NATIONAL PRESS CLUB NEWSMAKER LUNCHEON WITH SENATOR EDWARD KENNEDY (D-MA)

TOPIC: THE WAR IN IRAQ

MODERATOR: JONATHAN SALANT, PRESIDENT OF THE NATIONAL PRESS CLUB

LOCATION: THE NATIONAL PRESS CLUB, WASHINGTON, D.C.

TIME: 1:00 P.M. EST

DATE: TUESDAY, JANUARY 9, 2007

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MR. SALANT: Good afternoon, and welcome to the National Press Club. I'm Jonathan Salant, a reporter for Bloomberg News and president of the Press Club.

I'd like to welcome club members and their guests in the audience today, as well as those of you watching on C-SPAN.

Please hold your applause during the speech so we have time for as many questions as possible. For our broadcast audience, I'd like to explain that if you hear applause, it is from the guests who attend our luncheons, not from the working press.

The video archive of today's luncheon is provided by ConnectLive -- provided, actually, by the National Press Club Broadcast Operations

Center. Press Club members may also get free transcripts of our luncheons at our website. Nonmembers may buy transcripts, audio tapes and video tapes by calling 1-888-343-1940. For more information about joining the Press Club, please call us at Area Code 202, 662-7511.

Before introducing our head table, I'd like to remind our members of future speakers. On January 12th, Senator George McGovern of South Dakota, the 1972 Democratic presidential nominee, will discuss his

plan for withdrawing U.S. troops from Iraq. On January 19th, Terri and Bindi Irwin, the wife and daughter of the crocodile hunter Steve Irwin. And on January 26th, actor Gary Sinise, who will launch a campaign to recognize the sacrifices of America's troops.

If you have any questions for our speaker, please write them on the cards provided at your table and pass them up to me. I will ask as many as time permits.

I'd like now to introduce our head table guests and ask them to stand briefly when their names are called. Please hold your applause until all of the head table guests are introduced.

From your right, Jerry Zremski, the Washington bureau chief for the Buffalo News and president-elect of the National Press Club; Evan Lehman of the Lowell Sun; Ira Allen of the Center for the Advancement of Health; Jon Steinman, my colleague at Bloomberg News; Marilyn Geewax of Cox Newspapers; Helen Thomas, the legendary columnist for Hearst Newspapers; Vicki Reggie Kennedy, the wife of our speaker; John Hughes of Bloomberg News, and chair of the National Press Club Speakers Committee.

Skipping over our speaker for a moment, Brian Hart, a constituent of Senator Kennedy's, whose son made the ultimate sacrifice for the United States and was killed in Iraq. And Brian, we are very sorry for your loss.

Jonathan Allen of Congressional Quarterly, member of the Speakers Committee who organized today's event. And Jon, thank you very much.

Kathy Kiely of USA Today; Diedtra Henderson of the Boston Globe; Eleanor Clift of Newsweek, and a Fox News panelist; and Rob Doherty, the bureau chief of Reuters. (Applause.)

Two years ago this month, Senator Ted Kennedy told a National Press Club luncheon that the government should guarantee an education to everyone who finishes high school and is admitted to college, suggested employers be required to give workers seven days of paid sick leave annually, and he called for raising the minimum wage.

Now he's in a position to do something about all that. (Laughter, applause.)

With the new Democratic majority, Senator Kennedy takes over the Senate Health, Education, Labor and Pensions Committee. As he told Fox News last month, "I will never stop in trying to get comprehensive health care that is going to cover all Americans. I will never give up trying to ensure educational opportunity." He will also have a major role in the Democrats' effort to raise the minimum wage and to expand stem cell research. And on his committee he will be working with two senators you may have heard something about -- Barack Obama and Hillary Rodham Clinton.

The patriarch of an American political dynasty whose son Patrick serves in the House, Senator Kennedy is often in demand to help raise money for Democratic candidates. Then again, he also helps raise money for Republican candidates -- (laughter) -- who are eager to

brand their opponents as Ted Kennedy liberals.

The third longest-serving senator of all time -- Mr. Strom Thurmond and Robert Byrd -- Senator Kennedy has known both tragedy and scandal. Throughout it all, he has mostly tasted success. Even with Republicans in control during the last six years, he frequently crossed party lines to make deals, such as his work with President George W. Bush to pass the No Child Left Behind law. He also voted for the Medicare prescription drug law that the new congressional Democratic majority is trying to change. And he teamed up with President Bush and Senator John McCain to push for an immigration law that offered a road to citizenship to the undocumented aliens currently in the United States.

