
Interview with James B. Baker, III

The interview was conducted by David Welborn in Houston, Texas on September 19, 2001

Audio cassette 4
Narrator

James Baker was appointed Secretary of State on January 22, 1989. He served in this capacity until August 23, 1992, at which time he was appointed Senior Counselor and White House Chief of Staff for President George H.W. Bush. During his tenure as Secretary of State, Baker oversaw United States foreign policy during the end of the Cold War and during the Persian Gulf War (August 2, 1990-February 28, 1991).

Baker chaired George H.W. Bush’s unsuccessful campaign for the United States Senate (1970). In 1971 he became the Finance Chairman of the Republican Party. He played a significant role in President Richard Nixon’s reelection. Baker managed Gerald Ford’s election bid in 1976. He was appointed Under Secretary of Commerce during Gerald Ford’s administration. He was named President Ronald Reagan’s Chief of Staff (1981). He also served as Secretary of the Treasury and as Chairman of the President’s Economic Council.

James Baker was born in Texas on April 28, 1930. He graduated from Princeton University in 1952. He received a law degree from the University of Texas, Austin (1957).

http://history.state.gov/departmenthistory/people/baker-james-addison

Interviewer

David M. Welborn received a Ph.D. from the University of Texas, Austin. He served on the faculties of Indiana University, Texas Tech University, Northern Illinois University, and the University of Kansas. He was a member of the University of Tennessee faculty from 1973 to 1996. He was named a Distinguished Faculty Member in 2000.

Welborn served on the Advisory Committee of the Howard H. Baker Jr. Center for Public Policy. He coordinated the Howard H. Baker, Jr. Oral History Project, focusing on party leadership in the United States Senate with specific attention on Baker’s service as the Republican leader.

David Welborn died on October 14, 2011.

http://www.utk.edu/torchbearer/2011/12/david-m-welborn-ut-retiree/
DW:  This is an interview with Secretary James Baker at the Baker Institute, I want to get this, for Public Policy located on the campus of Rice University. This is September the 19th, 19, 2001. The interviewers are David Welborn and Hillary Stevenson. It’s a pleasure to visit you this afternoon in this marvelous facility –

JB:    Thank you.

DW:    – and the site of much good work. You and Senator Baker were adversaries in the 1980 presidential campaign, you as campaign manager for George Bush, and Senator Baker as a candidate, for a certain period of time. _____, to what extent did you know Senator Baker before that campaign got underway?

JB:    I never had any national political experience before 1975 when I went [into] Washington in August to be Deputy Secretary of Commerce to President Gerald Ford. I was there until May of 76, and then I was asked to come over to the campaign, the Ford campaign, in May of 76 as a delegate, Carter against Reagan, _____ they had a major challenge from Ronald, Governor Ronald Reagan. President Ford was an unelected president and he was seeking election against, ultimately it turned out, against Jimmy Carter. But he had a very, very tough primary against Governor Reagan, and Howard Baker helped us in that campaign, in that delegate contest. He was a, I'm sure he was probably a Ford delegate from Tennessee, I'm not positive about that because the Reagan forces were quite strong in that part of the country, in fact they shut us out here in Texas one hundred to nothing. But I remember vaguely working with Howard when I was the Delegate Deputy Chairman of [the] Ford campaign, the delegate [hunter] for Ford. And then again, of course, in the general election, when after the convention _____ we narrowly won the nomination over Reagan, they made me the Chairman of the President Ford committee in the campaign against Carter. So I was the national Chairman of Ford's campaign and I know I worked quite a bit with Howard during that campaign. I don't really remember today what the [conflux] of the situation was in Tennessee, whether we won it or whether Carter won it, but it was a really hard fought campaign. We, we lost it by only seventeen thousand votes out of eighty-one million votes that were cast, but Howard was _____ of course, was a strong supporter of the Republican ticket, and I'm sure we worked together quite a bit. Back in those days, that had been the first time I ever really worked with him.

DW:    Do you recall what impressions you developed of him as a result of those --
JB:    Not at that time.

DW:    -- [BACKGROUND NOISE] experiences?

JB:    Not too much at that time. But then I remember that he came down to Texas, well, maybe it was during that time. He was down here for some fund-raisers and some political events. He, of course, had achieved his, his prominence in the Watergate hearings which were 73 or --

HS:    _____.

