

THE SITUATION ROOM

"Hidden" Price of Iraq War; Blasting "Pro-Abortion" Giuliani; Fear Factor in Terror Ad

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WOLF BLITZER, CNN ANCHOR: Happening now, the hidden cost of war. Democrats come up with a startling new price tag, a new attempt to try to change the bottom line in Iraq. Plus, she is accusing Hillary Clinton's campaign of being dishonest. We have an exclusive interview with that college student who says she was fed a question by a Clinton staffer.

And a Republican presidential candidate accused of crossing the line. Tom Tancredo's new ad portraying a terror attack is being likened to one of the most controversial political spots ever. I'll ask Tom Tancredo if he's trying to scare voters.

I'm Wolf Blitzer. You're in THE SITUATION ROOM.

Congressional Democrats are going to new lengths today to try to show the Iraq war is costing Americans really, really serious money, as well as precious lives. A brand-new report puts the price tag of the wars in Iraq and Afghanistan at \$1.6 trillion over six years. Almost all of it is for Iraq. That includes so-called hidden costs like disruptions in oil markets and interest on money borrowed for the war.

Breaking it down further, the Democrats estimate that so far the Iraq war is costing a family of four \$16,500.

Our White House correspondent, Ed Henry, is standing by. But let's go on to our congressional correspondent, Jessica Yellin. She's up on Capitol Hill watching this.

\$1.6 trillion, that's roughly double what the White House has suggested. So what is the bottom line? Are these numbers accurate?

JESSICA YELLIN, CNN CONGRESSIONAL CORRESPONDENT: Well, Wolf, Democrats insist that these numbers are accurate. And they say they are using this here to sharpen the differences between themselves and the White House and Republicans on the two issues that bother voters most -- the economy and Iraq.

Democrats maintain that the president, the White House, has misled Americans about the cost of the war. And while they are in the midst of a spending fight with Mr. Bush, they say they prove he's no fiscal conservative.

(BEGIN VIDEO CLIP) REP. STENY HOYER (D), MAJORITY LEADER: This report exposes the president's newfound rhetoric about fiscal responsibility for precisely what it is -- political posturing, pure and simple.

(END VIDEO CLIP)

YELLIN: Now, Republicans maintain that these numbers are grossly inflated. And, in fact, the nonpartisan Congressional Budget Office did a similar study factoring similar measures of the Democrats and came up with a significantly lower number. But the Democrats are standing by their figures, insisting that the U.S. is just spending way too much on the wars in Iraq and Afghanistan -- Wolf.

BLITZER: And Jessica, we have to see this within the context of this latest effort by Democrats in the House to set a formal timeline, a timetable for a troop withdrawal.

YELLIN: That's right. The House is poised to vote on a \$50 billion spending bill that would fund the war in Iraq for some time into the future, but it does include this requirement to draw down some troops. And both House and Senate leaders say if the president vetoes this bill, as he's promised to do, Mr. Bush will not get any new money for Iraq this year -- Wolf.

BLITZER: Stand by for a moment, Jessica. I want to go to Ed Henry. He's over at the White House right now.

Yet another veto by the president today on a spending bill. Give us the context of what's going on.

ED HENRY, CNN WHITE HOUSE CORRESPONDENT: Well, what's going on is White House spokeswoman Dana Perino today fired back at this Democratic report Jessica was reporting on, saying that this was an attempt to muddy the waters in Iraq at a time when there have been positive developments on the ground. And you're right, the president making no bones about spending a lot of money on national security today, signing into law a massive \$471 billion defense spending bill, a \$40 billion increase for the Pentagon.

But meanwhile, the president vetoed the labor health spending bill because he said it was \$10 billion too expensive, including 2,000 earmarks. So special provisions lawmakers put in such as a prison museum which the president lampooned.

(BEGIN VIDEO CLIP)

GEORGE W. BUSH, PRESIDENT OF THE UNITED STATES: Congress needs to cut out the pork. Reduce the spending. And send me a responsible measure that I can sign into law.

(END VIDEO CLIP)

HENRY: Now, the point here is the president is trying to restore the mantle of fiscal responsibility, try to win back conservatives who are disaffected by the fact there has been such a sharp increase in federal spending on the president's watch. But if he's doing that and vetoing those domestic bills at the same time that he's increasing defense spending, he obviously opens himself to allegations by Democrats that he's not doing enough on the domestic front -- Wolf.

BLITZER: All right.

Ed Henry, one end of Pennsylvania Avenue. Jessica Yellin at the other.

Let's turn to presidential politics right now. Conservatives are at odds over who they want to support for president. Various Republican candidates have won various support, but today Fred Thompson won an endorsement that one group suggests could change the entire Republican race.

Our congressional correspondent, Dana Bash, is here in THE SITUATION ROOM with us watching this.

How big of a deal is this, Dana, for Fred Thompson?

DANA BASH, CNN CONGRESSIONAL CORRESPONDENT: Well, Wolf, I talked to several Republican strategists about this today. Most were a little bit surprised that one of the biggest grassroots organizations -- abortion -- anti-abortion grassroots organizations, is backing someone in single digits in key statewide polls. But nearly everyone I talked to admitted this endorsement is a coup for Fred Thompson.

