

KVRB/KBRR/KJRR/KNRR
2ND QUARTER 2009
ISSUES AND PROGRAMMING
JUNE 2009

<u>DATE</u>	<u>TIME</u>	<u>LENGTH</u>	<u>TITLE</u>	<u>TOPIC</u>
6/1-6/5	6:30 AM	30 Min.	First Business	See Attached
6/6	7:00 PM	60 Min.	Cops I & II	See Attached
6/6	8:00 PM	60 Min.	America's Most Wanted	See Attached
6/7	8:00 AM	60 Min.	FOX News Sunday	See Attached
6/8-6/12	6:30 AM	30 Min.	First Business	See Attached
6/13	7:00 PM	60 Min.	Cops I & II	See Attached
6/13	8:00 PM	60 Min.	America's Most Wanted	See Attached
6/14	8:00 AM	60 Min.	FOX News Sunday	See Attached
6/15-6/19	6:30 AM	30 Min.	First Business	See Attached
6/20	7:00 PM	60 Min.	Cops I & II	See Attached
6/20	8:00 PM	60 Min.	America's Most Wanted	See Attached
6/21	8:00 AM	60 Min.	FOX News Sunday	See Attached
6/22-6/26	6:30 AM	30 Min.	First Business	See Attached
6/27	7:00 PM	60 Min.	Cops I & II	See Attached
6/27	8:00 PM	60 Min.	America's Most Wanted	See Attached
6/28	8:00 AM	60 Min.	FOX News Sunday	See Attached
6/29-6/30	6:30 AM	30 Min.	First Business	See Attached



TO: Program/Promotion Manager
FROM: First Business Producers

Monday

ADJUSTING ARMS

Russ Martin of Perl Mortgage and Marve Stockert of the Illinois Association of Mortgage Professionals tell why some homeowners with unlocking adjustable rate mortgages could be in for even lower payments.

Tuesday

LABOR ADJUSTMENTS

Scott Brave of the Chicago Federal Reserve tells whether or not employers are firing at the same rate as in previous recessions.

Wednesday

RISING ENTREPRENEURS

Author Tom Peters talks about the new crop of entrepreneurs rising out of the recession.

Thursday

SAVING SMALL BUSINESS

Small business expert Steve Strauss offers smart strategies to help small businesses survive these challenging times.

Friday

MARKET OUTLOOK

From economic conditions to stock predictions, market professionals shed insight on the economy and the stock market.

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Saturday, June 6, 2009

08:00 – 08:30P

COPS "COAST TO COAST" (CP-2114) (2R-01/24/09) (TV-PG: V)

Deputies in Harris County, TX, pursue a truck that's hauling golf carts even though this oversize rig won't be able to outrun the cops. Officers in Las Vegas pull over a suspicious car driving around a mall parking lot, and while questioning the suspect, things quickly go from bad to worse. Also featured are officers in Rialto, CA, who respond to the scene of an accident.

08:30 – 09:00P

COPS "COAST TO COAST" (CP-2131) (TV-PG: L, V)

When officers of the Rialto, CA, Police Department stop a speeding motorcyclist, he initiates a high-speed pursuit that escalates to a foot chase. Deputies in Pierce County, WA, conduct a routine traffic stop only to discover drugs and broken glass inside the vehicle. Also featured are officers of the Sacramento, CA, Police Department dispatched to a domestic-violence call.

09:00 – 10:00P

AMERICA'S MOST WANTED (MW-2234) (TV-14:V)

AMERICA'S MOST WANTED takes on the nation's hottest crime issues. This crime-fighting program focuses on capturing fugitives, protecting victims and empowering citizens within the criminal justice system. The series also takes an in-depth look at laws that harm victims, champions the cause of lawmakers fighting to protect victims' rights and presents news of recent captures, convictions and missing children cases.

Frontdesk

From: Synalovski, Eva [Eva.Synalovski@FOXNEWS.COM]
Sent: Monday, June 29, 2009 4:13 PM
To: Frontdesk
Subject: FOX News Sunday Transcript June 7, 2009

EVENTDATE: 06-07

"FOX NEWS SUNDAY"

JUNE 7, 2009

SPEAKERS: CHRIS WALLACE, HOST

STAFF DIRECTOR AND CHIEF ECONOMIST, PRESIDENT'S

ECONOMIC

RECOVERY ADVISORY BOARD, AUSTAN GOOLSBEE

SEN. RICHARD C. SHELBY, R-ALA.

ERIC SCHMIDT, CEO, GOOGLE

FRED MALEK, CHAIRMAN, THAYER CAPITAL PARTNERS

JUAN WILLIAMS, FOX NEWS

MARA LIASSON, FOX NEWS

BRIT HUME, FOX NEWS

BILL KRISTOL, FOX NEWS

WALLACE: I'm Chris Wallace, and this is "FOX News Sunday."

Uncle Sam wants you driving one of his cars, writing checks at one of his banks, and using his health insurance. Are we saving the economy or headed toward socialism?

For answers, we've assembled some big thinkers -- Austan Goolsbee, from the White House Council of Economic Advisors; Richard Shelby, the top Republican on the Senate Banking Committee; Eric Schmidt, CEO of Google; and Fred Malek, chairman of Thayer Capital Partners.

Also, the speech heard 'round the world.

(BEGIN VIDEO CLIP)

OBAMA: I've come here to Cairo to seek a new beginning between the United States and Muslims around the world.

(END VIDEO CLIP)

WALLACE: We'll ask our Sunday panel if the president can jump- start peace in the Middle East.

And our Power Player of the Week bringing television into the digital age, and the deadline is coming, all right now on "FOX News Sunday."

And hello again from Fox News in Washington. With General Motors filing for bankruptcy and the federal government taking a 60 percent ownership stake, we want to address at length today how much government intervention is too much.

We brought in top leaders from the public and private sectors -- Republican Senator Richard Shelby, presidential economic adviser Austan Goolsbee, investment banker Fred Malek, and from Mountain View, California, the chairman and CEO of Google, Eric Schmidt.

Before we get to our discussion of government's role in the private sector, Mr. Goolsbee, I want to ask you about the latest jobs numbers -- 9.4 percent unemployment, 345,000 more layoffs in May.

A couple months ago, the White House projected unemployment was going to top out in September at no more than 8 percent. Are we now headed for double-digit unemployment, more than 10 percent?

GOOLSBEE: I hope not, but you are right. The economy has clearly gotten substantially worse from the initial predictions that were being made not just by the White House but by all of the private sector.

In this report, minus 345,000 is a terrible number, but it's a substantial improvement from what the job losses have been. That's the smallest job loss since September of last year. So it's encouraging, but really bad.

WALLACE: What's your latest projection on how high unemployment will go and when it will peak?

GOOLSBEE: I try to stay out of the forecasting game. There are official forecasts, and the next update of those forecasts, I believe, are coming out in August. They matter for the -- forecasting what the budget deficit is going to be, obviously.

I don't think there's any question it's going to be a rough patch not just in the immediate term, but for a little bit of time, because you've got to turn the economy around, and jobs and job growth tend to come after you turn the economy around, so it's likely going to be a little higher.

Now, one thing to note is the unemployment rate rose, despite the job loss figure coming well down and being well lower than expectations, and that is because there were a number of people who had dropped out of the labor force because they were discouraged workers.

When you start to see a little bit of possibility that you can get a job, you're going to see a bunch of people enter the labor force looking for work. The unemployment rate's going to go up a little more.

WALLACE: All right. Let's get to our main topic, "Government Motors," big financial stakes, big bailouts for all the financial companies, a public health plan.

Senator Shelby, you say that the Obama administration is taking us down the road to socialism. Explain.

SHELBY: Well, obviously, so they interviewed last fall in the bank crisis. No one has ever done it on that scale before. Now the automobile crisis -- now, Bush -- you have to go back to the Bush administration. They started it.

Now you're talking about a massive health care plan while we're trying to right our economic ship. I believe that there's no doubt that we're going down to government intervention everywhere, government ownership, unprecedented in this country.

And it's the wrong road and it's a road -- and it's a slippery slope.

WALLACE: Let me bring in Fred Malek, though.

The president says that he has no interest in running businesses. He's just trying to save them from collapse and then get out. Let's watch what he said.

(BEGIN VIDEO CLIP)

OBAMA: I don't want to run auto companies. I don't want to run banks. I've got two wars I've got to run already. I've got more than enough to do. So the sooner we can get out of that business, the better off we're going to be.

(END VIDEO CLIP)

WALLACE: Fred Malek, in the middle of a financial crisis, in the middle of a terrible recession, could the president really let General Motors and Chrysler, AIG and Citibank go under?

MALEK: I think you have two different situations here. Look, at a time of peril like we had in the war on terror, abandoning our principles and torturing is wrong.

At a time of economic peril, abandoning the principles that have made us the greatest economic engine in the history of the world is equally wrong.

And I think what you have here is you have two different situations. I would label the injection of capital into the financial institutions, to stabilizing the financial system -- that's a war of necessity. You had to do that.

But giving it to General Motors, saving General Motors and then taking them into bankruptcy -- that's a war of choices, the wrong choice, and I think you're going to have political involvement in General Motors going forward.

It's going to decrease the competitiveness rather than increase it, and I think it's going to hurt the American people.

WALLACE: Eric Schmidt, I want to put something up on the screen that you said just last week. Let's take a look. "The last thing you want is the government in your boardroom telling you what to do."

But let's take a look at what has happened with General Motors. The government is telling General Motors not to import small cars from China but to make them here. We had the spectacle this week of senators bringing in the heads of General Motors and Chrysler and haranguing them not to close dealerships.

For all the talk about not micromanaging, isn't that exactly what the government is doing?

SCHMIDT: Well, it depends on what they actually do. At the moment it's all just posturing. It seems to me that what choice did we have except try to save General Motors, given the roughly million jobs that were related at a time of incredible pain and job loss.

So think about it. The choice was bankruptcy, the supply chain goes away, the loss of the American automobile industry, or a Band-aid. It needs to be a Band-aid, and it needs to be something which we get out of.

Private capital is the -- is the source of jobs in our country. And I can't imagine that we want to own

these companies very long.

WALLACE: But, Mr. Schmidt, it isn't just a question of making speeches. I mean, you had Barney Frank, the head of the Financial Services Committee, call General Motors this week and save a G.M. warehouse in his district in Massachusetts.

As part of the deal, the -- General Motors agreed, and the government pushed them, that they're not going to continue to make some small cars in China. They're going to make them here to protect jobs for the UAW. So this is, forgive me, industrial policy.

SCHMIDT: Well, again, in the first place, these are highly regulated industries, as we know, and so this is just another example of the kind of regulation people are doing.

At the end of the day, this will hurt their competitiveness and they're going to have to stop it. They're going to have to run as a private company. They're going to have to shed the dealers, unfortunately, and all these painful steps that they should have done 10 years ago, which is what got them into this situation in the first place.

WALLACE: Mr. Goolsbee, I'd like you to follow up and join this conversation, but I also want you to talk about the clash between policy and profits.

The government wants General Motors to make small cars, fuel- efficient cars, while all the indications are that, according to the market, the cars that they make the most profit on are SUVs and pickup trucks.

So which takes precedence, profits for the taxpayer shareholders or environmental policy?

GOOLSBEE: Look, the president made totally clear in his remarks -- and he specifically said, "We are not going to be in the business of telling General Motors or anybody else what kind of cars to make, where they should open their plants or anything of the sort."

The president made clear we want to get out of this as quickly as possible. We are only in this situation because somebody else kicked the can down the road, and that's really an understatement.

They shook up the can. They opened the can and handed to us in our laps -- Senator Shelby knows that to be true. When George Bush put money into General Motors, almost explicitly with the purpose -- how many dollars do they need to stay alive until January 20th, 2009, there was no commitment to restructuring, to making these viable enterprises of any kind.

