

Bush, Blair Stand Together During Press Conference; Dubai Ports World Involved In New Controversy Involving Cargo Security; Qubad Talabani Interview

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Guests: Qubad Talabani, Bill Richardson

Highlight: President **Bush** and Tony Blair stood together during a press conference concerning the Iraq Study Group's report. Dubai Ports World is involved in a new controversy involving cargo security. Qubad Talabani is interviewed. Bill Richardson is interviewed.

Body

WOLF BLITZER, CNN ANCHOR: And to our viewers, you're in THE SITUATION ROOM, where new pictures and information are arriving all the time. Standing by, CNN reporters across the United States and around the world to bring you today's top stories.

Happening now, allies in war, partners in accountability -- President **Bush** and Prime Minister Tony Blair of Britain have long stood together over Iraq. Now they stand together as that war is criticized. They meet here in Washington and respond to the Iraq Study Group's strong rebuke of the war.

The Iraq Study Group hopes to speed the number of Iraqi troops standing up and American troops standing down. Some of the people who coach Iraqi troops in combat are being trained in Kansas. We'll have a closer look. We'll go there in a moment.

And there's a new chapter in an ongoing controversy. It involves keeping dangerous cargo out of the United States and an Arab-owned company again at the center of a storm over port security.

I'm Wolf Blitzer.

You're in THE SITUATION ROOM.

Two leaders saddled with a troubled war. President **Bush** and his staunchest Iraq ally, the British prime minister, Tony Blair, huddling over at the White House today.

Looming large over the meeting, the 79 specific recommendations by the Iraq Study Group for stemming the spiraling violence in Iraq and turning around the struggling military mission.

In a joint news conference, Mr. **Bush** clearly showed frustration.

Our White House correspondent, Suzanne Malveaux, is standing by with details -- Suzanne.

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SUZANNE MALVEAUX, CNN WHITE HOUSE CORRESPONDENT: Well, Wolf, British Prime Minister Tony Blair has two months left. President Bush, of course, two years. What happens in Iraq will largely determine both leaders' legacies. They went in together in the beginning on this and both leaders emphasizing today that they will be together in trying to find a way out.

(BEGIN VIDEOTAPE) MALVEAUX (voice-over): It's probably the closest you'll get from this president to admitting failure.

GEORGE BUSH, PRESIDENT OF THE UNITED STATES: Well, in frankness, I thought we would succeed quicker than we did and I am disappointed by the pace of success.

MALVEAUX: The bipartisan Iraq Study Group described the situation in Iraq as "grave and deteriorating." The president's incoming secretary of defense said the U.S. was not winning. For Mr. Bush, it's not easy to admit mistakes.

But perhaps now more than ever, people want to know is he in denial? Does he get it?

BUSH: It's bad in Iraq.

That help?

MALVEAUX: It was typical Bush -- use humor to throw off the scent. Then, a stab at formality to reassert his attorney.

BUSH: Make no mistake about it. I understand how tough it is, sir. I talk to the families who die.

MALVEAUX: Then, as always with the zingers, came the appreciation.

BUSH: And so I -- no, I appreciate your question. I appreciate it. As you can tell I feel strongly about making sure you understand that I understand it's tough.

MALVEAUX: But with pressing...

QUESTION: Do you acknowledge that your approach has failed?

MALVEAUX: ... and more pressing...

QUESTION: Are you capable of changing course, perhaps in the next few weeks?

MALVEAUX: ... Mr. Bush relented.

BUSH: I do know that we have not succeeded as fast as we wanted to succeed. I do understand that progress is not as rapid as I had hoped.

MALVEAUX: President Bush and his closest ally, British Prime Minister Tony Blair, have stood shoulder to shoulder on the Iraq War since the very beginning. Critics calling Mr. Bush the cowboy for stubbornly leading the charge and Mr. Blair the poodle for immediately following.

But three years since the U.S. invasion, the two are still adamant their Iraq mission is sound. President Bush didn't just drink the Kool-Aid, he made it. But perhaps now, it's a little less sweet. BUSH: Not only do I know how important it is to prevail, I believe we will prevail.

TONY BLAIR, BRITISH PRIME MINISTER: Now, I think the vision is absolutely correct. What we've got to do now - - and this is excellent why the president is talking about the way forward -- is that we've got to get the right way forward.

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(END VIDEOTAPE)

MALVEAUX: And President Bush said that both he and the prime minister have read the report in its entirety. He says that is something that is rare in Washington. But, of course, reading it and actually adopting it, Wolf, are two different things.

The president says he's going to look at internal reviews from the Pentagon, the White House and the State Department before making any decisions in the next couple of weeks -- Wolf.

BLITZER: Almost 200 pages, they actually read. I read it myself. I'm sure you did, Suzanne, as well.

Normally a lot of top officials, they like to read those executive summaries. In this particular case -- and I recommend it to our viewers, as well -- if they're interested in the war in Iraq they should read the whole thing. Very important reading.

Suzanne, thanks very much for that.

Meanwhile, the co-chairmen of the Iraq Study Group were on Capitol Hill today talking to the Senate Armed Services Committee about their recommendations for the war in Iraq.

