
August 5, 2007

TRANSCRIPT

The Republicans Candidate Debate

The following is a transcript of the Republican candidates debate hosted by ABC News and moderated by George Stephanopoulos, of ABC News, and David Yepsen, of the Des Moines Register.

CANDIDATES:

SENATOR SAM BROWNBACK

REPRESENTATIVE DUNCAN HUNTER

FORMER GOV. MITT ROMNEY

SENATOR JOHN MCCAIN:

REPRESENTATIVE TOM TANCREDO

FORMER MAYOR RUDOLPH W. GIULIANI

REPRESENTATIVE RON PAUL

FORMER GOV. TOMMY G. THOMPSON

FORMER GOV. MIKE HUCKABEE

STEPHANOPOULOS: Our goal today is to get a real debate going among all of you, to find out where you stand on the issues, but also to figure out the real differences that separate you. And in that spirit, here in Iowa you've already been going at each other, somewhat beneath the radar screen, on the issue of abortion.

Senator Brownback, your campaign has been making phone calls to Iowa voters about Mitt Romney, and I want to show it for our viewers. It's called an urgent action alert.

(BEGIN AUDIO CLIP)

ANNOUNCER: Mitt Romney is telling Iowans that he is firmly pro-life. Nothing could be further from the truth. As late as 2005, Mitt Romney pledged to support and uphold pro-abortion policies and pass taxpayer funding of abortions in Massachusetts.

His wife, Ann, has contributed money to Planned Parenthood. Mitt told the National Abortion Rights Action League that, "You need someone like me in Washington."

(END AUDIO CLIP)

STEPHANOPOULOS: Senator Brownback, do you stand by that attack?

BROWNBACK: I certainly do. There's one word that describes that ad, and it's "truthful." That's a truthful ad. And that's what campaigns are about, too, George, is for as far as getting the truth out, expressing the differences between candidates.

These are good people that are up on this stage.

That's a truthful ad. I am pro-life.

I think this is a core issue for our party. I think it's a big issue for our country. I'm pro-life and I'm whole life. I think that all life at all stages is sacred and it's beautiful. I think it's something we ought to fight for, it's what this party has stood for, it's what we should stand for.

STEPHANOPOULOS: Governor Romney, everything in that ad true?

ROMNEY: Virtually nothing in that ad is true.

STEPHANOPOULOS: What's wrong with it?

ROMNEY: The single word I'd use would be "desperate" or perhaps "negative." Frankly...

STEPHANOPOULOS: But before we move on, you said it's not true. We have it up on the screen. What is untrue?

ROMNEY: I am pro-life. That's the truth. And several years ago, when we faced the issue of cloning of embryos in our state, I wrote an op-ed piece in the Boston Globe and said I'm pro-life.

ROMNEY: And every action I've taken as governor of Massachusetts has been pro-life. This is a very difficult decision. We're involved in the lives of two people: a mom and an unborn child. And yet I've come down on the side of saying I'm in favor of life.

STEPHANOPOULOS: But are any of the specific -- any of the specific charges there untrue?

ROMNEY: The Massachusetts Citizens for Life just several months ago brought me in and gave me an award for my public leadership on the basis of being pro-life. So the best way you can learn about someone is not by asking their opponent, but ask them, "What do you believe, and what's your view?" And I am pro-life. And virtually every part of that ad is inaccurate. I'm pro-life. My positions are pro-life. The idea that, for instance, I've been in favor of taxpayer funding of abortion; that's wrong. I oppose taxpayer funding of abortion. In our state we passed a medical plan that reduces the number of people who received state funding for abortion. So the ad is just completely wrong.

BROWNBACK: George, if I could, there's -- you can go up on YouTube and see the governor himself and speaking himself...

ROMNEY: Ah, that's the -- consider the source.

BROWNBACK: ... about where he is on this position, and in 1994 say, "I'm governor..."

(CROSSTALK)

ROMNEY: Look, look. I was pro-choice. I am pro-life. And I'm tired of a...

BROWNBACK: And it is a truthful position. Every piece of that is truthful. You can go to YouTube and look for the governor, what he says himself.

STEPHANOPOULOS: Governor Romney -- Governor Romney...

ROMNEY: You can go back to YouTube and look at what I said in 1994. I never said I was pro-choice, but my position was effectively pro-choice. I've said that time and time again. I changed my position. When I was governor and when I faced an issue of a life or death, when the first time a bill came to my desk that related to the life of an unborn child, I came down on the side of life.

ROMNEY: And I put that in The Boston Globe and explained why. And I get tired of people that are holier than thou because they've been pro-life longer than I have.

STEPHANOPOULOS: Governor Romney, you've also been drawing...

ROMNEY: But I'm proud of the fact.

(APPLAUSE)

STEPHANOPOULOS: You have also been drawing contrasts with Mayor Giuliani during this campaign. I want to show our viewers something you said about Mayor Giuliani on the Christian Broadcasting Network this spring.

(BEGIN VIDEO CLIP)

ROMNEY: He is pro-choice and pro-gay marriage and anti-gun, and that's a tough combination in a Republican primary. (END VIDEO CLIP)

STEPHANOPOULOS: Do you stand by that? And what is it that you fear a President Giuliani would do on those issues?

ROMNEY: I think Rudy Giuliani is a terrific American and a wonderful mayor. That was very early in the process. I think I've got a better view...

STEPHANOPOULOS: In March.

ROMNEY: Yes, it was in March. He wasn't a candidate yet. I think I have a better perspective on his views now -- not entirely, but a pretty good view on his positions. And I'd rather let him speak for him, his own positions, than me speak for them. And I've done by best to let other candidates speak about their own positions.

So I'm not going to try and elaborate on his positions. I can tell you that I am pro-life and that I'm opposed to same- sex marriage, and I support the Second Amendment. Those are my views. Why don't we let each of us describe our own views, as opposed to taking time to describe those of our colleagues?

STEPHANOPOULOS: Was that accurate what Governor Romney said?

GIULIANI: Somehow, I knew you were going to ask me the question about this.

(LAUGHTER)

The reality is that I support the Second Amendment, as Governor Romney says.

I clearly believe that marriage should be between a man and a woman, although I did support domestic partnerships and still do, a contractual relationship.

And I believe the best way we can have common ground in this debate that you're hearing is if we put our emphasis on reducing abortions and increasing the number of adoptions, which is something that I did as mayor of New York City.

GIULIANI: But I think ultimately that decision that has to be made is one that government shouldn't make. Ultimately, a woman should make that with her conscience and ultimately with her doctor.

(APPLAUSE)

STEPHANOPOULOS: Governor Thompson, let me bring you in here, because Michael Gerson, President Bush's former speechwriter, now a columnist for The Washington Post, wrote a column about Mayor Giuliani a few weeks ago, where he said one of the consequences -- because of the mayor's pro-life position -- of a Giuliani victory would be to place the Republican nominee in direct conflict with the Roman Catholic Church.

How big a problem is that?

THOMPSON: I think it's a problem. I think it's a problem not only for the Roman Catholic Church, but it's a problem with the Constitution and the platform of the Republican Party.

Every year the Republican Party, both at the state level in Iowa, nationally, are parties that come out very avidly and passionately on being pro-life. And I think any candidate that's pro-choice is going to have a difficulty with the party faithful and those individuals that have come to this district and the state and national meetings and have avowed time and time again that this party, the Republican Party, is a party of pro-life.

So anybody that's not pro-life is going to have difficulties. That's the question.

Beyond that, however, I think you've got to look beyond just one issue. And the issue that really concerns me, of course, is the health issues of America.

And we get tied up in one particular issue and we really don't go to some of the major issues that are affecting America -- not that pro-life isn't -- but we have to get down -- and this debate should be about the major issues affecting the voters of Iowa and nationally, instead of trying to choose one person against another on this campaign.

THOMPSON: Every single one of us up here have got issues, positions, and every single one of us believe very strongly of those. And I think that speaks highly of the Republican Party.

STEPHANOPOULOS: You bring up an important point, and let me bring this to Senator McCain. Because some people have made the argument...

(APPLAUSE)

STEPHANOPOULOS: ... some people have made the argument that in this election especially, that Mayor Giuliani would be absolutely the strongest candidate, in part because of his pro-choice positions, but even more than that, in the general election, the most important issue is going to be national security, and an issue like abortion should be de-emphasized.

Do you agree with that?

MCCAIN: I think the respect and commitment to the rights of the unborn is something I've fought for, and it has a lot to do with national security. Because it depends on -- it says very much what kind of a country we are and our respect for human life, whether it be here in the United States or whether it be in China or Bangladesh or the Congo or anyplace else in the world. So I think it is connected. But I also firmly believe that the challenge of the 21st century is the struggle against radical Islamic extremism. It is a transcendent issue. It is hydra-headed. It will be with us for the rest of the century.

I have served my nation and my country and the people of this country for all of my adult life. I am the most prepared. I have been involved in these issues. I have served this nation in the military and in the

Congress, and I'm the best prepared and equipped and need no on-the-job training to meet that challenge.

