ROBERT J. DOLE ORAL HISTORY PROJECT

Interview with

Sec. JAMES A. BAKER, III

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Interviewer

Richard Norton Smith

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Smith: I'd be fascinated in your account of how Dole got put on the ticket in '76.

Baker: Well, I mean, I'd be glad to discuss what I know about it. I need to tell you, at that time I was not in the inside group in terms of selecting the vice presidential nominee. I was the delegate hunter for President [Gerald R.] Ford in his contest for the nomination against Ronald Reagan. So I don't know what all the inside discussions were. I've read, like you have, that there were a number of people on the list, that at an early stage a decision was made because of the opposition of the state Republican chairman from the South, to replace the vice president. In retrospect, I'm not sure that was the right decision to make, and I've always believed that if Ford had kept Nelson Rockefeller and/or put Reagan on the ticket, particularly put Reagan on the ticket, that he would have won in '76. And I've had many discussions one-on-one with Ronald Reagan about that when I was his Chief of Staff. I write about those in this book that I'm going to give you.

Now, having said all that, that's in no way a knock on Bob Dole. It's just that I think the election was so very, very close, that either one of those two scenarios could very well have given us what we needed, which was only another ten or eleven thousand votes.

Smith: That's fascinating, because the story, at least that I've heard, and I'm sure there are variations of it, was at the time that there was such bad blood between the Ford and the Reagan camps—

Baker: There was.

Smith: —that people had been told—Ford wanted to visit Governor Reagan once the nomination was [unclear].

Baker: The deal was, originally we had an agreement that there would be a unity meeting. Whoever lost would meet with the winner in order to bring the party together for the general election. That agreement was made between the campaigns before the convention. After the convention and Ford won particularly on that critical 16C vote by

only thirty delegate votes, we went to the Reagan campaign and said, "After the nomination we need to have the unity meeting."

They said, "We'll be delighted to have the unity meeting, provided you agree in advance you will not offer Governor Reagan the vice presidency."

And of course the Ford camp didn't want to do that anyway. It had been a very, very bitter primary. Ford didn't want to offer it to Reagan, and Reagan didn't want to take it. But I've had at least two or three conversations after that, when I was President Reagan's chief of staff, one-on-one with him in the Oval Office, and I write about it in my recent book, in which I said, "You know, Mr. President, if President Ford had offered you the vice presidency and you had taken it, you might never have been president."

He said, "I understand that, but I have to tell you, Jim, if he had offered it to me, I would have felt duty-bound to take it."

I also note that [Sen.] Paul Laxalt, who was very close to Governor Reagan, has a different take on it, which was that he, in effect, winked at his campaign and said, "I don't want it. You let them know I don't want it." But President Reagan was very upfront with me about—you know he's guileless, and what you see is what you get with President Reagan, and I do not believe that he was playing games with me. But it's an interesting thing to think about.

Smith: Had you had any contact with Dole before the '76 campaign?

Baker: No. I had had no real contact. Of course, I'd not done any national politics before '76 when I became the delegate-hunter for the Ford-Dole ticket. Actually, it wasn't the Ford-Dole ticket; delegate-hunter for President Ford in May of '76, and it was during that time and then after the nomination when I became the general chairman of the President Ford Committee and Dole was on the ticket. That's when I had my first experiences with Senator Dole.

I got in trouble right away in one respect. I was doing an interview shortly after I became general chairman of the effort, and the question was, how is the campaign coming? Are you happy with the way things are developing? So forth and so on. I said, "Yes, but we need to do a better job with our vice presidential effort. We're not doing

what we need to do there." And that was interpreted by the senator and, I think, by Lyn Nofziger, who was assisting him at the time, to be a knock on them, which it wasn't. I was, in effect, saying, "We need to give them more support and we need to create a better number two effort." That was a very brief little *contretemps*, didn't last very long. But Bob Dole worked very hard as the nominee for President Ford and did a very good job for the ticket, in my view.

Smith: That said, he did take some knocks. I mean, the very fact that the race was as close as it was, he took a lot of heat.

Baker: Yes, the "Democratic wars" comment, that's one.

Smith: Do you remember that as being-

Baker: Yes, I remember that, but I want to tell you, in an election that close, there are two thousand things that you could go back with 20-20 hindsight and say if this hadn't happened or that hadn't happened, the result would have been different. In my view, that did not cost Ford the election, that comment by Senator Dole. It was promptly repudiated. But it was the only thing that I can remember that seemed to be a negative with respect to his effort as the vice presidential nominee.