James Baker and Lee Hamilton urged lawmakers to work with President Bush toward implementing their plan.

But Baker cautioned against dissecting it.

Listen to this.

(BEGIN VIDEO CLIP)

JAMES BAKER, IRAQ STUDY GROUP CO-CHAIRMAN: I hope we don't treat this like a fruit salad and say I like this, but I don't like that. I like this, but I don't like that. This is a comprehensive strategy designed to deal with this problem we're facing in Iraq, but also designed to deal with other problems that we face in the region and to restore America's standing and credibility in that part of the world.

(END VIDEO CLIP)

BLITZER: There was some criticism of the report, as well.

Republican Senator John McCain took issue with the call to reduce U.S. forces in Iraq.

We're going to have a lot more on the reaction still pouring in to this report later this hour.

But let's move to another important story -- the issue of keeping the United States safe by keeping threatening cargo out.

You'll remember Dubai Ports World, the Arab owned company at the center of a storm surrounding the purchase of facilities in six U.S. ports. Now that company is involved in a new controversy involving cargo security.

Our homeland security correspondent, Jeanne Meserve, joining us to explain -- Jeanne.

JEANNE MESERVE, CNN CORRESPONDENT: Wolf, some are finding irony in the fact that a company that raised port security concerns last February is now playing a part in a port security program.

(BEGIN VIDEOTAPE)

MICHAEL CHERTOFF, HOMELAND SECURITY SECRETARY: There's one point I want to make 100 percent crystal clear -- we will not outsource our security.

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MESERVE (voice-over): It was a preemptive strike by the secretary of Homeland Security, an effort to squelch Congressional criticism before it erupted over thanks for that Dubai-owned D.P. World operates three ports involved in a new cargo security program that will screen containers for radiation in foreign ports before they're shipped to the U.S.

CHERTOFF: The bottom line is this -- if you want to do security overseas, we've got to work with foreign governments and foreign companies because they own the ports.

MESERVE: There were high decibel protests on Capitol Hill when D.P. World purchased six port facilities in the U.S. earlier this year. Congressman Peter King says he will take a close look at the new cargo program, but has been assured that D.P. World will not have access to sensitive information, algorithms or software.

In the pilot program, containers in six foreign ports will be screened for radiation then x-rayed to pick up something the first machine might miss -- shielded nuclear material.

That information will be relayed to Customs and Border Protection personnel on scene or at the National Targeting Center. If they see a threat or have a question, the computer will be pulled and inspected by foreign authorities.

CBP, however, will watch on site or via streaming video.

CHERTOFF: In the end, the go-no go decision rests with our guys sitting in his CBP office. And if they have any doubt about how this has been resolved, they're going to say time out, it doesn't come in.

MESERVE: When the pilot is fully operational, just 7 percent of the cargo coming into the U.S. will be screened. DHS plans to expand the program over time, but some say 100 percent screening of cargo shouldn't wait.

(END VIDEOTAPE)

MESERVE: Others think the entire approach is misguided. They say more money and attention should be devoted to keeping nuclear material out of the hands of terrorists in the first place -- Wolf.

BLITZER: Let me get this straight, Jeanne, because I was out in Dubai earlier in the year and I saw how they have very sophisticated equipment to go through those cargo containers, to make sure there are no bombs on board or radiation or anything along those lines. They seem to have an excellent capability in doing that. And they were working closely with U.S. law enforcement authorities who themselves are on the screen in Dubai and other ports in the United Arab Emirates.

MESERVE: And even at the time of the big controversy, Customs and Border Protection was saying hey, we know this company and they've been a good partner. They were speaking in their defense.

This program is going to change things a bit. The equipment that we're talking about is going to belong to the U.S. Customs and Border Protection and the Department of Energy and the U.S. will be closely monitoring what's going on there. And they will make the final decisions about what goes on those ships and comes to the U.S.

BLITZER: Jeanne, thanks for that.

Jeanne Meserve reporting for us.

And stay tuned to CNN day and night for the most reliable news about your security.

Let's go back to New York and Jack -- Jack.

JACK CAFFERTY, CNN ANCHOR: The Department of Health and Human Services says it's OK. I mean you can't argue with that. They handled Katrina and they came out the other day and said give us another five years and \$7.5 billion and maybe we can secure the border with Mexico. That would make it 10 years after 9/11.

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So, I mean, I've got a lot of faith in what they say. Whatever Mr. Chertoff wants is OK with me.

The do something Congress is what an editorial in today's "Washington Post" is calling it. The incoming majority leader of the House of Representatives says members are going to have to work five days a week starting in January. Oh, the horror.

Democrat Steny Hoyer says congressmen will have to be in the Capitol for votes every Monday at 6:30 p.m. and will finish around 2:00 in the afternoon on Fridays.

Now, compare that to this past election year. The legislative week lasted from Tuesday to Thursday. That's it. Hoyer says Congress needs to spend more time in the Capitol passing laws and overseeing federal agencies.

That's a novel idea. They might actually begin to rehabilitate their reputations as a bunch of self-absorbed worms if they spend a little more time working for the people who elected them.

The bar is not very high. The 109th Congress only met for 103 days. That's seven days fewer than the do nothing Congress of 1948, generally considered the worst Congress we ever had, until this last one.

