WOLF BLITZER, HOST: It's noon in Washington; 9:00 a.m. in Los Angeles; 7:00 p.m. in Jerusalem; and 9:30 p.m. in Kabul. Wherever you're watching from around the world, thanks for joining us for this three-hour LATE EDITION.

We'll get to our interview with the U.S. Secretary of State Colin Powell shortly.

But first, violence has once again struck the Middle East, this time in the form of suicide bombers in Israel. At least 25 people have been killed and nearly 200 have been injured in weekend terror attacks in Jerusalem and Haifa.

At this hour, President Bush is meeting with the Israel Prime Minister Ariel Sharon over at the White House. That's where we also find our senior White House correspondent John King. He joins us now live with the latest.

(NEWSBREAK)

BLITZER: Earlier today, I spoke with the U.S. Secretary of State Colin Powell about the latest terror attacks in Israel and the war in Afghanistan.

(BEGIN VIDEOTAPE)

BLITZER: Mr. Secretary, thank you so much for joining us. I know this is a hectic morning for you.

The Palestinian Authority has just issued a statement in the name of Yasser Arafat saying that any faction, coalition or party within the Palestinian community that does not respect the decision of the Palestinian leadership, will be considered beyond the law, especially those who claim responsibility for actions against Israeli civilians.

What do you make of the reaction of the Palestinians so far?

COLIN POWELL, SECRETARY OF STATE: Well, it's a good statement. Now we need to see action. Statements aren't enough any longer, words aren't enough any longer.

I spoke to Chairman Arafat last night right after the first bombing in Jerusalem but before Haifa, and I made it clear to him that he had to act because not only was this a terrible attack against innocent Israelis, a terrible act of terror, but it was also an attack against him, it was an attack against his authority, it was an attack against Palestinian leadership, and it was an attack that he could...
not overlook.

So he had to do it not only because it was the right thing to do when you have this kind of murderous action, but he had to do it if he was going to remain in a position of authority and have authority over the Palestinian people and to perform his job as the leader of the Palestinian people.

And this statement reflects his understanding of that position. And he responded to me in kind last night saying that he understood that and that it was an attack against him. And he expressed his condolences for the loss of Israeli life, but it was an attack against him, he was going to respond accordingly.

Words aren't enough. We now have to see action.

BLITZER: Well, when you say the United States wants action, specifically what do you want Palestinian leader Yasser Arafat to do?

POWELL: One, find out who else is responsible besides those who killed themselves for these attacks last night. Bring them to justice, arrest them and keep them in jail. Not just arrest and then they're disappeared and back into the street in a few days time.

But more than that, he has to go after future perpetrators. He has to go after these organizations that are training and preparing these suicide bombers and preparing for further future acts of violence. This is what he has to do.

And he has the go after these organizations that are taking credit for these kinds of actions.

And as he said in his statement, he is going after those who are outside or beyond the law. He’s absolutely right. You cannot have a legitimate authority such as the Palestinian Authority, where you have people answerable to that authority acting outside any reasonable standards of law, any reasonable standards of civilized behavior.

BLITZER: So you want him to shut down, specifically, Hamas and the Palestinian Islamic Jihad?

POWELL: I think he should shut down and go after all those organizations, as he has said, that may be acting beyond his authority and the law that they have created within the Palestinian Authority. He has to go after them.

BLITZER: But which organizations are you specifically referring to?

POWELL: I’m referring to those responsible for these actions and those who take credit for these actions. Hamas is one; Palestinian Islamic Jihad is another. He has to deal with these organizations.

BLITZER: Well the Israelis say that even Arafat's own Fatah faction has been responsible for terrorist actions against the...

POWELL: If there is evidence that -- of the kind that is described by the Israelis, then I think he has to act on it. It's time for him to act. It's a moment of truth for him.

The United States is willing to help. We put down a comprehensive statement of the United States position. We sent General Zinni, a retired Marine, to go over there to help the two sides start to move forward toward a cease-fire.

Until you get this violence down, down preferably to zero, but until you get it down, you don't have a basis of confidence for the two
sides to get into a cease-fire and start the confidence-building measures of the Mitchell Plan and get to negotiations.

At the end of the day, we must see negotiations or else this problem will never be solved. But you won't get to those negotiations as long as you have people who are willing to commit acts of terror to keep you from getting into the Mitchell Plan, who don't want to see negotiations, are just interested in terror and violence. And that's what has to be brought under control.

BLITZER: As you know, the Israelis want the Palestinians to arrest hundreds, if not thousands, of what they claim are terrorists who have been on the loose in the West Bank in Gaza. Is that what the U.S. wants, as well?

POWELL: I don't know what the numbers are, if it's hundreds of thousands.

I think the Palestinians have to do a much better job of finding those who are planning acts of terror. And to the extent that the Israelis can provide information to the Palestinians or Palestinians can generate that information themselves, they have to act on that information and not just receive it and sort of look at the list.

They have to go after people who are known terrorists, who are known to be planning such acts. That's the demand that the Israelis have put down. And in accordance with what Mr. Arafat said this morning, he is making the same demand on his own people, that these kinds of individuals who are acting beyond the law have to be brought within the law. That means arresting those who are planning such activities.

BLITZER: The Israeli government is under enormous pressure right now to respond. It may be too late. What are you specifically asking the Israeli government to do in delaying some sort of retaliation?

POWELL: We haven't spoken to the Israeli government. That will take place in the course of the morning. Prime Minister Sharon and the president will be getting together, and we will hear from Mr. Sharon, his assessment of the situation. And I'm sure it will be a very difficult meeting, but it's a meeting we have to have.

Mr. Sharon is a freely elected leader of a democratic nation, and he will respond in a way that he thinks is appropriate.

What we always say is always consider what happens the day after and the day after that, because ultimately we have to try to get to a situation where the two sides are talking about ending violence, and you always have to consider the day after.

What we have seen now with 14 months of intifada, and with the new leadership in Israel for the last nine or 10 months, is that we have not yet begun to get the violence under control in the way that the two sides can move forward into a plan that is sitting there waiting to be executed that will lead us back to negotiations.

BLITZER: The former Israeli Prime Minister Benjamin Netanyahu spoke out last night. I want you to listen to what he said, because it comes to the question of whether Yasser Arafat can control the Palestinians himself. Listen to this.

(BEGIN VIDEO CLIP)

BENJAMIN NETANYAHU, FORMER ISRAELI PRIME MINISTER: Arafat is not using the power that he has, the 50,000 weapons that we have given him in the Oslo agreement to work against terrorists.
He is not using a fraction, even one of those rifles, to go after these terrorists, and that's why they're roaming around free and doing what they're doing.

(END VIDEO CLIP)

POWELL: I agree with Mr. Netanyahu to the extent that Mr. Arafat can be doing more. And I have spoken to him about this directly. He needs to use all the authority that he has. He needs to use the security intelligence, other forces available to him to get after this problem.

BLITZER: But the Palestinians respond by saying that as long as there's an Israeli occupation and settlements and Israeli soldiers using military force, they're going to be desperate actions by desperate people.

I want you to listen to what the Palestinian representative here in Washington said about that.

(BEGIN VIDEO CLIP)

HASSAN ABDEL RAHMAN, PALESTINIAN REP. TO U.N.: It is unfair to put the blame on Yasser Arafat and the Authority alone without looking at what the Israelis are doing to the Palestinians. The conditions that are created by Israel makes the Palestinian people very angry and very frustrated.

(END VIDEO CLIP)

POWELL: I know that the Palestinian people are very angry and very frustrated. I know the conditions under which they are living are very difficult -- there's 50 percent unemployment. I understand all of that. But to understand all of that says now we've got to act. And the United States has made it clear that the occupation is a problem, settlements are a problem. But we're not going to get to a solution by just trading charges and giving justifications for anger.

There is no justification for using a car bomb against innocent children, young people, out for a nice evening. There is no justification. No level of anger or frustration can be used to justify that kind of act.

And so rather than just exchanging these arguments, what we need to do is sit down. And that's why we sent General Zinni over there with Assistant Secretary Burns to get these people to sit down, security people to sit down, and begin to take those steps that will lead us toward a cease-fire.

(END VIDEOTAPE)

BLITZER: We have to take a quick break. But we'll have much more of my interview with the Secretary of State Colin Powell, including his thoughts on the war in Afghanistan and the possibility that Iraq might become the next U.S. target.

Stay with us.

(COMMERCIAL BREAK)

BLITZER: Welcome back to LATE EDITION.

Now more of my interview with the Secretary of State Colin Powell on the latest terror attacks in Israel and the war in Afghanistan.

(BEGIN VIDEOTAPE)
BLITZER: All right. Let's move on and talk about the implications from all of this for the U.S. war in Afghanistan, because there are enormous implications depending on what happens next, how the Israelis react. One cabinet member suggesting they should simply expel Arafat from the West Bank and Gaza.

The coalition that you have assembled is a critically important role, and there are enormous implications, aren't there, between what happens between the Israelis and Palestinians and how the U.S. engages in its own war against terrorism.

POWELL: We're all concerned about what's happening in the Middle East between the Israelis and Palestinians. But at the same time, we're united in going after al Qaeda and Osama bin Laden and the Taliban regime in Afghanistan. And I don't sense that there is any fracturing of the coalition as a result of the events of the last 24 hours in the Middle East. And so I think we can deal with this.

Right now in Afghanistan, we are making every effort to bring Osama bin Laden to justice, or justice to him; to rip up the al Qaeda network in Afghanistan and in all other countries that it resides in. It isn't going to be enough just to do it in Afghanistan. There are some 50 countries that we have to work on. And we're having success. More and more arrests are taking place. We're learning more and more about al Qaeda. And we also have to bring the Taliban regime to justice.

I'm pleased that our operations are going well in Afghanistan. It's starting to slow down a little bit because the southern part of Afghanistan is a little tougher. But we will be successful.

And I'm also pleased that the political process is moving in Bonn to create a new provisional government that will reflect all the Afghanistan people.

BLITZER: When do you believe the last remaining Taliban stronghold in Kandahar will fall?

POWELL: Well, I can't. I'm not a fortune teller.

BLITZER: But is it days or weeks?

POWELL: I don't know. It's under enormous pressure, the Taliban is under enormous pressure in Kandahar. Some of the southern tribes are now rising up, and I think they are in great difficulty. But I can't tell you whether that battle will be over in days or weeks.

But I think it's just a matter of time. I think it is ordained right now that the Taliban will fail throughout the country.

BLITZER: And Mullah Mohammed Omar, the leader of the Taliban, you assume he is still in the Kandahar area?

POWELL: I assume he is still in Afghanistan. And we expect -- suspect he is in the Kandahar area.

BLITZER: What about Osama bin Laden? There were reports that he was up near Tora Bora in the northeastern part of Afghanistan near Jalalabad.

POWELL: We think he is still in Afghanistan. And that seems to be a likely location for him, and he's running out of places that he can be. But there are always, you know, reports of sightings and sightings, some of which may be accurate, some of which are not accurate.
BLITZER: And you would still prefer to capture him dead rather than alive?

POWELL: We would prefer to bring him to justice or justice to him.

BLITZER: One or the other.

What about the talks in Bonn? There seemed to be a snag over the issue of security force, a peacekeeping force. Where does the United States specifically stand on the issue of who should come in, if anyone, to try to make sure the situation in a post-Taliban era is stable? POWELL: Well, there are always snags in talks such as these, but I'm rather encouraged by what's happened in the last 24 hours. There seems to be an understanding among the parties in Bonn that they do have to come up with a provisional government that could go back the Kabul and set themselves up and begin the rebuilding process and receipt of humanitarian aid.

With respect to what kind of international peacekeeping force might go in, let's wait and see what the provisional government says. We also have to wait to and see what our commander, General Tommy Franks, thinks is appropriate.

And I'm pleased that so many nations in the coalition have offered international peacekeeping forces at some point in the future when they are needed.

I don't think this will be a major role or hardly a role at all for the United States combat forces on the ground. We will always have some command and control and logistic responsibilities to help an international peacekeeping force go in. But I don't see U.S. combat troops remaining in Afghanistan for the purpose of peacekeeping or nation-building.

BLITZER: The Northern Alliance, which is aligned with the United States right now -- the rebels who are in control of much of Afghanistan right now, they say that they're willing to work together with the other factions.

Haron Amin spoke out on this. He is the representative here in Washington. Listen to what he said earlier in the week.

(BEGIN VIDEO CLIP)

HARON AMIN, NORTHERN ALLIANCE SPOKESMAN: Our aim is not to monopolize power or hoard power, but to engage with others at establishing -- in establishing a broad-based government in Afghanistan.

(END VIDEO CLIP)

BLITZER: Do you believe him?

POWELL: Yes, and it's a good statement. And that statement we have seen executed on over the last several days. I mean, what is becoming clear is that the Northern Alliance recognizes that, in order for there to be stability and peace in Afghanistan and the representative government in Kabul, all segments have to be represented, and it can't just be a Northern-Alliance-dominated provisional government.

And there have been some ups and downs in this, and different statements come out hither and yon. But as of this morning, the reports I have are rather encouraging from Bonn. But we're not there yet.

The U.N. has tabled a specific plan of how many people should be
in this provisional government, and it's a good plan. And we need to put names in along with these positions, and then get this government established and sent back to Kabul so they can begin their work.

BLITZER: Have you asked the Northern Alliance troops not to go in to Kandahar in the south, given ethnic makeup of the Northern Alliance, Uzbek, Tajik, as opposed to Pashtun majority in Kandahar?

POWELL: I have not made such a request to them. I don't know if any of my other colleagues have been in touch with them on this, but I don't think so.

BLITZER: OK. Let's talk about Iraq. As you know, a tough statement from the President Bush earlier in the week, warning Saddam Hussein of consequences. Let's play that soundbite and get your reaction.

(BEGIN VIDEO CLIP)

BUSH: And in order to prove the world he's not developing weapons of mass destruction, he ought to let the inspectors back in.

Yes?

QUESTION: If he does not do that, sir, what will be the consequences? If he does not do that, what will be the consequences?