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JB: -- 73. And so he was a well-known political figure. I remember thinking that he was, he always was very ordered in his remarks, he would give, you know, his speeches and he wouldn't just ramble around, he had _____ a goal and a [purpose] it seemed like, and, and he was a lawyer. He used to talk about being a country lawyer, [that] kind of thing, _____ Texas lawyers _____ just before they'd take their shirt off. And so I remember all that. And then I remember him gearing up for 80, because I had worked with Bob Mosbacher here in Houston, who was Ford's finance chairman and, he had a son who had worked for Howard. Maybe he worked for Howard after 80.

DW: Before and during.

JB: Before and during, during [BACKGROUND NOISE] --

DW: He was --

JB: -- during, [yah I know], during, he was supporting him during the 80s.

DW: -- he was on the campaign, Baker's campaign staff.

JB: Staff.

DW: Yah.

JB: He, he supported Baker down here, and he was probably the only Baker asset in Texas, to speak of. Because you had John Connally running, and you had George Bush running, and you had the true Republican in George Bush and you had the, everybody's idea of a, a central casting's idea of a president in John Connally. And the wisdom was that, that our guy wasn't going to be able to compete against these fellows. Baker had a much higher public profile, and he had a bigger reputation. Connally had an even bigger [one]. Everybody thought Connally was going to win the Republican nomination in 1980. It was going to be Connally or Reagan _____ Connally and Reagan. George Bush was an ______. But, but the Baker campaign sort of flamed out, and the Connally campaign really flamed out, because Republicans really I don't think were ready to accept him, him having just converted recently from being a Democrat, and he ended up getting no delegates.

DW: I think he got one.

JB: He got one --
DW: The most expensive delegate in the history of American presidential politics.

JB: -- [BACKGROUND NOISE] one delegate from Arkansas, and, and he paid thirteen million dollars for that delegate, and her name was Amy, Amy, or something like that, I used to know her name. He got one delegate from Arkansas. I don't, I can't remember what Howard ended up with, but I remember the 80 campaign very, very vividly and I remember that there was a lot of competition between Baker and Bush. They had been classmates as freshmen Congressmen. They were coming from the same philosophical base, from the, more from the center than some of the others. And, most of the people, many of the people, all the business people in Texas were for Connally, and all the people who fought and died and bleed trying to build the Republican Party in Texas were for Bush. So Texas was a tough state for. But I remember Rob working for him, because I guess he had worked in his Senate office before.

DW: He had moved from [the] position of Baker's AA over to the --

JB: Campaign.

DW: -- to the campaign.

JB: Yes, so he had been in the Senate office.

DW: Right.

JB: So quite understandable.

DW: Which, I'm speaking to him tomorrow, by the way.

JB: Are you? Good. Are you talking to his Dad? I guess his Dad probably wouldn't [have too much, too much insight on him]. So anyway, let me just give you a stream of consciousness and then you can go back and ask specific questions. That might be better. So what happened, in a … I think, if I'm not mistaken, Connally raised the most money, setting Reagan aside for a moment because he was the favorite, the odds-on favorite, but Connally raised the most money. I think Baker probably out-raised, out, money-raised us, [but probably] was in better shape financially than Bush. I'm not positive about --

DW: When, when the Baker, was campaigning actively he had no money problems.

JB: No. That's what I mean. He raised more money than Bush did. But initial, initial, it
sounds self-serving and I don't mean it to be, but he didn't have the organization that we had. And this was a case where you had seven or eight guys running _____ Republican nomination, and retail politics was really important. And he ended up beating Howard, if I'm not mistaken, in some northeastern states purely on [that] had better caucuses, caucuses early on, and that pretty well … did him in.

DW: Well, really the defining moment of Baker's campaign, and I think Baker people will agree with this, was the … straw vote that was taken at a meeting of the --

JB: Maine Republican --

DW: -- Maine Republican Party in Portland.

JB: Yes.

DW: And if you'll recall, Baker announced, I've forgotten the date, November the 7th or something like that, and then took off for the Northeast with a plane load of national media. They were confident they had Maine locked up, or at least that straw vote locked up. And they wanted the world, the world to know about it when they won.

JB: I remember that, now. And the world did know about it, and then they lost.

DW: That’s right.

JB: Yah, I remember that now. We had a guy named Paul Manicus (ph), if I'm not mistaken, working [there] for us, he's one of the best convention and caucus politicos the Republican Party had. I believe that's who worked it for us. But I do remember that. And it wasn't unlike Phil Gramm’s run here, back here in ninety, whenever it was, when did Phil run: 96? When he went into Louisiana and was trumpeting Louisiana because he thought he was going to win it, _____ Pat Buchanan beat him. And that's the end. You've, you’ve got to exceed expectations in these things, or you don't win. [And that], that was a, that was a heavy [body] blow for Baker. But he stayed in, and he was of course involved in the, the national … debate, I think, wasn't he?