So here's the question -- what effect will a five day work week have on Congress?

E-mail your thoughts to CaffertyFile@CNN.com or go to CNN.com/CaffertyFile -- Wolf.

BLITZER: Here's the immediate effect. I've been in Washington for a long time. I know a lot of these congressmen. They're going to have to actually come back to Washington from their districts or wherever they are on Monday, late Monday afternoon if they have a vote coming up as early as 6:30. And they're going to have to stick around at least until 2:00 on Friday.

The immediate change is they used to come back Tuesday morning and by Thursday night, they were out of here.

CAFFERTY: Well, somebody said it would be a lot easier to get a tee time at the golf courses around Washington during the week. But one guy, I think he was from Georgia, was whining about how this will cut into his family life.

Why did he run-for Congress?

BLITZER: Good question.

CAFFERTY: Yes.

BLITZER: Jack, thanks very much for that.

Jack Cafferty will be back.

Up ahead, their mission?

Help Iraqi forces secure their own country. U.S. military advisers undergoing intense training right now.

CNN's Brian Todd standing by to give us an inside look.

Also, the New Mexico-governor, Bill Richardson, calling on Congress to abandon plans for a border fence. He says he has an alternative. He's standing by to join us live with his recommendation.

Plus, the **way forward** -- President **Bush** and Tony Blair aren't the only ones looking for it. CNN's Jeanne Moos takes her own look.

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

BLITZER: Welcome back.

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To help stop the bloodshed in Baghdad and beyond, the Iraq Study Group is urging the United States to seek support from Syria and Iran. Just last week, Iraq's president, Jalal Talabani, met with the Iranian president, Mahmoud Ahmadinejad.

My next guest has an especially unique interest in the Iraqi president's affairs.

Qubad Talabani is the son of Jalal Talabani.

He's also the representative of the Kurdistan Regional Government to the United States.

He is joining us in THE SITUATION ROOM.

Qubad Talabani, thanks very much for coming in.

QUBAD TALABANI, KURDISTAN REGIONAL GOVERNMENT REPRESENTATIVE TO THE U.S. SON OF IRAQI PRESIDENT: A pleasure to be back, Wolf.

BLITZER: First of all, your reaction to this Iraq Study Group, specifically the recommendation that all the regional players get involved in some sort of international conference to determine, to try to ease the crisis in your country, which is Iraq.

Your dad is not very happy about that.

TALABANI: Well, here's not very happy about that. And I think there are many aspects of the Study Group that is causing a lot of concern within Iraq and within Iraq's various different communities.

We feel strongly that Iraq's problems should be resolved by Iraqis themselves. We do seek a dialogue with our neighbors. We are engaging in a dialogue with our neighbors.

But I think to have a conference on an international scale without actually clarifying what the roles and responsibilities of such an event could be makes the situation very difficult.

BLITZER: Because a lot of the Iraqi Shiite leaders are not happy that some of the Arab Sunni countries -- Sunni Arab countries like Saudi Arabia or Egypt or Jordan could get involved. There's no great love, apparently, with them.

TALABANI: There is no great love. And we've seen -- history is instructive here. We haven't seen an international conference of this nature in the Middle East be successful in the past. And then there's nothing to guarantee that such a person, such an effort will be successful in Iraq in particular.

BLITZER: So, and as far as the Kurds -- and you're a Kurd -- you're not very excited about having Turkey get involved in dealing with Iraq's future.

TALABANI: We have a dialogue with Turkey. We are discussing with Turkey about our issues, about Iraq's issues.

BLITZER: But you don't want them to participate in a regional conference on Iraq.

TALABANI: These discussions should be left to Iraqis alone. The political outcome, the future of Iraq, the politics in Iraq have to be left to the Iraqis (UNINTELLIGIBLE).

BLITZER: So this is one recommendation that the Baker-Hamilton Iraq Study Group made that you think is a bad one.

TALABANI: We think it's not well thought out.

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BLITZER: And what about the rest of their recommendations, and, specifically, getting U.S. combat forces, by and large, out of Iraq by early 2008?

TALABANI: That's dependable on the situation on the ground. It's difficult to foresee what Iraq will look like by the early quarter of 2008. We like the benchmarks idea. But I think to think that there won't be a large number of combat troops in Iraq by then are problematic.

BLITZER: A lot of people have already concluded it's a failure and it's only going to go from bad to worse and from the U.S. perspective, the United States has to simply cut its losses and get out of there.

TALABANI: Well, what it mustn't do is what this report recommends, which is revert Iraq back to a centralized authority. Some of the recommendations in this report go toward that end, to say that power should be once again centralized in Baghdad.

BLITZER: You don't like that?

TALABANI: We don't like that. It goes against the constitution.

BLITZER: But do you want the partition?

TALABANI: We don't want to partition. We want a federal Iraq. And that's what the Iraqi people have asked for in the constitution. Twelve million Iraqis voted on this constitution that declares Iraq a federal country. That is the most important document in the country and not this ISG report.

