- we're always talking about what we can't do. We need to be talking about what we can do, whether it's energy independence, whether it's passing a tax system that'll work. And I do believe when you have an economy that brings that \$12 trillion that's parked offshore -- bring it back to this country, then you have a true economic stimulus, more people going back to work in America, people making wages, and that's where -- that's where we start seeing the capacity to pay for Social Security.

MR. RUSSERT: Governor Romney, you are a big fan of Ronald Reagan. Will you do for Social Security what Ronald Reagan did in 1983?

MR. ROMNEY: I'm not going to raise taxes. What I'm going to do --

MR. RUSSERT: Well, Ronald Reagan raised the payroll tax, and he also raised the retirement age, and he saved Social Security with Alan Greenspan and Tip O'Neill and Bob Dole and Pat Moynihan.

MR. ROMNEY: Yeah --

MR. RUSSERT: Would you do what Ronald Reagan did?

MR. ROMNEY: No, I don't want to raise taxes. I've pointed out that -- that of the four ways to solve the -- the shortfall in Social Security, the worst idea is to raise taxes on the American people, because it has a double -- double whammy.

Not only are you taking money away from their pocketbooks, you're also slowing down the economy. You slow down the economy, more people lose work. More people lose work, of course, you're having a lot of folks that really have their lives turned upside down. So, raising taxes is just something you don't want to do.

The other -- there are three other ways that you can solve the problem of Social Security, and they're ways that have been brought forward by a number of Republicans over the years. We're going to have to sit down with the Democrats and say, let's have a compromise on these three elements that could get us to bring Social Security into economic balance.

What are they? Well, number one, you can have personal accounts where people can invest in something that does better than government bonds -- with some portion of their Social Security. Number two, you can say we're going to have the initial benefit calculations for wealthier Americans calculated based on the Consumer Price Index rather than the wage index. That saves almost two-thirds of the shortfall. And then number three, you can change the retirement age. You can make -- push it out a little bit. And so those are the three arithmetic things you can do.

There's going to have to be an agreement reached, Republicans and Democrats. Senator Judd Gregg has introduced legislation cosponsored by a Democrat saying put an equal number of Republicans and Democrats in a committee, have them work together, come up with a compromise, bring it

forward, require a 60-percent vote to get the job done.

And those are the three that I think are -- are the ones that have to be pursued for us to solve the issue of Social Security

But don't forget, let's not scare anybody listening in who's on Social Security or near Social Security. It's not going to change the current program. It's not going to change for anybody who's already in retirement or near retirement. But we have to be honest to the people coming along. The program's going to have to change for 20- and 30- and 40-year-olds.

MR. WILLIAMS: Governor, thanks. Time is up.

And to the very patient Paul Tash we go, in the front row, from the St. Petersburg Times. Paul?

MR. TASH: Mayor Giuliani, this question to you comes from Marshall Brennan (sp) of St. Petersburg.

"Your immigration plan calls for all immigrants to learn English to gain citizenship. So why is your campaign airing an ad in Spanish?" (Laughter.)

MR. GIULIANI: (Laughs.) The reality is I believe that America is a country that is built around the English language. If you want to become a citizen, you should demonstrate your facility with English. If you know other languages, that is wonderful. That's a wonderful thing. And if we have substantial portions of populations that know other languages, I'm very comfortable trying to reach them in both English and in Spanish.

The core of my plan on immigration is to stop illegal immigration at the border with a border stat system, with technology, with an increased Border Patrol. I believe we can stop illegal immigration if we stop it right at the border.

And then we should develop a tamper-proof ID card so that people who want to come into the United States should be allowed to do that. We need to teach new behavior. The new behavior is, if you want to come into the United States, you have to identify yourself -- which, after all, makes the United States like every other country, right?

You can't get into most countries without identifying yourself. And then if you've got the tamper-proof ID card, you'd be allowed to work, pay taxes, get online, become a citizen, follow the rules, but then at the end of the line, you'd have to be able to read, write and speak English.