As Republican Senator Gordon Smith of Oregon told Congressional Quarterly, "Ted Kennedy is a force of nature. He's a bigger-than-life leader around this place, and I think he has tremendous gravitational pull for his party. If you want to get something, he's a great train to jump on."

For all you liberals out there, though, don't worry. Senator Kennedy hasn't mellowed with age. During the first five years of the Bush administration, he received a perfect 100 percent voting record from the AFL-CIO. He voted against allowing President Bush to use force in Iraq, calling it his best vote ever in the Senate. He remains a fierce critic of the Republicans' Iraq policy, and today he has introduced legislation to prevent a troop escalation without congressional approval.

Senator Kennedy is one of the few Democrats in the Senate not running for president in 2008, though he could offer those who are running some pointers about defeating Mitt Romney, who he beat in the 1994 Senate race. He did try unsuccessfully for the White House once in 1980. As he conceded that race, he delivered what may still be the most memorable speech of a political career spanning more than 40 years.

"For all those whose cares have been to our concern," the senator said at the 1980 Democratic National Convention in New York, "the work goes on, the cause endures, the hope still lives, and the dream shall never die."

Let's welcome Senator Kennedy to the National Press Club. (Applause.)

SEN. KENNEDY: Thank you very much. (Continued applause.) Thank you very much, President Jonathan Salant, for your generous introduction, and it's an honor to return and be here again at the National Press Club, particularly with my wife, Vicky, and my sisters Eunice and Jean, other members of our family who have come with us today.

I had hoped to speak today about health care and my agenda as the chairman of Senate's Health, Education, Labor and Pensions Committee, and I will speak to those concerns on another day soon. But an issue of grave importance requires immediate action.

President Bush will address the nation tomorrow about his decision to send tens of thousands of additional American troops to the war in Iraq. That war is the overarching issue of our time, and American lives, American values and America's role in the world are all at stake. If ordered into battle, we know our brave men and women will serve us with pride and valor, just as they have throughout this troubling war. All Americans will support them fully, as will those of us in Congress. We will always support our troops in harm's way.

It's a special honor to have here today with us a person who symbolizes that commitment -- Brian Hart of Bedford, Massachusetts. His presence reminds us who is being called to sacrifice and service: husbands and wives, fathers and mothers, sons and daughters, brothers, sisters, friends and neighbors. Brian Hart's son John, at the age of 20, gave his life in Iraq in 2003, defending his patrol from ambush. Brian and his wife, Alma, turned that enormous personal tragedy into a remarkable force for change. He's worked skillfully and tirelessly ever since to ensure that our soldiers have better equipment to protect them. Today and every day, I salute his patriotism and his own dedicated service to our country, Brian Hart. (Applause.)

As the election in November made clear, the vast majority of Americans oppose the war in Iraq, and an even greater number oppose sending even more troops to Iraq today. Families like the Harts and all Americans deserve a voice in that profound decision. Our Constitution gives them that right. The president is commander in chief, but in our democracy he is still accountable to the people. Our system of checks and balances gives Congress, as the elected representatives of the people, a central role in decisions on war and peace.

Today, therefore, I am introducing legislation to reclaim the rightful role of Congress and the people's right to a full voice in the president's plan to send more troops to Iraq. Congressman Ed Markey of Massachusetts will introduce similar legislation in the House of Representatives. Our bill will say that no additional troops can be sent and no additional dollars can be spent on such an escalation, unless and until Congress approves the president's plan.

Our proposal is a straightforward exercise of the power granted to Congress by Article I, Section 8 of the Constitution. There can be no doubt that the Constitution gives Congress the authority to decide whether to fund military action, and Congress can demand a justification from the president for such action before it appropriates the funds to carry it out.

This bill will give all Americans -- from Maine to Florida to California to Alaska to Hawaii -- an opportunity to hold the president accountable for his actions. The president's speech must be the beginning -- not the end -- of a new national discussion of our policy in Iraq. Congress must have a genuine debate over the wisdom of the president's plan. Let us hear the arguments for it and against it. Then let us vote on it in the light of day. Let the American people hear -- yes or no -- where their elected representatives stand on one of the greatest challenges of our time.