(BEGIN VIDEOTAPE)

BASH (voice over): It is a much needed boost from the right for a struggling candidate.

WENDY FRANZ, NATIONAL RIGHT TO LIFE COMMITTEE: Fred Thompson had a strong, consistent pro-life record.

BASH: The National Right to Life Committee is backing Fred Thompson because of long-held positions against abortion and stem-cell research.

FRED THOMPSON (R), PRESIDENTIAL CANDIDATE: I've got 100 percent pro-life voting record.

BASH: But this is also an endorsement borne of pure political calculation.

David O'STEEN, NATIONAL RIGHT TO LIFE COMMITTEE: The overwhelming consensus has been that he is best positioned to top pro- abortion candidate Rudy Giuliani for the Republican nomination.

BASH: Because of that, the group is downplaying some of Thompson's abortion comments that anger social conservatives, like his opposition to a Republican platform plank supporting a constitutional amendment banning abortion.

THOMPSON: I think people ought to be free, state and local levels, to make decisions that even Fred Thompson disagrees with. BASH: This Thompson endorsement is the latest sign of division among social conservatives. Rudy Giuliani won the backing of Pat Robertson, and John McCain was endorsed by one-time rival Senator Sam Brownback. But the National Right to Life Committee brings something those do not. It is a large grassroots organization with a potential to mobilize support for Thompson in key states like Iowa and South Carolina.

ORAN P. SMITH, PRESIDENT, PALMETTO FAMILY COUNCIL: They have the best database in South Carolina of evangelical voters bar none. They have been putting names into that database for 20 years.

BASH: Still, one endorsement will not answer what looms the biggest question over what many conservatives see as a lethargic campaign.

SMITH: Does he really have that fire in the belly that he needs to win?

(END VIDEOTAPE)

BASH: Now, that is really a question Republican strategists, even those inside the Thompson campaign admit, must be answered now. Wolf, can he parlay this endorsement into some much-needed momentum? Can he take this, bring himself out of a dead heat in South Carolina, single digits in Iowa, and really get that momentum before it's too late?

BLITZER: He really needs to do something and he needs to do it very quickly.

BASH: He does.

BLITZER: Thanks very much, Dana, for that.

BASH: Thank you.

BLITZER: Let's check in with Jack Cafferty. He is in New York with "The Cafferty File" -- Jack.

JACK CAFFERTY, CNN ANCHOR: Acting like he was interested in getting the nomination would be a step in the right direction. I mean, this guy comes across as absolutely bored with the whole thing and as though he can't be bothered. And the voters won't be bothered with him either.

Got a quote here. "As the congressional session lurches toward a close, Democrats are confronting some demoralizing arithmetic on Iraq." That's the lead sentence of a great piece on politico.com today about how the Democrats remain impotent when it comes to the debate over the Iraq war.

Since the Democrats took control of Congress, both houses, they have forced 40 votes on bills that would limit President Bush's policy in Iraq. One of those passed both chambers and was vetoed by the president, which means a grand total of zero have become law. There's more.

The only war legislation that's been enacted during this Congress has given Mr. Bush exactly what he wants -- more money. Lots and lots of money. No questions asked. But the Democrats are going to get another chance. Hope springs eternal.

President Bush wants another \$200 billion for his wars next year in Iraq and Afghanistan. What will the Democrats do? Well, their records so far indicates we shouldn't get our hopes up that Santa is going to deliver backbones for Christmas.

Here is the question. Why have the Democrats who control both houses of Congress gone 0 for 40 when it comes to stopping the war in Iraq? Which is what they promised to do when they were running for office during the midterms. Remember?

E-mail us at caffertyfile@CNN.com or go to CNN.com/caffertyfile.

Usually we only do one question at a time in these segments, but today I have an extra question. And it has to do with "The Drudge Report" and my pal, Wolf Blitzer.

I was clicking on "The Drudge Report," and there you are, big as life, in the middle of "The Drudge Report" this afternoon, with a headline suggesting that the Hillary Clinton campaign is trying to intimidate you before you moderate this big debate in Las Vegas.

What's up with that?

BLITZER: Not true. No one has pressured me, no one has threatened me. No one is trying to intimidate me.

CAFFERTY: They better not. I will come down there.

BLITZER: No one has even called me to try to pressure me or anything like that.

CAFFERTY: Where does a silly thing like that come from?

BLITZER: I don't know. You know, I try to suspect that maybe some rival campaigns are trying to create a little mischief, trying to get her embarrassed a little bit getting into the debate Thursday night.

But I have no idea where it's coming from. I have no idea who generated this story. But I can tell you I have not felt any pressure whatsoever.

CAFFERTY: What about Drudge just rushing this thing on to the Web site without knowing if it's true or not?

BLITZER: Well, that's another story.

CAFFERTY: Well, we may get into that at some point.

BLITZER: Maybe we will.

Jack, thank you.

CAFFERTY: All right. Sure.

BLITZER: A presidential candidate is being accused of playing the fear card. I will ask Republican Tom Tancredo if he's going too far in a new campaign ad that shows a terror attack hitting very close to home.

Also coming up, could Rudy Giuliani be a three-time loser and still win the GOP presidential nomination? We're going to explore whether that's possible or Giuliani's simple wishful thinking.