BUSH: That's up for him -- he'll find out.

(END VIDEO CLIP)

BLITZER: He'll find out.

POWELL: It's a good, strong statement, and it's consistent with everything the United States has been saying for a long time.

The president ended that statement with a rather strong point, that there are consequences for continued non-compliance with the requirements of the international community as reflected in the U.N. resolutions. He ought to let inspectors back in.

This past week we had some success in the Security Council with the unanimous vote for a new sanctions regime that continues to reinforce the point that the inspectors should be allowed back in to do their work and establish whether he is or is not developing weapons of mass destruction.

We suspect he still is, and he claims he is not. He threw the inspectors out in 1998. And the international community says, no -- and President Bush said in that statement -- they have to be let back in.

With respect to "he'll find out," the president retains all of his options.

And this campaign against terrorism, in the first phase has, as the president has said all along, we're focusing in Afghanistan, al Qaeda, Osama bin Laden, the Taliban. And there will be future phases as we go after terrorism around the world and as we go after those countries that harbor terrorism, or those countries that develop weapons of mass destruction that can be used by terrorists. And so we will keep a close eye on Iraq.
The president has made no decisions. And the president's advisers, those of us who bear the responsibility for giving advice to the president -- myself, Secretary Rumsfeld, the vice president of course, Dr. Rice -- we have not individually, nor collectively, presented a recommendation to the president yet with respect to Iraq.

BLITZER: So, all options are still very much on the table?

POWELL: All options are very much open. The president has not given away any of his is authority to act in a way he believes is appropriate.

Beyond the inspectors, the United States also has a policy, this is separate from the U.N. policy, that we believe a regime change would be good for the Iraqi people, good for the region. And we are trying to find ways to make the Iraqi opposition more effective in this regard. And, of course, we continue to patrol in the no-fly zones to keep Saddam Hussein contained.

BLITZER: Well, on that point, Senator Joe Lieberman offered a recommendation to the Bush administration earlier in the week. Listen to what he said.

(BEGIN VIDEO CLIP)

SEN. JOSEPH LIEBERMAN (D), CONNECTICUT: It's not time for us to go to war in Iraq, but it is time for us to begin to support the Iraqi opposition. And they are strong and they have strength within Iraq, and they can play the same role that the Northern Alliance played in Afghanistan.

(END VIDEO CLIP)

BLITZER: Can they?

POWELL: Well, we do support the Iraqi opposition. It's not clear yet that they can perform the same kind of role. We're talking about two different countries, two different situations, and two different kinds of military forces. The Northern Alliance was a force that was in being, that owned a part of Afghanistan, and was a competent military force but needed the support of American air power. The Iraqi opposition does not yet rise to that level.

But the president has all of his options available to him. But he has not made any decisions.

Remember, he said in phase one, we're going to focus on Afghanistan. There's a lot of commentary and a lot of ideas and such, as those for Senator Lieberman, about what might be done. And the president is considering all of his options and all ideas.

BLITZER: Are you convinced that in three years that there have been no U.N. weapons inspection teams inside Iraq that Saddam Hussein and his government have continued their pursuit of weapons of mass destruction?

POWELL: We have no reason to believe that they have not continued that pursuit or they have abandoned their intent and desire to obtain such systems.

BLITZER: So, you think they're moving forward with it.

POWELL: We think they are trying. How far forward they have been able to move is a little less clear. And there are different kinds of weapons of mass destruction. The one is that of greatest concern to me is what might be happening with respect to biological weapons, because it's much harder to detect that kind of activity.
BLITZER: And in the past, as you know, the Iraqis have used gas warfare against the Iranians.

POWELL: They have used chemical weapons, gas against the Iranians and they've used them against their own people.

So this is the message I give to all of our moderate Arab friends in the region and the international community: What he is doing is a greater threat to the region than it is to the United States. And what we are doing to contain him is a benefit to the region, not just to the United States. And that is why I think we have been able to keep this coalition together and make that case to them.

BLITZER: As you know, some former government officials, and perhaps some within the government, are saying there are some strong signs that the Iraqis were connected to the September 11 terrorist attack, specifically the meetings in Prague between Mohammed Atta, the suspected ring leader, and Iraqi intelligence, an Iraqi intelligence agent.

As far as you're concerned, was there a connection there?

POWELL: Certainly these meetings took place, but there has not yet been a body of evidence that comes forward that suggests we can make the kind of connection that is suggested that it had something to do with September 11. But we have not stopped trying to find any connection that might exist between any country and what happened on September 11.

BLITZER: So you're still open-minded on that?

POWELL: Absolutely.

BLITZER: One final issue, the attorney general, John Ashcroft, has raised a lot of questions about some of the measures he's imposed -- detainees, military tribunals.

You were asked about the detainees earlier in the week, and I want to give you a chance to respond, because some critics have suggested perhaps there's some daylight between you and the attorney general on this issue.

Listen to what you said earlier in the week.

(BEGIN VIDEO CLIP)

POWELL: I hope that in the very near future, as these investigations continue and as questions are answered and clarified, we'll be able to get this list of detainees down.

(END VIDEO CLIP)

BLITZER: Is there any difference, do you disagree with the attorney general?

POWELL: No, why would you even suggest there's a difference?

The attorney general is doing what is appropriate in this time of emergency, doing everything we can to secure our society. A number of people have been detained. As the investigations go through, are conducted, and if there is not a reason to keep detaining people, of course they will be released.

BLITZER: But you support the whole operation?

POWELL: Yes. The attorney general, under the direction of the
president and at the will of the American people, is casting a wide net to see if there are any other cells and individuals within the country that may be connected to 9/11 or might be planning other attacks. And so, a number of people have been detained.

But we're a nation of justice, we're a nation of laws. And as these people are looked at and investigated and information gathered from them, if there is no basis to detain them, of course they'll be released. And I'm sure that's General Ashcroft's position and the president's.

BLITZER: Now, you're heading overseas this week?

POWELL: Yes.

BLITZER: And the major purpose of your trip?

POWELL: Well, I'm going to 10 countries in eight days.

And lots of major purposes. One, to participate in a conference in Bucharest with 54 other nations and the Organization of Security and Cooperation in Europe and to make a statement on terrorism there.

I'll be visiting in Kyrgyzstan, Kazakhstan and Uzbekistan; also make a stop in Turkey and a meeting of the North Atlantic Council in Belgium; and then on to Moscow for a day and a half to visit with Foreign Minister Ivanov and President Putin to push forward the U.S.-Russia agenda, and specifically the strategic framework part of that agenda; and then coming back through Germany, France and England to brief my colleagues on the way out of Europe.

BLITZER: Aren't you happy you left the private sector for government work?

POWELL: Oh, I love to travel.

(LAUGHTER)

BLITZER: Good luck, and have a safe trip.

POWELL: Thank you, Wolf.

BLITZER: Thank you.

(END VIDEOTAPE)

BLITZER: Just ahead, more on the war in Afghanistan and the latest violence in the Middle East.

We'll talk with two leading members of the U.S. Senate, Democrat Joe Lieberman of Connecticut and Republican Orrin Hatch of Utah.

LATE EDITION will be right back.

(COMMERCIAL BREAK)

(BEGIN VIDEO CLIP)

GEORGE W. BUSH, PRESIDENT OF THE UNITED STATES: We will not relent until we make sure that those who believe they can harm our government and our friends are brought to justice, whether it be in Afghanistan or any other place they hide.

(APPLAUSE)

(END VIDEO CLIP)
BLITZER: President Bush promising no letup in the war against terrorism.

Welcome back to LATE EDITION.

We're joined now by two leading members of the United States Senate, Democrat Joe Lieberman of Connecticut and Republican Orrin Hatch of Utah.

Senators, welcome back to LATE EDITION.

Senator Hatch, let me begin with you. What should the U.S. government be doing now in the aftermath of these latest terrorist attacks inside Israel?

SEN. ORRIN HATCH (R), UTAH: Well, first of all, we should learn everything we can from Israel because they've been living with this for all these years.

But secondly, we've got to back Israel. What's happening here is, you've got a leader of the Palestinians who is not doing a doggone thing. He's not lifting any oars, he's not using the powers that he has. And he's basically, in my opinion, cooperating with the terrorists rather than trying to put them away.

And I think we've got to bring worldwide opinion down against him to get him to do his job, or we've got to quit recognizing him as the leader of the Palestinians.

BLITZER: Senator Lieberman, you heard President Bush, earlier today Secretary Powell, say the onus is on Yasser Arafat right now to not only utter the right words, but to take action and to arrest these suspected terrorists.

Can he do it? Does he have the control over the situation in the West Bank and Gaza to get the job done?

LIEBERMAN: Well, I think the tragic events of the last 24 hours in Israel go back to a failure of leadership by Arafat that goes back years, and it's a failure to prepare the Palestinian people for peace with Israel.

There's not going to be peace in the Middle East until each side recognizes the right of the other to have a homeland there. The Israelis, certainly a majority of them, have passed that threshold with regard to the Palestinians. Unfortunately, I don't think the Palestinians have. Their education system continues to incite young Palestinians against the Israelis and against their existence there.

Last year when Yasser Arafat turned down the extraordinary offer for peace that Barak made to him at Camp David, was a turning point. And I'm afraid that the violence that occurred after that, Wolf, from the Palestinian territories was the beginning of the end of a loss of control by Arafat.

I think right now we have to ask him to do what he can do, and that is to stop people within his own faction of the Palestinian community from committing any violent acts. And secondly, arresting all of those who are part of factions that he may not control, that carried out the violent acts last night. If he doesn't, there's no hope but more violence.

BLITZER: Senator Hatch, sounds like you don't have much confidence in Yasser Arafat, even at a time when the Bush administration has dispatched a retired U.S. Marine Corps general, Anthony Zinni, to be the special U.S. envoy in trying to get these
negotiations back on track.

HATCH: Well, good luck to General Zinni, but, you know, this has been going on for 4,000 years.

And to be honest with you, Joe pointed out a very important thing: The kids are being indoctrinated in their schools. They’re being brain washed to hate Israelis. How in the world can you create a system of peace and contentment and even recognition of two states, how can you do that when one side is doing nothing but inciting terror against the other?

BLITZER: But, you know, the Palestinians point out that the Israeli -- they live under Israeli military occupation. HATCH: Fine, but they can't point to the Israelis except in response to provocation, killing Palestinians. But we can point to a lot of Palestinians killing Israelis and others, as happened last night.

BLITZER: But, Senator Lieberman, you know what the Palestinians say. They point out, factually correct, more Palestinians have been killed over the past year than Israelis have been killed.

LIEBERMAN: The Palestinians, unfortunately, are the ones who are carrying out the violence offensively. The Israelis continue to respond to that violence.

And, you know, the way for the occupation of the Palestinian areas to end is for the Palestinians to make peace. The way for the -- the Israeli presence in Palestinian areas would have ended already if Arafat had accepted the Barak initiative last year at Camp David, and tragically he did not. And who suffers? The Palestinian people suffer most.

So I think we need Arafat to show some leadership. We need others around him, a new rising generation of leadership in the Palestinian community, to make the point to their children that their lives are not going to be better unless -- and they're not going to have their own state unless they acknowledge the right of the Israelis to remain there in peace.

BLITZER: Let's talk about the war in Afghanistan.

Senator Hatch, you're a member of the Intelligence Committee, you follow this very closely. Kandahar right now seems to be getting close to capture by forces aligned with the United States. The Marines are in the surrounding areas.

What happens next? Assuming that Osama bin Laden remains at large in one of those caves in Afghanistan, what should the U.S. be doing?

HATCH: Well, of course, we've got to keep doing what we're doing, encouraging a whole bunch of these factions to get together. If we just rely on the Northern Alliance, we're going to wind up with a civil war there after it's all cleaned up, or at least after the Taliban have been defeated. And we'll be right back where we were in certain aspects, maybe not the same as Osama bin Laden and al Qaeda using that as a base, but it's not going to solve the problem.

The questions are very strong from a numerical standpoint...

BLITZER: So you think it would be a mistake for the Northern Alliance to go into Kandahar, where are the Pashtun are the most secure?

HATCH: I think it's a mistake to not work very hard to bring them
together, which I know our side is trying to do. They know we need to do that. But when they went into the northern city, the first city they took over. BLITZER: In Mazar-e Sharif?

HATCH: Yes, Mazar-e Sharif, they, you know, they basically were able to do that without any help from the rest of the various factions, and of course they now are encouraged to go further. Remember Rabbani...

BLITZER: The president?

HATCH: Yes, he was once in charge. And he was the one who basically saw that the equivalent of our visas were issued to the Arab al Qaeda, Osama bin Laden-type people.

So we have to be very, very careful to make sure that we support the Northern Alliance, but we want to bring all these factions together as best we can. The best suggestion, some people thought, was to bring King Shah back into power as a figurehead, because they had 40 years of peace under the king, and hopefully could bring everybody together. But it's a lot harder job than we think.

And I just am really tickled and pleased that we have people like our current secretary of defense and our current secretary of state. They're really worldwide-recognized leaders of great dimension and power, and they're doing a great job.

BLITZER: Senator Lieberman, the "Washington Post" wrote an editorial yesterday picking up on what Senator Hatch just said: "Experience suggests two lessons for the Bush administration now. First, winning the war in Afghanistan is not enough unless the peace is also won. Second, winning the peace requires a determined effort by the outside world, because a country that has spent two decades at war is too fractured to find its own way to stability."

Does that mean the American public should anticipate a long U.S. military presence in Afghanistan?

LIEBERMAN: Not so much a long U.S. military presence as a long presence in supporting the reconstruction of Afghanistan.

And the good news here is that we're working with a broad international coalition, so that what will be necessary probably is some peacekeeping but, at this point, will be done, if at all, by Muslim countries, and then an international economic development reconstruction program.

We walked away from Afghanistan after the Soviet era and we let it become weak, and the swamp in which al Qaeda and bin Laden grew.

The lesson here is what we're doing in the Balkans. We won two extraordinary victories in Bosnia and Kosovo in a very complicated, difficult humanitarian and political situation. We have remained on the ground. Milosevic is on trial. And those countries are beginning to come back. That's the model for Afghanistan.

