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**HEADLINE: Vice President Dick Cheney discusses 9/11 commission report,
American economy**

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BODY:

ALAN MURRAY, co-host:

Our top story tonight: The 9/11 commission ended its hearings today with some surprising news. Among other things, the panel says it found no evidence that Saddam Hussein collaborated with al-Qaeda terrorist, seeming to contradict the White House which has emphasized links between the two. In a CNBC exclusive tonight, we get Vice President Dick Cheney's first reactions to today's news. My partner Gloria Borger is with the vice president in the battleground state of Ohio, where he campaigned in Lewis City, just outside of Columbus, today. BORGER:

GLORIA BORGER, co-host (Lewis Center, Ohio):

That's right, Alan. We are at Nextech Materials, which is a high-tech manufacturer of Lewis Center, Ohio. Of course, as you know, the vice president just gave a speech here this afternoon. John Kerry has also been here this week. And as you mentioned, Ohio is, of course, a battleground state.

Thank you so much for being with us, Mr. Vice President. And we will get to talk about the economy in a few minutes.

Vice President DICK CHENEY: OK.

BORGER: But, obviously, first the news of the week is the 9/11 commission report. And as you know, the report found, quote, "no credible evidence that al-Qaeda collaborated with Iraq or Saddam Hussein." Do you disagree with its findings?

Vice Pres. CHENEY: I disagree with the way their findings have been portrayed. There's been enormous confusion over the Iraq/al-Qaeda connection, Gloria. First of all, on the question of--of whether or not there was any kind of relationship, there clearly was a relationship. It's been testified to; the evidence is overwhelming. It goes back to the early

'90s. It involves whole series of contacts--high-level contacts between Osama bin Laden and Iraqi intelligence officials. It involves a senior official; a brigadier general in the Iraqi intelligence service going to the Sudan before Sudan--before bin Laden ever went to Afghanistan, to train them in bomb-making, helping teach them how to forge documents.

Mr. Zarqawi, who is in Baghdad today, is an al-Qaeda associate who took refuge in Baghdad and found sanctuary and safe harbor there before we ever launched into Iraq. There's Mr. Yassin, who was a World Trade Center bomber in '93, who fled to Iraq after that. And we found since, when we got into Baghdad, documents showing that he was put on the payroll and given housing by Saddam Hussein after the '93 attack. In other words, provided safe harbor and sanctuary. There's clearly been a relationship. There's a separate question. The separate question is, was Iraq involved with al-Qaeda in the attack on 9/11?

BORGER: Was Iraq involved?

Vice Pres. CHENEY: We don't know. You know, what the commission says is they can't find any evidence of that. We had one report, this was the famous report on the Czech intelligence service, and we've never been able to confirm it or to knock it down. We just don't know.

BORGER: Well, let me just get to the bottom line here then very quickly.

Vice Pres. CHENEY: Now, it's very important that people understand these two differences. What the New York Times did today was outrageous. Now, they do a lot of outrageous things, but the headline: Panel Finds No Qaeda-Iraq Tie. The press wants to run out and say there's a fundamental split here now between what the president said and what the commission said.

Jim Thompson is a member of the commission and has since been on the air. I saw him with my own eyes saying there's no conflict. What they were addressing was whether or not they were involved with 9/11, and there they found no evidence to support that proposition. They did not address the broader question of a relationship between Iraq and al-Qaeda in other areas, in other ways.

BORGER: Well, my reading of the report is that it says that, yes, contacts were made...

Vice Pres. CHENEY: Absolutely.

BORGER: ...between al-Qaeda and Iraq. But they could find no evidence that any relationship in fact had been forged between al-Qaeda and Iraq.

Vice Pres. CHENEY: And you're talking generally now, not just 9/11.

BORGER: Not just 9/11. And let's talk generally, and then we'll get to 9/11.

Vice Pres. CHENEY: OK.

BORGER: But...

Vice Pres. CHENEY: Talk generally.

BORGER: ...generally.

Vice Pres. CHENEY: That's not true.