Until now, a rubber stamp Republican Congress has refused to hold the White House accountable on Iraq. But the November election has dramatically changed all that.

Over the past two years, Democrats reached for their roots as true members of our party. We listened to the hopes and dreams of everyday Americans. We rejected the politics of fear and division. We embraced a vision of hope and shared purpose. And the American people voted for change. We campaigned as Democrats in 2006. And we must govern as Democrats in 2007. We have the solemn obligation now to show the American people that we heard their voices. We will stand with them in meeting the extraordinary challenges of our day -- not with pale actions, timid gestures, and empty rhetoric, but with bold vision, clear action, and high ideals that match the hopes and dreams of the American people. That is our duty as Democrats and as Americans on the war in Iraq.

The American people sent a clear message in November that we must change course in Iraq and begin to withdraw our troops, not escalate their presence. The way to start is by acting on the president's new plan. An escalation, whether it is called a surge or any other name, is still an escalation, and I believe it would be an immense new mistake. It would compound the original misguided decision to invade Iraq. We cannot simply speak out against an escalation of troops in Iraq; we must act to prevent it. Our history makes clear that a new escalation in our forces will not advance our national security, it will not move Iraq towards self-government, and it will needlessly endanger our troops by injecting more of them into the middle of a civil war.

Some will disagree. Listen to this comment from a high-ranking American official. "It became clear that if we were prepared to stay the course, we could help lay the cornerstone for a diverse and independent region. If we faltered, the forces of chaos would smell victory, and decades of strife and aggression would stretch endlessly before us. The choice was clear -- we would stay the course, and we shall stay the course." That's not President Bush speaking. It's Lyndon Johnson speaking 40 years ago ordering 100,000 more American soldiers to Vietnam.

Here's another quotation. "The big problem is to get territory and to keep it. You can get it today, and it'll be gone next week. That is the problem. You have to have enough people to clear it, enough people to preserve what you have done." That is not President Bush on the need for more forces in Iraq. It is President Johnson in 1966 as he doubled our military presence in Vietnam.

Those comparisons from history resonate painfully in today's debate on Iraq. In Vietnam, the White House grew increasingly obsessed with victory and increasingly divorced from the will of the people and any rational policy. The Department of Defense kept assuring us that each new escalation in Vietnam would be the last; instead each one led only to the next. Finally in 1968, in large part because of the war, Democrats lost the White House. Richard Nixon was elected president after telling the American people that he had a secret plan to end the war. We all know what happened, though. As

president, he escalated the war into Cambodia and Laos, and it went on for six more years.

There was no military solution to that war, but we kept trying to find one anyway. And in the end, 58,000 Americans died in the search

for it. Echoes of that disaster are all around us today. Iraq is George Bush's Vietnam. As with Vietnam, the only rational solution to the crisis is political, not military. Injecting more troops into a civil war is not the answer. Our men and women in uniform cannot force the Iraqi people to reconcile their differences. The open-ended commitment of our military forces continues to enable the Iraqis to avoid taking responsibility for their own future. Tens of thousands of additional American troops will only make the Iraqis more resentful of America's occupation. It will also make the Iraqi government even more dependent on America, not less.

General Abizaid made this point plainly when he told the Senate Arms
Services Committee last November, "I believe that more American forces prevent the Iraqis from doing more and from taking more responsibility for their own future."

General Abizaid was unequivocal that increasing our troop commitment is not the answer. He said, "I have met with every divisional commander. General Casey, the core commanders, General Dempsey -- we all talked together. And I said, `In your professional opinion, if we were to bring in more American troops now, does it add considerably to our ability to achieve success in Iraq?' And they all said no."

That was General Abizaid. General Casey reiterated this view just two weeks ago. He said, "The longer that U.S. forces continue to bear the main burden of Iraq's security, it lengthens the time that the government of Iraq has to make the hard decisions about reconciliation and dealing with the militias. They can continue to blame us for all of Iraq's problems, which are, at base, their problems."

One of our great military commanders, former secretary of State Colin Powell, put it this way last month. "I'm not persuaded that another surge of troops into Baghdad, for the purpose of suppressing this communitarian violence, this civil war, will work. Such an escalation would be a policy of desperation built on denial and fantasy. It is `stay the course' under another name. It will not resolve the Iraq War, but it will exact a fearsome new toll in American lives, and further weaken our nation. It will make America more hated in the world, and make the war on terrorism even harder to win."

