

October 30, 1986

I was wondering what it's like if you--if it's frustrating at all for you to be campaigning in a race like this where it isn't really a race, if it's difficult to get the troops energized or to keep people interested when you're so far out in front, how do you feel about that?

DQ - Well, I'm glad to be perceived to be out in front; I hope that's a reflection of my leadership. I hope that/^{that}perception holds up on Election Day. We'll wait and see. I run like anybody runs, like 10 points behind. I've got a lot of responsibilities. top of the ticket, we've got a very good state ticket that I'd like to see get elected; there's going to be at least one very close congressional race. There's another open congressional seat that we've paid attention to. My supporters expect a full blown campaign; they don't take anything for granted. I think if they did, we would have had more difficulty raising money and coming up with our budget, which we didn't. In fact, we met our budget obligations two or three weeks ago. So if there's any sign that well, this thing is all over, Quayle's a shoe-in, they'd say, well, we'll go do something else. The reason for the apathy, I don't think it's because of our race, I think the reason/^{for the}perceived apathy we'll have to see how much it is, I'm concerned about it, believe me, is that there is no overriding national issue. The economy in Indiana is doing pretty well on a whole, except for the northwest part of the state, Terre Haute. In the Richmond area, they're not doing too well; there's pockets of/^{progress,} but by and large things are going pretty well. The issue of peace is pretty well at hand...the President has a firm grasp foreign policy. So there's not threat to economic security, there's no threat to national security, 'cause people are content. And a lot of times you find a high voter turnout where there's a lot of discontent. There isn't discontent; there's a lot of satisfaction. Hopefully, there's a lot of satisfaction with me as well as with things in general. So when you're out there trying to pump up

the troops, which we do every day, I acknowledge that there's a lot of apathy. As a matter of fact I cut a commercial, it's going to start this weekend, it's going to just talk about voting. Because I feel it's very important to try to get that message out just to vote. You all estimate there's/a million hoosiers who are not going to vote, a lot of people are going to stay home. I hope the experts are wrong.

What is your general message when you're speaking around the state if you had to boil it down into a paragraph or so

I'm campaigning on my record, as I said from day one. I campaign on effective leadership for Indiana. I talk a lot about the Job Training Partnership Act and how we trained 160,000 Hoosiers and we have about 80% of the adults that have found a job, 65% of the young people that have gone through the program and found a job, campaigned on legislation we've gotten through on adult education whole illiteracy problem. I talk about my role in bringing better management to the Department of Defense. And legislation on the intermediate loans to help out exports with our farmers. That's sort of the specifics. The general thing is that things in Indiana are going pretty well; we have a record number of people that are employed (2.6 million) since 1980-81 and we have an additional 140,000 jobs Dan Quayle and our leaderships provided, low interest rates, low inflation, a sense of hope. We are the future. I talk a lot about the future. I believe in it.

Speaking of the future, what do you see as your priorities in your second term?

Second term? One thing I want to do is to extend the concept of the Job Training Partnership Act to our welfare system. The key about the JTPA is that we created a successful program for people have been able to see training and education and have gone out and gotten a job and have become independent and self sufficient.

I want to take the concept and see how we can work it into the welfare system that we have. The welfare system by definition is ^{an} income security for ^a temporary hardship. And I support that. I think it's important that we do that as a society, but only for a temporary hardship and not from one generation to the next generation, and not for 8 to 12 years. And that's what we've created unfortunately. Now, the question is how do you change that and how do you go about breaking down that culture that's been developed out there. You can't go in and just say we're not going to give any welfare; that's nonsense. Those people are hurting; they need our help. So what kind of incentives can we place in the welfare system along the lines of JTPA that they will be able to gain that independence. They really want it. I don't have the answers to that. I know the problem; I'm ^{going} / to focus on the problem; I'm going to ask a lot of questions. I didn't have the answers when we started out on JTPA; I knew CETA was a program that wasn't working. But I didn't know what the answers were.

the general thrust would be to somehow to put incentive into the welfare system to end dependence on welfare.

DQ - To get the people independence so they can go out and...

JTPA hasn't been criticized certainly welfare program
how do you

DQ - Ha, ha. I haven't heard that criticism very much.