STEPHANOPOULOS: You have also addressed the issue of Iraq, probably more -- as much as, if not more than any other candidate.

STEPHANOPOULOS: And I want to turn to that as well. Because we did a poll of Iowa voters, as you saw. And we asked the voters there for questions.

We got more questions on Iraq and the war than any other single subject. Here was one of them.

(BEGIN VIDEO CLIP)

QUESTION: Hi. I'm Jill Husker (ph) from Grinnell, Iowa. My question is, if you were president, what would be your strategy for ending the war in Iraq?

(END VIDEO CLIP)

STEPHANOPOULOS: Congressman Paul, what would it be?

PAUL: Just come home. We just marched in. We can just come back.

(APPLAUSE)

We went in there illegally. We did not declare war. It's lasting way too long. We didn't declare war in Korea or Vietnam. The wars were never really ended. We lose those wars. We're losing this one. We shouldn't be there. We ought to just come home.

(APPLAUSE)

The number one reason it's in our national self-interest and for our national security, think of our defenses now, how rundown they are. What is the morale of our military today when they're sent over there for 12 months and then they're kept for another three months? They come home and, with less than a year's rest, they're sent back again. Congress is currently trying to change the rules so we give these men an adequate rest.

This war is not going well because the foreign policy is defective.

STEPHANOPOULOS: Congressman Hunter?

(APPLAUSE)

HUNTER: Yes, George, I've been here before. I was here when we stood up to the Russians in Central Europe when they were ringing our allies with SS-20 missiles. We stood up them and we finally brought that wall down.

I was here when we did Central America, when the liberals were raging that we had to get out of Salvador. Today, Salvadoran troops are standing side-by-side with Americans in Iraq.

And let me tell you something I'm tired of. I watched the Democrat debate. I watched them say, as my colleague has said, "Just bring them home. Come home." And it was a race to see who could stampe for the exit the quickest.

And you know something? The Marines in Anbar province, which is almost half of Iraq, have turned that situation around. They brought the communities there on our side, fighting back against Al Qaida. Not a single Democrat...

(APPLAUSE)

Not a single Democrat candidate paused in their rush for the exit to say to our Marines, "Good job. You guys are fighting and achieving, with blood, sweat and tears, what this country needs." We've got our best military leadership in Iraq right now. We are standing up the Iraq military, the 129 battalions. When they are stood up, when they're reliable, battle-ready, they rotate onto the battlefield, they displace American heavy combat forces. That's the right way to leave, not a stampede for the exit.

STEPHANOPOULOS: Congressman Hunter, thank you.

So we've got the poles of this debate Governor Huckabee...

(APPLAUSE)

I'll come back to you in a second.

We've got the poles of this debate. Congressman Paul says, "Come home." Congressman Hunter says, "We've got to stay." Is there a middle ground in this debate?

HUCKABEE: Certainly there's a middle ground, George. And the middle ground is that we win this war and we do it with honor. We don't just stay indefinitely. We put some pressure -- just like we have been the last week, with Secretary Rice and Secretary Gates -- on the Saudis.

HUCKABEE: Look, we've made them rich. Every time somebody in this room goes to the gas pump, you've helped make the Saudi royal family a little wealthier. And the money that has been used against us in terrorism has largely come from the Middle East.

There's two things we've got to do.

Number one, we've got to insist that the people in that neighborhood take a far greater role militarily and financially in solving the problem. It's their neighborhood.

But the second thing we'd do, for our own national security, is end our dependence on foreign oil. And let's not play around and say "30 years," let's get it done. Let's get it done now. And let's make sure that we don't have to depend upon their oil for our future energy needs.

BROWNBACK (?): George? George?

HUCKABEE: If we can feed ourselves, if we can fuel ourselves, if we can manufacture the weapons to fight for ourselves, we're a free people. If we can't do those three things, we're not free.

(APPLAUSE)

STEPHANOPOULOS: I'm going to bring everyone in on this.

Senator Brownback, go ahead.

BROWNBACK: There's another piece to this as well. And that is, is that you've got the military performing, I think, very well, doing an outstanding job, but the political situation continues to deteriorate on the ground in Iraq. You've got the Iraqi politicians not even meeting now. You've got a weak leadership that's taking place there.

I think the key missing element here is political resolve on the ground. We need a political surge, like Thomas Friedman has written about. We need to put a three-state solution in place, like was in Iraq prior to World War I, where you have a north that's Kurdish, which is right now; a west that's Sunni, which is right now; and a Shia south, with Baghdad as the federal city.

A weak, soft partition: that's the piece missing...

(CROSSTALK)

STEPHANOPOULOS: And that is -- that is your plan.

(APPLAUSE)

STEPHANOPOULOS: Let me bring Senator McCain in on this. Senator Brownback -- Senator McCain, Senator Brownback talked about the lack of political progress.

It's actually written into the law right now benchmarks that the Iraqi government has to meet. It is also very, very clear that they are not going to meet those benchmarks by the time General Petraeus reports in September.

If they fail to meet these benchmarks which are written into the law, will you still continue to support the surge?

MCCAIN:: Of course. They are making progress, and we are winning on the ground. And there are political solutions being arrived at all over Iraq today, not at the national level.

I'm disappointed, of course, that the Maliki government has not done what they need to do. But I'll tell you, it's not only in the national interest of the Iraqis, it's an American national interest. We are winning.

We must win. If we lose, there'll be catastrophic consequences and genocide, and we will be back. This is a seminal moment in American history. We must succeed.

There will be a big debate coming up in September on the floor of the Senate. We will win that debate because the American people understand the consequences of failure.

STEPHANOPOULOS: Mayor Giuliani...

MCCAIN:: Morale is good. Morale is good amongst our military. I can tell you that.

A three-state solution -- we just saw it when the Iraqi people joined together with Iraqi flags celebrating a victory in a soccer match.

We are winning. We must win. And we will not set a date for surrender, as the Democrats want us to do.

STEPHANOPOULOS: Mayor Giuliani, is there any difference...

(APPLAUSE)

Is there any difference between you and Senator McCain on this issue? Would you also continue to...

GIULIANI: I just noticed the question before, Senator McCain said something -- in four Democratic debates, not a single Democratic candidate said the word "Islamic terrorism." Now, that is taking political correctness to extremes.

GIULIANI: It really is.

(APPLAUSE)

The reality is that you do not achieve peace through weakness and appeasement. Weakness and appeasement should not be a policy of the American government. We should seek a victory in Iraq and in Baghdad, and we should define the victory.

And I thought the piece by O'Hanlon and Pollack last week in the New York Times, which, I have to frankly tell you, when I read it in the morning, I read it twice, and I checked -- New York Times? But it was the New York Times. It was.

(LAUGHTER)

And it said, "We just might win in Iraq."

Now, why we would want to retreat in the face of at least some empirical evidence that General Petraeus and...

STEPHANOPOULOS: But that's military -- that's military progress. No political progress. You'd continue to support the surge even if there's no political progress.

GIULIANI: The reality is that if we can bring stability to Iraq, and we can give them a chance to develop stability, that's what we should be trying to accomplish. This is part of an overall terrorist war against the United States. And that's why I noted Senator McCain's statement about Islamic extreme terrorism. This is part of an overall war against us by the terrorists. It's a battle in that war. America should win that battle. And winning that battle is to have an Iraq that helps us against the Islamic terrorists.

ROMNEY

STEPHANOPOULOS: Governor Romney, are you, Mayor Giuliani and Senator McCain all in the same place right now on Iraq?

ROMNEY: I think we're pretty much in the same place. It is critical for us to win this conflict. It is essential, and that's why we're going to continue to pursue this effort. And we're going to get a report from General Petraeus on the success. And I agree the Brookings Institution report over the weekend was a very encouraging indication that we're making progress. That's great news. At the same time, you look at that Democratic debate, I had to laugh at what I saw Barack Obama do. I mean, in one week he went from saying he's going to sit down, you know, for tea, with our enemies, but then he's going to bomb our allies. I mean, he's gone from Jane Fonda to Dr. Strangelove in one week.

(LAUGHTER)

STEPHANOPOULOS: We're going to get to that. We're going to get to that in a little bit.

(APPLAUSE)

ROMNEY: Let me continue. Hold on. I had more time, let me continue. I want to make one other point.

ROMNEY: And that is, while we are waking up here in the United States and thinking about our barbecue in the afternoon and what's on TV, what baseball game is on, there are lot of families in this country, hundreds of thousands of people, who are waking up wondering whether their loved one is still alive. We have families who made a huge surge of sacrifice to support this surge. And it's time, in my view, for the people of America to show a surge of support, including our leaders in Washington, for these families and for the troops. Let's get behind them and give them everything we have: our prayers, our encouragement, our funds, anything to make sure this surge is successful because it counts for America.

(APPLAUSE)

(CROSSTALK)

STEPHANOPOULOS: I'm looking at you right now. Do you differ at all from Mayor Giuliani, Governor Romney or Senator McCain? Then Senator Thompson and Ron Paul get the last word on this round. Go ahead, Congressman Tancredo.