BLITZER: A lot of Americans are deeply worried about Iran and its role in Iraq. Your father, the president of Iraq, was just in Tehran. He met with Ahmadinejad. He met with the supreme ayatollah. We saw hugs and kisses and there was deep concern that Iran is going to have a major role in your country.

TALABANI: Iran has a major role in our country whether we like it or not. We share many thousands of kilometers of border with Iran. But what we are urging Iran to do is to play a constructive role in Iraq...

BLITZER: But you are...

TALABANI: ... and not a decisive role.

BLITZER: Because U.S. officials, including the Iraq Study Group, they say Iran is playing a very negative role in giving military equipment to death squads, improvised explosive devices, that they're not playing a helpful role.

TALABANI: And the Iraqi government has expressed its dissatisfaction to Iran about its role. And we urge Iran to play a more constructive role in Iraq. And we do believe that Iran does not want Iraq to fail as a state. And if Iraq is not to fail as a state, then there has to be greater cooperation...

BLITZER: But presumably what the Iranians want is a Shiite-led Iraq closely aligned w Iran.

TALABANI: I think that your assessment could be correct. I think Iran wants, possibly, a weak Iraq. I think nobody in the region really wants Iraq to once again regain its strength in the region. I think a weak Iraq is to the benefit of many in the region, which is why they're fearful of the democratization in Iraq.

BLITZER: All right, so very briefly, Qubad Talabani, explain what you would like the Bush administration, the United States government, to do in the short-term?

Because, as you know, within the next few weeks, the president is going to be delivering a major speech outlining what White House officials call his new strategy.

TALABANI: Support the constitution in Iraq. Support the document that the Iraqi people have voted on. They braved the terrorists. They went out into the streets in their millions to vote on this constitution. We must support the

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democratic process, the political process that is ongoing in Baghdad today. And we must impose opinions and reports from the outside.

BLITZER: Is that a stay the course policy? Is that what you're recommending?

TALABANI: It is not a stay the course policy. It is adjust to the realities on the ground. Adjust to the requests and to the demands of the people on the ground. It's about understanding the political dynamics on the ground, understanding that Iraq has polarized significantly over the last three or four years and we cannot rule this country through a centralized authority again. And federalism is the only way forward for this country.

BLITZER: Qubad Talabani is the son of the president of Iraq, Jalal Talabani. He's the representative here in Washington of the Kurdistan Regional Government to the United States.

Thanks very much, Qubad Talabani, for coming in. TALABANI: Thanks, Wolf.

BLITZER: And coming up, the Bush presidency, the Blair premiership -- how will history judge them?

Two leaders with legacies resting on the troubled war in Iraq.

Plus, he's a possible contender for the race for the White House.

Will the New Mexico-governor, Bill Richardson, run?

Guess what? He's standing by live right here in THE SITUATION ROOM and I'll ask him.

We'll be right back.

BLITZER: I'm going to be speaking with Governor Bill Richardson in just a few moments right here in THE SITUATION ROOM.

But we'll move on to another story first. "Time" magazine will soon announce its next person of the year. But instead of a person of the year, could that honor go to one of the biggest Web sites of the year?

Here's CNN's Soledad O'Brien.

(BEGIN VIDEOTAPE)

SOLEDAD O'BRIEN, CNN ANCHOR (voice-over): Putting the power in your hands -- YouTube kicks off a revolution as millions of people share videos on the Web. It's the dawn of a new way to communicate, which wins YouTube a nomination as "Time" magazine's person of the year.

SEAN GREGORY, "TIME" WRITER/REPORTER: It's so interesting, it's fun, but, you know, that specific technology -- not to take anything away -- but it's a pretty simple technology.

JOSH TYRANGIEL, "TIME" WRITER/REPORTER: There are people who would see YouTube, user generated content, as frivolous compared to the hard realities of the world -- people dying in Iraq, people starving in Africa. But the thing about YouTube is that it also shows you that.

You know, so many of the interesting YouTube videos have been from American soldiers in Iraq. And you actually get to connect with them in a way that the nightly news never shows you, that newspapers can't convey in the same emotional level.

So, frivolous within a moral calculus?

Maybe. But there's no limit to the amount of things YouTube can show you.

(END VIDEOTAPE)

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BLITZER: And remember, we'll be broadcasting "Time's" person of the year right here on CNN. That would be Saturday night, December 16th, 8:00 p.m. Eastern. You're going to want to see that.

Coming up, Bill Richardson -- he's right here in THE SITUATION ROOM, the governor of New Mexico. He may be running for president.

We're going to ask him whether or not he wants the White House.

Also coming up, President **Bush** and Prime Minister Tony Blair standing side-by-side with the same issue looming large over them. It's not just Iraq, it's their legacy.

And Jack Cafferty wants to know what effect will a five day work week, a five day work week, have on Congress.

Jack's coming back with "The Cafferty File."

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

BLITZER: To our viewers, you're in THE SITUATION ROOM, where new pictures and information are arriving all the time. Happening now, President **Bush** and British Prime Minister Tony Blair are discussing the troubled war in Iraq in a White House meeting. Mr. **Bush** saying he's disappointed with the pace of success, but offering no specifics on a change of course, while Mr. Blair praised the Iraq Study Group report, saying it offers a strong **way forward**.

