

JACK KEMP
ORAL HISTORY PROJECT

Interview with
RICHARD BILLMIRE
February 7, 2012

Interviewer
Morton Kondracke

JACK KEMP FOUNDATION
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Morton Kondracke: This is a Jack Kemp oral history project interview with Richard Billmire, who was an economic adviser to Jack Kemp from February of 1985 to July of 1987. We're doing this interview on February 7, 2012 at Mr. Billmire's home in Arlington, Virginia. Thanks very much for doing this.

Richard Billmire: Yes.

Kondracke: When you think about Jack Kemp, what immediately comes to mind?

Billmire: I think that his leadership ability, the aspect of his leadership ability that enabled him to be a central figure in a lot of the big policy debates in his time, I think that's very undervalued. I think there were a lot of people who just didn't understand. We've just had the Super Bowl, and of course there's football analogies. And the point is you've got to be able to read the field. And where Jack was really good is he could read the intellectual and political field. Now it's very important that both of those are combined, because you can be an intellectual all day long and nobody gives a rat, it never goes anywhere. But you also have to see whether or not it's worth heading in that direction. So Jack really had an intelligence, I think, that was never—I never sensed in the press, and some around people in the caucus, a lot of people just didn't understand that. How is it when you look at a lot of the key issues at the time, whether it's international or national, how did some House guy, frankly, do this? Now, he, again, football, there was a team. You had [Newton L.] Newt [Gingrich] out there on the sidelines, being half-crazy most of the time; you had

[Robert H.] Bob Michel, the owner who didn't want people to get too upset, and then you had the smart guys like [John V.] Vin Weber and a bunch of others, who were sort of managing things and watching Jack's flanks. But one of the things I'd like to do as we go through today is to talk about some of the places where he was—you're going to hear that certainly from Michelle [K. Van Cleave] and John [D. Mueller], those two people in particular, where he really was a leading voice and got things rolling, and then also some of the process, which at some times was chaotic. But Jack had this sense. So you could be very confused, you could be confused. It's almost, when you use football again it's like a play action pass. That was Jack. He was a guy who played in pocket within football, but he was a play action guy when it got to this. He was always jumping from this to this to this to this. It looked frenetic, it looked disorganized, but then if you just sat down at 6 pm and said, "Okay, what have we done in the last few months?" you'd have every major issue, and Jack then used his position, some people didn't like it, but he was such a friendly guy, he used his position in leadership to really push an agenda very hard. And people knew he was in that sense a winner on taking sometimes complex ideas and making them very political and palatable, with the exception of the gold standard. Other than that. [laughs] John [W.] Buckley and I used to joke, he'd be out in Iowa, and I said, "John, you've got to be honest with me. When he starts talking about the gold standard, we're the only listeners left four-legged. Anyway, long answer, short question. I think that's very central, and maybe you've heard this from other people, but sometimes people get so involved in their area of expertise and how important they were in giving advice that you miss the genius. And some people I think looked, "Jack's a great guy, he's very popular, he's a good politician, but I'm the smart

guy here," you know, some of that. You go, "No you're not. You got us in the stadium. This guy is on the field getting it done and scoring the points, and you're sitting back in the stands. Let's be real about that." And Jack was never bothered by that. That's what was amazing to me. You know, he never said, "I'm in charge. This is the way we're going to do it." He talked to everybody, and go, "Okay, well, I think this is the way it should go." And everybody would go "Yeah." And then you had people like [J. David] Dave Hoppe who were smart enough—remember, Hoppe ended up being the Whip guy over in the Senate side. He could read, he could count votes, and so he was very good with Jack on that, but he understood Jack's sense.

Kondracke: So what do you think his most significant accomplishments were?

Billmire: There were just a lot of them. I don't think you can say one. That's not what I'm saying. I don't think it was one significant. I mean, let's start going down the list. Let's talk domestically. The big thing, of course, if there's any one thing that people talk about, it's always the taxes. Taxes, taxes, taxes. And tax reform. But tax reform that touched working people like most people hadn't. There's a flaw right now in the Republicans. They're getting a lot of what we used to call [Ronald W.] Reagan Democrats. In 2010 you saw a lot of people come our way who were independents, but basically were working middle-class, you know the people, two earner income, forty thousand to sixty, certainly not rich. Jack got that. Maybe that was Buffalo, or whatever. I can't tell you how important that was. And then the second thing I think was significant, but it's been dropped by the side because of a lack of whatever in both parties, and that was in

urban policy. I mean, if you can find an urban policy in this administration or among Republicans, good for you, because I sure can't. Not anything that's pointed and directed. I think [Barack H.] Obama gets reelected, as an aside here, what a tragedy. What a lightweight. Where's their urban policy? It's supposed to be your thing. You were a community organizer, and I sure don't see it. It may be 10 years from now or 15 or whatever. Maybe somebody goes, "Yeah, remember that stuff that people were trying to do way back when?" And we need to do that. So that is an accomplishment, but I think an unheralded accomplishment. I think the whole idea of monetary stability, now his solution may have been the incorrect one, but what are we living through today? I remember his comments on the euro, and was like, Oh Richard. One of my fields was international finance, and so we could talk about that, and Mueller was quite smart about all that. So the idea of a stable monetary currency again—

Kondracke: Just before I forget it—

Billmire: Yes.

Kondracke: he thought the euro was going to fail?

Billmire: He didn't think it was going to work, unless you had some stable underpinning against which the currencies, the demands, could be valued and the outflows could be dealt with. You had to have something, and for him that was gold. Now I think that's kind of primitive, etc. etc. but the idea of a stable currency the idea of the fed. I mean I used to have to do all this stuff with the Fed [Federal Reserve Board]. That's going to bring up a point we should probably address

later. What a lot of people really liked about Kemp was that he would let his staff, he would sort of go, "Okay, you go deal with the Fed," and he'd have enough trust in you that, and you talk to Dave and Mueller, and you go start talking to people about the Fed. Well, the next thing you knew, Don, I think his name was [Donald J.] Don Winn, I think he's dead now, but he was [Paul A.] Volcker's [Jr.] guy and then [Alan] Greenspan's guy. All of a sudden people would start calling you. If you talking on the World Bank and Jack went out and said this policy of impoverishing the poor in the name of the good, you'd get calls from all these senior people saying, "Can we have lunch?" "Let me tell you what's really going on." That happened with Michelle, that happened with me, that happened with Mary Brunette [Cannon], you name it. Once Kemp said something, or went [snaps fingers] that's a guy who's going to do something. He's a player. He's not going to sit back and have another hearing. That's not Jack. Something is going to happen, they're going to push a bill, he's going to rant and rave about it, it's going to be on TV, let's go. So the difference between being in the Senate, where I was, with people in the leadership, [William L. "Bill"] Armstrong was pretty big in all the big money committees, and then of course [John G.] Tower was in the leadership, and you compare that to Kemp, and the influence was much greater, and the fact that people knew, "Hey, I can talk to this guy. Something might happen." After a while you go, "I can't talk about the timber industry in Honduras with an AID [U.S. Agency for International Development] guy," you couldn't. You'd just have to say, "Enough." And of course it wasn't like we were untethered, freelancing, like [Jesse A.] Helms' [Jr.] people used to do on the Senate side. No, it was all through Dave, through John, through Michelle, and we would all work together. We all got along on a personal level very well.

None of the normal bullshit, you know, that you run into. Anyway, continue with the list. So I've talked the economic. Michelle's probably talked to you, and then finally, the multilateral development banks. For good or bad, the [James A.] Baker Plan was the Kemp plan. Mueller and I sat down and wrote it with a guy at Treasury.

Kondracke: The Baker Plan was—

Billmire: The Baker Plan said that instead of the World Bank financing economic development in the IMF [International Monetary Fund], through two techniques, build up the parastatals, which was the old in economic development in the universities, which is "You've got to start up, command economy, you can't compete otherwise." So all these big and efficient parastatals. And then the second point would be who would you go after? Well, you'd go after the little people. You'd raise the price of charcoal 300 percent. The Baker Plan then said, and it's the dominant thinking now, which it said we've got to go more with the market. So we had five conditions.

Kondracke: This is what year?

Billmire: This would have been '86, I guess. A big fight with [David R.] Obey, we can talk about that more. So that's on the economic side we had those. On the foreign side, of course the whole Contra [Nicaraguan rebel fighters] fight, very, very central to that. Oh, and of course he was always fighting the Budget Committee and everything else. That's another whole story. On the foreign policy side a couple things really struck me. Solidarity [Polish democratic movement], Romania, Ethiopia, Jews in Ethiopia, Romania public, well, human

rights in Romania, and then Contra, you know about that. In all three cases, Jack was often pushing against the administration, his own administration. You just going to do the right thing. He wasn't counting the votes, he wasn't being a Senator, which is, "Oh, my heavens," you know, just, "No. It's the right thing to do, we're going to do it. Okay, let's get it done. Dave." You know, and off they would go.

Kondracke: Now he was fighting the Reagan administration on which of these policies?

Billmire: Every one of those. That's why I've highlighted them. And we'll go, if you want to put that as a heading. And then the last thing I think, with China and the policy, I'm not an activist on abortion by any way, shape or form, but this wasn't about abortion. This was their one child policy. And we were funding that, and that's important because I use that as an example of how Kemp would end-run the administration, go to the Democrats, push Dave Obey to the side, because I do want to talk about Obey and his misreading. Push Obey off to the side, got to votes in full committee, which people just didn't do, and Jack Kemp did it again and again. That's the inside thing I'm talking about.

Kondracke: Right. What do you think were his strongest personal characteristics?

Billmire: He really trusted you, he really trusted you, and you really had to repay that. Working on the Hill, you know what I'm talking about. I mean, that's a hard thing. You usually have the boss, the

Senator, or the Representative or the Chairman and they have a very good relationship with maybe one, maybe two people. And everybody else is doing their job. Kemp had this very solid relationship with everybody. It's just the way he was, he was in some ways maybe an innocent with people. It never hurt him, I don't think, because he was just a force. That ability to have people trust him, and I think the second thing, I mean talk about people would sometimes say, "Well, George [W.] Bush has—what was it—lack of intellectual curiosity?" It was not Jack Kemp's problem. It was like, sometimes you'd go in and you'd go to John, and John says, "Yes, here's a couple of books that look pretty good for Jack." I'd say, "John, can we hide those books? Can we just get this passed? Don't let him read anything." And I remember he used to, I'm sure people have told you this, you always would sort of dread, now luckily for me Mueller kind of screened some of this, but people, you'd walk in and you'd have these things pulled out of a newspaper and Jack would circle it, "Get going on this." And you'd go, "Oh, my God. Not another one." And I'll never forget going into Mueller's office one day. He's writing a speech, I said, "John, we really need to talk about x, y and z and you know how polite John is, very deferential, and he'd say, "Yes, Richard, yes." He said, "I'm enjoying this speech, and I have a few of those." And there was this pile of these tattered, I mean Jack didn't even, there were no scissors, [demonstrates tearing paper] and he'd circle them and off you'd go.

Konracke: And what were you supposed to do with something that was circled?

Billmire: Follow up, find where the legislation was, who were the players, how we could get it fixed, should he call somebody, should we call somebody, should we get it started, but do the background.

Kondracke: This is regardless of whose lane this is in, he's just all over the place?

Billmire: Well there was some discipline, but think of it this way. It's like a bell curve that's kind of spread out, you know? If it was like this it would be "Okay, this is x, so Michelle gets this, or this is y and John." But sometimes he'd go, I'd get something on my desk that you're going, "What is this?" And he'd go, "Talk to" and I'd go to Dave Hoppe. "What am I supposed to do with this, Dave? It's about like potatoes in Iowa or something." He'd go, "Didn't you go to Virginia Tech [University]?" I'd go, "Yes, but I didn't major in agriculture." And it would be like that, and we'd work it all out among ourselves. So we're talking about the trust, which if you had that kind of, it wasn't that he was a happy guy and always shaking everybody's hands. That's different, and a lot of people say that, "That's why Jack was so great." No. Underneath it was, on top of that he was also very trusting and he never lied to you, and so his word was his bond. And therefore then if you have somebody, I mean I worked for Bill Armstrong, word was his bond, prayer meetings every office meeting on Wednesday, but he wasn't a big joker, right? That combination was very good with the intellectual curiosity. So the inclination to write him off as just some dumb guy, it didn't work with the people who could get votes moving and could get action moving. He did run into a problem with that on the Senate side, as you saw with Bob Bell.

Kondracke: On the Senate side?

Billmire: His ability, he was a House guy, he wasn't a Senate guy. And the biggest question in my mind, and it gets back to what we talked about in '80. What would have happened if Jack had run for the Senate? I think he would have won. It was our year, '80 was our year. What would have happened? Would he have been a duck out of water, that person cannot fit the Senate, which is more staid and reserved, plus you got six years to do what you want to do, which I think makes you lazy. I don't know whether that pace would have matched the Senate. I think he would have done very, very well in the Senate and I think it would have trained him too. It would definitely have helped running for the presidency, no question. He would have been halfway through a couple years, and to a second term.

Kondracke: If he had flaws or weaknesses what would they be?

Billmire: Well the one right there. He was too nice a guy, too nice a guy. He should have run in '80, should have run in the primary, didn't feel he could because of what do you call it, [Kenneth B.] Keating, I guess,

Kondracke: [Jacob K.] Javits.

Billmire: Javits was very ill, I think, faltering or ill, I can't remember.

Kondracke: He had A.L.S. [Amyotrophic lateral sclerosis]

Billmire: Yes, and I remember, I said to Jack—

Kondracke: Why didn't Jack go to Javits and say something?

Billmire: "Give me your permission."

Kondracke: Yes.

Billmire: I don't know, I don't' know.

Kondracke: Did he ever?

Billmire: He would not talk about it, wouldn't talk about it with me. And the idea that he didn't do that because supposedly he was either gay or having multiple girlfriends, as Buckley used to say, "Make up your mind guys. Which one is it?" And then somebody came back, "Well, he could have been bi-." And Buckley said, "They don't know what that means in Iowa," something like that. The rumor was he didn't do it because of that, but that was pretty small on the scale of importance. I think 95 percent of people said it was because he couldn't bring himself to do it. And why he didn't go to him I don't know. And maybe he did, who knows? Who knows? Have you found that out? Any sense?

Kondracke: No. Any other weaknesses or flaws?

Billmire: I think the central issue about Jack and why he never became president or whatever, was that being the policy innovator which he was, and this is so counter to Jack the quarterback, because

that's not who he was. He was a policy guy. Being a policy guy doesn't make you a good politician. You know what I'm talking about. You've covered enough races, and the old saying is "Get the details once you're elected." You've got to get elected, then you can govern. Don't get the two confused. And I've been in enough races and you've seen enough races. The amateur races, a guy who lists 23 things he wants to do or she wants to do. Then you go, "Jesus. Pick three." And the classic model, when I used to teach people, was you know Reagan. He had three big issues and we had Obama. I guess if you count hope and change as separate issues, he's got two, no three, you want to give a message about our diversity and I guess that's the third. But that was really the central, if he had wanted to be president, and really be in a position, I don't consider it a weakness because he did what he did and accomplished what he did, and he planted seeds that may bear fruit later, like urban policy, monetary policy. But you don't, and I know he wanted to do that, but the weakness I think was to be able to separate the two. And the easy one to give you is why spend all your time in Iowa talking to farmers about the gold standard? What are you doing?

Kondracke: Was this a lack of discipline?