For the sake of our men and women in uniform in Iraq, the president should have heeded these generals, not discarded them and gone shopping for advice that matches his own wishful, flawed thinking. Cooking the intelligence is how we got into this war. Ignoring the sound counsel of our military is no way to end it.

The American people are also well aware that the military action

authorized by Congress in 2002 was for a very different war than we face today. Our troops are now caught in the crossfire of a civil war -- a role that Congress has not approved, and that American people rejected in November. Many of us felt the authorization to go to war was a grave mistake at the time. I've said that my vote against the

war in Iraq is the best vote I've cast in my 42 years in the United States Senate.

But no matter what any of us thought then, the Iraq War Resolution is obviously obsolete today. It authorized a war to destroy weapons of mass destruction, but there were no weapons of mass destruction to destroy. It authorized a war with Saddam Hussein, but today Saddam is no more. It authorized a war because Saddam was allied with al Qaeda, but there was no alliance. The mission of our armed forces today in Iraq bears no resemblance whatever to the mission authorized by Congress. President Bush should not be permitted to escalate the war further, and send an even larger number of our troops into harm's way, without a clear and specific new authorization from Congress.

In everybody's reality, except the administration, Iraq is now in the middle of a civil war. Sectarian violence is on the rise. Militias continue to commit unspeakable acts of violence and torture. Ethnic cleansing is a fact of daily life. Millions of Iraqis are fleeing the violence and leaving their own country.

No one -- no one -- can seriously deny that this civil war is radically different from the mission Congress voted for in 2002. Why should even more of our troops be sent to Iraq in the middle of this civil war?

The president may deny the plain truth, but the truth speaks loudly and tragically. Congress must no longer follow him deeper into the quagmire in Iraq.

I recognize the president's almost-certain determination to persist in his failed course. It appears that he will not listen to the views of Congress or of the American people. It is disappointing that he seems ready, even eager, to reject the recommendations of the Iraq Study Group. Instead of heeding the growing call for genuine change, he has used the time since that report to root out dissent in his own administration and in our armed forces.

This Congress cannot escape history or its own duty. If we do not learn from the mistakes of the past, we are condemned to repeat them. We must act, and act now before the president sends more troops to Iraq, or else it will be too late.

The legislation that we introduce today is brief but essential. It requires the president to obtain approval from Congress before he sends even more American soldiers to Iraq. And it prohibits the president from spending taxpayer dollars on such an escalation unless Congress approves it.

Our proposal will not diminish our support for the forces we already have in Iraq. We will continue to do everything we can to

make sure they have all the support that they truly need. Even more important, we will continue to do all we can to bring them home safely. The best immediate way to support our troops is by refusing to inject more and more of them into the cauldron of a civil war that can be resolved only by the people and government of Iraq.

I will seek a Senate vote on this proposal at the earliest realistic date. I hope that instead of escalation without end and without authorization, the president will follow through on his words last week when he said we now have the opportunity to build a bipartisan consensus on Iraq. If he truly means those words, he will ask Congress for our approval.

The heavy price of our flawed decisions a generation ago is memorialized on sacred ground not far from here. On a somber walk through the Vietnam Memorial, we are moved by the painful, powerful eloquence of its enduring tribute to the tens of thousands who were lost in that tragic war that America never should have fought. Our fingers can gently trace the names etched in the stark black granite

face of the memorial. We wonder what might have been if America had faced up honestly to its failed decisions before it was too late.

I often pause as well at Section 60 in Arlington National Cemetery. Those from Massachusetts who have fallen in Iraq lie there now in quiet dignity. Each time, I am struck by the heavy price of the war in their young lives cut so sadly short. The casualties are high. The war is long. The time is late. But as Tennyson said, "Come, my friends, 'tis not too late to seek a newer world."

Those words speak clearly to all of us today and we are inspired anew to wage this battle by the concluding line of that great poem -- "to strive, to seek, to find, and not to yield."

Thank you very much. (Applause.)

MR. SALANT: Senator Kennedy, we have loads of questions for you.

First question: The president is elected commander in chief. Doesn't he need the flexibility to address troop levels in a time of war without a potential lengthy congressional debate? At the same time, Senator Biden has said there is little Congress can do to stop the president from increasing the number of troops. What's your response?

