

PETE DOMENICI

November 13, 1981

Prior to the Friday, November 13 meeting. I went to Domenici's office to hang up my coat and hung around for a while. I left, went down in the elevator, got off at the wrong floor and had to walk down a flight, where I bumped into Domenici! He asked me if I wanted to ride up the elevator with him. I did, and sat through a strategy session as it turned out. (all because I got off at wrong floor!)

Getting on the elevator: "What did you think of yesterday's meeting? That's a pretty circuitous route to get where you want to go."

In his office he said "What did you think of the Stockman article? It didn't help us much did it?"

Then "There's no sense in going through the exercise if we aren't willing to mandate reconciliation. That's the bottom line. We've got to be willing to vote for some enforcement mechanism. If we aren't, let's forget it."

"I've got to get out of town, get away from this crazy place."
(He's going to Miami this PM.)

Then Angela came in with news of two appointments. He was downcast. "Do I have to see this bunch?" Just for a picture, says Angela. So a kid comes in from Farmington who now works for Up With People. He wants to tell Pete all about how they have sung at 3 super bowls, met President Carter, are sponsored by this or that famous person. Pete stands up all the time and the kid stands up. Pete nods distractedly, asks a couple of questions. Kid says he "just wants to give him an overview." Pete doesn't seem to know why he is there and certainly doesn't want an "overview" of Up With People. He escorts kid to the door, telling him he's sorry he doesn't have more time. Kid says

his mother works in Albuquerque, Pete brightens, asks her name and says he hopes he meets her some time.

Then he has picture taken with 7th grade daughter of an official of the Navaho Nation who comes to talk about their problems. He gives them a bit of advice here or there about how to deal with government. They are getting hit by budget cuts.

Steve Bell and Bob Fulton come in. They talk about what "scenario" they want to develop for the meeting today. Bell says "We've got to get out of this bind." and offers suggestions Pete repeats what he said earlier, that he doesn't want to go through the functions unless there's some disposition to vote some reconciliation instructions for spending cuts and taxes. The situation is that Hollings has come in (yesterday) with his "mark". And Domenici has his "mark." They are both on the board in the Budget room. Each "mark" carries with it a set of economic assumptions and the two disagree on that--especially the GNP growth figure. PD assumes 3.4% in 1982; EH assumes 1.6%. Domenici would like to read a compromise on the economic assumptions and then proceed to consider--using the same set of economic assumptions--the Domenici mark (spending, revenue, reconciliation) and the Hollings mark. That exercise would tell him whether there was any approach that could carry in the committee. He doesn't think either one will. But he wants a vote.

He reaches out to to the Democrats in two ways. He wants to see if Hollings will compromise and thus reach an agreement on the economic assumptions and agree to votes on two marks. And he calls Bennett Johnston because Bennet put forward yesterday's resolution calling on President to send up a program "in calendar year". Domenici is prepared to accept Johnston's resolution with language changes. (Bell will negotiate those with Johnston's aide).

Conversation goes something like this. "Bennett, let me chat with you

a little bit about how I'd like the meeting to go today... I'm prepared to accept your resolution as a part of anything we pass out of committee, providing we could get some language changes that won't hang all that heavy stuff on the President. Will show him we're anxious to have his program as soon as possible; and I think that's helpful. I'm sure we can vote that out. Then I'd like to see if Hollings and I can agree on a set of economic assumptions. I'm prepared to compromise on that. If we can do that then I'd like to have a vote on my mark and then on Hollings mark. I don't see any sense in going through the budget function by function if we can't agree either on my proposal or Hollings proposal. Frankly, I don't think either one can pass. I can't hold my guys together on my proposal; and none of them will vote for Hollings--his plan to alter the tax cuts just won't fly... (Johnston talks for quite a while. Then PD repeats what they are going to do.) If neither proposal passes, which I expect will happen, then we'll see what we can do about saving the process. I'm going to call Fritz now... It's been good talking with you brother."

He puts phone down.

PD: Johnston is very rational.

S. Bell: He's also very proud and feisty.

PD: I like Johnston.

They talk about getting their troops there, other details Quayle and Kassebaum are the defectors from PD's mark. (In PM, Quayle comes over to press and says "I'm in favor of doing nothing. I want to do just what the House did.")