If you speak a second language or a third language or a fourth language, I think that's great for America. I think America has to be a country that has facility with more languages, given the global economy we live in. And I think we can be very comfortable with that, but the focus has to be on being able to read, write and speak English if you want to be a citizen.

MR. RUSSERT: Mayor Giuliani, I'd like to ask a follow-up.

I think many Americans would be surprised by our policy of wet foot, dry foot; that if a Cuban is caught at sea, he -- he or she is sent back. If one foot touches American land, they're allowed to stay here. Why should a Cuban be allowed to stay here, but not a Mexican, not a Guatemalan, not a Venezuelan fleeing Hugo Chavez, someone fleeing North Korea, someone fleeing Iran. Why a special policy for a Cuban?

MR GIULIANI: Well, of course, this was developed in the 1960s, because the longest dictatorship, I believe, in the modern world, is the one of Fidel Castro. The presumption is that if you're fleeing Fidel Castro, given decades and decades of murder, oppression -- including, most recently, the way he cracked down on the Cambio Group (ph), Brothers to the Rescue, all of these things -- there's a presumption in the immigration law that if you're fleeing Fidel Castro, you're fleeing political persecution.

In every other situation, you have to prove it. If you can prove that you're fleeing political persecution, you'll be accepted.

We've had this exception now for, what, for 40 years? And I think it's a fair one, given the history of Castro, which is a pretty unusual one. And he is the longest-standing dictator, certainly in this hemisphere, I believe in the world.

MR. WILLIAMS: We have another question from Paul Tash in the audience.

MR. TASH: Governor Huckabee, this question comes from David Haney in Spring Hill, Florida.

Chuck Norris, one of your most vocal supporters, recently said that at 72, Senator McCain would be too old to withstand the rigors of the presidency. Do you agree or disagree?

SEN. MCCAIN: Did you get my response?

MR. HUCKABEE: I did hear what Chuck said. I was standing with him and I didn't disagree with him at the time, because I was standing next to him. It's as simple as that. This is a guy who can put this foot on that side of my face, and there's nothing I can do about it. (Laughter.)

Now, I have said publicly, in fact, I think it was the debate we had, gosh, back in New Hampshire. And I publicly said and I have said it many times, I don't think that Senator McCain lacks the rigor and the capacity to be president. And I said, if you look at his mother and see her strength at 95, of all the things we can pick on Senator McCain for, that ain't one of them. (Laughter.)

SEN. MCCAIN: (Laughs.)

MR. HUCKABEE: There may be some other things I could pick on Senator McCain about, but -- but not that. And frankly, I think he's demonstrated in the campaign that he's got the capacity to run.

He and I would have different approaches to be president, but I promise you that is not an issue for me. It might be for Chuck, but I'm far enough away from him that I feel comfortable in saying that now. (Laughter.)

SEN. MCCAIN: (Laughs.)

MR. WILLIAMS: Governor, thank you.

Senator McCain, because it's your mother, 15 seconds.

SEN. MCCAIN: Well, now that Sylvester Stallone has endorsed me, I'm sending him over to take care of Chuck Norris right away, and I'm going to get him. (Laughter.)

MR. WILLIAMS: That would be a heck of a play for you.

SEN. MCCAIN: There you go.

MR. WILLIAMS: All right.

SEN. MCCAIN: And I'm glad that Stormin' Norman, General Schwartzkopf, has endorsed me as well. I'm very honored. We'll send him, too.

MR. WILLIAMS: We're getting into the final round of questions, where it makes staying to time -- yellow lights, then red -- essential, and we're going to enforce it. These questions are designed to speak to who you all are in terms of how you counter the attacks against you from your opponents, the weaknesses your opponents among others perceive.