Billmire: It's just different jobs. An electrician doesn't operate on your knee. It's that different to me. We really do have leaders, a lot of books up here [gestures] about a lot of history, about figures like Jack, who are the intellectual leaders and policy leaders of their time, and you could argue, "Well Jack was a little bit reactive." Well, leader means taking an idea, maybe people are talking about a little bit, and you make it something that's not little anymore but it's big. And all of

a sudden you've got to deal with tax reform in the Senate, and [William W.] Bill Bradley gets all the credit, but guess who stirred up the pot, made it happen. It was Jack. I'm absolutely convinced of that. You get [unclear] involved, all these people get involved. So I think the weakness would be if you were Jack Kemp, if your goal was to be president and really change a lot, what kept you from getting there, and then I would call that a weakness in that very narrow political sense. As far as I'm concerned, I think he did a great job, I think it's hard to get elected president from the House, even if he had all the great features in the world I think it would have been difficult.

Kondracke: Why did he not get credit for everything he did and was?

Billmire: He's a House guy. I mean, let's face it. If you're a Senator they'll give you some attention, if you're a House guy, you're a House guy. You're lower-class, your shoes look funny, I mean, you name it. You go from the Senate to the House, it's like. When I went from the Senate to the House just as a staffer it was like, "Oh, one of you. Oh you think you're still in the Senate, Billmire." You know, that kind of stuff. "Nice shoes. You know, who do you think you are?" All of that. It's lower on the food chain, lower class, whatever. You see some of the people over there and you go, "Oh my God." [laughs] You really do. Because they're from places that are oh-my-God places. And what's his base? Buffalo? New York? If he'd been from Florida or Texas that might have changed something. But he was still a House guy, and you just can't get around that. That is a burden. That's why I think the crucial decision was made in 1980. But he doesn't get credit also because once he got it started, other very capable people picked it up. The Baker Plan is called the Baker Plan. It really

changed the way the World Bank and the IMF worked, and it changed a lot of things in the developing world just dramatically so. Whether we like it or not, we have capitalism, sometimes it's state capitalism. This isn't the way people thought years ago, but it's called the Baker Plan, because Baker said, and [Richard D.] Dick Darman said, "Hm, yes, we can sign onto this. Oh, and by the way, one of our people helped you write it." Oh, big tax reform? Who got credit for that? Oh, Ronald Reagan. Kemp-Roth. No, those were the "Reagan tax cuts". And so on down the line. So he would get it going, he'd get it started, he'd get the votes, he'd have unity on the Republican side, he'd grab 30 Democrats, and all of a sudden you're off and running. Did he have any credit for Solidarity? No. And you can go down the list. Contras? No. Who got that? That was Secretary [George P.] Shultz, or that was this person. I don't say this with any kind of resentment or bitterness. It's just sometimes the way things work. Again, if you'd been Senator, it would have been a little bit easier to get credit.

Kondracke: So I know that you have a million standout personal experiences with him, but what immediately pops into your head?

Billmire: Well, I won't give you the solid policy answer. I'll give you a personal? It was great fun.

Kondracke: Yes, fine.

Billmire: We would have these hearings, and of course the Democrats would sort of spring them on us, that's the way they did their work. And they would spring them on us, and Obey was one of the worst,

and I'll talk about that in a minute. So we would be told, "Hey, there's a hearing" or "There's a bill and you guys got to get ready. I want to make a statement on the bill," and of course they'd give us a bill this big [gestures] and, you know, it would be 2:30 in the morning, and we would be there, because we were the Kemp people, and we always worked. So you'd be sitting there—

Kondracke: Would he be there?

Billmire: Sometimes, but sometimes not. It would depend, it would depend, in session or not.

Kondracke: This is the foreign aid bill?

Billmire: Whatever, it could be anything. I've forgotten what it was. I think in this case, I think Shultz was showing up. So I would always write these speeches, and of course they didn't have the beauty of Mueller's or even Michelle's, but they were well-reasoned, etc., and I'd work hard them. And then I'd give them to Jack, and this is a [unclear] and Jack would then look at it. And it would go, "Good morning, Mr. Secretary." And that's where my contribution would end, because Jack would say what he'd want to say, he'd get some ideas in there. He would look over the speech and check, check, check, check, and then boom, he just got it. He read it, processed it and he got the four or five things he wanted to say. But it was never what I was used to, where they kind of read your speech. And I guess this had happened two or three nights in a row, and I had done this stuff, and I'd seen Jack sort of go, he'd take it, he obviously had marked it, then he'd go pooh and sort of toss it to the side. So Shultz was coming up,

and I thought "okay, okay." So what I did was I wrote a speech, and I had it over here, and I had another speech just for Jack, and all that was on the paper, and he used to write notes in the, you know, Shultz would talk or somebody would talk and he'd take my stuff and use it as a note pad. It didn't have anything to do with my brilliance, wasn't brilliant, but anyway, so I gave him one that just said "Good morning, Mr. Secretary." And that's what I gave to him. And he took it, and he turned around to look at me, he had this look on his face like "What?" Not angry, just "What are you doing?" you know, like a prank, like a locker room prank, and he said, "What's this?" I said, "Jack, you never read my speeches and you look like you're really cramped when you're taking notes, so here's some note paper." He goes, "Oh my heavens." He just puts his head down and laughs, and turns around and addresses Shultz, and off we go. And I did take the other speech and put it there. So anyway, then, we're in the car. He said, "Well, you mind riding back with me?" And he had that Thunderbird. And he was on Independence Avenue. I remember he stopped right in the middle of the street and he said, "That wasn't too bad." And just laughed, and hit me in the arm, which, you know, I'm a pretty solid guy, but when Jack hits you in the arm you feel it for a day or so. And that's what I remember most fondly about him.

Kondracke: It sounds like you had a really easy relationship with him.

Billmire: Easy guy. Easy guy to have a good relationship with. It's not just affection, it's also just intellectual respect. The only thing that ever got me were these popinjays, who would strut around because they'd talked to Kemp and they gave him the idea for this or this or this. Well, I mean, come on. Just read a little history, and what Jack

was doing was what [James] Madison [Jr.] did, and [Milton] Friedman did, and other people. There's nothing much original that comes down the pike. The most original thing probably in our day and time is whether or not particles are going faster than the speed of light. That might be a big f—n deal. But other than that, it's all derived, and if you're well-read, then you can fit that knowledge into the current environment. And he did have this very broad vision about how you could combine foreign policy and democratic capitalism. That's what it was all about with him, and I've got to tell you, you can count on one hand the people in the Senate or House who had that kind of complete understanding. That you couldn't talk about capitalism totally succeeding without freedom of all the inputs. That gets to China, and China is going to have to confront how it deals with its workers at some point. It's having a nice run, but this could be their undoing if they're not careful. He understood how it all blended together, which gets back to the weakness idea. If you had this world view, this paradigm, and you're working in all those areas and you see the interconnectedness, that's a lot to deal with. It doesn't necessarily get you the delegates and the people who are the head of the Iowa County Young Republicans.

Kondracke: So democratic capitalism is his mission, life's mission?

Billmire: I think so, yes, very simply. With all that entails. No clichés, no Washington Post moronic observations. I mean a very solid, and nothing against you, but none of this talking heads bullshit. What a bunch of ignorant people. I mean, I'm sorry. They missed 2010, you think I'm wrong? They absolutely missed 2010. Now you tell me how anybody else, it could be off, "Oh, they'll pick up 38-41

seats." It was 63. And you're being paid? You've got your contract renewed? If that happened in the private sector you'd be dead meat. I mean, come on. Anyway.

Kondracke: We'll discuss this later.

Billmire: Yes. Can I be sued for that?

Kondracke: No.

Billmire: Okay, good.

Kondracke: So when did you actually first meet him?

Billmire: I met him way back, I guess I came up here from graduate school right after Reagan came in, in that spring, and went to work for Armstrong, and Armstrong and Jack were friends and colleagues working together. Armstrong was much more of a fiscal conservative. For Armstrong it was all the bottom line, where's the deficit, off we go. Armstrong is a very clever guy, a very, very clever guy, great to work with him. I've been a really lucky, lucky person. And so I would see Jack when he and Armstrong would get together. And there would always be, "Oh, well, Joe [O. Rogers]'s over there." So that was the connection. I had Joe's job. Joe left to go to Kemp, and I was the budget guy.

Kondracke: Joe was at Armstrong before he went to Kemp.

Billmire: Yes. Right, I just slipped right into his job, then Joe left to go to the Bank, and guess who filled his place again? As Joe said one time, after a couple of beers, "You're like the guy that comes after the elephant." [laughs] I said, "Thank you, Joe." So that's when I saw Kemp. But what was very interesting to me is here's a guy in the House. I mean, what's a House guy doing with this stuff? That was the attitude.

Kondracke: So you were working with Armstrong, and Kemp and Armstrong were working on what together?

Billmire: Remember, Armstrong was number two on Budget under [P. V. "Pete"] Domenici, he was the fiscal conservative, who actually had revolted against the first Reagan budget, because it didn't cut the deficit enough. And he and [Charles E. "Chuck"] Grassley and I think maybe [Robert W. "Bob"] Kasten [Jr.] voted against it, didn't have the votes, off it went. So Armstrong was there, he was on the Banking Committee and the Finance Committee. Talk about dream world for a guy out of graduate school. But beyond that, because of that exposure, any of those issues, tax reform, solid money, international, boom, that was Kemp's.

Kondracke: So were Armstrong and Kemp allies?

Billmire: Oh, yes.

Kondracke: Even though Armstrong was a budget cutter.

Billmire: Yes, yes. Because at the same time Kemp would say, "Look, let's get rid of these corporate set-asides and put it in a tax reform for working people and urban policy. Let's use our money smarter." So in that they were very comfortable with each other.

Kondracke: How did you get your job? And why did you decide to leave the Senate and go to the House?

Billmire: Well I first got my job because I was down in Charlottesville [Virginia] and I realized I am not going to be an academic. That's just not what I want to do. I had a professor in graduate school named David [I.] Meiselman, who was a pretty well-known monetarist. He and I got along very, very well, and he was going up to Salomon [Brothers investment bank], to work on, to give them advice, particularly on the sort of evolving futures markets. One of the things I got really excited about was the financial futures market, which was nothing back then, it was nothing. I actually had a seat for \$10,000 on the LIFFE [phonetic] Exchange. Meiselman calls me late one night and said, "You've got to leave." I don't know if Dave's still around, but he was a colleague with Friedman. They wrote a bunch of stuff together. And he was a very forceful guy.

Kondracke: Milton Friedman.

Billmire: Milton Friedman. So he said, "You've got to get out of there." And I said, "What do you mean?" He said, "No, you're wasting away down there. You're never going to write that dissertation. You can come to Salomon, or you can come up and work with Reagan." I went, "Oh." So we went to the Cosmos Club, and one thing led to

another, and I got an interview with a guy named [Robert] Bob Potts, and they were so nice. I was teaching in a community college, that they let me teach out my contract and come up three days a week, which was pretty remarkable back then.

Kondracke: This is for Armstrong.

Billmire: This is for Armstrong. And then I got to know Joe. And then what happened is Joe called one day and said, "Look. I know you really want to do some stuff on the Bank and the Fund, and I know you like Armstrong, you like Tower, but here's what happened. Tower said I'm not going to run again." So, I was thinking, "What am I going to do?" And I had some other chances in the Senate, but I was ready to try, I wanted to do something, and that was a great thing. With Kemp you were guaranteed to do something. There was action galore. Tower was great and we did a lot of great things with Tower. Of course when he went over to DOD [Department of Defense] he asked me to come over with him, so we had a great relationship, but then I had this chance with Kemp, and I took it.

Kondracke: Did the fact that Kemp was a presidential possibility have anything to do with your going over?

Billmire: Not really, because I didn't think he'd get to be president.

Kondracke: Really?

Billmire: Yes, he's from the House. Just not, it just wasn't going to happen. And because he was almost too intellectual to be president. I

don't know what the analogy, maybe you know, what would be the analogy in a parliamentary system? Would he be, not like a prime minister. I'm trying to, [Benjamin] Disraeli was what? Disraeli was prime minister, right?

Kondracke: Yes.

Billmire: There are some aspects of that, you know, where you have control, there's no elections unless you get a vote of no-confidence, and you have an agenda, and you just push it through. That's what he should have been. And maybe that will make some people unhappy, but that's just the way I felt. I'm an incrementalist. I don't think it's great men, great movements. I think you have to be very, very thorough, I think you have to figure out what you can reasonably get. That doesn't mean you compromise. But I learned one thing from John Tower, don't go in with your going-out position. What I liked about Kemp, there was a certain purity to what we were trying to do, and the great thing is, and I used to tell Kemp this, it's a Texas Ranger [Major League Baseball team] saying, about just being a little House guy versus the big guys in the Senate. I said, "Well, a little man can beat a big man if he keeps on coming and he's in the right." And that to me was the story of Jack Kemp's success. He just kept on going and he was in the right in most cases.

Kondracke: When he hired you, you describe in the first interview whether you're a root canal sort of guy, so how long did this interview last?

Billmire: It was long enough.

Kondracke: Half an hour?

Billmire: Short of half an hour, something like that.

Kondracke: But he knew who you were.

Billmire: Yes, I'd already been screened, and Joe, who he really liked, Joe said "This is your guy." And Dave said this is your guy. And then I think one of the selling points was I had worked in the Senate, and that might help us get some things going over there. He really didn't have a Senate presence. I mean, there was Armstrong, but I was in the family. Just remember back then, this was not a large group.

Kondracke: What did he tell you that he wanted you to do?

Billmire: It wasn't that so much, it was more, "You know what we want to do." Because I did. I talked to him. I volunteered what I wanted to do.

Kondracke: Which was?

Billmire: The reform of the multilateral development bank, tax reform that really touched people. I grew up in Baltimore, my family was not blue collar, but our income was blue collar. I had to take care of my mom, she got polio. This is all personal stuff, but the bottom line is I knew working poor people and barely middle-class people, those were my neighbors. And I saw how we were taking the hits, and that's one of the things I did talk to Jack in the first meeting, even though he's

middle-class, it was a blue collar place, I was in Baltimore, I'd been in unions, and I said "We need to have a little better face on the Republican Party." At that time it was okay to talk, you could use the term "Reagan Democrats." I said, "Look. I was a Democrat. They left me, I didn't leave them. So now I guess I'm a Republican." I was very direct about that. He kind of laughed and said, "Well, maybe I am too," something like that.

Kondracke: He liked the fact that you'd been in unions.

Billmire: Oh, yes.

Kondracke: So had he.

Billmire: Yes, real people. The other thing, not just "root canal," but "country club Republicans." That used to drive him crazy. He didn't like that at all. He wasn't a hater, don't get me wrong on that, but I think he wanted people that were going to be able to sell the message from personal experience about why people who go from welfare to work have a marginal rate of over 100 percent. What kind of sense does that make? I saw that. My mother was on Section 8 [federal rental housing assistance] and lots of other things. When I got to the Hill, all of a sudden I was making the big bucks. I was making \$26,000 a year, so I bought a house for my mother in Baltimore, and my interest rate was 14 percent. Remember? [laughs] Fourteen percent. Wow. So, all that and then I saw Kemp and I saw what we were trying to do, this wing of the Party, which I thought was intellectually very soundly based, and then they had the political umph to do it. My frustration, I never thought about it then, it's been more

since then, is I'm not a would-a, could-a, should-a, what if. I've got a great Ferguson [phonetic] book, *What if*, up there. [gestures] One chapter I'd write is "What if Jack Kemp had become a Senator?" That would be a chapter.

Kondracke: So you stayed with him till '87. Why did you leave?

