



PAULA ZAHN NOW

Interview With David Kay; Martha Stewart Defense Gaining Ground?

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PAULA ZAHN, CNN ANCHOR: Good evening. I'm Paula Zahn. Thanks so much for joining us tonight.

The world, the news, the names, the faces, and where we go from here on this Thursday, February 5, 2004.

(BEGIN VIDEOTAPE)

ZAHN (voice-over): "In Focus" tonight, the director of the CIA answers critics who say the U.S. went to war on bad intelligence.

GEORGE TENET, CIA DIRECTOR: The question being asked Iraq, in the starkest terms, is, were we right or were we wrong?

ZAHN: And Skull & Bones. We'll take you inside the secretive Ivy League society that ties George W. Bush and John Kerry.

Also, what a difference one breast makes. Janet Jackson's Super Bowl stunt leads to censorship at the Grammys and the Oscars and more. So just who decides what we'll be allowed to see?

(END VIDEOTAPE)

ZAHN: And here are some of the headlines you need to know right now.

Senator John Kerry picking up the endorsement of Representative Dick Gephardt. The Kerry campaign says the announcement will happen tomorrow morning in Michigan. Gephardt dropped out of the race for president after a poor showing in Iowa.

Arizona Senator John McCain will serve on the commission that will look into intelligence failures before the war with Iraq, that word from an administration official who tells CNN, President Bush plans to name all nine members of the commission tomorrow.

There are still no signs of an 11-year-old Florida girl abducted on Sunday. A suspect, Joseph Smith, is in custody and expected to be charged in connection with the kidnapping of Carlie Brucia. Later on the program, we'll talk with two of the suspect's neighbors.

"In Focus" tonight, in two separate speeches, we heard the president and his CIA chief say they may have been wrong about weapons of mass destruction, but attacking Iraq was still the right thing to do. The CIA director, George Tenet, also said that intelligence officials never reported that Iraq was an imminent threat. Well, today, I asked former chief weapons inspector David Kay about that and whether he had been led to believe Iraq was a threat in the weeks leading up to the war.

(BEGIN VIDEOTAPE)

DAVID KAY, FORMER CHIEF U.S. WEAPONS INSPECTOR: Well, I think he certainly opened up space, it sounded to me, different than the tone and I think the substance that I recall hearing prior to the war. I thought that was one of the more interesting aspects of that speech today.

It seemed to be a good defense of the agency, but probably a weak defense of the case for going to war.

ZAHN: What bothered you most about that?

KAY: Well, it trailed off into a very strong case for Saddam had the intentions and Saddam was still amassing capabilities, but it was really weak on any evidence or any claims that there were actual weapons, militarized chemical and biological warfare weapons ready to be used, at least as I listened to it today. That doesn't strike me as the case that I heard either a year ago by Colin Powell in the Security Council or on many other occasions by various other people in the administration.

ZAHN: But Mr. Tenet also made the point that the inspections are nowhere near 85 percent finished. Do you still believe that we're almost at that point, where the inspections are complete?

KAY: Well, I think this is really a misapplication. I suspect we're actually in agreement. What I've said is, I think, on the issue of, were there large stockpiles of militarized chemical and biological agents at the time of the war, we're 85 percent there of understanding that there were no such weapons and the reasons for why we know that there were no such weapons.

On the larger issue of the inspection, of course it needs to go on. And, of course there's a lot more to do, in terms of translation, in terms of interviewing Iraqis, and even just looking. Look, I resigned because the mission of the ISG was being broadened beyond weapons of mass destruction and the resources were being cut. I think we ought to go faster and further, not less.

ZAHN: In evaluating our prewar intelligence gathering abilities in Iraq, this is what the director had to say earlier today. Let's listen together.

(BEGIN VIDEO CLIP)

TENET: We did not have enough of our own human intelligence. We did not ourselves penetrate the inner sanctum. Our agents were on the periphery of WMD activities, providing some useful information.

(END VIDEO CLIP)

ZAHN: How was the U.S. confident enough to go to war without that critical piece of the puzzle?

KAY: Well, that's exactly the question I've been asking, really for about seven months.

I think the largest gap, the largest surprise in our intelligence collection that I discovered when I took on this job is that, with regard to human intelligence, that is, actual agents on the ground, we were relying on other people, other countries, defectors. But we were not -- by and large, did not have at the center of the Iraqi regime or their supposed WMD program actual live reporting from human agents. And that's very disturbing.

ZAHN: Let's listen to another part of George Tenet's speech now.

(BEGIN VIDEO CLIP)

TENET: Based on an assessment of the data we collected over the past 10 years, it would have

been difficult for analysts to come to any different conclusions than the ones reached in October of 2002.

(END VIDEO CLIP)

ZAHN: Is that true, in your judgment?

KAY: You know, I think that's true. But the reason is -- the critical phrase there was, the data we collected over the last 10 years. In fact, we collected little data.

We relied on the U.N. inspectors to collect data. We relied on other countries to collect data and sources. We actually collected too little. There were too few dots for the analysts to do really good analysis.

ZAHN: And how would you characterize the volume of these intelligence lapses that you had reinforced with your report?