Mayor Giuliani, we're going to begin with you. In tomorrow's -- tomorrow morning's editions of The New York Times, they are out with their endorsements in the New York primary: Senator Clinton on the Democratic side, Senator McCain on the Republican side. In tonight's lead editorial, they say, quote, "The real Mr. Giuliani, who many New Yorkers came to know and mistrust, is a narrow, obsessively secretive, vindictive man."

MR. GIULIANI: (Laughs.)

MR. WILLIAMS: "His arrogance and bad judgment are breathtaking."

How can you defend against that in your hometown paper? How have you changed as a man since this portrait?

MR. GIULIANI: Because I probably never did anything The New York Times suggested I do in eight years as mayor of New York City. (Laughter.) And if I did, I wouldn't be considered a conservative Republican. (Applause.) I changed welfare, I changed quality of life, I took on homelessness, I did all the things that they thought make you mean, and I believe show rue compassion and true love

for people. I moved people from welfare to work. When I did that, when I set up workfare, the New York Times wrote nasty editorials about how mean I was, how cruel I was.

I think there's a serious ideological difference. And I worked for Ronald Reagan. And I remember once, when I was in the Justice Department, The New York Times wrote a very laudatory editorial about my boss, Bill Smith, the attorney general. And Bill was very nervous that Ronald Reagan would get upset that we were off agenda, because of the good New York Times editorial. (Chuckles.)

So the reality is that I think there is serious ideological differences. That probably was some of the nicest language they've written about me in the last six months.

MR. WILLIAMS: Governor Romney, since we've been on the air tonight, one of the other campaigns has faxed us with a charge about you that you've heard before, that Governor Romney, quote, "changes positions with the wind."

One of your own advisers admits the perception among all of the candidates on stage is that you have changed over time your positions, that you haven't paid your dues. The New York Times yesterday called you the most disliked of the five. Your defense in all that?

MR. ROMNEY: Gosh, that's -- that's tough on their part. But you know, I'm not terribly worried about their -- about their attacks, frankly. I'm not going to Washington to make friends with politicians. I'm going to Washington to change things. So I'm not going to worry about that one.

I can tell you that I am -- I'm -- I'm proud of the things that we've been able to do in my state. And when people come after me and -- and say, "Hey, where do you stand on this," or "where do you stand on that," I can point to a very simple way to find out exactly where I stand, and that is, look at my record as governor. Every issue that we're talking about in this race that's of a domestic nature I dealt with as the governor of Massachusetts.

And so on the issue of -- of abortion, for instance, I came down on the side of life, consistently, as governor, in every way I knew how I could do that. At the end of my term, I got awarded by the Citizens for Life in Massachusetts the Leadership Award, for my service in that regard.

In terms of marriage, as the governor, I fought same-sex marriage every way I could find a way to do that. And I actually went to Washington -- Washington to testify in favor of an amendment to preserve the sanctity of marriage.

I also have a very clear record with regards to taxes. I said I was not going to raise taxes, lowered them 19 times, balanced the budget four times, created surpluses that reestablished a rainy-day fund of over \$2 billion.

I have a sound record also with regards to the Second Amendment. As I indicated, the legislation I signed was legislation worked out between two sides, two very different sides who came together to

find ways to make the Second Amendment work in our state.

So I got a record that's solid. I know that now and then my opponents will try and cause questions to arise in people's minds, but I'm proud of where I stand. And I'm happy to show people my record, to show it's been consistent.

MR. WILLIAMS: Time has expired.

Senator McCain, we've talked about the issue that arose with the Chuck Norris fight, shall we say, with your mom. The LA Times famously wrote recently that your own temper, quote, "has been an issue for years." Do you see that as a possible impediment?

SEN. MCCAIN: I don't. (Laughter.)

Look, I've dealt with people and my friends and colleagues for many, many years. I think they know me. I don't think I would have the support of so many of my colleagues that I work with every day if that were the case. And I have been able not only to make close friendships and warm ones over the years but also across the aisle.