I need to tell you that I worked really closely with Bob when I was chief of staff for President Reagan in the first term and he was in the Senate, initially as Majority Whip, maybe. At one point he was Majority Leader when we were working with him, and I think that was maybe when I was at Treasury and we were doing tax reform, and Bob Dole was indispensable to that number one domestic priority of President Reagan's getting it enacted into law.

Smith: What were his strengths?

Baker: Well, he'd been on Finance Committee for quite a while. He'd been involved in those issues. He was an extraordinarily good legislative tactician. Bob's signature way

of greeting you over the telephone when he'd call me when I was chief of staff, he'd say, "How we goin'?" That's what he'd always say. "How we goin'?" Which means, "What's going on? How're we doing?" But he was as good at legislative strategy as anybody I dealt with in the thirteen or so years that I was in Washington, either as chief of staff at the White House or Secretary of the Treasury or Secretary of State. He was magnificent and was a very good Majority Leader when he took over that post.

Smith: Explain that, because I think most people have very little understanding of how Congress works.

Baker: Well, it's convoluted. What's the old saying? You don't want to watch. It's like watching sausage being made. Not any fun to watch as you watch the way our laws are made. But you have to be able to build consensus. You have to be a leader. I always called him "Leader." That was my term for him. I didn't call him Senator Dole or Bob. I called him Leader. Of course, that was the name of his dog, if you remember his little schnauzer, his and Elizabeth's.

Elizabeth [Dole] worked for me in the first Reagan White House. She was the assistant to the President for Public Liaison when I was chief of staff. So I had a close relationship with them.

Smith: Did that ever create an awkward situation?

Baker: I only had two awkward situations with Bob Dole. I've already mentioned one of them to you, which was when I made the comment intending to be saying that we needed to beef up our vice presidential effort to help that effort, and I think it was misinterpreted and it was quickly forgotten.

The second was in the presidential debate, primary debate in Nashua, New Hampshire, in 1980 when [George H.W.] Bush had negotiated a one-on-one debate with Reagan. The *Nashua Telegraph* was going to sponsor it. The *Nashua Telegraph* wanted it to be one-on-one and they didn't want to open it up to the other candidates, so the

Reagan campaign was smart enough to say, "We need to have the other candidates included." They all showed up there.

Ambassador Bush stuck to his word. He was true to his word to the *Telegraph* that it was going to be one-on-one, and he said, "No, I won't open it up. I told them it would be one-on-one. As far as I'm concerned, it ought to be one-on-one." And that's when they all went out there, marched up on stage, and Governor Reagan said, "Mr. Green," he said, "I paid for this microphone." The guy's name was John Breen. But he took that line right out of a move script that he'd been involved in.

But coming off the stage, I was standing at the bottom of the stage that evening. Coming off the stage, Bob Dole came down and he took his forefinger and he punched it in my chest and he said, "I'm going to tell you something, Jim Baker. I will never forget this. You will never live this down." Well, it went away after—but he was quite upset about it. That's the only time there was ever any tension whatsoever, serious tension, between Senator Dole and me, and we worked really, really closely together and well together to produce the legislative gains that Ronald Reagan was able to achieve in his first term, which were quite remarkable.

Smith: In fact, that brings up—he was pretty much a good soldier. No one for the moment believed that he had converted to supply-side economics.

Baker: That's correct.

Smith: And yet-

Baker: But yet he helped us and he was a damn good soldier. He was always there. He wasn't playing his own game or his own agenda, playing stuff on the side the way you see so often in politics and particularly in Washington politics. I'm sure that there were things in tax reform. I can't remember the specifics, but there may be again, there may be some of that in this book I'm going to give you. But there were some things in tax reform I think that Bob was probably not particularly enamored of. He might have felt—I don't know this, but he could very well have said, "Wait a minute. We can't cut these

marginal rates this much and expect to deal with the deficit," because he was concerned about the deficit. We all know that—

Smith: [unclear].

Baker: Yes, he was a deficit hawk, but nevertheless, he went along with the Reagan program, and we now know that in retrospect it worked. The program worked, the supply-side economic theory was validated and vindicated in the aftermath of those major reductions in the top marginal rate that Reagan was able to achieve.

Smith: Then of course, in the second year he comes back with TEFRA [Tax Equity and Fiscal Responsibility Act], the attempt to take back a few of the Christmas ornaments.

