

© 2006, NBC Universal, Inc. All Rights Reserved.

**PLEASE CREDIT ANY QUOTES OR EXCERPTS FROM THIS NBC
TELEVISION PROGRAM TO "NBC NEWS' MEET THE PRESS."**

NBC News

MEET THE PRESS

Sunday, August 20, 2006

GUESTS: Senator JOHN McCAIN (R-Ariz.)
Member, Armed Services Committee

General BARRY McCAFFREY (Retired)
United States Army; NBC Military
Analyst

Dr. VALI NASR
Professor, Department of National
Security Affairs at the Naval
Postgraduate School; Adjunct Senior
Fellow, Council on Foreign Relations;
Author, "The Shia Revival: How Conflicts
within Islam will Shape the Future"

JOHN HARWOOD
Columnist, Wall Street Journal
Chief Washinton Correspondent, CNBC

MODERATOR/PANELIST: David Gregory - NBC News

*This is a rush transcript provided
for the information and convenience of
the press. Accuracy is not guaranteed.
In case of doubt, please check with*

MEET THE PRESS - NBC NEWS
(202)885-4598
(Sundays: (202)885-4200)

MR. DAVID GREGORY: Our issues this Sunday: Day 1,251 of the war in Iraq. Indications the insurgency has gotten worse, as the number of roadside bombs and attacks against U.S. and Iraqi forces reach record levels; sectarian violence now claiming an average of more than 100 Iraqi civilians a day. Has a civil war already begun?

And here at home: less than 12 weeks until the midterm elections, and the debate over our involvement in Iraq is front and center.

(Videotape):

VICE PRES. DICK CHENEY: A number of well-known Democrats have been talking about setting a deadline for withdrawal. That's a bad idea.

(End of videotape)

MR. GREGORY: But is the U.S. winning? We'll ask our guest, a man who ran for the White House in 2000 and will likely run again in 2008, an exclusive interview with Arizona Senator John McCain.

Then, insights and analysis from a scholar who met with President Bush this week, Vali Nasr, professor at the naval post-graduate school, and author of "The Shia Revival: How Conflicts Within Islam Will Shape the Future"; NBC News analyst and retired Army General Barry McCaffrey, who just returned from the region; and John Harwood of The Wall Street Journal and CNBC.

But first, Senator John McCain.

Welcome back to MEET THE PRESS, Senator.

SEN. JOHN McCAIN (R-AZ): Thank you, David.

MR. GREGORY: This was the story in The New York Times front page this week. Let me put it on the screen. "The number of roadside bombs planted in Iraq rose in July to the highest monthly total of the war, offering more evidence that the anti-American insurgency has continued to strengthen despite the killing of the terrorist leader Abu Musab al-Zarqawi. Along with a sharp increase sectarian attacks, the number of daily strikes against American and Iraqi security forces has doubled since January. ... 'The insurgency,' this article goes on from last Thursday, "has gotten worse by almost all measures, with insurgent attacks at historically high levels," said a senior Defense Department official. ... 'The insurgency has more public support and is demonstrably more capable in numbers of people active and in its ability to direct violence than at any point in time.'" Senator, are we winning in Iraq?

SEN. McCAIN: I don't think so, but I'm not sure that it's turned into a civil war. We had testimony, as you know, from the chairman of the Joint Chiefs of Staff and General Abizaid, the commander over there in the region, that it's a possibility. That's the first time that we have--at least from the administration's viewpoint--faced this possibility. I don't think we're there yet, I agree with him, but I think the situation is very serious, it's

very dangerous. This Mahdi Army is now becoming more and more powerful. It's interesting, the Sunnis now are the ones who are interested in us staying. But it's a very difficult situation. We've got to win, we do--still do not enough of the kind of troops we need over there, and it's going to be a very difficult process.

MR. GREGORY: The president has said repeatedly that he has a strategy to win, that if his commanders want more forces, they will get them. Should more troops be sent?

SEN. McCAIN: Well, I think it's been well documented now that we didn't have enough there from the beginning, that we allowed the looting, that we did not have control, particularly, of areas, such--in the Sunni Triangle, which led to us paying a very heavy price. We make mistakes in every war, and serious mistakes were made here. The question is, are we going to be able to bring the situation under control now? I still believe we can. I think part of it has to do with the Mahdi Army and Sadr. Sadr has got to be taken out of this equation and his militia has got to be addressed forcefully.

MR. GREGORY: But to do that, do you need more U.S. soldiers on the ground now?

SEN. McCAIN: I think so. I think so. We took troops from places like Ramadi, which are still not under control, to put them into Baghdad. We've had to send in additional troops as they are. All along, we have not had enough troops on the ground to control the situation. Many, many people knew that and it's--we're paying a very heavy price for it. But I want to emphasize that we cannot lose this. It will cause chaos in Iraq and in the region, and it's--I still believe that we, we must prevail.

MR. GREGORY: Let me ask you about military strategy that you just alluded to a moment ago. Michael Gordon, Pentagon correspondent, just returned from Anbar Province. This is what he wrote in today's New York Times Magazine. We'll put it on our screen. "Officially, the Bush administration's strategy [on the ground in Iraq] is: Clear, hold and build. But with limited American forces to do any clearing, the war in western Iraq looks much more like hang on and hand over. Hang on against an insurgency that seems to be laying roadside bombs as quickly as they are discovered, and hand over to an Iraqi military that is still a work in progress."

He talks about severe constraints: Iraqi bureaucracy, they're not getting pay to the soldiers in time, they're not getting food rations there, some of the food is spoiled, they're not getting promotions in time, and some of their troops are simply AWOL. Are these troops actually standing up in Iraq?