SEN. KENNEDY: I think any careful review of the history of congressional action supports the constitutional upholding of Congress taking steps that can limit the president's escalation both in terms of troops and also with regards to treasure. We did virtually identically to the language that I have here on the escalation of troops in Lebanon, 1983. We did it with regards to Vietnam, 1974 and '75, and the history is replete with other examples. So I believe that we have the power of the purse.

As we know from our constitutional law, the president is the commander in chief and we have the war-making power and the power of

the purse. And therefore, we are exercising the power of the purse when we're talking about saying that the president ought to come back to the Congress and to justify an increase in the escalation of the war. It's completely consistent with our responsibilities. As a matter of fact, if we do not, if we do not, we are basically effectively a rubber stamp for the executive branch.

I'd remind you of the history that we had in the Vietnam War, when we had the extraordinary continuation of that and the frustration that was there at the time in the Congress. At the end of that war, what did Congress do? In a bipartisan way, it passed the War Powers Act. Why did it pass the War Powers Act?

Because it felt that it had not been -- had the opportunity to participate with the executive branch over the escalation of the war. It was -- that bill was vetoed by the president, Nixon, was over -- it was overridden. The veto was overridden. But it was quite clear, as Republicans and Democrats alike said at that particular time, that this phase of the failure of the Congress to be involved in the decision-making at that time was one of the darkest times in our history.

Are we going to repeat that again? Are we going to repeat that again at this present time, particularly when we have a resolution for authorization which is completely inconsistent with what the current situation today? Is the co-equal branch of government supposed to hide itself and pretend that the greatest challenge that is facing this country and its role in the world is going to remain silent? Is that what our Founding Fathers intended?

No fair reading of the Constitution, no fair reading of the history of constitutional action, support that. And the constitutional authorities that we have talked to all have virtually agreed that we have the ability to do so. And we're talking now about not the details of the command and control in terms of the -- how different troops are going to be placed, but we're talking about the basic, inherent kind of issue in question, in terms of numbers and size, which is the power of the purse and which we legitimately have a right to.

MR. SALANT: Would you favor adding an amendment to the upcoming \$100 billion-plus supplemental with language prohibiting an escalation?

SEN. KENNEDY: Excuse me, I'm -- do I favor -- could you say it again?

MR. SALANT: Oh. Would you amend the upcoming \$100 billion-plus supplemental budget, which includes funding for Iraq, with language prohibiting escalation?

SEN. KENNEDY: Well, let me answer the question this way. The horse will be out of the barn by the time we get there. The president makes his speech now. We're going to get the appropriation request probably the end of January, early February. The best estimate, in looking over the history, is that it will take probably seven weeks, six to eight weeks for the Congress to act. By that time, the troops

will already be there.

And then we'll be asked, are we going to deny the body armor to the young men and women that are over there? Are we going to fail to supply the armor in terms of their trucks, the latest in terms of IEDs? We have to take the action now, prior to the time of the president, or it's going to be a lot of meaningless statements and comments.

That is the only way. That's the way the Senate -- that's the way the House works, in terms of the appropriation. And it's the way the president can work, in terms of his detailing and assigning people over to that -- to the -- whatever that surge is -- 20,000, excess of 20,000, whatever that surge is going to be.

By that time, there's very good likelihood -- not absolute certainty, but a very good likelihood -- that the great majority of those troops will already be in place.

And we'll be asked, then, are we going to deny them the safety and security to be able to do deal with the challenges of the civil war? That's an entirely different issue at this time.

MR. SALANT: What are the political damages to Democrats after it appears they are opposing the troops and if the change in policy means they get ownership of the war?

SEN. KENNEDY: Well, the fact is that we believe that we should have fought in Afghanistan and gone after Osama bin Laden. He is still loose today. We think we should have gone after al Qaeda. They are loose in Somalia today.

It's been this administration that diverted troops, energy, effort, attention into dealing with Iraq, that posed no imminent threat to the United States, and that has run our military into the ground and has made it more difficult and complex to deal with the problems in terror than we ever should have.