TANCREDO: There are a number of things, of course, with regard to Iraq that I think we have found some common ground on, but the reality is this: that it is absolutely true I think that we are in a war with radical Islam. That is the war. A battle is being fought in Iraq. Now, can we win the military battle on the ground? Yes, we can. Our guys are the best in the world, and the people that are serving there cannot be faulted in any way. One of the things, however, that I must say I am concerned about are the rules of engagement, that apparently are restricting the ability of our people to do their job and to protect themselves. No one should ever go into harm's way, no president should ever send anyone in this military into harm's way and keep one arm tied behind them. These rules of engagement have got to be reviewed, and no president should ever pursue them in this war, or let people go into battle and be actually at risk.

TANCREDO: I unveiled a statue for a guy by the name of Danny Dietz in my district, a Navy SEAL. Danny Dietz is dead because the rules of engagement did not allow them to do what they needed to do over there. That is unacceptable. In the broader picture, of course, you are absolutely right. We have to do something about the fact that there is no political or economic solution being developed by the Iraqis. And you have to push them into it. America cannot be the police force in Iraq. It cannot remove itself entirely from Iraq, but Iraq has got to take control of Iraq.

STEPHANOPOULOS: Governor Thompson, and then Congressman Paul, you get the last word.

(APPLAUSE)

THOMPSON: Thank you very much. I've laid out a whole plan to really win the peace in Iraq. I've laid out a plan that we have to defend and give all our resources and every single tool possible to our fighting men and women. I have been with them, like a lot of the people up here have, and they're the finest young men and women we'll ever have in our military. But beyond that, it is not fair to America and to Americans to shoulder all of the burden. To pay for a war that's costing us \$10 billion a month -- and we're not funding, we're just passing on to our children and grandchildren -- not requiring the Iraqi government to stand up and vote, that's a failure of Congress and the president of the United States. Because they do need to demand that that government makes a political statement, and help pay for that war, and help fight to win that war. Secondly, I differ with Senator Brownback. They can't even decide in parliament in Iraq whether or not they're going to be able to take a month or six weeks off for summer.

THOMPSON: How will they ever decide three particular divisions? They've already got that country divided into 18 states that have been there since 1921. And if, in fact, you're going to elect people, why don't you elect a state leader, like you do in Iowa, like we do in Wisconsin, all over America? And those

individual governments will be Shiite, Sunnis and Kurds. And it will stop the civil war. And split the oil revenue between the federal government, the state governments, and every man and woman and child, like we do in Alaska, and give those individuals the opportunity to build their country. That will make a stable Iraq. (inaudible)

(APPLAUSE)

STEPHANOPOULOS: Congressman Paul, you get the last word on this round.

PAUL: I, of course, opposed the war a long time before it started. The neoconservatives promoted this war many, many years before it was started. It had nothing to do with Al Qaida. There was no Al Qaida in Iraq. There were no weapons of mass destruction. Just think of the weapons the Soviets had in the '60s and the '70s. And we did not have to go to nuclear war with them. There's no reason to go to war against these men in these Third World nations. At the same time, those individuals who have predicted these disastrous things to happen if we leave Iraq are the same ones who said, "As soon as we go in, it will just be duck soup, it'll be over in three months and it won't cost us anything because the oil will pay for it."

(APPLAUSE)

MCCAIN: (?): Have you forgotten about 9/11?

PAUL: And at the same time...

MCCAIN: (?): Have you forgotten about...

PAUL: Just a moment -- at the same time, the individuals who predicted the disaster, of course, the domino theory, in Vietnam -- I was called to duty. I accepted that duty in the '60s. I served five years in the military. When we left there, it was tough, yes. But now we trade with Vietnam. We talk to them. The president's come to this country. We go back and forth. We invest in that country. We can achieve much more in peace than we can ever achieve in these needless, unconstitutional, undeclared wars.

(APPLAUSE)

STEPHANOPOULOS: Senator McCain?

MCCAIN: Let me just say, George, all of us feel frustration, sometimes anger and sorrow over what's happened in this war.

MCCAIN: It was very badly mismanaged for nearly the first four years. I was one of the greatest critics. We do now have a strategy that is succeeding. We do have a military whose morale is up because they see this success. This has consequences far beyond Iraq, throughout the entire region. Look at the behavior of the Iranians, the Syria, the uneasiness of our so-called allies of the region. This is an historic moment in history. And I'm going to be judged by history, not by public opinion polls. And I believe that we can and must prevail, and we've got the strategy and the general that can do it. Give us some time for it to succeed.

(APPLAUSE)

STEPHANOPOULOS: I want to move on now to domestic issues. Health care, one of the number-one domestic issues we heard about in our poll. You hear about it every day out on the campaign trail. This week, the Senate debating whether or not to expand health insurance to children in the United States. And for this, I'm want to turn to the question from David Yepsen.

YEPSEN: Governor Huckabee, Senator Grassley helped fashion a compromise plan to cover 3.2 million more children by raising the cigarette tax -- poor children. President Bush has threatened to veto. Who do you side with, President Bush or Senator Grassley?

HUCKABEE: I think I'd like to side with the people of America who really are looking for a lot better action than they're getting out of their president or Congress. You know, if you want to know how to fix it, I've got a solution. Either give every American the same kind of health care that Congress has, or make Congress have the same kind of health care that every American has.

(APPLAUSE) They'll get it fixed. And the issue in this country is that we really have an incredible problem because our system is upside-down. It focuses on intervention at the catastrophic level of disease rather than really focusing on prevention. So we've got a system that, no matter how much money we pour into it, we're not going to fix it.

HUCKABEE: We're not going to fix it until we begin to address the fact that this country has put its focus not on wellness, not on prevention, not on health, but on sickness. And that's the single most important and urgent thing that has to be done. And if we don't do that, then we're going to continue just pouring money -- and it's almost like having a boat that's taking on water, and rather than plugging the hole, we want to get a bigger bucket to take the water out of the boat.

YEPSEN: Governor Thompson, same question to you. Who do you side with in that dispute, the president or Iowa's senior senator?

THOMPSON: David, I want you to know that health care is one of my major dominant fields. I was secretary of health. Neither one of them are right. The problem is, is Governor Huckabee is absolutely correct. We've got a sickness, illness and disease society. We spend 90 percent of \$2 trillion, ladies and gentlemen -- that's 16 percent of the gross national product -- on getting people well after they get sick. Less than 10 percent of the money keeping you out of the hospital, out of the nursing home. Does anybody in America think that's a smart idea? I think it's dumb. Let's go to wellness and prevention. Number two, let's start managing diseases in America. Let's make sure that individuals that are chronically ill and physically disabled are able to get the quality of health and therefore get the quality of life. They take up 66 percent of the cost. You could reduce that down to 50 percent.

YEPSEN: Congressman Tancredo...

THOMPSON: Number three -- I just would like to say -- on the uninsured, you could get one form, like we do on the 1040 for taxes, one form for the employment system, and you could save \$137 billion. That would cover all of the uninsured in America without raising taxes, ladies and gentlemen.

YEPSEN: Congressman Tancredo, how do you cover this (ph)?

(APPLAUSE)

TANCREDO: Let me suggest -- let me suggest we think about something in the area of health care that perhaps is unique, different and scary to some people, but that is this: The government -- it's not the responsibility of the federal government to provide womb-to-tomb health care for America.

(APPLAUSE) And so, we constantly debate on exactly what way we want to push government control of this issue, but in every way we're doing it, it's unhealthy. It is unhealthy to have a government health-care plan in America. There are some things we can do, absolutely. The expansion of health savings accounts that increases individual responsibility. The allowing for people to actually take -- the reimportation of prescription drugs. And not only that, but let's do something about the 12 million to 20 million illegal aliens in this country that are taking a large part of our health-care dollars.

(APPLAUSE)

STEPHANOPOULOS: Gentlemen, I want to give this back to David Yepsen in a second, but I just want to clear something up first. Congressman Tancredo, I know you voted against the expansion of the children's health insurance this week.

TANCREDO: You bet I did.

STEPHANOPOULOS: This is just yes or no, Governor Thompson: Are you for the expansion or with President Bush on the veto?

THOMPSON: I am for expanding SCHIP, but not the way Congress has done it.

STEPHANOPOULOS: OK, so that's a no. And the same thing for you, Governor Huckabee.

HUCKABEE: The problem with it, it actually would bring cuts to the Medicare alternative, which is the worst thing we could do, because it then takes money away from seniors.

STEPHANOPOULOS: Now, I also...

HUCKABEE: So, again, it's just not a good solution...

(CROSSTALK)

STEPHANOPOULOS: Now, again, I also know that, Congressman Paul and Congressman Hunter and Senator Brownback and Senator McCain, you all voted against expansion, as well. So the only two gentlemen left here are Governor Romney and Mayor Giuliani. Are either one of you for the expansion of children's health insurance, as outlined by Senator Grassley?

