

208. 1985

BORIS DOLE: NEW STRONGMAN IN THE SENATE

Dole took his oath as a U.S. Senator—and quickly assumed the role of Republican "hatchet man," serving as the new President's watchdog on the liberal tendencies of some of the chamber's Republican leaders. This endeared him to few Republican colleagues. As Nixon's hand-picked Republican National Chairman, Dole defended the embattled President to the end of Watergate. A decade later, however, Dole wryly described the three Presidents preceding Reagan—Carter, Ford and Nixon—as "See no evil, hear no evil, and—evil."

Political Rebounds. Dole's loyalty to Nixon contributed to the perilously close margin in the Senator's 1974 re-election. Dole also interpreted his narrow escape as a signal from the voters to move toward the political center. His votes against food stamps were to end abruptly.

But first Dole had one last performance as the partisan hatchet man—a performance that gave his career a serious setback. Chosen as President Ford's 1976 running mate, Dole understood that he was expected to hammer away at the Democrats, and he did so remorselessly. In a debate with Vice Presidential candidate Walter F. Mondale, Dole branded the Democrats as the "war party" responsible for the deaths of 1.6 million soldiers. Liberal columnist Garry Wills said Dole's debating showed "smiling amorality" and "cruel skill." When Ford narrowly lost to Carter, Republican managers made Dole the scapegoat.

The disaster of 1976 confirmed Dole's belief that voters preferred him to move toward the center. His marriage in 1975 to Elizabeth Hanford, former Democrat and political

moderate, probably hastened the trend. As a senior member of the Senate Agriculture Committee, Dole supported federal food programs. He also became one of the Senate's most ardent Republican civil rights advocates. Within four years, "growth" was the word used by liberals to describe their former antagonist. "I don't know of any Senator who has grown more, intellectually and personally, than Bob Dole," said Democrat George McGovern in 1979. "He has flowered into a warm, witty and generally engaging man."

But part of what entranced George McGovern—Dole's witty tongue-tied off Republican voters in the 1980 Presidential primaries. Of the dimmutive Senate Republican leader, Dole said, "If Howard Baker loses, he can always open up a tall men's clothing store in Japan." Dole won only two percent of the vote in the Iowa caucuses, and a minuscule 605 votes in the New Hampshire primary.

Dole's political career was resurrected by the Reagan victory of 1980, which gave Republicans control of the Senate, and Dole the Finance chairmanship.

Mastering the System. The 1982 Tax Equity and Fiscal Responsibility Act (TEFRA) was a pure and simple Dole creation. Nobody believed that Congress would pass a \$98-billion tax increase during a recession. But Dole constructed the package, maneuvered the President into accepting it and coaxed Republicans into supporting it. Dole even talked tobacco states, Sen. Jesse Helms (R., N.C.) into voting yes for an increase in the tax on cigarettes.

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Dole's skillful maneuvering was displayed during an all-night session on the eve of TEFRA's passage. Near dawn, the Senate overwhelmingly approved a Democrat-sponsored amendment to eliminate a requirement that restaurants report the tips given their employees as taxable income. That amendment would have cost the government an estimated \$2.8 billion in revenue.

Dole was furious—but instead of getting mad, he got even. He proposed cutting deductibility of business entertainment in half. Magically, the estimated revenue gain came to exactly \$2.8 billion. Just as Dole anticipated, restaurant and hotel owners began waiting that they would be rained by the loss of expense-account business. Then call off the dogs on tip income, Dole replied, and the three-martini lunch will be restored. Dole got his way. Only waiters and waitresses were the sadder.

Almost every major national politician has his own political action committee (PAC), but Dole's Campaign America is something special. Lobbyists (Republican or Democrat) interested in doing business with the Finance Committee over the past two years felt obliged to turn up at Dole's fund-raising cocktail parties and hand him \$100, \$200 or \$500 checks on behalf of clients. No causal relationship can be claimed between the checks and the committee decisions, but lobbyists can easily justify what they give on the basis of what has happened during Dole's tenure.

In 1984 the House bill's \$3.75-a-gallon increase in the liquor tax was cut to \$2 in the Senate, which also rejected efforts to raise beer

and wine taxes. Among the 1983-84 contributors to Senator Dole were political action committees of Anheuser-Busch Companies, Inc., Miller Brewing Co., the Wine and Spirits Wholesalers of America, National Association of Beverage Importers, Inc., and National Beer Wholesalers Association.

The ability to bleed lobbyists for money was a major source of strength for Dole in his race for Majority Leader. Most of the money collected for Campaign America is distributed to fellow Republican Senators and candidates.