KAY: Well, I think the volume is, in the case of a country that you decide to go to war against, the volume of the lapses is pretty significant. I think that's one reason.

And I actually thought Director Tenet made a good case today for why you needed an independent panel to review all of these. He opened up space between himself and the administration, between the agency and the administration, but he left us with real uncertainty as, what was the intelligence basis that the decision to go to war was made on?

ZAHN: All right, former chief weapons inspector David Kay, thank you very much for your perspective this evening.

KAY: Thank you, Paula.

(END VIDEOTAPE)

ZAHN: And we asked David Kay if he was going to be on that presidential commission further investigating the weapons of mass destruction issue, and he said he's not been told one way or the other.

Now, today's developments come exactly one year after Secretary of State Colin Powell went before the United Nations to make the case for war against Iraq. In a riveting and powerful presentation, he outlined the dangers posed by Iraq's weapons programs.

National security correspondent David Ensor reports on how much things have changed since then.

(BEGIN VIDEOTAPE)

UNIDENTIFIED MALE: The Security Council is called to order.

DAVID ENSOR, CNN NATIONAL SECURITY CORRESPONDENT (voice-over): A year ago, with the director of central intelligence backing him up before the United Nations Security Council, Secretary of State Colin Powell did not hedge.

COLIN POWELL, SECRETARY OF STATE: Saddam Hussein has chemical weapons.

ENSOR: What a difference a year makes, when nearly 10 months of it have been spent scouring Iraq for weapons.

KAY: We have not found any chemical weapons that were present on the battlefield, even in a

small number.

ENSOR: At the U.N., Powell showed drawings based on Iraqi defector descriptions of biological weapons factories on wheels.

POWELL: We know that Iraq has at least seven of these mobile biological agent factories.

ENSOR: It all looked so real. And after the invasion, trailers were found that fit Powell's description. In May, the CIA said they were the strongest evidence that Iraq had a secret biological weapons program.

SEN. CARL LEVIN (D), MICHIGAN: But in your judgment, the consensus in the intelligence community now is that those are not biological weapons vans?

KAY: That is my personal judgment.

ENSOR: Most experts now say the trailers were to produce hydrogen for weather balloons or possibly rocket fuel.

POWELL: Iraq could use these small UAVs which have a wingspan of only a few meters to deliver biological agents to its neighbors or if transported, to other countries, including the United States.

ENSOR: Powell's evidence on the UAVs was what convinced at least one Democratic senator to vote with the president on Iraq.

KAY: I don't think there was the deployment capability, the existing deployment capability at that point. ENSOR: And Air Force officials have said since then that the UAVs have glass viewing ports with a bracket for mounting a camera inside for reconnaissance missions. At the United Nations, Powell presented dramatic intercepts of Iraqi officers.

POWELL: Two officers talking to each other on the radio want to make sure that nothing is misunderstood:

"Remove. Remove."

The expression, the expression, "I got it."

"Nerve agents. Nerve agents. Wherever it comes up."

ENSOR: But after the so far fruitless search by the Iraq Survey Group, that exchange could have a more benign interpretation than Powell gave it, Iraqis removing the term nerve agents from their lexicon because they no longer had any.

KAY: It turns out we were all wrong, probably, in my judgment.

ENSOR: David Kay says, though, that now he's seen the intelligence, he, too, would have said what Powell said one years ago.

(on camera): Kay did find an outlawed longer-range missile program in Iraq and weapons programs in cold storage. But the weapons of mass destruction in the intelligence Secretary Powell spoke of, a year later, not even one.

David Ensor, CNN, Washington.

(END VIDEOTAPE)

ZAHN: So how convincing was George Tenet's case today, a year after Colin Powell made his pitch to the U.N.?

Joining us from Washington is James Woolsey, former CIA director for the Clinton administration.

Always good to see you, sir. Welcome.

JAMES WOOLSEY, FORMER CIA DIRECTOR: Good to be with you, Paula.

ZAHN: So we saw Mr. Tenet answer his critics today. Did he save his job in the process?

WOOLSEY: Well, I don't know that he was trying to save it. I think George has probably been ready to go for some time.

But he feels an obligation to stay around and get things sorted out in the aftermath of 9/11. And I think he did well today. And I don't think his job should be at risk, either before the speech or after it.

ZAHN: How would you characterize the level of dysfunction we've seen in intelligence?

WOOLSEY: Well, it's complicated.

Part of the reason it looks dysfunctional, I think, is the fact that the administration chose to make the case preeminently in Colin Powell's speech in the Security Council for the war almost exclusively on the basis of the weapons of mass destruction, rather than emphasizing the cooperation here and there between terrorist groups and Iraq and the terrible human rights record of Iraq. They would have done better, I think, in -- over the long run by relying on all three of those sources, rather than just one.

But in terms of the estimates themselves, I think George Tenet did a good job today in explaining where he thought they had been right, where he thought they had been wrong and where he thought things were still incomplete. One clear disagreement that he has with David Kay is that he says they are nowhere close to 85 percent finished with looking for what they need to look for. And, as I recall, that was approximately the number Kay gave.