ROMNEY: Look, it's critical to insure more people in this country. It doesn't make sense to have 45 million people without insurance. It's not good for them because they don't get good preventative care and disease management, just as these folks have spoken about. But it's not good for the rest of the citizens either, because if people aren't insured, they go to the emergency room for their care when they get very sick. That's expensive. They don't have any insurance to cover it.

ROMNEY: So guess who pays? Everybody else. So it's not good for the people that aren't insured. It's not good for everybody else.

STEPHANOPOULOS: So you're against...

ROMNEY: We have to -- no, no, let me finish. Green light's on.

STEPHANOPOULOS: OK.

(LAUGHTER)

ROMNEY: We have to get -- no, they just turned it off. Leave it on.

(LAUGHTER)

STEPHANOPOULOS: I control it.

ROMNEY: We have to have our citizens insured, and we're not going to do that by tax exemptions, because the people that don't have insurance aren't paying taxes. What you have to do is what we did in Massachusetts. Is it perfect? No. But we say, let's rely on personal responsibility, help people buy their own private insurance, get our citizens insured, not with a government takeover, not with new taxes needed, but instead with a free-market based system that gets all of our citizens in the system. No more free rides. It works.

STEPHANOPOULOS: But a no on the Grassley bill. Mayor Giuliani, go ahead.

GIULIANI: The bill had two very unfortunate parts to it. One, it would reduce Medicaid Advantage, which is a very, very successful program that actually does bring about some form of a free-market solution. And second, it would have the really odd effect of moving children who presently have private insurance to becoming wards of the state, basically having them move in the direction of -- and I know the Democrats get all upset when you say this, but they're taking us toward socialized medicine. If we want the kind of results they have in England or France or Canada or Cuba, like Michael Moore wants us to do, then we should go in that direction. But that would be a terrible thing to do. What we should do is increase the number of people who have private insurance. In order to do that, we should give them a major tax deduction, \$15,000, let them have a health savings account as part of that. They'll have an incentive to own their own health insurance. That's the thing that's wrong with the market here. It is not really good to move this thing in terms of more government control of health care.

(APPLAUSE)

STEPHANOPOULOS: But just for the record, everyone is against the expansion as Grassley outlined. Go ahead.

YEPSEN: Congressman Hunter?

HUNTER: Yeah. Let's get back to freedom. One thing you can't do right now, if you're an American who has a health insurance plan is you can't buy health insurance across state lines. Now, we've seen studies that have shown that the same coverage that costs 750 bucks a month in Massachusetts, you can buy in Missouri for 170 bucks a month.

HUNTER: But you can't buy your health insurance across state lines like Americans buy lots of stuff across state lines. George, you know, I had a senior citizen come into my office one day. She had a \$10 wrist brace on. And she said, "I was told not to complain about this, because government is paying for it." She gave me the bill. It was \$525. That -- you're going to see a lot of \$525 wrist braces if we pass -- if we continue to pass this SCHIP which really is the first extension of socialized medicine. This is socialized medicine. It's going to go to families that make \$60,000 a year. Those aren't poor children.

(APPLAUSE)

YEPSEN: Senator Brownback, the bill would raise tobacco tax, as you know. How do we pay for health care in this country without raising some additional revenues?

BROWNBACK: Well, that's why I voted against the bill. But it wasn't just that. The piece of it that I think you have to recognize is that you've got a fundamental decision to make here on health care, which is 16 percent of the economy, going north fast, probably headed to 20 percent of our total economy. Do you think the solution to providing more and better health care is, one, that we should have more government solutions involved, or should there be more market-based solutions involved? And I think clearly the answer here is you need more market forces in health care. That's what we need to do.

(APPLAUSE) Instead, you've got the Democrats doing a step-by-step march toward a socialized one government-pay system. And they're very happy to do it that way. But we can get better health care going this way. And we can hold the price of it down and not bust the federal treasury at the same time. We can get (inaudible).

STEPHANOPOULOS: Well, we didn't get a debate among all of you, but maybe we'll get one with Senator Grassley later, after the debate. (UNKNOWN): Maybe he won't endorse anybody after this.

STEPHANOPOULOS: After this, that's right. I want to move on to something...

THOMPSON: But, George...

STEPHANOPOULOS: Excuse me, Governor Thompson, I want to move on now to something that Governor Romney brought up just a little while ago, and that was the comments earlier this week of Senator Obama, where he talked about going into Pakistan even if President Musharraf didn't agree. Here's what he said. (BEGIN VIDEO CLIP) SEN. BARACK OBAMA, D-ILL.: It was a terrible mistake to fail to act when we had a chance to take out an Al Qaida leadership meeting in 2005. If we have actionable intelligence about high-value terrorist targets, and President Musharraf will not act, we will. (END VIDEO CLIP)

STEPHANOPOULOS: Governor Romney, you said you didn't agree with Obama's plan and you called it "ill-timed and ill-considered." Mayor Giuliani, on "Charlie Rose" the other night, you said, "I would take that option." Why don't you guys take two minutes and debate this issue out?

GIULIANI: Well, I believe that is an option that should remain open. I believe the senator didn't express it the right way. I think the senator, if he could just say it over again, might want to say that we would encourage Musharraf to allow us to do it if we thought he couldn't accomplish it. But the reality is, America cannot take...

STEPHANOPOULOS: But if he said no, you'd go in.

GIULIANI: I didn't say I would go in. I said I wouldn't take the option off the table.

STEPHANOPOULOS: No, well, you actually said, "I would take that option."

GIULIANI: I said I would keep that option open. In any event...

STEPHANOPOULOS: No, you said, "If we have a chance to catch bin Laden and we've got to do it ourselves because we're not sure if somebody is going to do it correctly, yeah, I think I would take that option."

GIULIANI: Well, I would take that action if I thought there was no other way to crush Al Qaida, no other way to crush the Taliban, and no other way to be able to capture bin Laden. I think Pakistan has, unfortunately, not been making the efforts that they should be making. I think we should encourage them to do it, we should put the pressure on them to do it, and we should seek their permission if we ever had to take action there as we were able to get their permission -- Undersecretary or Deputy Secretary Armitage was very effective in getting Musharraf's permission for us to act in Afghanistan and Pakistan in 2001 and 2002.

STEPHANOPOULOS: Governor Romney?

ROMNEY: Yes, I think Barack Obama is confused as to who are our friends and who are our enemies. In his first year, he wants to meet with Castro and Chavez and Assad, Ahmadinejad. Those are our

enemies. Those are the world's worst tyrants. And then he says he wants to unilaterally go in and potentially bomb a nation which is our friend. We've trying to strengthen Musharraf. We're trying to strengthen the foundations of democracy and freedom in that country so that they will be able to reject the extremists. We're working with them -- we're working with them...

STEPHANOPOULOS: But if your CIA director called them and said, "We had Osama bin Laden in our sights, Musharraf says no," what do you do?

(CROSSTALK)

ROMNEY: It's wrong for a person running for the president of the United States to get on TV and say, "We're going to go into your country unilaterally." Of course, America always maintains our option to do whatever we think is in the best interests of America. But we don't go out and say, "Ladies and gentlemen of Germany, if ever there was a problem in your country, we didn't think you were doing the right thing, we reserve the right to come in and get them out."

ROMNEY: We don't say those things. We keep our options quiet. We do not go out and say to a nation which is working with us, where we have collaborated and they are our friend and we're trying to support Musharraf and strengthen him and his nation, that instead that we intend to go in there and potentially bring out a unilateral attack. Recognize to win the war on jihad, we have to not only have a strong military of our own -- and we need a stronger military -- we also need to have strong friends around the world and help moderate Muslims reject the extreme. Because ultimately the only people who can finally defeat these radical Islamic jihadists are the Muslims themselves.

STEPHANOPOULOS: So what I am hearing is from both you is...

(APPLAUSE)

STEPHANOPOULOS: ... what I'm hearing is you keep this option on the table, but it is foolish to talk about it in public. Does anybody disagree with that?

HUNTER: Yes, I disagree with it.

(CROSSTALK)

HUNTER: George, let me tell you, Barack Obama didn't understand, there are now 100,000 Pakistani troops who have been moved to the border. They have moved two divisions to the border, in fact, one of them out of the high country on the Indian border. You right now have operations that are being taken in cooperation with American forces in Afghanistan. The last thing you do when you are trying to convince your allies all over the world to work with you is when you have one country which has taken 100,000 military personnel and moved them into that place -- and we all know what the problem is. The problem is that you have the tribal chiefs in that strip in Pakistan accommodating the Taliban and Al Qaida. When you have a country which is cooperating, you don't tell them you are going to unilaterally move against them, or you are somehow going to undertake this by yourself.

HUNTER: Those mountain ranges in Pakistan are 16,000 feet high. We need the Pakistani army to work that with American support. That's the right way.

STEPHANOPOULOS: I want to stay on this subject.