Room to Maneuver. Dole also gains favors by using his political influence. Last year, for example, Sen. Don Nickles (R., Okla.) sent a lobbyist a letter asking for a campaign contribution. The lobbyist wrote back saying he might be interested if Nickles would cooperate for the common good—meaning, introduce a certain tax amendment and ask Dole to back it. Nickles did just that. Dole made certain the amendment became law, and Nickles's PAC was soon \$1000 richer. A few months later, Dole's managers had Nickles listed in their corner in the balloting for Majority Leader.

In addition to his skillful manipulation of the lobbyist money network, Dole embodies the guile and tenacity that were trademarks of Lyndon Johnson's Senate leadership. In October 1981, for example, the White House warned him that if he unveiled the massive tax increase package he had constructed, the Administration would shoot it down. Nevertheless, he went straight to Capitol Hill and peddled the plan to the Senate Republican

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leadership. That failed too, but Dole kept trying. By the time Reagan delivered his State of the Union message the following January, the President was proposing a deficit-reduction "down payment" that embodied the thrust of what Dole had been warned against doing in October.

Dole's 1983 tax package also displayed his flexibility. The package would have sliced tax indexing, which protects middle-income taxpayers from "bracket creep" as their salaries inflate. Dole once had been a fast-ditch defender of indexing, but switched in March 1983, when he told *Forbes* magazine, "In the real world, you might have to compromise in the indexing provisions or defer them." He switched again in August 1984, when, testifying before the Republican platform committee in Dallas, he ruled out any tampering with indexing, he called it "the best part of the Reagan tax cut." Dole was exhibiting not duplicity but a characteristic dislike for fixed positions that might restrict his room to maneuver.

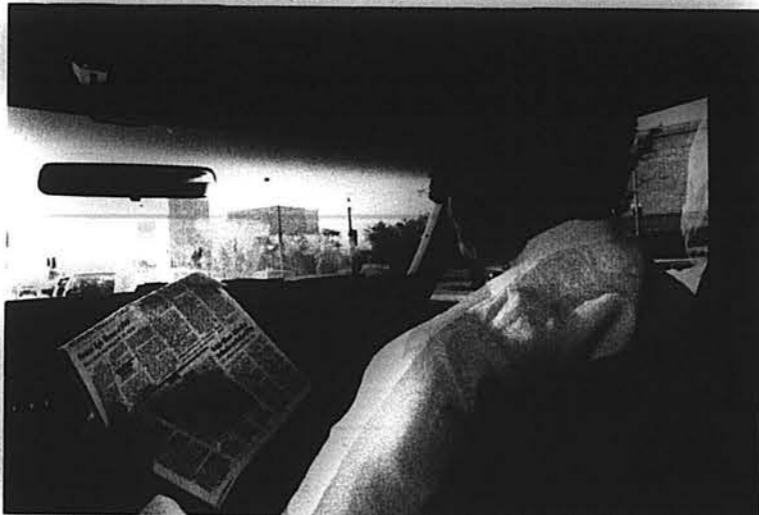
As often happens to great legislative leaders when they attend their party's conventions, Dole was a fish out of water last summer in Dallas. House Minority Whip Trent Lott (R., Miss.) was platform chairman; Kemp and other proponents of tax-cutting were in charge and ignored Dole's pleas against a no-tax-increase pledge. After Dole returned to Washington, his position as a national party leader

seemed to have hit bottom again. Many of his friends thought he would pull out of the leadership race rather than suffer an inevitable 1988 Presidential prospects remained. But that was not the way Bob Dole was thinking. After the November 6 election, he pumped the telephone with insistent requests for support. On November 28, the fourth ballot made him the nation's second-most important Republican.

Dole's conservatism is in many ways closer to the tradition of the Republican Party than Kemp's or even Reagan's. His real concern for budget deficits is attractive to businessmen. His impulse toward old-fashioned Republican protectionism is reflected in his backing, despite Reagan's opposition, for restrictions against importing certain Japanese machine tools. (The case was brought by Houdaille Industries, whose PAC is a contributor to Senator Dole.) Dole's consistent call for U.S. Soviet trade reflects the belief of American businessmen and farmers that commerce must flow, whatever the cost to national security policy.

Whether or not this can sell in Iowa and New Hampshire in 1988 against growth-oriented, right-wing populism, it is a living force in Washington. When Ronald Reagan looks to Capitol Hill, he will see not a two-percent loyal Bob Dole, but a tough, resilient rival for Republican power in the last years of the Reagan Era.

Photo Report



During his brief ride to work, Senator Dole reads the *Washington Post*.

Senate Boss on the Move —A Day With Bob Dole

It's a hectic pace the GOP's point man in Congress keeps up as he pleads and politicks for the Reagan budget.