Talk about protecting our national security -- the record of this administration -- if you have a candidate and they can't explain that, they don't deserve to get elected, to be honest about it. Beyond that, I take pride in the fact that it's been the Democrats in the Congress that have followed Mr. Hart's efforts in terms of the uparmoring of the humvees, in terms of the armoring, providing adequate body armor to our people; I take the fact that it's been the Democrats who have been the advocates in terms of dealing with the Veterans Administration in terms of looking after all those who are wounded; that we have been the party that are going to implement the 9/11 recommendations; the Democrats are the ones who are the leader in port security. If we can't do what is morally right today -- morally right -- and that is to try to protect our servicemen and women -- that is the moral issue at our time. We can't retreat from that. We don't deserve to be successful if we do.

MR. SALANT: This questioner writes, "Isn't funding the war the equivalent of supporting it?"

SEN. KENNEDY: Well, the -- Abraham Lincoln didn't think so in the Mexican-American War. And I don't think so probably today, whether you have a different time in a different place in a different -- I think people's views may very well alter and change today.

Many of us think that we need the redeployment of troops today. I've spoken about it. I'm not going to go through in 2005 about

getting American troops out of Iraq; I still believe that that was right then, and things have happened there, the deterioration, the civil war, I think, could have been anticipated. But I do think there has to be an American presence in that area. I think we're talking about a region of the country where the United States has very, very important and significant kinds of interests. We're not suggesting —those of us who are for redeployment — and you have virtually the whole Democratic Party — it's always interesting about where the Democrats — they're virtually unanimous, with some notable exceptions, but virtually unanimous in terms of a redeployment; maybe some, whether it's in two months, now, or in two months from now or whatever, but it's virtually there. But I think we need to have a presence in that. That was quite a bit different than what we faced at a time in Vietnam, but we haven't got those kinds of options.

So we need to bring a dramatic shift and change in terms of our policy. We got to stop the combat arms that are taking place. We got to redeploy our people out of that area. But we in a global sense have responsibilities in that region. We haven't got an administration now that is defining those because they're just interested in the surge, but I think, looking at this globally, we have interests in that region, which is going to mean the continue military presence in that broader kind of area. And that ought to be something that policymakers ought to be thinking about at this time.

MR. SALANT: President Bush, talking Iraq, has talked about bringing democracy to the Middle East. This questioner wants to know: Do you think the administration, allied with the Saudi and Jordanian monarchies and dictatorships in Egypt and Ethiopia, is sincere in wanting democracy in the Mideast? (Laughter.)

SEN. KENNEDY: What do you think? What do you think, Jonathan? What do yo think? (Laughter.)

I think what we've had -- I mean, there's a long history about Americans being -- the only elections that we have had in that region -- the country have not worked out successfully in terms of the way that we thought they were going to, needless to say, if you look over the period of the last three to four years. But in the broader sense, democracy is not something that you can impose, it has to be imported. It can't be exported, it has to be imported by people in the area. And we have gone with the exporting and not developing the kinds of attitudes within that region where people really want to import it and value it.

I mean, there's enormous difference, and this administration never understood it right from the get-go, and I think we're paying a terrible -- a terrible price. It isn't that areas of the world haven't got a similar kind of valuation in terms of individual rights

and individual liberty and the respect for human dignity. They have. But that is a long leap from what this administration has tried to do in imposing democracy from the outside.

I think anyone who asked that question might read the -- just a wonderful book I've read, the Imperial City. Life in the Imperial City.

MS. : (Off mike.)

SEN. KENNEDY: Excuse me?

MS. : (Off mike.)

SEN. KENNEDY: "Imperial Life in the Emerald City." (Laughter.) You understood what I was saying, Riegle (sp), didn't you, anyway? (Laughter.) (Don/Ann?) understood. If I get three out of four words on it, it's okay. (Laughter.)

But just in terms of this issue of democracy and what was happening over there, you look in terms of the education, of the antismoking campaign that the administration was starting over there, abstinence programs that were being started over in Iraq, the setting up a Wall Street type of a board over there, I mean this book -- it's a fast read, but it gives you -- it's really a fierce, fierce indictment to the slogans and the cliches of this administration in terms of trying to -- what they think, impose democracy on the country.

MR. SALANT: Switching gears, what does it mean to govern as Democrats?

SEN. KENNEDY: Basically, it's to put the agenda of the American people upfront and center in the Congress and the Senate of the United States.

I think there were three things of this election. One was a new direction in Irag.

