

JIM RANGE

April 13, 1982

I calle dor Marty Gold and he's gone. So, I met with Jim Range.

I asked him about the budget. He called it a "Mexican standoff." between admin, Senate and House. He said there's "a working group that you have read about in the papers that should have something for their three respective leaders in a couple of weeks." He said later "They are working from a memo prepared by Dan Crippen and myslef and they haven't strayed too far from that document. I'm not bragging. It's just that once you look at it, there aren't too many places you can go."

It was here that he said "People say you can cut the defense budget, that there's a big piece of meat. Well you look at the defense budget and there's not much you can cut. All you can do is make some little impact in the out years. There is a consensus, behind the scenes, in the Senate--and even in the House--that the military has been allowed to get into bad disrepair. The Democrats and the Republicans agree on that."

He takes their word and, therefore he sees COLA's, revenue enhancements and foregoing the 3rd year tax cut as the only way to go.

"Tip is politicizing the problem by using the COLAs as the sticky point. He wants Reagan to give up the third year tax cut--to admit he made a mistake. He wants the President to deal in this card game we're playing. Whether he will do that or whether Tip will give in on COLAs remains to be seen. They're both Irish!"

Why the switch to the House a few weeks ago? "We determined that in the Senate we could pass a bill giving most people what they felt was needed. We don't have a bipartisan consensus, but there a re a lot of Democrats who think the way Pete Domenici and Howard Baker do about the budget. But what

would be the use of passing a budget out of the Senate if it was just going to sit on the doorstep of the House. In a sense both the House and the President are more partisan than the Senate. So it became clear that they were the ones that had to deal. My boss suggested that they get together...(So the Senate is the honest broker, I said. He agreed.) He's operating on two levels. He's the recipient of suggestions and he's the catalyst that's kept the process going. But it's getting him down in the dumps... We could pass a bill. We've got two chairmen who are willing to bite the bullet. We've got a lot of Republicans running for reelection who are willing to bit the bullet. We've got Democrats who will help. But it would be very uncomfortable to say 'we passed a bill' while Rome went up in smoke. Still, if we call don't agree on something pretty soon--not tomorrow, but in the next couple of weeks--and that is my boss' thinking too, we may have to go ahead. The Senate will do what the Senate wants to do. But we may just not get a budget. If that happens, God only knows what will happen to this economy of ours."

He spoke of Reagan being convinced that Congress is incapable of not spending money, that if you give up the tax cut, Congress will spend and that will be "180° difference from the course he set the country on."

"You can't help getting hacked at business. We got them over here last year and asked them what they wanted. A 40billion cut in spending, they said. We gave them a 39 billion cut. Not enough , they say now. We asked them what changes they needed in the tax code. And we passed a tax bill that was a shame on the country in my opinion, to help business. Not enough they say now. When are they going to give us some help in bringing interest rates down? Or if they don't help, will the people force Paul Voleker to reduce interest rates. And if he does, what will happen to the scenary then?"

On the Mexican standoff, he said "It's like which came first the chicken or the egg" to describe the problem of who goes first.

I asked him about the Jobs Bill. "I have been asked to help the negotiations between Quayle and the administration."

The main sticky point was support for trainees he said. And, at the end, he said "The administration has three or four philosophical points they are sticking in. If they aren't satisfied there will be a veto. And Reagan will veto the hell out of that bill."

His story was a lot like Bob Guttman's. He began, and emphasized. "There are a lot of people in the administration who don't like the idea of any training bill."

He said Admin was slow in getting its bill out, because of these doubts. Then Q-K was created. Then admin came in. Then Quayle negotiated with admin. Then "Though some mixup at the staff level," Admin went ahead and announced the compromises. Then Kennedy "backed away from it. He said they were trying to pull a swifty on him. So we are trying to straighten that problem out now."

He sees Kennedy differently from Guttman. He sees K as greedy. "He wants two bites out of the apple. He negotiated with Quayle once. Then the administration negotiated with Quayle. Now Kennedy wants another crack at the bill."

Sounds like allowances etc. are Kennedy proposal.

On career criminal bill. "I've seen it. We were asked to co-sponsor it. But we don't co-sponsor many bills. It will be taken up in the criminal code."

We talked about cosponsorship. "Our rule is that we don't co-sponsor

anything. We get invitations--and pressure--to cosponsore everything there is. Sometimes we make exceptions."

"We'd be an exception to any rule that came out."

His Bills and Res. on things that have "to do with the running of the place or are compromises that he introduces as leader when things are stalled. Or they are things having to do with Tenn."

At outset, he said "The Dems. don't have a plan. The Pres has a plan that won't pass either House. The Senate has a plan and no one else will agree to it."