BORGER: So you disagree.

Vice Pres. CHENEY: Absolutely. Look at the Zarqawi case. Here's a man who--he's Jordanian by birth, he's described as an al-Qaeda associate, he ran training camps in Afghanistan back before we went to war in Afghanistan. After we went in and hit his training camp, he fled to Baghdad, found safe harbor and sanctuary in Baghdad in May of 2002. He arrived with about two dozen other supporters of his, members of the Egyptian Islamic Jihad, which was Zawahiri's organization. He's the number two to bin Laden, which was merged with al-Qaeda. It's interchangeable, the Egyptian Islamic Jihad, al-Qaeda, same-same. They are all now part of one organization; they merged some years ago.

Zarqawi, living in Baghdad, we arranged for information to be passed on his presence in Baghdad to the Iraqis through a third party intelligence service. They did that twice. There's no question but what Saddam Hussein knew he was there. He was allowed to operate out of Baghdad. He ran the poisons factory in northern Iraq out of Baghdad, which became a safe harbor for Ansar al-Islam, as well as al-Qaeda fleeing Afghanistan. There clearly was a relationship there that stretched back over that period of time to at least May of '02, a year before we launched into Iraq.

BORGER: Well, now...

Vice Pres. CHENEY: And he is the worst offender. He's probably killed more Iraqis than any other man in Iraq today. He is probably the leading terrorist still operating in Iraq today.

BORGER: Now, some say that he corresponded with al-Qaeda only after Saddam was deposed.

Vice Pres. CHENEY: That's not true. He had been involved, working side by side, as described by the CIA, with al-Qaeda over the years. This is an old established relationship. He's the man who killed our man Foley in Jordan, an AID official during this period of time. To suggest that there's no connection between Zarqawi, no relationship, if you will, and Iraq, just simply is not true.

BORGER: Well, let's get to Mohamed Atta for a minute because you mentioned him as well. You have said in the past that it was, quote, "pretty well confirmed."

Vice Pres. CHENEY: No, I never said that.

BORGER: OK.

Vice Pres. CHENEY: I never said that.

BORGER: I think that is...

Vice Pres. CHENEY: Absolutely not. What I said was the Czech intelligence service reported after 9/11 that Atta had been in Prague on April 9 of 2001, where he allegedly met with an Iraqi intelligence official. We have never been able to confirm that nor have we been able to knock it down, we just don't know.

BORGER: Well, this report says it didn't happen.

Vice Pres. CHENEY: No, this report says they haven't found any evidence.

BORGER: That it happened.

Vice Pres. CHENEY: Right.

BORGER: But you haven't found the evidence that it happened either, have you?

Vice Pres. CHENEY: No. All we have is that one report from the Czechs. We just don't know.

BORGER: So does this put it to rest for you or not on Atta?

Vice Pres. CHENEY: It doesn't add anything from my perspective. I mean, I still am a skeptic. I can't refute the Czech claim, I can't prove the Czech claim, I just don't know. It's the nature of the intelligence business lots of times. But that is a separate question from what the press has gotten all in a dither about today, The New York Times especially, on this other question. What they have done is I think distorted what the commission actually reported, certainly according to Governor Thompson, as a member of the commission.

BORGER: But you say you disagree with the commission.

Vice Pres. CHENEY: On this question of whether or not there's a general relationship.

BORGER: Yes.

Vice Pres. CHENEY: Yeah.

BORGER: And they say that there was not one forged and you are saying, yes, that there was.

Vice Pres. CHENEY: I think there was.

BORGER: Do you know some things that the commission does not know?

Vice Pres. CHENEY: Probably.

BORGER: And do you think the commission needs to know them?

Vice Pres. CHENEY: I don't know what they know. I do know they didn't talk with any original sources on this subject that say that in their report.

BORGER: They did talk with people who had interrogated sources.

Vice Pres. CHENEY: Right.

BORGER: So they do have good sources.

Vice Pres. CHENEY: Well, Gloria, the notion that there is no relationship between Iraq and al-Qaeda just simply is not true. I mean, there are reams of material here. Your show isn't long enough for me to read all the pieces of it.