Secondly was the rejection of fear and smear and slogans and cliches. People wanted real substance. I was so proud -- this is just an anecdote, but very -- I think a very, very important one. In my state of Massachusetts, we have an absolutely spectacular governor with Deval Patrick, and he was subject to the most vicious, racist campaign. All of the things that you might expect -- a woman walking through a darkened parking lot, and the fact that he -- when he had been on the legal defense board for the NAACP had defended some unsavory characters. And the question is: Do you want someone who has defended these unsavory characters to be governor of the Commonwealth of Massachusetts?

Not only did Deval Patrick handle this with enormous dignity and restraint and patience, which defied all -- any, I think, normal politician's ability to do so. But the state rejected it. And Deval Patrick went up 10 points, had enough -- "Been there, seen that; we don't want it." And big progress in my state, I think in a lot of parts of this country.

So you know, I think people are -- the third thing that was a part of that election is special interest, public interest. What does that mean? They are tired of just the special interests -- the drug companies getting \$140 billion in that Medicare Part D program; HMOs, \$50 billion. You know, the HMO in that prescription drug program, anyone that's in an HMO is 18 percent healthier than someone who is not, seniors who aren't. And they wrote in a 9 percent inflator. Well, add those together, and it's a 25 percent subsidy that they got on that Medicare Part D program.

People back in my state, the seniors, understand that. They want someone that's going to stand for them. When the explosion of education costs -- Sally Mae \$3.16 for a stock six years ago, \$55.00 a share today, \$55.00 a share today. Hundreds of millions of dollars, billions of dollars that have gone through those programs on that, that have come out of the hype of middle class people in terms of the support for student loans. We're going to bring that up. Let's have a good deal -- some competition on student loans. Let's put this on the people's agenda. That's what people are teed off about.

What they see is the special interest versus the public interest. Democrats, when we're at our best -- we haven't always been at our

best -- when we're at our best, we have the public interest. The most dramatic example is the -- I think we had times with President Clinton, but I also think when I first came to the Senate, you had people then. You had the containment of communism. Then, what are we going to do? Well, you know, we haven't faced the problems of race in this country. Let's do it. Dr. King had paved the way, and we passed those `64, `65, `68 civil rights.

What else do we have to do? We have a lot of elderly people that are going to grow old, and they're going to be impoverished. Okay. Let's pass Medicare. What about -- well, we got a lot of poor people. Let's do the Medicaid. Well, what else do we really think we -- let's educate our children. We started off in educating our kids. And all of the time we said at the end of it we'll go to the moon. We're challenging America; we'll go to the moon.

That is where the Democrats, when they've been at the best --challenge vision, challenge for the individual, challenge for the community, challenge for the country, and also challenge for the world. (Applause.)

MR. SALANT: Should the Senate attach tax cuts to the minimum wage legislation? (Light laughter.)

SEN. KENNEDY: It shouldn't. The answer to that is no. This is very quickly; don't want to get me going again -- (laughter). This is why it's unnecessary. It's 10 years since we had an increase in the minimum wage -- longest lapse in the history of the -- since we had the minimum wage in the late `30s. We've increased our salary nine times, \$34,000, but not increased the minimum wage. All this increase to raise it to \$7.25 in two years, all it does is it just picks up the inflation level. The purchasing power will be just where it was back when we passed it 10 years ago. So why should we increase the deficit

and give more tax cuts, because we're not putting additional burden; we're just restoring, restoring the purchasing power.

In the meantime, there's been a dramatic increase in productivity, 10 to 15 percent increase in productivity, let alone corporate. And also, in the states that have increased the minimum wage -- 22 states have increased it, six states in that last part -- you look over and ask what has been the impact on the small business in those communities, none, nada, zero. They haven't got it.

I'll be looking forward to hearing from it if they do have it on the floor of the Senate. Tomorrow I think they're going to take it up in the House of Representatives. It's not justified. It's not warranted. We have increased the minimum wage 10 times. There's only one time we ever had taxes -- had any kind of changes in the taxes, only one time in the last 10. And it's not warranted or justified. Now, without it, we've got 57 votes, and there are six out there; we need three to get to cloture.

And so those are some of the political realities. And I, for one, am not going to let an increase in the minimum wage -- we have a real chance of getting it -- get away from hard-working people. We'll take a look at whatever we need to take a look at at the time we have

MR. SALANT: As chairman of the Senate Health Committee, you'll play a key role in the congressional debate on health care. What kind of legislation do you expect us to see? And will it include -- as this questioner notes -- the costs being driven in part by litigation and defensive medicine, or will that include any restrictions regarding trial lawyers and -- what he says -- renegade juries?