(APPLAUSE) I want to stay on this subject but broaden out the conversation a little bit. And the way I want to get into it is with a bit from President Bush's second inaugural address, where he made the spreading of democracy the core of his foreign policy. Here's what he said: (BEGIN VIDEO CLIP)

PRESIDENT GEORGE W. BUSH: So it is the policy of the United States to seek and support the growth of democratic movements and institutions in every nation and culture, with the ultimate goal of ending tyranny in our world. (END VIDEO CLIP)

STEPHANOPOULOS: Governor Huckabee, since then, since that speech, there have been free elections in Gaza; they elected Hamas. There have been free elections in Lebanon; they empowered Hezbollah. There have been free elections in Iran; they elected President Ahmadinejad. Has President Bush's policy been a success? And would the spread of democracy be the core of your foreign policy?

HUCKABEE: Well, the problem is, George, sometimes when you get what you want, you don't want what you get. And this is a great case of that happening. I don't think it's the job of the United States to export our form of government. It's the job of the United States to protect our citizens, to secure our own borders, which we have failed to do for over 20 years. It's the job of our government to make us free and us safe, and to create an enviable kind of government and system that everybody else will want, much in the same way I think we ended up seeing the fall of the Soviet Union. And as far as how do we get there...

STEPHANOPOULOS: So it wouldn't be the core of your foreign policy?

HUCKABEE: Absolutely not, because I don't think we can force people to accept our way of life, our way of government. What we can do is to create the strongest America: change our tax system, make it so that people are healthier, create the enviable education system on this planet, make sure that jobs come back to this country rather than disappear from this country.

HUCKABEE: And if we do that kind of approach, we'll have the sort of freedom internally, secure borders, a safer nation. That makes a whole lot more sense to me than spending billions and billions and billion of dollars to try to prop up some government we don't even like when we get it. And people in this country are losing their jobs, losing their health insurance, and their kids are sitting with their heads on their desks, sound asleep in school.

(APPLAUSE)

STEPHANOPOULOS: Congressman Paul?

PAUL: Our responsibility is to spread democracy here, make sure that we have it. This is a philosophic and foreign policy problem, because what the president was saying was just a continuation of Woodrow Wilson's "making the world safe for democracy." There's nothing wrong with spreading our values around the world, but it is wrong to spread it by force. We should spread it by setting an example and going and doing a good job here. Threatening Pakistan and threatening Iran makes no sense whatsoever. We went in -- and I supported going after the Al Qaida into Afghanistan -- but, lo and behold, the neocons took over. They forgot about Osama bin Laden. And what they did, they went into nation- building, not only in Afghanistan, they went unjustifiably over into Iraq. And that's why we're in this mess today.

STEPHANOPOULOS: Mayor Giuliani, both Governor Huckabee...

(APPLAUSE) ... both Governor Huckabee and Congressman Paul said they would not continue President Bush's policy. Would you?

GIULIANI: George, I think the way you're defining it is incorrect. Democracy is not necessarily immediately going to elections. Democracy is...

STEPHANOPOULOS: Well, that was the way President Bush defined it...

GIULIANI: Well, OK...

STEPHANOPOULOS: ... not me, but go ahead.

GIULIANI: The way I look at it, democracy also requires the rule of law. It requires stability. It requires people not being afraid they're going to be killed every day when they go out on the street. Democracy's only a theory if you're living in an unstable situation. So sometimes, democracy is the long-term goal, but in order to get there, you have to first build a rule of law, you have to first build respect for human rights, you have to first build...

STEPHANOPOULOS: So did we push for elections too quickly in Gaza?

GIULIANI: In some cases, maybe going to elections so quickly is a mistake. Maybe the thing to do is to first make sure that you've developed the bedrock -- bedrock for democracy. You know, if you're living -- I learned this in New York City when I became the mayor. Of course the situation was nowhere near as serious, but people were afraid to go out at night because crime was so rampant. I mean, we had all kinds of civil rights, but nobody could exercise them, because they were too darn afraid to go out, too darn afraid to go to the movies or go buy groceries at the grocery store. First, you have to have a certain quality of life that allows you to be comfortable (inaudible) going to exist, your children are going to go to school, you're going to be able to have a job, and your rights are going to be respected. Then elections start to mean something in the full picture of what a democracy is.

STEPHANOPOULOS: But, Senator McCain, would you follow what Mayor Giuliani is saying -- maybe go a little bit slower on elections, not put the spread of elections quite at the core of your foreign policy?

MCCAIN:: We fail to appreciate that elections do not mean democracy, that it is rule of law. And rule of law, by the way, is beginning to take hold in Iraq, just as peaceful and more secure -- more secure, not totally secure -- neighborhoods in Baghdad and in Anbar and in other parts, in the Kurdish areas, is beginning to take place, which will then allow true democracy to take place. It's naive to say that we will never use nuclear weapons. It's naive to say we're going to attack Pakistan without thinking it through. What if Musharraf were removed from power? What if a radical Islamic government were to take place because we triggered it with an attack? But the fundamental -- by the way, you quoted President Bush. President Kennedy also said at his inauguration that would go anywhere and bear any burden. I believe the reason why we won the Cold War and the reason why we are still a shining city on a hill is because of our advocacy and our dedication to the principles that all of us are created equal and endowed by our creator with certain inalienable rights.

MCCAIN:: That's all of us, no matter where we live in the world, no matter what our faith or our beliefs are. And I will continue to advocate for freedom and democracy and rights for all human beings.

(APPLAUSE)

STEPHANOPOULOS: Governor Romney, will the Bush policy be your policy?

ROMNEY: Just as these other two gentlemen have said, democracy is not defined by a vote. There have to be the underpinnings of democracy: education, health care, people recognizing they live in a place that has the rule of law. And that's why our effort to spread democracy should continue, not to just spread votes, but instead to encourage other people in the world to have the benefits that we enjoy and to welcome democracy. As Tony Blair said, ours should be a campaign of values, encouraging other nations to see what we have and want those things for themselves. And there's no question in this country, we need to reach out, not just with our military might -- although that we have, and should keep it strong -- but also reach out with our other great capabilities. There...

STEPHANOPOULOS: But did President Bush fail to appreciate the nuance you're talking about now? That's what I'm asking.

ROMNEY: I don't know what President -- all the things President Bush has done, but I can tell you, I'm not a carbon copy of President Bush. And there are things I would do that would be done differently. I think when there's a country like Lebanon, for instance, that becomes a democracy, that instead of standing by and seeing how they do, we should have been working with the government there to assure that they have the rule of law, that they have agricultural and economic policies that work for them, that they have schools that are not Wahhabi schools, that we try and make sure they have good health care. We bring together not just America, but all the nations of the civilized world. We help draw these folks toward modernity, as opposed to having them turn toward the violence and the extreme, which Hezbollah and Hamas brought forward. And that kind of a campaign of values, combined with our strong arms, speaking softly but carrying a strong stick, as Teddy Roosevelt said, that will help move the world to a safer place.

ROMNEY: We'd love it if we could all just come home and not worry about the rest of the world, as Ron Paul says. But the problem is, they attacked us on 9/11. We were here; they attacked us. We want to help move the world of Islam toward modernity so they can reject the extreme...

STEPHANOPOULOS: Congressman Tancredo, your answer on this this week was...

(APPLAUSE) You said that, in order to deter an attack by Islamic terrorists using nuclear weapons, you would threaten to bomb Mecca and Medina. The State Department called that "reprehensible" and "absolutely crazy."

TANCREDO: Yes, the State Department -- boy, when they start complaining about things I say, I feel a lot better about the things I say, I'll tell you right now.

(LAUGHTER)

(APPLAUSE) My task as president of the United States is primarily to do one thing -- by the way, not to make sure everybody has health care or everybody's child is educated -- my task is to do one thing: to protect and defend this country. And that means to deter -- and I want to underline "deter" -- any kind of aggression, especially the type we are threatened with by Al Qaida, which is nuclear attack. I read the national intelligence estimate. I see what they are planning. And I'm telling you right now that anybody that would suggest that we should take anything like this off the table in order to deter that kind of event in the United States isn't fit to be president of the United States.

(APPLAUSE)

STEPHANOPOULOS: Governor Thompson, you get the last word on this round. PAUL (?): No, I need -- I haven't spoken on...

THOMPSON: I would like to...

(CROSSTALK) PAUL (?): ... to speak on this.

THOMPSON: Thank you very much, George. I sincerely believe that bombing religious artifacts and religious holy sites would do nothing but unify 1 billion Muslims against us. It makes no sense.

(APPLAUSE) TANCREDO (?): After we take a hit?

THOMPSON: I would like to say you have to strengthen your military. What we (inaudible) as Americans, we have to be so politically correct in this country. When we have democracies in South America that are supporting us, we sort of ignore them, until somebody elects a guy like Chavez who hates us. Then we wake up and say something about it.

THOMPSON: I think we've got to strengthen our military and we've got to recognize in this world right now we are fighting a holy war. It's a jihad. And until we recognize that and stand up to be Americans and for America, we're going to continue to lose...