Billmire: '87 I think what happened is that Tower gave me a call and said, "I'm setting up a business and I would like you to join me." And I really liked Tower, I liked Kemp. I think at the time I also needed money. I think that was part of it. I had my mom and my sister, there was a bunch of stuff going on in Baltimore and I just needed the money. I think that was part of it. But I also kind of felt like the revolution had run out of steam, and I also thought that with Tower—you see my big concern then because of what we'd done in Solidarity, if there was any intellectual part—maybe it was just the money. I've got to think back. I remember part of it, I thought Tower, I had thought we had a chance of winning the presidency and Tower was going to be the first choice to be secretary of Defense, and that meant a lot to me. Beating the Communists was more important than tax reform. Now it's coming back to me. I remember the talks Senator Tower and I had when we first talked about this. I was surprised he called me, and I said, "You've got all these great guys from the Armed Services Committee." And he said, "No, you also do the economics side and that's going to be important." After I saw Solidarity and what was going on there and the state of the world, the beast was still alive and well. We'd had some successes, but what was starting to happen, if you remember, is the defense spending was going down. As Tower said years before, "We've got three years." And you can say [Caspar

W. "Cap"] Weinberger was the guy who came up with the plan, and he was certainly good there, but Tower had a whole staff, and they'd started working on the rebuilding back actually with [Samuel A.] Sam Nunn when they fought [James E.] Jimmy Carter in '79. He knew what he was doing, he had a good team around him, and it was a complement to me, but yes, that was important, and I think I did go, I think I went from \$50,000 to \$75,000 or something, and there were things going on in Baltimore where I had a little more freedom. It was time, that's right, because I had to go over there a bunch. It wasn't rejection of Jack, it was like "This is really important to me."

Kondracke: And how did Jack take your leaving?

Billmire: You know, kind of like a third cousin who's moving to California. "Good for you. I know what you're trying to do, and John Tower is a great guy. We've had a great time and I'm really going to miss you." You know, that kind of thing. Very nice.

Kondracke: Describe your duties.

Billmire: Yikes. Foreign Ops committee [Foreign Operations Subcommittee of the House Committee on Appropriations] had about, I don't know, 11, 12 billion dollar budget back then, and it was an interesting mix. It was sort of like an orphan account. You had [the] Economic Stabilization Fund, which was Egypt and Israel, that's where the money for the peace agreement went. It also was involved in sort of underwriting economic support with our military allies. So that was Part One. Part Two, multilateral development banks: World Bank, IMF, all regional banks. Three, then you had the bilateral, that was

the Agency for International Development, which was just herding cats with all these contractors. You had the Military Assistance and Training Program, and, I was never involved in any of it but kind of an offshoot of that, sitting over on the side behind the veiled curtain was some of the 'black op' stuff. Remember [Charles] Charlie Wilson was on this committee, so he was a key person that we worked with. Jack helped him on that.

Kondracke: Afghanistan.

Billmire: Yes. But we also helped with [Stephen J.] Steve Solarz on the [Ferdinand E.E. and Imelda R.] Marcos in the Philippines. Not much I can talk about there, but I can say it gave you quite a footprint and quite an excuse to get involved in everything. Because AID was everywhere. World Bank, IMF was everywhere, so all of a sudden Jack had this presence. So my job was to monitor all that, and it wouldn't be something as simple as, "Well, those AID contractors are out of control and over-budget." It's "I'm picking up from the contractors that the Hondurans really don't like the Nicaraguans and the Sandinistas, and they're very forceful about it and they're going to cut off some trade routes." And that's why I'm saying once you were a Kempie, people called you. And so you would be alert to things. If the IMF came in and did something stupid, well you had to know why the economy was going bad. So my job was not just to go, "We need to get them \$14 million or it's all going to go up in flames." You go, "It's going up in flames anyway, because x, y, z, the KGB [national security agency in the Soviet Union] is in there, I talked to Michelle, I talked to John. It was kind of a team approach. I hope I've explained this clearly enough. It wasn't just the technical aspects of putting an

appropriations bill together. It was also kind of a talent spotter for issues. Besides that, so that was that part, because remember, the way we all worked, we were paid somewhat by the Appropriations Committee. At one point I think I was assistant director of the Republican Conference, I got money from them, and they got money I think from Jack's own budget. So I had a responsibility to do the appropriations, which I did. But besides that, because we were involved in tax policy and all that, and I'd been on the Budget Committee, I mean, I was the Budget Committee guy. I had to know the budget. When thing would come up, the budget deal was about to be put together, I'd be asked to take a look at it. "What's up? What are the numbers? This is phony." Do you remember the big thing where cutting from the baseline, and Kemp would always go, "Are we really cutting?" And I'd go, "No, we're not, we're just slowing the rate of growth." "Oh, you have the numbers on that?" "Yes, here they are." And then it would go into a speech that Mueller would write. You know we had [Thomas M.] Tom Humbert, who was actually doing the budget, and there was, not a conflict, because at first he was wondering, "Well, what am I going to do," because of what Joe had done, Joe was doing budget. And I pulled back I guess, from what Joe had done. Joe kind of had said, "Hey, I'm the budget guy. You're my budget assistant," and I didn't do that. Not that I'm better than Joe; the time was a little bit different. So I had to do that. Then finally, because I'd worked with Tower on Defense, my job with him on Defense [the Senate Defense Committee] and on Banking [Senate Banking Committee] but on Defense, I had to know the defense budget, I had to know the programs, because he was on the Armed Services Committee. They were very focused on their area of expertise. "We need a 500-ship Navy, we need this, we need this,

we're going to do the Pershings [missiles]," all of that stuff. I had to work a lot on that. I used to get sent to Europe by Tower just to look at things. I'm not trying to make this sound like I was a major whatever, but yes, I had exposure to it. Anyway, so when I came over there, my job was Tower was to say, "Ah oh, red alert. Domenici and the crowd are trying to kill that 500-ship Navy." So then all the guys would come over from the Armed Services Committee, this phalanx of people would sort of show up. Domenici would go, "Oh my God." They knew about that over in the Kemp office. So when some of the defense stuff would come up I would immediately go, "Hey, Michelle, I've been looking at the numbers. This doesn't look good." She'd go, "Okay." So then I would give that to Michelle, I would defer to her as I should, because she was the expert, but I was an expert also on defense, but I would let Michelle make that point with Jack. We would meet with Jack, say you've got to do something. So then he would go to the Budget Committee and say, "You're not going to cut this. We've got to have a Navy." Etc.

Kondracke: So you did staff him partly for the Budget Committee too, because he was on Budget.

Billmire: Yes, but again, the way the Kemp office worked, if you'd worked there, and you were handling constituent services, but you were writing the letters to all the retired military guys, when we would be talking about defense, you'd be in the room. And a lot of times there'd be, as I always used to joke, 832 people in the room, and at times you'd go, "Oh my God, how does anything ever get done?" And he would bring everybody in, he would. It was not well managed. But what happened is then, I've always thought, there were no secrets.

So it really cut down on the pettiness that was very characteristic of the House much more than the Senate, because the stakes were higher. I mean the point was "Get out of the House; go to K Street, get to the Senate." So if you can push somebody to the side and get a little more credit, then fine. I know that's a very cynical view, but some of that. But Jack, it was all wide-open. I mean, the idea, I've just got to say, when you said, "What are your duties?" I just kind of laugh.

Kondracke: You were in everything.

Billmire: We were in everything. That was the point.

Kondracke: Tax policy—

Billmire: And the group you were with, that was it. Everybody goes in the room, and Michelle would just have a headache or something when it came to tax policy and say, "Oh, they're about to overthrow the government in somewhere. I've got to go." [laughs] She was the one who was able to sit out some of the stuff. But it was like being in graduate school, and it felt very collegial. It was like almost seminars. But then we would do something, so it wasn't just sitting around talking.

Kondracke: So how did he come to a decision about something?

Billmire: I think when it came to foreign policy what Michelle said was very important. Because Michelle is very thorough. You've talked with her. Michelle has an agenda that flows from her beliefs, but it's not a

personal agenda, and he knew what she believed in and he agreed with it. I can't think of a lot of differences. I think Michelle said, she did mention the South African sanctions, and I think they disagreed on that. I think on most of it, remember there were a lot of people who had a clear understanding about arms control, the Contra and everything else. So Jack was kind of already there in his own mind. And on the economic side there were some outside guys who would put pressure on him, Jude [T.] Wanniski, [Jeffrey L.] Jeff Bell, people like that. But then John Mueller was the gatekeeper. Honest, straightforward. These egos weren't there the way they could have been.

Kondracke: Did he have a foreign policy brain trust the way he had a tax policy or a monetary policy brain trust?

Billmire: Yes, he did some. [William J.] Bill Schneider [Jr.] was a big, big part of that. [Edward J.] Derwinski more on the practical, veterans side. I think Schneider, Michelle, and then Michelle brought a lot of people in, Irving Kristols, the neo-cons, she was a real liaison to them. But that's what I'm saying. Once Jack said, "Hey, I'm interested in this and this is my view," then some of these people go, "Hey, I'm calling the Kemp office." Next thing you know they're sitting down with Michelle or they're sitting down with me or John Mueller or whatever. And then Dave Hoppe would be the train manager. Smart, smart guy. Politically was, you know, he's a well-read individual, and he read a lot of stuff, so it wasn't like he was unfamiliar with what we're talking about. A lot of LDs [legislative directors] and AAs [administrative assistants] are traffic managers. I probably shouldn't have said that. He had a sense of the issues. That was demanded

from Jack. You had to keep up with stuff. It was the expectation for everybody else too. If you did that, go somewhere else.

Kondracke: Did he have any gurus in the sense of Jude Wanniski or Arthur [B.] Laffer or anybody like that?

Billmire: I don't know. You'll have to ask Michelle more.

Kondracke: She thought Fred [C.] Iklé was one but—

Billmire: Oh, well there are all the people in the Administration, sure. I should have said that. Oh, yes. No, you can go down the list: [Richard V.] Dick Allen, Iklé, all the guys, the early Reagan guys, every one of those people, sure, sure, sure. But did they sit around in that sort of casual fashion like Jude could? Well they had two different professions. Jude was Jude, and he was a gadfly, and Jeff Bell was a what, and unsuccessful candidate or whatever, and these guys had some time. Lewis [E.] Lehrman was another guy he liked to talk to, but these guys had the time. People inside the administration, yes, he did talk to them. Iklé, Allen, I'm trying to think of who else. I actually wrote this down. Oh, and then Henry [J.] Hyde, who was on the Intelligence Committee, very important input. Hyde was an honest broker, so Kemp would go over there and say, "Hey, what's really going on in Central America?" And he'd have the access to the intel, because he had the clearances.

Kondracke: He had been on Defense appropriations and then he switched to Foreign Ops—

Billmire: Because it gave him what we just talked about.

Kondracke: Because it was a broader range?

Billmire: Broader, and the contact you had was much, multi-faceted. Look, if \$3 billion is at stake for Egypt and Israel, I've forgotten what the number was, you better be really aware of what's going on inside of Egypt and whether or not democratic capitalism's at the end of the road. What are we talking about right now? We're going to condition our ESF [Exchange Stabilization Fund], money that we used to have to deal with, so there's a perfect example. And you also have military training assistance in that account, so that's where we're training all the young colonels, so.

Kondracke: Who else was on that subcommittee besides, Obey, obviously, [Clarence D.] Doc Long first and then Obey was the chairman.

Billmire: [John E.] Porter, [Marvin H.] Mickey Edwards, [Charles J.] Jerry Lewis. Quite a crew. And they were all very smart people. Lewis ended up Appropriations, Mickey went off and got married for the sixth or seventh time, whatever it was. Then Porter, but Porter's aide, the guy I used to sit down with and write up a budget, because that was one of my duties, I would write the Foreign Ops budget, put money in the accounts, and put directions and notes and guidance, was Mark [S.] Kirk. I hope, is he recovering well?

Kondracke: Yes, I think so, yes.

Billmire: Good deal. Great guy. We had a lot of fun together. Of course, just as an aside, and we do want to talk about process at some point.

Kondracke: Yes.

Billmire: I think we have, haven't we, a fair amount of process? But with Kirk we would do that, and of course, is it time to talk about David Obey or do you want to do that later?

Kondracke: That's next. Let's go to David Obey. Obey says, repeatedly, in his book and elsewhere that Kemp was not that interested in the work of the Committee, because he was focused on national politics.

Billmire: Well, a self-serving comment. David Obey, very partisan, I could be maybe sued for this, but I think—he used to live near here, and you'd go down to CVS [Pharmacy], and I swear when I saw him and I went outside, as I'd gone in I'd see Obey, there was a car parked, it was like two in the morning, Alice was really young, my daughter, and I had to go get some diapers or something. And I remember seeing a car that had some bumper sticker saying "Friends don't let friends vote Republican." I was convinced that was David Obey's car. I can't be sure, so I could be sued for this one. But Obey's point was this, Obey made it very clear, early, early on, that he was a capital D Democrat, and the idea of reaching across the aisle, unless somebody holds you up, like Charlie Wilson, who said, "Fine." Charlie Wilson said, "David, you do what I want you to do, or I'm going to work with Jack Kemp and bring another vote along." "Oh."

"And when we'd get to the full Committee, remember what Kemp did to you in full Committee a couple of times? We'll do that again. So you figure out which way you want to go." So, Obey goes, "okay."

Kondracke: That's how Afghanistan got funded.

Billmire: Absolutely, sure. So what happened is Obey wasn't worth anything to Kemp in terms of advancing the agenda. He's never going to vote for us, he's just going to stand in the way, so why bother? If you had a problem with Obey, you go to full Committee. That's what you do, you go to full Committee. Here's the point Obey made very early on, and we used it to great benefit. Remember in the U.N. when we used to get good things through in the early days when the Russians would walk out? Okay? Well, Obey said to us, "The last time I ran," this would have been I guess '84, the NRCC [National Republican Congressional Committee] launched this campaign against a bunch of Democrats because they'd voted for IMF money, and the IMF money gave money to Poland, to a Communist government. We ran that against people. There are a lot of Poles in Obey's district. He was crazy about it, and Obey used to get these nervous tics when he was really angry, so he was ticking right and left. When it came time to get some money for the multilateral development bank, a replenishment, we all sat around and Jack said, "This is our chance." This is what I mean about reading the field and knowing where to go. He said, "This is our chance." So I had been working with a guy in Treasury who was again one of the people who called me out of the blue, who was not disloyal or traitorous to his bosses, but he said, "I think what Kemp's talking about makes a lot of sense." And I won't give his name—I almost did—but anyway, a good guy.

Kondracke: He was a civil servant.

Billmire: Civil servant. And he knew it wasn't working, and the way the banks worked, is that we had an executive director of the bank. We couldn't tell the bank what to do, but we could tell our executive director what to do. So we literally sat down and wrote up five conditions that we wanted as a part of any loan. Its executive director would have to check the box off. Diminish the size of parastatals, cut the tax rates, a number of other things. So Obey said to us, and it wasn't the first time, because it was the multilateral development banks, he goes, "Look, the Administration wants this, Secretary Shultz wants this, the President wants this—

Kondracke: The money

Billmire: —want the replenishment for the bank, because we'll be embarrassed, the whole thing will go to Hell in a hand basket, cats and dogs together, whatever. So what happened is we realized, "We got it. Don't worry, we're going to push this though. We ain't voting for it."

Kondracke: This is '85, '86?