They made none of the serious sacrifices. And Republicans in the Senate attached a list of conditions. They opposed George Bush's intervention because they said the unions had not made the following sacrifices.

In the Obama plan, it asks more and received more from the unions and from the other stakeholders than the people that objected to the bailout last November asked for. So we have finally put them on that path.

WALLACE: Let me bring Senator Shelby into this.

SHELBY: First of all, I advocated last fall that General Motors' and Chrysler's best bet would go to Chapter 11 then. It would have saved a lot of money -- not a political restructuring, like what's happened, where the bondholders have been sacrificed. The unions have carried the day.

You've got a combination now, the unions and government, government ownership in General Motors -- the majority -- and the -- and the unions. I don't see a good model to make money for these companies to survive down the road.

WALLACE: Fred Malek, you're in the business world. Do you see micromanaging going on here by not only the White House but also by 535 senators and Congressmen?

MALEK: Well, I think -- I think by the White House, certainly. I agree with Senator Shelby. Look, we've had -- for decades we've had a bankruptcy system in this country that has worked well and has fueled the free enterprise system in a positive way. It is impervious to politics because it's run by the federal courts.

Now what have you done? You've taken it out of the judicial and you've turned it over to the executive, and I think you've injected politics into it.

Senator Shelby is right. There was no sense in putting billions of dollars in and then declaring Chapter 11 afterwards. They should have gone in -- let them go into bankruptcy and let the courts work it through.

What this amounts to is a bailout for the unions at the expense of secured creditors, and it's broken contracts with secured creditors. It's treated the unions more favorably. And I think -- let's watch.

Let's listen carefully to what Austan said. I respect his judgment. But let's watch what they do and not what they say. And what they do is going to be...

WALLACE: Let me -- let me -- let me just ask, Mr. Goolsbee, if at some point either the Bush administration back in the fall or you guys when you took over had just said, "Go into Chapter 11, we're not going to take an ownership stake, we're not going to give you \$50 billion," what would have happened?

GOOLSBEE: At that time or now? They're going into bankruptcy. With Chrysler, they're going through bankruptcy.

WALLACE: I understand, but...

GOOLSBEE: The issue is...

WALLACE: ... if you'd done that before you gave them 50 billion...

GOOLSBEE: ... if you had tried to put them in bankruptcy -- look, Senator Shelby may be correct. I don't know why the Bush administration simply handed them money and shoved the problem on to the next guy.

But in the circumstance that the president faced, the -- if the alternative is immediate liquidation of these companies in the midst of the worst recession since 1929, it does seem that that is something we ought to take into account.

In Chapter 11, where you're trying to do restructuring -- that is precisely the form that this restructuring is taking. I completely disagree. If you look at the facts, this is not a circumstance where they've handed everything to the union. All the stakeholders have made sacrifices.

The unions and workers have made major cuts. They -- they're facing tremendous additional layoffs. They had wages cut, benefits cut. They had restructuring of their pension and health obligations, and they made more sacrifices than, as a comparison, in the steel industry, where there was no government involvement.

WALLACE: Let me -- let me bring -- let me bring in Eric Schmidt out in California.

Mr. Schmidt, as a businessman, when you see the bankruptcy deal that the government worked out where the union ended up with, I believe, 17 percent of the company, and the bondholders, who had \$30 billion in debt, end up with much less, as a private investor what message would that send you?

SCHMIDT: Well, the question here is whether they're going to be able to raise money in the capital markets in the future, and I don't really know.

I worry about any one group having too much influence over this outcome -- politicians, the unions, the employees, what have you. This needs to be a competitive global business.

My concern about General Motors was that the costs needed to be pared a long time ago, and they were paying the penalty now. Both the Bush administration and now the Obama administration -- actions were late relative to what should have been done by the private sector.

It was a failure of the private sector that got into this. We need to get back to getting people who want to run a business and make money. The sooner we do that, the better.

WALLACE: Senator Shelby, let's turn to another aspect of that, and that is financial bailouts. You don't like them. You voted against TARP. But I want to put up some numbers that are very current.

The Dow Jones closed on Friday at 8,763. That's up 34 percent from the low in March. And the Obama administration is expected to announce this week that some of the major banks may be able to repay up to \$50 billion of that TARP money.

So when you used to say not so long ago, "Let's let some of these big banks fail," were you wrong?

SHELBY: No, I was not wrong. I think some of the banks could have failed, not without pain. Failure is always painful.

But you take Citicorp -- Citicorp's been a sick institution a long time. This is about the third time they've been in trouble. They keep downsizing. They're going to have to downsize more. They're under fire right now.

Would the world have come to an end if they closed one of these banks or two? No, it wouldn't. We would have been better off...

WALLACE: Even Citicorp, with all of its...

SHELBY: Absolutely. We would have...

WALLACE: ... its connections all over the world?

SHELBY: I bet you we would have saved money of the taxpayers big time and sent a message to

management that nobody's too big to fail.

Dr. Volcker's told us in the Banking Committee, testifying, a lot of institutions, financial institutions -- probably too big to exist.

WALLACE: Do you -- do you agree with that, Fred Malek?

MALEK: No, I don't. I think that you'd have a domino effect. Look, the Lehman -- the Lehman bankruptcy started a kind of a domino effect. We had AIG. We had Fannie. We had Freddie.

I think if we let Citicorp fail, and all due respect to Senator Shelby, who I greatly respect, I think you could have had a domino effect that could have eroded confidence in the United States financial system, and you could be facing even a greater crisis today.

So that -- as I said earlier, that was something that you had to do. It's not like these other things that you don't have to do.

WALLACE: Mr. Goolsbee, the latest news is that the administration is about to name a pay czar to ensure that companies that receive federal bailouts meet what are going to be new executive pay guidelines.

In fact, there's even talk that the administration wants to set up a -- new rules, new regulations, for the entire industry that would ban pay plans that are seen as rewarding risky behavior. True?

GOOLSBEE: Look, the -- everyone knows that we've got into a situation in the run-up to this financial crisis where -- and Senator Shelby, to his credit, identified it early. There were a number of leaders that identified it, and Senator -- then-Senator Obama was out front -- that too much of the mentality was, "I want to get my pay even if that means doing something that's going to undermine the company, doing something that's going to undermine the financial system."

And we want to get away from that mentality, that pay should be tied to long-term performance and that pay should be based on...

WALLACE: But why should government be telling -- I mean, because you're saying...

GOOLSBEE: In this case, the government...

WALLACE: If I may, you're saying...

GOOLSBEE: ... is laying out...

WALLACE: ... you're saying -- Mr. Goolsbee, you're saying not only a company that's accepting federal money, but even one that isn't -- that the government is going to set pay guidelines and you're going to have a pay czar ruling on what's an appropriate pay structure or not?

GOOLSBEE: Well, I think you may be mixing a few things. One, it's totally clear that if the government is saving your bacon and giving you money that they have some input on whether you're wasting the money or what you're doing with the operation. I don't think anybody disputes that.

The purpose is to set up clear rules ahead of time so that we don't get into situations where people say you're changing rules after the fact.

On broader pay issues, the president has always been in favor of things like "say on pay" legislation so shareholders could have a say on the pay that the executives at their companies are behaving in, and there are a series of principles, best practices, that I think it's perfectly appropriate to put forward.

WALLACE: Okay. I know we could talk about that at great length, but we've got one other big subject to talk about, and it's going to be the big subject this coming week and for weeks to come in Washington. That's health care reform.

The president wants a public health option. Despite his opposition during the campaign, he now says that he's willing to consider mandates on individuals to get health insurance, on employers to pay for health insurance, as long as there's a hardship waiver.

Senator Shelby, what's wrong with that?

SHELBY: Two things. One, we don't know how much it's going to cost and who's going to pay for it. Secondly, it will be the first steps in the -- destroying the best health care system the world has ever known.

WALLACE: Why is that?

SHELBY: Because government -- when the government's involved more and more in the details, and you start the one pay deal, and you've got the government competing with private enterprise, with all the incentives government has and the power, they will destroy the marketplace for health care, and it will be a mistake, and the American people better be careful in what they want.

WALLACE: I want to ask you two aspects of this, Mr. Goolsbee. First of all, the question of whether the public health insurance plan drives out all the private health insurers, and also the question about how you pay for it.

During the campaign, candidate Obama attacked John McCain for the idea of taxing health care benefits. Let's watch.

(BEGIN VIDEO CLIP)

NARRATOR: McCain would make you pay income tax on your health insurance benefits, taxing health benefits for the first time ever.

(END VIDEO CLIP)

WALLACE: But now the president tells Democratic senators he's willing to consider the idea of either taxing people who make a certain amount of money or taxing health care plans that are of a certain value. Isn't that a complete 180-degree policy flip?

GOOLSBEE: Well, let me say two things about that. Number one, that -- what the health care exclusion, as they call it -- that was not in the president's plan.

Now, the president has committed that he's going to work with Congress, and -- so they have put forward a whole series of ideas that he's willing to look at to do an achievable health care cost reduction and health care expansion for people who are uninsured.

But that's not the president's plan, so I think it's a little unfair to attribute to the president things that he

did not put forward.

And the second is in...

WALLACE: But he's willing to accept it.

GOOLSBEE: He's willing to look at all sorts of ideas. That is not in his plan. It is not the president's plan that he put forward.

The second is in the campaign, the McCain proposal, as you describe in that ad, moved from are the companies going to be paying taxes on the insurance to then shifting to let's have the individuals pay tax on their health insurance. And the president -- I don't think it's a secret that the president has been and will remain highly concerned about how ordinary Americans are able to foot the bills on their -- foot their tax bills.

That's why they put in a tax cut for 95 percent of workers in the recovery package. So he's clearly going to be mindful about that in health care.

WALLACE: Fred Malek, your thoughts about the benefits versus the dangers of a public health insurance component as one of the choices, and also what seems to be if not a flop, in the sense that he's offering it, he's willing to consider this idea of taxing benefits.

MALEK: Well, I think -- I think there are two major problems beyond that, Chris, that I'd like to just address fairly briefly. One is the timing and two is the cost.

We should be focusing like a laser on this economic recovery in creating jobs. This health care bill does not do that. We should not be focusing on that. Plus, the health care bill, by their own estimates, adds over a trillion dollars of costs over the next 10 years.

At a time when we are mounting deficits and mounting debt that's greater than the total debt accumulated in the history of our country, this could only lead to inflation. It's going to have a bad ending. And we should put this off for a couple of years until the economy gets stabilized.

WALLACE: I want to get to debt as our last subject.

But, Mr. Schmidt, I just want to bring you into this debate about health care, because the president is talking about trying to get a health care plan on his desk to sign by October. We're talking about 18 percent of the economy.

There are some proposals floating around. The president has given us nothing more than principles. Is it realistic to do that kind of massive undertaking on such a short timetable?

SCHMIDT: Well, I hope so. And the reason is that businesses have a lot of trouble with the cost of health care, and health care costs will continue to rise. And if we delay for a couple of years, as has been discussed, the problem is the cost structure just gets worse.

The only way to really address this is to address the combination of coverage and cost. So anything that the Congress and the president does has to do that. And from my perspective, the sooner the better.

You won't fundamentally solve the problems in business until you solve the problem of spiraling health care costs, which is driving everybody crazy.

WALLACE: Finally, let's talk about the deficit and the economy.

As you mentioned, Mr. Malek, Fed Chairman Bernanke raised the concern this week that long-term deficits could choke off any kind of economic recovery and be very damaging to the economy.

Senator Shelby, how serious a problem are these trillion dollar deficits as far as the eye can see?

SHELBY: Very, very serious, the most serious that we've ever seen in America. And I'm glad to see the Fed chairman, after printing so much money, talk about deficits and so forth.

But I can tell you if we get to a \$20 trillion debt, this country -- and we're headed down that road -- our ability to pay and service that debt is going to be questioned all over the world.