DW: Yes, he was. Yes, he --

JB: And he was there. I remember him being there. But he was … but he was … friendly about it, whereas others were, were downright nasty about it.

DW: In regard to that situation?
JB: In regard to the fact that we didn't let him in to debate. But of course, that was a dumb thing on our part, not to let him in. But we had an agreement with the national television, [and] we lived up to the agreement. President, President Bush, then, then Ambassador Bush, [and] it's always important to live up to an agreement. Politically [it was a mistake]. But I do remember that Howard was not one that, Howard … was never one who, in my view, [who] held grudges, and, and even though we, you know, we froze him out of that debate, he didn't get all bent out of shape about it the way some of those people ______. He was probably smart enough to understand that it was only going to hurt us, which is what it did. But we still finished second, and we got the nomination, you know, we got the Vice Presidency, and that was the start of the Bush … presidential dynasty, if you want to call it that.

DW: Do you recall the feelings in the … well, would it be correct to say that Baker turned out to be not as formidable a candidate as one might have thought prior to the start of the campaign?

JB: Sure, because people, people don't understand how, how primary politics works. They look at national reputation and ability to raise money, and _____ out the votes, and that's not always the way it works. But in the polls, if you took a poll, it would have been Reagan, Connally, Baker, in that order. And they all would have registered, I mean I think Reagan would have registered above ten percent, probably. Maybe ______. Bush didn't even show; he didn't have one percent. Connally, you know, Reagan had quite a bit of name I.D. Connally had quite a bit of ______. Baker had quite a bit of ______. Dole even had some ______.

DW: Do you recall the reactions in the … Bush campaign when Baker endorsed Reagan in, I think it was April on the eve of the Pennsylvania primary?

JB: Oh, I had forgotten that that happened, but … but now that you mention it, I think the view was pretty much that he and George Bush had been competitors. For quite a while since, almost since they time they went into the Congress. I mean they, they were both rising stars in the Republican Party, they were similarly aged, I mean, the same age, and sort of been competitors. And … and it was not unlike, I think in our view it was not unlike the situation that the Republican Convention in Detroit, when Reagan was trying to figure out who he was going to put on the ticket, and all of the old war horses didn't want [their] heir apparent. All these people that … wanted a political future, or thought they had a political future, they were all, none of them were supporting Bush, even though he was the only one that could, the only person beside Reagan ______ had any delegates, and he had quite a few delegates. So I, I suppose we were probably very
disappointed with that, and particularly since he and Bush came from the same philosophy. They both seemed to be more moderate than Reagan.

DW: One of the things that's fascinated me … in the course of doing this project has been to at least think about … how … people of the same generation, with ambitions to move as far ahead as possible in politics, and who have, who have been dealing with one another for years and years, have managed their relationships, and I would include in addition to Bush and Baker, Bob Dole for example, and … they seemed to do it well, although I’ve no doubt chagrined with one another from time to time.

JB: Yah. Yah. Well, I think that's probably right. But I think there was probably disappointment. I'm, I'm quite sure there was disappointment on the part of Ambassador Bush at the time, because, again, philosophically, and from from that standpoint you would’ve expected that he would be more closely aligned with Bush.

DW: Starting from … the time [at] which you … were designated to be Chief of State -- I, Chief of State, Chief of Staff, White House Chief of Staff -- after the campaign and on [to] Reagan's first term of office ending in 1985 when Baker was in charge _____, what, what can you tell me about how their relationship evolved?

JB: Well, he was … he was an extraordinarily important contributor to the success of the first Reagan term. He had a wonderful relationship with President Reagan even though he had been in the ______. But he had endorsed him, and I think Reagan never forgot that. Howard, in my opinion, is a pragmatist. He, he was a good legislative tactician. He, he pretty much took the view that he was going to be the President's guy on the Hill, I mean, to the extent he could be, [so he] could be in the Senate. If I'm not mistaken, we didn't expect to win the Senate in 80. Came in, the control came in on Reagan's coat tail, that's what made Howard Baker Majority Leader. And he worked very hard, I think, to … to carry the Reagan agenda to the Senate. I will, I will make what is probably again a self-servimg and … maybe a tad arrogant statement, but Howard and I worked together really well. And … and we were both sort of seen as principal pragmatists, if I can use that term. More moderate perhaps than some up there on the Hill and some certainly down at the White House. And I've, you know, I’ve said many times I've been riding there, you know, along with Reagan for four years as Chief of Staff. Many times he said, “Jim, I'd rather get eighty or seventy-five percent of what I want than go over the cliff with my flags flying.”