Billmire: Yes, and there are some articles in the *Washington Post* about it. So, basically, Kemp realized that this was it. That basically they'd left the field, Obey left the field. So we told the administration "We're not going to vote for it unless we get these conditions. Oh, and by the way, David Obey ain't voting for it either, and he's got all the

proxies." So we had a unanimous opposition to the replenishment, at which point we had all the leverage in the world, Kemp gets on the phone with Dick Darman, they work out a deal, it gets done, they send a letter of agreement, memorandum of understanding, and off it went. And then it was so intuitively obvious, and logically obvious to people, that all those younger Turk economist in the Bank and the Fund said, "It is about f—ing time." So, Baker, being a politician, said, "Hey, this is the Baker Plan." And off it went. Now that happened on more than one occasion with Obey. The point being, the national policies, this is what's sad, is that remember I said this view of democratic capitalism is so multi-faceted? How you could be on the Foreign Ops [sub]committee and be dealing with ESF funds in the billions, all the AID stuff we do with children, with health, with education, with advancing people, so communism or fascism or whatever isn't attractive, how you can be a literate human being and not see what you're dealing with there, and then dismiss Jack's initiatives in those areas, or even some people on his own committee. I can't remember the guy's name, a guy from Illinois. I can't remember his name; he's dead now. Just a great humanist.

Kondracke: Democrat or Republican?

Billmire: Democrat, Democrat. There were a couple of people like that on the Committee and they had agendas too, and Obey just, he'd throw them a bone. But just a partisan, unthinking kind of guy, I mean, really, a bright man, but just unthinking. And so why bother? Kemp was that way with other people, but he wasn't rude about it. He was always pleasant with Dave. He'd start ticking and going crazy. One side story I will tell you is. See, Jamie [L.] Whitten was the

chairman, Appropriations. There was a guy, Ed Powers, I won't give all the names. Ed had been the Foreign Ops guy with Obey. Ed moved up. Jamie's key staffer was a guy named Fred [phonetic], and there was Ed, and they put somebody on the Committee, Obey had his own guy. They put somebody on the Committee to watch Obey. Whitten and his people didn't care for him.

Kondracke: A staffer.

Billmire: Yes. And we got to be very good friends with them. One of the favorite things we did, we all sat down one night and watched "Red Dawn" together, a great movie. They had their eye on Obey. And of course Obey became head of Appropriations. Obey was a very ambitious man. So he started to play against Whitten. Some funding issue, whatever, and then one of the Obey people, one on the staff, and some of the people on Whitten[s] just ran into me in the hall and said, and Michelle and said—she doesn't remember any of this but anyway—"Would Jack appear on behalf of the chairman at the Rules Committee?" "Oh, sure." So I said, "Jack" well, I probably shouldn't say this. I said, "Jack, I think this would be a really good thing to do. It's great to have a friend in the full Committee. Look what we did on one-child policy, look what we did on all these other things." He goes, "Yeah." And I said, "Plus, Jack, this will screw Obey." He just laughed. He did one of these, laughed and walked out, went down the hall like he did. So Jack showed up, and don't put this in here. That's the way things work in the House.

Kondracke: So Jack Kemp and Jamie Whitten were allies, because—

Billmire: Yes, just in that. I mean, Jamie was in his own universe. You ever hear him talk? I mean, Jamie was in his own universe, and he was the old-fashioned—

[telephone interruption]

Kondracke: Going back to Obey, you would get the impression from him that Kemp didn't go to hearings, didn't read the bills, is that—

Billmire: No, no, not on the hearings. He would go to a lot of hearings when there were people in a position to make a change. If you had the deputy under-assistant under-assistant under-assistant, and it was an informational hearing, we would do those. But if it was a Shultz, a Baker, the people who could really make a difference, the decision-makers, then Kemp was there. Markups? Yes, he was there. But I would point out one thing. When we would have these markups, after the bars closed, Charlie Wilson would show up with his Greek buddy, with a couple girlfriends and pizzas for everybody. There was a different standard of markup attendance in that Committee once Charlie was there. Jack was obviously not with girlfriends or pizza, but Jack would be there during the markups.

Kondracke: When Obey was there, the bills got to the floor, right? The Foreign Ops produced a bill.

Billmire: We never had a bill.

Kondracke: Really?

Billmire: See, this is what's so important. That guy, we were never allowed to have a bill.

Kondracke: No, you weren't allowed to have a bill. You weren't allowed to have an alternative bill, but he produced a bill and it was on the floor, right?

Billmire: That's right.

Kondracke: Unlike Doc Long, who never produced a bill as I understand it.

Billmire: There was a year or two, I thought one year we didn't have a bill. But this is an important point Michelle made last night that I'd forgotten about. It was only, I think she said in 1985, there was not a foreign affairs authorization bill since 1985, which meant that our bill, the Foreign Ops bill, was much more important. And that's why I really couldn't have any intellectual respect for Obey. I mean, what the hell was he scared of? It's the same way with the Schumer [unclear] thing. What are you scared of? You won't give us an alternative here to show a different vision of economic development? By the way, the academic world's split on this. This isn't ideological, this isn't political. And that's what I would say to his guys. And they go. And I will tell you one thing, and this probably isn't something for the book, but I just want to make one point. It was people like Obey that got people like me so bitter and so angry at the heavy-handed way the Democrats did things that we pulled out all the stops in 1994. I was the research director for the NRCC, I sent my guys in the field, we had everything on them, when they voted for that Bush thing in

1990, and increased Medicare, you know what we did at the end? We took a million dollars, Newt did it through [Joseph] Joe Gaylord, and we nailed the Democrats for cutting Medicare. We said, "Okay, party's over, we're not going to play nice anymore, and we remember what you fuckin' did to us year in year out. Promising democracy one two, you won't even give us chance to put an alternative vision and you have a majority of thirty-some seats? When we get a chance, that's what we did. And not just Richard Billmire, let me make very, very clear. I'm saying this because I'm not trying to be a bad guy here, but what happened to people who cared about these issues in the AID community, everybody, Americans across all stripes and all of that, there was a lot of important stuff going on in that committee. The fact that we couldn't even get in there and say, "We're going to give more money for hospices overseas." We weren't allowed to even do stuff like that. And these people would come to us with these great causes, and Jack was a very human guy, and Republicans do have heart, and we couldn't do diddly. We couldn't do anything.

Kondracke: They limited the number of amendments on the floor too?

Billmire: We didn't have anything. They wouldn't give us shit.

Kondracke: Closed rules?

Billmire: Pretty closed. I can remember two years like that. I can't remember all of them, but nothing of substance. The only way we'd do, we'd go to some guy and say, "Look, you do it. We don't want any credit. You do it." So for example one time, this is the scope of what Jack would do. Remember [Walter E.] Fauntroy?

Kondracke: Walter Fauntroy, yes.

Billmire: Right. Jack was very close to the Black Caucus. One of the guys on Fauntroy's staff, a white guy that was married to a black woman who was Haitian. There was a major problem in Haiti. Pigs are very important—this isn't very glamorous, but this is the kind of stuff Jack would do—pigs are very, very important both culturally and for protein. The problem was a lot of the pigs that we were sending through Iowa, I think the University of Iowa, got sunburned, and died and didn't flourish. Kemp's talking to Fauntroy about this and says, "Look, we've got to do something with Haiti." The second thing that happened is the big boys, Brazil, Argentina, and Chile to some extent, but Mexico, they weren't fixing the schools. The amount of water you could drink was like 30 percent was potable. And we found out about this, so I get together with the Fauntroy guy with Jack and Fauntroy's approval, we go down to the IDB [Inter-American Development Bank], and we go "We're going to zero you out. We got the votes." And those arrogant guys went, "Pip, we don't care." So we zeroed them out. "No money! Unless you start doing something with Haiti both on the micro level with the pigs, let's get some improvement there, on the macro level you start giving money to Haiti to finish the schools." I mean the schools were, you know, cinderblock. "Finish the schools, put the tin roof on top, and start fixing up the water. Then you got a deal." That's the way Jack worked. We went to the IDB and zeroed them out. Can you think of many people that would have done something like that? It speaks to his caring. But back to my central point. What happened to us on Foreign Ops happened to every staffer. So, in 1994, Newt did have something to do with this. You

know what I'm about to tell you. Normally they can comply with the laws and cooperate, but the staffs, the legislative staffs and the campaigns, strangers in the night. They don't even meet up. Very little cooperation. Both sides kind of look askance at the other. With the experience we had and the thought that we might do something in '94, that closed up. So it was a piece of cake for me and my team and everybody at the NRCC to work very, very closely, within the limits of the law, hours and all that, with people on the Hill. And we were getting great stuff back. That's why I react so much to David Obey. He was what was wrong with the Democratic Party back then, and that had a lot to do with how it went in '94.

Kondracke: So he says that if they'd allowed a bill to come to the floor, it would have been filled with quote, unquote demagoguery

Billmire: [laughs] What can I say? Give me a break. I like when somebody brings up, implies a dictatorial approach to things and then won't give you a vote, right? We're going to stop demagoguery by suppressing democracy. That's what we'll do. Ah, why didn't I think of that before?

Kondracke: What were things like in the Doc Long era, before Obey became chairman?

Billmire: I didn't know, just don't know.

Kondracke: Okay. Obey says that he and Kemp worked together to get staff for members of the Committee, because in the Doc Long era the cardinals ruled everything.

[interruption]

Billmire: I did hear about that.

Kondracke: The subcommittee chairmen basically ruled, and the members had very little in the way of staff support, something like that, and Obey and Kemp worked together to get staff for members.

Billmire: I think that's right, but it certainly helped Obey.

Kondracke: Okay, so Obey says, "Kemp focused his big belief that the IMF was causing more harm than good by pushing austerity, and quote 'I shared that belief.'"

Billmire: Yes, I think he did, and that's what's so frustrating, because we both had a fairly what would be then progressive view, and it was just crazy. It was just like, "Don't be so political. Let's try to do something here."

Kondracke: Okay, but he says, he goes on, "But where we differed is that Jack took it to the next step and said 'Let's not fund them.' My attitude was let's try to get them to change."

Billmire: Which is exactly what we were able to accomplish through his unwitting help. We did make a change, but it wasn't one that Obey believed in. He believed in the earlier model. That's fine, fine, believe in the model.

Kondracke: He believed in the model of parastatals.

Billmire: Parastatals, great government influence, he was disturbed by the austerity. Who couldn't be? When you upped the price of charcoal, which we saw down in the Caribbean and areas.

Kondracke: Let's be clear about this. So what the IMF would do was to demand of a country economic reforms that consisted of balancing budgets—

Billmire: Remember there were two duties. The IMF duty was to get the budget sheets, the income statement, everything else in good shape. They would have countries devalue currencies, raise taxes to get budget balance, get down the current balance deficit, the trade deficit, get it down. The World Bank would be working on things that would make the revenue stream greater. You'd get more businesses, you'd get more people employed, etc. The country grows. If the country grows there's more money, you have less problem on the deficit side. Just what we're into right now. So they had two different roles. At times we would try to bring them together, so we would try to bring them together on doing some stuff with India. That's kind of some of the stuff that I would do. We would try to get both of these guys together. So Obey and most Democrats were very concerned about the austerity side and their hearts went out to them. But they didn't quite understand what the problem was, and the role of government was suppressing economic growth and they didn't really have much of an answer except more of the same. That's different. So when we came up with our ideas, lower tax rates, a lot of the stuff we were doing here, less regulation, lower tax rates, less parastatals,

etc., etc., free trade, it was a classic liberal model in the 19th century sense of the word. It was just standard stuff we went to school in. And Obey didn't agree with all of those things, he just didn't.

Kondracke: Did amendments get offered in subcommittee?

Billmire: No, we end-ran the whole thing. It just went through the administration. The administration just said—

Kondracke: No, no, no, no, no. I mean in terms of the process of the Committee, you would bring up these reforms that you wanted the banks to institute, in the Committee, and then it would be voted down?

Billmire: I can't remember everything. I think we did, but it was '94, and we weren't going anywhere. I mean, you just kind of go "This is not a place we're going to get anything done. Why bother. Let's go to the full Committee." And I think we did some stuff in full Committee. Because remember, there were a fair number of pretty conservative, not "pretty," conservative Democrats. They were willing to come along with this agenda. But the big play, we knew, was the administration. Because remember, the Bank and the Fund, back to the original point, all we had control over was giving direction to the executive director. Where does that direction come from? It comes from the executive branch, not the legislative branch. So there were limits to what you could do legislatively. Now, on the Poland situation, you have a few more on Obey then I want to talk about Poland.

Kondracke: Just to continue on the IMF, he says there was one year when the White House asked for an expansion of IMF and World Bank lending authority.

Billmire: That's right. That's what I'm talking about.

Kondracke: Okay. "The Democrats provided the votes and then the Republican National Committee ran ads blasting those people who had voted it" and that got him furious.

Billmire: Well that's when he started twitching and growing a beard. Right.

Kondracke: Is that not a fair criticism?

Billmire: I told you about it before. And Jack had no control over the NRCC. It was before my time. It just came before, I think it was the '84 election. That drove him insane, so that we knew that coming in. Joe told me about it, we knew that coming in, so Jack knew that, I knew it, Michelle knew it, and then Jack goes "Here's our chance." Because Obey is no way going to provide any votes on the administration request unless we get involved and give support. We're not going to give support unless we get what we want. What do we want? And we went through stuff and we said, "We need this and we need this." I said, "We've been talking to John [phonetic] over at Treasury, I think we're pushing an open door." Then Jack said, "I'll talk to Darman. Darman will get it done."

Kondracke: Did Darman and Baker get it?

Billmire: Oh, yeah, oh, yeah. It became the Baker Plan, infamous or famous, but it was, you know, I'm always coming up with metaphors, it was kind of like riding the wave. The wave was coming. That old command economy. I can't remember the name of it but in the sixties it was all the rage. On development economists it was like "jump start," or I can't remember the phrase, but that's the way economic development was viewed and it didn't work. We knew it didn't work. We had to try another way. Look at the countries now. Basically what we talked about, what Baker put through, guided everything, and all this whole, I can't emphasize enough, the great thing about our government is there's lots of people with lots of great ideas out there, and if you can on the Hill get an idea advanced, they're ready to move. They're GS-14s, and they're looking at their pension and they wonder if it's going anywhere and then, all of a sudden everything you've worked on for a long time becomes important.

Kondracke: So who wrote the Baker Plan?

Billmire: Me, John Mueller, Jack Kemp. It was simple; one page, one page. This is what we want, then we'll give you what you want. And then it was actually Hobart Rowen, who covered this for the *Washington Post*, covered it fairly, so don't just take my word for it, look at that. He didn't say, "Obey didn't for it, blah, blah, blah." It was the administration faced resistance on the Hill to replenishment without conditions.

Kondracke: Did he give Kemp credit?

Billmire: Oh, yeah, yeah, yeah. It was basically "Kemp said if the IMF can impose conditions on the poor of the world, we can impose conditions on the IMF." I don't know whether he said it in a speech, but he said it to me. And I said, "Now you're talking." And he was just a force and that got Obey. I mean he was just a force, I mean Jack said "We're going to do this and it's for these reasons," and it would be what a centrist Democrat would come up with, and in times, a progressive Democrat. When he was doing all the tenant housing, the urban policy stuff, with Kimmy Gray [phonetic], I guess you heard about all this, he would go to the Black Caucus and say, "Let's do it." And they'd go, "Yeah, let's do it." And he got the votes. You just don't see that. That's beyond Obey's world view. What's that great thing in Shakespeare that he's saying to Shylock about the things of the world, I don't remember.

Kondracke: The other thing that Obey said, and we'll get off Obey, is that his principal purpose here was to swell the amount of economic aid that was in the bill and he would do that by cutting military aid.