And the Las Vegas explosion. Just two days before CNN's next big presidential debate, check it out. We have snapshots of the new Nevada and how it's changing politics out West.

Stay with us. You're in THE SITUATION ROOM.

(COMMERCIAL BREAK)

BLITZER: A Republican presidential candidate is being accused of trying to scare voters in a brand new TV ad, but Congressman Tom Tancredo denies he crossed any line.

I will speak with the congressman in just a moment, but first let's go to Brian Todd. He's here in THE SITUATION ROOM.

Why is this ad, Brian, raising so many eyebrows?

BRIAN TODD, CNN CORRESPONDENT: Well, Wolf, the ad is very surprising, but it's too soon to tell if it can really help Tancredo's long shot bid for the White House. Take a look.

(BEGIN VIDEOTAPE)

TODD (voice over): The spot is reminiscent of the infamous daisy ad that President Lyndon Johnson's campaign ran during the 1964 election...

UNIDENTIFIED MALE: Three, two, one, zero.

TODD: ... and of a Web ad last year by the Republican Party. But Tom Tancredo's campaign says the commercial doesn't cross the line and the candidate denies using scare tactics.

UNIDENTIFIED MALE: Islamic terrorists are now free to roam U.S. soil.

TODD: This isn't the first time the congressman from Colorado has caused a stir. Back in August he said that bombing Muslim holy sites would serve as a good deterrent to prevent Islamic terrorists from them attacking the U.S. And in May, Tancredo was asked how he would interrogate terrorists. He said he thought the hard-nosed

techniques portrayed on the television show "24" were the way to go. TOM TANCREDO (R), PRESIDENTIAL CANDIDATE: I'm looking for Jack Bauer at that time, let me tell you.

(END VIDEOTAPE)

TODD: The new ad is scheduled to start running this week in Iowa, the state that kicks off the presidential primary season. Tancredo has made battling illegal immigration his top issue, but he's not well known and he is in the low single digits in the polls. This commercial could help him grab more recognition -- Wolf.

BLITZER: Brian Todd, thanks very much.

(BEGIN VIDEOTAPE)

BLITZER: And joining us now is Congressman Tom Tancredo. He's a Republican presidential candidate.

Congressman, thanks very much for coming in.

TANCREDO: Sure.

BLITZER: I think everybody who sees that ad sees it for what it is -- a very, very frightening, scary ad. But are you going too far in raising these fears that Islamic terrorists are, as you call it in the ad -- Islamic terrorists, that's right -- are crossing the borders illegally, getting into the United States?

TANCREDO: Well, the -- about four days ago, I think, there was a report that came out from the FBI warning -- not a report -- that came out from the FBI, went out to all local law enforcement agencies saying that in fact al Qaeda was planning to attack malls during the Christmas holidays. They specifically cited Chicago and Los Angeles as being the places where these attacks were potentially to occur. They said that it was a credible source. This was just four days ago.

We have testimony in the Congress of the United States, and it was -- admittedly, we had to require the FBI to come in and provide the testimony. They didn't want to. But they have testified to the fact that yes, indeed, people have crossed our southern border, they have been -- we've caught some of them here. They are connected with terrorist organizations.

BLITZER: Congressman, are you using fear to try to get votes?

TANCREDO: I'm using reality. I am asking all of the candidates who are involved in this race -- anybody who thinks they should be president of the United States had better pay attention to this.

Do you think -- do you think, Wolf, that this is not a serious issue? Do you think that there is a candidate out there who should not discuss this?

I want them to discuss it. I want to know what they are going to do about it. Specifically, do they have the guts to do what is necessary to do to protect this country? And if not, they don't deserve to be president. And they sure as heck should be forced into discussing it.

BLITZER: You know your critics are already suggesting these are -- these ads -- this ad specifically is an act of political desperation given your low numbers in the polls. For example, in this latest New Hampshire poll you're at 1 percent. In Iowa, you're at 2 percent. In South Carolina, you're at 1 percent.

Is this an act of political desperation right now?

TANCREDO: I'll tell you, Wolf, never, ever did I expect to be a top-tier candidate. Certainly at this point in time. Never.

I am not surprised by this. And it's certainly -- it is nothing new. All

I'm saying to you is this: I believe my candidacy, at 1 percent or 2 percent, I believe my candidacy has forced the issue of immigration to the top tier of debate topics. I will tell you that. And now I'm trying to force it to the next level, to the really important part of this debate.

And you know -- you know what? Whether it gets me 1 percent or no percent, it doesn't matter. Is the issue something we as presidential candidates, we as a nation, should be confronting? I certainly believe that's true. And I don't care whether this runs my numbers up or down.

BLITZER: From your perspective, you are the first best. But who is the second best candidate from your perspective?

TANCREDO: Oh, I don't know. I suppose Duncan. He's got a pretty good handle on the border idea.

BLITZER: Duncan Hunter. But he's also not necessarily one of the top tier. Any of the top-tier candidates you like?

TANCREDO: Well, I like -- I like them, but whether or not...

BLITZER: On this issue. On this issue.

TANCREDO: On the issue? On the issue they are all weak sisters, unfortunately. They are all -- every single one of them. And I wish this were not true, because they are the top tier, because they have got the best chance of winning.

I want -- you know, the rhetoric is now OK. We have forced them there. But I don't know if they -- if it is coming from the heart or from the spinmeister. I don't know. I tell you...