SEN. McCAIN: I think they're standing up much better than they were in the past. They're doing a lot better job than they had in the past. The question is, is can they do the job completely, and the answer is no. When American troops are with them, they perform far better than by themselves. There are Iraqi battalions which are excellent, there are some that are poor.

But we--but the real problem is not so much the army as the police. The police have been taken over by militias in many areas of the country, whether it be Basra or others. That, combined with, with an Iranian influence, particularly in the southern region, leads to a very, very difficult situation. And when we move troops from one place to another, it's not clear and hold, it's clear and leave. And that never worked.

MR. GREGORY: Well, let's talk about the movement of troops throughout the country. Earlier this month, you said the following about U.S. forces going back into Iraq, some 7,000 troops. Let's watch.

(Videotape, August 3, 2006):

SEN. McCAIN: And what I worry about is we're playing a game of Whack A Mole here. We move troops--it flares up, we move troops there.

(End videotape)

MR. GREGORY: Whack A Mole. What are you talking about? What's the concern?

SEN. McCAIN: Well, there's the, you know, the old arcade game where the head, and you bang it down, and another head pops up someplace else, and that's basically what I was talking about, is that we have never had sufficient number of troops to clear and hold. The, what we call the oil spot strategy, which everybody knows is the successful way to combat an insurgency. So we've had to move our troops around from one place to another.

Fallujah was allowed for a period of a couple of years to become the center for terrorist operations through an insurgency throughout Iraq. We had to go in there, and these brave Marines and Army people, I mean, that was one of the historic battles in Marine and Army history. Eighty-six killed, 1,000 wounded because we didn't have enough troops to control Fallujah to start with. That's the object lesson. So then we had to move to Ramadi. Now, of course, Baghdad is the center of our attention now.

But I want to emphasize again, there are good things happening. We did have a free election, we do have a functioning government. Where--there are some parts of the country, particularly in the north, that things are good. It's not all bad news. But it is a serious situation.

MR. GREGORY: But in the most dangerous parts of the country, you see this Whack-A-Mole approach. So what's the consequence of that?

SEN. McCAIN: The consequences are is that we go in and we control an area for a short period of time and then we leave and then the insurgents filter back in. And...

MR. GREGORY: It's not the right strategy, as far as you're concerned?

SEN. McCAIN: It's never been the right strategy as far as I'm concerned, since the beginning when I came back from my first trip to Iraq after every

military person, including the British, told me that we didn't have sufficient troops to control the situation.

MR. GREGORY: Last week on this program, I asked RNC chairman Ken Mehlman about critics who question the military plan and the strategy for Iraq at this point, and this is what he said. Watch.

(Videotape, August 13, 2006):

MR. KEN MEHLMAN: But look, we're not coming in and saying, "Stay the course." The choice in this election is not between stay the course and cut and run, it's between win by adapting and cut and run.

Let me tell you what we're doing. The fact is, before the successful Iraqi elections, the number of troops went up from 137,000 to 160,000. That's adapting to win. Recently the increased troops in Baghdad, adapting to win.

(End videotape)

MR. GREGORY: What you call a Whack-A-Mole approach...

SEN. McCAIN: Well...

MR. GREGORY: ...Mehlman says is adapting to win. Which is it?

SEN. McCAIN: ...I think, I think what Ken is saying is correct. We are trying to address the areas where the insurgency flares up. The problem is, of course, that as I, as we've already discussed. But it's...

MR. GREGORY: But that's not, is that adapting to win? Is that a winning strategy? You said a moment ago it's not.

SEN. McCAIN: I think that our generals on the ground are doing the best they have with what they have. And I--and the men and women who are fighting are the very, very best of us, and it's amazing. When you meet the guardsmen who have been over there three times, our National Guard and others, it's, it's remarkable the great job they're doing, but it's very, very tough because of the lack of sufficient assets, as I mentioned.

MR. GREGORY: If more troops are needed, do you think the president's prepared to commit more troops?

SEN. McCAIN: I do not know because I don't know what his thinking is, but I know that the president's committed to win and I know the president's committed to prevail.

MR. GREGORY: But is, is it your sense that he does not share your view? Because he said repeatedly if more troops are needed, they'll get them.

SEN. McCAIN: Well, it's obvious that I have not shared the administration's view. I've had strong differences with Secretary Rumsfeld on this issue and

other aspects of the war. The, the, the standing down of the Army, rather than hiring them. The, the failure to do a series of measures which were important as part of our effort to control Iraq.

MR. GREGORY: Mm-hmm. Do you think military commanders on the ground are asking for more troops?

SEN. McCAIN: I know that military commanders on the ground need more troops, whether they're asking for them or not. But see, this is kind of a false argument.

MR. GREGORY: Mm-hmm.

SEN. McCAIN: It's not up to the commanders on the ground, it's up to the leaders who assess the entire battlefield situation to decide whether they need. I've known very few--General McCaffrey's going to follow us--I've known very few commanders in the field who see I--say, "I need help."

MR. GREGORY: Mm-hmm.

SEN. McCAIN: So it's up to the assessment made in--at the Pentagon level. And from the beginning, we didn't have enough in the invasion, the initial invasion itself.

MR. GREGORY: But this is an important point because if, if, if there's no clear commitment for more troops and a firm belief by you and others that more troops are needed, what's standing in the way? Why aren't military leaders asking, and is there politics involved that's keeping troops from being deployed?

SEN. McCAIN: I, I think it's got to do with the decisions that are made in the Pentagon. And I think that that's the sum total of it, and the advice that the president gets from the people that are on his team. And I don't think it's good advice. But I know that the president's committed to win. I know that he will do what's necessary. Many times he has said we will do whatever is necessary and I believe him.