Also, the autopsy just out on James Kim, the man who was stranded for more than a week in the Oregon wilderness with his wife and children before setting off to find help. Officials now saying he died of exposure and hypothermia after walking 10 miles. His family was finally rescued Monday.

And the former Russian spy who was poisoned with radiation buried in London today in a sealed coffin. Meanwhile, seven workers from a London hotel he visited are now testing positive for low levels of radiation. But British health officials say there's virtually no risk to their health.

I'm Wolf Blitzer and you're in THE SITUATION ROOM.

A lot rests on the outcome of the war, but so do legacies of the two leaders who spearheaded it, President **Bush** and British Prime Minister Tony Blair.

Let's turn to our chief national correspondent, John King, he's watching the story -- John.

JOHN KING, CHIEF NATIONAL CORRESPONDENT: Wolf, the two leaders meeting at the White House today acknowledging in a news conference that there had been set backs in Iraq and across the Middle East and yes, they need to work on a new plan, but both leaders also defiantly saying they believe history will look favorably on the decision to go to war in the first place.

(BEGIN VIDEOTAPE)

KING (voice-over): Side by side, yet again, two friends and allies scarred politically by an unpopular war.

BUSH: It's a tough time, it's a difficult moment for America and Great Britain.

KING: The prime minister has just a few more months in office, the president, two more years. So the legacy questions loom larger even amid the overwhelming daily pressures.

BLAIR: There is no **way** that you ever succeed in these things, unless you just carry on trying and that's what we will do.

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KING: Both concede they need a new plan for Iraq and the broader Middle East. But insist they are right on the big picture. To walk away the president says would mean radical theocracy in Iraq and in Iran with nuclear weapons.

BUSH: Historians will look back and say how come **Bush** and Blair couldn't see the threat? That's what they'll be asking and I want to tell you I see the threat.

NILE GARDINER, HERITAGE FOUNDATION: Tony Blair and President **Bush** are very similar figures in many **ways**. In a sense that they both see the world in terms of good versus evil, black versus white.

KING: Mr. Blair is often derided back home as the lesser partner in this alliance. But ideas he has long pushed are suddenly again in the forefront. The new Iraq Study Group report urges a direct dialogue with Iran and Syria and a new push for Israeli Palestinian peace talks, two areas where Mr. Blair has privately lobbied Mr. **Bush** without success in the past.

GARDINER: I think certainly the Iraq Study Group does bear the imprint and the stamp of Tony Blair.

KING: The war's toll is evident in any and in now glimpse at the leaders. Energetic and confident back in 2003, somber and beleaguered now. When Saddam Hussein's regime fell in April 2003, Mr. **Bush** had a 70 percent approval rating and 49 percent of Britain's were satisfied with Mr. Blair's performance. Now, the president's approval rating stands at 38 percent, the prime minister's, a lowly 27 percent.

GARDINER: Both firmly believed that they will be judged favorably by historians in the future who will look back upon them as certainly powerful conviction politicians.

KING: That's a legacy question, the answer to be shaped by their decisions in the days and weeks ahead.

(END VIDEOTAPE)

KING: But that news conference today, Wolf, largely an example of what you might call political treading water. Both leaders reviewing the Iraq Study Group's report, also the president says waiting for recommendations from the Pentagon and the State Department. So while they were asked the questions about what they might do next today, they didn't give any clear answers just yet -- Wolf.

BLITZER: The president supposedly preparing a speech in the next few weeks. We'll hear from that. John, thanks very much.

Joining us now to talk about the war, the Iraq Study Group, other issues, New Mexico's Democratic Governor Bill Richardson. He's here in THE SITUATION ROOM.

Governor, thanks for coming in.

GOV. BILL RICHARDSON (D), NEW MEXICO: Thank you, Wolf.

BLITZER: If this recommendation to start pulling out combat troops by early 2008 goes long, presumably over the next year, a lot more Americans are going to die. Right now, knowing what you know, is it worth it?

RICHARDSON: No, I believe that the withdrawal should be in 2007. I believe it should be coupled with a political solution with all the ethnic groups. We should redeploy those forces into special operations, into Afghanistan, into the war on terrorism. I think it's critically important also...

BLITZER: So you would start pulling them out right away?

RICHARDSON: No, not right away. I would look at our military commanders to fix a date that would be tied to a political solution, a Middle East peace conference that would involve reconstruction assistance. I would accelerate the security training of the Iraqis. I think what is most noteworthy about this report is the call for dialogue with Syria, with Iran, to spur the Israeli-Palestinian issue by having a special envoy, that or a potential solution.

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BLITZER: So if you were president of the United States, there are a lot of rumors out there you're seriously thinking about running for president, you would do that, engage in a direct dialogue with Iran and Syria without any preconditions?

RICHARDSON: Yes. And that doesn't mean you're going to just sit back and do what they want. We're going to be tough, we're going to deliver tough messages. I think if we're going to deal with the Israeli Palestinian issue, with Hezbollah, with Lebanon, you got to talk to Syria. We have diplomatic relations with them.