Just like some of the rating agencies have already begun to question the British for the first time, they will surely question ours, because we're the largest debtor in the world and growing by leaps and bounds.

WALLACE: Mr. Goolsbee, the national debt was 41 percent of the economy last year. Under the Obama budget plans, it would rise up to 82 percent -- the national debt -- 82 percent of the total economy in 2019. That's not sustainable.

GOOLSBEE: I will say two things about that. Number one, we know that in the short run, in the midst of the deepest recession since 1929, you don't try to tighten the belt at that moment.

We're talking about the longer run. In the longer run, the two major things that have happened in the forecasting of the budget are, number one, the economy's deterioration means that they're forecasting substantially lower revenues.

And importantly, number two, the Obama budget removed all of the budget and accounting gimmicks and put forward -- here is the actual fiscal state that we face.

Now, compared to the actual policies that George Bush had in place, what they call the current policy baseline, Obama is cutting the deficit more than \$2 trillion over the 10 years compared with what he was inheriting.

The only sense in which his budget is expanding the deficit is compared to the accounting gimmicks and things that nobody actually believed were going to take place, like the expiring of the tax cuts.

WALLACE: We've got less than a minute left.

Fred Malek, I'm going to give you the final word. Do you believe that?

MALEK: I don't. Look, this budget -- this spending over the next four years counts on borrowing 46 cents out of every dollar the government spends. We got into trouble in this country as a nation by over leveraging in the private sector and amongst individuals.

So you're telling me the answer is to leverage the entire country by borrowing 46 cents on the dollar, 25 percent of which, as Senator Shelby points out, comes from China?

WALLACE: We're going to have to leave it there. Fred Malek, Austan Goolsbee, Senator Shelby, Eric

deterrence, I guess. We -- we're not -- we think that they're too far along down the path to making weapons to stop them from doing it, but maybe we can stop them from using them or weaponizing them.

And I think that this was a speech that was aimed to change diplomacy in the Middle East. I think the president thinks that if he can get the Arab nations -- and I think of all the audiences this speech was aimed at, and it was aimed at many, the Arab leaders were probably the first and foremost.

If he can get them to work with Israel -- right now, the Palestinians are not in the position to do much of anything or deliver much of anything -- maybe he can get a kind of stable Middle East that can contain Iran, if necessary.

WALLACE: I'm a little surprised from this point of view, though, Charles. I don't think there's any question -- I think you'd agree with me -- that the Israelis feel that the Arabs are terribly frightened -- the other Arab nations are terribly frightened of Iran and the development of a nuclear weapon. President didn't seem to tap into that at all.

KRAUTHAMMER: Well, I -- he gave such a pass on Iran that I think it might actually have scared the Arab states, for whom this is really a major issue.

But -- and I think Bill is right, and he basically gave what was the weakest statement ever given by a president on the Iranian nuclear issue. He said nothing about enrichment. He didn't even mention uranium enrichment. And he made it sound as if the entire dispute is over the interpretation of the nuclear proliferation treaty.

But the other news was on Israel. He made the news -- I think he made what was one of the strongest statements on this area ever made. But he began with a very odd and, I think, disturbing analogy where he was -- he's trying to say that our rights and wrongs are on both sides and they're -- they balance each other.

On the one hand, the Israelis -- the Jews have the Holocaust. On the other, the Palestinians had dislocation at the time of Israel's establishment. Well, first of all, comparing genocide and dislocation is morally indecent.

But secondly, the history is wrong. And it's very important because it isn't just history. It has implications. The reason the Palestinians were dislocated at the time of Israel's existence was not because of Israel's birth. It was because of the fact that added to birth, Israel was invaded by five Arab states -- Egypt, Syria, Lebanon, Iraq and trans-Jordan -- in order to extinguish it and expel its people.

It was a result of that war which caused dislocation of Israelis as well who were expelled out of Jerusalem. As a result of the war is the Arab refugee issue. And the reason it isn't only ancient history is because it shows that the Israelis had accepted a two-state solution 60 years ago and the Arabs had not, and it was repeated only six months ago. No one talks about this.

When Ehud Olmert offered the Mahmoud Abbas, the leader of the Palestinians, their own state on the West Bank and was refused again -- the issue has -- the reason the Palestinian -- stateless is not Israel's rejection. It's the Palestinian rejection over and over again of a state that would ultimately accept the Jewish state as well.

WALLACE: Juan, looking forward, obviously, there are centuries of enmity between the Israelis and the Palestinians, and each side has their history that they -- that they argue.

Did you see anything in what the president was offering -- he basically said to Hamas renounce violence, accept Israel's right to exist. He said to Israel two-state solution and stop the settlements. Do you see anything there that is the basis for progress in the peace process?

WILLIAMS: Well, George Mitchell, the president's Middle East envoy, is to go now to the Middle East, to follow up, to put some concrete steps in place to support what the president's trying to do in the speech.

And I think the emphasis here, to pick up on what was said earlier, is that the Arab states would begin to act in concert, that they would end Israel's isolation, that they would begin to suggest that they acknowledge Israel's right to exist -- tourism, trade and the like.

In exchange, that Israel then would be under some pressure to begin to pull back on the settlements and to abandon this fiction that, "Oh, the settlements are just natural, you know, there's growth, there's babies," or whatever, "coming in," and acknowledge the settlements are growing at a rapid rate, far more quickly than the rest of Israel, and that this is really an act of incitement in much of the Arab world and leads to the kind of extremism that we're saying that the Arab world has to contain as part of its responsibility if they expect Israel to be a true and forthright negotiating partner.

They can't expect Israel to negotiate in the face of such violence.

WALLACE: Speaking of negotiation, Bill, who does Israeli negotiate with? I mean, you've got chaos on the Palestinian side.

You've got Fatah in control of the -- to some degree in control of the West Bank. You've got Hamas, which does -- still does not recognize Israel's right to exist and continues to fire missiles from Gaza. Who would Benjamin Netanyahu sit down with if he wanted to?

KRISTOL: I think what the Obama administration thinks is they can get the Arab leaders to the table, they can get Mubarak and the Saudis to the table, and in effect impose a peace agreement both on Israel and on the Palestinians.

I don't think it would be a very stable agreement. It wouldn't be perhaps even enforced at the time, but a notional agreement that would give the sense that there was a peace process moving and, I suppose, if you want to give the Obama administration credit for thinking this through, allow for a kind of more united front in the Middle East, a more -- a calmer Middle East, less opportunities for the Iranians to incite, to recruit terrorists, and less opportunities for Hezbollah and fewer opportunities for Hamas.

I suppose that's their theory. I mean, it is a heck of a way, in my view, to -- I mean -- well, there are so many -- I think it's extremely improbable that it will work, and a lot of it, it seems to me, is just an evasion of the fundamental choice, which is Iran.

You know, we were talking about at the beginning -- it just -- when you read those three paragraphs, they're really startling. I mean, there are three U.N. security resolutions which the Bush administration went to a huge amount of trouble to try to get the Europeans signed on. The Russians and Chinese signed on. He doesn't mention them.

Iran is in violation with its enrichment program of U.N. -- this isn't American Bush, you know, imperialism. This is the U.N. Security Council, and he doesn't mention that fact. He really -- he is really conceding an Iranian nuclear weapon and then the question becomes does Israel accept that.

WILLIAMS: I don't think... *More, Charles and Jack.*

WILLIAMS: I mean, she is not saying that well, but what she is trying to communicate here is that she's different and that she is not feeling as if she has to stand in line and just be like other white male judges who went to Yale University's law school, that she's different.

And to my mind, this is not something that's radical or terrible or threatening to the republic. You think about what the other female judges on the Supreme Court have said about even, you know, the idea of the judges reacting to a 13-year-old girl who's undergone a strip search.

They're saying women look at things differently than men. Does that mean now that they're taking pride in saying women are necessarily better than men? No, they're bringing different attributes to the court.

And I think that you saw this with Justice Alito when he was talking about the immigrant background that he has. He said, "You know what? Of course, I factor that into my thinking." But this now has become an argument over identity politics.

And I think it plays to the advantage of Republicans who are trying to slow down this nomination and say, "We're going to have a big debate about quotas." How'd quotas get involved with this? Talk about distraction and talk about damaging themselves.

I think that this is a sort of political, you know, self- destruction mission for the Republicans. That's what's going on here.

WALLACE: But didn't her ruling, Bill Kristol, in the Ricci case raise the issue of quotas?

KRISTOL: Well, it certainly raised the question of disparate impact and whether one should throw out tests because one racial group does worse...

WALLACE: This was the firefighters case in New Haven.

KRISTOL: ... does worse on these tests. Then they threw out these tests that had been fairly administered. And no one thinks, I think, that New Haven, Connecticut is a bastion of racism and that the mayor of New Haven and the fire chief of New Haven are trying to discriminate against blacks and all that kind of thing.

They give a test that's been signed off on for years by various equal opportunity types. One racial group does worse and they throw out the test.

And I think the Supreme Court is going to overturn that within the next month, and it will bring -- it will make clear that not only is she in her speeches a believer in a kind of identity politics, but as a judge she is willing to accept identity jurisprudence in the United States.

WALLACE: Mara...

WILLIAMS: Let me just interject here that your account of that is way off, that clearly there's been a history of discrimination against people of color in getting into the fire department in New Haven, Connecticut.

And that's why the properly elected officials of the city were trying to put in place a test that would allow more minorities to be promoted and represent a city that's become more diverse.

WALLACE: Bottom line here, Mara -- after her meetings this week with more than two dozen senators, after wheeling out boxes of material to answer the questionnaire -- her nomination in any trouble?

LIASSON: I think on net, her nomination got more secure after all of that. There's no tax problems. Some of her harshest critics had scaled back their accusations that she was a reverse racist.

I think the -- the discovery that she'd said these same things with these same words many more times than just once is going to make that a flashpoint of her hearings, but I don't think it's enough to derail her.

WALLACE: We've got about three minutes left.

Charles, you know, with the quantity and velocity of news these days, it's easy to forget that it was just last Monday that General Motors, the pillar -- the longtime pillar of the American economy, has filed for bankruptcy, and that the American government, the taxpayers, are taking a 60 percent ownership stake.

How big a deal, and what are the chances that G.M. comes out of this and is a viable company?

KRAUTHAMMER: Very small. This is a classic example of American socialism, which is only Lenin socialism. You only adopt orphans who really don't have a chance.

What this really is -- it's the biggest jobs program in American history. It's not going to save G.M., but it's going to keep the UAW alive. And you could argue that in the middle of a recession it's worth doing. It's a kind of an odd labor-oriented stimulus. you know, it keeps G.M. alive, at least, in the depths of our recession, and perhaps you'll let it go at the end of our recession, except that it's not going to be temporary.

It's going to be a permanent arrangement and it's going to be us as the payers of taxes who are going to be supporting a dying operation forever.

WILLIAMS: Well, you've got to be optimistic. You've got to try something. Obviously...

KRAUTHAMMER: I'm not.

WILLIAMS: I know you're not optimistic, my friend. But you've got a 9.4 percent unemployment rate right now. Rate of decline of jobs, though, seems to be declining. Job loss seems to be declining.

And when you look at what the administration, and I might add the Bush administration did the same thing and the Obama administration has picked up on it -- is try to help a major American industry slow down in terms of falling apart so that it doesn't have such awful consequences for workers, especially in the Midwest.

And that's a good use of government money, in my opinion, to help the American people. The question is how much are we putting in, and are we putting good money after bad.

And as Charles said and as others have said, there's -- it's unlikely that we're going to rescue this industry. The question is can we help them to some way stay alive. I think most Americans would like to see an American auto industry.

And boy, this week on the hill, the pain over the closing of auto dealerships -- people take that personally.

WALLACE: Well, not only do they take it personally, they're big campaign contributors.

Your thoughts about G.M.?