JB: And that's always been my view in politics. And nobody has ever accused Ronald Reagan of being squishy. So, I think that principal pragmatism can serve you very well and I think that was Howard Baker's philosophy as well. But we really worked extraordinarily well together. I did not ever remember … in four years, an incident where we were
angry, _____ terms with Howard. And he valued me down at the White House, and I sure valued him up on the Hill. And, and I think together we, we were able to make a lot of things work for … for President Reagan.

DW: For what specific reasons did you value Baker, and for what specific reasons did he value you?

JB: Well, we were both, we were both … goal-oriented. We both wanted to achieve success for the President, and we didn't want to just take positions that would be wonderful, and you run em up the flagpole but _____ couldn't achieve em, you know, I mean. So, that's what I meant. We, we came from the same, I think, we both had the same mind set philosophically, and how you, we both understood that the way presidents are … the way presidents succeed is to get their agendas through the Congress. That's the way we judge _____, the performance of our presidents. And Howard understood that, and I understood it, and we took on issues and things that were doable and we avoided things that would be, that might be great in principle but really lousy politics, one of em being Social Security, we worked together to prevent a debacle in Social Security, I remember. And … it was good, it was a very successful … term for President Reagan. And _____, if Howard Baker hadn't been Majority Leader it wouldn't have been as successful.

DW: Why do you say that? On what basis do you say that?

JB: Well, because we had a Majority Leader that knew what he was doing, who was dedicated to the President's agenda, I mean he was willing to, he was willing _____ he would pull the oar even when you _____ disagreed with the direction which the boat was going. But he wouldn't, but that was only up to a point. I mean, that the point that it would, he thought it might become a debacle, he would, he would simply say, “_____ you can't do this.” And, generally speaking, you know, _____ right on the same wave.

DW: Describe for me … the form the relationship took Baker … down on the Hill, and you in the White House, in terms of communication and –

JB: We would talk on the phone many many times during the day. Any time he had anything that he thought that he wanted or needed, he would pick up the phone and call me. If he was to send [a] senator down to see the President, if the senator needed to be put on the … state dinner list or, we needed a vote here, here's [a] way we could get it, I mean, _____ things like that. And, it really did work, I think it worked … really quite well. [It] worked well, too, with the Majority, with the Minority leadership in the House, but you can do things with the Majority you can't do in the Minority.
DW: What, what … what were his … most impressive skills as legislative strategist and practician?

JB: We had a damn good, let me say this first. We had a very good legislative strategy group in the White House. Howard was also a good legislative strategist. I mean, he knew the nuances of how you could get things through up there. We looked at it more from a macro-political standpoint at the White House, and then we would … talk to him about how we might get it through. We might design and _____ [phrase] we [wanted] inserted _____ and we'd run it up to him and he might change it. But he … he was really good in the legislative context because he … he understood as we did at the White House that … you always come to these guys for a _____, so when you beat em you don't beat em into the ground. You … you remember that there's going to be another day. And why _____ well, it's often because of _____ system. I mean we didn’t [give em anything]. We didn’t, we excluded them. We didn't work with em. Now Howard would never make that mistake. And … and that was _____ I think, his success as a legislative … leader.

DW: What about his relationships on the Democratic side?

JB: Well, I think he was very good….Howard Baker was, was good at working across the aisle. When I came to Washington the first time in 1975, politics was not the ugly business that it is today. When I worked in the Reagan White House, politics was not the ugly business that it is today. You could, you could … disagree with people agreeably. And that's the way Howard Baker did. He would disagree agreeably. You could, he, he could be an adversary without being an enemy. And that's the, the theory of politics that I subscribe to, and Howard Baker subscribed to, and millions of people around at that time, Bob Strauss and others, subscribed to. And, and we need to get back to that [day], that kind of approach.

DW: Yah. What … what role did, beyond presiding over the Senate and being able to cast a vote when required, what role did Vice President Bush play on the Hill in regard to advancing the President's program?

JB: Just helping to get to, he did a lot of the leg work and trying to corral votes, and of course presiding over the Senate. But, corralling votes … he was, he was [our] –

DW: Working on senators one-on-one?