With Iran, if we're going to deal with dealing with the violence and ethnic violence in Iraq, if we're going to deal with a country, Iran, that shouldn't have nuclear weapons, if we're going to deal with a country that's the second largest producer of OPEC, I believe a direct dialogue and be tough in that dialogue, not hold back. But by not talking to them, there's a bunch of mixed messages that I think are not serving us well. BLITZER: Are you running for president?

RICHARDSON: I have not decided. I'm going to decide in January. I'm making an assessment, talking to my family. But I do tell you, I was very pleased I was re-elected in a red state with a big margin. We have a bunch of new Democratic governors under my tenure from 22 to 28, the response I'm getting is positive. But I'm going to wait till January to make that decision.

BLITZER: We'll see if you become an explorer at that time for an exploratory committee. Jack Cafferty, our partner here in THE SITUATION ROOM, in the last hour, he was complaining and our viewers were complaining about your plan to get rid of this proposed fence along the U.S.-Mexico border. I want to bring Jack in, he's right behind you over there. Jack, tell the governor why you think that would be a mistake.

CAFFERTY: Well it's not so much what I think. Look at any public opinion poll done leading up to the election, the American people want the border secured. In their mind, imagine this, national security might rank ahead of relations with the government of Mexico. Our laws on the books against illegal aliens, against hiring illegal aliens, against entering the country illegally are ignored by the federal government.

Five years after 9/11 we have done nothing to secure the border, we have the Department of Homeland Security, which I think if you went to a dictionary and looked up "worthless federal agency" you might see the Department of Homeland Security pictured there. They say give us five more years and \$7.5 billion and maybe we can do something about securing the border.

In the meantime, we have 3,000 people a day entering this country illegally. We don't know who they are. We don't know where they're going, we don't know what their business is here. I bet you a dime to a dozen of donuts in the five years since 9/11, might have been a terrorist or two get across the border without us knowing.

We have cities and towns all over this country complaining they're overrun with illegal aliens. They're trying to ask the government for help, they don't get any. So they're trying to pass laws themselves against landlords who rent to them, employers who hire them. It's a national disgrace.

BLITZER: All right, Jack.

CAFFERTY: You want me to go on?

BLITZER: No, we get the point. We get the point, you make the case. I want the governor of New Mexico to make his case, why do you think doing way with this proposed fence, and they haven't built it yet, is the right course?

RICHARDSON: I'm a border governor. I live with this issue every day. The fence is not going to work. It wasn't properly funded, technically it's not going to work, it's a terrible symbol in our relationship with Mexico and we need Mexico's cooperation. I declared a year ago a border emergency. I have taken the toughest possible measure.

Here's what I would do with the money for the fence. If you use just one half of the money allocated to the fence, you could double the number of border patrol agents, that's what we need, people. I would put the National Guard

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there another year. I would get equipment. I would get sensors, I would get detection equipment that would make it easier.

BLITZER: So basically what you're saying is because of the political fallout, the impact it could have on good U.S.-Mexican relations, the United States shouldn't build the fence?

RICHARDSON: Well, besides that. But in addition, it's a cheap political vote because the Congress didn't fund the entire fence, they funded almost a third of it. The fence is badly constructed. And you're going to have undocumented workers going under the fence, over the fence, it's just not going to work. Plus the added symbol.

I remember Ronald Reagan saying, Mr. Gorbachev, tear down that fence. To do that with Mexico at a time when the new president of Mexico is coming in, when we need his cooperation to stem the flow of Mexicans coming into America. I just think it's impractical, it's a political vote. More border patrol agents, double the number.

BLITZER: All right, let me let Jack -- Jack did he convince you?

CAFFERTY: No he didn't convince me but more importantly, I don't think he convinces the American public. I just read close to 1,000 letters that came into THE SITUATION ROOM when we asked this question, 95 percent of the people watching this program want the border closed. And they think not going ahead with anything at this time to try and secure the border is just kind of telling them, in effect, you don't matter. What U.S. citizens in this country want doesn't matter to the politicians. We'll do what we want.

BLITZER: But, governor, what you're saying is, you can do that, you can secure the border without building a fence?

RICHARDSON: That's right. With more people, with more equipment, with trained people, with the National Guard, the border patrol that is trained to do that. The Congress has appropriated funds to do that but the training is taking a long time. I say double the number of border patrol agents as the 9/11 commission recommended. A fence is going to be impractical, plus, it wasn't funded. Only a third of it was funded. And then the Department of Homeland Security ultimately has the decision on whether to build it or not.

And you're sending a message to Mexico, look, we're just closing the border. I personally as governor with a border emergency, close the border by saying the federal government is not helping. We had drugs and violence coming into New Mexico and we took effective action that allowed us to us hire local law enforcement. People can secure the border, not a fence. BLITZER: Governor Bill Richardson is the governor of New Mexico, but maybe, maybe next month, we'll be hearing word that he's seeking higher office. You'll share that word with us, right?

RICHARDSON: I certainly will.

BLITZER: Thanks very much and Jack thanks to you as well. Jack will be back with "The Cafferty File" soon. Governor Bill Richardson thanks for coming in.

Just ahead -- terror alerts in Kansas. There, American military advisers are now learning how to coach Iraqis in dangerous combat. Brian Todd has an inside look.