BLITZER: So I just want to be precise...

TANCREDO: ... when I say something, I guarantee you it's coming from my heart.

BLITZER: I know. I've known you for a long time.

But just to be precise, you don't think Giuliani has got a good stance on illegal immigration?

TANCREDO: Oh, my gosh. Don't I wish?

You know, when he was the mayor and was pushing the whole idea of sanctuary cities, and now pretends that they don't matter and that he really wasn't and he just had to have something to do with the millions of people who were there illegally, well, Mr. Mayor, there is something to do with people who are here illegally. You know? You deport them.

Let me explain this to you. You don't get it.

BLITZER: What about Mitt Romney?

TANCREDO: The same thing. I just don't know if it's for sure. I can't't tell if he's -- if he's real about it.

Is it just rhetoric? I don't know.

Sometimes I get the feeling that it's just -- it's just because we have pushed them on the issue, because they know they have to address it to a conservative primary audience of Republican voters. I just wish I had the feeling that they meant it. That's all. And right now, I must tell you, it just feels like a lot of talk.

BLITZER: Tom Tancredo, the Republican presidential candidate.

Thanks very much for coming in.

TANCREDO: Thanks, Wolf.

(END VIDEOTAPE)

BLITZER: And we checked into something Congressman Tancredo said in the interview, the red flag raised about a possible al Qaeda attack on shopping malls here in the United States, part of an FBI report that came out the other day. It was not a warning. Law enforcement sources telling CNN the intelligence in that report was not -- repeat not -- corroborated.

I want to play for you the controversial 30-second ad that we have been talking about, the Tom Tancredo ad.

Watch this.

(BEGIN VIDEO CLIP)

TANCREDO: Hi. I'm Tom Tancredo, and I approved this message because someone needs to say it.

UNIDENTIFIED MALE: There are consequences to open borders beyond the 20 million aliens who have come to take our jobs.

UNIDENTIFIED MALE: Islamic terrorists now freely roam U.S. soil. Jihadists, who froth with hate, here to do as they have in London, Spain, Russia. The price we pay for spineless politicians who refuse to defend our borders against those who come to kill.

(END VIDEO CLIP)

BLITZER: That's the tough ad that Tom Tancredo is now putting out.

Coming up, Hillary Clinton's camp may be cutting off a source of online support. We're going to tell you why fans of Facebook aren't all that happy with the Democratic presidential frontrunner right now.

And Barack Obama's wife says she's waiting for black America to wake up and get it. Is that the kind of talk that's likely to help her husband's campaign?

Donna Brazile and Terry Jeffrey, they're standing by for our "Strategy Session."

Stay with us. You're in THE SITUATION ROOM.

(COMMERCIAL BREAK)

(NEWSBREAK)

BLITZER: Hillary Clinton's powerful campaign rocked by the words of a college student. The student accusing the campaign of dishonesty.

And in a CNN exclusive that's coming up, the student gives her version of what the campaign did. You are going to want to see and hear this.

And Rudy Giuliani appears to be a gambling man. His campaign is betting he doesn't necessarily have to win in Iowa, New Hampshire, or South Carolina, but that Giuliani would still have a strong shot at getting the nomination.

You're going to hear the strategy and a lot more right here in THE SITUATION ROOM.

(COMMERCIAL BREAK)

BLITZER: To our viewers, you're in THE SITUATION ROOM.

Happening right now, revealing details of Saddam Hussein's imprisonment. A new book says he gave his American interrogator romantic advice, and in a bombshell, that Hussein admitted he was bluffing about having weapons of mass destruction.

We'll explain what is going on.

Meanwhile, in Pakistan, Benazir Bhutto now saying this of President Musharraf -- and I'm quoting -- "It's time for him to leave."

That message from the former prime minister. What does Mr. Musharraf think of all of that? My exclusive interview with Benazir Bhutto, that's coming up here in THE SITUATION ROOM.

And many people hope for sun, but in Georgia they are praying for rain. Huge storms, actually. This is a count the days their water supply could simply run out.

I'm Wolf Blitzer. You're in THE SITUATION ROOM.

Right now, a college student is accusing Hillary Clinton's campaign of dishonesty and she says, you have the right to know what the campaign did. In an exclusive interview with CNN, the young woman who asked a question she says was planted by Clinton's campaign spoke to our producer out in Iowa.

Mary Snow is watching all of this unfold in New York.

Mary, explain what's going on. What is this -- why is this student speaking out and what is she suggesting?

MARY SNOW, CNN CORRESPONDENT: Well, Wolf, she says she feels the need to tell voters what really happened. She says question-and-answer sessions with candidates are very in presidential politics, and voters expect honesty.

(BEGIN VIDEOTAPE)

MURIEL GALLO-CHASANOFF, GRINNELL COLLEGE STUDENT: I felt like I wanted to get the whole story out, just so that people can know the truth.

SNOW: Nineteen year-old Muriel Gallo-Chasanoff is speaking out after being at the center of an embarrassing moment for the Clinton campaign. It admits an aide gave the Grinnell College sophomore a question to ask Senator Clinton at an event in Iowa last week.

GALLO-CHASANOFF: He showed me in his binder, he had a piece of paper that had typed-out questions on it. And the top one was planned specifically for a college student. It said, like, college student.