ZAHN: Former CIA Director James Woolsey, thank you very much for being with us tonight.

WOOLSEY: Good to be with you, Paula.

ZAHN: The defense gained some ground in the Martha Stewart trial. As the star prosecution witness faces more cross-examination, Jeffrey Toobin will bring us the latest.

Also, Janet Jackson's wardrobe malfunction sparks a debate over censorship at the Grammys and the Oscars.

And a secretive group that binds President Bush and John Kerry. We're going to take you inside Yale's famous Skull & Bones Society.

(COMMERCIAL BREAK)

ZAHN: Martha Stewart's defense lawyers may be smiling tonight, after more cross-examination of the star witness against her.

Our senior legal analyst, Jeffrey Toobin, has stopped by to tell us why. He joins us after spending another day watching it all unfold inside the courtroom.

JEFFREY TOOBIN, CNN SR. LEGAL ANALYST: It was great.

ZAHN: Was it fun?

TOOBIN: Oh, it was just amazing.

ZAHN: You love these e-mails, don't you?

TOOBIN: These e-mails, let's share these wonderful e-mails that the star witness, Douglas Faneuil, sent to his friends about his dealings with Martha Stewart.

ZAHN: I'll read it, because I know it so delights you, Jeffrey. Here it goes: "I just spoke to Martha. I've never been treated more rudely by a stranger on the telephone." This is Faneuil writing this to a friend.

TOOBIN: Right.

ZAHN: "She actually hung up on me. And she had the nerve to mention the layoffs in her anger. She said, do you know whom the hell is answer your phones? You know what he sounds like. And then she made the most ridiculous sound I've ever heard coming from an adult in quite some time, kind of like a lion roaring underwater. I laughed. I thought she was joking. She said, this is not a joke. Merrill Lynch is laying off 10,000 people because of people like that idiot."

TOOBIN: OK, you got another one there. Read just the P.S. on the next one.

(CROSSTALK)

ZAHN: I can't read this one.

(CROSSTALK)

ZAHN: "Martha yelled at me again today, but I snapped in her face and she actually back down. Baby put Ms. Martha in her place."

TOOBIN: "Baby put Ms. Martha in her place."

And then there was another great story that he admitted to, where he said, at one time, he had to put Martha Stewart on hold. And when Stewart came back after going -- being on hold, she said: I hold that hold music. If you don't change that hold music, I'm taking all my money out of Merrill Lynch.

Here's a guy -- the legal significance of all this, I think, is that here's a guy who had maybe five dealings with Martha Stewart

(CROSSTALK)

ZAHN: And he felt dissed by her.

TOOBIN: He was yelled at virtually every single time he dealt with her.

(CROSSTALK)

ZAHN: Is this supposed to make you as a juror believe, in some sadistic way, he wants to get back at her?

TOOBIN: Yes.

(CROSSTALK)

ZAHN: Do you buy that?

TOOBIN: Well, I do actually think that he portrayed himself as just this kind of even-tempered guy. And, you know, this suggests a certain motive that, you know, given two plausible interpretations of facts, he would choose one slightly more incriminating to Martha. So that's why I think

(CROSSTALK)

ZAHN: You think he would risk going to jail just because someone makes fun of you?

TOOBIN: Well, he's not risking going to jail.

ZAHN: Well, he's lying.

(CROSSTALK)

TOOBIN: It's not so much lying.

That's what's so complicated and difficult about this case, is that, you know, there's no doubt that there was a phone call between Faneuil and Martha Stewart that led her to sell her stock.

ZAHN: Sure.

TOOBIN: That's not in dispute. What's in dispute is precisely what he said.

ZAHN: What was said.

TOOBIN: And what facts led her to sell the stocks. That is a kind of thing where nuance -- it's not a perjury question, but it's a matter where motive might matter.

ZAHN: How did Faneuil do on the cross-examination?

TOOBIN: I think he did OK today. There were long, very boring stretches. But there were examples of how he changed his story. His story had changed over time.

And some of his accusations, particularly against Bacanovic, didn't really hold up very well, that he was somehow paid off, that he was given extra vacation or airplane tickets or increased salary, you know, to keep him quiet. I thought the lawyer did a very good job of discrediting those notions. But, you know, the core of his story, that Waksal selling -- the CEO of ImClone -- selling prompted Stewart to sell, that's still pretty good. That still held up pretty well for the prosecution.

(CROSSTALK)

ZAHN: Court start tomorrow, Faneuil is back to be cross-examined by Martha Stewart?

TOOBIN: Not tomorrow, Monday.

(CROSSTALK)

TOOBIN: The court is dark tomorrow.

Monday, Robert Morvillo, who is known a particularly effective cross-examiner, says he will only have an hour or two with Faneuil. But it ought to be pretty good.

ZAHN: And you'll be there?

TOOBIN: You betcha.

ZAHN: Jeffrey Toobin, thanks so much.

TOOBIN: OK.

ZAHN: Next, we're going to turn to the presidential race and where Howard Dean may make his last stand.

Also, President Bush and Senator John Kerry, two rivals for the White House who share a secret bond.