MR. GREGORY: Do you think Secretary Rumsfeld should keep his job?

SEN. McCAIN: That's up to the president of the United States. The president picks his team and the president--as long as the president has confidence in him, then he'll keep that team.

MR. GREGORY: Even at this stage of the war, you think, you still stick to that position that it's up to the president?

SEN. McCAIN: Because elections have consequences. The president has the right to pick his team. I've been asked a number of times if I had confidence in Secretary Rumsfeld and the answer is no.

MR. GREGORY: But you still think he should stay in place if the president

wants him.

SEN. McCAIN: I think the president should pick his team and I will support the president's selections.

MR. GREGORY: Talking about anticipation and planning, let me show you another exchange you had earlier this month with General Peter Pace, of course, chairman of the Joint Chiefs of Staff. Watch.

(Videotape, August 3, 2006):

SEN. McCAIN: General Pace, you said there's a possibility of the situation in Iraq evolving into civil war. Is that correct?

GEN. PETER PACE: I did say that, yes, sir.

SEN. McCAIN: Did you anticipate this situation a year ago?

GEN. PACE: No, sir.

(End videotape)

MR. GREGORY: Why was that an important question and what did the answer tell you?

SEN. McCAIN: Because many of us anticipated that we would have greater difficulties because of the lack of troops on the ground and the lack of the elected government in Iraq from, from being able to stand up and from the problems with the police that many of us thought that it might--that this deterioration may take place. And we expect our leaders to anticipate things in war, we really do. And so because we don't anticipate, then you are surprised.

MR. GREGORY: Should U.S. troops remain in Iraq if they are in the middle of a civil war?

SEN. McCAIN: I think that that's a very difficult decision because you'd have to, to decide whether we can have an effect on a civil war if it was taking place in Iraq, so I don't know the answer. But I don't believe we're there yet. I believe we can prevent it. I think we can win and I think we must win.

MR. GREGORY: Let me show you what our ambassador to Iraq, Zalmay Khalilzad, said almost three months ago about the time line for Iraq, how much time the Maliki government would have. This is what he said, the USA Today reported it. "Iraq's new government has three to six months," he said, "to bring more stability to the country, or it could collapse," the U.S. ambassador to Iraq said. Unless there is increased security ... a lessening of and containing of sectarian violence, this government will face huge challenges that might pose a problem for the viability and success of the political process." That was back on June 1. Only three months left in your view?

SEN. McCAIN: I don't know. He--our ambassador there is one of the really great people we have serving our country, as we did in Afghanistan, is, is more precisely aware. I know that we cannot afford a continuing deteriorating situation. That's why we have to go after Sadr, that's why we have to take down the Mahdi Army, because the Shiites cannot--militias cannot control Iraq. We cannot allow that to happen.

MR. GREGORY: Do you think that Maliki is doing enough to stand up to those militias that are associated with his own political party?

SEN. McCAIN: I think he's trying very hard. I think it's difficult. I think he's a good man and a good leader. I just think that the problems are very significant. And don't ignore the influence of the Iranians in, particularly in southern Iraq. It's very significant.

MR. GREGORY: What are they up to?

SEN. McCAIN: Well, they've moved in with many of their clerics into the smaller areas. They have basically taken over some of the militias. They're providing IEDs, training, and equipment to the insurgents in southern Iraq. They are playing a rather big role. And not just in southern Iraq, but primarily.

MR. GREGORY: Let me ask you another point on the prospect of civil war. This is what the chairman of the Armed Services Committee said a few weeks ago on this possibility. "The chairman of the Senate Armed Services Committee said that Congress might need to pass a new resolution to authorize the continued use of U.S. military force in Iraq if a civil war breaks out in that country. John Warner, from Virginia, said U.S. forces have completed the main mission Congress authorized them to perform: toppling Iraqi President Saddam Hussein. If a civil war erupts between Shiite and Sunni Muslims in Iraq, he said, U.S. forces may be ill-trained to handle it, and Congress might have to reconsider and potentially approve a new mission for the U.S. military." Do you agree with that?

SEN. McCAIN: Well, first of all, I have the greatest respect and affection for John Warner, a dear friend. I think if civil war breaks out--and by the way, I do not believe that we're there yet. I agree with the Joint Chiefs that it's a possibility, not a probability. We can fix it. But if a civil war breaks out, we've got a lot more problems than a congressional resolution.

MR. GREGORY: But do you agree that that would be, basically a new day in Iraq, and raise new questions about whether our military should be committed to, to arbitrate that kind of conflict?

SEN. McCAIN: I think it would put us in a very difficult situation. But I am confident that the Congress and the president and the American people would come together and make a decision based on whether we can still beneficially affect the situation. And again, that depends on the nature of what, what, of what happens. But I'm not ready to contemplate that.

MR. GREGORY: You agree this is a critical moment in Iraq?

SEN. McCAIN: I agree it's a critical time, yes.

MR. GREGORY: Do you, do you have confidence in the president and his national security team to lead the war at this stage?

SEN. McCAIN: I do. I do. I have confidence in the president and I believe that he is well aware of the severity of the situation.

MR. GREGORY: Despite all the misjudgments you think have been made?

SEN. McCAIN: Yes.

MR. GREGORY: Why, why would you still support a group that you think has, has been so flawed?

SEN. McCAIN: Because serious mistakes have been made in every war. General MacArthur, our greatest general, told Harry Truman, "Don't worry, those Chinese won't come across the Yalu." There are mistakes are made in war, that's why we try to avoid them. And this is an elected president. I think he's led our nation very capably.