SNOW: The Clinton campaign has said the Democratic presidential hopeful was not aware the question was planted.

MURIEL GALLO-CHASANOFF, GRINNELL COLLEGE STUDENT: As a young person, I'm worried about the long-term effects of global warming. How did you plan to combat climate change?

SNOW: Why did she go along with the scripted question?

GALLO-CHASANOFF: It seemed silly, but it really just didn't occur to me what the implications could be until a long time afterwards.

SNOW: Gallo-Chasanoff says she overheard another man in the audience saying that he, too, was given a question by the Clinton campaign. When we asked the campaign spokesman about that, he declined any more comments, saying -- quote -- "We have addressed this incident repeatedly over the past several days. The senator had no idea who she was calling on, and this is not acceptable campaign process moving forward. We have taken steps to ensure that it never happens again."

Former presidential adviser David Gergen says, among political campaigns of all stripes, planting a question is not unheard of.

DAVID GERGEN, FORMER PRESIDENTIAL ADVISER: When a campaign plants a question, that's a pretty minor infraction of the rules, like a parking ticket. The problem here is that it feeds a perception, a damaging perception, of Hillary Clinton, that she doesn't -- she can't quite be trusted.

(END VIDEOTAPE)

SNOW: And as for Muriel Gallo-Chasanoff, she told our producer Chris Welch (ph) that she still isn't sure who she will vote for in 2008, that she's undecided. But, she says, the whole experience has left her both jaded and discouraged about the political process -- Wolf.

BLITZER: Want to thank Chris Welch (ph), our producer out there, for some good work.

Thanks very much, Mary, for that.

All 2008 presidential candidates are reaching out to young voters through the social networking site Facebook.com. But reported comments made by Senator Hillary Clinton's advisers dismissing Facebook users as being too young to vote have angered a group of voters online.

Let's go to our Internet reporter, Abbi Tatton. She's watching this story.

How did it all start, Abbi?

ABBI TATTON, CNN INTERNET REPORTER: Wolf, they are all trying to reach out here, as we have talked about before.

And the Hillary Clinton campaign recently touted their 50,000 Facebook supporters. That's why comments by Clinton advisers reported by "The Politico" this weekend dismissing these Barack Obama supporters as young, that they -- quote -- "look like Facebook," have drawn attention.

A new Facebook set up by Republican online strategist Patrick Ruffini called those comments an insult. There's a Facebook group for pretty much everything, large and small. Some supporter candidates. Others slam them. This new group set up yesterday only has a couple of hundred members, but Ruffini says he's trying to push the message that Facebook voters aren't 18-year-old slackers. We are engaged. We vote.

The Clinton campaign today responded, said the comments were meant as a compliment, that Facebook represents a younger generation. The latest figures show that Facebook users are overwhelmingly, the vast majority of them, of voting age. And it is not just the younger people. Over 40 percent of them are over 35 years old -- Wolf.

BLITZER: Really, really old, those people.

(LAUGHTER)

BLITZER: Thanks, Abbi, very much.

Is the Giuliani campaign using fuzzy math? Could he lose the early presidential contest, but still win the Republican nomination?

Also, some are asking if John Edwards would be a sore loser. He's being asked if he would support Hillary Clinton if she wins the Democratic nomination. You're going to find out how Senator Edwards is answering that question.

And get caught with crack cocaine, you could face some serious jail time. But some drug offenders could soon be let out early by the government. You're going to find out why, what's going on on this story.

Stick around. You're in THE SITUATION ROOM.

(COMMERCIAL BREAK)

BLITZER: The closer we get the actual start of the primary season, the more Rudy Giuliani is facing a harsh reality. He is the Republican front-runner in the national polls, but state surveys suggest he could lose the critical early contest in Iowa, New Hampshire, and South Carolina.

Let's bring in our chief national correspondent, John King. He is joining us from Las Vegas right now.

Does the Giuliani camp, John, have a strategy if he suffers three defeats in a row?

JOHN KING, CNN CHIEF NATIONAL CORRESPONDENT: They do, Wolf.

They have a strategy that they believe can work, although many Republican strategist who have been through this process several times find it quite implausible.

You might call this the tale of two campaigns. Look at the Mitt Romney strategy. He's focusing heavily on Iowa, New Hampshire and South Carolina. He leads in Iowa right now, leads in New Hampshire right now and thinks, if he can win those two, he will get the momentum necessary to sweep in and win South Carolina and essentially lock up the momentum necessary to carry on and win the nomination.

Giuliani has a very different approach. He says do as well as you can in those early states, but you don't have to win. He's counting much more on the big states in this unprecedented packed calendar we have on February 5. The way Giuliani champ views it, if he can win most, if not all, of Florida, California, New York, New Jersey, Illinois, Missouri, then the smaller states, Connecticut and Delaware, on February 5, they believe he then would be well on the way to the delegates necessary to win the nomination.

Plausible, Wolf? Yes. But those who have been through this strategy before are highly doubtful of it because they think by the time you get past South Carolina, most of the other candidates will have dropped out. You will have one or two candidates going up against Rudy Giuliani. Yes, he has the money, but most Republican strategists say they find it unlikely that the pro-choice-on-abortion, pro-gay-rights candidate from New York City can beat a Republican who is anti-abortion in a one-on-one race in those states, assuming that candidate has the resources.