Check the music out, Jeffrey.

We're going to take you inside the world of the Skull & Bones Society.

(COMMERCIAL BREAK)

ZAHN: Well, it looks like Howard Dean's run for the White House will either speed up or come to a screeching stop on February 17. In an e-mail, the Democratic presidential candidate told supporters, Wisconsin's primary on that date is a must-win.

Joining us now tonight to talk presidential politics from Washington, "New Republic" editor Peter Beinart, regular contributor and former Pentagon spokeswoman Victoria Clarke, and Doyle McManus, Washington bureau chief of "The Los Angeles Times."

Welcome, trio.

VICTORIA CLARKE, CNN CONTRIBUTOR: Hi, Paula.

(CROSSTALK)

ZAHN: It's nice to have you all.

Peter, CNN is reporting, as we just mentioned at the top of this introduction, that Dick Gephardt is expected to endorse John Kerry. How much fuel does that give the senator?

PETER BEINART, EDITOR, "THE NEW REPUBLIC": Oh, I don't think he needs much right now, to be honest.

Everybody in the Democratic Party who can is trying to jump on that bandwagon. It could help him marginally in Michigan, where Gephardt has some appeal, but he doesn't need help in Michigan. He's up by a country mile in Michigan. So I think at this point, Gephardt is getting on a train which is leaving the station. ZAHN: All right, Doyle, let's talk a little bit more about what you learned in this e-mail that Howard Dean sent out to some of his reporters, basically saying that Wisconsin is a must-win. Do you think he really meant what he said in that e-mail?

DOYLE MCMANUS, "THE LOS ANGELES TIMES": Well, he said it in the context of asking for more contributions real fast, so he can get somewhere in Wisconsin.

And, by the end of the day, his new campaign manager, Roy Neel, was telling reporters: Don't believe it. He did write it but didn't mean it literally. But it must be said that Wisconsin looks like an uphill climb for Howard Dean. There's a new University of Wisconsin Badger poll out just today, and it shows John Kerry up 45-12. That's a pretty big margin for Dean try and overcome.

ZAHN: How much pressure is Dean getting to quit the race, Doyle?

MCMANUS: He says he isn't hearing any pressure.

His supporters on Capitol Hill -- there are about 35 members of the House who endorsed him -- say they haven't gone to him yet. But I think his pointing to Wisconsin in effect sets up the scenario for him and his supporters, if he doesn't get anywhere in Wisconsin, he may not need a lot of pressure, but he's going to hear from backers like Al Gore, like Senator Tom Harkin of Iowa, who will try, I suspect, to talk him through the psychological process of deciding how to get out and how to get out in a way that will preserve Howard Dean as a credible Democrat for years to come.

ZAHN: Is there any way for him to make that kind of preservation attempt, Torie?

CLARKE: I think there is.

You know, I don't know how many of those people who were the fervent, wild supporters of Dean in the early months will still be committed and engaged after he gets out. I think it's just a short matter of time before he gets out.

But it would be interesting to see if he can try to tap that again in favor of Kerry, whoever the nominee is. So I think he could. It would be in energizing some of those people to work for someone else. I don't know if that magic works for another candidate, but he might try, because he needs to make these hard decisions. What role does he want to play going forward?

Does he think he's going to make a run again somewhere down the road? And that will determine what he does to try to help the nominee.

ZAHN: So, Torie, if you're trying to manage the message for John Kerry right now, we know it obviously would be to his advantage if he was the only one out there raising money, but could you also argue that, in these next series of primaries, that it is a good thing for him to look like he's trounced the competition? CLARKE: Yes, but you've got to be careful. What was it, six weeks ago, everybody said John Dean was the inevitable nominee. And look what happened -- Howard Dean -- so look what happened there.

So I think Kerry has to be careful not to look too cocky. And he's been saying it. The last couple of days, I've heard him say several times, we're not taking everything for granted. We're working every state really hard. So I think he has to be careful. And he can't look like he's too confident about an inevitable win here, because it's not there yet.

ZAHN: Well, the appearance is such, Peter, with his taking a day off from campaigning today, isn't it? Doesn't that show he's pretty confident?

BEINART: Yes, I'm not sure he's entirely taking the day off from campaigning. I think they did some fund-raising. I think they did some strategizing.

But, yes, he's campaigning. He's confident. He's the only person running a national campaign. And, you know, if he -- he could conceivably clear out all his competitors by this time next week if he can win in Tennessee and Virginia or even just one of those two states, which are really the states where Clark and Edwards are making a last stand. So he has every right to take a day off, I think.

ZAHN: Doyle, how do you expect John Edwards to do in those two states, Tennessee and Virginia?

MCMANUS: Well, so far, he looks pretty strong.

But Peter is right. Those are make-or-break states for both Edwards and Clark. If you're John Edwards, what you want to do is win in both Tennessee and Virginia. That takes Clark out of the picture. And it also raises an important question. Can John Kerry win a state in the South? And if John Kerry were to stumble along the way, that makes Georgia competitive, and you may have a longer race.

It may not be the most likely scenario, but it's probably the most interesting one.