MR. GREGORY: You've made a political point of reaching out to independent voters, to some conservative Democrats. What would you say to someone who's adamantly opposed to this war and the president's handling of it, who would question why they should support you given your backing of the war and this team?

SEN. McCAIN: Well, first of all, I would say this is a very tough situation. I do believe that the consequences of failure would be catastrophic. If we set a date for withdrawal then these militias would just lie low until we left. We cannot afford to lose. Should be chaos--there would be chaos in the region. And by the way, it's time that other Arab nations in the region that are making unprecedented oil profits start trying to help the Iraqis reconstruct their country. It's about time they stood up.

MR. GREGORY: Are you concerned that you're effectively too close to the Bush policy on Iraq?

SEN. McCAIN: No. I've got to do what's right for the country. And this is--this is really one of the most preeminent national security challenges we've faced in the post-Cold War era. We all know that. I've got to do what's right.

MR. GREGORY: Let me show you something that you said about public support for the war back last year in November. Put it on our screen. "If we can't retain the support of the American people, we will have lost this war as soundly as if our forces were defeated on the battlefield." As you well know, public opinion has turned sharply against the war. Sixty percent, according

to recent polls, say the war in Iraq has not been worth it. Has this government lost the people?

SEN. McCAIN: I don't think so, in this respect. Most of the Americans, when you're asked, "Do you want to set a date for withdrawal," say no. Of course they're frustrated. All of us are frustrated. I've expressed my frustrations to you this morning. But they are not ready to face the consequences of failure by setting a date certain for withdrawal, and I believe that, that they are largely, although frustrated, recognize the consequences of failure.

MR. GREGORY: There has certainly been a growing body of public opinion as well as conservative opinion in the media that has turned against the president in this war. This is what the editor of the conservative National Review wrote, comparing the war in Iraq to Vietnam--we'll put it on our screen--from this week. "In Iraq, as in Vietnam, we face a vicious insurgency that has worn down the will of the American public. In Iraq, as in Vietnam, we have failed to cut off the enemy from re-supply. In Iraq, as in Vietnam, we have had ever-shifting military strategies. In Iraq, as in Vietnam, we have had trouble building effective, clean governmental institutions in the soil of an alien culture. Most importantly, in Iraq, as in Vietnam, we face the prospect of defeat." You were in Vietnam. Is this Vietnam?

SEN. McCAIN: I don't think so. In Vietnam there was a government that never had support of the people. It was a sort of a revolving door. There were massive re-supplies coming in from Russia and China. They had very--other significant differences.

I believe that this government still probably has--this freely-elected government probably still has the support of most of the people in Iraq. And there are areas of Iraq that are well under government control. But it's--I--we risk failure in Iraq, but I don't believe that we have reached nearly that point yet. I think we can still salvage it.

MR. GREGORY: Let me turn to the subject of politics and how the wider war on terror has been a factor. After his Democratic primary loss, Senator Joe Lieberman said the following about Ned Lamont, his opponent there. This is how The Washington Post reported it. "Campaigning in Connecticut, Sen. Joseph Lieberman ... said the antiwar views of primary winner Ned Lamont would be `taken as a tremendous victory by the same people who wanted to blow up these planes in this plot hatched in England.'" Do you agree with Senator Lieberman that someone who calls for troop withdrawal from Iraq by a date certain is emboldening the terrorists?

SEN. McCAIN: I don't think so. I think we should respect each other's views and have a respectful dialogue and discussion. I certainly disagree with those who want to set the date certain. I like to say that Joe Lieberman puts his country ahead of his party, he's a liberal Democrat, but I happen to have the greatest respect and appreciation for him.

MR. GREGORY: Do you think that Allen Schlesinger, who is the Republican opponent in Connecticut, should win? Do you support him?

SEN. McCAIN: I support him. I support the Republican nominee.

MR. GREGORY: Will you campaign for him?

SEN. McCAIN: I don't think that probably is in the calendar.

MR. GREGORY: Why not?

SEN. McCAIN: We have--I have--my priorities generally are set by the, our folks at the RNC and the campaign committees, and they have a pretty clear line-up of people that I'm going to be campaign for.

MR. GREGORY: But...

SEN. McCAIN: And I, look, look, look, look...

MR. GREGORY: The party has made a judgement at this point to stay out of this race, not support Schlesinger?

SEN. McCAIN: I don't know what, what decision they've made. All I know is that, look, Joe Lieberman is, is a close friend of mine and I would not campaign against him. I'll just be very--I'll straight talk.

MR. GREGORY: Would you like to see him win?

SEN. McCAIN: Well, I wouldn't be disappointed, but I am a Republican and I support the nominees of my party.

MR. GREGORY: You think he's right for the country?

SEN. McCAIN: I don't know him at all. I know that Joe Lieberman is a great...

MR. GREGORY: I--do you mean--do you--is--do you think Senator Lieberman is right for the country?

SEN. McCAIN: I think he's a great American.

MR. GREGORY: Let me turn to the issue of the NSA domestic surveillance program, and a ruling this past Friday from a district court in--a district court judge, I should say, in Detroit, effectively saying that this is an unconstitutional program and comparing at one point the, the president to a king, saying there are no hereditary kings in America and there's no powers granted to him by the Constitution. Do you agree or disagree with that ruling?

SEN. McCAIN: I disagree with both the rhetoric and the reasoning, and so do most constitutional scholars. It's a very much of an overreach. Look, I think that, you know, Senator Specter and others have had questions about the broad aspects of this surveillance programs, but nobody believes that we

shouldn't have these, and to just declare all of them to, to be eliminated or unconstitutional I think is a drastic overreach. We need to have surveillance, we all know that, from the events of, that just took place a few days ago in London. So I disagree with it. I think that that ruling will be stayed. Do we have to make sure that there's not an executive branch overreach and that rights of citizens are not violated? Of course, and that's why we have hearings in, in the Congress and I think we'll continue to discuss that. But this decision I think will be rejected.