And when things get tough, the tough get to looking ahead. Jeanne Moos will explain how President **Bush**, Prime Minister Blair and the head of the Ford Motor company all have that in common. We'll tell you what's going on. Stay with us.

BLITZER: The Iraq Study group is recommending a dramatic increase in the number of U.S. troops embedded with Iraqi forces to help them take charge of their country's security. And right now, those U.S. troops are learning to bridge some cultural differences. But serious questions of trust remain.

CNN's Brian Todd has an inside look.

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(BEGIN VIDEOTAPE)

BRIAN TODD, CNN CORRESPONDENT (voice-over): A humvee convoy at Fort Riley comes under attack. The ambush is not real. But the response of this combat team has to be. These are the U.S. soldiers who will be getting Iraqi or Afghan forces ready to fight on their own. In the Americans' training, it's all about trust and judgment, and not just in battle.

They also get hours of language training and cultural instruction. Mediating disputes between Iraqi or Afghan commanders and local elders. In this role play, tempers flair when local Afghans are asked to stop farming opium. We can't show faces.

Afghans recruited to play locals are concerned about family back home. The American and Afghan commanders offer a school, a gas station, electricity, farm animals. An observer whispers to me, they've promised too much. The American has his own critique.

UNIDENTIFIED MALE: This is a work having an assistant right here on the table, right here in the middle.

TODD: For those headed for Iraq, building trust means going beyond where to sit.

(on camera): As extensive as the training at Fort Riley is, the real challenge for the advisers trained here is to get their Iraqi counterparts to give up generations of clan and sectarian loyalty and show allegiance to a constitution and a national identity.

(voice-over): We spoke to two former U.S. military advisers who'd served in Vietnam and Central America. They believe the advisers placed with mixed units of Shia and Sunni troops will be in danger.

KEN ROBINSON, FORMER U.S. MILITARY ADVISER: You have loyalties between these tribes, between these different groups who worship Islam in a different ways trying to work together and they feel threatened by each another. You can't overcome that overnight. But the way to start is to professionalize the military.

TODD: The trainers here believe it can be done.

MAJ. GEN. CARTER F. HAM, U.S. ARMY: The average team is very diverse. You have multiple races, ethnicities. What we hope to show the Iraqis, is that you can put together a very culturally diverse unit and still be very, very effective.

TODD: One trainer who has been with Iraqi forces and is about to head back puts it best.

UNIDENTIFIED MALE: I have to trust them. I have no choice. Because honestly if I don't give them a little bit of trust, then my mission is going to fail and I won't let that happen.

TODD: Brian Todd, CNN, Fort Riley, Kansas.

(END VIDEOTAPE)

BLITZER: Let's check in with Lou Dobbs to see what's coming up at the top of the hour -- Lou.

LOU DOBBS, CNN ANCHOR: Wolf, thank you. Coming up at 6:00 p.m. eastern here on CNN, tonight, we'll be reporting on another new controversy about Dubai Ports World, the company that sparked a firestorm of protests last winter when it tried to buy up all the U.S. port facilities it could, some 20 of them.

Dubai Ports World now figures prominently in a Department of Homeland Security program to screen containers for radiation before they're slipped to this country. That will bring us up to about 7 percent of all of the cargo coming into this country. Don't you feel secure?

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Also, the open borders lobby, winning a powerful new recruit, Governor Bill Richardson of New Mexico is in full form. Governor Richardson saying efforts to build a new fence along our southern border are nothing more than demagoguery and it just might upset the Mexican government, you know those corrupt incompetent people in Mexico City that are just messing an entire nation up. We'll have that story and the huge disparity between the rich and the poor in this country is widening.

Middle class families struggling harder than ever just to stay even and our ruling elite, well, they're just totally indifferent. We'll have that special report. A great deal more, all of today's news at the top of the hour, right here on CNN. We hope you'll join us. Wolf, back to you.

BLITZER: And also Lou, don't forget, 7:00 p.m. tonight, a Lou Dobbs "War on the Middle Class" town hall meeting in my beautiful hometown of Buffalo, New York. Tonight, 7:00 p.m. Eastern, an hour from now, a Lou Dobbs special. Is that right, Lou?

DOBBS: Exactly right, repeat Buffalo with the anchor bar and all of those wonderful Buffalo wings that you've so highly recommended. And the people of Buffalo were absolutely just warm and welcoming and couldn't have been nicer to us. You've got a good hometown there.

BLITZER: I would expect nothing less. Buffaloneans, among the nicest people in the world.

DOBBS: Absolutely.

BLITZER: Thanks very much Lou. We'll be watching.

Still to come, is a full week of work more than Congress can handle? Jack Cafferty wants to know what you think. And Jeanne Moos on what President Bush, Tony Blair and the Ford Motor Company have in common. Stay with us.

BLITZER: When a situation seems at its worst, can you really inspire the best outcome simply by talking about the best way forward? Here's CNN's Jeanne Moos.

(BEGIN VIDEOTAPE)

JEANNE MOOS, CNN CORRESPONDENT (voice-over): When those pesky reporters start asking those "f" word questions...

UNIDENTIFIED MALE: Are you capable of admitting your failures?