STEPHANOPOULOS: Senator Brownback, then we're out of this.

(APPLAUSE)

BROWNBACK: Thank you. George, I think you're seeing clearly from the discussion here and this week that words of a president matter. When Ronald Reagan says, "Mr. Gorbachev, bring down this wall," that mattered. When he called the Soviet Union an evil empire, that mattered. Words of our leader matter, and you have to matter within the context of where we are. We are in a generational conflict with militant Islamists. That's where we are. We are at war. We're a nation at war. I think we have to be very realistic about this war. We have a number of allies in the Islamic world. We have a number of allies around the world. It is something important what we say and the direction we go. I think we push democracy, but I think we have to be realistic in the places that we push and at the time we push it. You push democracy in Pakistan or Egypt right now, you're going to get a radicalized government in Pakistan, a radicalized government in Egypt and you're going to have a nuclear-weaponed, radical government in Pakistan.

STEPHANOPOULOS: OK, that wraps up discussion.

BROWNBACK: That's why we have to be realistic...

STEPHANOPOULOS: Thank you very much, but I do want to move on to another issue that was in...

(APPLAUSE) ... that was in the news this week. Of course, the collapse of that bridge up in Minneapolis on 35 West, brought a lot of attention to our nation's infrastructure. And with that, let me turn back to David Yepsen.

YEPSEN: Governor Huckabee, is it time we raise the federal gas tax to start fixing up our nation's bridges and roads?

HUCKABEE: Well, I think the obvious answer is, it's not necessarily that we raise a tax to fix what we ought to fix of this country. We're spending billions of dollars all over our country and around the world, but it may be time that we start spending some of those billions of dollars to deal with our own infrastructure. And the bridge isn't the only problem. Anybody who's flown lately -- as I do pretty regularly in the commercial system -- know that we have a complete gridlock.

HUCKABEE: And part of that problem is we've got a system of air traffic control that was designed in 1950, five years before I was born. We've got better navigation systems in our rental cars than we have running the airline industry today. And so, yes, we need to address it. It's not being talked about. And it's our bridges, our interstates, our sewer and water treatment systems. They're crumbling. They're old. We saw an 85-year-old steam pipe explode in the middle of Manhattan recently. And we have to start addressing building this country, not everybody else's.

(APPLAUSE)

YEPSEN: Mayor Giuliani, how do you answer -- in Minnesota, Governor Pawlenty, who vetoed an increase in his state gas tax said now he may consider one. Is this Republican dogma against taxes now precluding the ability of you and your party to come up with the revenues that the country needs to fix its bridges?

GIULIANI: David, there's an assumption in your question that is not necessarily correct, sort of the Democratic, liberal assumption: "I need money; I raise taxes."

YEPSEN: Then what are you going to cut, sir?

GIULIANI: But wait, wait, wait. Let me explain it.

YEPSEN: What do you cut?

GIULIANI: The way to do it sometimes is to reduce taxes and raise more money. For example...

(APPLAUSE) ... I ran the city -- I ran a city with 759 bridges; probably the most used bridges in the nation, some of the most used in the world. I was able to acquire more money to fund capital programs. I reduced the number of poor bridges from 5 percent to 1.7 percent. I was able to raise more money to fix those bridges by lowering taxes. I lowered income taxes by 25 percent. I was collecting 40 percent more from the lower income tax than from the higher income tax. Or, I'll give you another example. Senator Edwards last week recommended increasing the capital gains tax from 15 percent to 28 percent because he wants more money.

GIULIANI: Now, Senator Edwards hasn't had much executive experience because the reality is the last time -- the last time we raised the capital gains tax, and you can go back and check it, from 20 to 28 percent, we lost \$45 billion. There is a liberal Democratic assumption that if you raise taxes, you raise money. We should put more money into infrastructure. We should have a good program for doing it. But the kneejerk liberal Democratic reaction -- raise taxes to get money -- very often is a very big mistake.

(APPLAUSE)

STEPHANOPOULOS: Governor Romney, do you want to cut taxes to fix more bridges?

ROMNEY: There's no question but that the biggest source of revenue for this country -- if you really want to make some money in this country, really get some money so we can repair our infrastructure and build for the future, the biggest source of that is a growing American economy. If the economy is growing slowly, when tax revenues hardly move at all, and, boy, you better raise taxes to get more money for all the things you want to do. But if the economy is growing quickly, then we generate all sorts of new revenue. And the best way to keep the economy rolling is to keep our taxes down. That is why I proposed that middle-income Americans ought to pay no taxes on their savings. Invest in the future of the economy. Growth helps us provide the revenue that we need. Our bridges -- let me tell you what we did in our state. We found that we had 500 bridges, roughly, that were deemed structurally deficient. And so we changed how we focused our money. Instead of spending it to build new projects -- the bridge to nowhere, new trophies for congressmen -- we instead said, "Fix it first." We have to reorient how we spend our money.

YEPSEN: Senator McCain, you have about 30 seconds.

MCCAIN: We passed a \$50 billion transportation bill that had \$2 billion in pork barrel earmarked projects: \$233 million for a bridge to nowhere in Alaska, to an island with 50 people on it. Not one dime in those pork barrel projects was for inspection or repair of bridges.

STEPHANOPOULOS: Senator McCain, you got 10 seconds.

MCCAIN:: They were for pork barrel projects. I'll veto every single bill that comes across my desk and make the authors of those pork barrel projects...

STEPHANOPOULOS: And that is the last word. We're going to go to commercial. We'll be back in just a couple of minutes.

(APPLAUSE) (COMMERCIAL BREAK)

STEPHANOPOULOS: And we are back now for the final half hour of the Republican debate here in Iowa.

STEPHANOPOULOS: And we want to start out this half hour with a question that came in over the Internet. His name is Sean Kennedy (ph). He's from Leesburg, Virginia. And he had a question about Vice President Cheney. (BEGIN VIDEO CLIP) SEAN KENNEDY (ph): During the Bush administration, there's been a growing controversy over the role of the office of the vice president. As a candidate for president, what authority would you delegate to the office of vice president? And should those authorities be more clearly defined through a constitutional amendment? (END VIDEO CLIP)

STEPHANOPOULOS: Senator McCain?

MCCAIN:: Having been considered for that post several times, I've thought a lot about that.

(LAUGHTER) The vice president really only has two duties. One is to cast a tie-breaking vote in the case of a tied vote in the Senate. And the other is to inquire daily as to the health of the president.

(LAUGHTER)

(APPLAUSE) I really would do what some presidents have done in the past. A vice president brings a certain area of expertise and talent. I would probably assign some of those areas, like telecommunications or some other important issues. But...

STEPHANOPOULOS: So not as wide-ranging as Vice President Cheney had?

MCCAIN:: Look, I would be very careful that everybody understood that there's only one president.

(APPLAUSE)

STEPHANOPOULOS: Governor Thompson, you served in the Cabinet with Vice President Cheney. Do you -- and I heard in the implication in Senator McCain's answer there -- do you think that Vice President Cheney has too much power?

THOMPSON: I believe that Vice President Cheney is criticized for a lot of things that he doesn't do.

(APPLAUSE) And I believe that Dick Cheney is an honorable individual. And I think the president of the United States depends a great deal upon him. But I would like to also quickly point out, since I'm not going to get a chance, is that I don't want to leave this audience -- you know, when you said that nobody supports Senator Grassley's SCHIP program, to have the press -- because I know how the press acts -- that the press will come back, "All Republicans are against poor children and health care for them." That is not what we said.

(LAUGHTER)

STEPHANOPOULOS: That's not what I said either, but go ahead.

(LAUGHTER)

THOMPSON: We said that what we want to do is we want to change SCHIP on a competitive model, against the Democrats...

STEPHANOPOULOS: But you're not with Senator Grassley. And I want to move on and stay on this subject.

THOMPSON: No, but I really want to make that...

STEPHANOPOULOS: OK. I just want to stay on this subject. Mayor Giuliani?

GIULIANI: I think the vice president of the United States -- that office has to be worked out with the president. And the thing that's clearest about it, now that we're at war and we have this Islamic terrorist war against us and we have this aggressive enemy that's already attacked us here in the United States twice, is that a vice president has to be just as capable, just as ready to take over that office, literally on a moment's notice. And that should be the major qualification. And then it should be in the discretion of the president and the vice president to decide on what kind of responsibilities they should have.

STEPHANOPOULOS: But would you like to have...

GIULIANI: I worked in the Reagan administration...

STEPHANOPOULOS: ... a vice president like Vice President Cheney, with that wide range of responsibility (ph)?

GIULIANI: I thought -- I mean, worked in the Reagan administration. I thought the division of responsibilities between President Reagan and Vice President was a good one. I thought it was a really comfortable one. I mean, I'm real clear on the fact that George W. Bush is the president of the United States.

GIULIANI: He's the only one...

STEPHANOPOULOS: Governor Romney?