Billmire: That's true, that's true. No, he was straightforward on that, you cannot criticize him for that. What we were trying to say is there's got to be an appropriate mix, and what we were also saying is economic aid without significant policy reform is not going to work very well. I think the guy's name was Peter [T.] Bauer, he was a Brit economist, and you may have run across him over time. A guy named [Charles] Charlie Flickner, who was a big appropriations guy. At the time there were a lot of people said the way the aid is going now, we might as well just zero it out, it does not good, because it's ending up in the parastatals and in bank accounts. If you do micro-lending you

do all that, so you have this weird combination. It's evolved, of the right and the left, the wings, almost, the pure free market types, the almost libertarian and the real sort of Karl Marx cottage capitalism, very low level.

Kondracke: Among the other things he got done, so he gets IMF and World Bank reform and he gets Haiti. What other accomplishments would you say Jack Kemp deserves credit for in the foreign aid area?

Billmire: I just think the most important was to do a reset on what policies would guide the next 20 years.

Kondracke: Did he actually get a change in China policy, China children's policy?

Billmire: Yes. From our side. Now it's such a big country and such a big place, they had to do it on their own, they couldn't get the money from the U.N., so they had to do more of it on their own. But the idea became not abortion but infanticide, and they had to deal with it. But they're a repressive regime and there are limits as to what you can do.

Kondracke: What did he get done to try to affect it?

Billmire: Stop the money from U.S. taxpayers to UNFPA that could be used by China.

Kondracke: The United Nations Population Authority.

Billmire: Right. To fund this program. They came back, UNFPA [United Nations Population Fund], "Oh, no, it's not really money because it's sitting over here." No, it wasn't. If you take money from there, you know, money's fungible. And those accounts were fungible, they had sieves in them. There were no walls, and that's part of the thing we looked at. And so yes, the money flowed to them and we said no, you're not going to get it anymore, and we won that in full Committee. Just blew right by Obey. "We're going to do it. See you later." We would try to talk these things out at the staff level, but they'd go "We're not going to do that."

Kondracke: Because you got Democrats to go along with it in the full Committee.

Billmire: Oh, yes.

Kondracke: Solidarity.

Billmire: Solidarity. Very interesting thing. We wanted to—

Kondracke: Do you remember the year?

Billmire: Well, it would have been '86, '87, when the riots were going on, and a lot of people were getting beaten up. People had made contact through friends, and I guess initially, I'm not sure whether it was Michelle or not. I ended up meeting with three young guys from Solidarity who'd been cleared by our government friends, who said these are the guys, the real thing. They said what would make a lot of difference is if we could get some non-lethal aid, bandages, tape, you

name it. Maybe some VCRs [video cassette recorders]. What they were doing is getting tapes, putting VCRs around, making new tapes saying we have to resist the regime and we've got to be active, and our rights and all that. So, we wanted to put an amendment in, which we did, saying "We're going to give money to Solidarity." Well, the administration, State Department went, "Oh my God. What are you talking about? We haven't recognized this group of strikers, we have a relationship, it's a sovereign government. We can't aid people who are viewed as opposing the government, we can't do that.

Kondracke: They were afraid of Hungary in 1956, right?

Billmire: Whatever. I don't know, I can't speculate. They never told me that. I just know they were really upset. They said, "You can't do that." I didn't get a lot of reasons.

Kondracke: Who said you can't do that?

Billmire: The administration.

Kondracke: Like who?

Billmire: I don't know who it would be. I don't remember. I remember meetings we would have about this. My job, I was talking to the Solidarity guys, and they were union guys, so maybe in Jack's brain—

Kondracke: Did Jack meet with them too?

Billmire: Don't know. Maybe one meeting. I'm trying to remember. I see the guy. I'm 50-50 on that. I remember seeing the guy in his office, I just can't remember whether Jack was at this desk, but it was in Jack's office because I remember what chair he was in. And then I met with him later down in the, I think, the Rayburn [House Office Building] cafeteria, which is where I met a lot of people. [laughs] That's where all the outsiders, we'd all go down to the Rayburn cafeteria. Anyway, so we came up with an idea and Obey and his staff said "No, no. The administration's angry with you, we're not going to help you, the administration's not with you, you're on your own." So Kemp moved ahead, and then what happened was this. The Polish-American Congress was meeting. These guys invited me to come to I think it was called the PAC, Polish-American Conference, and they were sort of the old, you know, the people I'd grown up with in Baltimore. They were the Poles from, you know, been here two, three, four generations, three generations at least. They were there, and then here were these young guys from Solidarity. So it was an interesting mix and it was sort of an exciting place, and I was invited because they knew Kemp was trying to do something. This is what I have been saying throughout today. So here I am. I don't know diddly, I don't know the first word of Polish, and they wanted me to say something, and I just got up and said, "Freedom," and sat down. [laughs] I knew from Jack, I wasn't going to do a Jack and talk about the gold standard for the next 400 hours. I would just say what I had to say. Okay, here's where it gets interesting. It's not me, because it could have been anyone. So this reporter comes up to me and says, "Oh, tell me what's going on." I didn't realize it, but she was with a Polish language paper in Wisconsin and was out to obviously make trouble, and I didn't know, so I said "Yes, we can do this and help all

the people being beaten into pulps, bloody pulps, but there's this guy, Dave Obey, from Wisconsin." Well, I don't know whether this is urban myth or not, but I know what happened next. I'm walking down the hall and one of his staffers there, the guy I'm kind of buddies with from the full Committee, and then Bill [William] Schuerch and I can't spell his name, sorry, and he's—

Kondracke: Who was he?

Billmire: He was Obey's key personal aide on the Committee.

Kondracke: I thought Terry [R.] Peel was that.

Billmire: Well Terry Peel was from the full Committee.

Kondracke: I see.

Billmire: I wasn't even going to give you Terry's name, but you could talk to Terry. Bill was partisan, Bill was Obey. Terry, trying to keep the peace, he was reporting the full Committee. He was a watcher, and an initiator, but a watcher. He's who we watched "Red Dawn" with. Certainly not Bill. And Obey gets about this far from my face and expresses his displeasure forcefully about, I don't think he called me a son of a bitch, but you know when people are yelling at you a certain way you hear son of a bitch, whether they said it or not? He was not happy, because evidently this report got out, that he was standing in the way of poor, beaten miners getting bandages, and just said, "You ruthless son of a—." I think he did say son of a bitch, but I can't be sure. For whatever purposes, I don't think he cursed at me. I

think he was very unhappy, and he thought that we had not played fair. It was not my intention to embarrass him, it never was. We were always very straight-up with him. "We're going to do this. We're going to the full Committee, Terry, Bill, that's what we're going to do. We're sorry it had to work this way but that's what we're going to do." That was the way Jack wanted it, no games. If you can go at somebody, go at him. That's the way he was. So what I was told is I think his mother-in-law is Polish, and she got the paper and she got Mr. Obey on the horn. That's the urban myth, don't know whether it was true or not. What is true is he was very unhappy, very, very unhappy.

Kondracke: And what happened to the money?

Billmire: We got it. They kind of disguised it, but we got it. They got it, that's what counted. And what counted was that Solidarity had in their back pocket that the U.S. government, U.S. Congress was with them. They wanted that. That was very important to them. It wasn't [Benjamin] Franklin going to Paris, but it was very crucial which way it was going to go—

Kondracke: Was this a continuing thing, I mean did you get aid to Solidarity year in and year out?

Billmire: I just remember the one time, and then they decided not to send in the tanks.

Kondracke: Well they did declare martial law.

Billmire: They did, and this was all going on at the same time. And we thought, Jack thought, very important. Jack thought this was. He was, that's what I'm saying. What do the lawyers say? Some things mature, a case is mature. That's when people got a little confused about him. A lot of process people, staffers like me, always want to go through the steps and say how important each step is. What's so, so important is timing and when you make your move. And I think some of that, frankly, came from the way he looked at the world through football. There are times you make your move and there are times you don't, times you just run the ground game and times you throw the ball, and a lot of people bought into that, not just me. Guys would say, "Okay, Jack, hail Mary, huh?" You know, Vin Weber or somebody would say it, and he goes, "Not hail Mary. He's going to catch it." Something like that. He stayed away from the football metaphors himself, he didn't do that. I'm the one doing that, but other people did it, and they liked that image that they were suited up and ready to go, and they were the underdogs. That was a team around Newt and Jack, all those guys. That was the whole attitude. They were trying to deal with Bob Michel, who was "Let's go play golf." And they were trying to deal with the administration, that's where Shultz came in, didn't think Shultz was radical enough. But I think Obey felt that Jack didn't pay enough attention to him. True, absolutely true, because there were no votes there, we didn't have the votes, and Obey was protecting his party's interests as he saw it. He was never dishonest, let me be real clear about it. I don't like David Obey, but he was a straight shooter. I didn't agree with him. I think he should have given us opportunities, but he was clear. "I'm not giving you a vote." He wouldn't say, "Well, maybe." Uh, uh. What you see was what you got. Just straight on. I kind of felt he didn't think we were playing

straight with him. He felt, whether it was talking to the paper his mother-in-law would read or the RNC [Republican National Committee] doing the ads, how could Jack let that happen? So I think that kind of made the relationship tough.

Kondracke: Were there other signal successes beside Solidarity and IMF and China?

Billmire: Well, certainly Israel, big, big, and I didn't even mention it because—

Kondracke: Obey was not on Kemp's wavelength on Israel either, right?

Billmire: He had to listen to his own caucus, so he couldn't forcefully try to, he didn't zero out the money in the ESF fund to Israel and Egypt as part of the peace agreement, he couldn't do that. Nobody would do that, I mean that was the third rail. You just didn't touch that, you didn't even put conditions on it. But I can remember [Benjamin "Bibi"] Netanyahu meeting with Kemp, being in on those meetings. But see then Kemp was a bright guy, because then he would go, "Okay, Michelle and Richard, you know all about this. What about the ABM [Anti-Ballistic Missile] Treaty? What about working with Israel to get missiles, the arrow system, to fight the bad guys? Can we do that for Foreign Ops or do we do it through the Defense budget? So even though that could tangentially have affected the Foreign Ops budget, it was much more in DOD, so Kemp went, "Okay, I'm a guy who has control over billions of dollars in ESF to make a fuss about if I wanted to," which he could have, because Obey, same thing.

If we'd said we're going to zero that out to get something, what would Obey have done? Said, "Fine. No votes for me for Israel." So there was always that card. Jack never played that card, but then Jack didn't stay well-behaved, since he was helping to—

Kondracke: So what did he get for Israel that might not have happened otherwise?

Billmire: A bunch of things. Now, you'll have to talk to Michelle about this more. But the whole business of, remember we had the ABM treaty, and the ABM treaty had real restriction on what we could develop and what we could test. Some of this came later with Tower, but if you remember the way we got the arrow system going, which is the antiballistic missile system, and John Warner worked a lot of this in the Senate too. The way we got it was to go to the pro-Israel elements of the Democratic Caucus and say, "Look, this is about the survival of Israel. They want it, we want it. You join us, we've got the votes, we can beat anybody else." Meanwhile you had the liberals in the Senate and the House going, "Oh my God, oh my God, oh my God, we can't do that. That will mess everything up." You know, silliness. But they thought we should not test and jeopardize the peace. And Jack's point was very simple. If we don't test, we are jeopardizing the peace. So I was trying to give this as an illustration. You can't. I know you keep talking about accomplishments, and you normally have to do that, but what I'm trying to say is here it was, crucial issue, the survival of Israel, they felt it was crucial, [Benjamin "Bibi"] Netanyahu comes by, we get the fighter, and some of this actually moved beyond Michelle, to other people. Where this was an issue, where Senate staffers were involved, and House staffers were involved, and it was

like sort of, "Hey, Jack, are you interested?" "You bet I am. Let's do something about it." And something got done about it. It's not something you go, "Here's the bill, here's the language." But you had to build the coalition. And he was also working with Steve Solarz, the Philippines, I think was very important, the transition.

Kondracke: What did he do with the Philippines?

Billmire: Some things I just can't—

Kondracke: Yes.

Billmire: The point is that Marcos had to go, and it had to be in a certain way, and guess where all that money came from. Guess where they got a shit load of money. ESF again. That's what I keep getting back to. This part of the process very few people have a clue about, and Kemp was smart enough, and his staff was—

Kondracke: I remember that Paul [D.] Wolfowitz was then the assistant secretary of State for Asia.

Billmire: That's right.

Kondracke: And he was trying to get the administration to change its policy on Marcos, who probably had [Benigno S.] Aquino killed when he got back—

Billmire: That's right, sure.

Kondracke: Causing riots

Billmire: That's right.

Kondracke: So Jack weighs in and does what?

Billmire: We need to make a transition to a new government. Unapologetic about it. There are democratic forces, but there are also younger officers who might have something to say about this, who do not want their country ripped apart. Let's talk. So he talked to Solarz. I was in on a couple of meetings. And then there were some meetings I couldn't attend, and I don't remember whether Michelle did or not. But the idea was clear. We had a bipartisan group of people who wanted the policy changed. Now, can you say, "Oh, that's just Kemp people talking about something. They didn't do diddly." No, that's not the way the system works. It's not just squeaky wheel. If you know there's a force out there and there's a bipartisan effort, it's real simple. I remember the first amendment I ever saw passed on the floor. Armstrong was watching I think it was Grassley and somebody and a Democrat. And they both got up and here's Grassley on the right, and some I think it was [Donald W.] Don Riegel [Jr.] or somebody on the left, and it passed like, I don't know, 92-0. I went, "Wow." And I remember I was talking to one of the floor managers, Jim Range [phonetic], who's now dead, unfortunately, Baker's guy, and I said, "Wow." And he goes, "Billmire, that's what you do. You get somebody from the right," he said, "you get some nuts from the right like you, you get some nuts on the left and it just sails through." And that was true. I just can't emphasize enough in the process, if you start building groups, we see this all the time, remember? You get

two Democrats or three Democrats or four Republicans, all of a sudden it's in the papers, page three. "Bipartisan group starting to edge around on this or that or whatever" and I just don't think—

Kondracke: So Jack worked with the Democrats a lot.

Billmire: Every chance he got, and then [William H.] Bill Gray [III], don't ever forget Bill Gray, his buddy from the Black Caucus, from Philadelphia, was what? He was chairman of the Budget Committee, and we were dealing with Gramm-Rudman[-Hollings Balanced Budget Act of 1985]. So Bill Gray was kind of using Kemp as an answer, let's be compassionate, let's not get too crazy about root canal budgets. Gramm-Rudman is mechanistic, it's not an intelligently-designed approach. So Jack had his problems with Gramm-Rudman, which then put him out of synch with my old boss Armstrong, I shouldn't put it that, put him out of synch with some of the fiscal conservatives.

Kondracke: This is part of Jack as a bleeding-heart conservative.

Billmire: And as a guy who believed in economic growth above everything else. And the only time he would talk about really cutting was when you would say there's a better way to use that money. You'd have to find an alternative. So if you're taking money from some corporate whatever benefit, tax credit, and you put it into urban housing, then he'd do that. But you had to put it that way.

Kondracke: Was the cooperation with Bill Gray on enterprise zones?

Billmire: Yes, the whole range of things, because remember, in the Budget Committee there's two things you do. First of all you have a budget resolution, and when you put the budget resolution together you vote in functions, and then you can say, "We'd like to have the money in this function go to x, y, and z." Now the budget resolution is not binding. It means nothing. My dog could write that up. It means nothing. What it does mean is when you start putting it together in a reconciliation bill, which actually changes the law, as you know, and you tell the committees what to do. But, I mean, I do opposition research. I have all my CQs [*Congressional Quarterly*] over there and here, and I have databases I've put together and I find votes that you can use, Republicans can use against Democrats, Democrats can use against Republicans. A lot of them are budget resolution votes, which mean diddly, but it's a statement of thought or intent. It's not in any way legally binding. People have tried to do that sometimes. It's a little bit above sense of the Senate or sense of the House. So what Jack would do is work with Bill and get some ideas in there.