Baker: Yes, but that wasn't just Bob Dole, now. That was Jim Baker as chief of staff to the White House and practically all of us in the White House, including Ed [Edwin] Meese and Mike [Michael] Deaver and, in the final analysis, Nancy Reagan. And let me explain to you why that happened. We had campaigned in 1980 on a platform to reduce taxes by 500 billion dollars. We got into a bidding war with the Democratic House in the person of [Rep.] Tip [Thomas P.] O'Neill and Danny [Rep. Dan] Rostenkowski, and we ended up cutting taxes by 750 billion dollars at a time when the economy was really sick. We'd inherited stagflation from the [Jimmy] Carter years. You remember what happened in '82, late '81, '82, early '83. I mean, the president's approval rating went down to 37 percent and we were beginning to create these humongous deficits bigger than the country had ever seen before as a percentage of GDP [Gross Domestic Product].

A number of us, including Senator Dole, thought we needed to do something about that, so we finally convinced, after a lot of tough discussions, finally convinced President Reagan to go with something called TEFRA, which was, in effect, a tax increase designed to recapture that 250 billion that we'd cut taxes over and above what our campaign promise was. And the president wasn't happy about it. I never will forget him finally agreeing to do it and taking off his glasses and throwing them down on the Oval Office desk, saying, "All right, damn it, I'm going to do it, but I'm not happy about

it," or something like that. And we did it, and President Reagan, in the last book he wrote or one of his last memoirs, said it was probably the worst decision of his presidency and he shouldn't have done it, and I'm inclined to agree with him, frankly.

Smith: Really?

Baker: Well, I think so. I don't think that got us—now, maybe politically, maybe at that time politically that was a good thing to do and it bought us a little bit of time, but you don't reduce the deficit by raising taxes, because Congress is going to spend that money on other things, and in the absence of spending restraint, you will never reduce the deficit by increasing taxes.

Smith: One interesting asterisk to that, though, one very well-placed Dole staffer told me they said in a meeting with Paul Volcker where he said, point blank, "If you do this, I will lower interest rates." That there was a quid pro quo.

Baker: Well, there was no doubt about that, and that would have been the position of the chairman of the Federal Reserve. He would have liked to have seen, particularly at that time, seen some revenue increases. Did we have a commitment that if we did TEFRA we'd get some interest rate reductions? I don't remember that. I was chief of staff to the White House, so at that time I wasn't Treasury secretary. So it may be that that happened. I don't know of my own personal knowledge that it did. But at the time politically it probably was the right thing to do, but substantively I think it was a mistake to raise those taxes to recoup what we'd cut beyond what we promised in the campaign.

Smith: This is a sidebar, but I have to ask you. In retrospect, should the president have let David Stockman go instead of taking him to the woodshed?

Baker: Well, I'm still of the view that he did the right thing by taking him to the woodshed, because the damage had been done and we needed somebody—David Stockman was the only guy in there that knew the numbers and knew the substance of the

budget in the detail that he knew it, so I think we would have had a lot of trouble trying to find an OMB [Office of Management and Budget] director at that critical time in the process. No, I think it was the right thing to do at the time.

Smith: Social Security reform-

Baker: Right.

Smith: —is monumental, obviously a perennial topic of discussion.

Baker: Well, Bob Dole was involved in that too, you know. He was right in on the takeoff and the landing on what we did in 1983 to save the Social Security system, and it's the only time it's ever been done, to my knowledge, and in the only way it can be done. This current administration under 43 [George W. Bush] decided, because they had a Republican House and Republican Senate and owned the White House, that they were going to muscle Social Security reform through. You can't do that. Social Security is the third rail of American politics. Anybody who touches it gets burned and burned badly. Bob Dole certainly understood that. [Sen.] Howard [H.] Baker [Jr.] understood it. Jim Baker in the White House understood it. That commission that we formed, I think the idea of the commission even was suggested by Republican senators, among them Howard Baker and probably Bob Dole. That commission, the [Alan] Greenspan Commission, we called it, met in the basement of my home on Foxhall Road and we fixed Social Security for thirty years, and we only could do it because we got the top of the Democratic Party and the top of the Republican Party both together behind the effort so that we could take it out of politics, so one side wouldn't use it against the other. Bob was instrumental and extraordinarily vital to that effort.

Smith: What were his skills in a situation like that? Some people have talked to me and said he almost, as with any great legislative leader, almost a sixth sense, it's a psychological instinct about exactly when to [unclear].

Smith: He knows when to move. Well, he knows where to move, he knows how to move, he knows when to move. I mean, as I told you, I don't think I've ever—and I've worked with a lot of them in my thirteen years up there in various iterations. I don't think I ever worked with one who was a better legislative leader. He was superb at that, and he knew how to bring disparate views together, he knew how to appeal to people from far left and far right of his own caucus. When you think about [Sen.] Jim Jeffords of Vermont and [Sen.] Jesse Helms of North Carolina, you're talking about two different breeds of cat there.