If you'll indulge me one second, I know this is unusual, but I happen to know Rudy Giuliani. I happen to know he's an American hero, and I happen to have gone to New York City after 9/11. And I'm proud of the way he led this country and united it following 9/11.

And all these are good people who are running here, and I respect them. And I intend to respect them both during and after this campaign is over.

MR. WILLIAMS: Governor Huckabee, a Bush administration official said that, quote, your use of faith in your campaign gave him a "queasy feeling." Your response?

MR. HUCKABEE: I would say that would be his problem, not mine. My faith does not give me a queasy feeling; it gives me a solid core from which I'm able to live every day. I don't wake up every day and have to look at a poll to decide what I believe. My faith grounds me. It gives me some sense of direction and purpose. I don't try to impose it on other people, and I certainly would never use the auspices of government to try to push my faith. But for me to run from it? Impossible. It's who I am. And so if it gives some people a queasy feeling, then they'll have to deal with it.

The fact is, this country has always been a country where people were able to respect people who had faith. And frankly, we ought to be able to respect people who don't have any. I mean, I don't feel like a person has to share my faith to share my love of this country. But if a person hates me or dislikes me because of my faith, I'm not sure if they understand what it means to truly be an American, where we can live with each other no matter how different our faith is.

But at least we have that understanding that historically faith has been an important part of who

this country is. Most Americans believe in God. As I've often said, if you want a president that doesn't, you'll have to pick somebody else.

MR. WILLIAMS: Thank you, Governor.

Congressman Paul, the other campaigns have said to you that their worry is that you won't stick to your party; if you look at yourself and see yourself someday as unelectable, perhaps you would launch a third-party movement and hurt the Republicans.

REP. PAUL: My biggest concern is they won't stick to the party principles that Republicans stood for for so long, and, you know, being conservative and balanced budgets and limited government and individual freedom. No, I have no intention of going into another party. I've been elected 10 times as a Republican. I was from a Republican family. And no, I don't have -- I don't plan to do that. I wish they would worry about it, you know, just in case. But no, I have no intention of doing that, but it might keep them on their toes.

But no, I just think that the Republican Party has a problem because we don't act like Republicans. And we talked about this earlier; you know, that we're spending money that we don't have, we've run up these deficits. We -- you know, in the old days we used to be against the Department of Education; now we've doubled the size of it. No child Left behind. Even the Democrats are running against some of the things that we do. And they used to love that kind of stuff. And it used to be that we used to stop the wars. We stopped the Korean War. We were supposed to stop the Vietnam War the Democrats started. And here we're starting these wars. So that's why we've lost our way.

So I don't think it's a matter of me leaving the Republican Party. If they would look toward what we're doing and the number of people who want to come into the party, they shouldn't be obstructing us, they should welcome.

The party's getting smaller. Yet they say: Oh, you're too strict on the Constitution.

Why should us who believe strictly in the Constitution, the rule of law, be excluded? That's the way a lot of the people that -- who gather around my candidacy think they're being treated.

So I would say why don't we have a big tent and welcome those of us who believe in liberty and believe in the Constitution. That's what it's all about, and that's what the Republican Party used to stand for.

MR. WILLIAMS: Congressman, thank you. That will have to be the -- (cheers, applause) -- before we allow the audience the chance to release their pent-up feelings about tonight, and as we bring tonight's debate to a close, we would like to remind those who missed any or all of tonight's debate it will re-air on MSNBC tonight at 9 p.m. on the West Coast, midnight here in the East.

Our thanks once again to Leadership Florida, Florida Public Broadcasting, the Florida Press

Association, the men and women of Florida Atlantic University for their great work in making this debate happen.

On behalf of the five candidates on stage tonight; Tim Russert, who will be doing "Meet the Press" this Sunday from Florida; our friend Paul Tash; and myself, good night from Boca Raton, Florida. (Applause.)

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