BORGER: Sure, it is.

Vice Pres. CHENEY: But in the fall of '95 and again in the summer of '96, bin Laden met with Iraqi intelligence service representatives at his farm in Sudan. Bin Laden asked for terror training from Iraq. The Iraqi intelligence service responded, they deployed a bomb-making expert, a brigadier general in the Iraqi intelligence service.

BORGER: OK, but now, just let me stop you there because what this report says is that he was not given the support that he had asked for from Iraq, that he had requested all of these things, but in fact did not get them.

Vice Pres. CHENEY: He got this. This is--we know for a fact--this is from George Tenet's testimony before the Senate Armed Service Committee, February 12, 2003, etc. I mean, it's there. There clearly is a reception.

BORGER: Is the commission credible as far as you're concerned?

Vice Pres. CHENEY: I haven't read their entire report and everything. I think they're doing good work. I think it's a very tough job they have been given, and I don't mean to be overly critical of them. I think this is not an area they looked at--according to Governor Thompson again, they didn't spend a lot of time on the question of Iraq and al-Qaeda except for the 9/11 proposition. That's what they were asked to look at. They did not spend a lot of time on these other issues. They have got one paragraph in the report that talks about that.

BORGER: But...

Vice Pres. CHENEY: So the notion that you can take one paragraph from the 9/11 commission and say, 'Therefore, that says there never was a connection between Iraq and al-Qaeda,' is just wrong. It's not true. I would love to go on, on all of this stuff, but the fact of the matter is there clearly was a relationship there. Now...

BORGER: Let me just ask you bottom line, though, on 9/11...

Vice Pres. CHENEY: On 9/11.

BORGER: Saddam Hussein had nothing to do with 9/11?

Vice Pres. CHENEY: We have never been able to prove that there was a connection there on 9/11. The one thing we had is the Iraq--the Czech intelligence service report saying that Mohamed Atta had met with senior Iraqi intelligence official at the embassy on April 9, 2001. That's never been proven; it's never been refuted.

BORGER: OK. And let me ask you on a more personal note. The commission also reported today that you gave the order to shoot down those airplanes that were commandeered by the terrorists, but your orders never reached the American pilots. Can you tell us how agonizing that was?

Vice Pres. CHENEY: Well, it actually--it went very fast. First of all, I discussed it with the president. The president made the decision. Then I was asked some time after that, officer came in to the emergency operations center, into the White House where I was located that day, and wanted to know if they were authorized to shoot down aircraft. And based on my earlier discussion with the president, I said yes. I didn't spend a lot of time thinking about it. They needed a fast decision, there was a report of an airplane, 80 miles out headed towards the White House and towards Washington. So it was a quick decision. It had to be quick. Planes were flying 500 miles an hour at buildings. It turned out--we didn't know this at the time--it turned out that by the time the order was given, the plane that was headed that way--was United 93--had crashed. The passengers had obviously acted.

BORGER: Had your order gotten to the plane?

Vice Pres. CHENEY: No.

BORGER: Would that happen another time?

Vice Pres. CHENEY: Would that happen to me?

BORGER: I mean, was that fixed?

Vice Pres. CHENEY: Well, is it fixed? I think it is now. But at the time, nobody had ever trained for or planned on having American fighters shoot down American commercial airliners. That's not a drill that, you know, anybody has ever practiced for.

BORGER: Right.

Vice Pres. CHENEY: And it's not clear that day that if the pilot had received that order, that he would have quickly and instantly followed it. It would have been a hard thing to do to fall in on a United Airlines flight and shoot it out of the sky if you're up there, an American flying an F-15. So say again, what we know now, based on the timelines and so forth that were established is that by the time that order was transmitted, United 93 had already gone down because of the actions of the passengers.

BORGER: Let me ask you what your response is to Democratic presidential candidate John Kerry who said upon looking at this 9/11 report that this administration, quote, "misled America."