BLITZER: All right. Senators, stand by. We have more to talk about, including Iraq. Should Iraq be the next U.S. target? We'll get to that, get to a lot more with our conversation with Senators Hatch and Lieberman.

LATE EDITION will be right back.

(COMMERCIAL BREAK)
BLITZER: Welcome back to LATE EDITION. We're continuing our discussion with Connecticut Democratic Senator Joe Lieberman and Utah Republican Senator Orrin Hatch.

Senator Hatch, the "New York Times" in an editorial this past week entitled "The Wrong Time to Fight Iraq" made this point: "The military challenges of war in Iraq are far more formidable than anything yet seen in Afghanistan. The only military option with any realistic promise of a success would be sending in an overwhelmingly large American ground force."

In other words, don't anticipate -- it would be hard to get going with the Iraqis as target number two in this war against...

HATCH: Well, it is premature to start talking about going after Iraq. But let's be honest about it: Iraq has been developing chemical and biological weapons and trying to develop nuclear weapons. And we know that they hate the United States and everybody who is affiliated with the United States. We also know that they have been sponsors of terrorism. We know they sponsor some of these terrorists groups.

I don't think there's any love lost between Osama bin Laden, as a student of him all these years, and Saddam Hussein. But there's one thing that unifies them, and that is their hatred against the United States.

Sooner or later, if we live up to what President Bush said, that we're going to go after the terrorists and those who support them, we're probably going to have to look at Iraq and look at it very seriously. And I suspect, when that time comes, we may very well have to go in there and clean out the chemical, biological and -- hopefully no nuclear weapons, but if they're there, those as well.

BLITZER: Senator Lieberman, you heard Secretary Powell respond to your recommendation, use the Iraqi opposition forces along the lines the way the U.S. used the Northern Alliance in Afghanistan. He said that these are two different situations.

LIEBERMAN: Let me just say first, Wolf, that the reason why we should want Saddam Hussein out of power in Iraq is to prevent Iraq, under Saddam Hussein, from attacking us in the way that the terrorists did on September 11. We don't have any independent yearning to go to war against Saddam. It is to protect us as part of the war against terrorism from another attack.

Second, this war against terrorism will only be effective if we bring down Saddam. And to do so, we need support from within Iraq. Four years ago, Congress passed the Iraq Liberation Act. I co-sponsored it with Senator Lott. It authorized -- it declared a policy of the United States government to put Saddam out of power.

BLITZER: But, as you well know, there was no great enthusiasm during the Clinton administration, the State Department, elsewhere, to implement that act.

LIEBERMAN: Exactly my point. That if the previous administration and this one had used the authority and the money to support the Iraqi opposition, people in the north, the center and the south, who want to get rid of Saddam because he tyrannizes and suppresses them, they would be in shape now to help us on the ground the way the Northern Alliance did in Afghanistan.

But it's not too late, and it is critically important to the future security of each and every American.
HATCH: Well, keep in mind, we allowed the northern opposition in Iraq to be devastated during the Clinton years. They just did nothing.

BLITZER: The Kurds, you're talking about?

HATCH: Yes. Well, not just the Kurds, there were a number of others. I happen to have been to the Intelligence Committee at that time, and there were people that should have been supported. There were people who should have been backed up. And we just allowed them to go in there and massacre them. We could have easily stopped them. All we had to do was let them know we weren't going to tolerate it. But that's what happened.

Now, it's nice to talk about an Iraqi opposition. I agree with Joe, we ought to do everything in our power to help create that, foster it, support it, do whatever we can. But it was devastated during that period of time.

LIEBERMAN: Wolf, unfortunately, there's a lot of blame to go around here. Right after the victory in the Persian Gulf War, when the Shi'as particularly in the south, the Shi'a Muslims in the south of Iraq, began to rise up against Saddam, former President Bush encouraged them, and then we let them out there on their own. And that's part of what happened.

And I think now we can make up for that mistake using the extraordinarily more powerful and sophisticated airpower we have, the skill of our special forces on the ground as we have used them in Afghanistan, with support from people in Iraq.

And I promise you, that when we get rid of Saddam, the happiest people in the world will not only be Americans, they will be the people of Iraq.

BLITZER: Let me move on, we only have a little time left, to talk about the controversial nature of the Justice Department, the Bush administration proposing these military tribunals to try suspected terrorists, basically in secret without any of the due process afforded others here in the United States.

I know you totally support the Bush administration on this. But aren't you at all concerned about what some of the critics are saying, that this tramples on the Constitution?

HATCH: I guess we're supposed to read Osama bin Laden his Miranda Rights as we go into the cave. I guess we're going to have to make sure we don't wiretap terrorists because, after all, that offends civil liberties. I think of the civil liberties have almost 7,000 people killed by these people.

And that's just the beginning. I...

BLITZER: All right. Let me ask Senator Lieberman.

Are you concerned about this?

LIEBERMAN: I'm concerned about some aspects of it but not as concerned as others for this reason: We are at war.

HATCH: Right.

LIEBERMAN: And military tribunals have been established by presidents throughout our history, and they have been supported and upheld by the Supreme Court of the United States.

The question is how these are used and who they're used against.
If you start to use them against American citizens or legal resident aliens for domestic crimes, that's wrong. If you use them against terrorists, people involved in violating the laws of war, which is the only way you could bring somebody before a military tribunal, that's right.

I mean, Orrin is correct. You can't give terrorists involved in the war in Afghanistan or anywhere else the same rights that people have in the courts of the United States. Do you want somebody to say, "You can't convict me because you banged down my door to get me"?

BLITZER: Unfortunately, unfortunately...

HATCH: I agree with Joe. I think what Joe said is absolutely right.

And let me tell you something. We try our young service people for their crimes in these military courts. And why would we give Osama bin Laden and these people -- we ought to kick his rear end from that cave to Timbuktu, as far as I'm concerned.

(LAUGHTER)

BLITZER: All right, on that note, both of you...

(CROSSTALK)

HATCH: And we ought to abide by our own laws and we can do that, and the president said it. (CROSSTALK)

LIEBERMAN: All right.

BLITZER: Wait a minute. We've got to take a commercial, we've got to end it right here.

HATCH: All right.

BLITZER: Hold that thought for the next time both of you are on LATE EDITION.

Thanks to both of you, Senator Lieberman, Senator Hatch, for joining us.

When we come back, we'll turn the corner and take a look at what's happening over at the White House. The meeting continues between President Bush and the Israeli Prime Minister Ariel Sharon. It may be breaking up right now.

Stay with us.

(COMMERCIAL BREAK)

BLITZER: Welcome back to LATE EDITION.

I want to go back to the White House. It looks like the meeting between President Bush and the prime minister of Israel, Ariel Sharon, may be breaking up.

If we could look at the picture over at the West Wing at the White House and get a sense of what's going right now.

There it is. You see the limousine that the Israeli prime minister arrived in, about an hour or so ago, at the White House. The meeting has been going on for at least -- for almost one hour, the prime minister and the president.

We don't know for sure what precisely is happening right now,
though we're told that the meeting looks like it's breaking up.

And once the prime minister leaves the West Wing of the White House, he will stay on the ground at least for an hour or two in Washington before heading over to Andrews Air Force Base, returning to Israel immediately in order to resume emergency discussions with his security cabinet.

We're going to be following this situation over at the White House, anticipating the end of this meeting.

And we will be speaking with Dore Gold, the former Israeli ambassador to the United Nations, now a national security adviser to the Israeli prime minister. He is at the White House. He'll be joining us.

We'll also be getting a reaction from the Palestinian cabinet minister, Nabil Sha'ath. He'll be talking to us as well. He is in Gaza. We'll have that and much more.

We'll also be talking about the possibility of a new war with Iraq. Former CIA director James Woolsey will join us, as well as the former U.N. chief weapons inspector, Richard Butler.

We'll also have our LATE EDITION roundtable. It's all ahead, in the next hour of LATE EDITION.

But first, this report from CNN's Maria Hinojosa on one family's remarkable story in the aftermath of September 11.

(NEWSBREAK)

(COMMERCIAL BREAK)

BLITZER: You're looking at a live picture of the West Wing of the White House. A limousine awaits the departure of the Israeli Prime Minister Ariel Sharon.

He's been in the White House for about an hour, meeting so far with President Bush, an emergency meeting in the aftermath of two separate terrorist incidents in Jerusalem and in Haifa in Israel. At least 25 people are dead. Some 200 are injured as a result of those terrorist actions.

Joining us now from the North Lawn of the White House is Dore Gold. He's an adviser to the Israeli prime minister. He is also the former Israeli ambassador to the United Nations.

Ambassador Gold, thanks for taking some time out from those meetings inside and coming out to brief our viewers on what's going on.

Has the United States, as far as you know, the Bush administration, done what it's done in the past in the aftermath of these kinds of terrorist attacks, asked Israel to exercise restraint?

DORE GOLD, FORMER ISRAELI AMBASSADOR TO THE U.N.: Well, I don't think now is the time to go into the content of the meeting between Prime Minister Sharon and President Bush, which is going on at this time.

But I think it's important for your viewers to remember that on this White House lawn in 1993, our late prime minister, Yitzhak Rabin, shook the hand of Yasser Arafat, the PLO chairman, and a core bargain was struck. Israel would withdraw from territories, and in exchange, the Palestinians would take responsibility for those lands, including the responsibility to fight terrorism.
Well, Israel turned over 99 percent of the Palestinian population to Palestinian rule and ended its military government. Unfortunately, there has been a complete failure by the Palestinian Authority to live up to its obligations to fight the terrorism, the terrorist cells that have grown in their midst. And as a result, Israelis have been dying today in large numbers. BLITZER: But, as you know, the Palestinians blame the Israelis for this continued impasse, the creation of settlements, the failure for the military occupation to end.

Even the secretary of state, Colin Powell, when I interviewed him earlier today, pointed out that the Palestinians on this specific point do have a point to make. Listen to what Secretary Powell said.

(BEGIN VIDEO CLIP)

POWELL: One, find out who else is responsible besides those who killed themselves for these attack last night. Bring them to justice, arrest them and keep them in jail, not just arrest them and then they disappear, back into the street in a few days' time.

But more than that, he has to go after future perpetrators. He has to go after these organizations that are training and preparing these suicide bombers and preparing for further future acts of violence.

(END VIDEO CLIP)

BLITZER: Unfortunately that was not the excerpt from the interview I wanted to play. That was an excerpt of the interview urging the Palestinian leadership to take action against those suspected of terrorism.

But the secretary also made the point that Israel has to take some responsibility to a certain degree itself. I don't know if we have that excerpt ready to go. If we do, let's play that right now.

We don't have it.

But he did say, the United States has made it clear, Dore Gold, that the occupation is a problem, settlements are a problem.

GOLD: Well, you know, on this point, what's clear, I think both to American negotiators and Israeli negotiators, is that before Yasser Arafat launched this intifada violence against Israel after the failure of the Camp David summit in July 2000, the vast majority of the Palestinian population was not under Israeli military government.

The only reason why we have a larger military presence today around the cities in the West Bank is because of this terrorism that has come out from Palestinian cities.

You know, the United States has established a very important principle after September 11. You have indicated that governments must not host terrorist organizations that are involved in this kind of catastrophic terrorism against innocent civilian populations.

And just as you insisted with Afghanistan that the terrorism emanating from that territory must end, we are insisting that Yasser Arafat take responsibility and finally break up the terrorist cells, break up the infrastructure of terrorism that has risen in his midst. He has failed to do so since 1993. BLITZER: All right. Let me just point out that the Palestinian leader today did condemn these two incidents in a statement that he released, a statement that the secretary of state said was a positive statement, although he wants the Palestinian leadership to follow up with action.
What the Palestinians say to Israelis right now is, get back to the negotiating table, begin talks right now to see if you can resume the negotiations where they collapsed last year. What’s wrong with just going back to the table and talking?

GOLD: Well, you know, we tried that...

BLITZER: I want to interrupt for a second, Ambassador Gold.

As we're speaking, we're seeing the Israeli prime minister get into the limousine outside the West Wing of the White House. The meeting, clearly, has broken up with the president. The meeting is over with at the White House. Originally, we had anticipated that he might be stopping off at the microphone, speaking to reporters who, of course, are gathered there, awaiting for some word from the prime minister, but he's obviously in no mood to talk to the press right now.

He's in the limousine. They'll be leaving the White House, and actually, we'll probably see that limousine drive behind your location as we continue our conversation.

Well, I was asking you, what's wrong with just going back to the negotiating table with the Palestinians, as they have been suggesting?

GOLD: Well, first of all, we tried that from September of 2000 till January of 2001. The previous government of Prime Minister Ehud Barak did negotiate with the Palestinians while Israel was facing bus bombings and suicide bombings in the heart of its cities.

Things only got worse, for one very simple reason: The Palestinians believed that, by us negotiating under fire, we were prepared to reward violence.

We must now deal a blow to international terrorism. We should not reward the bombings of Hamas and Islamic Jihad and, therefore insist, as the Mitchell committee report insists, on an unconditional cease-fire -- a cease-fire that's not connected in any way, shape, or form to political concessions on the part of the state of Israel.

BLITZER: Is this a demand that the Israeli government has made for a week-long, a seven-day cease-fire, a bottomline demand? Is there any flexibility on that, in order to try to jumpstart negotiations?

GOLD: Well, first of all, it's a sensible demand. We're not simply insisting on the number seven because, you know, we've made a political commitment and committed political prestige to it. It has to do with the situation on the ground. Yasser Arafat, after already six cease-fires that he's agreed to and broken, has repeatedly agreed, for tactical short-term reasons, to lowering the flame of violence for a few days.

We need to see that he's made a strategic change to move away from violence as a negotiating tool. And that requires at least a week to measure in a very clear and persuasive manner.

BLITZER: One Israeli cabinet minister suggested today that it may be all too late, that it would be appropriate at this moment to expel Yasser Arafat from the West Bank in Gaza. The Israeli government is not about to do that, is it?