SEN. KENNEDY: First of all, on the question, if you look at the awards in the health area in the courtrooms, they haven't moved in the last 10 years. This idea that they've all exploded -- they haven't changed, even with the cost of inflation; they haven't moved or changed at all. You drop me a note, whoever wrote to me, I'll send you the information. It's been the failure of the insurance companies' investments. When that happens, then they come out in terms of raising these fees.

But quickly on the health -- the broader health issue. I think we'll get stem cell passed within 10 days, two weeks. It's a priority for Speaker Pelosi and for Senator Reid, and we've got the votes to do it, and I think we'll override a veto on that issue.

Secondly, we'll pass discrimination in employment in terms of based upon, you know, genetics. That's a big issue, increasingly so, in a lot of -- these are smaller items.

Third, I think we'll pass an information technology. We should have passed it -- passed it unanimously in the Senate in the last time. It got held up in the House because of inter-party fighting among Republicans. You can save about \$140 billion a year in health care costs, according to the Rand Commission.

I think we'll, hopefully, do something on preventive care. Hopefully, we'll do something on obesity. Hopefully, we'll definitely get something on the floor of the Senate on smoking, on children. And in the broader strokes, hopefully we'll do something on, you know, case management incentives for best practices in health care, financial incentives. Those are smaller items, but not unimportant.

The larger items. We have seen -- as my sister, Eunice, was reminding, that just came back from "Cal-ee-for-ni-ah" -- (laughter) -- that we have California now looking about covering -- extending health care for all the people in California, looking very roughly at what happened in Massachusetts. We want to try and encourage states in their time to be able to move in that direction, if they want to move, over the period of the next two years.

But I don't step away from my own very, very strong belief, and that is at the end of the day, that we have universal comprehensive coverage.

I favor building on the Medicare system. We got a system that is tried and true and tested, and we can phase that in. If we do the CHIP program and we take all the children and fund that, plus the Medicaid -- that gets you up in my state to 300 percent of poverty; it would be better if you could get even a little higher -- if you got the Medicare squeezes down on people of 62, if you take the other groups and gradually phase those in over a period of time, I think you can get to universal coverage with a benefit program that is similar to the members of the House and the Senate.

Let me give you one last fact -- two last facts. We have 4 percent less people being covered today, in terms of the number of insurance policies, than we had five years ago, and we have 35,000 more people working in the field. What do you think those 35,000 people are doing? They're out there to make sure that you're not getting your full share. They're not down there enhancing health care. They're down there working and getting paid in order to reduce your ability to get the coverage. I mean, this is what's happening in this country today, number one.

Secondly, five years ago, we spent a trillion, 300 billion dollars in health care. Five years later, we've lost 6 million to 7 million -- if you didn't have the CHIP program, it would be 2 million more -- so you've lost 6 million people, and we have increased by \$600 billion the amount we're spending. We're now at \$2 trillion a year in health care. We were a trillion-3 (billion dollars) six years ago.

So we're -- all the indicators are going in the wrong. The people that have got health insurance are going down like a stone, and those that are paying for it are going up through the roof.

And it's having enormous impact in terms of our sense of humanity and decency about people, which is number one. And it's outrageous. And to think that we're going to be in a competitive world and competing with any country in the world when you've got these extraordinary exploding costs. And we ought to be able to try and do it, and do it right.

Thank you very much. I've been honored to be back here at the Press Club. Thank you. (Applause.)

MR. SALANT: Senator, before you go, I'd like to offer the official National Press Club coffee mug and a certificate of appreciation. (Applause continues.)

SEN. KENNEDY: Oh, thank you, sir, very much. Thank you.

MR. SALANT: Thank you.

SEN. KENNEDY: Thank you.

MR. SALANT: Everybody, please sit while Senator Kennedy leaves and then we'll say our goodbyes. (Pause.)

I'd like to thank everyone for coming today. I'd also like to thank National Press Club staff members Melinda Cooke, Pat Nelson, Jo Anne Booze and Howard Rothman for organizing today's lunch. And thanks to the Press Club library for its research. Research is available to all club members by calling 202-662-7523. We're adjourned.

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