Smith: You think the humor helps?

Baker: Wonderful. Very, very—he had a wonderful sense of humor, still does, of course, and it helped tremendously. And what a spectacular political career, a nominee of his party for both Vice President and President of the United States. He could have probably stayed in the Senate until he died if he wanted to.

Smith: It's interesting. Do you have a theory—you know it's been trotted out over and over again in forty years that in the 20th century only two presidents were elected directly from the Senate, only one has ever been directly elected from the House. Do you have a theory as to why legislative leadership doesn't seem to translate into [unclear]?

Baker: I think it may be because, first of all, executive leadership is something that you can crow about a little more when you're running for president, because you're running for an executive position, but also legislative leadership means shaving at the edges and seeking consensus and getting consensus, and cutting-edge issues oftentimes are what determine campaigns. And furthermore, legislative leaders, whether it's the House or the Senate, they're out there voting every day, six or eight times a day, and they're leaving a paper trail and they're leaving a trail that their opponents can pull things out of and use against them, you know. That's one of the reasons I think legislative leaders don't do too well.

Smith: I wonder if there's one more factor, and that's that so much of the modern presidency, Harry [S.] Truman said, is all about persuasion, and there's a kind of legislative language which is almost a foreign language, and it's almost like you're in a bubble. Dole would be accused often of going out on the trail and speaking in this kind of legislative shorthand, which no one—

Baker: Which no one else really—that's right. But to him it was second nature. Yes, I think there may be something to that. I don't know. He had a tough go when he was nominated, though. He was nominated in '96, had to run against an extremely popular president. A tough deal.

Smith: Let me ask you, the lead-up to '88, Reagan, at least in public, at the end of his [unclear] was scrupulously hands-off, almost to a degree where I wonder [unclear] were concerned [unclear].

Baker: Well, we would have liked to have seen more, a quicker and perhaps more robust endorsement, but it finally came. It came in time for us to make good use of it. But I remember when I resigned as Treasury secretary in August of '88 to go over to run that campaign, thinking, well, now, you know, shortly after Labor Day the president will step forth and he'll give a ringing endorsement of his two-term vice president, because they were really close by then. They'd had a difficult primary too, but it was eight years ago, and George [H.W.] Bush had been a perfect vice president for Ronald Reagan. But it didn't come until a little bit later. [laughs] It finally came, though.

Smith: It's interesting, if you go back even to '72 and the RNC chairmanship when Dole is dumped and Bush took his place, you had this series of events really [unclear] that had made them rivals, and in some ways that climaxed in '88, which was a pretty heated and occasionally even nasty campaign, and there must have been some real resentments that lingered for a while. I want to talk about that in a little bit, but setting up, I wonder if those in the Bush camp then had any doubts over what kind of Senate Leader Dole would be, because pretty clearly if they did, they were eliminated—

Baker: Dole was, again, a perfect Senate Leader for George Bush number 41. I mean, I can't think of one thing—and I was Secretary of State, of course, at the time, but I can't think of one thing that—I wasn't in the White House, but one thing that the White House wanted that Dole didn't try to deliver. Yes, it had been a tough primary, but I think Bob is maybe that kind of a politician where you can go out and you can be very, very engaged in a very tough, hard-fought campaign with somebody, but you don't let it adversely affect the relationship later on. He was a very fine Majority Leader for the Bush presidency.

Smith: That actually, curiously, isn't one of the hallmarks of successful leadership in Congress. I mean, I know I've heard him say so many times that you can't afford to make enemies. I mean basically, all right, you may be adversaries on this vote, but on the next one—

Baker: Well, I think Bob Dole was a Gerry Ford, Tip O'Neill-type politician, where you could fight like hell during the day, and then at five o'clock in the afternoon you'd have a drink of Irish whiskey and tell Irish stories. I mean, that's the way it used to be. When I went up there in '75, of course, Bob was there a lot earlier than that, but that's the way it used to be in Washington. It wasn't as ugly as it is today and it wasn't a zero-sum game. You could fight like hell. You could be an adversary without being an enemy. You could disagree agreeably. It's almost impossible to do that today. The country is so evenly divided and politics is such a zero-sum game, and I think the country is worse off for it, frankly. You don't have the consensus-building. You don't have the reaching across the aisle by either side.

Smith: How much is the media responsible for that?

