

GAIL FOSSLER & PETE DAVIS

February 24, 1982

Met Gail and Pete and had breakfast with them. Pete gave his big speech last night in NYC and it was page 1 in the Post today. They were "pumped up" in Pete's words.

Gail said Domenici talks a lot about 'I'm hiding under my desk' but he has a sensitive feel for the political mainstream. He said last night 'I think that in the long run what I'm doing will be to my advantage.'

Pete said "He made an amazing statement in the car last night. He said he didn't want to go through all that business of being in the minority again. He said New Mexico isn't an easy state to run in and that if people didn't take this and get their ass out of the ditch he didn't care whether he kept the job or not. That's his strength. He takes a long view of things. When everyone else is reacting to today's headlines and trying to smooth things over, he's sticking with a larger view of things."

Pete "When Pete talked about hiding under his desk, Bell said to him 'A leader is a person who stands in the searching sun so other people can stand in his shadow. That's just what he's doing.

Re Committee. "The important thing is not what happens in the Senate, but what happens in the House. The Republicans are split 5 ways and O'Neill are trying to block everything. He's got Bolling bird dogging Jones to keep him from joining anything bipartisan. In the Senate the Republicans are schmooosing the Democrats, sending out very warm feelings... Domenici's very sensitive about giving Hollings a great deal of credit... And Hollings has changed from last year. He didn't go after Stockman yesterday. That was very significant. Liz said she couldn't even get Hollings to look at the base line this time. He is

so concerned with the fiscal problems, he doesn't even care where he starts from. You went through that shoulder to shoulder last year. That's a tremendous change." (Last year Hollings fought on economic assumptions all the way and was very concerned with the base line.)

Pete: "I don't think he ever rode in such a big limousine before."

Gail: "He likes to sit in the front seat because it doesn't make him feel so conspicuous." A good anecdote on his modesty. Pete told story again "When we played tennis." "He wouldn't sit in the back."

When I went to Pete's office to get a copy of speech, Bell was glowingly receiving Congratualtions in Angela's office. A reminder of old Harlan Cleveland story.

Steve and Gail talked about the timing of the speech. They solicited the date and took the time early. But they didn't know what they would say. In one sense they had been planning the speech since sometime after 2nd Res last year. In another sense it was mostly written over the weekend. Gail a draft; Bell a rewrite; Alan next. Gail thought timing was excellent in sense that it came when everyone was waiting and after Hollings and not too long after the budget came out.

Pete used a different metaphor to describe what Hollings did. He said "Hollings came out of the backfield first and went through the line. Domenici followed him and made a lot more yardage than he could have made otherwise." My interest in this is that it's a different metaphor from center-left position etc.

Gail says H. Baker is now committed to a budget resolution and that he had not been on 2nd Res. last year. A big change. And Baker told Reagan that yesterday "a tougher meeting than anyone knows" said Pete. Gail says everyone has a plan--Kasten, Boschwitz. "Quayle has one but no one knows what it is. He's

an unknown."

Preston thinks that "he didn't go all the way" in speech. "It's a good speech; but I think it was a mistake." "You read it and get to the bottom line and you say what's all the shouting about. The difference is only 26B." (This is PD's assumptions are more honest.) Pres. thinks if you're going to make a break you should make a real break. This is too incremental in its numbers.