JB: Yah, one-on-one, bring em down, talk to em, try and get their vote, particularly the ones who’d supported him … ones who were close to him politically.
DW: What kind of … relationship did you have with, did you have a, how would you describe your relationship with Senator Byrd?

JB: [My] relationship with Senator Byrd was always very … very correct, and never … abrasive.

DW: Would you go see him?

JB: I would go see him, yah. I would go see him on a number of occasions. Senator Baker is the guy that had to work with him. He could be a little prickly. When I was Secretary of State he was always very good to me, but he would disagree … unreasonably sometimes on issues like [whether] we wanted to go to war in the Gulf to address the grievance down there, and to do what was right. He wanted me to ensure him that _____: “How you going to pay for it?” “Well, you know.” “Who's going pay for [it]?” Well, I took that back to the White House and _____ to the State Department and I mulled it over, and I thought, “Well, we just go out and get the other people whose butts we're saving to pay for it.” And we did. And, and that totally cut the ground out from under Senator Byrd, because he couldn't then say, “I'm not going, I'm not going to support this because it's going to cost the taxpayers.” And _____.

That was the genesis by the way, of our effort … to go, our tin cup effort to go to war. And we got countries involved to pay for it. It was the first war America's ever fought where we didn't pay for it. Of course we paid in blood, [250] brave Americans.

DW: [Yah]. Ah, what --

JB: Byrd was something else, and I'll tell you a funny story… I probably won't.

DW: No, go ahead.

JB: About, a story that, this is a story that Bob Strauss told, _____ and it's a statement that Strauss made. Straus, when Regan had replaced me at the White House, before Howard then replaced… Regan. And Straus, and Byrd had become Majority Leader, so the leader of the opposition. And… Strauss said _____, “He's the only guy in Washington that could make a guy with a purple [pompadour] look good [in it].” Isn't that something?

DW: What, what can you say about Baker's relationship with Byrd?

JB: I think it was very good. I think he understood Senator Byrd. He was quite an individual. I mean… he's almost a national treasure himself, Senator Byrd. He really is. And as I say, he was very good to me, except that he stayed in _____.

I think, I think Senator Baker
understood what made Senator Byrd tick. Protocol is very important to Senator Byrd: station, and place, and… being sufficiently deferential to his station. He seemed to know the difference. He is a scholar. Nobody is a greater scholar in the Senate than Senator Byrd. And, _____ I said on Larry King Live about a year or two ago _____ I really do believe he [was] a national treasure, even though I had some differences with him.

DW: I think that Senator Baker was pretty darned good at reading his colleagues, and being able to anticipate which way they would be inclined to go on --

JB: Yah.

DW: a particular vote.

JB: He knew, he knew em inside out. He knew which ones he had to buy off and trade with, and all the rest, and which ones he could appeal to on principle. He was really, he was really key to our success in [the] first term. That was not, that was not an easy… we did not have an easy time, you know, that first term, we were changing the direction of the country, substantially. And I hate to think where we would have been if it had been like it was in the last term, where we didn't have either body… in control of either body. And George Bush and his presidency [never controlled either house]. When did we, we lost it in 1986, didn't we?

DW: That's right. Now, _____ had 2 years as Majority Leader, and then the Democrats… regained, regained control. Did… this is… I know… I'd like you to elaborate on this. I understand that… Baker, the White House was very attentive to Baker's advice as to what it should or should not be doing in the Senate in regard to particular pieces of legislation and in regard to the handling of particular senators.

JB: That's true. That's absolutely true.

DW: And was that advice, generally speaking, unvarnished?

JB: Yah, I mean, again, he would pick up the phone and call me and say, “This is crazy. You can't get this done, or you…” And then we’d go, we might even go to work jointly on the President, if it was something that didn't need to _____, _____, _____ the way things work up there. You, but for the most part _____, you know, Howard would never come to that, just to, just because of his own personal predilection on a policy issue. He would tell you what he really thought you could and could not do. There were times when he wasn't right. There were times when the President said, “No, we're going to go forward.” And he would salute and go forward and be done. Be tough. But [we went].
DW: So, he did not --

JB: _____ Are you all up to speed on AWACS?

DW: Ah... well, tell me what happened from your perspective.