Kondracke: Let's talk about travel. How much did Jack travel? How much did you travel with him?

Billmire: My travel with him was very simple. It was our big European 'National Lampoon' trip.

Kondracke: Just one trip?

Billmire: I think that was it. No, every time I was ready to go on the junket to Taiwan, stopping in Hawaii a few days to deal with the jet lag, certainly. Every time there was a junket, it would hit the fan.

And Michelle would be in the plane, having her drink, and I was sitting in damn Rayburn at 1:13 in the morning.

Kondracke: Because she was senior?

Billmire: Oh, yeah. I mean, these were foreign policy trips. They were getting money through, we were both working on that.

Kondracke: She said that she didn't travel with him all that much partly because he was so sticky about the fact, about women traveling with him.

Billmire: About women, oh, sure, sure, sure. No question about it. So the big trip that I remember. First, I didn't want to travel. What I used to do was on the weekends, "I'm going to Charlottesville." I had a house outside of Charlottesville, and I would just go down there. One time when I was working for Armstrong I went down there and Dave Hoppe knew this, and I went down there and Armstrong was going to be on one of the talk shows on Sunday and called up. And my former mother-in-law answered the phone and she was a hard case, and he said "I really need to speak to—", he used to call me Bill. He said, "I really need to speak to him. I have a question. I'm about to go on national TV." And she said, "Young man, he's up in the woods hunting turkey, he has a shotgun, I'm his mother-in-law and I'm not going in the woods." That was classic her. If you ever knew her you would know that. She was quite, quite something. And Dave Hoppe heard about that and just said, and I said, "I don't want to travel. If I have any spare time I want to go be with my mom and

deal with that situation or I want to be down there. So, we went to Europe. This was a trip, frankly, Dave came up with the idea.

Kondracke: Year?

Billmire: This would have been '87, I guess.

Kondracke: Pre-presidential.

Billmire: Right. This was Dave's idea, that we would go to Europe, he would meet with the crowned heads of state, or uncrowned, and this would enable him to say "I know something about foreign policy." So the best part of the trip was Germany, he and [Helmut J.] Kohl hit it off.

[interruption]

Billmire: So this trip, the idea was even though Jack had been involved in a lot of foreign policy issues, the idea was to have exposure overseas with our main allies. I guess part of the trip, there was some great fun. I remember in Paris, it was a staffer's delight. You remember all the old movies, "Vacation," "National Lampoon," a number of those, and we got, I think they let us have the ambassador's house. It was John Buckley and myself, Michelle, and John Mueller. And we just had a great, a beautiful, beautiful mansion. And Jack met with all the rising forces in France. I think he met at the time with the mayor of Paris, who became prime minister, you know, who I mean.

Kondracke: [Jacques] Chirac.

Billmire: Chirac. The big trips though, the ones he liked the best—

Kondracke: Tell me all about this National Lampoon trip and why it's "National Lampoon trip." [laughs]

Billmire: So, it was just a lot of fun because, I mean, you're fairly young and you've done your job, and Jack's having a great trip. He's just like a child, he is just loving life, and the intellectual interplay is just great. He's talking to the finance minister, he's talking to Chirac. The only boring part would be the State Department part. And so we did all that, and then we went to Berlin, and [Eberhard] Diepgen was the mayor, and then Michelle and I got to be very good friends with his executive assistant Hildegard Boucsein, who is very involved with the Aspen Institute. Got to meet Diepgen, and then Jack was set up to go over to East Berlin, and we had a presence there. We crossed Checkpoint Charlie, and it was like an eye-opener. You know he'd read about everything. And we had two places we went. We went over Checkpoint Charlie, we met with people, and there were some people locked in an iron cage, protesting what was going on in the East.

Kondracke: These were East Germans or West Germans?

Billmire: East Germans. We are in this bus, it's clear it's a U.S. government bus, and these thugs, there's no other word for them, are trying to sort of intimidate us, you know, guards, and we're just going

down the street, we stop at a light, and they're all up on the car with their rifles, trying to be tough guys. We get in and we have a talk.

Kondracke: Get in and have a talk with who?

Billmire: Get in and meet with some people, U.S. government reps. I don't remember technically, we didn't have ambassadors, but we had a presence. I don't know if it was a councilor presence or what. There was military there, two State Department people, Michelle, myself, Jack.

Kondracke: Well, East Berlin was the capital of East Germany.

Billmire: Yes, that is correct.

Kondracke: And East Germany was a state. So, we did have an ambassador, [Rozanne L.] Roz Ridgeway.

Billmire: We did have an ambassador? Okay. Is that who it was? Well, how shall I put it? Jack was very impatient with their explanations about helping people, activists and protesters. He talked about the person at the gate, wanted to know what that story was.

Kondracke: These were people, just so I get the picture—

Billmire: These were government officials and I don't remember any of their names.

Kondracke: No, no, no, but I mean who are the people in the cage at the gate?

Billmire: They were people whose relatives were being, and, oh, I'm sorry, they were on this side, the west side of Checkpoint Charlie, trying to draw attention to their relative in the East. Jack wasn't happy with, he thought the U.S. should be more aggressive in helping people who are fighting for human rights, and was not mean, he never was mean, but he was very firm about it. And was not accusatory, but just said more has to be done. "You really have to get out more, you have to meet with people, you have to invite them in. That's the only way you can break this. You have to meet with the dissidents and you have to make it an active program." And then at one point he said, "Well, how many political prisoners are there in Germany?" And Michelle may have told you this and I'm not trying to make me center stage. She may have said this, so I'm going to repeat it. This is also what Jack's all about. My great-grandfather was from Germany and a bunch of our relatives were up near Berlin. And in the First World War my grandfather and his brothers fought for the U.S., but then around World War II came, and some of the cousins broke. My grandfather worked for an oil company, saying you've got to come back to Germany, you know, all this crap. It kind of stalled his career out. So for whatever reasons, I really don't like East Germans. And my grandfather used to say about World War II and I have a couple of [Dwight D.] Eisenhower biographies, he said, "Never forget, the good Germans beat the bad Germans, our Germans beat those guys." I met Eisenhower when I was a little, little boy. Anyway, so I said, are there many political prisoners? I know what Jack was trying to say. He was looking for the official count that the U.S. government had.

And I mumbled, it was one of those things where you say something, and conversation is just halted, so what you say is magnified. And I mumbled to myself, "The whole goddamn country." And everybody heard it, and I'm like. And Jack turns around and shakes his head. We get back on the bus, and I go to the back. Maybe I can disappear. I was very embarrassed. I can't tell you how embarrassed I was, and I am down like this, and I figure, "I'm fired, no money for my mother, you know, I'm going to cause an incident, this is really bad. Why don't you just shut up?" And I was not very happy. And Jack comes back, sits next to me, puts his arm around me and says, "You know, Richard, I just want to make sure this trip is everything you want it to be. I mean, is your bed soft enough? How's the food? Are we going to the right places?" Just laying it on. And you can see why his teammates loved him. Because, you know, people would screw up, and feel really bad, and that was Jack Kemp. That was him. And I only tell that as "I'm an idiot, but." Half the people, or three-quarters of the people on Capitol Hill, they would not have put up with that. And how can you not really work hard for a guy like that? But he was very moved by all that. We also, you might remember there was a guy named [Major Arthur D.] Nicholson, Sergeant, I believe. We used to have these guys, we had an agreement with East Germans that our forces sort of bop in and do this monitoring. And Michelle will know more about this. And one of our guys got killed. We were acting properly, and it could have been quite an incident. There's a picture I have somewhere of me and Jack and Michelle and John, and I don't know if Buckley was with us at that point, I think he had to talk to somebody.

And we're with a bunch of soldiers from that unit, and we were back up against the wall, and he was very struck by that.

Kondracke: Up against the Berlin Wall.

Billmire: The Berlin Wall.

Kondracke: East side or West side?

Billmire: Our side. And he was very struck by the fact that they could shoot one of our guys and away with it. He was very struck by the fact that when he was informed that the Wall had mines that flew this way, so if you'd gotten through everything else, and got up to the Wall, you'd hit the mine and it would blow you up in a million pieces this way. It would never blow a hole in the Wall so other people could get through. Because other people had tried that, they'd try to run across and blow a hole in the Wall, sacrifice themselves. He was very moved by all that. And I think he already had his ideas, he knew what he wanted, but all of us were struck by that. I remember it very, very well, because I think there was a personal element. And when I talked with Michelle last night, she remembered that, but what she does remember is that as staffers we went down south to Berchtesgaden and I accidentally locked her into her hotel room and went out and drank beer all afternoon.

Kondracke: How could you lock her in her hotel room?

Billmire: We had one key. [interruption] There were two rooms and the key worked for both rooms and there was a stairs and then rooms and then I forgot to put the key through the door for her, so she was locked in the room for hours. Beautiful sunset and all of that. So then

we went from there and we went from there and then we met up with Kohl. And we actually flew on their Air Force One or Two. They really hit it off. A lot of talk about a really strong forward presence for the U.S. with the missiles.

Kondracke: Pershing IIs.

Billmire: Pershings. That was a big deal. And then he talked with Kohl about democratic capitalism and getting the economy moving again. It was one of those trips where you just see two guys really hitting it off. And they had kind of a list of things to talk about. Michelle was really in charge of that. But it was a forward presence and then economic liberalism, get all of our economies really cranking along. I mean the recovery had started, so that was good. But I just remember that trip quite clearly, and a couple of the Germans that were with us had trained I think at Fort Hood. Remember there are a lot of Germans go down there to train, so some of those guys were there. And it was just a good trip all around and I remember one of the guys saying, "Boy, he's really something. I wish he could be president. This is a friend that Germany needs." I remember that very well. One of the Fort Hood officers, German Fort Hood officers.

Kondracke: So Kohl is one of his favorite foreign leaders?

Billmire: I think so, I think that's a fair statement.

Kondracke: And who else?

Billmire: Loved [Margaret H.] Thatcher.

Kondracke: Did he meet with Thatcher on that trip?

Billmire: I think he did, but I wasn't a part of that. I was there. I might be confused because I had to do this for Tower too. For some reason I got to meet with some of these guys, Nigel Lawson, who was [Chancellor of the] Exchequer. I think Mueller and I did that. I also remember Mueller blew out, we were at the Kadinsky, is that it? The Kandisky?

Kondracke: Kempinski [Hotel].

Billmire: Kempinski, like Kemp. And I remember Mueller would travel around. He was one of the first guys to have a portable printer, and it blew out the electricity of a whole wing, and I just thought, "That's a great start for our trip." So in London he loved Thatcher, but that was not me. I can't remember who sat in there. But I do remember a friend of mine was very close with [Jeffrey H.] Archer, you know, the writer, Jeffrey Archer, who was rich as could be. He had an apartment right on the river, flat right across the river from what's the modern art museum in London? The Tate?

Kondracke: The Tate [Modern], yes.

Billmire: Right there, beautiful spot, and I think there were certain U.S. government agencies, who had facilities above him. I remember going into his apartment. We were all there, the staff was all there, and he really loved Kemp. He said, "You know what? Why don't I set up a meeting with you and the Cabinet? Remember, he was the hit

man for Maggie. When they were trying to take her out, Archer was pushing back then he had a scandal that came. I think he may have served time, I don't know. But he set up an appointment. Jack really more than in any other country got to talk to everybody. And I think it went well. I was not there. I think it was just Jack and them, I don't think there was any staff so I don't know what was said, but I remember he came back, and you could always tell when he was pumped. "This was just great, these are wonderful people, they're really our friends." And I think of all the things, meeting the mayor of West Berlin, Diepgen, got along with him great. Jack got along with everybody. But I think what came back, which was good, is these were the major leagues, these were the big leagues, and he did well with them.

Kondracke: Did he get any political bounce from this trip?

Billmire: I don't think so. It was a checkmark on his resume. "When I met with Maggie Thatcher, Helmut Kohl, Bibi Netanyahu." That's when I thought this guy could have been a great senator, because that's the level at which he was operating. And that's what I'd seen Tower do. I mean that's the level that Tower worked. So, yes, and I think it really, it made him feel like he had arrived as well.

Kondracke: Okay. Let's go to staff. Now, [David M.] Dave Smick, later his chief of staff, said that this tendency of his to give different people the same assignments was a demonstration of Kemp's insecurity. In other words he needed to control things and keep people off-balance, [Franklin D.] Roosevelt-style.

Billmire: Yes, I know some people thought that, but that's giving more intellectual credit—not intellectual credit—more realpolitik, giving more credit to Kemp than that. Kemp literally, I hate to keep on coming back to football, but it's a play action. You know you're there, you're in the pocket, you go, okay. And then everything falls apart, everything is chaotic. And then you go, "What am I going to do? You going to block that guy, you're going to block that guy? You getting clear? You running around in circles?" All that, and that's Jack. And then he decides to throw the pass. And that really is what it was like. There are lots of terms for this sort of thing.

Kondracke: "On the fly" it sounds like.

Billmire: On the fly, but not *on* the fly. You know you have x to accomplish, you're going to do something with the tax bill. What are you going to do with the tax bill? Are you going to have three levels, four levels, what are you going to do? In come 12 people, everybody starts yapping away. And for Smick, who's become very successful, Smick is a very, he made all the tons of money he made because he worked hard. I didn't get along with him that well because I didn't know him, but he's a very ambitious guy, I think he felt competitive with Kemp at times, like "Why can't I be a congressman?" And I think Smick had run, but Smick made his money because he was poring over little numbers and bank currency deposits and all that. I think with that kind of very controlling mind this was not, it worked well for him. That's why he's worth tens or twenties or whatever millions he's worth. But I think seeing that with Jack is like the odd couple, and some people sometimes said that.

Kondracke: You don't think Jack was insecure.

Billmire: I think Jack did what all of us did. Jack was a worrier. If you're any good at anything you're a worrier. It's just the way life is. It's part of the Calvinist work ethic. You never take things for granted. You're always wondering what could go wrong, and it's the old CIA [Central Intelligence Agency] statement, hope for the best, plan for the worst. So Jack's getting ready to do the thing, but he's going to go, "Do we really have the votes? What do you think?" Well, it's just like if six of us are sitting around getting a drink, we start, "Hey, Mort, who's going to win the presidential?" If you're the campaign manager for [Willard Mitt] Romney, if you're the campaign manager for Gingrich, they're going to ask you because you're a smart guy. Does that make them insecure? That's what I'm trying to suggest here.

Kondracke: Everybody always says, some people think that this is a Christian Science, part of his Christian Science background is that he really thought that 1) he was always looking on the optimistic side and 2) that there was nothing he didn't think he could do. I mean he willed himself to be a football player for example.

Billmire: Sure. He's a force. That's what I kept on saying. And that, for somebody like an Obey, who is much more narrow in his hopes and dreams and job assignment and whatever, Jack never, you know when you get a job and you ask what your duties are, what is your skill set, what's your jurisdiction, all the words we use in Washington. What used to piss people off, like Jim Baker when he was in the Cabinet, Baker would start talking about Bulgaria and Jack would pipe up, the HUD [U.S. Department of Housing and Urban Development] secretary.