Baker: I think the growth of the media is a large contributing factor. I've said this. Again I say this in this book. The advent of the cable stations and then you get the Internet, then you get the bloggers out there, and the bloggers can write anything they

want to with impunity, throw the mud up against the wall and see what sticks. Somebody will read it and they'll go with it. You can never erase something once it's out there in the public domain and in the public consciousness. So I think the increased competition among media outlets is partially responsible for it.

Another thing that I think was very, very damaging was the Independent Counsel Law, where it became fashionable to do whatever you could to get your opponent indicted. That was the best way to get elected and you didn't need to do much under the Independent Counsel Law except make a credible allegation against somebody at a particular level in government, and they ran the risk of being indicted. I mean, it's just terrible. But fortunately we're beyond that now. I know one thing, I know President [William J.] Clinton has got to be plenty sorry that he ever signed a renewal of that law.

Smith: The parties, too, if not moved to the extremes, seem to have much less of a vested interest in that kind of consensus. There are large elements in both parties for whom consensus is almost a dirty word.

Baker: That's right.

Smith: It suggests a sellout of principle.

Baker: That's right. Pragmatism is a dirty word. Well, it shouldn't be. Why? Pragmatism without principle is the dirty word, but principled pragmatism should not be a dirty word. Getting things done.

Again I keep referring to this new book of mine, but I write in there of the number of times I would be sitting there with Ronald Reagan, talking about legislative strategy, and he would tell me, "Jim, I'd rather get 80 percent of what I want than go off the cliff with my flag flying." People think he was a hard line, hardcore conservative who never compromised. Baloney. He was a superb negotiator and compromiser and a real pragmatist.

Smith: It's interesting, the notion of principled pragmatism raises this whole question, because while the media tended to focus on the differences between Dole and Bush, particularly in '88, the differences of style and temperament, background, I sensed that particularly once President Bush was elected, I sensed that what they had in common in many ways was much greater than what divided them. Partly it was the World War II generation. There was a cultural affinity there. But also they basically were, to use your term, principled pragmatists who believed—

Baker: They were.

Smith: —the point of governing was to get things done.

Baker: That's right. They were. Exactly. And in foreign policy they saw eye-to-eye, there's no doubt about that. There was a difference in their background that came out in the primaries that was discussed in one of the campaign issues, I think, that was out there, the idea somehow that Bush came from a life of privilege and Dole did not. But that was purely a primary campaign issue. It didn't really have the resonance, I don't think, or didn't cut the way I think it was hoped it would.

Smith: Were you surprised by the Iowa caucus results in '88?

Baker: Well, you know, let me think back a minute. I get '88 and '92 and '84 all mixed up.

Smith: With Pat Robertson coming in ahead of George Bush.

Baker: Yes. That Bush lost to Robertson. Yes, I think that was quite a surprise. Of course, I didn't leave Treasury to go over to campaign till August of '88. Yes, I now remember that I think I was very surprised that a two-term incumbent vice president would have been blown away by a televangelist in Iowa. Probably shouldn't have been, but I was.

Smith: Then, of course, you had that one week before New Hampshire, when almost day by day you could literally track the fortunes of [unclear], and by Thursday and Friday, Dole's pollster was telling him, "You're in. You're going to be president," and—

Baker: Is that right? Is that what was happening?

Smith: Yes. Dick Wirthlin.

Baker: Wirthlin?

Smith: Yes.

Baker: Oh, Dick. That was Reagan's pollster, yes.

Smith: Told him on Friday that basically it's in the bag.

Baker: I didn't know that. Maybe I'd heard that, but-

Smith: And Dole was suspicious. He just didn't feel right. Of course, over the weekend it just turned around. Governor [John] Sununu played a very significant part in all that. There was the ad that was put on the air suggesting that Dole was unreliable on the issue of tax—

Baker: Taxes, yes.

Smith: Yes.

Baker: Well, see, I was still Treasury secretary. I don't remember being that intimately involved in the primaries at all. But first of all, I'd forgotten, maybe, if I ever knew, that

Dick Wirthlin was Bob's pollster. Secondly, I didn't know that he'd ever said that Dole—so what did Bush win New Hampshire by? Not too much?

Smith: Actually, he did. It was almost a blowout. There was a debate on Sunday and it was classic media politics to get Dole to sign a no-tax pledge on camera. I think [Gov.] Pete Du Pont may have been behind it. And he wouldn't do it. It crystallized, of course, a lot of what [unclear].

Baker: By refusing to sign.

Smith: Yes. But it was just lightning fast, this bulge within forty-eight hours of Iowa and then it just disappeared.