I assume you've seen The New Republic

DQ - The corportations are very important to JTPA; what they've been able to do is in some cases work with on-the-job training, they work on new work for new workers that they bring in and I feel it's what you've accomplished. What you've accomplished is that you've put people back to work and the jobs are going to be in the private sector. And that's one of the things--the private sector has been very very important to JTPA. I don't call it corporate welfare. I just call it giving people these jobs and they do have jobs. And we have a certain

target of people. We've met our target. The economically disadvantaged. We have served minorities--45% of our people are from minorities. 53%-55% are women. These are people who have faced past barriers to employment. So we have met our targets.

Besides of JTPA into the welfare system, do you have any other thoughts in terms of your other priorities?

DQ - Yep. In the area of health I'll be much more active in the whole area of health. I have been active in the past; I've emphasized the job training and adult education and things of that sort more than health. So I have a keen interest in making sure that we inject more competitive forces in the health care system to help drive down the health care .

How do you do that?

DQ - Well, you give the consumer a lot more choices. And you also give the consumer a lot more information.

How can the federal government accomplish that? Anything specifically in mind?

DQ - Well, I think the DRG system has begun to help inject more competition because we've focused upon costs.

Do you have in mind any specific legislation that you'd like to introduce next time around?

DQ - The one area that we want to focus on is on the long term health care problems we have. People are living longer. You've got a tremendous increase in the old old population, those that are 80 and over.

There's a lot of talk about home health care.

DQ - Home health care is one example that we've talked about and the one answer that we have to get, and this is a debate, is it more fiscally prudent to expand a medicare to cover home health care or is that getting into a real additional cost that the medicare system right now would have a difficult time absorbing. I tend

to have a bias that home health care as compared to institutional care given the choice, would be more efficient. I just feel that there's a way that we can in fact provide

I think there are feel that way although I just saw a study in the paper that had indicated that health care was not necessarily cheaper than

DQ - Well, that's the debate. I said I sort of have a bias

You talked a lot in your commercials and such about what you feel are your accomplishments during your term in office. What do you feel is your biggest failure in six years in the Senate?

DQ - We don't talk about failures. Failures?

Well, I get paid to ask.

DQ - I'll tell you my biggest frustration--I wouldn't call it failure--my biggest frustration is that budget deficit. I sit on the Budget Committee, I've voted for hundreds of billions of dollars, cuts, I've had editorials that have questioned some of the cuts; I've had letters saying it shouldn't be done. And yet we still have a huge federal budget deficit. It's got to be reduced and reduced in my judgment with spending cuts rather than tax increases. The budget deficit as a percentage of GNP has grown; it is not even at a manageable level and it is not close to coming in balance. And I believe that we need to do that. One of the things that I hope that the President picks up is the legislation that I've introduced and offered as an ^{amendment} / on the floor didn't get that many votes but that doesn't mean that it won't eventually pass and that is to increase the rescission authority at present. It's not the line item veto. Line item veto is going to have a very difficult time passing for a number of reasons. But this increased rescission authority would allow the President, when he gets a continuing appropriation bill or any appropriation bill to send his rescission message up like he does now. The President has sent up something like 290 rescission

messages in his six years up there. Congress has acted on 13 or 17, less than 20. What I put in legislation is when the President sends up a rescission message that the Congress has to vote on that. if the Congress votes not to rescind the money to either house.

It amounts/essentially a request from the President to change their...

DQ - Yeh, the President sends up, almost like a bill that's introduced; he ends up I don't want to spend this money for Congress. Congress looks at it right now and the Appropriations Committee just simply throws it in the wastebasket.

Well, in terms of specific priorities, you've been a very strong advocate of defense spending and yet at the same time the budget deficit is the national debt has doubled in the last six years, how do you justify increased defense spending in light of the deficit?

DQ - Well, I don't suggest you ask the question if in fact the nation were spending anymore money for national defense as a percentage of our budget or percentage of GNP, they only have on an average basis since the Second World War and the answer to that is no. We're spending about 6% of the GNP, it's about what we spent in the 50s; it's about what we spent in the 60s, the 70s, at the end of the 70s, but on average basis, it was about the same. It's about 28% of the budget.

Hasn't that increased that percentage of the federal budget...increased over the last six years?

DQ - The percentage of the federal budget has probably gone up about 25-28%.

DQ -Defense spending has been cut in the last two years. As a matter of fact, on budget authority which is what drives the defense spending...we authorized \$292B for fiscal year '87; we authorized \$299B for fiscal year 1986. So you're cutting defense and the same thing happened the year before. The authorization was basically about the same.