KRISTOL: Republicans need to make a big deal of this. They need to oppose "Government Motors." They need to have a proposal to roll it back. They cannot accept this. They should not accept this. I think it's a big mistake by the Obama administration.

It is unprecedented to do this kind of thing, to take over a huge company with no reason to do so -- I mean, no prospect that this is necessary -- this isn't necessary for our national security or for the financial system in the United States to survive.

WALLACE: Thank you, panel. See you next week.

And don't forget to check out the latest edition of Panel Plus where our group here continues the discussion on our Web site, foxnews.com/fns, shortly after the show ends. It's going to be interesting today about the Middle East.

Up next, our Power Player of the Week.

(COMMERCIAL BREAK)

WALLACE: On this day in 1965, the Supreme Court legalized the use of contraception by married couples. The court ruled the Constitution protected the right to privacy, laying the foundation for its later ruling on abortion rights.

Stay tuned for more from our panel and our Power Player of the Week.

(COMMERCIAL BREAK)

WALLACE: If you watch television, and obviously you do, it's hard not to notice something important is about to happen this week. So how prepared are we for the big event? Here's our Power Player of the Week.

(BEGIN VIDEOTAPE)

COPPS: Every other industry in the country is going digital. It's time for broadcasting to go digital.

WALLACE: Michael Copps is acting chairman of the Federal Communications Commission, and he's talking about the DTV transition.

(BEGIN VIDEO CLIP)

ANCHOR: And Fox 5 wants to make sure you're prepared.

(END VIDEO CLIP)

WALLACE: After years of planning and months of warnings, if you don't have a digital T.V. or a converter box next Friday, your picture will look like this.

What reaction do you expect on June 12th?

COPPS: I think there will be -- they will feel themselves minorly inconvenienced.

WALLACE: So you expect -- you expect what?

COPPS: Oh, I -- we expect calls, yeah. We expect a lot of calls.

WALLACE: DTV day was supposed to happen months ago. But when the Obama administration came in, they felt too many people weren't ready.

COPPS: I think there would have been a consumer backlash of enormous proportions, because millions and millions of households were unready.

WALLACE: But as we saw at a meeting of FCC commissioners this week, the new date of June 12th isn't moving.

(BEGIN VIDEO CLIP)

COPPS: Anyone who thinks that there's a chance of another delay better wake up and smell the converter box, I guess.

(LAUGHTER)

(END VIDEO CLIP)

WALLACE: The government decided to go digital back in the '90s. The signal is much sharper and so efficient that instead of putting out just one program, a broadcaster on, say, channel 4 can offer 4.1, 4.2, and high definition.

COPPS: You get better picture, many more broadcasts, free over-the-air broadcast channels, more programs than they were getting before. So it's a -- it's a better television experience.

WALLACE: There will also be room to create a broadband network for first responders during an emergency. The government has spent more than \$2 billion on the transition, most of it for \$40 coupons people can get to buy converter boxes to hook up to their old analog T.V.s.

Why should taxpayers have to pony up for two \$40 coupons to help people get digital T.V.?

COPPS: T.V. isn't just about watching your favorite soap opera or reality show. It's about watching -- watching the news, getting information. It can have public safety ramifications.

WALLACE: And yet, despite all the preparations...

(BEGIN VIDEO CLIP)

WALLACE: As we sit here five days before the transition, how many households across America do you estimate are still unprepared for it?

COPPS: Somewhere right around 3 million households are unprepared right now.

(END VIDEO CLIP)

(BEGIN VIDEO CLIP)

(UNKNOWN): DTV Command Center, may I help you, please?

(END VIDEO CLIP)

WALLACE: The FCC has deployed 200 staffers across the country to hundreds of help centers to target seniors, people with disabilities and families where English is not their first language. Copps says next Friday won't be the end of this. Even people who are prepared may have problems with the new signal.

COPPS: There's going to be some bumps in the road before we get it all over and done with. But at the end of the road, this is a transition that had to happen, and it should have happened, and it's going to be good for the country.

(END VIDEOTAPE)

WALLACE: Again, if you've got cable or a satellite dish or a high-def T.V., you don't have to worry. Otherwise, get that converter box by Friday.

And we'll be right back with a final word.

(COMMERCIAL BREAK)

WALLACE: And that's it for today. Have a great week, and we'll see you next "FOX News Sunday."



TO: Program/Promotion Manager
FROM: First Business Producers

Monday

TARP PAYBACK

Michael Iannaccone of MDI Investments discusses big banks and the upcoming government announcement detailing which institutions can start paying back TARP cash.

Tuesday

MARKET OUTLOOK

From economic conditions to stock predictions, market professionals shed insight on the economy and the stock market.

Wednesday

MARKET OUTLOOK

From economic conditions to stock predictions, market professionals shed insight on the economy and the stock market.

Thursday

MARKET OUTLOOK

From economic conditions to stock predictions, market professionals shed insight on the economy and the stock market.

Friday

MARKET OUTLOOK

From economic conditions to stock predictions, market professionals shed insight on the economy and the stock market.

Saturday, June 13, 2009

- 08:00 – 08:30P COPS "COAST TO COAST"(CP-2115) (2R- 01/31/09)(TV-PG:L, V)
A member of the Rialto, CA, Police Department is dispatched to a domestic violence call where the husband is ramming his wife's vehicle, and the officer is eventually forced to discharge his Taser gun. Outside of Houston, TX, in Harris County, a deputy assists in a weapon disturbance call with the suspects already in custody. Despite the denials of a gun, an automatic rifle is discovered in a guitar case. Another segment captures an identity theft in Rialto, CA.
- 08:30 – 09:00P COPS "UPON FURTHER INVESTIGATION" (CP-2117) (2R- 02/14/09) (TV-14: L,V)
Deputies in Harris County, TX, respond to a call of a suspicious person in a neighborhood, and when backup arrives, one suspect starts to walk away from the scene. Upon further investigation, the suspects are found to be carrying illegal narcotics. Deputies in Rancho Cucamonga, CA, attempt to stop a suspect on a motorcycle for a routine traffic violation. As they approach the bike, the deputies discover the man is intoxicated and take him on a DUI charge. Also featured are sheriffs in San Diego County, CA, who are called to investigate a grocery store theft that takes the cake.
- 09:00 – 10:00P AMERICA'S MOST WANTED (MW-2235) (TV-14: V)
AMERICA'S MOST WANTED takes on the nation's hottest crime issues. This crime-fighting program focuses on capturing fugitives, protecting victims and empowering citizens within the criminal justice system. The series also takes an in-depth look at laws that harm victims, champions the cause of lawmakers fighting to protect victims' rights and presents news of recent captures, convictions and missing children cases.

Frontdesk

From: Synalovski, Eva [Eva.Synalovski@FOXNEWS.COM]
Sent: Monday, June 29, 2009 4:12 PM
To: Frontdesk
Subject: FOX News Sunday Transcript June 14, 2009

MANDATORY CREDIT *FOX NEWS SUNDAY*

EVENTDATE: 06-14
 "FOX NEWS SUNDAY"
 JUNE 14, 2009
 SPEAKERS: CHRIS WALLACE, HOST
 SEN. CHRISTOPHER J. DODD, D-CONN.
 SEN. CHARLES E. GRASSLEY, R-IOWA
 THOMAS DONOHUE, PRESIDENT, U.S. CHAMBER OF COMMERCE
 JUAN WILLIAMS, FOX NEWS
 MARA LIASSON, FOX NEWS
 BRIT HUME, FOX NEWS
 BILL KRISTOL, FOX NEWS
 (+)

WALLACE: I'm Chris Wallace, and this is "FOX News Sunday."

Reforming health care -- will the government get in the insurance business? Will individuals and companies be forced to buy coverage? And how will we pay for all of it? We'll ask two senators leading the debate, Democrat Chris Dodd and Republican Charles Grassley. Dodd and Grassley -- only on "FOX News Sunday."

Then, the U.S. Chamber of Commerce announces a \$100 million plan to defend free enterprise from government intervention. We'll discuss it in an exclusive interview with the chamber's president, Thomas Donohue.

Plus, our Sunday regulars look at Iran's historic election and new threats from North Korea.

And our Power Player of the Week takes me out fishing and lives to tell the tale, all right now on "FOX News Sunday."

And hello again from Fox News in Washington. The debate over health care really got going this week. It involves almost 20 percent of the economy, and it will affect every one of us.

We've brought in two men at the center of the debate, Senator Chris Dodd who, along with Ted Kennedy, has drafted the leading Democratic plan, and Senator Charles Grassley, the top Republican on the committee which will propose taxes to pay for health care reform.

Gentlemen, President Obama called for \$300 billion in new spending cuts for Medicare and Medicaid yesterday. He now says he's identified ways to pay for a \$950 billion health care reform plan, with two-thirds of it coming from savings.

First question to you, Senator Grassley. Do you think the president's spending cuts are realistic as well as his estimate of the overall cost?

GRASSLEY: I have not studied them to know if they're realistic. There's a lot of things coming out of the White House that can't be scored by Congressional Budget Office, and that's what really counts.

There is a lot of waste in government-run programs generally, and a lot of waste and fraud and misuse of money in Medicare and Medicaid that can be saved. But right now, I could not put a figure on that amount of money.

But there is some savings there that can be made and ought to be made, whether or not we are doing things for

health care reform or not.

Only one caveat I would give you -- in rural America, from Indiana over to the Northwest and from Kansas to Canada, if everybody practiced medicine in the rest of the country like we do there, we'd save about one-third of Medicare.

So I'm going to be looking at the president's suggestions to make sure that it doesn't make things worse in rural America, where -- in Iowa, reimbursements are so low we have a hard time making sure that we can recruit doctors to come to our state.

WALLACE: Senator Dodd, an awful lot of health care experts say that the total cost of health care reform is more likely to be about \$1.5 trillion, 50 percent greater than the president's estimate.

And they also say that these hundreds of billions of dollars in spending cuts he's identified are so flimsy that, as Senator Grassley said, Congress' own budget office can't put on a number to them.

DODD: Well, first of all, Chris, this is going to be a patient-centered program we're talking about. The health care system is in crisis in our country. It's too profit-driven. It's too bureaucratic. It's too inaccessible. It's too complicated.

And clearly, this is a major issue both in terms of patient care as well as economic issues. The president's identified some \$300 billion. I agree with what Chuck has said. We need to look at that, obviously. That's a major responsibility of the Finance Committee. We put \$654 billion in the budget specifically to deal with health care costs over the next 10 years.

The Institute of Medicine, Chris, identified in a very valid study that there are about a third of the tests or assessments that are being conducted that, frankly, we could do away with, which would save about a third of health care costs. That's some \$700 billion.

And then prevention -- if we're able to really, as Chuck and I and Mike Enzi and Senator Kennedy really believe -- Tom Harken -- that prevention could save a tremendous amount (inaudible) Steve Burd, who's the CEO of Safeway, the other day testified before our Health Committee.

He said something dramatic the other day, Chris. He said for every pound that a person would lose who's obese, there's a \$50 savings per year in premium cost.

So if we deal with smoking issues, we deal with obesity, we deal with the cardiovascular issues as well as diabetes, the four chronic illnesses that cost 75 percent of health care -- really have a wellness program -- there are tremendous savings through prevention programs.

So between what's there in Medicare, what we can do with wasted tests and surveys being done -- or assessments, rather, as well as in the prevention area, I think we can reach that target that will come somewhere in the area of a trillion dollars to a trillion, 200 billion over the next 10 years.

WALLACE: Gentlemen, let's address some of the big controversies in this debate. And let's start, first of all, with mandates.

Senator Grassley, what's wrong with requiring individuals and companies to pay for health insurance so that all the rest of us don't have to pick up the tab for the uninsured?

GRASSLEY: And you're probably picking up 1,000 -- some estimates -- \$1,800 on your premiums for people that don't have health insurance because of the expensive use of emergency rooms, as an example.