GIULIANI: ... who makes the decisions. He can use Vice President Cheney the way he sees fit. And I'm comfortable that you select somebody who can step in on a moment's notice with experience, background, knowing what's going on. We can't have a kind of situation like we had in, you know, the 1940s with Harry Truman, where Harry Truman, thank God, turned out to be the kind of president he was, but apparently he didn't even know about the Manhattan Project. You can't have that any longer.

STEPHANOPOULOS: Governor Romney?

ROMNEY: You let the president decide what the responsibilities of the vice president would be in his administration...

STEPHANOPOULOS: What would you decide?

ROMNEY: Depends on the person, depends on the needs, depends on their capabilities. But I like a person that gives wide viewpoints on a wide array of issues. But let me tell you, it's been very popular lately for people across the country to be critical of the president and the vice president. And I know they make mistakes. But they have kept us safe these last six years. Let's not forget that.

(APPLAUSE)

STEPHANOPOULOS: Senator Brownback?

BROWNBACK: George, I wouldn't delegate things to the vice president. But I would involve the vice president in a lot of things. But I think there's a key point here to look at. One is that Dick Cheney came in with a lot of experience. He came in with a lot of experience on defense, foreign policy issues. And I think the president over-relied on that. I think Dick Cheney has done an admirable job. I think the president's over-relied upon that. I think you need somebody coming into the presidency that's had foreign policy experience, that's worked on these national and global issues, so that they don't have to depend on the vice president as much. I think you should have a highly competent person as vice president that can step in at any time and can provide you high-quality information, reflection, wisdom that's needed in that job, but not somebody that takes over the job.

(APPLAUSE)

STEPHANOPOULOS: Congressman Paul?

PAUL: I certainly wouldn't support an amendment to change the role of the vice president. But there's no way to know exactly what goes on, but if you take perceptions from Washington, most people there behind the scenes think the vice president is more powerful than the president. Philosophically, I think this is the case. It's obvious that he represents a neoconservative viewpoint. And my objection is that that has been the rejection of the Republican Party platform and traditional conservatism. And I think this is where we have gone astray. We have drifted from our fundamental premises and the conservative values that this party used to get.

(APPLAUSE)

STEPHANOPOULOS: Congressman Hunter, you get the last word on this.

HUNTER: George, it depends on the credentials of the president. I served in Vietnam -- didn't do anything special, but I wore the uniform. I've been the chairman of the Armed Services Committee for the last four years. And my son has now done two tours in Iraq and one in Afghanistan. I can look the American people in the eye and say, "We're all in this together." So I would not share the role of commander in chief with a vice president. If you've got other folks that have less background in national security, they're going to need to have a vice president that they rely on much more.

STEPHANOPOULOS: I need to move on now, and the issue is taxes, always important in these caucuses and primaries. And the Iowa Republican Party has said the most important economic reform Congress can enact to win the fight against poverty is the fair tax. For our viewers, I want to explain what the fair tax is. It would eliminate the income tax, estate tax, payroll tax and capital gains tax. It would eliminate all those and replace it with a 23 percent sales tax. That's the fair tax.

(APPLAUSE) Mr. Yepsen has a question.

YEPSEN: Governor Huckabee, this issue of tax policy, I see it as a real fault line inside your party -- fair tax, national sales tax, a flat tax, or make adjustments to the existing tax system.

YEPSEN: Where do you come down on this question?

HUCKABEE: I absolutely support the fair tax. And part of the reason is, the current system is one that penalizes productivity. A recent poll showed that more Americans fear an audit of the IRS than they do getting mugged. And the reason is, getting mugged isn't as painless as an audit from the IRS.

(LAUGHTER) And the reality is, if we could have the fair tax, you take \$10 trillion parked offshore, bring it home, you rebuild the "made in America" brand, you free up people to earn money, to work, you don't penalize them for taking a second job, you don't penalize them for investing, you don't penalize them for savings. Today, our tax system doesn't need a tap of the hammer, a twist of the screwdriver, it needs a complete overhaul. And what the fair tax does, it ends the underground economy. No more illegals...

YEPSEN: Governor Romney?

HUCKABEE: Let me, if I may. No more illegals, no more gamblers, prostitutes, pimps and dope dealers will be able to escape the tax code.

YEPSEN: Governor Romney?

HUCKABEE: It's the single great thing that will help this country (inaudible) revitalized economy.

(APPLAUSE)

YEPSEN: Governor Romney, how do you come down on this question?

ROMNEY: It's good, but it's not that good.

HUCKABEE: No, it's actually better than that, Mitt, it's even better than that.

(APPLAUSE)

ROMNEY: There are a lot of features that are very attractive about a fair tax. Getting rid of the IRS is something we'd all love. But the truth is, we're going to have to pay taxes. We are the largest economy in the world. We've added -- during the time Europe added 3 million jobs, we've added about 50 million jobs in this country. And so completely throwing out our tax system and coming up with an entirely new one is something we have to do very, very carefully. The president's commission on taxation -- tax reform -- looked at this and said: Not a good idea. Some of the reasons...

HUCKABEE: They didn't look at that...

(CROSSTALK)

ROMNEY: Let me -- hold on, let me complete. Some of the reasons are the fair tax, for instance, charges a 23 percent tax, plus state sales tax, on a new home, when you purchase a new home. But if you buy an old home, there's no tax. Think what that might do to the construction industry. We need to thoroughly take it apart before we make a change of that nature. That's why my view is, get rid of the tax on savings and let middle-income people save their money tax-free.

YEPSEN: Mayor Giuliani, which one of the three options would you...

(APPLAUSE) A national sales tax...

GIULIANI: Eliminate the death tax.

ROMNEY (?): Of course. Of course.

GIULIANI: And that should be eliminated immediately. It makes no sense at all. In 2010, the death tax is going to go to zero percent. And then it's going to go to 55 percent in 2011. You do not want to be on a respirator in 2010.

(LAUGHTER)

(CROSSTALK)

STEPHANOPOULOS: Governor Huckabee and then...

GIULIANI: And then I would say the most -- the most sensible thing to do is to simplify the tax code, reduce taxes, keep taxes low. I don't think -- I think the flat tax and the fair tax are both very intriguing. And if we were starting off at the very beginning with taxation, the first argument I would make is let's not have any taxes. The second argument I would make is the fair tax or the flat tax would probably be a better way to go.

STEPHANOPOULOS: But you're not for the fair tax now, correct?

GIULIANI: It would be too complex to get there. And somebody would have to show me how we're going to make that transition. And, also, the thought that there wouldn't be an IRS with the fair tax -- well, who is going to administer the sales tax? And who's going to administer the people that are exempt from the sales tax? And who is going to administer what items might be exempt from the sales -- maybe food would be exempt from the sales tax.

(APPLAUSE)

YEPSEN: Senator McCain, how do you come down on this question?

MCCAIN: I believe that we've got to simplify the tax code. But one of the first areas we've got to go after is the alternate minimum tax, which is going to eat in to 20 million American families if we don't eliminate it, and very quickly. Look, when we found out that Congress could not close a single military base when we had a huge number of them, we appointed -- we passed a law where we appointed a commission and they said we would close so many based and Congress votes up or no -- up or down. I would find Alan Greenspan. I'd say, "Give us your recommendations." We'll pass a law. And we will vote on Alan Greenspan and his commission's recommendations, yes or no, up or down. That's the way you're going to simplify the tax code, which now requires \$140 billion of American families' income to prepare their tax returns.

(APPLAUSE)

STEPHANOPOULOS: Congressman Tancredo?

TANCREDO: The reason why we absolutely need to go to something like a fair tax -- and I am a co-sponsor. And by the way, if you don't understand how it would work, I would suggest to you that you read Neil Boortz's book and John Linder's. It's a perfect explanation of how it works.

GIULIANI (?): (inaudible) read it -- underlined it.

TANCREDO: Here's -- well, then you should know how it works.

GIULIANI (?): We just disagree about it.

(LAUGHTER)

TANCREDO: The fact is that -- but the most important reason, the most important reason to move from an income tax to something like a fair tax -- to specifically a fair tax, is because an income tax is designed to manipulate behavior. BROWNBACK (?): George?

TANCREDO: It gives the government the power to manipulate your behavior. "I reward you for the things I want you to do by giving you a tax cut. I penalize you for the things I don't want you to do by raising your taxes." That is too much power for the federal government. It is always going to be an overreach of power.

(APPLAUSE)

STEPHANOPOULOS: I've got to move on. Senator Brownback, you get 30 seconds on this, and then we move on.

BROWNBACK: I think we need to move toward an optional flat tax. I think we need to go to flat taxes.

(APPLAUSE) And let me just say why here. We've got a problem with the current tax code and we've tried to take it out. And every time you try to take it out, everybody comes to defend it that has something in it. You can put an optional flat tax in the tax code and let people choose. And it will create economic growth. That's why 16 countries have already gone to a flat tax: It creates growth. Growth is the key for us in this economy for us to get things moving forward.