Vice Pres. CHENEY: In what respect? I haven't seen what John Kerry said.

BORGER: In terms of the relationship between al-Qaeda and Iraq.

Vice Pres. CHENEY: We never said that Iraq was responsible for 9/11. We have never said that. You can't find any place where I said it, where the president said it. I was asked that, as a matter of fact, by Tim Russert on "Meet the Press" on the Sunday after the attack...

BORGER: Right.

Vice Pres. CHENEY: ...and said, 'No, we don't have any evidence of it.' Later on we received this information from the Czechs, but again as I say, we have never been able to prove that nor have we been able to knock it down.

BORGER: Now the report, though, says that there isn't any relationship.

Vice Pres. CHENEY: They've concluded based on what they have done.

BORGER: But you're not there.

Vice Pres. CHENEY: They concluded, and I haven't had a chance to read all the report, they've concluded based on the work they have done that there was no connection, Iraq was not responsible for 9/11. And I can't say they were. I have never seen evidence that supports that except for this one report from the Czechs.

BORGER: Are we close to getting Osama bin Laden?

Vice Pres. CHENEY: I think we will get Osama bin Laden. I wouldn't want to put a time frame on it. We're actively in the hunt. We have been now for some considerable period of time, and I think eventually we will run him to ground.

BORGER: Now, recently, the Saudis also have been victims of al-Qaeda. There was an attack that killed 22 people, now an American is being held hostage there. The family of

this hostage, Paul Johnson Jr., has asked for the release of al-Qaeda detainees so he can be released. What's your response to their request?

Vice Pres. CHENEY: Well, we're working closely with the Saudis on this matter. We're-- our officials have been in touch with the Johnson family as it should be. We do not, as a general proposition, believe it makes any sense to negotiate with hostage-takers. All you do when do you that is put a price on the head of every other American out there. If in fact the terrorists can come capture an American and trade him for 12 of their own who are in custody for their past murderous acts, then you will almost guarantee there will be further kidnappings. So as a general proposition, the policy of this administration and our predecessors has always been you don't negotiate with terrorists.

BORGER: In hindsight, Mr. Vice president, are you disappointed in the quality of the intelligence that you received before launching an attack against Iraq?

Vice Pres. CHENEY: I can't say that, Gloria. I think the decision we made was exactly the right one. Everything I know today, everything the president knows today, we would have done exactly the same thing. Saddam Hussein was an evil man, he launched two wars, he produced and used weapons of mass destruction in the past, he had provided safe harbor and sanctuary for terrorists, he was paying \$25,000 a pop to the families of suicide bombers who would kill Israelis. He hosted Abu Nadal in Baghdad, Palestinian Islamic Jihad, had established relationship with al-Qaeda. This was an evil man who had tried previously to expand his influence in the area, and we did exactly the right thing.

Now, could we have better intelligence? You always want better intelligence. If you had complete knowledge on these kinds of decisions and issues, you wouldn't need a president to make the decisions, some robot could. President has to make judgments. You go to the president of the United States and you lay down a very strong case that this guy is all the things I have said, plus had reconstituted his weapons of mass destruction program, tell him it's a slam-dunk case, and you've got the ongoing evidence of the relationship with al-Qaeda and we had 9/11; 9/11 changed a lot. Remember what happened after 9/11. We said henceforth we will no longer make a distinction between the terrorists and states that sponsor or have safe harbor sanctuary for terrorists. If you're going to host a terrorist, you're going to be held responsible for their acts just as much as the terrorists are, which is what we did in Afghanistan. And it's very important for us to remember that when 9/11 occurred, it forced to us to look at the world in new ways, that part of the world in particular, where in fact Saddam Hussein operated.

BORGER: Mr. Vice President, I don't think I have ever seen you, in all the years I have interviewed you, as exercised about something as you seemed today.

Vice Pres. CHENEY: I was, and I admit, Gloria. And you and I have known each other a long time. But I do believe that the press has been irresponsible, that there is this temptation to take...

BORGER: But the press is making a distinction between 9/11 and...