But the Giuliani people say it is a different calendar time and they think they can prove they can do it differently.

BLITZER: So, I take it they are still confident that, even if he suffers these defeats, he could get to February 5, superduper Tuesday, as it's called?

KING: Publicly, they say they are confident in their strategy. Privately, though, we are seeing evidence of some jitters, especially now that it is one candidate, Mitt Romney, who is ahead in both Iowa and New Hampshire.

Over the past several weeks, the Giuliani campaign has spent more than \$5 million on radio ads and mailings into Iowa and New Hampshire trying to move the numbers, trying to see if they could make play in those states. They are also sending top campaign officials out to Iowa for some caucus training, so, some evidence, Wolf, they might think they need to invest either in Iowa or New Hampshire, if for no other reason than to try to trip up Mitt Romney.

BLITZER: John King already in Vegas, thanks very much. I will see you there tomorrow, John.

In our "Strategy Session": How does John Edwards feel if Hillary Clinton wins the Democratic nomination?

(BEGIN VIDEO CLIP)

JOHN EDWARDS (D), PRESIDENTIAL CANDIDATE: I fully expect to support two Democratic nominee, and I fully support to be the Democratic nominee.

(LAUGHTER)

(END VIDEO CLIP)

BLITZER: But we are going to tell you why the campaign trail is abuzz right now about the earlier answer he gave "The New York Times."

And just how decided are New Hampshire voters about their presidential pick? We are going to go inside the numbers with Donna Brazile and Terry Jeffrey. They are standing by live -- right here in THE SITUATION ROOM.

(COMMERCIAL BREAK) BLITZER: Right now, a big sign the race for the White House may still be wide open.

A new poll out of New Hampshire shows a lot of Democratic and even more Republican primary voters are still very much undecided.

Let's get to our "Strategy Session."

Joining us, our political analyst and Democratic strategist Donna Brazile and conservative commentator Terry Jeffrey. He's editor in chief of the Cybercast News Service.

Guys, thanks for coming in.

Let's look at these new poll numbers, on the Republican side, first of all. Mitt Romney has a decisive lead over Giuliani. Look at these numbers. We will put them up, 32-20, with John McCain third at 17, Ron Paul with 7 percent.

On the Democratic side, Hillary Clinton at 35 percent in New Hampshire, Barack Obama, 21 percent, John Edwards, 15 percent, Bill Richardson at 10 percent.

But, if you go closer and closer, Donna and Terry, look at this. Among Republicans, have you definitely decided whom to vote for in the New Hampshire primary? Sixty percent of the Republicans potential voters are saying they are still deciding, and 48 percent of Democratic voters are saying that they are still deciding, more than half on the Republican side, almost half.

I have to assume this race is still wide open in New Hampshire.

DONNA BRAZILE, CNN POLITICAL ANALYST: I agree with you.

Look, this election will take place soon after the Christmas holidays. But, while these voters may be interested in going out and shop for Christmas gifts, they are not ready to decide on these candidates. They want to still hear from these candidates. They will be tuning in to the CNN debate on Thursday. They still have a lot of questions out there.

And I believe that this race will continue to tighten as we get closer to January.

BLITZER: Are you surprised, Terry, that 60 percent of Republican voters in New Hampshire still say they're -- they haven't decided yet; they are still deciding?

TERRY JEFFREY, EDITOR IN CHIEF, CYBERCAST NEWS SERVICE: No, I'm not surprised.

But if you are one of those candidates that is down in the polls in New Hampshire, you have to find a way between now and then to change the momentum of your race and the race in general. The obvious thing is the Iowa caucus. And I tell you, if you look at the Republican side, I think John King's analysis earlier was very good. You have Romney leading in both those states. If Romney wins Iowa by a significant margin, it is going to be very difficult for any Republican to beat him in New Hampshire. Then he has got tremendous momentum in the race.

The other Republicans have to reverse that momentum somehow.

BLITZER: All right. Let's talk a little bit about John Edwards right now. He is fighting his uphill struggle against Hillary Clinton and Barack Obama.

In "The New York Times" today, he was quoted as saying -- he declined to answer a question whether or not he would support the Democratic ticket if Hillary Clinton were the Democratic presidential nominee. Chris Dodd put out a statement after that saying: "I'm surprised at just how angry John has become. This is not the same John Edwards I once knew. Of course we should all come together to support the nominee. I wonder which of the Republicans John prefers to Hillary," to which Senator Edwards later put out another statement trying to clarify his stance, saying "The New York Times" wasn't exactly precise.

Listen to this.

(BEGIN VIDEO CLIP)

UNIDENTIFIED FEMALE: Senator, if Hillary Clinton is the nominee, will you support her? Will you -- will you throw your support behind her? Since she's in your party, will you support her?

EDWARDS: I fully expect to support two Democratic nominee, and I fully support to be the Democratic nominee.

(LAUGHTER)

UNIDENTIFIED FEMALE: What if it is Hillary Clinton?

EDWARDS: I stand by what I said.

(END VIDEO CLIP)

BLITZER: All right. That's not exactly a hard-and-fast statement: "I fully expect to support the Democratic nominee."