ZAHN: Yes. And we've learned that, in this campaign, almost anything is possible.

Victoria Clarke, Peter Beinart, Doyle McManus, thank you all for joining us tonight. Appreciate it.

CLARKE: Thank you.

ZAHN: Now, because of Janet Jackson at the Grammys and the Oscars, the celebs won't have to worry about any wardrobe malfunctions this year. We're going to explain why.

And my conversation with one director whose graphic sexual themes are once again pushing the envelope, Bernardo Bertolucci.

(BEGIN VIDEO CLIP)

ZAHN: Why are you so fascinated by human sexuality?

BERNARDO BERTOLUCCI, DIRECTOR: Who isn't?

(END VIDEO CLIP)

ZAHN: And tomorrow, Beatlemania. We'll celebrate the 40th anniversary of the arrival of the fabulous four.

(COMMERCIAL BREAK)

ZAHN: Welcome back. Here's what you need to know now, at the bottom of the hour. There is still no sign of 11-year-old Carlie Brucia. She has been missing from Sunday, when her abduction in Sarasota, Florida -- or the abductor, that is, was actually caught on surveillance, on a videotape. Police have a custody in suspect (SIC). He is 37-year-old Joseph P. Smith. They arrested him Tuesday on unrelated charges, but police say he is not cooperating.

Ron and Linda Thompson are neighbors of Smith. They both join us from Sarasota tonight. Thank you very much for being with us. Linda, you lived next door to the suspect for four years. When you heard he was being held in connection with the alleged kidnapping of this young girl, what went through your mind?

LINDA THOMPSON, NEIGHBOR OF SUSPECT: Well, it was unbelief, at first. It just didn't seem like the same person. The things I was hearing is not the things that I was seeing with him as a family man and as a neighbor. It was just like two different people. So I was shocked.

ZAHN: And how was he around family members?

LINDA THOMPSON: Well, he has three beautiful little girls, and he just adored them. And he played with them, and he took good care of them. And it's just a different picture than what we see today.

ZAHN: Ron, you knew that the suspect had a drug problem. Was there ever any indication of trouble or anything unusual going on in that home?

LINDA THOMPSON: Oh, there was, because his wife and I were friends. And we knew when he had been arrested on some drug charges and was sent away for a while. And we kind of looked out for her while he was gone. So we knew there were problems there. But you could only go so far. You can only step into another person's life so far, and we just didn't do that.

ZAHN: I know, Ron, this story is very personal for you. Why has this had such an impact on you?

RON THOMPSON, NEIGHBOR OF SUSPECT: Well, I'm a victim. When I was 20 months old, I was kidnapped, and it took eight years for my mother to get me back. It happened in 1944 through 1953. So when people ask me what I felt like possibly living next door to a kidnapper, I have a different perspective. I'm the perspective from the victim's side. I know what it did. The actual kidnapping didn't really affect me that way. It's finding out I wasn't who I was 10 years into my life and then having those 10 years just wiped out and then placed in the hands of my parents, who then I spent the rest of my life with and everything. But I have different...

ZAHN: Yes.

RON THOMPSON: ... feelings about it.

ZAHN: Linda, anybody who has read about the story or seen it talked about on television gets hurt to the core knowing that an 11- year-old girl's fate is hanging out there. Just give us a sense of outrage people have about her disappearance.

LINDA THOMPSON: Oh, it does. There's a lot of anger undercurrents in this city. But on the other hand, it's really brought this city together. And you see people out together looking and handing out pictures and bringing attention to the car. And the city has really come together to help find Carlie.

ZAHN: Well, Linda and Ron, thank you for spending a little time with us this evening. And Ron, in particular, thank you for sharing your story with us.

RON THOMPSON: Thank you.

ZAHN: And we're going to change our focus right now onto other matters. It lasted just a moment, but Janet Jackson's eye-popping Super Bowl stunt may leave a permanent impact on what you see on TV. Two of the networks are taking this a step further for their live award shows. Coming up, CBS is making sure it does not happen again at this weekend's Grammys by imposing a time delay. ABC is doing the same for the Oscars. But should networks determine what is decent? And is freedom of expression paying too heavy a price?

Joining me from Los Angeles tonight is Brent Bozell, the president of the Parents Television Council. From Washington, I'm joined by Nick Gillespie, editor-in-chief of "Reason" magazine. Welcome to you both.

Brent, let me start with you this evening. Do you think that freedom of expression is getting compromised by this move?

BRENT BOZELL, PRESIDENT, PARENTS TELEVISION COUNCIL: No. I mean, I don't know why we call it censorship. The program is still going to be aired. Everyone's going to see the program. The only thing that's not going to be aired is the indecency, if it occurs. And let's be very clear about this, Paula. We're not talking about something that's tasteless or offensive, we're talking about programming that is illegal. It's against the law to be indecent over the broadcast airwaves. So if they take out the indecencies, call it censorship, if you want to, I also call it law-abiding.

ZAHN: What do you call it, Nick?

NICK GILLESPIE, EDITOR-IN-CHIEF, "REASON" MAGAZINE: Well, I...

ZAHN: Do you call it censorship, or do you call it law-abiding?