DQ - on budget authority, I'm talking about raw dollars. Budget authority went from \$299B down to \$292B.

DQ - Let me tell you what the problem is. The problem is the threat to the United States; we don't have the luxury to say whether we're going to spend this much or that much; we have to spend according to what the threat is. And I dare say that the threat to the United States today is more than what it was in the 60s; it's certainly more than what it was in the 50s. And as a percentage of the budget or a percentage of the GNP, on a comparative basis, we're spending less on defense. Now we've changed as a society since then. We have a lot more social obligations. We have a lot more domestic obligations. We have a lot more programs that require our money. But I think if we were just going to sit down and analyze it like it should be, you don't analyze it whether it's this billion dollars or that billion dollars, you analyze what the threat's going to be. And the threat has increased.

DQ - Everywhere. Defense is going to take its licks. It already is. And you're going to basically...what I see happening...is you're going to have sort of a freeze and that's essentially what we did this year. Defense got cut and domestic got raised a little bit but overall there was a pretty close to budget freeze. I think it was a 1% increase in the budget--the lowest budget increase since 1955. Congress recognizes and the administration recognizes that this federal budget deficit, if it's going to be reduced by spending restraint, which

basically in the pattern of freezing the federal budget. And that's probably what's going to happen for the next two years. I'd be very surprised if the overall spending of the budget is much above the freeze. If the forecasts are right and the economy holds, you will knock off from the federal budget deficit \$50B next year by freeze. You can knock off another \$50B...you basically have a freeze which means no growth.

You voted to cut education funding by about 20% over the last six years. Why do that? People seem to think that education funding is very important

DQ - But you see I think education funding is very important too. I would say that our work and we're very involved on writing the higher education bill--higher education which includes /GSLs, Pell grants, maintaining access to higher education which I am deeply committed to. I don't think education in this country ought/ be determined on whether you can afford to go to school or not. And I was very involved with Bob Stafford, Clayborne Pell, and others too, to help write and draft the higher education bill. The higher education bill in providing access to higher education is primarily a federal responsibility. It is essentially more money is spent for higher education and student loans and access in state programs or private programs more than anything else. In that area where it's primary federal responsibility/education, we increased spending in this bill from about \$8B budget authority to about \$10B. And then the out years we put such sums as necessary. Didn't even put in a budget figure. And I dare say spending for something that is as overall responsibility of the federal government and education is going up. Rather than down.

Are you suggesting that overall spending on education, however, that's generally a state responsibility and that because the state...

DQ - Well, I think the facts speak for themselves. Public education, elementary and secondary education--this Administration's contributions to overall educational spending is pretty close and I'd have to go back and look at the exact numbers, pretty close to the historic average which is anywhere from 7%-8%. And the 92%

from
93% that remained is always/state and local. So the primary source of funding for education in elementary and secondary education is from state and local government. I mean that is a fact. It's/^avery clear philosophy that we have. And that is our public education systems and school boards are going to be run at the state and local level and not from the federal level. We've had that debate and it's pretty well been determined.

Essentially it shifts more of the financial pressure back on the states programs

DQ - The pressure has always been there. And my contention is that as a percentage of the total expenditures of education, on that area which is not the primary source of funding; matter of fact the major source of funding is from state and locals. Our contribution and our commitment is about what it's always been. That it has not dropped in a precipitous fashion.

It's the 20% figure that...

DQ - Well, I don't agree with...I don't know. There's all sorts of figures you can throw back and forth but I'm just using what I think are the bases of whether you're showing a commitment or whether you're not showing a commitment and I say, that we as a percentage of funding of public education--elementary and secondary education--it is about where it has always been. Now it's not at record levels but it's about--it's in the margin of error where it's always been. Therefore if anybody says that I or, me in particular not committed to education is just simply wrong.

I want to let you eat something...but maybe I can talk for a minute.

I was looking through the general ratings and different interest groups in Washington and I know these are sometimes suspect 'cause they paint with a very raw brush in different areas, but it seemed that in general the business and industry groups were very supportive of you or felt that you had voted the proper way, whatever the proper way is according to their definition of things, as well as

the Right to Life, I believe, has felt that you were very much in tune to their position; on the other hand, there was a wide array of groups that felt that you had not voted in accordance /with their position. Everybody from senior citizens to unions, to a variety of other people--which groups were those?