GOLD: You know, we don't go into details of these types of matters. We have agreed that Mr. Arafat was elected by the Palestinians.
But I want to underline, he has failed to live up to the core bargain of the Oslo agreements, and, as a result, many Israelis have died. We must put an end to the butchering of innocent Israelis in the streets of Jerusalem and in the streets of Haifa.

We deserve security, just as the United States deserves security and entire free world deserves security.

BLITZER: So I take it, you're going to catch up now with the prime minister and then head back to Israel. Do you anticipate an Israeli retaliatory strike anytime soon?

GOLD: What I anticipate is that the Israeli government will meet when the prime minister returns, and we will get detailed reports from all our security services about the situation on the ground.

Right now, the government of Israel must do what every elected government must do, and that is that protect the people who elected them. And that is precisely what Prime Minister Ariel Sharon is going to do this week.

BLITZER: All right. Ambassador Dore Gold, thank you so much for joining us. Have a safe trip back to Israel.

GOLD: My pleasure, Wolf.

BLITZER: Thank you.

And when we come back, we'll speak with a Palestinian cabinet minister from Gaza. Nabil Sha'ath will join us right after this.

(COMMERCIAL BREAK)

BLITZER: Welcome back to LATE EDITION. We're talking about the latest terrorist attacks in Israel.

We're going to be speaking with the Palestinian cabinet minister, Nabil Sha'ath, in just a few moments. But first, I want to go to New York and speak with the former U.S. Senate majority leader, international negotiator, Senator George Mitchell.

Senator Mitchell, you put together a plan to try to revive the Israeli-Palestinian peace talks, a plan that so far has not borne much fruit. What's the specific problem, the main problem right now implementing your proposals?

GEORGE MITCHELL, FORMER U.S. SENATOR: Getting the parties to take the first step, which is an immediate and unconditional cessation of violence, accompanied by a resumption of security cooperation. To be followed by a cooling-off period during, which there would be an exchange of reciprocal steps, we recommended 18 of them, over a period of time, and then a resumption of negotiations.

BLITZER: The Israelis blame the Palestinians, the Palestinians blame the Israelis. Who is responsible, in large part, for failing to take that first step to start these peace talks going again?

MITCHELL: There is, of course, a complete breakdown of confidence, and there is now a total mistrust between the parties. So neither is willing to take a step in the absence of some certainty that there will be a reciprocal measure from the other side.

But, I think it must be said, Larry -- I'm sorry, Wolf -- it must be said that, first and foremost, our committee made clear that such
terrorist acts are reprehensible and unacceptable. They cannot be tolerated, must be condemned, and they must be stopped.

BLITZER: You heard Palestinian leader Yasser Arafat, in a statement released earlier today, condemn these latest terrorist acts and promise to take action. The secretary of state, Colin Powell, told me just a little while ago that actions speak a lot louder than words.

Do you believe that Yasser Arafat will now take the steps in rounding up suspected terrorists associated with Hamas, Islamic Jihad, take those steps that the U.S. is demanding?

MITCHELL: He must do so. The reality is, of course, that he does not have complete control. Rarely in these situations does any one entity have complete control. And so, what is required is a 100 percent effort.

Now, that's a painful choice for him to make. But in my judgment, not making it is an even more painful choice because it ensures the continuation of this ongoing brutalizing war, which is so devastating to both sides and particularly so far to the Palestinian people who suffered great loss of life and they're economy has been devastated.

There's only one way to bring this to an end, and that's to stop this violence, arrest and prosecute those engaging in such terrorist activities, take a series of reciprocal measures to try to rebuild at least a minimum level of confidence and get back into meaningful negotiation.

BLITZER: As you know, in recent days, President Bush has dispatched retired Marine Corps General Anthony Zinni to the region to try to get these negotiations going. He's in Israel right now.

But a lot of critics are suggesting this is too little, too late, that there really is not much hope to get these peace talks off the ground again. Are you among those pessimists?

MITCHELL: No, I'm not.

First, it's never too late in the search for peace. It's easy to become discouraged and throw up your hands and say, well, it's gone on for a long time, it will go on forever. I don't believe that. I'm convinced there's no such thing as a conflict that can't be ended. They're created and sustained by human beings, they can be ended by human beings.

And they must be, because as difficult and painful as negotiation and political compromise will be, it is far preferable to the continuation of this brutal dehumanizing conflict.

BLITZER: As you know, the Israeli public is outraged right now. You know the political situation in Israel very well. Once Prime Minister Sharon returns to Israel, there will be enormous pressure on his government to retaliate, to respond very, very strongly.

Is that going to achieve anything? Or is that going to simply, as the State Department diplomats have always said, fuel the cycle of violence?

MITCHELL: Well, I saw part of your interview with Secretary Powell, and he said and made clear that as Israel, of course, has a democratically elected government, there will be tremendous pressure on it to respond and a response is likely. And he also said, that will in effect in turn trigger demand for revenge, and the
cycle continues.

At some point, I don't know when it's going to be, but I believe it will be soon, at some point both sides are going to have to recognize that this simply can't continue, that life has become unbearable for the members of both society, fear and anxiety, death, destruction. I think it's going to have to end, and I hope they will come to that realization soon.

BLITZER: In recent week, we have heard President Bush specifically speak of a new state, Palestine. He used the word "Palestine," the first time an American president has done so. He did it at the United Nations. We also heard Secretary of State Colin Powell, in a major address, speak about two states, two independent states living alongside each other, Israel and Palestine.

Some critics of the administration suggested that they are in effect rewarding Palestinian terrorism by making these kinds of statements, and that they're in effect encouraging additional terrorism by holding out the hope that more concessions might be available.

Are you among those critics who think that the president and the secretary of state may have gone too far in terms of the timing of their statements?

MITCHELL: No, I'm not among the critics of the administration. I think both the president and secretary of state are trying to do the right thing here.

And the fact is, as you well know, Wolf, because you've followed the situation very closely for a long time, the existence of an independent, viable Palestinian state has been implicit for a very long time among not just American leaders, but Israeli leaders as well, has been expressed by previous Israeli prime ministers.

And so, what the president did was to merely express in another form -- you're right, the first one to say it that way -- what previous president have held out as American policy and what is widely recognized as the end process if there is to be any resolution of this conflict.

BLITZER: What should President Bush or Secretary Powell tell the Israeli prime minister if he says, you, the United States, say that there's no difference between terrorists and those regimes, those governments who harbor terrorists? What should they say if he says, well, if the Palestinian Authority is going to harbor terrorists, we can't differentiate between that? How does the U.S. respond without being accused of having a double standard?

MITCHELL: Well, first of course, the United States has made clear its condemnation of terrorist activities and its insistence that terrorist activities be halted.

In this case, by the Palestinian Authority, within whose jurisdiction these terrorist activities are continuing, there has not been the 100 percent effort that's been required.

It also can and should say, however, that, unlike the al Qaeda organization, there is an existing entity with a specific and a clearly delineated political objective. There has been negotiations over a long period of time. Until 14 months ago, there had been substantial progress made toward achieving a resolution of the conflict. Those things don't exist with respect to al Qaeda and Osama bin Laden.

I think that there is no military solution to this conflict in the
Middle East, and that there's going to have to be either two societies living side by side in conflict, or living side by side in peace and the hope of prosperity.

And it seems to me the only way to get to the latter, which is clearly preferable, is through an immediate, unconditional end to the violence, resumption of security cooperation, measures on both sides to try to rebuild confidence and trust, and then meaningful negotiation to achieve a resolution. It seems to me there is no other acceptable alternative to that process.

BLITZER: Well, let's see what happens. Senator Mitchell, always good to get your thoughts. Good luck to you. We appreciate your joining us today... MITCHELL: Thank you, Wolf.

BLITZER: ... on LATE EDITION. Thank you very much.

Still to come, we'll speak with the Palestinian cabinet minister, Nabil Sha'ath. He'll speak to us live from Gaza.

But when we come back, could taking on Iraq, Saddam Hussein be the next step in the war against terrorism? We'll ask the former CIA director James Woolsey and the former chief U.N. weapons inspector Richard Butler.

LATE EDITION will continue right after this.

(COMMERCIAL BREAK)

(BEGIN VIDEO CLIP)

BUSH: And as for Mr. Saddam Hussein, he needs to let inspectors back in his country to show us that he is not developing weapons of mass destruction.

(END VIDEO CLIP)

BLITZER: President Bush issuing a direct challenges to Saddam Hussein this past week.

In recent weeks, there's been speculation the Iraqi leader could be the next target in the war against terrorism.

We now get perspective on that from two guests: Joining us from New York, Richard Butler -- he's the former chief U.N. weapons inspector -- and here in Washington, the former CIA director James Woolsey.

Gentlemen, thanks for joining us.

And, Director Woolsey, let me begin with you. You heard Colin Powell say earlier on our program that still no smoking gun linking Iraq to the September 11 attack, despite the meetings in Prague between Mohammed Atta, the suspected ring leader, and an Iraqi intelligence agent.

You don't believe that the Iraqis were directly responsible for September 11, do you?

JAMES WOOLSEY, FORMER CIA DIRECTOR: I think they may have had a hand in it.

In addition to the meetings between Atta and Iraqi intelligence in Prague, you of course have this training of which we now have five eyewitnesses -- three Iraqi defectors and two American inspectors -- that there was training going on at Salman Pak on the southern edge of Baghdad for the last several years of non-Iraqis, very
secretly, in how to hijack aircraft with knives. Now, you know, maybe Saddam has a grudge against Icelandic Air that he just hasn't let out yet, but it would seem to me that the likely explanation is that that may have had something to do with it, as well.

BLITZER: All right. Let me bring in Ambassador Butler.

Ambassador Butler, how do you assess the potential Iraqi involvement, direct or indirect, in September 11?

RICHARD BUTLER, FORMER U.N. CHIEF WEAPONS INSPECTOR: Well, I think Jim Woolsey is basically right and the secretary of state, too, Wolf.

We lack hard evidence. We lack an absolutely clear connection. There's a lot of circumstantial evidence going right back to the original bombing of the World Trade Center, and it's all very disturbing.

Jim Woolsey left out a moment ago, but I'm sure he's aware of this, that there is also some recent evidence of Iraq also fueling the kind of thing that we have just seen so hideously take place in Jerusalem.

So, you know, let's desegregate this. Hard evidence, really clear stuff, no. Circumstantial evidence, yes, and it's disturbing. So Iraq is in the picture for that reason but not in a way yet that would be a cut-and-dried case.

BLITZER: Director Woolsey, you also heard President Bush say earlier in the week there would be consequences against Iraq if they don't allow the U.N. weapons inspection teams back, and they've been gone now for three years. He didn't spell out what those consequences should be, neither did the secretary of state.

What do you think the consequences should be, assuming the Iraqis don't relent?

WOOLSEY: That's right, he didn't spell it out. But I assume that one implicit word in that business about inspections is "effective" inspections.

Of course, Saddam kept the inspections, in many cases, in spite of the resourcefulness and bravery of Ambassador Butler and his predecessor, Ambassador Kais (ph), and their inspectors, Saddam kept a lot of those inspections from being very effective, and very consciously. So I would think that that would be important.

And then also President Bush more or less defined terrorism to include terrorists sponsoring states developing weapons of mass destruction to threaten their neighbors. And certainly, there's no doubt that Iraq is doing that.

BLITZER: Ambassador Butler, isn't it a fact, though, that during the course of all those years that there were inspection teams in Iraq, more weapons were destroyed in Iraq than during -- weapons potentially that could be used for chemical, biological or even nuclear capability or ballistic missiles -- than destroyed during the Gulf War?

BUTLER: There are various claims about that, Wolf. But let's hone in on the central facts that are relevant today.

The president of the United States announced a doctrine that says there will be no distinction between terrorist groups and states that support them.
As far as the connection that would identify Iraq unambiguously as a state that does that -- we talked about that a moment ago. That's not absolutely clear, but there is a lot of circumstantial evidence.

Now, last Monday in the Rose Garden, the president switched to another issue, which is the one you want to address now, weapons of mass destruction, saying that the kind of development of those weapons that Iraq has been involved in heads it toward fitting that definition of being a terrorist state. I think he's on to something.

Iraq threw out inspectors three years ago under circumstances where we had not got all of the illegal weapons. The Security Council, which was then very hostile to my organization, said, "We're not going to accept what Butler said. We'll do an independent investigation." And they did. And, Wolf, they came up with the same conclusion, that Iraq still has weapons of mass destruction.

Now, evidence from defectors and intelligence sources in these last three years without inspection shows that they have gone on further, they have built more.

Now, this is very serious. And that's why I think the president was right on Monday to bring the focus back to Iraq, Saddam and his weapons of mass destruction. They're still out there, missile, chemical, biological, maybe nuclear, and they're perhaps more dangerous today than they have been for a long time, notwithstanding what we got hold of and destroyed in the past.

BLITZER: Director Woolsey, I know that you've, in the past, taken a look at the Iraqi connection with anthrax. As you know, a huge anthrax scare here in Washington and many parts of the United States. Do you suspect that Iraq may be behind these anthrax-laced letters in the United States?

WOOLSEY: Yes, I think there is some circumstantial evidence to that effect. I hope we'll be able to get into it more.

BLITZER: What is the circumstantial evidence?

WOOLSEY: Well, first of all, there are only two foreign countries, the Soviet Union in its day and Iraq, that developed anthrax in this very sophisticated way that we know of, weaponized in the way that we saw particularly in the two letters to the two senators.

And although it's not impossible, as some have suggested, that there is an American involved in this, perhaps someone even with some kind of access to old programs in this country, you have to realize that if the anthrax letters and whoever was mailing them was wholly unconnected to September 11, then either that person got the idea after September 11 and got his laboratory all rigged up to do it -- and the first anthrax letters were mailed one week after September 11 -- or he was already in place and ready to mail something and, just by coincidence, September 11 came along, even though help no knowledge of it.

WOOLSEY: Now, I find both of those highly implausible.