Baker: So it only lasted a week.

Smith: Yes.

Baker: Wow.

Smith: A real roller coaster ride.

Baker: And Bob came in second in the Iowa caucus, right?

Smith: No. Dole won the Iowa caucus.

Baker: Oh, he did?

Smith: And Robertson came in second.

Baker: Robertson came in second. Sorry. And Bush came in third, yes. Dole won it, as a matter of fact, quite handily. So that's right. I don't think that was too much of a

surprise. I think everybody anticipated that Bob Dole would win the Iowa caucuses, didn't they, at that time?

Smith: Yes, I mean, "one of us." A cultural affinity.

Baker: Do you remember the primary debate that year when everybody was jumping on Bush because he was the vice president and when Pete Du Pont said something and George said, "Well, now, let me help you with that, Pierre." Do you remember that? [laughs]

Smith: Typical. Must have felt good. Picking a vice president in '88, all sorts of names were mentioned.

Baker: Yes. Well, here's what I say on that, and again I get into that a little bit in here. I think it was either going to be Dole or [Sen.] Dan] Quayle, and people jumped all over the Quayle pick because of what happened to Quayle later on, not because of the '88. In '88 it's pretty hard to fault that selection, because Bush won all but ten states. So even if he had picked Bob, and I would have been very happy with the senator's selection, Bob Dole's selection. I was very close—he and I have worked well together. We had worked well together and were close, but that's not to say that—see, I really, again, I was not particularly involved in that selection process with Bush. I had one conversation with him about it when he and I went to Wyoming on a fishing trip to avoid having to listen to the Democratic Convention and [Gov.] Ann Richards talk about having a silver foot—he was born with a silver foot in his mouth, if you remember that. I write about all of that in there. But the two people that I remember as being the real finalists in George Bush's selection process were Bob Dole and Dan Quayle.

I think it was a generational thing. I think that's the main reason that Quayle was selected, and Quayle was being pushed pretty hard by Roger Ailes and by Bob Teeter.

Smith: So that implicitly you don't sense that there was bad blood left over from the primary by that time?

Baker: No, I do not at all. Not at all. There was one other candidate who took himself out, [Sen.] Pete [V.] Domenici. He was in there in the mix. [Rep. Jack] Kemp was—people used to throw his name out. I don't think he was really in the final—I think the final candidates were Dole and Quayle.

Smith: What kind of relationship, I mean broadly speaking, did President Bush and Senator Dole establish? Were there regular meetings? How did the relationship [unclear]?

Baker: As I've said, I already think I told you I think that Senator Dole was a marvelous Majority Leader for President Bush. I can't remember one thing that the White House ever wanted, certainly not in the foreign policy and national security arena, which I was operating in, nothing that we ever wanted that Bob Dole didn't try and provide as Majority Leader. I don't remember detecting any animus on George Bush's part toward Dole based on some things that had happened earlier on, the National Committee episode or even the New Hampshire primary.

Smith: "Stop lying about my record."

Baker: "Stop lying about my record," all that stuff. I didn't detect any animus. May have been there; I just didn't detect it.

Smith: Sure. That raises sort of a philosophical question. A thing I think they have in common [unclear], they were basically sort of can-do conservatives. I mean, Dole came out of western Kansas in 1960, a rock-ribbed [Barry] Goldwater conservative who opposed Medicare and aid to education, and over time evolved. And yet I mean, today—

Baker: He may have evolved or the party may have evolved.

Smith: Or both.

Baker: A lot of times it's both.

Smith: It's interesting to see—it's almost like chips and the nut. I mean, I saw it with President Ford as an ex-president to the point where he was this dangerous radical on the left to the newly ascendant, particularly the religious right.

Baker: Yes.

Smith: And Dole was a pragmatist.

Baker: Yes.

Smith: Thought there was a role for government in a lot of areas. I sensed that President Bush likewise.

Baker: That's right.

Smith: And this is something they had in common, but it also meant in a way they were in positions of power, but they were also to some degree at odds with large parts of their own governing coalition. I mean, how comfortable—I mean, I'll give you an example. When Dole ran in '96, he was visibly uncomfortable catering to the religious right, thought he had to do it. There's the Hollywood speech.

Baker: Yes, yes.

Smith: All of these gestures, and it never really—to those of us who knew him, it never really rang true, and I thought in many ways it undercut his authenticity, which I thought was one of the really strong things he had going for him. Whatever you thought about Dole, he was real. And some of the criticisms that had been directly earlier at Vice

President Bush, and then President Bush, there was a sense that he was someone who was not totally comfortable ingratiating himself with—

Baker: I think it depends on how far over—what segment of the right you're talking about.

