

Set 1: spend, billion, defens, propos, dollar, budget, priorit, cut

Set 2: energi, coal, gas, oil, clean, land, technolog, wind

Set 3: administr, action, vice, discrimin, upon, subject, feel, strong

Set 4: record, vote, oppos, senat, financ, fought, parti, reform

BARACK OBAMA Well, look, I understand your frustration and your cynicism, because while you've been carrying out your responsibilities — most of the people here, you've got a family budget. If less money is coming in, you end up making cuts. Maybe you don't go out to dinner as much. Maybe you put off buying a new car. That's not what happens in Washington. And you're right. There is a lot of blame to go around. But I think it's important just to remember a little bit of history. When George Bush came into office, we had surpluses. And now we have half- a- trillion- dollar deficit annually. When George Bush came into office, our debt — national debt was around \$5 trillion. It's now over \$10 trillion. We've almost doubled it. And so while it's true that nobody's completely innocent here, we have had over the last eight years the biggest increases in deficit spending and national debt in our history. And Senator McCain voted for four out of five of those George Bush budgets. So here's what I would do. I'm going to spend some money on the key issues that we've got to work on. You know, you may have seen your health care premiums go up. We've got to reform health care to help you and your budget. We are going to have to deal with energy because we can't keep on borrowing from the Chinese and sending money to Saudi Arabia. We are mortgaging our children's future. We've got to have a different energy plan. We've got to invest in college affordability. So we're going to have to make some investments, but we've also got to make spending cuts. And what I've proposed, you'll hear Senator McCain say, well, he's proposing a whole bunch of new spending, but actually I'm cutting more than I'm spending so that it will be a net spending cut. The key is whether or not we've got priorities that are working for you as opposed to those who have been dictating the policy in Washington lately, and that's mostly lobbyists and special interests. We've got to put an end to that.

MODERATOR Senator McCain?

JOHN MCCAIN Well, Theresa (ph) , thank you. And I can see why you feel that cynicism and mistrust, because the system in Washington is broken. And I have been a consistent reformer. I have advocated and taken on the special interests, whether they be the big money people by reaching across the aisle and working with Senator Feingold on campaign finance reform, whether it being a variety of other issues, working with Senator Lieberman on trying to address climate change. I have a clear record of bipartisanship. The situation today cries out for bipartisanship. Senator Obama has never taken on his leaders of his party on a single issue. And we need to reform. And so let's look at our records as well as our rhetoric. That's really part of your mistrust here. And now I suggest that maybe you go to some of these organizations that are the watchdogs of what we do, like the Citizens Against Government Waste or the National Taxpayers Union or these other organizations that watch us all the time. I don't expect you to watch every vote. And you know what you'll find? This is the most liberal big- spending record in the United States Senate. I have fought against excessive spending and outrages. I have fought to reduce the earmarks and eliminate them.

Do you know that Senator Obama has voted for — is proposing \$860 billion of new spending now? New spending. Do you know that he voted for every increase in spending that I saw come across the floor of the United States Senate while we were working to eliminate these pork barrel earmarks? He voted for nearly a billion dollars in pork barrel earmark projects, including, by the way, \$3 million for an overhead projector at a planetarium in Chicago, Illinois. My friends, do we need to spend that kind of money? I think you have to look at my record and you have to look at his. Then you have to look at our proposals for our economy, not \$860 billion in new spending, but for the kinds of reforms that keep people in their jobs, get middle- income Americans working again, and getting our economy moving again. You're going to be examining our proposals tonight and in the future, and energy independence is a way to do that, is one of them. And drilling offshore and nuclear power are two vital elements of that. And I've been supporting those and I know how to fix this economy, and eliminate our dependence on foreign oil, and stop sending \$700 billion a year overseas.

MODERATOR We've run out of time. We have this one- minute discussion period going on here. There are new economic realities out there that everyone in this hall and across this country understands that there are going to have to be some choices made. Health policies, energy policies, and entitlement reform, what are going to be your priorities in what order? Which of those will be your highest priority your first year in office and which will follow in sequence? Senator McCain?

JOHN MCCAIN The three priorities were health...

MODERATOR The three — health care, energy, and entitlement reform; Social Security and Medicare. In what order would you put them in terms of priorities?

JOHN MCCAIN I think you can work on all three at once, Tom. I think it's very important that we reform our entitlement programs. My friends, we are not going to be able to provide the same benefit for present- day workers that we are going — that present- day retirees have today. We're going to have to sit down across the table, Republican and Democrat, as we did in 1983 between Ronald Reagan and Tip O'Neill. I know how to do that. I have a clear record of reaching across the aisle, whether it be Joe Lieberman or Russ Feingold or Ted Kennedy or others. That's my clear record. We can work on nuclear power plants. Build a whole bunch of them, create millions of new jobs. We have to have all of the above, alternative fuels, wind, tide, solar, natural gas, clean coal technology. All of these things we can do as Americans and we can take on this mission and we can overcome it. My friends, some of this \$700 billion ends up in the hands of terrorist organizations. As far as health care is concerned, obviously, everyone is struggling to make sure that they can afford their premiums and that they can have affordable and available health care. That's the next issue. But we can do them all at once. There's no — and we have to do them all at once. All three you mentioned are compelling national security requirements.