MR. GREGORY: But do you think the law should be changed?

SEN. McCAIN: I, I, I think that we ought to probably look at Senator Specter's agreement that he made with the administration as far as more careful circumspection of the, of the programs. But overall we need to be able to listen to people's phone calls who want to do bad things to the--America and the world. I mean, it's that simple.

MR. GREGORY: If you were president of the United States, would you believe that you had the inherent right to order this kind of surveillance?

SEN. McCAIN: I would believe it, but I, frankly, I would also sit down with the leaders in Congress and say, "Look, here's what we can agree on. We need more than FISA right now, and the court, going to court for each one. And now let's, let's come to an agreement." I think that we have got the outlines of that agreement between Senator Specter and most members of the judiciary committee and the administration.

MR. GREGORY: Let me turn to Iran, you mentioned Iran's role in southern Iraq. Also, of course, negotiations ongoing to try to get the Iranians to back away from what this government believes is a nuclear program. Just today, the Iranians have said in advance of the deadline of August 31st to reply to the international community, they will not suspend enrichment. They appear to be moving forward on a nuclear program. Your reaction.

SEN. McCAIN: My reaction is, it's not surprising, but it lends incredible importance to August 31st when the Security Council convenes to enact sanctions on, on the Iranian government. And that has got to be only the first step, but sanctions have to be imposed, they are in blatant violation of treaties, and they--these, these sanctions must be imposed.

MR. GREGORY: Are we, are we on a course toward military confrontation with Iran?

SEN. McCAIN: I'm not sure. I hope that that option would be obviously the very last option, and it would be a very difficult one, to say the least. But to rule it out completely under any circumstances when the Iranians have declared their dedication to the extinction of the state of Israel, certainly this is a very serious challenge. Some argue, as you know, that the reason why the Hezbollah attacks on Israel were encouraged by the Iranians was to divert attention from their nuclear program. I think there's some credence to that.

MR. GREGORY: The president was forceful this week in saying that the Iranians should stop support of terror in Lebanon and in Iraq. He's made similar threats over the past weeks and months, and Iran remains defiant. What do you do?

SEN. McCAIN: Well, I think that sanctions is the first step, and let's hope that they take effect, and let's hope that the Iranians will cease all of these activities. I'm very doubtful, but we have to go through a step-by-step process.

MR. GREGORY: Speaking about Lebanon, just yesterday there was a commando raid by the Israelis deep into Lebanon. The United Nations and the Siniora government of Lebanon called this "a naked violation of the cease-fire resolution." Do you see it that way?

SEN. McCAIN: No, I do not. The United Nations has taken on the responsibility not only to impose a cease-fire in southern Lebanon, but they also promised that they would prevent a re-supply of Hezbollah in the region. This is clearly, they have not been able to do that. This was an effort to re-supply Hezbollah with weapons in order to attack the state of Israel. If we in the United States had someone on our northern border who was being resupplied who had just attacked us, I think the American people would expect us to take preventive action. And we've got to get this force stood up. And I would like to express my deep concern that the French apparently are not going to inject the number of troops that would be necessary to lead this 15,000-person peacekeeping force. So far they're saying they would only about 200. It's very disappointing.

MR. GREGORY: Do you think the international peacekeeping force will have the teeth to actually disarm Hezbollah?

SEN. McCAIN: Well, unfortunately, it's been stated that that's not their responsibility. Hezbollah, sooner or later, must be disarmed. If they aren't, then we're just in a pause between now and their next attack on the state of Israel. It's just a fact. And so this is a very difficult and dicey time, but the sooner we get this peacekeeping force into southern Lebanon, which seems to be going all too slowly, the better things will look. But it's going to be with us for a long time.

MR. GREGORY: I know you've just returned, you've been campaigning across the country for these midterm races. You also just returned from a trip to Iowa. What is the state of your party, first, for these midterm elections?

SEN. McCAIN: It's a very tough election coming up. Historically these second-term of incumbent president's tough; the war is difficult; president's not getting enough credit for a good economy, which we have today. This is going to be a tough election, and we ought to recognize that, and so we're going to have to do everything we can to maintain our majorities in both houses. To think anything different, I think would be foolish.

MR. GREGORY: Do you think this midterm election will be a referendum on the war and the president?

SEN. McCAIN: I think in some parts of the country, it may be. But most of the times, we know that these elections are local, but it's beginning to look more like some of them may be global. I mean, as far as impacted by Iraq. But we'll see. It's going to be difficult. We've got to fight hard, we've got to win, and we need to keep both houses of Congress.

MR. GREGORY: Will you keep the Senate, do you think?

SEN. McCAIN: Yes.

MR. GREGORY: What about the House?

SEN. McCAIN: I think so, but I--it's, it's just too early. Some--you know, some of these races are so--too close to call right now. I think if we get out our party faithful and galvanize them, we can win again, but we should not underestimate the fact that we're facing a tough challenge. But we've faced tough challenges in the past.

MR. GREGORY: I mentioned your trip out to Iowa, thinking ahead to 2008. Are you a front-runner?

SEN. McCAIN: I don't know, but I had the privilege of meeting an 1190-pound pig named Waldo at the Iowa State Fair. It was one of the great fun experiences I've had.

MR. GREGORY: Was he supportive?

SEN. McCAIN: Talk about pork barrel spending, yeah. He said, he said, "Give me an earmark."

MR. GREGORY: Senator John McCain.

SEN. McCAIN: Thank you.