Vice Pres. CHENEY: No, they're not.

BORGER: And...

Vice Pres. CHENEY: They're not. The New York Times does not. 'Panel Finds No Qaeda-Iraq Tie.' That's what it says. That's the vaunted New York Times. Numerous--I have watched a lot of the coverage on it, and the fact of the matter is they don't make a distinction, they fuzz it up. Sometimes it's ignorance, sometimes it's malicious. But they'll take a statement that's geared specifically to say there's no connection in relation to the 9/11 attack and then say, 'Well, obviously, there's no case here,' and then jump over to--challenge the president's credibility or my credibility when we say there is a connection.

BORGER: Do you feel it's your personal credibility on the line? Because, obviously...

Vice Pres. CHENEY: No. I'm very careful.

BORGER: ...you have been portrayed as the hard-liner in the administration.

Vice Pres. CHENEY: No.

BORGER: Somebody who has...

Vice Pres. CHENEY: Gloria, I don't feel persecuted. I don't need to. The fact of the matter is the evidence is overwhelming. The press is, with all due respect, there are exceptions, oftentimes lazy, oftentimes simply reports what somebody else in the press said without doing their homework without looking effectively.

BORGER: But it's the commission that reached--I mean, I don't want to go back over the old ground here, but...

Vice Pres. CHENEY: No, you need to go back and look at what...

BORGER: OK.

Vice Pres. CHENEY: ...Governor Jim Thompson said about his conclusion as a commissioner based on work that has been done, that they focused on 9/11. Their conclusion based on what they had seen on 9/11 is there was no Iraqi involvement. But he said, 'We did not address the rest of it. That was not our mission, that was not our assignment to look at the broader relationship between Iraq and al-Qaeda.'

BORGER: OK, Mr. Vice President. We are here in Ohio...

Vice Pres. CHENEY: Right.

BORGER: ...and I promised you I would talk about the economy.

Vice Pres. CHENEY: That's very important.

BORGER: So I will do that. It is an important subject. State-by-state job numbers are coming out tomorrow. You're here in a must-win state for either party. Your administration says that 1.2 million jobs have been created this year. John Kerry says the 1.2 million fewer people are employed since you took office. So what do you say to that? And what do you say to the 200,000 or so people in Ohio who are still out of work?

Vice Pres. CHENEY: Well, the unemployment rate in Ohio has dropped from 6.3 percent to 5.8 percent. The Ohio economy is improving significantly just like the economy across the rest of the country. I say the economy is growing by 5 percent over the past year, that's the fastest rate of growth since the first Reagan term, nearly 20 years ago. I look at real personal disposable income, and it's up 3.3 percent in the last year. On the last year of the Clinton administration it was only 1.4 percent. It's grown almost three times as fast. If you look at inflation, if you look at interest rates, if you look at productivity, if you look at housing starts, if you look at manufacturing, everything is moving in the right direction.

This is a very strong economy that's getting stronger. I have heard John Kerry say this is the worst economy since the Great Depression. That's just wrong. Anybody hear's that says, 'What the hell's he talking about? He doesn't know what he's talking about, obviously.' And I think this notion we're trying here to look at exactly the same situation and that you can't conclude this is a strong healthy economy, you clearly can. And I think he's clearly not credible when he tries to make the case that the economy is terrible. He's running on...

BORGER: Well, he's been talking about a middle-class squeeze this week, even in this state saying job losses, rising health-care costs, huge budget deficits that are going to result in cuts in social programs.

Vice Pres. CHENEY: If John Kerry had had his way, there would be no economic recovery today because he voted against the Bush tax cuts. He would not support the very policies we put in place--cutting tax rates, getting rid of the child tax credit, increasing the credit, reducing the marriage penalty, providing greater expensing for companies like this one right here at Nextech that allowed them to invest, to go out and buy new equipment, and hire more people--all of those policies flow directly out of the tax policies that we put in place in 2001, 2002 and 2003. John Kerry opposed them.

BORGER: Do we need more tax cuts now?