Smith: Let's say the Rev. Falwells—I mean...

Baker: I think President Bush hurt himself a lot when he broke his "no new taxes" pledge. That hurt, I think, in terms of his position with the right.

Smith: The origins of that, the conventional wisdom is it came out of the convention at a time when you were behind in the polls, needed to—

Baker: What are you talking about? "Read my lips"?

Smith: Yes, "Read my lips."

Baker: Yes, that happened—when we started out—well, when I left Treasury, we were eighteen points behind. I think I left Treasury after the convention, didn't I?

Smith: Yes.

Baker: I can't remember. The '88 convention. I left it just days before the '92 convention, I remember that. I left State just days—But I think I left Treasury after the—I don't remember any debate about "read my lips." I mean, I was not involved at that time, so I don't remember.

Smith: I guess the question I'm asking is whether the demands of getting elected, in that case of drawing a line in the sand between you and your opponent, very effectively, in some ways came back to haunt the president in the White House when he decided—and I

think most historians think rightly and credit him with the courage of the decision that something had to be done about these ballooning deficits. I mean, it was an act of—it may have been politically suicidal, but it was also incredibly courageous—

Smith: What he got, of course, was some spending restraint, which then didn't pan out. [laughs]

Smith: Do you think, in retrospect, it was a mistake, the budget deal?

Baker: I don't think it was a mistake substantively, but I think that he didn't give sufficient consideration to the extraordinary political cost of doing that, because he did such a complete "read my lips," you know.

Smith: Yes.

Baker: I think it hurt him. Well, I know it hurt him, because it helped fuel the third-party candidacy of [H.] Ross Perot, and he got 19 percent and two-thirds of his votes came from us. We got 38 percent. Clinton only got 43 percent. You take two-thirds of 19, add it to 38, we get 51 percent. We had a terrible problem. We had that, we had the economy in the tank, and we had an administration who didn't do anything to—we should have gone up in January of '92 and called for something called Domestic Storm in the aftermath of [Operation] Desert Storm, around which we could build a campaign. We didn't do it. That was our mistake.

Smith: Were you getting any advice to that effect from people like Dole?

Baker: I don't remember. Well, see, I was Secretary of State. I don't remember. But I do know there was an internal debate and someone I think even made the suggestion we need to go up with something called Domestic Storm, but the president's economic advisors, Bush's in '92, were telling him, "Hey, wait a minute. We don't have to do that.

The economy is coming back." And it was, and it came back in October of '92, just in time for Bill Clinton. [laughs]

Smith: George Bush was an unlucky president.

Baker: Yes.

Smith: Gulf War. Quickly, and the whole lead-up to the Gulf War.

Baker: Dole was magnificent on that. Perfect. I mean, nobody could have asked for better support, more support.

Smith: And how did that support manifest itself?

Baker: Well, you know, we only got approval from the Senate 52 to 48. Without Dole, we wouldn't have gotten it. It was not popular at the time. We were dealing with a tough situation. People forget that. The only way we got that Senate support was to have someone like Senator Dole working to help us achieve it *and* we went out and got the rest of the world on board so that we could go to a senator who wasn't going to support the president and say, "Senator, you're not going to support the president in this endeavor, but the president of Ethiopia is going to support him and you won't?" I mean, it was a very forceful argument, very effective argument. But Senator Dole helped tremendously. We wouldn't have been able to do it without him.

Smith: And in fact, I think the Senate vote was preceded by the U.N. vote.

Baker: Yes, we got the Use of Force resolution. We put that unprecedented international coalition together before we ever approached our Congress for authorization, and had we not done that, we would not have gotten authorization from the Congress.

Smith: It's fascinating. There's a kind of leadership that doesn't translate well to the television age.

Baker: No, it doesn't.

Smith: And yet it's what presumably President Bush excelled at.

Baker: Yes, he was-

Smith: Personal diplomacy.

Baker: He was terrific. He was very good at it. This will sound bad coming from me because I was a part of it, but he had an extraordinarily good foreign policy presidency, effective. A lot of things happened in those four years and practically all of them, practically all of them, happened correctly.

I'll tell you one place where Bob Dole was quite instrumental, was in the Balkans, in Kosovo. He had a staffer, I think, who was very interested in Kosovo, and Bob was very interested in that issue and involved in that issue, and kept after it and kept after it until today you see there's a U.N. resolution that may very well be voted out of the Security Council for independence for Kosovo, for the Albanian majority in Kosovo to achieve independence. Bob was on that issue way back when, before the Serbian and Croatian wars in Bosnia Herzegovina in '92.