That was Jack. I mean, the boundaries weren't there. I think people get confused that when he brings in the lowest staffers in the world, the legislative correspondent to a meeting on the tax bill strategy, which is going to be up in a week, why is Jack bringing all these people in? You're not supposed to do that. You sit down with your top three advisers, maybe you get a guy from the Whip office, and off you go. But up to the point that he acted, he was always asking you what you thought. Some people think that's insecurity, and I've got to say initially when I saw that, having been used to seeing things done otherwise, I wondered about that. But then I saw what happened. It was a different way—it's a classic Bismarck making sausage, I mean it really was. And then all of a sudden boom, you get a tax bill through.

Kondracke: You said that he once told you that he was smart enough to hire people who were smarter than he was.

Billmire: He said something and everybody reacted to that statement. I had said that's what Tower had once said to me.

Kondracke: Oh, Tower.

Billmire: Wait a minute. And then Jack said, "Yeah, hiring people that are smarter than me, yeah." Like that. It wasn't as precise. Because something, I don't know what brought it on, oh, I know what it was. Somebody had said something in the press about Kemp sort of being a slave to his staff, something like that. And I tried to make a joke about it. He was upset by it. He said, "No, we're a team, I mean we're a team." That was him. And that's what people just didn't get, this guy was a team, it was a team and he was the

goddamn leader, come on. And to then say he's insecure because he brought the whole team in. What are you doing? A good team always says, "Look, I've got an idea, you might want to do this. Somebody says you might want to do that." And once in a while things would happen like that, where you have more people included. Sometimes if the guy in charge, some cases I can remember governors, a woman in charge, has a clear idea, like [Christine] Christy Todd Whitman, what she wants to do, then all this amorphous stuff is fine, because they're going to make the decision.

Kondracke: Speaking of that, did he treat women as equals to men?

Billmire: Oh I think so. Certainly with Michelle. He was scared of Michelle half the time.

Kondracke: Equal pay for equal work?

Billmire: She made more than I did. When I told her last night I got that raise I thought she was going to get very upset. She didn't know about that. I still made less than she did, though, so that made her happy. I do want to get back to the smarter than I. It was just kind of "Yes, that's right." He just wasn't challenged by that. Everybody knew Mueller could write a speech better than Jack could. I mean that's what you do, you're a specialist. Oh, I remember one time he said something to me. He said, we were talking about John Mackey, who played for the Baltimore Colts, and of course my dad knew, growing up in Baltimore you were a big Colt fan. But my dad was actually in business with Gino [J.] Marchetti and [Lino D.] Alan Ameche at one point, and they had a little restaurant. They went on to make a

fortune; my dad not, but we were talking about John Mackey was a great guy, and I think he had been a supporter of Kemp's, and something came up. And he said something and we were talking about somebody who had this staffer. It was a certain representative on our committee and one of his staffers, and they were going at it. Very competitive with one another.

Kondracke: The staffer and the member.

Billmire: The staffer and the member. And Kemp kind of went "Boy, you know." And we'd just been talking about Mackie and all that kind of stuff, and he said, "You know, I'm not going to tell John Mackie how to play tight end. He's better at that than I am." That was his view on staff.

Kondracke: Okay. Did you have anything to do with writing the speech in which Kemp calls for Shultz's resignation? The CPAC [Conservative Political Action Conference of the American Conservative Union] speech, 1987.

Billmire: Yes, I didn't write the speech. It was Michelle and John, I guess. But we all had a problem with what we thought was Shultz. We thought he was a little timid in a lot of areas, and I mean it was across the board. It wasn't just the defense, foreign policy or economic, it was all three. Again, because of his big picture, he thought Shultz should be doing a lot more across the board. And we would try to say at one point, "Look, Shultz isn't secretary of the Treasury, so he can't do certain things." But he can do other things, because remember, Foreign Ops had all these aspects to it, which

allowed you to jump into any area. And so, we would sit and talk and we were very concerned that Shultz was, I remember I used to carry this from the Senate, the old saying, you never go in with your going out position, and that's kind of what Michelle in a much more academic way believed, Bill Schneider believed, the neo-cons believed, a lot of people believed that. And in fact there was something in the *Washington Times* two weeks ago that shows a picture of Newt as a cartoon figure defacing a picture of Ronald Reagan. And it was filled with quotes from Newt denouncing Ronald Reagan. And that was an offshoot, same time, of people going after Shultz. Newt took on the president, Jack. But there were a lot of the younger people in the foreign policy area thought we were just bending over backwards not to offend the Soviets in their satellite states, that we weren't doing enough with freedom fighters around the world.

Kondracke: Newt said, one of those quotes from Newt was that when Reagan met [Mikhail S.] Gorbachev it was the worst thing that ever happened.

Billmire: Oh, it was like [A. Neville] Chamberlain and [Adolf] Hitler.

Kondracke: Right, right, Chamberlain and Hitler. Kemp didn't say things like that, did he?

Billmire: No, no. In fact, the phrase "He's crazier than a shit house rat" was used, not by Jack.

Kondracke: He was crazier than what?

Billmire: A shit house rat. That's an old Texas phrase.

Kondracke: That wasn't Jack talking about Newt.

Billmire: No, but he laughed.

Kondracke: He laughed. Somebody else said that. Who said that?

Billmire: Don't know. [laughs]

Kondracke: You don't want to admit it.

Billmire: Michelle said the same thing. We had sort of a comic relief team. She was the academic and I was the yo-yo. I mean, I had enough training, but—

Kondracke: What did Jack think about Newt?

Billmire: Part of the team, part of the guard, part of the revolutionary guard that was pushing things forward. You had [Robert S.] Bob Walker who was the guy from Pennsylvania. He was the parliamentarian, he could tie the place up in knots. If you could tie it up in knots, he would tie up in knots. Everybody said, "That's your job." Newt was the big figure out there. I mean he was the guy who could give you protection with Bob Michel. Bob Michel knew to go after Newt meant Bob Michel's votes were going to be very, very tight. Some people said "Why don't you take on Bob?" And he would go, "Well, I don't know." And then I think it was Dave at one point told me, "You're probably about 25 votes short. But only 25 votes short."

So Newt was kind of the guy, he was their Bob Michel. Jack would say to the caucus--that's very important. The Republican Conference is the caucus and it wasn't the Policy Committee. In the Senate it was the Policy Committee. That was the caucus. So you had [Richard B. "Dick"] Cheney over there in the Policy Committee. He would be doing more, you know kind of a little more radical stuff but more pointed. So the guy who was the big picture guy was Jack, but Newt, it was a team. They were all kind of watching—

Kondracke: I thought the Conference chairman basically just presided over the Conference meetings and didn't have much to do other than—

Billmire: Oh, yes

Kondracke: So what did the Conference chair do?

Billmire: Okay. The Conference chair, technically that is where the caucus met. That's where everybody meets and that's a place where the whole group is gathered together, and the Conference would take positions on issues. And the Conference would also be a place where people would debate about what they were going to do on policy. So when you got to tax reform, there was a contingent of more of the old guard, with [William M.] Bill Thomas, Ways and Means, and that was his bailiwick, and Jack's talking about his version of tax reform. There were substantial differences in the two approaches. So there was Kemp-Kasten, for Bob Kasten in the Senate and then there was Bradley-Gephardt. And the Bradley-Gephardt and Kemp-Kasten, they're pretty close. They had a little bit more star power because of Bradley. Bradley much more senior plus a Democrat. And they were

all heading in the right direction. So there was a big debate in the Conference, which was unpleasant at times. Now Dave Hoppe is the one to talk to you about the Conference more. And these two groups are going at each other. It's the Kempies and the shell-heads, you know, because they all had that hair. Kemp versus the old line in Bill Thomas going, "Basically this is my bailiwick, this is the House of Representatives" and whatever. And Kemp goes, "No!"

Kondracke: At the time of tax reform wasn't it Barber [B.] Conable [Jr.]?

Billmire: Whoever it was, yeah, yeah, yeah. But Bill Thomas, I remember he got involved in this thing.

Kondracke: Did you go to Conference meetings?

Billmire: Dave did. I did early on, because I was the quote, unquote assistant director, means they didn't have quite the spot for me yet. They didn't have one of those solo carrels for me yet so they parked me over there. But I guess it was Conable, but Bill Thomas was a voice in the debate saying, "Look, this is not your place." And the caucus became not just a bunch of guys getting together saying, "This is what's up this week." It was much more active than that. I would talk to Dave. If you've already talked to Dave, I would talk to him again about that process. That caused some resentment. That whole tax fight was the only time I really saw other members, Republican members, resenting Jack. They felt he'd overstepped his bounds. A lot of times they did, but then Kemp would share the glory, so they'd get something through, and he'd have his eyes around some guys and

some women and they'd get the credit. He's very generous, and that's very smart.

Kondracke: Well, he had a wholesale rebellion on his hands over tax reform, which we've discussed before.

Billmire: Yes.

Kondracke: Let's just talk a little bit about Reagan administration people. What was Kemp's relationship like with Baker?

Billmire: Baker kind of tolerated Kemp, but just remember one thing. Baker never got elected. When Tower was the nominee, some of Baker's people were the people for DOD. It was some of Baker's people who were most unfriendly about Tower's nomination. I'm not going to go any further than that. I think Baker did a good job, but he was a different kind of Republican, he just was. He was a lawyer, country club Republican. He was by no means a populist Republican. I think he was surprised that John Tower became a senator, and he had a kind of I'm smarter than you attitude toward a lot of people, not just Kemp. That's just Jim Baker. But he's also kind of a nervous guy. I always thought it was strange, one of his favorite hobbies was sleeping, remember that? He used to love to take naps. What's that all about? But in other words he would do things with Jack but he preferred to do things with other people, who were maybe a little steadier.

Kondracke: When Jack was HUD secretary you said you had a lot of feedback—

Billmire: I heard this, I don't know if it's true, but I kept on hearing that Kemp would be in these Cabinet meetings and just, sort of my role, you go to a party and if you're invited you can talk to anybody. Not a good move. But Jack would just say what he thought, because he'd been there.

Kondracke: Drove Baker crazy.

Billmire: He was not happy, that's what I heard. I don't want to add terms. Baker never got crazy, Baker just arched an eyebrow. He did curse when he wanted too. Here's the way Baker kind of worked it. Darman and Kemp had a very good relationship. Now I don't know whether you've talked to him, but I know Jack really liked Darman, and they got along great, and so I think he ran interference for Baker. Let's see, Darman was over [at] Treasury with Baker, when was Darman the gatekeeper at the White House?

Kondracke: When Baker became White House chief of staff.

Billmire: Right.

Kondracke: When he was White House chief of staff, Darman was his deputy.

Billmire: Yes.

Kondracke: Darman was back in the White House under [George H. W.] Bush.

Billmire: Yes, that's right.

Kondracke: When Baker was over at State, and actually it was Darman who allegedly thwarted Kemp's compassionate conservative ideas at HUD, so I don't know how they got along then.

Billmire: Don't know about that. He in my time, at Treasury, he and Darman got along okay. and I don't know the HUD stuff, would not be surprised.

Kondracke: What about other people at the State Department besides Shultz. You had Schneider over there.

Billmire: Well, I mean Schneider, just big, a big guy, but he was a major intellectual force over there. Forceful intellect, but not aggressive, easy to get along with, smart as the day is long, and would be the type of guy that could advance an aggressive agenda, and seem pretty moderate about it. He, I think, before Michelle, didn't he have Michelle's job?

Kondracke: Yes, he did.

Billmire: Yes, so he relied a lot on him and they talked a lot. But Schneider was a guy who was always kind of behind the scenes, so for all I know half the meetings Jack had with heads of state and all that were through Schneider. Now Schneider didn't do that much on the trip to Europe. A lot of that was Dave and Jack. Yes, there was a lot

of conversation there. But Bill was also very sensitive, he didn't want to overshadow Michelle.

Kondracke: Did you guys have the sense that you were in any way operating against Bush? In other words, in the run-up to '88 that you had Bush out there who was the heir apparent.

Billmire: Oh, yeah, yeah. Because you had the country club Republican. Kemp was a blue collar, old-fashioned Kennedy Democrat in many ways, and a lot of us are. We just are, that's who we are. And so had a problem with people who just didn't seem to connect with any of that.

Kondracke: But were you scheming and setting up issues where you could differ—

Billmire: That wasn't Kemp's nature. Kemp's nature was he had the happy side of a Roosevelt without any of the conniving nastiness. He thought that his message of hope and opportunity and all that, that that was enough. And he had good ideas. That was enough to beat a guy like Bush. I said before, he wasn't a guy to think about people, the county chairman.

Kondracke: Right.

Billmire: It was just not his nature.

Kondracke: Right.

Billmire: And so yes, the staff would think about this, sure. But it was much more rather than Bush, it was that part of the Party that Kemp would work against. That's why we were against the administration on a whole number of things. That's why tax reform was going to be really good tax reform that helped a lot of people at the bottom, that were working, very important. And that's just not the way they looked at the world. And so it was more of a generic Bush, not Bush himself.

Kondracke: What about Dole?

Billmire: [laughs] Dole used to say, one thing the staffers were really proud of is one time one of the advance men said something. Dole was out on the stump [imitates Dole] "Oh, are you a Kemp? Somebody ought to put you back in your cage." I'll never forget that. Whatever the quote was we had it all over the office. You know, again, a senator looking at—

Kondracke: What, on bulletin boards or what?

Billmire: I think we put it on people's desks and stuff. It was some young guy, one of the advance people, I think. No, I mean I think with Dole, Kemp was a junior, rambunctious House guy. He wasn't even really, he wasn't the Whip and he wasn't the minority leader.

Kondracke: And his whole attitude toward deficits and all that was completely different from Dole's.

Billmire: Oh, sure. Every time Dole turned around it was DEFRA [Deficit Reduction Act of 1984], it was TEFRA [Tax Equity and Fiscal

Responsibility Act of 1982], it was 'take money out of your pocket DEFRA.' It was just one thing after another, '83-'85. And he fought those very hard. And when Jack fought those, Dole was not amused. He was very unhappy about that. He was unhappy with Gramm-Rudman, [William P.] Phil Gramm was unhappy with Jack about that. They were very dismissive, said "You can't grow your way out of anything. You're going to have to raise revenues and that's that." And then Bush, of course, this is after all this, but "No new taxes." But a whole generation of Republicans grew up on the idea, get rid of the things that inhibit growth, because you can talk about revenues all day long. And that's where we are today.

Kondracke: You left before the '88 campaign, but did you take part in it at all?

Billmire: Not really. Tower was down there, and he was head of these platform committees, and he was the defense and foreign policy committee. We had a big fight there, of course, about Star Wars [aka Strategic Defense Initiative]. And then Tower came back from a meeting, and this was just before the convention, with Bush up in the vice president's place, and if I can remember all this correctly, about this time, now Colin [L.] Powell was over at the Pentagon and there was a fight about the Russians and arms control, and one of the people managing debate on the floor was [James Danforth] Dan Quayle. Quayle was absolutely at the top of his game. There's one thing he seemed to care about and know about. People say he was stupid and all that. No, but some people can be stupid but really smart at certain things. And he was very good or well-prepared or whatever. And engaged, and it was a very controlled environment so

that other side of Quayle really couldn't come out. You know, it was really sedate. And Bush and Tower were watching that, supposedly. Or Tower, Bush had seen it and mentioned it to Tower. I wasn't at any of this stuff. Tower came back to me, and I'll never forget. I said something about da-da-da, and he mentioned Quayle, and I said, "Yeah, he did pretty well in that." Because I knew Quayle from the Budget Committee, because Armstrong used to sit here, I think it was Grassley here and Quayle was here, so Quayle and Tower were big buddies, and so they would always be talking with each other. And Quayle knew his stuff. I mean, Tower was very demanding on people and had his staff train people, so Quayle knew his stuff. And then Tower mentioned to me the idea that Quayle might be the vice presidential pick.