UNIDENTIFIED MALE: Do you acknowledge that your approach has failed.

MOOS: It's time to tell them to look forward, not back.

BUSH: And design a way forward.

MOOS: In one answer alone, President Bush used the phrase five times...

BUSH: The way forward in Iraq. An important way forward. Talk about the way forward. Analyze the way forward.

MOOS: Apparently the way forward is contagious. Tony Blair caught it standing next to President Bush.

BLAIR: The way forward. How do we find the right way forward? We've got to get the right way forward. MOOS: You could blame it on the Iraq Study Group for naming one of the sections in its report "the way forward." Even Democrats like to go forward. Senator Barack Obama's big foreign policy speech was titled "A Way Forward in Iraq." Senator Joe Biden called his, "Iraq, A Way Forward."

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(on camera): But watch out, the phrase "The Way Forward" tends to surface when things are a complete, total, utter mess.

WILLIAM CLAY FORD JR., CEO, FORD MOTOR CO.: We call our plan, "The Way Forward."

MOOS: That's the head of Ford Motor Company announcing a restructuring that would cut 25,000 jobs.

FORD: "The Way Forward" contains some strong medicine.

MOOS: But which way is forward wondered "Forbes" magazine when the Ford plan to move forward seemed stuck. You might as well get used to hearing the administration's new mantra.

TONY SNOW: The way forward. The new way forward. What he sees as the way forward.

MOOS: He also uses variations of the phrase?

BUSH: Go forward. I'm heading back.

MOOS: Nah, that's no policy reversal, just the president heading back to pick a questioner. All of this forward motion...

BLAIR: A different way forward. Whatever way forward.

BUSH: An important way forward.

MOOS: Sort of makes you long for the days of...

BUSH: We'll stay the course.

MOOS: Jeanne Moos, CNN, New York.

(END VIDEOTAPE)

BLITZER: And just ahead, Jack Cafferty is here five days a week. So he wants to know why shouldn't Congress do the same thing. Your e-mail and Jack, that's next.

BLITZER: Let's check in with Jack Cafferty in New York. Jack?

CAFFERTY: Well, here's a whole new era perhaps dawning. The incoming majority leader of the House, Steny Hoyer says the members are going to have to work five days a week starting in January. Imagine that. The question is what effect will a five-day work week have on Congress and on the country? Steven writes from Lolo, Montana, "Maybe then they'll have a little sympathy for the working man." Bart in Arvada, Colorado, "Can't have anything but a positive impact. Heck, be careful, some work might actually get accomplished."

Mark in Houston writes one of my favorites, "Maybe most of them will quit."

Gary in Pittsburgh, "The question should be, what will a new schedule mean to you and me? Do you really want these guys hanging around Washington passing more laws? I'd be happier if they only worked one day a week."

Marilynn in Baltimore, "A five-day work week will give Congress good reason to justify their next pay raise."

Craig in Westminster, Maryland, "It doesn't really matter how many days they work if they work and get work done. We'll see whether the new Congress gets any more done in five days than the current Congress has."

Bruce in Massachusetts, "It'll mean the lobbyists will have to work nights and weekends."

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And Maxine in Bakersfield, California, "Jack, I'm glad you didn't serve in the last Congress. What would we have done without you, a broadcaster who says it like it is, five days a week?"

They'll be a little extra something in your Christmas stocking Maxine. If you didn't see your e-mail here go to CNN.com/CaffertyFile and you can read some more of this stuff online -- Wolf.

BLITZER: Jack, thank you very much. Let's go take a look at the White House. Outside of the White House, in fact, the president of the United States, about to show the Christmas tree being lit. Let's watch.

There it is, the national Christmas tree lighting ceremony, a beautiful sight, we see it at this time precisely, every, every year. Merry Christmas to all our viewers out there. Weather permitting, we're about three and a half hours away from the scheduled launch of the space shuttle. Astronauts are now arriving at the launch pad at the Kennedy Space Center, let's bring in our Jacki Schechner with some real time resources that you can use to stay updated on the first night launch in four years -- Jacki.

JACKI SCHECHNER, CNN INTERNET REPORTER: Wolf, some great resources online from NASA itself at nasa.gov. You can get a real streaming video of what's going on right now, they've also got a blog saying that the astronaut convoy is on its way to the launch pad right now. NASA says -- there you can see some video of the convoy on its way. NASA says this is going to be one of the most complicated missions they've had in years.

They're going to install some solar panel, rewiring the space station rather and making the solar panels they put on in the last mission work. Let me just show you real quickly some interactive resources that you can follow along on this 12 day mission. And if you push on each of the days here it will show you exactly what's going to be happening, again, nasa.gov. You can watch the launch live if it happens here on CNN or go to CNN Pipeline -- Wolf.

BLITZER: Thanks very much Jacki for that. Remember, we're here in THE SITUATION ROOM weekday afternoons from 4:00 to 6:00 p.m. eastern, back at 7:00 p.m. Not tonight though. A Lou Dobbs special town hall meeting from Buffalo, New York, tonight, 7:00 p.m. eastern. Until then, thanks very much for joining us. Let's go to Lou right now -
- Lou.

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