MR. GREGORY: We'll leave it there.

SEN. McCAIN: Thank you.

MR. GREGORY: Thank you for your views.

Coming next, Iraq, sectarian violence, the insurgency and the political fallout in 2006. Our roundtable with Dr. Vali Nasr, retired General Barry McCaffrey and John Harwood. It's next.

(Announcements)

MR. GREGORY: The war in Iraq, from a policy, military and political perspective. Right after this brief station break.

(Announcements)

MR. GREGORY: And welcome all. Dr. Vali Nasr, you write in "The Shia Revival," but also in an article in this month's Foreign Affairs magazine, that the war in Iraq has profoundly changed the Middle East, but not in the way that the United States necessarily anticipated. We'll put a piece of that article on our screen. You write, "When the U.S. government toppled Saddam Hussein in 2003, it thought regime change would help bring democracy to Iraq and then to the rest of the region. The Bush administration thought of politics as the relationship between individuals and the state, and so it failed to recognize that people in the Middle East see politics also as the balance of power among communities. Rather than viewing the fall of Saddam as an occasion to create a liberal democracy, therefore, many Iraqis viewed it as an opportunity to redress injustices in the distribution of power among the country's major communities. By liberating and empowering Iraq's Shiite majority, the Bush administration helped launch a broad Shiite revival that will upset the sectarian balance in Iraq and the Middle East for years to come." How upset is that balance right now, Dr. Nasr? Is it civil war?

DR. VALI NASR: Not yet, but it seems that all sides are acting as if they're expecting it to happen. You know, building their forces, they're trying to get a strong position within Baghdad itself, they're ethnic cleansing the neighborhoods. And the forces that are keeping that country together are gradually losing ground to the forces that are pulling it apart.

MR. GREGORY: How badly did we miscalculate the way Iraqis would view the toppling of Saddam? In other words, did we miscalculate that they would think about being Iraqis before being Sunni or Shia?

DR. NASR: Right. We, we assumed that there is a uniform civil society and civil order in that country. We forgot that the last 10 years of Saddam's rule were essentially a sectarian government and that once you take the pressure lid off, that what comes to the fore most immediately is the way in which each side has viewed its political position.

But also, we weren't in it--we didn't have sufficient troops, we didn't have a plan to prevent this from festering and really growing roots. And now we're sort of playing catch-up with the essential political momentum of this country, which is mostly sectarian.

MR. GREGORY: General Barry McCaffrey, we're doing this in a military way, in large part. Our troops are not trained to referee a civil war. From a military point of view, as you come up with strategies, how do you navigate this current reality in Iraq?

GEN. BARRY McCAFFREY: Well, first of all, I'm not sure I know. You know, we've got some terrific leadership on the ground. Khalilzad, the ambassador, is brilliant. George Casey's a very effective commander. We've got 135,000 troops, a lot of power on the ground. Having said that, there's 27 million people. Dr. Nasr, I think, accurately articulated the political problem

we're facing. It's not going to be solved--the battle of Baghdad won't be solved by the United States Army. We've had 22,000 killed and wounded, two-thirds of our brigades, the ones that aren't deployed, in the United States Army National Guard now, are not ready to fight. So the surge capability to deal with this from a military perspective is not there.

MR. GREGORY: Do you think more troops are needed at this point?

GEN. McCAFFREY: I'm not sure it's the right question. First of all, they're not available. The National Guard brigades--you know, we just had Lieutenant General Blum testifying, we had the chief staff of the Army testifying. The Army is \$23 billion short, our equipment's coming apart, we're drafting 42-year-old grandmothers to be privates in the Army. I shouldn't have said draft, asking for volunteers. So I don't think the combat power is there in the Army and the Marine Corps to solve this problem militarily. We are a safety valve, we're a peacekeeping mechanism, but the Iraqi security forces are going to have to pull this one together.

MR. GREGORY: And we talk about Iraqi security forces, and I mentioned earlier in the program Michael Gordon with The New York Times has just returned from Anbar Province being embedded with troops, and he writes the following about Iraqi troops: "Even at its best, the Iraqi military faces severe constraints. It has no helicopter-assault capability, indeed no air force to speak of. It mostly relies on the Americans for medical care and reconnaissance. And it has no tradition of entrusting its sergeants and other noncommissioned officers with important responsibilities. ...

"What I saw in more than three weeks in Anbar Province," western Iraq, "was not reassuring. Dogged efforts were being undercut by a dysfunctional Iraqi bureaucracy in Baghdad. ... Iraq's Ministry of Defense has been slow to issue promotions for the new soldiers and to distribute proper pay. A goodly number of the Iraqi soldiers have voted with their feet and gone AWOL. ...

"What kind of exit strategy is this when Iraqi soldiers in some of Iraq's most contested areas have been leaving faster than the Americans?" What kind of exit strategy?

GEN. McCAFFREY: Well, first of all, it's miserably underresourced, which--a shortcoming I've articulated over on the Hill now and to the administration. These Iraqi security battalions have 20, 30 light trucks, light automatic weapons. There's no plan to build a force which would be capable of, of replacing us. So I think our strategy is flawed. Lieutenant General Marty Dempsey and Joe Peterson, the people on the ground, are doing a great job recruiting, training, fielding, but--and so far the Iraqi security forces have not come apart. We haven't seen them go to the streets and battle with each other. But I think this is, this is an inadequate strategy right now to prepare the Iraqis to defend themselves.

MR. GREGORY: And yet, John Harwood, politically speaking, an exit strategy is critical for this White House and indeed, for Republicans this year. And yet that exit strategy may not be available to them in terms of getting troops

back in sizeable numbers.