For Republican Bob Dole of Kansas, Tuesday, April 30, was a crucial day for judging his skill after four months on the job as Senate majority leader.

At stake: An up or down Senate vote on a GOP-backed budget compromise that would reduce federal spending by 300 billion dollars over three years.

The vote, while mostly symbolic, was seen as an essential step in showing Congress and the administration's determination to deal with the deficit.

To observe the Senate leader in action on a pivotal question that ended with a 1 vote victory and a congratulatory call from the White House, *U.S. News* National Correspondent John W. Mashek and Staff Photographer Chuck Harris tagged along as he paced through a hectic 13-hour day of planning, pleading, maneuvering and politicking.

Dole had been up for an hour when he emerged at 7:15 a.m. from the downtown apartment he shares with wife Elizabeth Dole. As Secretary of Transportation, she is on the go as much as he is. Separate chauffeur-driven cars whisk them to their jobs in minutes.

The senator's first stop was his Kansas office in the Hart Building. He

scanned newspapers, read memos and signed mail—mostly to constituents.

Then, he was off to the Cannon House Office Building to speak to the League of Women Voters. Afterward, he was surrounded by reporters. All wanted to know: Did he have the votes to win on the budget? He wasn't sure.

To nail down victory, Dole rushed to his other office—ornate rooms set aside in the Capitol for the majority leader. For the next several hours, Republican senators trooped through to discuss sensitive budget issues. Other top Republicans came by to help. Among them: Vice President George Bush, Secretary of Defense Caspar Weinberger and Budget Director David Stockman.

Margin of one. The vote came at 6 p.m., following lengthy skirmishing by Democrats. Not until after the vote, which he won 50-49, could Dole relax.

Among several reception invitations, Dole picked one from the Paralyzed Veterans of America, who were honoring Senate Minority Leader Robert Byrd (D-W.Va.). Dole, 61, is a wounded veteran of World War II and has only partial use of his right arm.

Finally, after a stop in his office to sign mail, Dole returned to his apartment at 9 p.m. He looked tired but was able to laugh about the next day's even more grueling task: Keeping the budget package intact in the face of amendments to restore specific programs. □



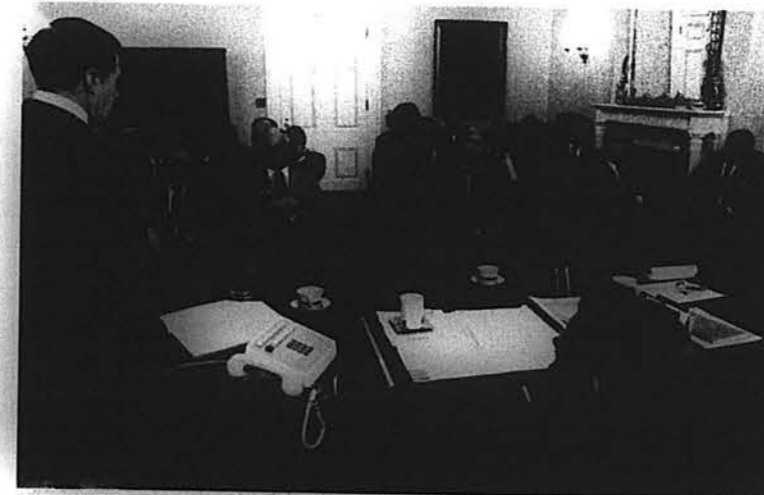
Return to Kansas



First item of business: Doing Kansas paper work in spacious state-office suite.



Dole sips coffee during session with Senator Pete Domenici (R-N.M.), the OMB's Stockman and Senate budget expert Steve Bell.



Dole presides as Secretary Weinberger urges GOP senators to back defense outlay.



With Senator Jesse Helms (R-N.C.), White House aide Max Friedersdorf, George Bush.



Thoughts of The Senate Leader

Senator Dole reflected on a wide range of subjects during a typical 13-hour workday. A sampling—

On the deficit: "Before we're through, this budget process could ruin a lot of friendships around town."

On being majority leader: "You always find some people who are after leverage. They say they won't vote with you until the President does something in their state or district. They're playing to get the White House's attention."

On supporting the President: "The White House can't expect all Republicans to line up on every issue. We never have, never will."

On criticism: "It irks you when some faceless person kicks you in the shins. But Nelson Rockefeller had the best idea: Don't read anything about yourself. That's hard."

On running for President: "Right now, it seems to be a game of which reporter has the biggest list of potential candidates. My name is way down on those lists. I'm running for re-election in Kansas next year. I haven't got an opponent yet, but you never know in this business. The most important thing is to maintain Republican control of the Senate."