GILLESPIE: I'll follow Brent, but I realize that he and the Parents Television Council worships at the -- or they pray to Our Lady of Perpetual Outrage. But he called it censorship, and it is. What they're saying is that certain types of expression and certain types of things can't be aired, and if you cross a line, then the government, in the form of the FCC, is going to go after you. You can say it's legal. It's true, the FCC has a mandate to regulate content on broadcast shows. But I think we've made a mountain out of a molehill with Janet Jackson's breast. I mean, personally, I'm just a little bit relieved that it wasn't Michael Jackson on the stage at the Super Bowl.

ZAHN: Ouch!

BOZELL: You know, but it's not a mountain out of a molehill. All you have to do is talk to any parent who was watching the Super Bowl with a child and ask them if they...

GILLESPIE: Yes. OK. Brent...

BOZELL: ... think that this is an exaggeration.

GILLESPIE: ... why don't you ask me, then? Ask me because I was watching the Super Bowl. My 10-year-old son watched the Super Bowl. He didn't even notice anything.

BOZELL: OK. OK...

GILLESPIE: No, and if -- to the extent that this...

BOZELL: My friend...

GILLESPIE: ... was a publicity stunt...

BOZELL: My friend...

GILLESPIE: ... you are fueling, you are finishing off the publicity stunt...

BOZELL: My friend, you...

GILLESPIE: ... by going through your choreographed outrage.

BOZELL: You are -- you are -- well, look -- look -- it didn't need to make anybody outraged. The whole country that was watching this was outraged. And you know, the kind of sad thing is that there would be people like you who say, Well, this is no big deal. It is a big deal when a woman's breasts are exposed on national television in front of children. It is a big deal. And if you don't understand that, I'm sorry.

GILLESPIE: OK. Well, yes, I'm sorry, too, my friend. Brent, we have been going through a revolution for the past 20, 30, 40 years in expression. And you know, there are times when things cross a line. Clearly, Janet Jackson knew what she was doing and she was choreographing a publicity stunt. But you are playing into that publicity stunt by going through this outrage.

ZAHN: All right, let me ask you this, Nick...

GILLESPIE: The world did not -- civilization did not collapse because of what happened at the Super Bowl.

ZAHN: Nick, giving the definition you're giving us tonight, is there anything on broadcast television that you would find inappropriate? What would be crossing the line, in your judgment?

GILLESPIE: For me, the things that would be crossing the line are things that would surprise and shock viewers to such a degree that they would be disgusted. Now, the proper response to that -- and if Brent was, you know, that piqued by Janet Jackson's nipple, you know, that's his -- everybody is their own regulator. Every viewer is their own regulator. The question is, what do we do in response to that?

And instead of calling in the FCC, instead of calling in government watchdogs who will police our speech and police our thoughts and police our expression, we should use the on and off knobs. And we should punish networks that air shows that we find offensive or objectionable or uninteresting by going elsewhere, which is exactly, by the way, what's going on. The primetime audience for cable shows now is bigger than the primetime audience for broadcast shows, and there's a reason for that. It's because cable networks both have freer expression because the content is not regulated, and they also do niche marketing. So you have things -- channels that my kids watch all the time -- the Cartoon Network, Nickelodeon and...

BOZELL: Two important points...

GILLESPIE: ... things like that.

ZAHN: But Brent, what about that? What about (UNINTELLIGIBLE) the idea of the consumer of needing to be the arbiter of what is good taste and bad taste?

BOZELL: Well, Paula...

ZAHN: Since there are so many senses of the...

BOZELL: Paula, it...

ZAHN: ... individual taste around the country.

BOZELL: It sounds very good, but here's the reality. People were watching a football game. To say, Well, if you don't like it, change the channel -- well, wait a minute. You're allowed to watch a football game. Nobody knew -- wait. Let me finish, my friend. Nobody knew this was coming. Nobody had any time to say, Uh-oh, he's going to pull her shirt off, and we got to turn the channel. Nobody saw this coming. Plus -- this is the key point -- these airwaves do not belong to CBS or Viacom or MTV or ABC or NBC. They belong to the public. There are laws on the books that talk about the community standards that they must abide by. And it's tough luck if you don't like it. There are community standards of decency!

ZAHN: All right, gentlemen...

BOZELL: And look, if you're not outraged, the rest of the public was!

GILLESPIE: Well, let...

ZAHN: We've got to leave it there this evening, Nick.

GILLESPIE: If I could just say...

ZAHN: I wish I could give you time. We've got to move along. Nick Gillespie, Brent Bozell, thank you for sharing both of your thoughts with us this evening.

And from censorship, we move on to secrecy and take you inside the world of the secret college society that links President Bush and one of his rivals for the White House and counts many of the most powerful people in the country as members.

(BEGIN VIDEO CLIP)

UNIDENTIFIED MALE: The people who shape the American character have had their character shaped in the Tomb, Skull and Bones.

(END VIDEO CLIP)

ZAHN: And I'll be talking with talented and famous film director Bernardo Bertolucci about his latest sexually charged movie opening tomorrow.