MODERATOR I'm trying to play by the rules that you all established. One minute for discussion. Senator Obama, if you would give us your list of priorities, there are some real questions about whether everything can be done at once.

BARACK OBAMA We're going to have to prioritize, just like a family has to prioritize. Now, I've listed the things that I think have to be at the top of the list. Energy we have to deal with today, because you're paying \$3. 80 here in Nashville for gasoline, and it could go up.

And its a strain on your family budget, but its also bad for our national security, because countries like Russia and Venezuela and, you know, in some cases, countries like Iran, are benefiting from higher oil prices. So weve got to deal with that right away. Thats why Ive called for an investment of \$15 billion a year over 10 years. Our goal should be, in 10 years time, we are free of dependence on Middle Eastern oil. And we can do it. Now, when JFK said were going to the Moon in 10 years, nobody was sure how to do it, but we understood that, if the American people make a decision to do something, it gets done. So that would be priority number one. Health care is priority number two, because that broken health care system is bad not only for families, but its making our businesses less competitive. And, number three, weve got to deal with education so that our young people are competitive in a global economy. But just one point I want to make, Tom. Senator McCain mentioned looking at our records. We do need to look at our records. Senator McCain likes to talk about earmarks a lot. And thats important. I want to go line by line through every item in the federal budget and eliminate programs that dont work and make sure that those that do work, work better and cheaper. But understand this; We also have to look at where some of our tax revenues are going. So when Senator McCain proposes a \$300 billion tax cut, a continuation not only of the Bush tax cuts, but an additional \$200 billion that hes going to give to big corporations, including big oil companies, \$4 billion worth, thats money out of the system. And so weve got to prioritize both our spending side and our tax policies to make sure that theyre working for you. Thats what Im going to do as president of the United States.

MODERATOR All right, gentlemen, I want to just remind you one more time about time. Were going to have a larger deficit than the federal government does if we dont get this under control here before too long. (LAUGHTER) Senator McCain, for you, we have our first question from the Internet tonight. A child of the Depression, 78- year- old Fiora (ph) from Chicago. Since World War II, we have never been asked to sacrifice anything to help our country, except the blood of our heroic men and women. As president, what sacrifices — sacrifices will you ask every American to make to help restore the American dream and to get out of the economic morass that were now in?

JOHN MCCAIN Well, Fiora (ph) , Im going to ask the American people to understand that there are some programs that we may have to eliminate. I first proposed a long time ago that we would have to examine every agency and every bureaucracy of government. And were going to have to eliminate those that arent working. I know a lot of them that arent working. One of them is in defense spending, because Ive taken on some of the defense contractors. I saved the taxpayers \$6. 8 billion in a deal for an Air Force tanker that was done in a corrupt fashion. I believe that we have to eliminate the earmarks. And sometimes those projects, not — not the overhead projector that Senator Obama asked for, but some of them that are really good projects, will have — will have to be eliminated, as well. And theyll have to undergo the same scrutiny that all projects should in competition with others. So were going to have to tell the American people that spending is going to have to be cut in America. And I recommend a spending freeze that — except for defense, Veterans Affairs, and some other vital programs, well just have to have across- the- board freeze. And some of those programs may not grow as much as we would like for them to, but we can establish priorities with full transparency, with full knowledge of the American people, and full consultation, not done behind closed doors and shoving earmarks in the middle of the night into programs that

we dont even — sometimes we dont even know about until months later. And, by the way, I want to go back a second. Look, we can attack health care and energy at the same time. Were not — were not — were not rifle shots here. We are Americans. We can, with the participation of all Americans, work together and solve these problems together. Frankly, Im not going to tell that person without health insurance that, “Im sorry, youll have to wait.” Im going to tell you Americans well get to work right away and well get to work together, and we can get them all done, because thats what America has been doing.

MODERATOR Senator McCain, thank you very much. Senator Obama?

BARACK OBAMA You know, a lot of you remember the tragedy of 9/11 and where you were on that day and, you know, how all of the country was ready to come together and make enormous changes to make us not only safer, but to make us a better country and a more unified country. And President Bush did some smart things at the outset, but one of the opportunities that was missed was, when he spoke to the American people, he said, “Go out and shop.” That wasnt the kind of call to service that I think the American people were looking for. And so its important to understand that the — I think the American people are hungry for the kind of leadership that is going to tackle these problems not just in government, but outside of government. And lets take the example of energy, which we already spoke about. There is going to be the need for each and every one of us to start thinking about how we use energy. I believe in the need for increased oil production. Were going to have to explore new ways to get more oil, and that includes offshore drilling. It includes telling the oil companies, that currently have 68 million acres that theyre not using, that either you use them or you lose them. Were going to have to develop clean coal technology and safe ways to store nuclear energy. But each and every one of us can start thinking about how can we save energy in our homes, in our buildings. And one of the things I want to do is make sure that were providing incentives so that you can buy a fuel efficient car thats made right here in the United States of America, not in Japan or South Korea, making sure that you are able to weatherize your home or make your business more fuel efficient. And thats going to require effort from each and every one of us. And the last point I just want to make. I think the young people of America are especially interested in how they can serve, and thats one of the reasons why Im interested in doubling the Peace Corps, making sure that we are creating a volunteer corps all across this country that can be involved in their community, involved in military service, so that military families and our troops are not the only ones bearing the burden of renewing America. Thats something that all of us have to be involved with and that requires some leadership from Washington.