There isn't anything wrong with it, except some people look at it as an infringement upon individual freedom. But when it comes to states requiring it for automobile insurance, the principle then ought to lie the same way for health insurance, because everybody has some health insurance costs, and if you aren't insured, there's no free lunch. Somebody else is paying for it.

So I think individual mandates are more apt to be accepted by a vast majority of people in Congress than an employer mandate would be, as an example.

And with that goes the portability of the insurance from one employer to another so you don't -- you don't have to be tied to your job.

But there is a very important issue here, and that is that we consider that there are some people who can afford their own health insurance but decide not to buy it because they want to pay it out of pocket. Should you require those people to do it?

I believe that there is a bipartisan consensus to have individual mandates.

WALLACE: Senator Dodd, let me ask you about one aspect of the so-called Kennedy-Dodd plan. And let's put up the language on the screen.

This is going to get a little complicated, folks, but bear with me here.

The eligible individual involved is not required to pay -- now we're going to get to the subordinate clause -- in the case of an individual with a modified adjusted gross income that does not exceed 500 percent of the poverty line for a family of the size involved. The individual is not required to pay an amount that exceeds 10 percent of such individual's income.

Now, that's pretty complicated, Senator Dodd, but as I understand it, under your plan, a family of four making as much as \$110,000 a year would be eligible for a taxpayer subsidy.

DODD: Well, what we're talking about here -- and let me, first of all, thank Chuck for his recent comments there.

And by the way, the first thing we always say about health care that -- and I think all of us say this. We should say it. If you like the plan you have, you ought to be able to keep that plan. If you like your doctor, you like your insurance company, you like your hospital -- the last thing you want to be doing is telling people they have to change what they like having.

Secondly is choice. People ought to have the right to make their own choices about the doctor they want, the hospital they want to be in. This is about fixing the problems that are wrong and sustaining and building upon the things that are working well.

Now, clearly, as Chuck just pointed out, when you start talking about individuals here in a mandate -- and I think he's right about this, that you have to include that if you're going to make this work at all, then making it possible for people actually to meet those targets -- now, the 500 percent of poverty is a number that we've put out there.

But clearly, there's some negotiation about that as well. But you need to have people to be able to support that.

WALLACE: Do you think that a family of four that's making \$110,000 a year should have part of their health insurance tab picked up by the taxpayers?

DODD: Well, that number may be high.

GRASSLEY: Chris?

DODD: But nonetheless, that's part of the negotiation.

Yeah, Chuck, and you can jump in on this, if you want, as well.

We're working on these numbers. In fact, we spent all weekend this weekend, Chris, my staff and -- that is, the Kennedy staff, I should say, Ted's staff and Mike Enzi's staff and others -- working on some of these issues as we approach next week as well.

WALLACE: Let me bring in another big sticking point.

GRASSLEY: Chris, that's...

WALLACE: Senator Grassley, I'll let you answer, but let me bring up another point as well, and this may be

perhaps the biggest sticking point, and that's the president's insistence -- and it's also in the Dodd-Kennedy plan -- on a government insurance plan to compete with private insurers.

Senator Grassley, why is -- first of all, why is that such a concern? And do you think that the Senate can pass a government public insurance plan?

GRASSLEY: Let's go back to what Chris was talking about, what you had on the board there -- 500 percent. For most of us, even a lot of Democrats, that's got to be a non-starter for the simple reason that we went through that debate even at 400 percent on the Children's Health Insurance Program. We can't afford that. It's not good policy. And we're not going to go in that direction.

In regard to your question is -- you know, it's funny how this business of having a public option -- in other words, the 350 insurance companies need some sort of competition. You know, I wish I would hear that from the Democrats that Medicare and Medicaid ought to have some competition, because that's a government-run program.

And you know what you do? You've got the government interfering in the practice of medicine, and we're reimbursing doctors 83 percent of costs and hospitals about 79 percent of costs.

And a little bit of competition like we have in Part D prescription drugs, where we thought originally the program by now would cost about \$74 billion a year -- it ends up only costing \$44 billion a year.

WALLACE: Well, let -- let -- I don't want to get -- I don't want to get too far...

GRASSLEY: That's competition. But in regard to yours...

WALLACE: I don't want to get too far...

GRASSLEY: Go ahead, I'm sorry.

WALLACE: ... into the weeds here.

Let me, if I may, Senator Dodd, ask you -- because the president keeps talking about wanting compromise, and there are two possible deals out there.

One is the idea that the public plan could be a fallback, that it only kicks in if private health insurance doesn't work, doesn't clean up and doesn't become more competitive and lower costs, and the other is the idea, instead of a public health insurance plan, of cooperatives that would be organized and operated by the members themselves.

Are those possible compromises you could support instead of a public health insurance option?

DODD: Well, we'll see. And there are other ideas as well. Jack Reed of Rhode Island is proposing an idea. There are other thoughts out there. You've mentioned a couple of them here. This is -- we're talking about even a nonprofit idea as well.

The last thing we want -- we're not talking about a subsidized government plan. Chris, the reality is this. Premium costs have gone up 80 percent the last 10 years -- in my state of Connecticut, up 42 percent in the last six years.

If we don't deal with cost issues here -- this is a major factor. We talk about the uninsured in the country. We have -- we have millions of people who are insured but can't afford the escalating costs of their premiums.

We're looking potentially at 50 percent of people's gross income paying premiums, health care premiums, by the year 2040. We need to get our arms around this and reduce these costs.

And so having some competition out there is not a bad idea, in my view, in this area. And whether or not it's a government process or a nonprofit or a cooperative, this is exactly what Chuck and Max Baucus, Mike Enzi, other members of the committee are talking about.

But clearly, it's too profit-driven in many ways that are causing this health care issue to see costs escalate at the rate they are. Senator Kennedy has dedicated four decades of his life. I'm merely a designated hitter for him at

this point while he's struggling with his own cancer. But he has worked for four decades on this.

We're sitting down and talking with each other. This needs to be a bipartisan plan. Chuck Grassley has dedicated a strong part of his life to that bipartisanship. I agree with him about that. Max Baucus does. The Democrats do. We're working very hard to come to some agreement on this.

WALLACE: Let me -- let me move on, if I can, gentlemen, because there's one other big issue...

DODD: Yeah.

WALLACE: ... and that is the issue of taxes.

Senator Grassley, will your Senate Finance Committee propose a tax on health care benefits? And would that hit people making less than \$250,000 a year?

GRASSLEY: The answer is we could, but it's going to take the president of the United States, who made a big deal out of McCain so-called increasing taxes -- and the McCain plan was a very good plan, but the president drove it into the ground, won the election.

It looks like he's looking at doing similar to what McCain wanted to do, and I think for the benefit of making this bipartisan, presidential leadership in this area would be very good based upon the tune of the last campaign.

There is another reason, though, for dealing with this, and that is at what level should we be subsidizing through tax credits the health insurance.

And we -- it seems to me that we ought to take an average of the nation and decide that we're going to subsidize through the tax code health insurance for everybody at that level and not subsidize above another certain level.

That does two things. It takes some inflation out of health care, and it also raises some money.

WALLACE: So what you're basically saying -- and I want to move on, because we're beginning to run out of time. What you're basically saying, Senator Grassley, is -- and some people have said the number should be \$13,000 -- if your insurance plan is worth \$13,000, it's tax-free. Anything above that would get taxed.

Senator Dodd, would you vote for a tax on health benefits? You're shaking your head already. No?

DODD: No, this is -- this is unnecessary, in my view, and I feel very strongly about this, as many do as well.

I mean, the idea that you're going to have people out there that are struggling to make ends meet today, they're falling further and further behind with wages, people losing jobs, losing homes -- to turn around and say, "You basically have no change in your health care plan, and by the way, we're going to tax you now for those benefits" -- we can actually pay for this in the ways that I've suggested -- the \$354 billion that's allocated already, the \$300 billion in savings we get out of Medicare.

The third of the savings are going to occur by doing away with unnecessary tests and exams, getting a prevention program that really works so that we'd reduce those -- that 75 percent of cost. The idea of talking about taxing benefits at a time people are overwhelmed I think is a very bad idea.

WALLACE: All right. Gentlemen, I've got about two minutes left, and I want to ask you each about a question -- because you've both been involved in controversies recently.

Senator Grassley, you have apparently discovered Twitter, and I want to put up a recent tweet by you, if I may. "Pres Obama while u sightseeing in Paris u said 'time to deliver in health care.' When you are a 'hammer' u think everything is NAIL. I'm no NAIL."

Senator Grassley, is that senatorial?

GRASSLEY: Yeah, very senatorial, because -- you know why? We've had dialogue with this president since January the 20th on a program to get a bill to the floor on July -- for July, and we're still on that timetable.

And the president, to say that we ought to deliver it, made it look like Congress wasn't working the very weekend that we were working Saturday and Sunday in Washington to keep on schedule while he was sightseeing. He didn't need to say that. It didn't contribute to it. It was a cheap shot.

WALLACE: Senator Dodd, you released an ethics disclosure form on Friday that indicates that your wife -- and we should say that she was involved in this before she married you -- but she sits on the board...

DODD: Thank you.

WALLACE: ... of four health care companies and that last year she received hundreds of thousands of dollars in salary and stock options.

Is that a conflict of interest for a senator like you, who is one of the point men in health care reform?

DODD: Well, I'm glad you pointed out she was a highly professional woman when I married her 10 years ago and deeply involved.

It's somewhat offensive, by the way. We don't hear these questions being raised about the -- about the male spouses of female senators, in a sense. It's offensive to my wife that you'd be even talking about it.

These companies are research companies. They're not involved at all. She never lobbies in Congress, never been up petitioning on their behalf at all -- a highly professional woman, highly skilled, and she deserves to have a career, particularly when we hired, in fact, an ethics lawyer to make sure that those boards she serves on would in no way pose any kind of conflict whatsoever with my job in the Senate.

WALLACE: So she will not step down from those boards.

DODD: No, there's no reason to. They're not companies that are affected. We've been through that. She's -- this is a -- this is a professional person.

WALLACE: Senator Dodd, Senator Grassley, I want to thank you both for talking with us and, obviously, explaining some of these key issues at stake in this debate.

Up next, is the free market system under attack in the age of Obama? The world of business thinks so, and he'll lay out his plan to fight it after the break.

(COMMERCIAL BREAK)

WALLACE: This week the U.S. Chamber of Commerce launched the Campaign for Free Enterprise, a \$100 million effort to fight what it calls an avalanche of new rules, restrictions, mandates and taxes under President Obama.

We're joined now by the chamber's president, Thomas Donahue.

And, Mr. Donahue, welcome to "FOX News Sunday." First question: why this campaign? Do you really think that the free enterprise system is jeopardized by the Obama administration?

DONOHUE: Well, first of all, this is a positive campaign. It's the cornerstone of what we believed for 100 years. And we believe it's time to go out and remind our own members, many of whom are lining up for stimulus money, and remind the Congress and remind people across this country that what creates the wealth, what creates the jobs in this country, is a free enterprise system with free capital markets, with free trade, and with the ability to fail or succeed beyond your wildest imagination.

And we think it's time to go and do this.

WALLACE: But you obviously think there is some threat from the administration. To go back to your quote, "avalanche of new rules, restrictions, mandates and taxes under President Obama."

DONOHUE: Well, I'm not sure that I said under President Obama. I think that's your add. What we believe -- our biggest worry -- our biggest worry is the issue of what the Congress and then the follow-on regulations are doing.

Follow this. We supported the efforts on stimulus. We supported the TARP funds. We supported issues to clear up the issues on General Motors, because this is a most extraordinary time.

But now it is a moment to say, "OK, we've gone there. Now let's stop." You can't try and run these companies from the Congress or from the administration. You've got to tell people where's the back door. We did our extraordinary issue, and now it's time to get people back to work. That's how you create jobs.