STEPHANOPOULOS: OK, but you're against the fair tax. I want to -- I've got to move on now. Sorry, Governor, I've got to move on right now. We've got an e-mail question coming in. I'm going to ask every one of you to come in on this for 30 seconds. It comes from Adam Waldren (ph) from Pocatello, Idaho, and it starts like this: "I have made several mistakes that have been defining moments in my life because of what I learned or was forced to realize. What is the defining mistake of your life and why?"

STEPHANOPOULOS: Congressman Hunter?

HUNTER: Because of what I learned and was forced to realize. Think of a major mistake. Contemplating running as a Democrat in my very first...

(LAUGHTER)

(APPLAUSE)

STEPHANOPOULOS: Congressman Paul?

PAUL: The only mistake I made and continue to make is I don't speak forcefully enough for the cause of liberty and the cause of the Constitution. I'm working on it all the time.

(APPLAUSE)

STEPHANOPOULOS: Governor Huckabee?

HUCKABEE: I think probably the greatest mistake I made was not taking good care of my own personal health for the first half of my life. And that's been one of the most transformational things I've done, and I just wish I'd started much earlier.

ROMNEY: Probably from a political standpoint and a personal standpoint, the greatest mistake was when I first ran for office, being deeply opposed to abortion but saying, "I support the current law," which was pro-choice and effectively a pro-choice position. That was just wrong. And when I became a governor and faced a life-and-death decision as a governor, I came down on the side of life. That was a mistake before that.

GIULIANI: To have a description of my mistakes in 30 seconds?

(LAUGHTER)

STEPHANOPOULOS: Defining mistake, Mayor. Just one defining mistake.

GIULIANI: Your father is a priest. I'm going to explain it to your father, not to you, OK?

(LAUGHTER)

STEPHANOPOULOS: OK. I guess that's a pass. Senator McCain?

MCCAIN:: You want my list? It's right here.

(LAUGHTER) I would imagine that in 1967, in the USS Forrestal, where we'd just had a horrendous fire and the ship was headed back to the United States, and a guy came onboard and said, "We need people to go over to another aircraft carrier and stay in combat," that was a very defining moment.

MCCAIN:: I thought about that a lot in the intervening five and a half years in prison. The other mistake was when I went to a meeting among some regulators concerning a guy who was a supporter of mine. It was a mistake and one I never should have made.

STEPHANOPOULOS: Senator Brownback?

BROWNBACK: Probably not telling my wife and kids and parents I love them enough and just being more focused, too many times, on me instead of on them and on others is probably the biggest mistake I've made.

STEPHANOPOULOS: Governor Thompson?

THOMPSON: My mother-in-law died of breast cancer, my mother. My wife has breast cancer. My young daughter has breast cancer. I don't think I was supportive enough, and that's why I'm vowing right now to end breast cancer by the year 2015 for all the women in America.

(APPLAUSE)

TANCREDO: I have no doubt of what the greatest mistake in my life has been. And that is that it took me probably 30 years before I realized that Jesus Christ is my personal savior.

STEPHANOPOULOS: Congressman Tancredo, thank you all very much. We have one more...

(APPLAUSE) We have one more round. I also want to bring all of you in on this for about 30 seconds each. And I'm going to introduce it by showing everyone something that President Bush said at the Iowa straw poll eight years ago. It was his fundamental promise as president. (BEGIN VIDEO CLIP) BUSH: I know this: Should I be fortunate enough to become the president of the United States, that when I put my

hand on the Bible, I will swear to not only uphold the laws of the land, I will swear to uphold the honor and the dignity of the office to which I have been elected, so help me God. (END VIDEO CLIP)

STEPHANOPOULOS: Congressman Tancredo, that was the core promise of President Bush's campaign, to restore honor and dignity to the Oval Office. What will you restore to the Oval Office?

TANCREDO: Hope -- hope in America itself, remembering that we have made a number of mistakes that have turned our friends against us, have encouraged our enemies. I believe that -- with all my heart, that it is going to take a leader committed to the ideas of Western civilization, to the rhetorical -- to speaking out about the values of Western civilization. We can no longer afford political correctness. We have to tell people that there is something good -- not just good, but great -- about who we are. That will restore America's faith in itself and the world's faith in America.

STEPHANOPOULOS: Governor Thompson?

THOMPSON: I would open up the East Wing. I would open it up to bring in the best minds -- Democrats, Republicans, independents across America -- that want to get something done with this great country. Instead of tearing it down, start building, pro-America, and make sure that we're not so politically correct that we are sacrificing our values in America in this jihadist war. And by bringing in the best minds, the best people, we can change the direction and really start building America a stronger and healthier and better tomorrow than ever before.

(APPLAUSE)

STEPHANOPOULOS: Senator Brownback, what would you restore to the Oval Office?

BROWNBACK: Rebuilding the family. You know, in Washington, D.C., right now, 63 percent of the children are born out of wedlock. Nationwide, the number is 36 percent. You can raise a good child in that setting, but it gets more difficult. The best place is between a mom and a dad bonded together for life. I would stand for life. And I would appoint the next justice I hope would be the voting decision to overturn Roe v. Wade.

(APPLAUSE)

STEPHANOPOULOS: Senator McCain?

MCCAIN: I love my country. I've had the great honor for more than 50 years of serving it in the military, in Congress, the United States Senate. And I am fully prepared -- fully prepared, more than anyone else running on either side -- to fight the transcendent challenge of this nation, which will be for all of the 21st century. And that is the struggle against radical Islamic extremism.

MCCAIN: We must win. We will win. And we will never surrender; they will.

(APPLAUSE)

GIULIANI: I would do the same thing that I did as mayor of New York City, and that is, I would restore hope, but for the people of the entire country: hope that this country can do great things, grand things, that we can build our future on optimism, not this kind of defeatism that I hear from the Democratic candidates. And in deference to the senator, I think the senator is a great man and very well-qualified. But the fact is, I look at the three leading Democratic candidates. They haven't held an executive office in their lives. They haven't run a city, a state, a business. I think maybe they've run a club somewhere. But the reality is, you've got to have some kind of experience for this job. You have to be able to show that

you can accomplish things and you can get things done. And I've done that, and I would do that for this country.

(APPLAUSE)

STEPHANOPOULOS: Governor Romney?

ROMNEY: I've thought a lot about this question. And I take my inspiration from my dad, from Ronald Reagan, Teddy Roosevelt, the Declaration of Independence. My view is that America is going to be strengthened by virtue of the presidency, if I'm able to have that opportunity. I would strengthen America's military, make sure that we could be safe here at home. We know that we can be safe around the world. I want to have more troops in our military. I want to have them have the equipment they need on the battlefield and the care they deserve when they come home. I want to strengthen our economy, keep our taxes down, become free of oil from foreign places, strengthen our economy so we have great jobs and a great future for our people. And finally, I want to strengthen the American family. In my view, families, a strong economy and a strong military -- that combination of features is what makes this party so strong and accounts for our great success in the elections over the prior several decades and also is so critical to our future as a nation -- a strong economy, a strong military, and strong families. And I'll fight for those things.

(APPLAUSE)

STEPHANOPOULOS: Governor Huckabee?

HUCKABEE: I would put the very same frame on my wall in the White House I did as governor for 10 and a half years. It's a frame that has a photo, and underneath the photo it says, "Our boss." My picture was never in that frame in 10 and a half years. Every week or so, we'd put the picture of some ordinary Arkansas citizen. And I told our staff, let's never forget who the real boss is. I hope every day I'd never forget I work for those people; they don't work for me. I'd like to be the kind of president that's more concerned about the people on Main Street, not just the folks on Wall Street. And we need that kind of Republican running, that kind of Republican winning.

I'd never forget who the boss really, really is.

(APPLAUSE)

STEPHANOPOULOS: Congressman Paul?

PAUL: I would restore openness to government. I do not think in this country we should have secrecy of government. The purpose of government is to provide privacy for the people. I would never use executive privilege to deny information to the Congress, with the full realization that you protect security information, but in the very general sense, we should be very, very open. We want a transparent government. And currently I believe we could improve on that matter.

(APPLAUSE)

STEPHANOPOULOS: Congressman Hunter, last word.

HUNTER: I think restoring what I call economic patriotism. You know, in World War I, World War II and the Cold War, we rode to victory on the arsenal of democracy. That's our great industrial base, our ability to make things in this country, this magnificent manufacturing capability, which right now we're pushing offshore, pushing to China, pushing to India, pushing to Japan.

I would stop China from cheating on trade. I would level the playing field. I would bring back that arsenal of democracy that we need, not only for high-paying jobs in this country but also to defend the country.

And lastly, when my kid came back from Iraq, he wrote a great letter. And the last part of that letter said, "Families lift this country up. They provide us with fidelity, morality, faith in God, and raising the next generation of Americans."

Our work: to make sure that we elevate the American family and make a life of opportunity for that next generation of Americans.

(APPLAUSE)

STEPHANOPOULOS: Thank you.

Thank you all. It was a great debate.

Thanks everyone who was watching back at home.