McClure calls - he wants some legislation reducing or capping entitlements this year. PD tells McClure what he's doing. "You don't think I'm wrong do you Jim in what I'm doing with the President? They've had three budgets and they're

just gone through a horrible fight within the Administration on taxes. They can't pull themselves together to do anything. But we can't do nothing... It doesn't play well in my state because it looks like I'm against the President. But that's all right... (Then he goes through his plan for the day.) Maybe they'll be reasonable. I think they got the politics out of their craw yesterday."

To one of them, probably BJ - he exclaimed. "This committee can't set policy for the government. That's almost arrogant."

PD goes to the door. "What kind of story did we get in the Journal?" As he leaves office, they give him a copy of the Journal article. It says he leads "rebellion". Bell says it looks like a strong from Washington Post. Later in the day Domenici goes up to _____ and says he got some of his facts wrong. But there is still, in the middle of one of his most tense days-- the concern with how it's playing in the Journal.

He wants to get hold of Hollings but he's in the floor managing a bill. Report is that Hollings says he'll come to Budget committee as soon as Pete is in the room. So they have no chance to negotiate before the meeting.

Walking to meeting, they discuss briefly their troops and who will be there and who won't. "What if we win?" says Bell. Dom. acts like he's never considered that." There' isn't any talk about leaning on Repubs, so that they will win. But I guess party caucuses have made positions clear. At the end of session, a newsman says he's heard Mrs. Kassebaum would go with PD. "Then we'll surely win" he says. And that's last word I heard him say.

Kasten got spotlight with his pro Stockman petition (and made CBS news!) But Kasten did not make the Post the next day--some reporters had left; but maybe TV news and press news differ. He jumped into an interview with Domenici (which also made CBS news---i.e., his support for Stockman) "Pete do you mind if I jump in here." He (Kasten) had been talking to the press back to the

hearing room, leaning up over the second tier as his staffer handed out copies of his petition explaining what he had done. But he turned around as soon as Phil Jones moved in to interview Domenici on: (1) are you comfortable opposing the President (this committee has always done what it saw as its duty.) (2) Do you think you can win ("if Senator Kassenbaum goes with us we'll win." (3) How is Stockman office affecting current proceedings of committee? ("No material effect on what we are doing here"). (4) Do you support Stockman ("I indicated my strong support yesterday; whether or not he has lost his effectiveness only the future will tell. We'll have to see how people receive him when he comes up here"). Kasten got down by a much near Domenici and made his pitch. He just caught people "haphazardly" as they came through the door and had collected 32 signatures-- from my friends. Had heard media driving in to work that morning and heard critical tone and decided on spur of moment to show support for Stockman. Question from June: Did you get any Democrats to sign? (No) He was in the Republican cloakroom) Is that because you knew you couldn't get any? (It would be hard right now.) Is Stockman in such trouble that you had to go about this haphazardly? (No, if he could get this much support from people coming through the door to vote, he could do much better with an organized effort to get signatures. There's no implication that people who didn't sign don't support Stockman). Did Domenici sign (No, he has already indicated his strong support support yesterday-- as did Senator Baker and Senator Laxalt.) Did Baker sign? (No.) The evening story noted that Baker, Laxalt and Domenici had not signed the petition.

Kasten, driving to work and listening to media and cueing off media is typical. I've noticed that half the Senators at the budget hearing are reading the paper. Every day; some questions come right out of the morning paper. (And, of course, the Stockman article--which is a little different, but is another example of politician-media linkage, only a bit more removed than daily paper.)

amples. Metzenbaum reads article about revenue losses from leasing tax
ses and says it's got to be plugged; Boden reads that Reagan blames
gress for recession and says credibility of Committee and Congress is at
ke (in adoption of economic assumptions). Moynihan throws Stockman article
of blue. (I ought to record here if I haven't before that after the
ckman article was revealed by minority side and neither Pete nor his staff
seen it, PD turned to Fulton and me at the break and said "Maybe that will
him some good to be shaken up a little." It was a gut reaction which indicated
man's pleasure at seeing a contender who had been a bit big for his
tches getting knocked down a peg. I don't think he had time to think beyond
to what effect it would really have on Stockman's career. He didn't want
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see him ruined. He just wanted him humbled a little. And he was pleased,