WALLACE: But, Mr. Donahue, people will say -- and you're quite right; you admitted it -- "You supported billions in bailouts to financial companies, you supported billions for the car companies, you supported billions for economic stimulus, and now you're saying shut the door?" Some even say it's too late.

DONOHUE: No, I think -- I think that would be a -- not a very good conclusion. Everybody had to come to church on those issues when we are on the edge of going into a depression.

WALLACE: There are an awful lot of conservatives who didn't come to church on those issues, sir.

DONOHUE: Well, everybody that understood what was at stake, let me say. And we did what we thought was right. And now what we're saying -- having done that, it's time for all of us -- the chamber, our members, our government, our Congress -- to take a breath and bring us back to the system that creates the wealth, that creates the jobs, and is going to enable us to put this economy back to work.

You know, we're very, very lucky that we live in a land that has an enterprise system that protects us as we go to put this -- put us back in business of creating jobs -- 25 million small companies. Critical. We've got to get them some money.

WALLACE: All right. Well, let's talk about some of the big issues that are out there. We just spent time talking about the president's health care reform plan.

Are there parts of that plan -- these huge cuts in spending, mandates on businesses, a government -- public health insurance plan -- are you going to support that?

DONOHUE: No. We believe there ought to be a plan to improve the health care system in this country. It's a \$2.3 trillion business. It's most of the new jobs and innovation in this country. And we believe we ought to do things to improve it.

The president has found extraordinary amount of money he wants to take out of Medicare and Medicaid, and yet Senator Kennedy's bill is talking about putting everybody over 55 into Medicaid.

Now, Kennedy is a giant in this country and in the Senate, and we want to listen to what he has to say, and Max Baucus is the guy who -- he's got two parts. He helps with the bill, but he helps find the money, and he's a pro at this.

But what we're saying -- there should be a bill that does wellness. There should be a bill that helps us perhaps have a mandate on individuals. There should not be a mandate on companies. We now cover 170 million Americans.

We -- and by the way, if you're going to do a federal plan, I think you've got a real problem, because you're going to have more opposition to what we're trying to do here than you can imagine, because you're going to put everybody else in a very difficult position and a non-competitive position.

WALLACE: The administration appointed a pay czar this week. When the government, with your support, saves companies from going under, don't taxpayers deserve some protection from the companies paying executives huge salaries and huge bonuses?

DONOHUE: You know, Chris, they appointed a czar. The Securities and Exchange Commission is talking about a major program to control compensation. The Federal Reserve is talking about this.

I think it's time to stop and remember something. Those companies that are in some distress -- if they don't have good people to run them, if they can't attract extraordinary people, many of whom are going elsewhere to work,

they're in trouble.

And the government ought to stay out of the business of trying to set compensation in the private sector. It's wrong. It won't work. And thinking about all these people that are trying it -- we're going to be on the other side of this.

WALLACE: So are you saying if AIG wants to give million-dollar bonuses, so be it?

DONOHUE: I'm saying if -- AIG is in a lot of trouble, but I'm saying if it took the right people to fix AIG, you're going to have to pay them. Same thing right here in this network. You know, if you lost your -- you couldn't pay your very best people, I'm not sure they'd stay. They'd probably go to another network.

WALLACE: We're also not taking a huge bailout from the federal government.

DONOHUE: But I'm not particularly worried about those few companies that took the bailout. That will work out. I'm worried that when you put all these people in the compensation business, they'll get bored in a hurry and start going after every other company they think they should influence.

WALLACE: What about the auto industry? I mean, again, with your support, the -- General Motors has been put into Chapter 11 and the U.S. government now has a 60 percent ownership stake. You own 60 percent of the company.

You're going to have -- you're going to have members of Congress saying, "Don't close the dealership in my state."

DONOHUE: I went to the Detroit Economic Club long before that happened and said the only way out of this is a bankruptcy, tried to give them the cover to do it. I didn't know that they would take some of the steps they did.

I understand why they gave the union pension and welfare fund some ownership. They'll sell that in a hurry. But the government's got to get out of this business in a hurry.

I told some people at the White House the other day, "You own it now, and you better get some people that can run it, and you better attract the best, because this is a serious problem." I suggest it's all about people. If you don't have the people, you don't win.

And I'm not out having a big fight about compensation. I just think the government should do its part. Government should go out and get some more really good business people and bring them into the White House and into Treasury and other where. You look around -- there aren't any.

And I think it's very, very important to understand that if you don't have the horses, you don't have much of a circus.

WALLACE: Finally, what about the status of labor's top priority, union card challenge, which would take away the secret ballot in union organizing? Has that been pushed off 'til next year?

DONOHUE: I believe it's been pushed off for some time because they don't have the votes.

And if you think about taking away the secret ballot, and then having a mandatory arbitration that says that somebody who knows nothing about your business are going to set the conditions of work and pay in your company, I think the people up on the Hill, particularly the people in the Senate, are beginning to think that's a pretty weak idea.

WALLACE: How would you respond -- we've got less than a minute left, Mr. Donohue -- to people who would say -- and I'm sure there are a lot of people out there who would say -- "Hey, wait a minute, this guy didn't sit there and fight when we put billions in the financial sector, into General Motors, into stimulus, and now he wants to sit there and say, 'Well, you know, we took the -- we allowed the government to get involved in these industries, but now we don't want them to run them?'"

DONOHUE: I would say we did the responsible thing. I would say do we know enough about the economy. We knew about -- enough about the very serious position this country was in, that we went and we did the exception.

And now that we have done it and supported it, and we're proud we did it, we believe it's time for all of us, including the American business community, to go back to basics and say, "We've done our thing. Where is the back door?"

It's time to get government out of business and get business back to work creating jobs for workers and for companies.

WALLACE: Mr. Donahue, we want to thank you so much for coming in. Please come back, sir.

DONOHUE: Oh, thank you very much.

WALLACE: Up next, Iran's presidential election ends with both sides claiming victory and violence in the streets. What does it mean for relations between the U.S. and Iran? Our Sunday panel weighs in when we come right back.

(COMMERCIAL BREAK)

(BEGIN VIDEO CLIP)

ASHISH JOSHI: The signs were there and so was the warning -- public protests would not be tolerated. Around Tehran, pro-reform protesters have taken to the street in defiance. The demonstrations are small and sporadic, but they are making a point.

(END VIDEO CLIP)

WALLACE: That was Ashish Joshi from our sister network Sky News describing the angry reaction in Tehran to the proclaimed re-election of Iranian president Ahmadinejad.

And it's time for our Sunday regulars -- Brit Hume, Fox News senior political analyst, and contributors Mara Liasson of National Public Radio, Bill Kristol of The Weekly Standard, and Juan Williams, also from National Public Radio.

So a fiercely fought campaign in Iran, results that show that Ahmadinejad won in a landslide, and now we have people in the streets, the supporters of the more moderate challenger, Mousavi, saying that the election was stolen.

Brit, where does this leave things inside Iran?

HUME: Well, it looks as if Ahmadinejad will cling to power. He's supported by the key elements of the theocracy that runs that country. Whether these protests will grow or spread is in doubt.

They seem to have subsided today after all the trouble they had yesterday. I think it leaves Iran about where it was, but showing the world an even clearer picture, as if any were needed, that this is basically a police state.

And it is difficult, therefore, to see how President Obama's dreams of a -- of a more constructive relationship with the powers that be there can go forward, given the fact that this election appears to have been defective, if not utterly fraudulent.

I mean, after all, Mousavi -- Ahmadinejad, according to the results, was supposed to have carried Mousavi's hometown by a large margin.

WALLACE: Inside Iran, do you -- do you have any feeling at all -- and obviously, we don't really know what's going on in the street there -- that this is any kind of a threat -- the protests, the anger about Mousavi's defeat -- that that is any kind of a threat to the ruling regime?

LIASSON: It doesn't sound like it at this point. I mean, there have been other kind of upwellings of reform spirit, and hopes have been risen only to be dashed in the past. We just don't know that yet.

I think the interesting thing is whether or not -- I think it is a setback and a disappointment for the Obama administration. But on the other hand, he did say he wanted to engage Iran as it was, with Ahmadinejad in power and the mullahs controlling things.

In other words, that was the Iran that he reached out his hand to, not -- he didn't reach out his hand to an Iran that was supposedly getting more democratic or was about to elect a reformer. So I think it does complicate it. It makes it more difficult, especially if there's a pall of illegitimacy over the election, but I think that policy is unchanged.

WALLACE: I do want to go back to Iran, though, before we get to U.S. diplomacy, because I think it's so instructive and so sad -- not surprising, but sad. Cell phone service cut off inside Iran. A lot of Web sites cut off. I mean, this is a totalitarian regime exercising its control.

KRISTOL: I'm not so sure they're going to -- it's going to work. I mean, these are the biggest street demonstrations in Tehran in 10 years. People are being a little too fatalistic and deterministic in saying, "Oh, ultimately the reformists always lose."

Ten years ago, the regime was in real trouble with the student demonstrations in Iran. We did nothing to support them or help them. The Europeans did nothing. They had a pseudo-reformist in power, Khatami, which sort of deflected the anger.

Here we have the opposite, and as opposed to -- I think Mousavi -- it looks like he's calling for a general strike and mass demonstrations on Tuesday. That will be the moment when we see who can really turn people on the streets. Are the Tehran police willing to fire on their fellow Iranian citizens and the like?

If this gets sustained, I think it's a big deal. We now have unambiguously a jihadist security service regime. It's not -- and the theocrats, as Brit called them, are somewhat split, actually. You know, some of them might have preferred Mousavi, a kinder face. They all want the nuclear program.

But now I think it's unambiguously -- you know, it's sort of like the move from a -- you know, a moderate, complicated -- not moderate, but a complicated, illiberal and nuclear-pursuing regime to an unambiguously illiberal regime in which the war party is dominant. That's the key.

I mean, does anyone seriously think that the Ahmadinejad Revolutionary Guard forces wouldn't do anything they could do once they had nuclear weapons? Does anyone think that we can sort of contain them and trust them? So it has huge implications, I think, for our policy and for Israel's policy over the next several months.

WILLIAMS: Well, I think you -- as you can hear from Bill, I think what's happened now is that the hardliners in the United States, in Israel, in the -- throughout the Middle East are sort of emboldened by the result.

They're saying, "You know what? President Obama, you were wrong to ever reach out to the Iranians." Clearly, this is a totalitarian hardline state. I am actually...

WALLACE: When he said hardliners -- I thought you were talking about Ahmadinejad.

WILLIAMS: Yes.

WALLACE: You're talking about Bill Kristol.

WILLIAMS: Well, no, I'm talking about the Iranians. But I think that, you know, when you look at what the possibility is here now, it seems to me options then become limited, because how can you negotiate with someone -- how can you offer them any incentives when, in fact, there's no question of their legitimacy?

Is this a real government or not? Is it simply some kind of, you know, religious-driven society, totalitarian -- however you want to describe it -- in which they are not...

WALLACE: So you think all of President Obama's efforts or hopes to reach out to Iran on some level -- that that's dead?

WILLIAMS: Well, it looks like it. I mean, the only thing is that there's the possibility that you get Ayatollah Khamenei and others in search of some kind of domestic appeasement, saying to people, "You know what? Oh, no, we're going to negotiate with the international community. We're going to take steps to try to amp down the tensions here." But that's the only hope.

I don't see that there's much hope now in terms of these negotiations going forward because President Obama would look weaker. It would look as if he was giving in to this man who's not even legitimately elected.

KRISTOL: Juan's giving up on reaching out by President Obama. At the moment you should be -- this is the moment for President Obama to step up. He does have some credibility, presumably, with people in Iran. He should support the democrats.

HUME: Right.

KRISTOL: He should support the demonstrators. He should say that stealing elections is unacceptable, killing demonstrators in the streets of Tehran is unacceptable. He could work with the Europeans to say, "Let's bring in international observers to review whether this was a fair election. If it wasn't, let's think about having another election."