MR. JOHN HARWOOD: You know, a lot of Republicans at the beginning of the year counted on some of these benchmarks being met and then troops being able to come home, the elections earlier this year. That simply hasn't happened. Hasn't changed public opinion, hasn't, evidently, changed the situation on the ground in a positive way. Neither has the death of Zarqawi.

And what we've seen over the last few weeks is as this sectarian violence has increased in Baghdad, caused the president to change his strategy, we've seen some subtle shifts within the two parties. Democrats becoming more united. You saw Ned Lamont's victory in Connecticut. That has, you know, Republicans are using that as an emblem of division among Democrats, but actually there's increasing division among Republicans, and it really turns on this question of are we moving into a civil war? That statement that you read earlier in the program from Senator Warner, very, very significant. If this war becomes perceived as a civil conflict, that's when you see, according to some of the experts who look at public opinion, that's when you could see the bottom drop out in terms of public support. It hasn't happened yet. You know, the public is pessimistic, David, but they--if you ask them should we get out in an immediate and orderly way, in our Wall Street Journal/NBC poll, two-thirds of the American people say no. They're still hanging in. They're taking the attitude that we can't just leave.

MR. GREGORY: Mm-hmm.

MR. HARWOOD: But if this becomes perceived as a civil war, that could change in a hurry.

MR. GREGORY: Will the public at large penalize the likes of Senator McCain, who's not up for re-election this year, but is a contender for 2008, for still being so supportive of the president and his team in this war?

MR. HARWOOD: Well, they could, but I think this war is seen uniquely as George W. Bush's war, and so even someone who supported the president will be judged on their own, I believe, in the end. But the--right now, the Iraq war and President Bush's leadership of it has taken a toll on Republican candidates.

MR. GREGORY: Mm-hmm.

MR. HARWOOD: That's why the mood is so negative in the country right now. It doesn't necessarily mean it's going to translate in a lot of individual races, but it's hurting the party across the board.

MR. GREGORY: Dr. Vali Nasr, let's talk a little bit more broadly about the Shia revival, that is, of course, the title of your book. You talk particularly about Iran...

DR. NASR: Mm-hmm.

MR. GREGORY: ...exploiting the fact that the Sunni wall has been taken down from all around its borders from Iraq and in Afghanistan. What are the consequences, then, of this broader Shia revival?

DR. NASR: Well, we're seeing it reflected in the current war in Lebanon, where Iran essentially came to the floor as a major power broker holding most of the cards, and we saw that our traditional allies in the region were, were marginalized. What we're seeing at this time period is, as conflicts are occurring in Iraq and in, in Lebanon, the major patron of the Shia side in this Iran is becoming increasingly a regional power. It's able to assert its position in Lebanon, in Iraq. It has claims of, of influence in these places. And also it wants the international community to recognize its nuclear program and accord it its influence in the region.

MR. HARWOOD: And you know, David, there's a domestic political ramification potentially from what's going on in Lebanon, too, which is reinforcing the idea that our side can't win so easily militarily. You know, Israel thought in a couple of weeks it was going to be able to eliminate the threat from Hezbollah. That didn't happen. And people saw that happening, saw that thing dragging on inconclusively. The president and his team argue that it was a defeat for Hezbollah.

MR. GREGORY: Mm-hmm.

MR. HARWOOD: I'm not sure the American people are going to see it that way.

MR. GREGORY: And, general, the potential threat from Iran and its greater role as a regional player, what is the fear of the government at this stage about that potential impact?

GEN. McCAFFREY: Well, I--you know, first of all, I applaud the efforts by Secretary Rice and by others, Steve Hadley, trying to start the beginnings of building an alliance to confront the Iranians. The notion that we can threaten them with conventional air attack is simply insane. First of all, we're more vulnerable than they are to having the Persian Gulf closed, to leaving 135,000 troops 400 kilometers up into Iraq with a Shia population on our supply lines. Never mind our allies who I think are terrified by this, the--you know, the notion that we would use air power to go after 70-some odd nuclear sites.

The Iranians are going nuclear. It's going to change the region for the worse in the coming 10 years, and hopefully not provoke the proliferation of WMD, where you end up with an Arab Sunni bomb to counter the Persian Shia bomb. So I think the answer to this one is diplomatic, economic: build alliances, stop threatening military action.

MR. GREGORY: Dr. Nasr, on that point?

DR. NASR: I do agree with the general. First of all, there's very little--the only difference I would have is that our allies in the region are not going to be able to do much. In other words, the ascendent forces in this

region are with Iran. Hezbollah is a pro-Iranian force and in Iraq also, the upper hand is going to be with the Shia militias who are now very pro-Iranian. And Iran has the capability to fight the U.S. if it comes to multiple different arenas: in Iraq, in Lebanon, in Afghanistan as well. So I do think that we have to have a much more nuanced and much more effective diplomatic strategy of dealing with Iran, in terms of being able to contain and regulate its power. Because a frontal confrontation I don't think will work, and as we saw with Israel and Hezbollah, it can actually be counterproductive. You're going to turn Ahmadinejad into a second Hassan Nasrallah, strengthen the Iranian government and you--and not accomplish what you want in terms of curtailing its nuclear capabilities.

MR. GREGORY: You actually suggest direct dialogue, negotiations with the Iranians between the Iranians and the U.S. government at this stage.

DR. NASR: I think that we are--what our strategy's lacking is having a diplomatic tool. Everything we have in our sort of tool bag is, is, is military threats and threats of sanctions and trying to build a regional alliance--a regional containment strategy around Iran, none of which has worked so far and are not likely to work. And I think we should have a diplomatic strategy vis-a-vis Iran, one that does not outsource U.S. diplomacy to the French or to the Saudis, but rather we deal with Iran as we dealt with China, with the Soviet Union. It does not mean we give them a pass on a host--whole host of things--democratic reform, terrorism.