I think what's likely is that there is some connection between the people who did September 11 and the anthrax. And that would not absolutely conclusively point the finger toward Iraq, but it would suggest that I think that is the most logical link between al Qaeda and Iraqi biological weapons programs, since we know al Qaeda and Iraqi intelligence have had a lot of ties.
BLITZER: Ambassador Butler, you studied Iraq and anthrax. Are you willing to go as far as Director Woolsey?

BUTLER: Wolf, I can save us some time. I have no difference with what Jim Woolsey has just said.

Critical point is, if it wasn't grown here by some crazy person -- and what he said about the timing of that is pretty compelling -- then the two most obvious foreign sources would have been either Iraq or the former Soviet Union. It needs to be investigated further.

BLITZER: So, let's take a look now, Ambassador Butler. What should happen next? Assuming that the Iraqi government does not relent, doesn't allow U.N. weapons inspection teams back in, what does the international community do next? What does the United States, perhaps, unilaterally do?

BUTLER: I have some concerns about unilateral action by the United States, especially if it were to happen very soon and without further evidence emerging of Iraq's connection to terrorism, and therefore, we could put that action in the context of action against terrorism as such.

I would like to see the United States have one more shot with the Security Council. We've got a new friendship going on with Russia. Russia is the one that has blocked us in the last few years to getting the job finished with Iraq. I'd like to see us go back to the Security Council and have one more shot at putting together a serious consensus there that makes crystal clear to Saddam, you have inspectors back or else.

You know, Wolf, in the past, whenever he faced such a consensus, Saddam's position was much more difficult than it is today. He is benefiting today from a split between the great powers. Let's try and put that back together.

If he still then refuses to accept inspection, then the mask has been removed. This guy would have revealed what I believe to be true, which is that his main interest is in maintaining his weapons of mass destruction.

And then, if after that, we wanted to put together some enforcement action, we'd be on stronger ground than if we headed off pretty quickly tomorrow, absent some clear link with Iraq to September 11.

BLITZER: Now, Director Woolsey, based on our previous conversations, I suspect you think the mask has already been removed and there's no need for any further diplomatic initiatives along the lines, suggested by Ambassador Butler.

WOOLSEY: I wouldn't say it's a bad idea to go try to get consensus. More allies are better than fewer. But I don't think we should start with the proposition that we need to have a very, large team here and work toward the smallest common denominator of their views.

I think the one country would be essential for us to have with us, if we should go against Iraq, is Turkey. I think we need the bases and the access, land access, to Northern Iraq.

But I don't say that we ought to move immediately. I think that Ambassador Butler's suggestions of going to Security Council is a reasonable one. But I think Iraq should stay in the crosshairs -- the Iraqi regime should stay in the crosshairs. And I think we ought to continue to make progress on seeing what we can do to remove it.
The world would be a much better place without it.

Don’t forget, Saddam tried to assassinate former President Bush in the spring of 1993. Both CIA and FBI found that was crystal clear, nothing circumstantial about that.

BLITZER: Ambassador Butler, I want to put up on the screen a poll that we have from "Newsweek" magazine that asked the American public this question: Would you support sending U.S. commandos or special forces to capture Saddam Hussein or work with local anti- Saddam forces? Yes, 74 percent; no, 19 percent.

Seems like overwhelming U.S. support to try to go after Saddam Hussein, one way or another. Is the American public right now ahead of the U.S. government?

BUTLER: The American public is well aware of the danger that Saddam presents to his own people, the Middle East region and to global security and, indeed, American security generally. And there is a strong level of support of action against the Saddamist regime. I can understand where that comes from.

Let me take a leaf out of George Mitchell's book a few moments ago, when he was talking about the Israel-Palestine problem. You've got to also ask yourself, Wolf, what happens the next day and the day after, as he so wisely said.

For us to finish with Afghanistan and move on to Iraq would be a vastly larger and, you know, potentially more complicated operation, and it would throw into question coalition unity. And it would raise the thing that we've so far relatively successfully avoided, which is the notion that somehow this is the West versus Islam.

We've got to plan this very carefully. It is good that the American people are aware of the need to deal once and for all with this awful regime in Baghdad. But, you know, we've got to ask ourselves that question, Wolf, what do we do the next day, the day after? And that's what I would be concerned to see, that, you know, we develop this in a sound way, in a way that we'll be successful.

BLITZER: All right. Richard Butler in New York, thank you very much.

Jim Woolsey here in Washington, thanks to you, as well.

We always appreciate both of you on LATE EDITION. Thank you very much.

BUTLER: Thank you.

BLITZER: Thank you very much.

And when we come back, more on the war on Afghanistan and also more on the latest violence in the Middle East. We'll speak with the Palestinian cabinet minister, Nabil Sha'ath. He's live from Gaza, right after this.

(COMMERCIAL BREAK)

BLITZER: Last night's terrorist attack in Jerusalem, in the heart of Jerusalem, at least 10 Israelis killed, perhaps as many as 150 injured followed earlier today by another terrorist attack in Haifa. Some 25 total Israelis are now dead, 200 or so injured.

Joining us now from Gaza, the Palestinian cabinet minister, Nabil
Sha'ath, who of course has been watching all of this unfold as well.

Thank you so much for, Minister Sha'ath, for joining us.

NABIL SHA'ATH, PALESTINIAN CABINET MINISTER: Thank you.

BLITZER: And I want to get right to what Secretary Powell said to me earlier, that the time for words is over with, it's time for Palestinian Authority President Yasser Arafat to take action by rounding up those responsible for these latest terrorist acts.

Can you assure our viewers that the Palestinian leadership is about to do that?

SHA'ATH: The Palestinian leadership has really kept trying to stop that violence and remain as democratic as possible.

Yesterday -- this morning actually, the Palestinian Authority had to come up with an emergency law that allows detentions, closure of organization offices and premises and a restriction on freedoms of speech, restrictions on assemblies. This is all the British law that the Israelis have used against the occupied territory for a while. We hated to put it on but we had to in order to sustain that cease-fire in every way we could.

BLITZER: So what does that mean as far as Hamas and Islamic Jihad are concerned? As you know, the charges from Washington, as well as from the Israeli government, is that they're fomenting these kind of terrorist activities, encouraging suicide bombers.

SHA'ATH: Well, they are organizing these activities, and they're declaring they're doing them. And that is really the defiance of our law. And not only the horror of the acts themselves against civilians which we had condemned, whether they're civilians killed were Palestinians or Israelis.

We are in a confrontation with Israelis, but we want to end that confrontation, and we want to go into a new mode of negotiations in order to save this peace process. When a cease-fire was declared, we want to stick to it. We tried consensus, we tried preaching these organizations.

It is very hard, I know, because at the same time that we're trying to do this, the Israelis take the law in their hand, execute people by assassinations, and continue the attack on our territory. And that make's it very difficult for us to pursue an action that is purely Palestinian to maintain a cease-fire and move on toward negotiations.

BLITZER: So, at this point, are you suggesting that the Palestinian Authority, under this new emergency law that was just enacted, that you're going to shut down Hamas and Islamic Jihad?

SHA'ATH: We are making a very clear and urgent notice to everybody that despite all the continued occupation by Israel, despite all the incursions by the Israelis, we are going to try our very best to sustain a cease-fire and prepare the ground for a next stage of negotiations.

We want to do this in order to save our people and the Israelis more killings. We are doing this to support the mission by the United States headed by General Zinni, to give him an opportunity to move us into a real cease-fire by the two parties. We will do everything necessary to sustain it from our side.

BLITZER: Prime Minister Sharon says, why not have a seven-day cease-fire, a complete cessation of all hostilities? If that happens,
that could set the stage for a resumed round of peace negotiations. What's wrong with having a week-long cease-fire to test everyone's intentions?

SHA’ATH: Yes, if he would do the same. But he wanted us to do that cease-fire and set himself as the arbiter of whether we've done it or not and continued his right to continue attacks, assassinations and incursions. That didn't work for seven months. Why would it work now?

The only way that it would work is that he would commit himself also to a cease-fire. He would pull out his troops, he would stop firing, assassinating and attacking our areas. If the two parties were to do it and if there is a third party that would monitor that, we would welcome that very much. We will be committed not to seven days, we'd be committed to a cease-fire that would last.

BLITZER: Well, you heard George Mitchell, the former U.S. senator, the international negotiator, say that both sides have to take that first painful, difficult step at a time when there's a complete lack of confidence as far as the other side is concerned.

Specifically, General Zinni, the new U.S. special envoy, the former head of the central command, a retired Marine Corps general, what do you want him to do right now to try to break this impasse?

SHA’ATH: He spent seven days trying to really learn on the ground what's going on, the intricacies, the complexities of our case.

And I think he is moving to really the implementation of what Senator Mitchell and his committee has done. That is to implement a cease-fire on the two sides and to have the United States seriously involved in a (UNINTELLIGIBLE) commission of the parties, Israelis, Palestinians and American. Hopefully bringing in more monitors on the ground to restore confidence and make sure that the two parties comply -- the two parties and not one party.

This is the only way that we can move on. Especially if there are monitors on the ground to enhance that cease-fire so that we can move in to the next stage of confidence-building and to the political negotiations.

BLITZER: When you say monitors, where are those monitors supposed to come from?

SHA’ATH: We welcome monitors from any country that is willing to send them. If the United States is willing to send them, we welcome American monitors. The Europeans already have some few monitors that have really tried their best, and if the Americans are willing to cooperate with the Europeans in doing this, we welcome that. We have really no specification as to where these people come from. Now that General Zinni is on the ground, we trust his choice of monitors.

BLITZER: Finally, Minister Sha'ath, the Israelis constantly complain, point to textbooks in Palestinian schools that they say incite this kind of violence, incite the kind of actions that lead to suicide bombers, that reject the very notion of a Jewish state in Palestine.

Is the Palestinian Authority ready to take some steps to change that kind of learning environment that perhaps could create a new generation of younger Palestinians who would willing to live alongside Israel?

SHA’ATH: I actually support very much ending that kind of incitement in Israeli books as in Palestinian books.
But I assure you, the Palestinian books we have been using are those that the Israeli occupation have allowed Egyptian and Jordanian books since 1967, under occupation, has been the books used.

If we have introduced any change, it's to introduce new Palestinian texts -- we have only six already, but they are moving on -- that don't really have incitement, that believe in the peace process, that really believe in two states side by side, the Palestinian and Israeli.

I don't think this is really the problem, Wolf. The problem is occupation. We've got to end that occupation, so that there are two states, side by side, living in peace and building their common future together.

BLITZER: Nabil Sha'ath, in Gaza, Palestinian cabinet minister, thanks for taking some time and joining us today on LATE EDITION.

And when we come back, are President Bush and the Democrats in Congress headed for a showdown over the wartime economy? We'll go 'round the table on that and more with Steve Roberts, Susan Page and Jonah Goldberg.

LATE EDITION will be right back.

(COMMERCIAL BREAK)

BLITZER: Welcome back. Time now for our LATE EDITION roundtable.


Jonah, welcome to LATE EDITION.

JONAH GOLDBERG, "NATIONAL REVIEW": Thanks for having me.

BLITZER: Thank you.

Let me begin with you, Steve.

And we just heard Nabil Sha'ath. We heard earlier from the Israeli national security adviser Dore Gold, George Mitchell, Colin Powell. You know, this conversation that we've been having on the Israeli-Palestinian conflict we could have had 10 years ago, 20 years ago. It never seems to change much.

STEVE ROBERTS, "U.S. NEWS & WORLD REPORT": It never seems, because the great curse of the Middle East is memory. And the great curse is that everybody has grievances against everybody else.

You heard Nabil Sha'ath say, well, the real problem is Israeli occupation. And the Israelis argue the real problem is the suicide bombers and the lack of security in Israel.

Hopefully -- there was a hopeful sign, though, in your discussion with Nabil Sha'ath. If they really understand that their national self-interest, the Palestinian national self-interest lies in peace, the future of their own children, the future of their own economy, the future of their own security lies in peace, and that they do become more aggressive in dealing with Hamas and Islamic Jihad, then perhaps there's a glimmer of hope.
But that's the only way it's going to happen, if both sides understand that peace is best in their own national self-interest.

BLITZER: Did you see any glimmer of hope in that conversation, Jonah?

GOLDBERG: Not much of one. You know, they want to -- they're caught in a double bind. They say on the one hand, in your interview, he said we would be glad to pay attention to seven-day cease-fire if the Israelis do X or Y. On the other hand, they say they have no responsibility for these bombings and that they condemn them and so forth.

Well, how can you say that we would be glad to impose a cease-fire if Israel did X or Y, and at the same time say you have no control over the bombings that have been going on?

It seems to me that Arafat is in a bind, where he's essentially either a paper tiger or he's responsible for these things; either he can't stop the bombing or he can and refuses to. And I don't know how he gets out of that.

BLITZER: And just at a time for President Bush when he's got a war that he's waging against terrorists in Afghanistan, trying to keep a coalition together, he finds that the whole Israeli-Palestinian situation seems to be crumbling.

SUSAN PAGE, "USA TODAY": You know, you asked, what do you want General Zinni to do, the administration's envoy. The fact is there's not very much the United States can do at the moment, I think, with this particular conflict. It's out of our hands.

But it has consequences for the war in Afghanistan.

BLITZER: Enormous consequences.

PAGE: It could put -- I don't think it shatters the coalition we have, but it certainly will put some enormous strains on the coalition if the situation in the Middle East continues as it has in the past 24 hours.

BLITZER: Is the Bush administration too late in this game because, as you know, they delayed sending a special envoy for some time? Do you have any problem with that?

ROBERTS: Well, I think that they made a basic mistake, which is saying, "I'm not Bill Clinton." And this runs through a lot of the Bush administration policies: Whatever Clinton did is a lousy idea.

And I think this is one example of it. Because Clinton had gotten so immersed in Middle East peacekeeping, it was one of the hallmarks of his administration, they said, no, we're not going to get involved.

The fact is they were always destined to get involved. American interests are too deeply involved in that part of the world. We're too tied to Israel. We have this larger question of oil supplies. We have a vested interest in keeping a lid on Islamic fundamentalism.

All our interests are involved there, and I think they made a profound mistake in saying we were not going to get involved. The dynamic of geo-politics meant they were going to have to get involved at some point.