What do you think?

BRAZILE: Well, he's backpedaling a little bit.

Look, I suspect, at the end of the day, if Hillary Clinton is the nominee, John Edwards will support Hillary Clinton. But, look, John Edwards has to be careful. He is now coming across as the angry candidate, the candidate that's just upset with everyone, including his other Democratic opponents.

He campaigned on one America, and now he's trying to have two Democratic parties. We will have one Democratic Party at the end of this nomination.

BLITZER: What do you think?

JEFFREY: Well, John Edwards could really help the Republicans by going after Hillary Clinton's credibility, which it sounds like he is starting to do.

But he's -- he is in a tough situation, because he put all his chips in Iowa. Barack Obama has moved ahead of him in Iowa and New Hampshire. It is narrowing, it looks like, towards a Hillary vs. Obama race. And if Edwards places third in Iowa, that is what it's going to be.

BRAZILE: Why would anybody want to help the Republicans while -- while you're down right now?

JEFFREY: Go, John.

(LAUGHTER)

BLITZER: You know, in the African-American community, among Democrats, Hillary Clinton is doing better than Barack Obama. And Michelle Obama, the wife of the Illinois senator, was asked about that earlier today.

And I want to read to you what she said, Michelle Obama saying: "I think that's not going to hold. I'm completely confident black America will wake up and get it. But what we're dealing with in the black community is just the natural fear of possibility."

What do you think?

BRAZILE: Well, first of all...

BLITZER: What do you think of what she said?

BRAZILE: Oh, well, first of all, African-American voters have not been asleep for the last seven years.

After the fiasco in Florida, African-American voters have shown up and voted in every election. So, they know exactly what they are doing. They want to support someone who can win. They want to support somebody who will champion those issues that they care about. They are not just going to back someone because he's black or she's female. They will back somebody who they believe will win and will fight for their issues.

BLITZER: Because what Michelle Obama is suggesting, though, is that black Americans, or at least a lot of them who support Hillary Clinton, don't feel he, Barack Obama, can win. And, so, as a result, they want to go with the winner.

BRAZILE: They want to go with a winner, but they also want to go with somebody who they know will fight. They know Hillary Clinton. That's why the Republicans are beating her right now, because they know she will stand up and fight. JEFFREY: Wolf, here is an interesting contrast.

Last night, I went to a dinner here in town sponsored by the conservative Heritage Foundation. Justice Clarence Thomas was the speaker. He is promoting a book he has written about being raised by his grandfather down in Georgia.

He said last night that, when he was a child, he sometimes felt like he was not supposed to go out of his geographical neighborhood. When he got to be adult, some people tried to make him feel like he should not go out of his ideological neighborhood.

Black people have a right to choose who they want to vote for based on their values and their -- the issues that matter to them. They should not be expected to have to vote for a candidate simply because of the color of his skin.

BRAZILE: But African-Americans will never go off the edge, depending on where they live. They will always support their issues and their values. And that's where African-American voters have stood since '65.

JEFFREY: Sure. And that doesn't mean they have to vote for the black candidate.

BRAZILE: It means that they have to vote for somebody who will fight for their issues and champion...

JEFFREY: Right.

BRAZILE: They know Hillary Clinton will do that.

JEFFREY: Sure.

BLITZER: All right, guys, we're going to leave it right there.

Donna and Terry, thanks very much.

Why did Barack Obama eat a mouse? It's not what you think. We are going to explain what's going on.

Also, if congressional Democrats were a sports team, they would likely have no fans. Get this. They're zero for 40 on a key issue involving the war. We are going to tell you what it is and why it should matter to you. Jack Cafferty is standing by.

And Pakistan's former prime minister says, President Musharraf should simply leave. You are going to hear my exclusive interview with Benazir Bhutto. That's coming up -- here in THE SITUATION ROOM.

(COMMERCIAL BREAK)

BLITZER: On our Political Ticker this Tuesday: Republican Mitt Romney is setting a record for ad spending at this point in the presidential campaign. Data provided exclusively to CNN shows Romney has doled out \$10.2 million for political commercials. A campaign media analysis group saying Romney is spending more than \$85,000 a day, \$600,000 in the last week alone.

Underdog Republican presidential candidate Ron Paul's fund-raising success is making heads turn again. His presidential campaign says it raised -- get this -- \$8.1 million since October 1. That's almost double the donations Paul received over the entire first three-quarters of this year.

CNN can't verify that number until official FEC reports are filed. But Paul's cash haul has been the talk of the campaign trail since last week, when his campaign announced raising more than \$4 million on the Internet in just 24 hours.

And check this out. No, Barack Obama isn't auditioning for "Fear Factor." But, yes, he did dangle a mouse by the tail and then devour it during a campaign stop in New Hampshire yesterday. OK, he was at a candy factory, and the mouse was made out of delicious, delicious chocolate.

Remember, for the latest political news at any time, you can always check out our Political Ticker at CNN.com/ticker.

This is the image many Americans have of Nevada, the Las Vegas Strip, a glitzy playground for people with money to burn. But there's much more to Las Vegas and the state of Nevada. It was a sleepy Western town back in the 1900s. The population grew slowly at first, fueled by mining and later by legalized gambling.

