Dan Quayle

November 23, 1981

I happened to catch Dan for a few minutes for a post mortem on the budget. I asked was it an exercise in futility?

"Sure it was an exercise in futility once the President was not on board. Domenici got caught in the middle. When we first met in caucus, he was going to go along with what the President wanted; but Armstrong and Symms and some of the others kept pushing him and he changed his mind. What he came up with was a partisan budget. I told him at the very beginning 'Pete, you just can't go over in that way.' But you'll remember that the first time around, he lost Armstrong, Symms and Grassley and he didn't want that to happen again."

"I haven't got him figured out yet. He'll bend. But I don't know what he really wants. He never called me and said he had to have me on that vote. He probably knew, from what his underlings told him, that I was not going to change no matter what. But Armstrong and some of the others tried to convince me I was wrong. I didn't like going against the chairman of the Committee. That isn't any fun you know."

"Where I'm coming from the President has a lot of confidence in his program. He's got a lot of faith, as he says. Inflation is coming down, interest rates are coming down. Sure, unemployment is going up, but you have to decide what you want to tackle. You can't do it all in one year. I believe as he does that we ought to wait and let things jell. It's only 47 days..." (Barbara later said how <u>optimistic</u> he is. And I think he resonates with Reagan on this business, and that is an important ingredient. Recall Bob Fulton's theory that RR always sides with the most optimistic adviser.

"Once Domenici decided to oppose the President, it was a political fight. 'They got Johnston to vote present' to counteract my vote. Then they hoped they

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could get Nancy to vote with them... She kept calling me asking if I was sure I was going to stick with my position. I told her that I was. She agreed with me; but she never said what she was going to do. I had no idea how she was going to vote. When she called, I just gave her the arguments... But I didn't want to be out there alone. When she called me that morning and told me she was going to vote with me I said 'Whew' (he wipes hand across his brow to indicate that he'd been sweating it out and was relieved.) I didn't want to be out there all by myself. But I wouldn't have changed." (Rich Gelen said that once Nancy joined Dan "We were better off by a fration of ten.)

"The next day we were kidding around and Domenici said to me 'Well, I guess you're going to resign from the committee now.' 'I said I'll offer my resignation like Stockman and you can kick me around and then refuse to accept it like the President did.' Slade Gorton spoke up and said 'No, we're going to praise you for the great job you did and accept it.' They were letting me know how they felt."

Just to prove how right I was that it was just a political fight, so long as the Committee was kicking the President around, the Washington Post and the Wall Street Journal and the New York Times had us on page one and all the TV was there. But as soon as the vote tooke place, they forgot all about us and went over to the House to write about them. The next day nothing on TV. The stories were about the House and then, way down at the bottom they said, 'And by the way the Senate Budget Committee acted today.'" That was the day Rich Galen came over there and coached Dan. The reason he remembers it so well is that the preparation did not pay off.

"On thing I never said in caucus but I mentioned to some people privately is that no member (of the committee) is up for election in 1982. They know they are going to have to make some hard decisions. That's why they wanted to

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act this year, so that they wouldn't have to act close to election. Did you realize that? (No.) Not one Republican is up for reelection this time."

"After the vote was all over, Howard Baker came up to me and told me what a good job I had done. He waited till afterward, because he did not want to undercut Domenici by lobbying me before the vote. He told me he knew he didn't have to ask me, because he knew I would do what I said I was going to do and not change--not unless something extraordinary came up. He said he had thought about talking to me, but had decided against it. He didn't want to go against Domenici. But he told me that what I had done was very worthwhile. "

Did Administration contact him? "I talked with Max Friedersdorf once to make sure that the administration was going to stick to its position. And I may have talked with Jim Baker. The Secretary of the Treasury called Steve Symms, I know, and Symms told them 'no soap.'

My interview was luck; but not wholly. I went down to the plastic palace to eat lunch by myself and found Steve Symmns sitting at the next table chitchatting with a couple of women from his office. I figured if he was at sixes or sevens without anything to do, others might be, too. I figured Quayle was most like Symms and, in that hunch, headed for Quayle's office. I was right. The young guys weren't busy.

The interview was stopped when Dan had a quick interview in the hall with Channel 6 Indianapolis. When Rich told Dan that Channel 6 was coming, Dan said "The old fart?... Do you think he'll get the picture to Indianapolis within three days?"

He gave an interview supporting the President's veto of the continuing resolution and saying that he is going to introduce a bill calling for a two-year budget cycle.

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He had started in on this at the end of our interview. Right now he's hopped up over it. Barbara has had a bill drafted for 2 weeks, and can't get it out of legislative Counsel's office. She had given Dan one sheet of comments on the bill and he was reading it when I came in.

She thinks it's a good issue for a young man. "We expect young people to think, be intellectual. And it's an intellectual issue... It will probably put him at odds with Domenici. I hear that he's very suspicious when anyone else tries to tamper with the process. But that's an issue on which he should be taking the lead... Dan is so optimistic about everything. The process is a disaster. But he says 'let's fix it up.' That's cute." I laughed and said cute was the word.

Barbara feels great, because for the moment, she has his attention.

When I said to Dan that I thought there was a lot of fatigue during the 2nd Budget resolution, he said, pointing toward the Capitol, "There's a lot of fatigue over there now. Everyone's tired and they want to go home." That afternoon, they agreed on the extension of the old continuing resolution till December 15th.

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As I read Alan Schick's study of Resolution, it struck me that the 2nd Budget Resolution may be an example of how you need <u>majorities</u> all through the budget process. And this is the point at which majorities disappeared. The President fell off; the Senate leadership fell off; the Committee Republicans fell off. And all that was left was Domenici.

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