WALLACE: But you're saying turn up the heat, not reach out to the ruling regime.

KRISTOL: Reach out to -- right, reach out to the Iranian people. I mean, this is the -- I really am shocked that Obama has said nothing so far, and we'll see what he says today.

But I mean, doesn't America -- when these things happen, there's -- when there are democratic protests and there's a chance for success, their success depends on outside forces helping them. That was true in Lebanon.

WILLIAMS: But, Bill, what...

KRISTOL: It was true in Ukraine. It was true in the old Central and Eastern Europe.

WILLIAMS: How is it -- how is it going to help? How are they going to help? Look, even when Mousavi wanted to have a press conference, security people canceled the press conference. You have reporters being beaten. So what do you say?

The U.S. gets involved. We can offer some kind of support. We can try to open communications channels. We can send money. But do you want to send troops in there?

KRISTOL: No, I do want to...

LIASSON: No, no.

KRISTOL: ... open communication channels.

HUME: No.

KRISTOL: I do want to send money. And I want to tell the Iranians who are on the fence and who do want trade with Europe and do want warmer relations with the U.S., "Look, you've got now to back off or else you don't get anything you want."

The worst thing the U.S. can say is, "We don't care what you do in there. We desperately want to engage the regime no matter how thuggish it is."

LIASSON: It's worth a try. The worst thing that happens is you get a very clarifying moment if it fails. And that in and of itself might lead to some kind of a resolution of this.

HUME: But does anybody sense that the inclination of this administration is to do what Bill suggests? I think not. This president couldn't have been blind to what Ahmadinejad is and what he represents, and he was prepared to reach out to him, as has been pointed out here.

I think he will continue to -- that's what they said yesterday in the face of all of this. I mean, I think it's going to be -- you know, it's going to look terrible to do it now, given the questions about the legitimacy of this election. This will all play out in the next couple of days.

WILLIAMS: That's my point.

HUME: But I can remember so vividly not so very long ago, when the United States was friendly to dictators around the world who were helpful in the fight against Communism, and the American left just hated it. They thought it was outrageous, that we should be supporting the liberal opposition and so on. Where are they now on this?

LIASSON: President Obama isn't talking about making an alliance with Ahmadinejad. He was talking about direct negotiations with an enemy of ours, not an ally.

Now, if he -- he's going to have to do some really careful balancing here in how he reaches out to the democratic forces, such as he decides they are, while at the same time, I guess, not backing down from his comments to negotiate.

HUME: But at this particularly point, at this moment, President Obama's outreach to Mahmoud Ahmadinejad is worth a lot. It is a symbol and token of recognition as the legitimate ruler of that country -- or leader of that country, I should say -- and to withhold it would be meaningful as well, as Bill suggests.

But I see no sign yet that Mr. Obama's prepared to do that.

KRISTOL: Yeah. Reagan negotiated with Soviet leadership at the same time as he reached out to this -- to distance (ph).

Secretary Clinton can place a phone call to Mousavi to make sure that he's OK and is not under house arrest. There are a million things the U.S. could do symbolically to try to strengthen the forces of those in Tehran who want to prevent the Revolutionary Guard and Ahmadinejad from totally taking over the country.

WILLIAMS: I'm all for it. I just think there's limits to what you can do. And don't forget that you have the Israelis -- Benjamin Netanyahu is going to give a speech about settlements and freezing things today. And he wants to make the case that Iran is the problem in the Middle East, not what's going on with the Palestinians.

WALLACE: All right.

WILLIAMS: This strengthens his hand in those talks with President Obama.

WALLACE: All right, gentlemen, we have to take a break here -- gentlemen and ladies.

But when we come back, Washington braces itself for a rough debate over health care. What will we end up with? Some answers after the break.

(COMMERCIAL BREAK)

WALLACE: On this day in 1777, the Continental Congress adopted a flag for the U.S. with red and white stripes and 13 stars. On this day 100 years later, the first Flag Day observance was held.

Stay tuned for more from our panel and our Power Player of the Week.

(COMMERCIAL BREAK)

(BEGIN VIDEO CLIP)

OBAMA: Real reform will mean reductions in our long-term budget, and I've made a firm commitment that health care reform will not add to the federal deficit over the next decade.

(END VIDEO CLIP)

WALLACE: That was President Obama this weekend continuing his push for an overhaul of our health care system.

And we're back now with Brit, Mara, Bill and Juan.

So, Brit, as the debate over health care reform heats up, do you sense that the president and the Democrats are gaining momentum or losing momentum?

HUME: They're Losing momentum, but they were inevitably going to when we got down to the particulars of this. This is one of the reasons why they were so hesitant to say anything very specific about what exactly was going to be proposed.

And the reason is obvious. Every idea you have, every plank in this platform, if you will, has its supporters and its opponents. And the opposition is now forming and coalescing.

The other problem the administration has is it doesn't have any money, that we're already committed to so many other things, and the -- and the deficit, which is becoming a more and more potent political issue, is a big problem, too.

So hence, you had the statement that he made, which I think is pie in the sky, about how it's not going to add anything to the -- to the deficit. It's bound to, if it, indeed, passes in the kind of form that he's proposing. So I think it's in some serious trouble.

WALLACE: Serious trouble -- the entire...

HUME: In terms of anything on the scale that he is talking about, where you insure all the uninsured, you have a public option and all these -- all these ideas that have been at least tentatively embraced by the Obama administration.

WALLACE: Mara, do you buy that?

LIASSON: I think there are always two really, really big obstacles. One was how you pay for it, and one was whether or not there would be a public plan.

Up until this week, I always thought the public plan was the bigger obstacle.

WALLACE: And let's just explain. We're talking -- a public plan means that there would be a...

LIASSON: Would be an alternative...

WALLACE: ... public option.

LIASSON: Yes, an alternative to private insurance.

WALLACE: Government insurance plan.

LIASSON: Government insurance, a Medicare-style plan, that would compete with private insurance plans.

I think there's been actually some movement on that. You heard today, you know, Senator Dodd and Chuck Grassley talking about this co-op idea which wouldn't be public. It wouldn't be run by the government. It would be a nonprofit cooperative, like ag -- agricultural cooperatives, that would still compete with public plans, but it wouldn't be government-run.

WALLACE: With private plans.

LIASSON: I mean, still compete with private plans, but it wouldn't be government-run. And Max Baucus really likes it. And that seemed to be, at least for the moment, until the details are delved into -- seemed to be providing some kind of consensus.

I think paying for it is turning out to be much, much harder. I mean, you heard Senator Dodd absolutely saying it's no go on taxing these gold-plated health care benefits that a lot of people get.

The problem is that the savings that are scorable, that the CBO will actually count towards savings, are politically really difficult. And the things that are politically easy and are vague, like innovation, you know, making these

health -- health delivery systems more productive, are impossible to score.

I think this is a tough nut to crack, and I do think what Senator Grassley said is important. The president is going to have to break this logjam, and it's going to involve climbing down from some campaign promises, which is not to tax people under \$250,000.

KRISTOL: Well, if he wants to tax people under \$250,000, good luck. Let him try to explain to the American public why, when we're -- when he's raising taxes anyway next year and the year after -- that's pretty clear -- and we're in a recession, and we have a huge budget deficit, that we should spend a trillion dollars and tax people in middle income brackets for speculative -- very speculative health care gains, which I think, in fact, would be -- would lead to rationing. It would be a diminution in the quality of health care.

I think Republicans can win this fight (inaudible) the Republicans. I mean, I think opponents of the health care plan could win this fight with Democrats deciding this whole package is a bad idea. The government plan is, I think, a ridiculous idea. The co-op is a fairly ridiculous idea. Hey, if a co-op's a good idea, set up a co-op. You know? If they all think it's...

HUME: There's nothing preventing them from doing that now.

KRISTOL: There's no law against setting up new insurance plans in the United States. If people want to do it, if people want to do it cooperatively, they can do it. Why does the government have to spend a trillion dollars? So I think that goes.

I think the taxes are a big problem. Spending is a big problem. I think for the -- actually for the first time, not just parts of the whole plan could be defeated, but people could decide, "You know what? This is not the moment for a radical overhaul of one-sixth of the U.S. economy. Let's get out of the recession. Let's do some other sensible things, maybe some small insurance reforms, and let's revisit this in a bipartisan way after 2010."

WILLIAMS: It will never happen. If you wait, it will never happen. As President Obama has said, now is the time. The moment is now.

KRISTOL: Why is that?

WILLIAMS: And the time is now because as you approach 2010, then the power of big money and big money coming from the insurance companies that are particularly threatened by this proposal would be all over the table.

And it will -- we'll be back to the paralysis that has prevented any kind of health care reform in this country for all time. That's the reason we have so many uninsured. It's the reason we had kids who were not getting care. It's the reason people are clogging the emergency rooms.

HUME: There's another reason.

LIASSON: Well, you know what, though?

HUME: There's another reason.

WILLIAMS: So here comes the moment to do something. And everybody says, "No. Well, we should just wait." Look. I think what you heard from Chris Dodd this morning is let's talk, let's negotiate.

But the idea that you would say no or that you would say, "Oh, well, people can form co-ops any time," if they -- if they were going to form the co-ops, they would have done it. Obviously, there's some disincentive and this is a moment for the government to act aggressively and affirmatively in terms of caring for the American people.

LIASSON: You know what? The last...

WILLIAMS: That argument has not been made yet, and I think it's -- that argument has...

LIASSON: Of course it has been made.

WILLIAMS: ... to be aggressively made by...

WALLACE: What do you mean? You haven't heard the president?

LIASSON: The president makes it every day.

WILLIAMS: I think -- no, I think the president hasn't gotten out there and sold it. That's why this week -- and I believe he's...

LIASSON: No.

WILLIAMS: ... giving a speech tomorrow. He's going to aggressively begin the salesmanship.

LIASSON: No, he's been aggressively selling this. The question is -- the last health reform fight that Bill was involved with, that's what happened. The whole thing collapsed of its own weight, and then they turned their attention to SCHIP, little incremental changes.

I think -- I think the winds are stronger behind health reform this year than they were then.

WILLIAMS: I agree.

LIASSON: And I do think there are other ways to make it slightly less expensive. Maybe you don't cover everybody all at once. Maybe it's incrementally rolled out. I mean, there are ways to make it more digestible.

I think they've come an awfully long way. You've got Congress really working on this in a bipartisan way...

WALLACE: I have to...

LIASSON: ... which you didn't 18, 15 years ago.

WALLACE: I have to say, Tom Donahue off camera said, "We really do want a health care plan." Now, they don't want a lot of the president's plan, but I think a lot of businesses would really...

HUME: Well, they might pass some pieces of this. I say let's hear it for co-ops. Co-ops are a wonderful idea.

LIASSON: Well, what about an individual mandate?

HUME: Let's do co-ops first, because they're -- you know why? Co-ops are essentially harmless. I mean, there's -- you know, there's -- you know, that's -- there's nothing wrong with that idea. It's a good idea. And it doesn't do any real damage.

Individual mandates -- you know, for an old guy like me, I say great. That's more young people paying into the system to help pay for my health care.

WILLIAMS: You know, but he didn't -- but Tom Donohue -- when he says he...

LIASSON: We've got agreement on those things.

WILLIAMS: ... wants health care, doesn't that suggest to you it's important to the American economy?

KRISTOL: No, it suggests to me it's important to big business. The big auto companies were for the Clinton health care plan. It's small business and individuals who get (inaudible).

WALLACE: This is why Panel Plus was invented. Gentlemen, thank you all. See you next week. I said it again. And lady.

And don't forget to check out the latest edition of Panel Plus where our group here continues the discussion on our website, foxnews.com/fns, shortly after the show ends.

Up next, our Power Player of the Week.

(COMMERCIAL BREAK)

WALLACE: Recreational fishing is now a \$40 billion-a-year industry. Even in Washington, Type-A personalities are taking it up. Here's our Power Player of the Week.