DQ - Depends on which senior citizens groups there is. There's one good one and one bad one.

I should have brought the list with me.

DQ - Well, which group do you want to talk about?

I just wondered if you thought in general those accurate portrayal of your record...

DQ - No, I don't think anybody....I think by inference what you're saying is that I have a record that is against senior citizens. That's totally not the case.

No, I'm not trying to say that.

DQ - Well, that's what that group is...I think by inference, saying well, if you don't do well by this rating then therefore you're not favorable to senior citizens or older Americans. That's the inference. That's what all the special interest groups they use those things for. And they use them from time to time. So if anybody wants to stir/up that something somehow I don't have an interest in seniors, I just entirely disagree on it. My record on what we did on the most important thing for senior citizens is bring integrity to social security trust fund. We were there to work and to vote for its restoration and it's in the black now. That's the most important thing. On the JTPA we had to set aside, a matter of fact to make sure that older Americans were included...I was the one that introduced and we worked to get the age cap passed, to repeal the 70-year mandatory retirement age. That repealed the closing days of Congress. So, these groups out there, I don't think it's a terribly accurate request, so you know, I've got to take each one. Now, the union thing...

I grant it's an unfair question to ask. One other group that's been very active this year, I guess involved in politics. This is kind of a political question, I wonder if you see then age altering...what impact do you see them on as having an impact on the Republican party in Indiana? And in the races in Indiana this year? Aside from the specific races where candidates from that end of the spectrum are do you see it as having a general impact at all on the statewide races?

DQ - What we have in our society today from my viewpoint is an unfortunate development and that unfortunate development is that the traditional two-party system--the Republican party and the Democrat party--are not very strong. There're stronger in Indiana than they are nationwide but they're still not as strong as they used to be despite the political process in Indiana in particular with the license bureau and the it is not...(would you see if the could get me some coffee?)...they're not as strong as they should be. Certainly nationwide we have seen the disintegration of two strong political parties. When you have that decline in your political parties, then that's revolution is that someone is going fill that back...and as a result, we have a tremendous increase in all sorts of interest groups. Interest groups which is some what of a reflection of all the ratings that you've seen, interest groups with political PAC contributions, interest groups to forming of an allegiance whether it be pro-choice, Right to Life, whatever the case may be...and they have gone in and they have filled a vacuum of the political party. And there's no doubt that interest groups

Does that bother you at all?

DQ - Yes. I'd much prefer to have a system where the parties, the parties themselves were much stronger.

Why is that?

DQ - Because I think if you have a two-party system, that you go through a consensus of a party and where your positions are going to be; you develop certain

positions, you therefore are more with basics and rely for your contributions or your political support on the party itself rather than saying, well, I've got to take care of this group or that group or this other group to make sure that...

groups like that tends to polarize things in boxes that make it difficult to compromise the legislation

DQ - I think you can see that. I think you can see that a lot of the debate today is far more polarized, far more partisan than it should be or perhaps has and I think that that's what's happened...You can see that particularly in the elections...David Broder had an interesting column on this, particularly focusing on the Democrat party with the low turnout that the interest groups that really had control of the Democrat party were the far more liberal ones and they were putting up Senate candidates that were far more out of the mainstream where the Democrat party really didn't want to go, they wanted to get back more to moderation.

Do you think they will do the same thing to the Republican party?

DQ - low turnout does. A low voter turnout rewards those who are the most active, the ones that tend to be the most active are those that are committed to some idea, one idea.

state legislature, a small but very vocal group...

DQ - Small but very good. And that...and if you relied on a party, if you relied on the party going through that process to get that support, you would have a different type of political process. And I think it's just one of the things that degenerated in our political society over the years. I personally don't think that's helped. And I think a lot of people share my feeling and that's why we're sort of ...

Aside from speaking in generalities about this, what about YOUR feelings about the Christian is that

DQ - Well, when you describe the Christian right, what conclusions do you mean? Specifically, what are you talking about?

Well, generally, using the Bible for legislation,

DQ - Well, do you mean to say how a person votes, whether they are christian or unchristian?

Right.

DQ - No, I do not like that at all. I don't think that a way a person votes on a particular political issue shows you whether they are Christian or not a Christian. How you can take one particular vote or a group and say that is something I just don't concur with.

I guess it's something as time goes on. It certainly

DQ - Well, it's not new. It's been there for quite some time. People take ratings and say this. And just don't happen to agree that a vote on a political issue means that you are a Christian or non-Christian.