(COMMERCIAL BREAK)

ZAHN: President Bush and John Kerry, the front-running Democrat who'd like to replace him, may be different political animals, but both men are graduates of Yale and both belong to a secret society called Skull and Bones. It's a 170-year-old club dedicated to -- well, it's difficult to say, as Bruce Morton reports.

(BEGIN VIDEOTAPE)

BRUCE MORTON, CNN CORRESPONDENT (voice-over): The building called the Tomb squats on the Yale campus, headquarters of a secret society called Skull and Bones.

ALEXANDRA ROBBINS, AUTHOR, "SECRETS OF THE TOMB": Skull and Bones is America's most powerful secret society and probably its most elite alumni network.

MORTON: Alexandra Robbins, a Yale graduate, has written a book about the society and the power it wields.

ROBBINS: This is a tiny society. There are maybe only 800 living members at any one time, 15 people tapped per year. And yet, so many members have gone on to positions of prominence and power.

MORTON: President William Howard Taft, Henry Luce, who founded "Time" magazine, Ambassador Averill Harriman. Bizarre initiation rituals telling your fellow Bonesmen your sexual history, but serious stuff, too. Graham Boettcher, who studied the society, thinks it's Yale that makes the difference.

GRAHAM BOETTCHER, YALE PH.D. CANDIDATE: Even if Skull and Bones didn't exist, I think that those people would have risen to those positions by virtue of the fact that they graduated with a Yale degree.

MORTON: Robbins disagrees.

ROBBINS: I think part of it is this secret society's specific agenda is to get members into positions of power and then to encourage those members to hire others.

MORTON: They're good at it. The first President Bush and the current President Bush were both Bonesmen. So was a man who wants his job, Democrat John Kerry. If he's their nominee, it would be the first ever Bonesman-versus-Bonesman presidential election. Bruce Morton, Washington.

(END VIDEOTAPE)

ZAHN: Let's try to peel back some of the layers of secrecy now. Joining me from Austin is Bill Minutaglio. He wrote "First Son: George W. Bush and the Bush Family Dynasty." Also with us tonight, Ron Rosenbaum, who was in Yale's class of '68 with George W. Bush. Rosenbaum has written extensively about Skull and Bones. He's the author of "Explaining Hitler," and he writes a

column for "The New York Observer." Welcome, gentlemen.

RON ROSENBAUM, COLUMNIST "NEW YORK OBSERVER": Thank you.

BILL MINUTAGLIO, AUTHOR, "FIRST SON: GEORGE W. BUSH AND THE BUSH FAMILY DYNASTY": Thank you.

ZAHN: Now, you also happen to dovetail with John Kerry, who was a student there in 1966. Were both of these men likely candidates for Skull and Bones?

ROSENBAUM: Well, Kerry was a little earlier than me, but I was there at the same time. And they're very different Skull and Bones guys. I mean, Kerry was marked from the beginning, or marked himself, as an ambitious comer. He styled himself JFK. I was a scholarship student. In the library when he came in, there was an aura around him. People whispered about him. He was one of the people who would be naturally selected for Skull and Bones, who like to choose the best and the brightest.

ZAHN: And George W. Bush, other than his family lineage, was not...

ROSENBAUM: George W....

ZAHN: ... such an obvious choice?

ROSENBAUM: ... did not show obvious skills like that, except for tapping a keg at Deke and that sort of thing, but -- so I think it's fair to say he was a legacy candidate.

ZAHN: Now, Bill, you've written extensively about the Bush family, as we pointed out. And you actually are very familiar with a story that happened the night that George W. Bush was actually tapped for Skull and Bones. What happened that night?

MINUTAGLIO: Around 8:00 o'clock, on tap night, there was a knock at George W.'s door at the room he was living at on campus. And completely surprising him, his father was there. And his father essentially was telling him, I'm summoning you to do the right thing. You've got to follow your family's legacy. You've got to inherit your legacy and join Skull and Bones. George W. had been leaning in another direction. He was thinking of joining another, almost kind of mock society, a less, quote, "important" society called Gin and Tonic, of all things. And George W., you know, in his father's estimation, did the right thing and followed him and his grandfather, actually, into Skull and Bones.

ZAHN: Ron, is there anybody who's been a waste who ends up in the Skull and Bones or ends up not accomplishing anything in life? I know you've done a lot of research on who ultimately got in.

ROSENBAUM: Well, I think they're looking for people. I think what they look to do is to inculcate a sense of mission into people who may not ordinarily -- you know, particularly with legacy candidates, as, you know, Bill was saying, or don't seem to be on the path for national leadership. For George W., I think, the sense of mission kicked in a little late. I mean, he sort of drifted until his 40s, at which point -- it's interesting. I mean, there may be a number of factors, but I think that one of the things that Skull and Bones tried to -- tries to do is give people like George W. a sense that they have a larger mission than living off their family's money and prestige.

ZAHN: So Bill, what are the obvious ties, then, between these two men, if their circumstances of getting into Skull and Bones were so drastically different?