Smith: I remember at the end of the Bush presidency there was a—I saw it on C-SPAN, there was a salute to the president, a congressional dinner, as I recall, of some sort. It was after the election, before the inauguration.

Baker: Before the inauguration of Clinton?

Smith: Yes, exactly. And I'll never forget, because both Bush and Dole bordered on tears in talking about each other. I mean, it was like—this had come full circle in one sense that, you know, a real bond.

Baker: Well, they were both probably quite aware that their political careers were ending, and, as you pointed out, they were both leaders that came out of World War II, and that may account for that. I don't know. And yet Dole was going to go on and be Republican nominee for president in '96.

Smith: What contact did you have after the first Bush presidency? Were you involved at all in the '96—

Baker: Not really. Not extensively. I helped with some informal debate negotiation strategy with both the senator and Congressman Kemp at the senator's request, not as the official negotiator, but that was about all. I took a couple of trips with them on the campaign plane.

Smith: I know from hearing him during that '96 campaign that it was tough-

Baker: Excuse me. Let me back up and say I also gave a red-meat foreign policy speech at the convention in San Diego at the request of the Dole campaign.

You were about to say something?

Smith: That he said—he came back one day and told people in the campaign, because there were leaks, unflattering leaks, I mean, and—

Baker: There were leaks?

Smith: Yes, leaks coming out of the campaign obviously designed to make the leaker look good, at the expensive of the candidate. He came close to losing his temper and basically said, "I'm going out there day after day after day, getting hit over the head with

the polls and everything else, and being a good soldier and talking of victory." It was pretty disheartening to come back to your own camp and find—

Baker: They were leaking that they weren't going to win?

Smith: Yes.

Baker: That's terrible.

Smith: Yes.

Baker: That would be terrible.

Smith: How do you think he changed in the course of his career, and how did the Republican Party change?

Baker: That's beyond my ability to describe, I think, Richard, because how did he change, I didn't know Bob until, as I told you, '76. I didn't even know him when I was Deputy Secretary of Commerce. I knew him when I took over the Ford campaign and after he was nominated.

How has the party changed? I think it's probably changed a lot like the Democratic Party. They move more and more to the fringes to do their nominating, and people who I remember we had our county chairman here in Texas way back when I first got into politics with George Bush in 1970, who seemed to be an arch conservative by the time I left politics, she was seen to be an unacceptable moderate. So I think that's the way the parties both have changed, to the left for the Democrats, to the right for Republicans.

Smith: What will it take to reverse that?

Baker: I don't know.

Smith: Electoral disaster or [unclear]?

Baker: That would sure do it. Maybe an end to the country being quite so evenly divided between red states and blue states. We've got to find a way to get back to civility in our politics somehow, in our governance, at least. Maybe not in the politics. You know, what you say out there on the stump is generally, I think, okay. You can go back you're a historian. You look at what's happened in the history of presidential politics in this country. Some of the things that are being said today are no worse; in fact, they're far less bad than some of the things that were said in our early campaign. But in governing, you've got to find a way to work together for the benefit of the country. We've got to get back to that somehow.

Smith: Do you think part of the problem structurally—I don't mean to pick on Clinton, but the whole notion of the Clinton War Room, and the permanent campaign--the fact that there's no distinction between running for office—

Baker: Yes, but I don't think that's ever been—I don't think it's any different than it has always been. They articulated it and they pointed it out publicly, and they called it the permanent war room, but that's the way you run an administration. I've been chief of staff to two presidents, and you've got to respond in minutes and hours instead of days and weeks now, in terms of the news cycle, so you have to run it. You've got to have a theme of the day. You've got to have a picture of the day. We were doing that way back in the Reagan years.

Smith: Even Gerald Ford [unclear].

Baker: Ford. Did it in the Ford days. Did it in [Richard M.] Nixon days.

Smith: How do you think Bob Dole ought to be remembered?

Baker: I think he ought to be remembered as someone who served his country extraordinarily well, not just as a military man, which he certainly did. He was a true war hero, and almost gave his life for his country, but someone who served his country extraordinarily well and as a public servant, and who was a practitioner of politics in the finest tradition of that practice.

Smith: One thing I have to ask you and I'll tell you a quick story. Do you remember if Don [Donald] Rumsfeld was at the '76 convention in Kansas City?

Baker: I don't remember whether he was, but he would not have been able to take a part in it, because he was Secretary of Defense.

[End of interview]

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