I'd like to ask you sort of perspective question. You've been in office in the Senate for six years, six years is a long time to me anyways. Do you see in your thinking as having evolved or changed your perspective on federal government or the role of government in solving social problems or conservative, liberal, any of those types of areas, do you see yourself as having evolved or changed over six years? Now that you've had experience? I mean, for example, do you feel that you're more conservative now than when you went in, liberal when you went in or activist, less activist.

DQ - Well, I still have the basic philosophical belief that a government has got to be fiscally prudent, that a government on the federal level should not be involved except for the general welfare of the society considered in the private sector. I am a very free market, free enterprise oriented person. But I also

have a saying from my journalism background particularly when it comes to FOIA and things like that, get the government to make sure that they stay out and keep good secrets and thrown clear off at least in the political spectrum in the Senate, with the very liberals, with the sort of liberal Democrats. But I just happen to believe that...liberal Democrat or conservative Republican moderate

I just think it happens to be a basic fundamental right that freedom of the press goes pretty far in this country. And that's what our founding fathers wanted. And I've always had a commitment to national security. The question is how has that evolved. I would say that it probably has in a couple of respects.

1) I have a far better appreciation and understanding of a partnership role that the federal government should and can have in helping people. I can see that first hand whether it's JTPA, adult education, vocational education, higher education.

I see that in my work on the Labor and Human Resources Committee. I knew it before the . And I've had at least an understanding of it but I have a

far more deeper appreciation and I have a deeper commitment to them.
a lot

You sound/like a Democrat.

DQ - Well, but, see, people say that and I have that commitment to improving social welfare of our society. Maybe I shouldn't use those words because they're code words for somebody that may not be described as you or others would like to describe you. But it is; it's there. It's there in my work; it's in my belief...

I've always had a deep feeling and a sense that you have to help other people.

I remember my father, we used to go down on Thanksgiving Day in Huntington and we went across the street from the Herald Press into the tavern and we'd open up and cook hot lunches for the poor in Huntington. And we did that on Thanksgiving Day. And so, you like, boy, isn't that a sense of obligation to help people.

I crystallize, more committed to having a government be a partner in the work that you did to help these folks out./ really don't have opportunity. So from that point of view, you know, you guys, you have to throw these things around because

what I would say next is going to go in the other direction. I've always had a

commitment to national security. The more involved I get on the Armed Services Committee, the more I understand what the Soviet Union is all about. But not only from a historical level, which I knew before I got there, but what they're doing now. The whole nuances of arms control and the difficulties that I'm trying to get and plus trying to get in a democratic society as ours, support for defense spending, that I have probably become more attuned to the real threat that's out there from our central self preservation. And it is a far more difficult proposition than I had realized. It is difficult to maintain support for what I think is necessary for the investment in national security. I have, I mean, just like I've gone through on this procurement which we've done a lot. \$400 claw hammers are indefensible. \$15M procurement transactions a year they're going to make mistakes, but it gets magnified, there's perceptions out there as a nation we really would prefer not to spend money on defense. And I can understand that. We really would. We de-mobilized right after World War II faster than any other nation, we did it right after Korea, we did it right after Viet Nam. Those are our gut instincts and so for me to try to, now I have an understanding of what that threat is to work and mobilize the support that is necessary. So, yeah, I've changed in those two major areas where I've really gotten involved.

Now there's one other area more specifically that I need to address. That is farms, certainly your opponents been talking about farms and the problems of farmers facing foreclosure in such...what in general or specifically is your program. What do you see as needing to be done or changes that we that seems to be where one of your weaker areas are of present issues.

DQ - Well, farm bureau is pretty supportive. They've got a few hundred thousand members of farm bureau organizations; I think the vote was almost unanimous to endorse me which I think is probably a pretty good reflection of where the farmers in this state think of Dan Quayle. To help the farmer out--one thing

that the farmer says is he'd like to see the interest rates come down even further to help out on the financial . That is one area. Two, that the grain storage problem on a temporary basis and we worked with USDA and legislation to try to help out, to give some temporary reprieve on this whole grain storage. The other area is on exports. And we introduce and got passed into the farm bill these intermediate loans for exports where other governments are subsidizing their exports the United States is going to subsidize, pure and simple.

(will start Side B on Tuesday--I may be able to transcribe Side B by adjusting tape speed--we'll see.)