But, over the past two decades, Nevada's population has simply exploded, in large part because of a surge in Latino residents and other minorities. All sorts of folks are retiring and moving to Nevada as well.

Our senior political analyst, Bill Schneider, is on the scene for us in Las Vegas. It is the backdrop for CNN's

Democratic presidential debate Thursday night.

All right, Bill. All of us have been to Vegas. What's new? What's going on now?

WILLIAM SCHNEIDER, CNN SENIOR POLITICAL ANALYST: What's new in Las Vegas? Everything, including the politics.

(BEGIN VIDEOTAPE)

SCHNEIDER (voice-over): Las Vegas is a boomtown, literally. That was the Frontier Hotel coming down, the Las Vegas Strip's first themed casino. Went up in 1942. Came down Tuesday morning, 2:30 a.m. They say what happens in Vegas stays in Vegas, but not for long. This is a town where everything changes -- fast.

Ask the congresswoman. REP. SHELLEY BERKLEY (D), NEVADA: I have got the fastest growing congressional district in the United States, with 1.9 million people. We have 5,000 new residents a month coming into town.

SCHNEIDER: Who are all those people? They're young people with families taking new jobs in the booming service sector.

BERKLEY: We build a school a month in order to keep up with the growth.

SCHNEIDER: They are retirees.

BERKLEY: I have got the fastest growing senior population.

SCHNEIDER: Veterans.

BERKLEY: I have 212,000 veterans here in the Las Vegas Valley.

SCHNEIDER: And Hispanics.

BERKLEY: I have got the fastest growing Hispanic population.

SCHNEIDER: You heard how the American labor movement is struggling to survive? Not here.

BERKLEY: The only community in the United States that has a growing union population.

SCHNEIDER: The politics are changing, too. Until the 1980s, Nevada tended to vote Democrat. It's the Silver State. William Jennings Bryan, the candidate of Free Silver, carried it three times.

The population boom of the 1970s and '80s brought a lot of new voters, mostly white, mostly Reagan Republicans. Now, with the new population boom, it is changing again.

BERKLEY: We have recently flipped the state. And there are now more registered Democrats than Republicans in the state of Nevada.

SCHNEIDER: Who is this we? Vegas, baby. Vegas.

BERKLEY: Seventy percent of the state population is located here in southern Nevada. We have dramatically changed the state.

(END VIDEOTAPE)

SCHNEIDER: Now, with just five electoral votes, why is Nevada significant? Because it is a bellwether state. Nevada has voted for the winner in every presidential election since 1912, with one exception. That was 1976. What happens in Vegas may be about to happen everywhere -- Wolf.

BLITZER: Good point.

See you tomorrow. Thanks very much, Bill, for that. And this programming note: As I said, I will be in Las Vegas to moderate Thursday night's debate. Our coverage of the debate begins at 8:00 p.m. Eastern, 5:00 Pacific, two hours of Democratic presidential candidates Thursday night in Vegas.

Jack Cafferty is watching all of this with "The Cafferty File" -- Jack.

CAFFERTY: That town has changed a lot. When I was just a kid, my mother used to put my brother and me on a Greyhound bus in Reno. And we would travel 440 miles across the desert to Las Vegas where my uncle Jack was the manager of the Golden Nugget Casino downtown on Fremont Street.

The Strip was nonexistent. There were three or four places out on the Strip. The population of the town was less than 100,000. It's unbelievable. The woman said there's 1.9 million people out there now. Amazing.

The question this hour is, why have the Democrats, who control both houses of Congress, gone zero for 40 when it comes to stopping the war in Iraq?

Dave writes from Florida: "Democrats go zero for 40? Come on, Jack. As they say, there's money in religion, even more money in wars. The Democrats, as well as the Republicans, keep the war machine going for profit for their pals who kick back to them. It goes to show George Wallace was right when he said there's not a dime's worth of difference between the Republicans and the Democrats. We see evidence of that statement every day."

Neil in Cabool, Missouri: "I -- should I suggest the obvious? They really don't want to stop the war, but they do want the voters to think they want it stopped. Just look at the responses in the Democratic debates on a timeline for troop withdrawal. Did any of them claim they would immediately bring our troops home? No, they did not. They just beat around the Bush."

He capitalized Bush.

Kerry in Texas: "Because they can't or won't. They're playing to a small, but loud group, but they're smarter than to push too far, because they're playing politics with the lives of the military. They have lost the last two presidential elections. The war is the rallying cry. Without it, they have nothing."

Paul writes: "The voting thus far has been extremely partisan, and, as such, the Democrats have failed to muster the votes to overcome the majority needed to bring these bills to fruition. Additionally, the Democrats are pandering to the middle in an effort to be everything to everyone, instead of acting like Democrats and shutting this Republican fiasco down, like the American public want."

Liza in Rutherford, New Jersey: "The Dems are not zero for 40. They're one for 39. They passed a bill, but Bush vetoed it. If Senate Republicans didn't threaten to filibuster everything, a few more of those would have passed, too."

And Tom writes: "This is an easy one, Jack. It's the fear of looking wimpy on national security and terrorism."

FDR was addressing this Democratic Congress when he said there's nothing to fear but fear itself. In the case of these Democrats in power, that seems to be more than enough. No, there will be no spines for Christmas this year" -- Wolf.

BLITZER: Jack, thank you.

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