(BEGIN VIDEOTAPE)

CHACONAS: Bass fishing is the new golf. People are coming out here -- instead of taking it to the golf course, they're bringing the boardroom to the bass boat.

We're going to work down that bank. That's pretty much a shallow flat bank.

WALLACE: Steve Chaconas has been the top bass fishing guide on the Potomac River for 10 years now, and business is good. Most of his customers used to be hardcore fishing enthusiasts. Now he says it's lobbyists and professionals.

How about politicians?

CHACONAS: Yeah, yeah. It makes it very easy to lie about the fish that you catch because they're good at it.

WALLACE: Steve took me fishing this week, and I think it's fair to say I'm a novice. First lesson, how to cast.

CHACONAS: You're going to bring it back and then forward, OK? Start right there. Yeah, start there, and that's where you're going to let it go. There you go. There you go.

WALLACE: Steve's services don't come cheap. An 8-hour day for two people is \$355, \$440 on weekends.

Now, that seems like a lot of money.

CHACONAS: You're enjoying catching a few fish. You're enjoying spending quality time in a quality environment. Not that much.

WALLACE: About catching a few fish, I was casting and casting, and not a nibble.

CHACONAS: OK.

WALLACE: I didn't even touch you. I just learned the whole deal.

CHACONAS: Yeah, but where's the fish? Where's the fish? I mean...

WALLACE: That's his problem.

Steve says on a good day, he and his two customers may catch 100 fish. And he says a big reason is he's willing to take you to his best spots along the river.

CHACONAS: There is a conflict of interest with guides who fish tournaments, so I don't fish tournaments at all anymore.

WALLACE: You're telling me you're going to take me to your very best secret spot here?

CHACONAS: Not you.

WALLACE: Evidently Steve was a man of his word.

So why haven't I caught a fish yet?

CHACONAS: Isn't this great? This happens to us every day.

WALLACE: One thing I learned is Steve is good company. He's sold cars and anchored one of the first financial shows on radio.

You were a former talk show host. You used to write for Howard Stern.

CHACONAS: Oh, boy.

WALLACE: What happened?

CHACONAS: Well, in radio my bosses kept getting younger and dumber.

WALLACE: By this point it was clear I wasn't catching anything. Steve put a stunt fish on my line so I could find out what it feels like.

CHACONAS: OK, reel him in. Just use the rod to control him.

WALLACE: Wow. Now what do you do?

CHACONAS: Now what do you do? I don't know. What -- is this where I have to reach in and grab that thing?

WALLACE: You're the fishing guide.

CHACONAS: There we go.

WALLACE: Wow, that is a beauty.

That's when I learned something else about Steve. It's strictly catch and release.

CHACONAS: And there we go. Good-bye. It's kind of like when you go golfing. You don't eat the balls. So with fishing, we let the fish go, too.

WALLACE: But is it also that the river is polluted?

CHACONAS: It's a professional courtesy.

WALLACE: Even if I released more fish than I caught, it was fun.

CHACONAS: Sorry. No fishies. Stunt -- good thing we had that stunt fish.

WALLACE: Steve says that's the point.

CHACONAS: It's very rewarding for me to be able to transfer my knowledge and skills to somebody else. And I just get a lot of joy taking somebody else out and showing them what I do and then having them be successful.

(END VIDEOTAPE)

WALLACE: By the way, that good-looking kid who was catching all the fish is my son Remmick (ph). He's the one who introduced me to Captain Steve.

Now, a quick program note. Next Sunday we continue our new series on the future of the GOP, "Right Now." Our guest, Republican Congressman Paul Ryan, one of the rising stars among conservatives. Please be sure to join us.

But that's it for today. Have a great week, and we'll see you next "FOX News Sunday."

*****MANDATORY CREDIT FOX NEWS SUNDAY*****



FIRST BUSINESS
NATIONAL NEWS ADVISORIES
June 15 – June 19

TO: Program/Promotion Manager
FROM: First Business Producers

Monday

TARP PAYBACK

From economic conditions to stock predictions, market professionals shed insight on the economy and the stock market.

Tuesday

MARKET OUTLOOK

From economic conditions to stock predictions, market professionals shed insight on the economy and the stock market.

Wednesday

MARKET OUTLOOK

From economic conditions to stock predictions, market professionals shed insight on the economy and the stock market.

Thursday

MARKET OUTLOOK

From economic conditions to stock predictions, market professionals shed insight on the economy and the stock market.

Friday

MARKET OUTLOOK

From economic conditions to stock predictions, market professionals shed insight on the economy and the stock market.

Saturday, June 20, 2009

- 08:00 – 08:30P COPS "COAST TO COAST" (CP-2116) (2R-02/06/09)(TV-PG:L,V)
Deputies in Harris County, TX, are called to assist in a bizarre domestic violence call that turns into a high-speed chase and ends with a sore loser. Detectives in Rancho Cucamonga, CA, provide backup when two neighbors get into a physical altercation. Also featured are officers in Las Vegas who are called to detain shoplifters caught red-handed.
- 08:30 – 09:00P COPS "NEIGHBORHOOD BUSTS" (CP-2118) (2R-02/21/09)(TV-PG: L,V)
Sherriffs in Broward County, FL, go undercover for a narcotics sting operation and apprehend a suspect who, ironically, is wearing a bracelet claiming "winners don't do drugs." Deputies in Harris County, TX, respond to a disturbance call where a father and son are going *mano a mano* in a trailer park. Also featured are deputies in Rancho Cucamonga, CA, stopping an inebriated man riding a bicycle.
- 09:00 – 10:00P AMERICA'S MOST WANTED (MW-2236) (TV-PG:V)
AMERICA'S MOST WANTED takes on the nation's hottest crime issues. This crime-fighting program focuses on capturing fugitives, protecting victims and empowering citizens within the criminal justice system. The series also takes an in-depth look at laws that harm victims, champions the cause of lawmakers fighting to protect victims' rights and presents news of recent captures, convictions and missing children cases.

From: Rocco, Diana [diana.rocco@FOXNEWS.COM]
Sent: Friday, June 19, 2009 10:24 AM
To: Rocco, Diana
Subject: FOX News Sunday Guests June 21, 2009

This week on Fox News Sunday: (6/21/09)

TOPIC: The guests will discuss the current situation in Iran and how the dissent abroad affects US Foreign Policy and our efforts to deter Iran's nuclear program.

Segment 1 Guests: Sen. Evan Bayh, (D) Indiana / Armed Services Committee

Rep. Pete Hoekstra, (R) Michigan / Ranking Member, Select Committee
on Intelligence
Karim Sadjadpour, Carnegie Endowment for International Peace

TOPIC: "Right Now", Fox News Sunday's series on the future of the Republican Party, continues with our exclusive guest Wisconsin Congressman Paul Ryan. The young Congressman is seen as a leading light, and future leader, for the GOP.

Segment 2 Guest: Rep. Paul Ryan, (R) Wisconsin / Ranking Member, Budget Committee

Father's Day Segment: Sen. John McCain, (R) Arizona

Our Panel:

Stephen Hayes – Weekly Standard & Fox News
Mara Liasson – National Public Radio & Fox News
Byron York – Washington Examiner & Fox News
Juan Williams – National Public Radio & Fox News

6/19/2009



FIRST BUSINESS
NATIONAL NEWS ADVISORIES
June 22 – June 26

TO: Program/Promotion Manager
FROM: First Business Producers

Monday

MARKET STRATEGY

Steve Stahler of Stahler Group tells what he expects from the upcoming Federal Reserve meeting and how interest rates play a role in the economy.

Tuesday

MARKET OUTLOOK

From economic conditions to stock predictions, market professionals shed insight on the economy and the stock market.

Wednesday

STOCK PICKING

Bob Walberg of Chartwell Investments tells where he's finding value in today's uncertain market.

Thursday

MARKET OUTLOOK

From economic conditions to stock predictions, market professionals shed insight on the economy and the stock market.

Friday

MARKET OUTLOOK

From economic conditions to stock predictions, market professionals shed insight on the economy and the stock market.

Saturday, June 27, 2009

- 08:00 – 08:30P COPS "COAST TO COAST" (CP-2104) (3R-09/27/08;01/24/09) (TV-14:L, V)
When officers in Las Vegas, NV, respond to a domestic-disturbance call, they realize this isn't the first time they've been called to this residence, so they decide to use a soft hand with the distraught family once they detain the suspect. Detectives in Broward County, FL, intercept a drug deal and question the suspects. Also featured are law-enforcement officials in Pomona, CA, who must referee a domestic disturbance.
- 08:30 – 09:00P COPS "COAST TO COAST" (CP-2105) (3R-10/04/08; 01/31/09)(TV-PG)
Detectives in Broward County, FL, respond to a call in a known drug-trafficking area and question a suspect who attempts to flee. Also featured are deputies in Rancho Cucamonga, CA, investigating a crime scene where the suspect leaves clues to his whereabouts. Deputies in San Diego, CA, respond to a domestic-violence call for a repeat offender.
- 09:00 – 10:00P AMERICA'S MOST WANTED (MW-2237) (TV-14:V)
AMERICA'S MOST WANTED takes on the nation's hottest crime issues. This crime-fighting program focuses on capturing fugitives, protecting victims and empowering citizens within the criminal justice system. The series also takes an in-depth look at laws that harm victims, champions the cause of lawmakers fighting to protect victims' rights and presents news of recent captures, convictions and missing children cases.

Frontdesk

From: Kulczyk, Katie [Katie.kulczyk@FOXNEWS.COM]
Sent: Friday, June 26, 2009 10:48 AM
To: Hynes, Loren
Subject: Fox News Sunday Guests June 28, 2009

This week on Fox News Sunday: (6/28/09)

Topic: The President goes all in, to get the American public to embrace his vision for Health Care Reform. A public insurance option, the effect reform will have on employer-provided coverage, and the willingness to incur another trillion dollars worth of debt are just a few of the issues creating a political firestorm on Capitol Hill. So where does the debate over health care stand? We'll ask two leaders at the center of the debate.

Segment 1 Guests: Sec. Kathleen Sebelius, Health and Human Services Secretary,
 Exclusive, Live

Followed by

Sen. Mitch McConnell, (R) Kentucky / Minority Leader, Exclusive, Live

Topic: General Ray Odierno will discuss the June 30th withdrawal of American combat troops from Iraq's cities.

Segment 2 Guest: Gen. Ray Odierno--Commanding General Multi-National Force – Live
 from Iraq

Plus our panel takes on the other items on the President's agenda. Thursday afternoon President Obama urged Congress to pass a massive climate change bill just before a White House meeting laying the groundwork for possible immigration reform. With the financial crisis still going strong, and two wars abroad, is the President putting too much on his plate? Or is he simply striking while the political iron is hot? Our panel weighs in, this week on Fox News Sunday.

Panel Guests:

Brit Hume – Fox News Senior Political Analyst
 Mara Liasson – National Public Radio & Fox News
 Bill Kristol – Weekly Standard & Fox News
 Juan Williams – National Public Radio & Fox News

CONTACT:

Loren Hynes
Loren.hynes@foxnews.com



TO: Program/Promotion Manager
FROM: First Business Producers

Monday

CLIMATE CHANGE & COSTS

Craig Sieben of Sieben Energy & Associates and Don Miller of the Heartland Institute discuss the Obama administration's efforts toward climate control and their impact on taxpayers.

Tuesday

MARKET OUTLOOK

From economic conditions to stock predictions, market professionals shed insight on the economy and the stock market.

Wednesday

STOCK PICKING

Bob Walberg of Chartwell Investments tells where he's finding value in today's uncertain market.

Thursday

MOVIES & MONEY

Movie Industry Analyst David Sikich looks at how the troubled economy is playing out in the movie industry.

Friday

AUTOS & THE ECONOMY

From Ford to GM, a look at the huge impact the recession has had on the U.S. auto industry.