Vice Pres. CHENEY: There would be no economic recovery today if John Kerry had had his way. His problem is, he's got to try to find some way to create a sense of disappointment and pessimism about the economy, and that's exactly what he's doing.

BORGER: Do we need more tax cuts now?

Vice Pres. CHENEY: We need to make the ones we have got permanent. That's the most important thing because of the way the Senate rules work, the ones that we put in place

will expire over the next few years unless we make them permanent, and when those cuts expire, that will result in a tax increase on the American people, and that's exactly the wrong medicine.

BORGER: And, Mr. Vice President, what do you say to people who argue that the gap between the wealthy and the poor has grown?

Vice Pres. CHENEY: I look at numbers that point out the extent to which we have reduced the taxes on everybody in America who pays income taxes, that the average reduction for a family in the US has been \$1500 from those cuts. And as I say, things like real disposable personal income, which is probably the best measure of all of what people have in their pockets, it's after-tax income, and it includes benefits they receive on the job. And that is growing by leaps and bounds because of the policies we put in place.

BORGER: Now, just to go to a few more subjects, sort of potpourri, very quickly. There is, obviously, as you know, an ongoing investigation into who within the Bush administration may have leaked the name of a covert CIA operative to Bob Novak, who is a columnist in the Washington Post. Can you say that no one in your office was involved in this?

Vice Pres. CHENEY: Gloria, you need--you get the same answer the president gets when he gets asked this question. This is a matter that is being looked at by the Justice Department. You need to go to the Justice Department if you have any questions about the matter.

BORGER: And that's all you'll say on that?

Vice Pres. CHENEY: That's all I'll say.

BORGER: Let me also ask you about the vice presidency. Obviously, now John Kerry is in the process of trying to pick his vice president. If you were to wake up tomorrow and discover that, say, John Edwards was going to be the person who was going to debate you, what would come to mind?

Vice Pres. CHENEY: I'm supposed to start out by thinking about the last debate against Joe Lieberman four years ago, which I enjoyed and thought was a good debate between the two of us. Vice presidents only get to debate once during the course of the campaign, that's probably enough. I'm not sure the country could tolerate more than that. And--but I look forward to it, whoever it is. I don't know who John Kerry is going to pick. I don't have any idea. But whoever it is, I would expect we will both do our parts, and the debate's an important part of that.

BORGER: Any advice for John Kerry's running mate, whomever he may be or she?

Vice Pres. CHENEY: Well, I offered to head up his search committee but he didn't accept the offer.

BORGER: Any other advice?

Vice Pres. CHENEY: No.

BORGER: No?

Vice Pres. CHENEY: No.

BORGER: Let me just ask you one final question, Mr. Vice President, and that is, that for better or worse, your public image in this administration over these last few years, has become that of the enforcer. You are an influential foreign policy hard-liner, some would say. You are the hawk in this administration. You are somebody the president listens to. You're the man who had to tell Secretary O'Neill it was time for him to go. So you are the enforcer. Is all of that you?

Vice Pres. CHENEY: Oh, I don't know if I would describe myself in quite those terms, but I can't quarrel with what you have said, basically. I'm here to serve the president. I retired from public life in 1993 when I left the Defense Department. The only reason I came back is because he asked me to come back as his running mate. It's been a fascinating four years, I wouldn't have missed it for the world, but I'm here to do what he needs to have done.

There's always a temptation on the part of people outside, especially in the press, trying to understand and explain what's happening, to try to attribute what happens in an administration to the subordinates. But the most accurate portrayal is the president of the United States makes the decisions, and this one especially is actively and aggressively engaged across the board. My job is to offer advice, which I do, to take on assignments, which he gives me, which I do. But I say I'm there specifically to serve him in any way I can and not worry a lot about what my public image might be: Am I warm and fuzzy or am I perceived as the tough guy? I really don't worry about that.

This is probably my last fling in public life. I have no plans to run for anything else when I get through here. And I have enjoyed immensely the privilege of serving and look forward to four more years.

BORGER: Mr. Vice President, thank you so much for being with us on CAPITAL REPORT.