BLITZER: Some have argued, Jonah, that that very aggressive, active involvement by Bill Clinton personally, at the end of his term, convening everyone at another round of Camp David, may
have made a bad situation even a lot worse.

GOLDBERG: I think that's definitely been proven true. The Camp David talks basically gave away the entire store to the Palestinians and basically exposed Yasser Arafat as being someone who's actually not serious about peace, in my opinion.

And I do think that just -- Steve was saying that Bill Clinton did something and therefore we have to do the opposite, that may not always be the right case, but in this one I think it was.

I think by keeping out of the Middle East for a little while, having a cooling-off period, it gave George Bush a few more chips and a little more credibility when he jumps in. And there really also wasn't anything to do in the beginning of the Bush administration.

BLITZER: Go ahead, Susan.

PAGE: Well, you know, remember at the end of the Clinton administration where he's trying so hard to get peace in the Middle East, at that same point we had the bombing of the USS Cole in October of 2000, killed 17 American sailors.

And one of the reasons there wasn't more aggressive retaliation for that piece of terrorism, which has now been tied to Osama bin Laden, is the hopes that if you didn't retaliate and upset the situation, maybe could you get this elusive Mideast peace.

I mean, it shows you, again, with this administration as with the last ones, that these goals and these activities are sometimes in conflict. Sometimes you can't get either one of them, and maybe one prevents you from getting the other.

BLITZER: All right, stand by. We're going to continue our roundtable. A lot more to talk about.

Coming up, the third hour of LATE EDITION. We'll not only continue the round table, we'll check all the top stories. We'll also be taking your phone calls for our military and terrorist panel.

LATE EDITION will continue right after this.

(COMMERCIAL BREAK)

BLITZER: Welcome back to our third hour of LATE EDITION, much of which will belong to you. We'll be taking your questions for our military and terrorism experts shortly. We'll also get back to our LATE EDITION roundtable.

First, let's check in with CNN's Donna Kelley in Atlanta for a quick check of the latest developments.

(NEWSBREAK)

BLITZER: And we're going to continue our conversation now here in our LATE EDITION roundtable: Jonah Goldberg, Susan Page, Steve Roberts.

And, Jonah, that's quite a little story we have, John Walker, 20-year-old American supposedly captured at Mazar-e Sharif. We'll be following up on that.

GOLDBERG: I smell movie of the week coming up on that one.

(LAUGHTER)

BLITZER: I suspect you will be interested that. The "National
Review" might want to follow up on that story as well.

If we are taking a look right now at the hunt for Osama bin Laden and the secondary hunt perhaps against the Taliban leader Mullah Mohammed Omar, the noose, the Pentagon says, is tightening, but you how long is this going to take?

GOLDBERG: I don't know. I don't know -- I don't have the blueprints of the cave complexes in Afghanistan. Everyone you talk to -- you can tell -- the bad news for Osama bin Laden is that around Washington is that people are starting to set up pools about the day or week that he going to get nabbed. And it does seem ultimately totally inevitable. So I think that's one of the reasons why all these debates are moving on to, "What next? Iraq?" and so forth because they're going to get him.

BLITZER: You know, some U.S. military officials point out that, in the short term at least, get getting Mullah Mohammed Omar might be more important than getting Osama bin Laden, because if you get him, the Taliban presumably would crumble in Kandahar, their last remaining stronghold.

PAGE: Well, you know, we have found though that it's -- maybe it's easier to topple a government and win in a country than it is to get an individual. I mean, we sort of learned that from the Persian Gulf War, although the situation was, of course, different.

So, you know, I think we think we are going to get Osama bin Laden. We think we know about where he is. We think he hasn't left Afghanistan. But until you've got him, you haven't got him.

BLITZER: You know, the other contentious issue that the debate in Washington, Steve, over some of the extra-constitutional, if you will, measures that are being taken -- military tribunals, detaining individuals.

In the latest "Washington Post"/ABC News poll, "Is the U.S. justified in detaining 600 people in its September 11 investigation," 86 percent say yes, justified; only 12 percent, not justified.

On this specific issue, the American public, all of the polls say, overwhelmingly supports Attorney General John Ashcroft.

ROBERTS: Well, that's certainly true. And you would expect that. I mean, there is a general sense of patriotism in the country.

And, look, civil liberties is never popular. And it's easy to stand up for individual rights when it's a popular issue. It's hard when everybody else is against you.

And I think that Pat Leahy is doing a good job in saying, look, yes, we are at war, John Ashcroft says we're at war, we are at war. But there are two wars, there's a military war, and there's a war for propaganda, there's a war for values, and there's a war for reputation.

And I think Pat Leahy is right when he says we have to be able to hold our head high when this war is over -- not just win it, but win it in the right way. Because the military phase is only the beginning. The whole Muslim world, in many ways, is in turmoil.

We have to be able to show to the world that not only have we won, we've won fairly, and we've dealt fairly with the people we've captured, and I think that Ashcroft has put that at risk.

BLITZER: You know, some conservatives, some good conservatives have also expressed concern about how the federal government is
increasing its power right now. I take it you're not one of those conservatives.

GOLDBERG: I'm not one of those -- well, it's important to remember, a lot of people don't realize this, that a huge tract of conservative intellectual tradition is anti-state, not anti-left. And so, there's this tradition of saying, don't trust the government. We're guys who sort of invented it in some ways. I totally disagree with it.

I disagree largely with your point, Steve. I think, you know, a nominal conservative, Bill Safire, has been not just wrong, but almost irresponsible in the way he's written about this. I think the coverage has been hysterical.

These commissions, first of all, can't be laid at John Ashcroft's feet, because I think one of the reasons why the PR is so bad on this issue from the administration is that it's basically a DOD and White House decision. And Leahy is basically using this as a cudgel to beat up on Ashcroft, even though it's not Ashcroft's call.

And I should be clear: My wife works for John Ashcroft, so maybe there's my bias there.

(LAUGHTER)

GOLDBERG: But I think the coverage across the board on this has been unbelievably hysterical and irresponsible. The number of people who are having their phone conversations with their lawyers taped is 12. And yet we're talking about how this is a new Orwellian climate in the United States.

I think it's been totally overblown and kind of embarrassing.

BLITZER: Susan...

PAGE: Let's see what they actually do, as opposed to what they say.

GOLDBERG: Fair enough.

PAGE: I mean, the fact is, the administration bought some of this trouble themselves by not letting Congress in on the plans for military tribunals, for one thing, when they were considering the anti-terrorism legislation. I mean, that's one of the dynamics here, is Congress is saying, you want us to support you, let us in on the takeoff.

One result of the criticism the administration got is that they've started to define what they're going to do in a more limited way, which would have been a smart thing to do from the start.

ROBERTS: That's a very important point. I agree with you, because no hearings were held on this, it was virtually done in secret. It was just announced one day. The whole point of this process is to have consultation, let legal scholars look at it, have the kind of conversation we're having here. We didn't have any of that in this country. We're having it after the fact.

And I think the result is that the administration is pulling back, and now they're saying, wait, this is going to be very restricted, very limited.

So I think Pat Leahy, in fact, has done exactly the right thing and has had a beneficial effect because the administration is pulling back from some of this.
GOLDBERG: You may be entirely right about the optics or the PR aspect of this, that it looks bad for the administration to do this unilaterally without consulting Congress, and we should always consult Congress, because they're such nice people.

But on the substance of it, when you read the criticism that has been thrown out there, you would not think that FDR was far more draconian, or that Truman was more draconian, or let alone Abe Lincoln or George Washington.

It's as if the Bush administration is -- you know, all this talk about kangaroo courts and drumhead tribunals and all that. It's all poppycock, it's all embarrassing. And the reality is that we're talking about having this as an option, and the American people see through it, even though the coverage of it and the discussion of it has been so skewed.

BLITZER: All right. We're going to leave it right there.

But a quick question: Bill Safire, a nominal conservative?

GOLDBERG: Bill Safire is a contrarian, and that's how he describes himself. And sometimes, if you say two plus two equals a banana, just because you're being contrarian, doesn't mean you're right.

BLITZER: All right.

We'll get his response to Jonah Goldberg. Thank you very much.

(LAUGHTER)

BLITZER: Jonah Goldberg, Susan Page, Steve Roberts, thanks very much.

When we come back, we'll speak with two retired military generals. And Robin Wright of the "Los Angeles Times." Then I'll be taking your phone calls. Get ready, LATE EDITION will be right back.

(COMMERCIAL BREAK)

(BEGIN VIDEO CLIP)

DONALD RUMSFELD, SECRETARY OF DEFENSE: It is a complicated, three-dimensional problem. And it is not checkers, it's chess, and it's hard.

(END VIDEO CLIP)

BLITZER: U.S. Defense Secretary Donald Rumsfeld talking about the difficult task of putting a peacekeeping force together in Afghanistan.

Welcome back to LATE EDITION.

We're taking your phone calls for our CNN military analysts, Major General retired U.S. Air Force Donald Shepperd; Robin Wright, the national security staff writer for the "Los Angeles Times"; and retired U.S. General Wesley Clark, the former NATO supreme allied commander.

Thanks to all three of you for coming in.

I want to get through a lot of these issues right now.

But, General Clark, there's a new "Newsweek" -- excuse me, a new CNN/"USA Today"/Gallup Poll that came out this past week that asked this question: If bin Laden is not captured, will the U.S.
have succeeded in Afghanistan? Yes, 41 percent; no, 55 percent. Isn't a lot of this dependent on the capture of Osama bin Laden?

GEN. WESLEY CLARK (RET.), CNN MILITARY ANALYST: I think bin Laden is a symbol of what it takes to breakup the al Qaeda network and I think that if he's captured it's pretty clear symbolically it's broken up. If he's not, then it's going to require a more detailed examination to see whether we've broken up the network or not. And if that network has been broken up substantially in many countries around the world, then perhaps it could be a called a victory. But I think for the American people right now, the polls correct. I think they do expect bin Laden to be taken because that symbolizes the defeat of the network.

BLITZER: It shouldn't be all that difficult given the fact that the U.S. and its coalition partners and the Northern Alliance, the rebels, Pashtuns who have defected. They seem to be taking more and more of the country under their control, finding Osama bin Laden shouldn't be impossible.

CLARK: Not impossible but, oh, yes, it is very difficult, Wolf. Think about one man in the state of Texas and all the places you could hide. Even as you start coming down, now what's left of Texas is San Antonio, Austin, all of south Texas.

Now you're going to narrow more and more places. You're not going to be looking for him everywhere. You're going to focus your sensors. You're not going to go in every cave. He's going to leave a trail, every time he talks, every time he spends money, every time he eats and resupplies it's becoming easier. It's not impossible, but it's still real hard.

BLITZER: Does he have any significant support left even within Afghanistan right now, Osama bin Laden, who could protect him?

ROBIN WRIGHT, "LOS ANGELES TIMES": That's a very good question. One of the other issues is even if there is support for him, are they able to help him. I mean, the United States very early on destroyed all the communication networks, his ability to move other than on the ground. So that it's not just an issue of whether there's support, whether they could even make a difference in trying to save him.

BLITZER: And he has, really except for some rhetorical support outside the Arab world or in the Muslim world, not a whole lot of tangible assets that can he call on, does he?

WRIGHT: I think he has a number of different cells operating places, but I think his ability to communicate with them is also very difficult. One of the interesting things about bin Laden is, he was never a champion of Arab world causes. He was not one who used his millions to help the Palestinians. He didn't, he didn't go out on the streets or encourage people to go out on the street to help Saddam Hussein or the plight of the Iraqi people. Only lately has he included some of the language in some of his (OFF-MIKE) and his (OFF- MIKE), but he hasn't done anything actively.

BLITZER: General Clark, Charles Krauthammer, a columnist in the "Washington Post," wrote this among other things on Friday. He said: the Taliban's collapse shatter two myths. Islamic invisibility and American weakness. Myths amplified over eight years by the Clinton administration's empty gestures and demonstrable impotence in the face of Islamic terror.

Is that fair to condemn the Clinton administration for a lot of these problems right now?
CLARK: Well, I think that the roots go back a long way and they go back certainly to the bombing in Beirut in 1983 and elsewhere. The Clinton administration used force again and again in an effort to protect Islamic countries, but power speaks very strongly around the world and especially in the Arab world.

And so when the United States uses power as we did in Kosovo and Secretary of Defense Cohen related to me as he came back through the Gulf region after that how pleased and complimentary the leaders of the Gulf states were. Power speaks, and the power that the United States has shown in Afghanistan is the best form of diplomacy at this stage.

BLITZER: Everybody likes a winner.

Let's take a caller from Canada, go ahead with your question.

Canada, go ahead.

No phone call from Canada. We'll try to get to that phone call in a moment.

If you take a look right now at the military picture on the ground in Afghanistan, about 80 percent or so under the control more or less of the Northern Alliance, other pro-U.S. kinds of forces. What will it take to get the job done in the remaining Taliban strong hold of Kandahar?

MAJ. GEN. DON SHEPPERD (RET.), CNN MILITARY ANALYST: I think Kandahar will fall probably within a week to two weeks as it's playing out here. Now one thing could happen is a big battle to the death with the remaining elements. The other is basically a negotiated settlement somewhat like Kunduz with people escaping to the mountains.

BLITZER: But not Mullah Omar, you heard Defense Secretary Rumsfeld say, he's got to be captured. There's no deal for him.

SHEPPERD: Got to be captured, but there are still a lot of places he can go even if Kandahar falls. So he could get out of Kandahar. Lots to be done on stabilizing that whole country, bringing the roll of law back and then finding the rest of the al Qaeda cells and of course bin Laden himself. Still lots to be done.

BLITZER: And Robin, I know you're traveling with the secretary of state tomorrow when he goes on this ten nation, eight day tour. But Pakistan's got to be looking at all of the situation and its neighbor Afghanistan right now and President Musharraf must be somewhat nervous. WRIGHT: Well, I think incredibly nervous, in part because there's no authority in place because there are still differences even though there's an agreement in Bonn to put small cabinet in place. That's only for four or five months, and then you get done to the really tough questions of what kind of structure do you create. What kind of constitution do you write and more importantly, who's really going to rule long term?