MR. HARWOOD: And yet you still have within the neoconservative wing of the Republican Party support for more confrontation with Iran, and that's one of the areas of emerging split. You know, you've got some intellectual ferment on the right. George Will, influential conservative columnist, recently said this strategy is completely unrealistic. But you do have some who continue to believe in what the president's doing, who want more force and more ability to confront Iran.

MR. GREGORY: But--and you heard the president this week confronting Iran more forcefully than he has over Lebanon and Iraq. But is it realistic poetically to think that this president and his national security team could build momentum, political momentum here and abroad for any kind of military confrontation with Iraq?

MR. HARWOOD: No, it isn't. But the political significance is that it could split the party.

MR. GREGORY: Mm-hmm.

MR. HARWOOD: And you get, you get--you know, in modern American politics, the way you win elections is by unifying and mobilizing and creating enthusiasm among your base. And the way you lose one is to split your base, and that could happen.

MR. GREGORY: Let me ask you, you mentioned conservative commentary turning against the war in Iraq and against this president. George Will writing this

week, "Intellectual contortions required to sustain the illusion that the war in Iraq is central to the war on terrorism." And Tom Friedman wrote the following--he's an early supporter of the war, with The New York Times, wrote this week, "We are on a losing trajectory in Iraq. ... We need to reassess everything we are doing in this 'war on terrorism' and figure out what is worth continuing, what needs changing."

I mentioned another conservative commentator, Rich Lowry, with Senator McCain, also comparing this to Vietnam. Is there a kind of what might be called a Walter Cronkite moment, when he turned against the Vietnam War happening now with Iraq?

MR. HARWOOD: Well, that's the question. First of all, there are no Walter Cronkites in the American media any more. They augment the--the audience is too fragmented. You simply don't have anybody with that kind of clout and direct access to the American people. However, when elites, especially elites on your side, begin turning against a president or a Congress on a particular issue, that has an echo effect. It reverberates. We saw that. For example, if you talk to White House officials about what took down the Harriet Miers nomination...

MR. GREGORY: Mm-hmm.

MR. HARWOOD: ...from the Supreme Court last year, they say it was the intellectual--conservative intellectuals who started attacking her. If they start attacking the administration's strategy on Iraq and throughout the Middle East, that's a big problem for them.

MR. GREGORY: General McCaffrey, has that been significant, both comparisons to Vietnam and increasing opposition to the war?

GEN. McCAFFREY: Well, you know, from the start, I've done everything I could to say there is no point of connection between Vietnam and Iraq. Completely different strategic connotation. However, the domestic politics of this are starting to look eerily, uncannily, like the late '60s. You know, one of the, one of the other problems that I think the administration is trying to face up to finally, certainly the National Security Council is, we drained \$55 billion out of the U.S. Air Force and the Navy and we're putting that money into ammunition, medical care for wounded soldiers. We're, we're literally giving up our modernization program for the forces that need to be there in 10, 20 years to deter the People's Republic of China. We don't need the F-22 to confront the Iranian--Iraqi insurgents; we need that high-tech capability to make sure we maintain stability in the coming years.

So the danger is, we end up 36 months from now with our military fundamentally broken. And that's what I'm concerned about.

MR. GREGORY: And, and if things get worse in Iraq, as our own generals have predicted the possibility of civil war, does it become a new kind of moment of truth for this mission and whether U.S. troops stay in Iraq?

GEN. McCAFFREY: Sure. We're on the edge of it. You know, listen very carefully to this guy General John Abizaid. He's bilingual in Arabic, he's thoughtful, he's very loyal to the administration, as he should be. But this thing is clearly sliding toward the edge, and the bravery and the casualties of the Armed Forces, in and of themselves, can't stop it. This is the point at which we probably need new civilian leadership in the Pentagon to buttress the diplomatic approaches by Secretary Condi Rice.

MR. HARWOOD: And, David, that's where the domestic politics is going to go in the near term. I talked to a top Democrat strategist yesterday who said, "What we're going to do in the fall is try to focus on accountability questions on Rumsfeld, try to look at some way of pressuring the administration and Republicans in Congress on Rumsfeld." And when that happens, you will have a moment when Republican candidates may have to choose, are they going to stick with the administration or are they going to try to go along with Democrats on some resolution, for example, calling for the president to replace Rumsfeld as a way of showing daylight between themselves and the Bush administration.

MR. GREGORY: Dr. Nasr, I'll give you the final word on this, on this question of what's next in Iraq. What is the tipping point, for you, that you'll look for?

DR. NASR: I think it's in the number of dead, first of all, that, that has been escalating. And I think we're reaching a very close--close to the edge, where essentially, the number of people being killed per day, whether or not we call it a civil war or civil conflict, convinces the people in--on the ground that the political process of trying to build security forces, build a central government in Iraq, is no longer working. That the game is actually being played out by the militias, and they're the ones who are deciding the fate of that country. And if the U.S. is not really able to control the violence, it essentially means to the Iraqis that its presence is largely irrelevant to the end game. And I think the number of the dead will, will, will suggest that.

MR. GREGORY: We will leave it there. Vali Nasr, General Barry McCaffrey, and John Harwood, thanks to all of you.

And we'll be right back.

(Announcements)

MR. GREGORY: That is all for today. Tim Russert will be back right here next week with an exclusive interview with New Orleans Mayor Ray Nagin, marking the first anniversary of Hurricane Katrina. That's next Sunday, right here. Because if it is Sunday, it's MEET THE PRESS. Have a good afternoon.