Vice Pres. CHENEY: Thank you, Gloria.

BORGER: Back to you, Alan.

MURRAY: Thank you, Gloria.

Some very harsh words there for the press, the New York Times in particular, and Senator John Kerry. Gloria will join me after the break for more on this interview with Vice President Dick Cheney. Then later, we're going to get reaction to the 9/11 hearings

from former New York City Mayor Rudy Giuliani, in an exclusive interview. That and more when CAPITAL REPORT continues on CNBC.

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(Announcements)

MURRAY: Welcome back to CAPITAL REPORT. My partner, Gloria Borger, joins me once again from Lewis Center, Ohio, just outside of Columbus, where she just spoke with Vice President Dick Cheney.

And, Gloria, boy, was he angry at the press...

BORGER: Wow!

MURRAY: ...and in particular The New York Times.

BORGER: Yeah, I really--I think I said this to him during the interview, Alan. I've known him a long time, and I've never seen him this incensed. It was very clear to me, though, that he does disagree with the findings in this report even though he says it's a small piece of the report. He is not willing to concede that a relationship had not been forged between al-Qaeda and Iraq.

MURRAY: Well, the bas...

BORGER: He is also clearly--go ahead.

MURRAY: ...the basic argument he's making, and I have some sympathy for this argument, what the report says is there were lots of contacts between al-Qaeda and Iraq, but no evidence that they actually collaborated. And what he seemed to be ejecting to in the press coverage was that people are translating that into the commission saying there is no tie between the two. They didn't say there's no tie, they said there's no evidence they collaborated.

BORGER: That's right. But what the commission did say is there are no--there is no evidence that they kind of got together, that in fact, I think I raised with him, that Osama had asked for a bunch of things from the Iraqis which had not been forthcoming.

MURRAY: Yeah.

BORGER: And so over the years that in fact Osama bin Laden may have been trying to make these contacts. And what the report says is they did not come to anything.

MURRAY: Yeah.

BORGER: But the vice president as you saw, came loaded for bear.

MURRAY: Yeah, no, there was a...

BORGER: I mean, he was ready.

MURRAY: He was. There was a great moment, Gloria, when you said to him, 'Do you know things that the 9/11 Commission doesn't know?' And he said, 'Yes, I believe I do.'

BORGER: And then I said, 'Should the 9/11 commission know them,' I think. And he was sort of like, 'Well.' You know, I think that while he said he doesn't take this personally, I think it was very clear to me that there is a sense on his part of some honor and personal credibility here, that the things that he has been telling the president are not things that he's been making up, he believes out of whole cloth.

MURRAY: Yeah.

BORGER: And that, in fact--you know, when I asked him about the intelligence, he did not take the opportunity to, you know, downplay the intelligence. You know, he said, 'Look, you always wish it was better.'

MURRAY: I should just tell you quickly before we go, Gloria, you didn't see this because you were out there in Ohio, but Lee Hamilton, the Democratic co-chair of the 9/11 commission had a press conference after their hearing and he made sort of a similar point. He said, 'I don't see what the big press fuss is about here. We said they did have contacts, we said we have no evidence they collaborated. That's not hugely different, some semantic differences, not hugely different from what the White House is saying.'

BORGER: At some point, Alan, I think we may be able to find out what it was that the vice president knows. The sheets that he was reading from on this table were all unclassified. I was looking.

MURRAY: Yeah.

BORGER: And it was all unclassified. So those are things he could say to us. But the classified information at this point, Alan, we don't know.

MURRAY: All right. Thank you, Gloria. Fascinating interview.

Coming up next on CAPITAL REPORT, the 9/11 commission, as we have been saying, concludes its hearings here in Washington. We're going to get reaction from former New York Mayor Rudy Giuliani in an exclusive interview. That's coming up.

Then later, why wait until next week to read the book? Bill Clinton is already making remarkable revelations about himself and his presidency. We're going to tell you all about it. Stay with us. You're watching CAPITAL REPORT on CNBC.

(Announcements)

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