And anything, any instability ongoing, any differences inside Afghanistan spill over into Pakistan in part because of the Pashtun, the largest population in Afghanistan. It's also a very significant part of Pakistan's population.

BLITZER: All right, let's see if Canada is ready now.

Go ahead, Canada, with your question.

QUESTION: Hello.
QUESTION: If we found bin Laden and he has weapons of mass destruction, assuming we're not taking prisoners, what would the consequences or destruction be to Afghanistan.

BLITZER: All right, General Clark, do you want to handle that.

CLARK: Well, we're always very careful whenever we bomb to make sure we know what the consequences would be. So if there were chemical agents dump, let's say, then we'd be very careful not to strike those. If it's a biological weapons lab, we would like to know what's in that lab before we hit it and disperse a lot of the agents.

We've been careful on this in the past. If it's a -- if it's nuclear materials, the same. So I think we're going to look very carefully at this. There may be some inadvertent release that we're not aware of, but basically if we were to strike and there was a big stockpile, it could have some consequences.

BLITZER: I think I was pretty surprised and maybe you were as well, General Shepperd, and our other panelists, over the past couple of weeks with the fall of Kabul. A lot of reporters, including our Christiane Amanpour and others, went in and found all sorts of documents relates to weapons of mass destruction and chemical or biological warfare, that were just sort of lying around.

Don't you think the U.S. military or -- would have been able to go in there and capture this kind of documentation, before reporters had a chance to find it?

SHEPPERD: No. I don't think we knew where it was. I think people stumbled upon it in a large area. This wasn't just one or two locations. It was spread all over. And it indicates a couple things. It is widespread and, two, a very hasty exit with stuff thrown around. And remember, these people weren't producing this stuff, they were probably getting a lot it off the net and that type of thing, so it remains to be seen, as we analyze this, whether it's serious stuff with material there, getting close, but I kind of doubt it. I think it was a hard (OFF-MIKE).

CLARK: There is one other thing that comes out of this, Wolf, and it shows you, when you don't have a large ground presence and you're dealing with a few special operations forces, that they can't be everywhere. They couldn't possibly have gone through every house and searched it. Whereas, in a more conventional campaign, if you'd had 20,000 ground troops going in, you'd have been there before the reporters. So thank goodness for those reporters and their hard digging.

BLITZER: Even those Taliban, the al Qaeda supporters were in a rush to escape or they didn't have shredders (UNINTELLIGIBLE) did destroy some of those documents.

All right, we're going to take a quick break. A lot more to talk about.

They'll be taking more of your phone calls. LATE EDITION will be right back.

(COMMERCIAL BREAK)

BLITZER: Welcome back. We're taking your questions and phone calls for our panel of military security experts here on LATE EDITION.
Let's take another caller from California. Go ahead, please.

CALLER: Hello.

BLITZER: Go ahead.

CALLER: Can you hear me?

BLITZER: We hear you fine.

CALLER: OK, because I can't hear you very well.

BLITZER: All right. Go ahead with your question.

CALLER: My question is to both generals.

Steve Roberts a while ago said he agreed with Senator Leahy that the military -- the new military tribunal should not be permitted. And I'm a decorated combat veteran in World War II, Purple Heart and everything and active in veterans organizations. And I strongly support all the steps that can be taken to win this war against terrorism. We lie, do anything that's necessary. In wartime, the objective is to win and that's what should be done. And this is step in the right direction.

BLITZER: I'm...

CALLER: I wonder if the generals agree with me? BLITZER: All right. I'm not sure you accurately -- completely accurately reported what Steve Roberts said, but let's let General Clark, these military tribunals...

CLARK: I think there's certainly...

BLITZER: ... they've been a source of a lot of controversy.

CLARK: They are. I think it's a very important option for the president to have, because it defines one end of his spectrum of power. But I hope that people will recognize that, really, it's not just about putting somebody on trial and then finishing them off, but it's also about building legitimacy or, in this case, demonstrating his illegitimacy.

And so, it would seem to me that the more of such a trial that can be made public, the more the evidence can be made public, the more it appears to be a real trial and a real exercise in justice and jurisprudence, rather than a military tribunal, the stronger the American position is in the world.

BLITZER: And some have suggested, including William Safire, these are going to be kangaroo courts. You're convicted before you even have a trial.

SHEPPERD: Oh, come on. Now, that -- now, first of all, military just has got a really bad rap over this issue, because this is not about military justice, it's not about the uniform code of military justice, which is a very fair code. In fact, under the uniform code, you can argue that there are more protections than under civil codes in many cases there.

So this is about a political process and a political reason to do this for reasons other than military justice. I think there is a way we can make this fair. Put the right kind of people as judges. They are not going to be kangaroo courts if implemented. And the president's going to decide who faces those courts. I've got faith we can do it right if the president decides to do it.
BLITZER: Now, Robin, the whole question of Iraq, of course, very much on the minds of a lot of U.S. officials. An editorial in USA Today the other day on Thursday said this: "The administration doesn't need an indisputable September 11 connection to act. Saddam's weapons program is a blatant violation of the Gulf War surrender agreement. Iraq's turn in the war on terrorism must surely come. But that moment has not yet arrived."

As far as your reporting is concerned, how seriously is the Bush administration thinking about targeting Iraq?

WRIGHT: Well, I think it's thinking very seriously about it. And I think there are certain quarters that are thinking more seriously about it than others. But I think they haven't made a decision. The secretary of state, all branches of government have made that very clear. They have a long way to go. And I think that very early on in Operation Enduring Freedom, they decided that they were going to do Afghanistan first and then look down the road. I think there are a lot of intelligence operations, a lot of preparation going into it.

But I think -- I would be very surprised to see some kind of conventional military operation in Iraq. I can see a lot of combinations of helping the various opposition groups, intelligence. But I doubt we'll see anything like we saw 10 years ago.

BLITZER: A conventional military operation against Iraq would require a huge amount of resources, bases in Saudi Arabia, which obviously may or may not happen, probably won't happen, at least in the short term. As far as you know, is anybody thinking about that kind of Desert Storm operation with a half a million U.S. troops deployed to that part of the world?

CLARK: Well, I have to go back to the formulation that the Bush administration has used time and again. They have said nothing's ruled out.

So if I were Saddam Hussein, I wouldn't expect that I had freedom to exclude that as an option. There are other options that are more expedient.

And I think on your show previously, both Jim Woolsey and Richard Butler have talked about this and about how you'd use the United Nations. You'd bring international law. You'd put a coalition. You'd put the squeeze on. You can then go to special forces and support for the Iraqi National Congress. You can use air power. But the ultimate hammer, don't rule it out.

WRIGHT: But there is something very different from both the operation in Afghanistan and the operation against Iraq 10 years ago and that is the very question of a coalition.

And so far, all of our allies, including those in Europe, Britain particularly, which has stood by us time and again, have all indicated so far they are not interested in any kind of conventional military operation and wouldn't support us in any kind of formal engagement.

CLARK: Well, they have indicated that. But this is modern war. And in modern war, as we saw in Kosovo, you get your best results when you line up the law, diplomacy and force.

And so I think the president's made the right step, first step, by going and calling on the United Nations and calling on members of the United Nations to enforce the sanctions regime already in place against Iraq and calling on Saddam Hussein to show his weapons sites in compliance with U.N. directives.
Now, it's going to be up to U.S. diplomacy to strengthen a coalition and build the support that's necessary for eventual action.

BLITZER: You know, before the terrorist incidents in Jerusalem and Haifa over the past 24 hours, a lot of speculation in the Israeli press that Prime Minister Sharon, in his meeting with President Bush, would raise the issue of what Israel might do if the Iraqis are attacked and then they lash out as they did 10 years ago against Israel with Scud missiles or something else.

As you well remember, General Shepperd, during the Gulf War, the U.S. managed to keep the Israelis restrained on the sideline. But that probably won't happen again.

SHEPPERD: That'd be difficult to do again. This complicates it even more if you have the scenario you just outlined.

But back to Robin and General Clark's discussion there, you -- no matter how you deal with it, the cross hairs have to be on Iraq if you're serious about terrorism. Now, you can figure out whether to do it diplomatically. You don't have to go next. You don't have to go militarily. But you do have to deal with it and you have to deal with it seriously.

Hopefully, it'll be solved within Iraq. That'd be the best of all possible solutions is to have one of the colonels -- and he may be running out of colonels, by the way -- one of the colonels rise up and take over the country. Hopefully, that'll be the outcome.

BLITZER: All right. Let's take another caller from Connecticut.

Go ahead, please.

QUESTION: Yes, thank you. Where does it say in the Constitution that we have to extend -- that we have to extend the same rights to illegal aliens or people that we have captured outside the country?

BLITZER: Anybody want to handle that one?

CLARK: It doesn't say it and there is nothing that would require us to extend such rights. And it's a question of really what the U.S. objectives are in this case. We know we're going to smash the al Qaeda network. And I believe we're going to get Osama bin Laden and we're going to bring him to trial.

And so then the question is what do you want to do with trial? Is it just the quickest means to either incarcerate him or give him capital punishment? Or is it something larger than that? And I would hope it's a larger purpose. I hope that the evidence will come out in enough detail that people around the world can really appreciate what the United States has gone through by being a target.

And they will really understand illegitimacy of the al Qaeda network and international terrorism and will get much stronger, much deeper support from so many countries around the world than we actually have today.

WRIGHT: If that evidence is finally put on the table, then we may also be able to build coalitions much more easily for other operations against terrorism in future because we'll have that great credibility. BLITZER: Robin, you covered the Middle East for a long time as well, including South Asia. You have been there many, many times. I'm wondering what you think the impact on the U.S. war in Afghanistan will be from this latest round of violence,
terrorism in the Middle East?

WRIGHT: Well, I think you actually have to separate the two. South Asia is unto itself, it reflects one trend and that's the kind of rage we've seen among Islamic militants. I think the Arab-Israeli conflict is something that dates back a half century and plays on the same kind of anger, uses the same kind of idiom -- Islam, because that's about the only thing that's available. But they are quite separate.

What happens in both of them will clearly tell us where the whole movement is going. If we are successful in Afghanistan, then we may well be able to pull the rug from underneath these extremists and say it doesn't work.

There is a better way. If we can create an Afghanistan where there is come viable government, where there is a chance for all the different factions to have a stake in the political system and in determining their own destiny. The same thing goes to the Arab-Israeli conflict. But if there is movement. If there is not movement on one or some kind of bog down in either, and you can see the Islamic extremist movement becoming a threat long term, in a lot of different ways, including new ones.

BLITZER: All right. Robin Wright, General Clark, General Shepperd, thanks for joining us. Thank you.

And up next just ahead, there's a new article in Vanity Fair raising questions about the Clinton administration's effort to find Osama bin Laden. Could the September 11 attacks have been prevented? We'll talk with the author and a former Clinton State Department official.

Stay with us.

(COMMERCIAL BREAK)

BLITZER: Welcome back to LATE EDITION. There's a new article in Vanity Fair raising questions about the Clinton administration's effort to find Osama bin Laden and his al Qaeda network.

In Oxford, England, we're joined now by the author of that article, the journalist, David Rose. And here in Washington we are joined by the former assistant secretary of state during the Clinton administration, Susan Rice. She was the assistant secretary of state for African affairs.

Thanks to both of you for joining us.

And, David, let me begin with you. One of the most provocative lines in your article in Vanity Fair says this. And we'll put it up on our screen: "If the 1998 plot, referring to the twin embassy bombings against the U.S. and East Africa, had been foiled, perhaps there would have been no September 11."

You make the case in your article that the Clinton administration was derelict and could have prevented those embassy bombings in 1998, and that in turn may have prevented September 11. What's the gist of your point?

DAVID ROSE, JOURNALIST: Well, it's very simple. The Sudanese government had been keeping a very close eye on bin Laden and his close associates in the early '90s, from '91 until his expulsion in '96. They knew that he was consorting very closely with the organization which is now more or less merged with al Qaeda, the Egyptian Islamic Jihad, that's what first drew bin Laden to their attention as a potential terrorist.
And from 1996 onward they offered this information to the United States. Repeatedly, it was turned down. That information included detailed biographies, photographs, the place within the organization of some of those who played a very direct role in the 1998 embassy bombings, who went on to play a planning role in the 2001 atrocities.

And therefore, it seems reasonable that if these offers had been taken up when they were first made, then in any event, the ’98 bombings may not have taken place. The organization would not have had that first stunning success, and perhaps it wouldn't have gone on to what it's done this year.

And I should say that it's not just myself who's come to that conclusion, it is the last ambassador, the last U.S. ambassador to the Sudan, Tim Carney, who says that very emphatically in my article.

BLITZER: All right, let me bring in Susan Rice.

You were the assistant secretary of state for African affairs, in charge of Sudan. A, did the Sudanese government at that time offer you information, documents about Osama bin Laden and his al Qaeda membership that you turned down?

SUSAN RICE, FMR. AFRICAN AFFAIRS ASST. SEC. OF STATE: Absolutely not.

The fact is, this story unfortunately is erroneous and irresponsible. It just don't make sense. Let me be welcoming of this opportunity to set the record straight, and tell you what the facts are.

The facts are that from 1994 through January of 2001, Clinton administration officials up to and including up at the cabinet level met repeatedly with government of Sudan officials. State department officials did this, law enforcement officials, intelligence officials on countless occasions, in places from Addis Ababa to Khartoum to Washington to New York and Northern Virginia. And never, during those many, many meetings, was there ever an offer of such documents, were those documents ever provided, and in fact, out of those meetings, didn't even come any detailed, significant information that our law enforcement or CIA agents, operatives found to be of any operational significance. Very importantly, from May of 2000, through virtually to the present, and for 15 months prior to the embassy bombings, at the Clinton administration initiative, we had a counter-terrorism team in Sudan on a full-time basis. Their sole purpose was to get as much information from the government of Khartoum on terrorism issues as possible, and during that time, whether under the Clinton administration or the Bush administration, prior to the 9/11 attacks, never did they hand over such files.