Kondracke: This is before the campaign even started?

Billmire: Before the convention. We went down to the convention, and I remember I saw Jack outside, and there were a bunch of reporters, and I shook his hand and I said, "Hey, how's it going?" And he said, "Oh, great, great, great. I hope this is going to be a great convention." And then I saw him in a little sort of room off the side in one of the hotels, and then somebody came up to me, some advance person, talking about maybe Jack was on a short list for VP and then Jack came over, and I shook his hand again, and I just, you know there are never really any secrets and I felt like telling him, but I couldn't, because Tower was real clear. He said, "I'm just speculating, but I think," and I just couldn't say anything.

Kondracke: Tower didn't know for sure though.

Billmire: Yeah, but you know how they were. Didn't know for sure, because Bush could always change his mind. Bush didn't. He just said "Look, this guy could be it."

I wanted to say the only thing I know about that campaign at that point. Jack, I think still thought he might be VP.

Kondracke: Well, you remember there were all these people circling around saying that it was apparently a smoke screen or something. Jack was used as a—

Billmire: I remember [David M.] Dave Espo was on a subway in Washington, and I said, "You ought to call me once in a while," and he goes, "Oh, okay." Then my wife used to work there.

Kondracke: Who's Dave Espo?

Billmire: Dave Espo's with AP [Associated Press]. He might be the managing—I don't know if you know my wife, Joan Mower. She was a reporter for AP. But here's the thing about the campaign, and maybe Dave will tell you more about this, but I was a little bit outside. All this stuff was warming up. We went to the trip to Europe, and we'd had these meetings, and [Charles R.] Charlie Black [Jr.] would come in and he had his sort of team. Remember it's Black, Manafort and Stone. Dave Hoppe had no use for Roger [J.] Stone. Lifestyle, lots of stuff. Charlie was running a more traditional, his approach was more traditional. Dave sensed that Jack had to do not a traditional campaign. It would be much more like some of the campaigns we've seen now. And so there was a real strain there, no question about it.

Lot of strain. And it was just like, ugh, it's going nowhere. That made it a little bit easier for me to leave as well, because I just saw this as being a mess.

Kondracke: What were the differences between Hoppe and, what do you mean traditional campaign versus a non-traditional campaign?

Billmire: Get endorsements, line people up, use my personnel not your personnel. Dave was much more connected with the cultural conservatives. Not as much with the religious right. Dave's Catholic, very devout Catholic. But that whole wing of the Party. Had no use for Roger Stone. Remember Roger's wife was involved in the pro-choice part of the Party, and Charlie was just viewed as kind of a centrist, Washington figure, lobbyist. And Dave wanted a little more, I guess, purity in all of that. And it came down to people, who was going to run the Iowa show, who was going to run New Hampshire, who was going to do this, who was going to do that. And disagreements every step of the way. On the funding side disagreements there as well. Who's going to the funding? And I can't remember all the names, but there was one guy from Philadelphia and I think that was Dave's guy—

Kondracke: [Richard J.] Dick Fox.

Billmire: Dick Fox. And I think he was more Dave's guy than the other people. Then you had sort of Jeff Bell getting involved with his advice, you had Jude with his advice. And that was the one part where I think the management style was a problem, and what I get back to again. You can't be as policy-driven it seems to me as Kemp

was, with all these interests in all these places, and what worked well in getting that policy not just formulated, as confused as it seemed, but formulated and then passed. If you didn't pass it somebody else passed it. You get to a campaign and I don't need to tell you. You know a lot more than I do. I've been involved in a lot of campaigns but probably not like you have. At some point you got to fish or cut bait. I mean you just can't talk it out anymore. You make decisions and you go with people, and I think Jack was a little split between the two, between Charlie and Dave. They both had his interests at heart, but I think they had different views. I think Dave wanted to nail down sort of the right, the cultural right, and I think in Charlie's view, great, that's a good role for you, Dave. But I'm running—and Charlie's not a mean guy at all. That's not the way he works. He just doesn't work that way. It was more well, "Okay, that's great Dave. I'll kind of do the rest." And that's what I saw. But I think all along that's the way I felt.

Kondracke: Was Buckley a Hoppe guy, or a Black guy.

Billmire: Buckley was a Kemp guy. He was much more Dave, I think.

Kondracke: He was hired by Dave?

Billmire: Yes. And he was a very important force. We didn't talk about him at all, but I can't tell you how important he was.

Kondracke: Tell me.

Billmire: Every time a major decision came up Buckley was there. But it got to the point and then Buckley would just sort of zoom out at some of these meetings. He just saved his words and advice till when it came to the point it was going to be public. Buckley really understood that. Buckley was not one to try to sell a story. He understood Jack was going to help sell the story and get it moving. But once decisions were made, Buckley was very clever, and would do what press people do. But he was just another whole level than most press secretaries in the House, he just was. He was clever, he was witty, he was well-read, great sense of humor, could go back and forth with reporters. And just a pleasant man and an honest man. He didn't bullshit people. And when people would go after Kemp on his vulnerabilities, Buckley would turn it into a joke. He was just so disarming with these people. I think a lot of people, a couple reporters told my wife who told me, "Hey, can we just have, whoever is president, can Buckley be the press secretary?" That's kind of the way he was. So he was there, though, I want to be very clear on this, he was there when it mattered, at the end, when you had to advance it and keep it going. He was not a guy who fed a lot of stuff like a lot of, remember, you've got 535 people competing, very aggressive in trying to sell stuff, and Buckley was able to shortcut some of that. And on the political side I think he wanted Jack to be more precise and more political. What are your three issues? Let's go ahead. Keep it short and simple. Now you've got to talk to these people and these people and these people and these people. Jack wanted to talk to everybody.

Kondracke: Did you have much to do with him doing the HUD years and the Empower America years?

Billmire: No.

Kondracke: What about the '96 campaign?

Billmire: Not much at all, no. What happened was remember, and I had some not really conflicts of interest but I went with Tower, Tower got turned down, and then I became a research guy for the National Republican Senatorial Committee and for the NRCC, and [Edward J. "Ed"] Rollins was there and [Donald L. "Don"] Nickles and other people were over on the other side. So then I became research director for the NRCC, so I was working all these Senate races. Then I moved over to fulltime. I was split. Then I became research director for the NRCC. At that point it was Newt, was still around, and this was leading up to it was '92 I guess, leading up to '94, and that was it. That was payback, that was lots of stuff. And so from there I had my own company, and I started doing opposition research, and corporate stuff too, but corporate was studies. I wasn't a lobbyist or anything like that. And so I was up to my eyebrows in campaigns.

Kondracke: So you didn't get involved in '96 at all?

Billmire: Didn't get involved. I mean Dole ran a tight ship. And I was close with Dole's people in the past. A couple guys, [Roderick A.] Rod D'Arment particularly, great, great buddy.

Kondracke: Who?

Billmire: Rod D'Arment. It was [Robert E.] Bob Lighthizer and then Rod D'Arment, Sheila [P.] Burke. Those were the three sort of, I

guess, kind of chief of staff, staff director, finance. And again, they all, this whole Dole thing was “Kemp’s just this junior House guy, just a lot of sound and fury,” not fury, but just not in the big leagues. And they were never explicit about it. But it’s, “Oh, you’re a Kemp guy.” That’s the way it was. And of course some of us Kemp people would push back, and we’d say, “Well you’re a Dole guy, Mr. TEFRA, Mr. DEFRA.” It was pleasant, but I knew the chance of me being able to do anything to help Jack—and this isn’t guilt—I’m thinking back and it’s like pissing up a rope, to use another pleasant expression.

Kondracke: Yes, as I understand it the Dole people kept Kemp’s people away from him during the campaign.

Billmire: I’m sure they did, yes. I think the writing was on the wall for all of us.

Kondracke: So when’s the last time you saw Jack?

Billmire: We had kind of a reunion, this is before he got the announcement, I mean when he was told about the cancer. The last great dinner we all had. We had a reunion and that was great. Just to see him, his wife and everything. But yeah, it was something where, you know you’re really close to somebody and then things kind of drift away. I think the other part is, for all the great relationships, it was mutual gains from trade. You’re going to help me, but we’re in this together and we’re trying to advance an agenda. HUD, I really didn’t know anything. I would have embarrassed him. If I’d gone in and said, “Jack, I can help you on HUD. Let’s meet every week,” he would meet with me probably.

Kondracke: One other area that might have been involved with you when you were in the staff position. What about monetary policy and monetary reform?

Billmire: Oh, all over that, sure.

Kondracke: What was he trying to get done?

Billmire: He wanted a standard of value. If you don't have a standard of value then where are you? And that was the problem. We would talk about going off the gold standard, [Winston] Churchill, [John Maynard] Keynes, the twenties, what happened after that, what happened with fixed exchange rates, what happened with floating exchange rates. He was all involved in that and talked a lot about that, and of course that's something that Mueller and I would talk about with him. Once in a while I think Jeff Bell on that, some Jude. Jude was more still tax policy. But the idea was how do we have a standard of value, because remember, when you have the fixed exchange rates you can have speculators make a bundle, you can kill a country. One of the things Smick was working with what's his name, you know, the guy who broke Thailand.

Kondracke: George Soros?

Billmire: Yes, Soros. Soros, he was the royal shit, Soros. I mean, I didn't care. And Jack was troubled by that, that these smaller countries could just be trashed under certain currency regimes. So

the question was what can you base it to? And he thought gold was that, gold or platinum or whatever.

Kondracke: When he was on Foreign Ops did he try to—

Billmire: No, I didn't see it there. This is more bully pulpit stuff and this is typical Jack Kemp. There's a Don Quixote element with Kemp as well. He would be out in Iowa talking about gold to three farmers and their dogs. I mean, it would just be, "What are you doing?" He and Mueller were very tight on this. They knew there had to be some standard of value. I had been, there was a bunch of us on both sides, who were kind of like Fed busters. And we cared a lot because we were all trained by monetarists. That's why I went to graduate, Meiselman. And so, when I got on the Hill there was a very friendly reception from people on the Banking Committee. All the guys I knew, I won't burden you with the names. I'd say "Da da da da da da," and they'd go, "Oh, yeah. We're working on that." I felt like I was back in school. It was me and a bunch of buddies. They were more senior and obviously could do more, because they were on Banking Committee full staff, but we got to be very close with the Fed Congressional liaison and we would talk. People like me had a monetary growth rule. We said just tell everybody what the money supply's going to grow. We all agreed that you don't target interest rates. Unfortunately that's still, when you watch TV it sounds like the Fed's targeting interest rates. Well they're not really, they're kind of but not really. It's more a function—

Kondracke: They seem to be targeting the growth rate.

Billmire: That's right, that's right. That's exactly what we're doing. But it has an effect on interest rates. The problem was, before that Volcker broke in, Kemp really understood this, this was great, that it's kind of like throwing a liquid on a fire and for a minute it goes out and then it blows up. The liquid is gasoline. There's a whole thing in economics called rational expectations. Jack was the most well-read person I ever ran into on the Hill on rational expectations, which is you keep on increasing money supply, at four percent people expect it, so they get a change in interest rates. Next time you've got to fool them. It's got to be six percent. And Jack just did not like that. He would rail with me about the dishonesty of the Fed. I mean I would say something about the Fed, "It's not just really honest." And he'd go, "It's not honest, it's not honest at all." And he'd stop, "and that's why we need a standard of values." So I would talk to Mueller, because I didn't want to argue with Jack. I did on some things, but on this it was better to talk to John, because he would have the major influence on monetary policy. But again, as I said before, because Kemp was doing this stuff, the people from the Fed were calling John, or they would call me and I would say "You have to talk to John," and Kemp was a presence on that. And they could laugh about the gold standard, but they couldn't laugh about standard of value, because that was being advanced by some pretty heavy types out there, academic types, and within the Fed, because they all knew at some point—remember if your standard of value is something called the euro? Right? And that's kind of the view Kemp had of everything, that we had a dollar, but it was still a fiat currency that was a standard of value. And lots of things can go wrong. And now we have the euro. I mean imagine the euro is the dollar for a region of the world, and that's not working out very well. It's not working out well at all.

There's nothing that's telling you ahead of time, "You are screwing up, Greece." You can't do what you're continuing to do and then one day you wake up, "Oh, shit. Here we go." And where's the floating exchange rate? Well, it trickled down, because you got Germany doing great, you got Greece doing poorly, but then the euro as a whole looks pretty good. It's not states, it's not a federal system, so you can't have these sovereign states make the adjustments you could in a federal system. And Jack got all that. But gold may not have been the right answer, so I wasn't in agreement on that. But I think he saw what was out there, and the thing you had to worry about and the thing you had to worry about with the Fed not being transparent. And also, he was trying to educate people. He was always trying to be an educator on this. That drove some people crazy. And Jack would have these long speeches. You didn't bring that up, but, I mean, he would just not stop.

Kondracke: We've got plenty of people talking about long speeches. Anything we've missed?

Billmire: I thought one time he tried to arm wrestle Arnold [A.] Schwarzenegger.

Kondracke: He did, we got that.

Billmire: You got that one?

Kondracke: Yes, Dave Hoppe and Michelle were witnesses to that.

Billmire: Oh, oh, this is Jack Kemp Quarterback. We're sitting there. I told this story already. Jack running down the hall about somebody saying we're going to announce national soccer league."

Kondracke: Oh, yeah, yeah, yeah, yeah. You told us about that.

Billmire: I'm not somebody who really looks back very much. I don't know where it gets you.

Kondracke: You're very good at it.

Billmire: But I will say, when I look back, whether it's Republican or Democrat, what a bunch of lightweights we have running now. If Obama were John [S.] McCain [III] I'd feel the same way. What are you doing? You've got this incredible blessing and you're in office, and you guys are a bunch of fuckups and you're intellectually lazy, and that's a bad combo. If they were working hard, give me a liberal who works hard any day over a lazy conservative, because at least they're trying. And at some point you can figure things out. And it comes from the top. The Obama administration is a bunch of hacks, pure and simple. All you have to do is look at that stimulus plan, and I remember Jack and I talked about stimulus years ago, and what we all understood is "Yes, there was a role for that." A lot of Republicans didn't agree with that, that you do have to deficit-spend in certain situations, but you better make damn sure it's targeted the right way. You better make sure that for all those unemployed plumbers, electricians, etc. from the housing industry if it goes downhill, you might want to build some bridges that need repair, because it's important to our defense system around Newport News. And you get

that stuff and you put them together because the dollar that comes from them when they spend has a multiplier effect that a teacher doesn't have, or whatever. And when you look at the Obama plan, and the numbers vary, it was eight hundred and whatever it was, 867 or whatever, and the studies I've seen make it about eighty billion, 10 percent, and some people go higher, of real, old-fashioned right kind of efficiently targeted infrastructure stuff, and the rest was junk. I mean yes, there was some tax stuff. That kind of laziness and the situation we were in, so now what we've been reduced to is if the inventories go low enough, and you're already paying a lot of money for unemployment, then maybe we'll hire some people. If you go to Walmart [Stores] in Ruckersville [Virginia], there are very few V-neck, 100 percent cotton T-shirts there anymore. Well, somebody's going to get hired somewhere, maybe in China, to start making more T-shirts. You might find that laughable, but Alan Greenspan used to do that as a consultant. He used to watch those inventories very carefully.

Kondracke: Let's quit.

Billmire: Okay.

Kondracke: Let's quit. Thanks.

[end of interview]