MINUTAGLIO: I think, you know, ultimately, as we lead up to a possible political confrontation between these two guys, it's what they got out of Skull and Bones. And I think, particularly for

George W., he got a sense of direction, a purpose, the kinds of things that Ron said. And it began steering him toward you know, what people in the Bush family would say his rightful place in the family and even in history. And it's just amazing to me. It really is something out of Shakespeare, Greek tragedy, poetry that you would have this convergence of these two men who might be facing each other later this year. ZAHN: Ron, a final thought tonight, and a brief one, on all the legend and mystery surrounding Skull and Bones. You looked at the Tomb. You interviewed a lot of people who were familiar with members. There's great secrecy surrounding it. What do they do?

ROSENBAUM: Well, I think the important thing to say is that it's not a cult conspiracy ruling the world from a basement of a crypt in New Haven. On the other hand, it's not merely a frat house. I think it's -- for me, as an investigative reporter, it's an underexamined network of influence and power that has really -- I think I say at one point that the people who shape the American character have had their character shaped in the Tomb of Skull and Bones.

ZAHN: Ron Rosenbaum and Bill Minutaglio sharing some thoughts and some Skull and Bone secrets with us tonight.

He gave us one of the most sexually charged movies ever, "Last Tango in Paris." My conversation with director Bernardo Bertolucci as his latest erotic adventure opens.

(COMMERCIAL BREAK)

ZAHN: When Bernardo Bertolucci's "Last Tango in Paris" was released in 1973, "The New Yorker" called it the most powerfully erotic movie ever made. Well, time has certainly not mellowed the master Italian director, whose themes on sex, love and desire continue to create shock and admiration in some circles. His newest film, "The Dreamers," opens tomorrow with an NC-17 rating. And we started off by asking Mr. Bertolucci about a clip from "The Dreamers."

(BEGIN VIDEO CLIP - "THE DREAMERS")

UNIDENTIFIED FEMALE (SUBTITLES): Can you remove my cigarette? It's stuck.

UNIDENTIFIED MALE (SUBTITLES): Yes. Yes. Of course. Sorry.

UNIDENTIFIED FEMALE: What are you, English?

UNIDENTIFIED MALE: No, American.

UNIDENTIFIED FEMALE: You can put it out now. What's your name?

UNIDENTIFIED MALE: Matthew.

UNIDENTIFIED FEMALE: You're here a lot, aren't you. But you never talk to anyone. I've been wondering why you're always alone.

UNIDENTIFIED MALE: I don't really know anybody. How come you're chained to the gates?

UNIDENTIFIED FEMALE: I'm not chained to the gates.

(END VIDEO CLIP)

ZAHN: So this film takes place in Paris in 1968, a time and a place that you're very drawn to. Why?

BERNARDO BERTOLUCCI, FILM DIRECTOR: Because it was a very special moment. In '68, there was this great capacity in the youth to put together, to mix together politics with cinema,

with rock-and-roll, with sex, with philosophy, and everything would incredibly be harmonious all together. In '68, we would go to sleep at night thinking, When we will wake up, it won't be tomorrow, it will be the future, and a kind of sense of hope. What was the hope? To be able to change the world. And I wanted to tell the kids of today that just not much long ago, kids like them were able to dream, to dream fantastic things.

ZAHN: Let's talk a little bit about the battle you went through to get this film made. Do you think things would have been made easier for you if there wasn't a hint of an incestuous relationship in the film?

BERTOLUCCI: I disagree with this word, "incest." So you have a couple of twins, a brother and a sister. They have been together for nine months in the womb, and you are together in that kind of intimacy. There is no incest. I mean, also...

ZAHN: But do you think that's what some of these folks found more objectionable than the graphic depiction of sex?

BERTOLUCCI: Why is everything so liberal when it's about violence and why it's so strict when it's about sex? It seems that the parents of the United States think that their children, they can be pushed to emulation in a case of a sex movie. And I say, What about violence? No, they don't think that violence can be -- can be like that. And I said, Well, what about Columbine? What about the cases where kids suddenly and with no reason...

ZAHN: Yes.

BERTOLUCCI: ... become so violent? It's a strange discrimination.

ZAHN: Why are you so fascinated by human sexuality?

BERTOLUCCI: Who isn't? I mean, it's one of the -- Sigmund Freud thinks that human sexuality is what, in some way, give shape to allow life.

ZAHN: My interview with director Bernardo Bertolucci. We'll be right back.

(COMMERCIAL BREAK)

ZAHN: And that wraps it up for all of us here tonight. Thanks so much for being with us.

Tomorrow, the man who answers life's tough moral questions big and small, he will be joining us. He's Randy Cohen, who writes for "The Ethicist" for "The New York Times Magazine" and settles issues like this. Should you fudge your resume? And who pays for a funeral if your dog does in someone else's dog. We've put some of the questions he's faced on our Web site for you to answer, and you can go to our Web site at cnn.com/paulazahnnow -- no spaces -- and let us see how well you do as the ethicist.

Also tomorrow, a look back at the start of Beatlemania, the 40th anniversary of the Beatles' arrival in the U.S. We'll be talking with George Harrison's sister, among others. Hope you'll join us then.

"LARRY KING LIVE" is next. Thanks for joining us tonight. Have a good night.