BLITZER: All right.

Let me break in, David. David Rose, you heard Susan Rice make the case that they simply never got such an offer, an offer that you describe in great detail.

ROSE: Well, I’m very surprised to hear her say that, because I've spoken to at least five very senior serving Sudanese officials and also spoken to several U.S. citizens who were involved as back channels in conveying this offer, and of course to Ambassador Carney, and indeed his predecessor Ambassador Peterson (ph). All of them say the same thing.

But I wondered if I could perhaps turn it back to Dr. Rice and ask...
her two questions.

I understand that she never visited Khartoum herself in her time as assistant secretary. She did, however, visit the south of the country, the rebel-held territory in the Sudan. This is a country which of course the United States did have diplomatic relations with. She entered the rebel-held territory, in the eyes of the Khartoum government, illegally. She never want to Khartoum. At the same time, the last Sudanese ambassador to the United States...

BLITZER: Well, let me let her...

ROSE: ... Mahdi Ibrahim (ph) (OFF-MIKE) meeting with her.

So who were these people?

BLITZER: All right. Let me let her respond to that, although I'm not exactly sure it's germane to the specific issue at hand, but did you visit the south of Sudan but never went to Khartoum?

RICE: I went to Khartoum with then U.N. ambassador Madeleine Albright in 1994. So that's false.

But let me say several things. In the first instance, there were numerous occasions, as I said previously, in which we had these meetings with the Sudanese government. We asked for this information. It was never, ever provided.

You have to consider the sources. Mr. Rose himself points out that his sources were the government of Sudan. His other principal source was American woman who is a paid lobbyist for the government of Sudan. He also refers to Ambassador Carney. Ambassador Carney I'm puzzled by, because in fact he was in some of those meetings in which we had this counter-terrorism dialogue with the Sudanese. He was unfortunately very angry at the Clinton administration and at Washington for the decision to close his embassy in Khartoum soon after he got there. And perhaps that anger has colored his recollection, but he was in those meetings, other American official had countless meetings, and they took place, and in none of those circumstances was any of this information provided.

BLITZER: All right. What about that, David Rose?

ROSE: Well, it seems to me that we have a substantial difference in recollection between those involved. Because Ambassador Carney, I don't think he is coloring his account here, he is describing what happened.

There is another American citizen who was a back channel, who had extremely good access to the Clinton administration, Mansour Ijaz (ph). Now, he actually shared Christmas dinner with the Clintons in the White House. Now, he made at least six trips to Khartoum in 1996 through 1997. His initiative resulted in a letter to the then ranking Democrat on the Senate Foreign Relations Committee, Lee Hamilton, in which there was virtually an explicit reference to the offer to hand over information on terrorism.

Now, I know that the then Senator Hamilton took that letter to Sandy Berger (UNINTELLIGIBLE) Security Council, and he took it to the State Department. There was no reply made.

BLITZER: I want to just correct you on one thing, it was Congressman, Representative Hamilton, he wasn't a senator.

ROSE: I'm sorry, I'm sorry.
BLITZER: But that's just a technical detail.

Mansour Ijaz (ph), a Pakistani -- American of Pakistani ancestry, who is reported in the article of made these back-channel visits to Sudanese leaders. The Sudanese government was anxious to be removed from...

ROSE: And certainly wasn't being paid, I should say.

BLITZER: But the Sudanese government, Susan Rice, was anxious to get off the State Department list of states that officially sponsor terrorism. You made it clear to them at that time what they would have to do to get off that list.

RICE: Absolutely.

We didn't need back channels like Mansour Ijaz (ph) because we had front channels, we had numerous direct, repeated exchanges with the government of Sudan on counterterrorism, none of which yielded anything.

Mr. Ijaz (ph) can speak for himself, but I think his interests included business interests in Sudan, including in the oil industry. He was not the lobbyist to which I was referring, that was another woman referenced in Mr. Rose's article.

But the fact is, if the government in Khartoum wanted to share this information, if they wanted to give it to us, they had countless opportunities to do so directly. If they didn't want to do so directly, they could have come up with any number of ways. They could have given it to their good friend Ambassador Carney, they could have given it to American officials in New York or in any one of our embassies around the world, they could have dropped the box in front of the State Department. They didn't do that.

And I believe they didn't do it under the Clinton administration or the Bush administration until after 9/11 because they weren't interested in doing so.

BLITZER: David Rose, I read your article, obviously, very carefully. What I didn't understand was, if there was this information that was being made available without any quid pro quo, without any conditions attached, why wouldn't the Clinton administration simply say, sure, we'll take a look at that information about Osama bin Laden and al Qaeda.

What was the downside to going ahead and simply taking the information if, in fact, it was being offered?

ROSE: Well, I think two reasons. The first is an intelligence failure.

Under the Clinton administration, the CIA was forced to withdraw more than 100 reports, which had emanated from inaccurate sources in the Sudan about alleged Sudanese involvement in terrorism, and these had led to fast-kill episodes, like the former National Security Adviser Tony Lake being uprooted from his home because there was a belief in a bogus assassination plot that the Sudanese were somehow going to kill him in Washington. It led to the withdrawal of American personnel from the embassy in Khartoum. The information on which all that was found was false. At the same time, and this is what I was really...

BLITZER: So the point...

ROSE: ... out earlier.
BLITZER: Let me...

ROSE: I think the state...

BLITZER: ... let me interrupt you for a second, so what you're suggesting is because there was some false intelligence that resulted in bad judgment, as a result of that, the Clinton administration decided not to accept other information? Is that what you're saying?

ROSE: No. It goes further than that. There was, on the one hand, false intelligence about what the Sudanese government was actually doing, but there was also a much broader hostility to the Sudanese government. I referred earlier to the fact that Dr. Rice, at the time, she was assistant secretary and didn't go to Khartoum, but she did go to rebel-held territory. She also didn't actually meet the ambassador Mahdi Ibrahim who was trying to draw this information to her attention. And the reason was that the administration was basically trying to undermine the Sudanese government. It was channeling various kinds of support to the rebels...

BLITZER: All right.

ROSE: ... it was working closely with governments bordering Sudan, which were hostile to it and they were trying to undermine the country and so any...

BLITZER: Did you...

ROSE: ... kind of offer of help from that country, they were minded to reject.

RICE: But this is...

BLITZER: Point that he makes of the article is that the Sudanese ambassador here in Washington, who had studied in the United States, was friendly towards America, repeatedly sought to meet with you, but you repeatedly refused to meet with him.

RICE: Wolf, this series is -- this article is an erroneous series of non sequiturs events. First of all, I did meet with the ambassador Mahdi Ibrahim, so did my principle deputy, so did many others in the administration.

I also met on two occasions with the Sudanese foreign minister who happens to be superior to the ambassador in Washington. Undersecretary of state for political affairs, Tom Pickering, met senior Sudanese officials, so did U.N. Ambassador Richard Holbrooke, so did State Department counterterrorism coordinator Michael Sheehan on numerous occasions.

This is nonsensical. The reality is, meetings occurred repeatedly. We sought in those meetings as much information as we could possibly glean from the Sudanese for the precise reason you said.

We had every interest to take any opportunity to receive any useful intelligence information from the government of Sudan, regardless of whether we were happy with their behavior with respect to being a state sponsor of terrorism, regardless of our other concerns and that is why we maintain this dialogue over many years and it's why we initiated the dispatch of a full-time team to Khartoum for many months, precisely to obtain any such information and we got nothing of great value.

BLITZER: David Rose, I want to give you a chance to respond to that. Go ahead.
ROSE: Yes. Well, if -- I'd like to say, if the administration was so keen to take up offers of help, why is it that when the Sudanese arrested two suspects for the 1998 embassy bombing by bin Laden and his network and offered these suspects to the U.S. for extradition, the U.S. replied, by bombing the al-Shifa pharmaceutical factory on the basis of entirely erroneous intelligence that it was making chemical weapons.

Dr. Rice says that she met Mahdi Ibrahim. She met Mahdi Ibrahim when he came to withdraw his embassy after that mistaken bombing. So I don't think that she's actually giving us an accurate picture of what was really happening.

I'd like to ask her why did they refuse the offer of those two suspects?

RICE: First of all, yet again, these facts are inaccurate. I did not meet with him after he had come to withdraw his credentials. I met with him before that.

Secondly, and then that's a side point that really is irrelevant. Mr. Rose alleges in article that there was cable from Sudanese intelligence to the FBI offering two suspects, following the embassy bombings. The FBI had personnel all over East Africa, the day after the embassy bombings. They were looking to pursue any and all leads.

And I find it completely implausible that, had the FBI had the opportunity to go after any suspects in the region that were deemed valuable in the period of time between the bombings of our embassies and the 13 later, when al-Shifa was struck that they wouldn't have taken up such an opportunity.

BLITZER: All right. Well, unfortunately we are all out of time. We're going to have to leave it right there.

But I just want to ask you one final question. In the article, Susan Rice, David Rose says he repeatedly tried to get in touch with you and Madeline Albright, other officials to get your side of the story. And you were never available for that. Why didn't you help him better understand, perhaps, your position?

RICE: Thank you for asking that, Wolf. He actually said we repeatedly would not -- declined the opportunity to talk to him. That is false, and Mr. Rose knows it. We actually did talk. We agreed -- I committed to...

ROSE: I do not know it.

RICE: We did. I committed to meet with him. I won't bore your listeners with the details of the talk with him. We called each other. We missed each other. That was the same thing that apparently happened with Secretary Albright. And there was a month of lead time between the publication of this article and our efforts to reach one another.

And I think if Mr. Rose and Vanity Fair had really wanted to talk to me, they would have done so. I regret that they hadn't.

And I thank you, Wolf, very much for the opportunity to set the record straight.

BLITZER: Let me give you the last word on that, David Rose, go ahead.

ROSE: Well, I made strenuous efforts to get in touch. And we had
a call arranged for 10 o'clock on a Friday morning. I'd spoken to
her directly two days earlier than that. She said she didn't have
time to talk to me then. She said she would talk to me two days
after that. When I called, her nanny answered the telephone. She
didn't call me back for another five days.

RICE: David Rose never left me his...

ROSE: By that -- I had made it clear that we needed -- that was
the deadline. It was by that stage -- it was -- well, she left a voice
mail message five days after the deadline. I still tried to reply to
that. It would have made production havoc for the magazine. We
tried to get her comments in, but she just wasn't available. When I
replied to her voice mail, she had gone out.

But the fact is, there was all the time in the world if she wanted to
speak to me. And she says she lost my number, she had only to
call Vanity Fair and ask there.

RICE: You never left me your number, David.

I hate to get into this kind of muck.

BLITZER: All right, 10 seconds.

RICE: That is simply false. Mr. Rose did not leave his number. He
had no answering machine. When he was asked to leave his
number...

ROSE: So how did she call me?

RICE: ... for me, he didn't.

Because I went and did some research...

ROSE: How did you call me? In the end, you called me.

RICE: ... five days later and found your number. But that's really
neither here nor there.

BLITZER: All right, we're going to have to leave it, unfortunately,
right there. The article, of course, is in Vanity Fair.

Susan Rice, the former assistant secretary of state for African
affairs, thanks for joining us.

RICE: Thank you, Wolf, for the opportunity. I appreciate it.

BLITZER: David Rose, thanks for taking some time out from your
work in Oxford, England. We appreciate it very much.

ROSE: Thank you.

BLITZER: And just ahead, Bruce Morton's "Last Word."

(BEGIN VIDEO CLIP)

BRUCE MORTON, CNN CORRESPONDENT: Mr. Bush speaks of evil-
doers. Biblical language comes naturally to him. And Saddam
Hussein would probably make anyone's evil-guys list whether he'd
done anything to the United States or not.

(END VIDEO CLIP)

BLITZER: Where will the next battleground in the war on terrorism
be? Stay with us.
Everything changes, even war. World War II proved, for instance, that air power alone couldn't win. London withstood the blitz. Germany withstood all the bombs the allies dropped. But you needed ground troops. Same thing in Vietnam, where the U.S. troops dropped even more tons of bombs than in World War II.

But bombing has improved. It was decisive in Kosovo, although there were some troops on the ground. It has been decisive in Afghanistan. Again, there were troops on the ground, but the Northern Alliance only started to win battles when the U.S. came in with air support.

So that's changed. What may not have changed is that making peace when you have a lot of different factions involved is very hard.

Just look at all claims and counterclaims this past week. Yes, an international force is OK. No, it isn't. Hey, who are you to speak for Afghanistan? Why aren't there any Pashtuns at this meeting? And so on. It's hard to remember when Afghanistan had a government most Afghans liked. And maybe the best hope is simply for some sort of loose coalition in which warlords don't fight each other very often.

And now people are already wondering where President Bush's war on terror will go next. Bomb Iraq, some say; but there is no evidence so far that Iraq has done anything directly against the United States. Invaded Iran, yes. Kuwait, yes. Used chemical weapons against its own people, yes. But no direct action against the U.S.

Mr. Bush speaks of evil-doers. Biblical language comes naturally to him. And Saddam Hussein would probably make anyone's evil-guys list, whether he'd done anything to United States or not.

Still, the president could do less dramatic things than bomb: could encourage, train, arm Iraqi opponents of Sudan, Kurds, Shi'ite Muslims, whomever.

And he has other targets. The guerrillas in the Philippines, for instance, who reportedly follow Osama bin Laden and whose hostages include Americans. Support for the Philippine government against the guerrillas might help.

I'm Bruce Morton.

The president has had success so far, both militarily and in keeping his anti-bin Laden coalition together. It will be interesting to see where he goes next in his war on terror, and how many of his coalition partners go with him.

I'm Bruce Morton.

Thank you, Bruce.
And that's your LATE EDITION for Sunday, December 2. I'm Wolf Blitzer in Washington. Thanks very much for watching.

TO ORDER A VIDEO OF THIS TRANSCRIPT, PLEASE CALL 800-CNN-NEWS OR USE OUR SECURE ONLINE ORDER FORM LOCATED AT www.fdch.com