JB: Well, we came into, during the meeting [and] the transition, _____ the meeting in the Oval that the outgoing president always has with the incoming president. President Carter mentioned two or three things. [But] the first thing he mentioned was the sale of AWACS to Saudi Arabia. He said, “I hope you're going to support, continue to support my policy on that.” President Reagan said he would. And so then we were faced with the job of how to get it done. We had Packwood in the Senate who was… who was owned by _____, and he had seventy signatures on a letter telling President Reagan, [the] new president, don’t sell AWACS to Saudi Arabia. So we had to turn that around. And we did. We were able to turn it around. We put together a legislative strategy _____in the… White House. We met every day in my office. We worked really closely with Senator Baker, and the House, or the Republican leadership in the House. There were [fifty], there were seventy senators on that letter, and we finally won it [53] to 48. We crafted a special _____for John [Varner] _____.

DW: Somebody said, and I've forgotten who, that you – [that is, the White House] – peeled them off one by one.

JB: [Yes], we did. Yah, we had to come, we had to come up with stuff [for everyone]. But at least we got the job done. _____, Howard Baker's quoted here in the [power gang] as telling the President, “You've only got twenty votes for this, and that counts mine, and I don't want to vote.” _____.

DW: What are your, what are your personal recollections [on] that reconciliation undertaking in 1981?

JB: Well I, all I remember is it was a big deal. It was a huge deal, and. I don't recall _____ today I couldn't sit here and tell you how a reconciliation works, what the mechanics of it are, but we used it. It was Pete Domenici's idea. If I'm not mistaken he was a close ally of Howard's… and a bit closer _____ But… we used it, and it was probably the only way we could have _____ it shuts down debate after 48 hours [in the] Senate. But it does something else in the House and I can’t remember what it is.

DW: Yah, ah…you mentioned Senator Packwood a moment ago. From time to time, there
were some public… disputes between individual senators and the White House. Senator Packwood was in the doghouse from time to time, as I recall. And Senator Helms would be uncooperative from time to time, on particular matters. Would Senator Baker get involved in trying to mediate… differences when these kinds of _____?

JB: Yah, he would. What he would do is he would, you know, recognizing we’re going to need these guys for a vote down the line, he would say, “Look, can you get such and such for Senator Helms on this dinner or [a] delegation, or this.” I mean, that's the way [we] would go about it. And [he would] do it. That's politics. But he knew better than we what would [tee] them off.

DW: And you would listen attentively to his suggestions. Ah, the Republican Party leadership in the, in the Senate has some interesting aspects. You have a group of leaders, all of whom are elected by their colleagues. And then in the majority, ah… you have committee chairmen, with some members of the leadership, like John Tower, _____we're talking about, being both an elected member of the leadership as Chairman of [the] Policy Committee and Chairman of the Armed Services Committee. And… yet, at least in Baker's case, [the]… ah, his colleagues seem to have expectations that he would be “the leader,” not “one leader among leaders,” and Baker [was] himself… ah, his expectations were that he would be the leader. So there was a, kind of a hierarchy there that doesn't really appear on paper. How do you react to that?

JB: I don't, because I don't know anything about it. I wasn't up in the Senate.

DW: Well, did you sense that Baker's colleagues deferred to him, at least to some degree, simply because he was the leader and he was Howard Baker?

JB: Well, I think I told you earlier that he was a strong Majority Leader, and if he hadn't been, I don't think he would have had the success we had in the first term _____ that's what that may mean.

DW: Yah. What about _____. What about Senator Laxalt's, Laxalt’s role in, as a de facto member of the leadership _____ his relationship with Reagan?

JB: Yah, [it was] a little bit difficult because of his relationship with Reagan, and he also had [a] handful of hardline conservative senators that would be inclined to buck Senator Baker's leadership, from time to time. And he was, you know, _____ President Reagan would answer his telephone calls. But for the most part, we were careful down at the White House, not to undercut Senator Baker, at least for as long as I was there. Senator Laxalt did some very important things to help us and all that, but any time there was
suggestions that we ought to go a different way, we decided, leadership decided. President Reagan was pretty good about, about saying, but we, you know, we kept a [good] close watch on him, because that would have been very, very disruptive to proceeding in an organized and coordinated way.

DW: Let me ask you a general question--

JB: On the other hand, I don't think. I don't want to leave the impression that Paul Laxalt [was] always undermining Senator Baker [or anything else]. But he had a special relationship with the President.

DW: I, would it be correct to say that on many occasions Laxalt might have been… helpful to [the] Senator Baker by reinforcing to President Reagan… assessments that Senator Baker--

JB: That happened many times. Where, where as [the] President might have been asking him for some reason, and he was also helpful to Senator Baker in… trying to keep control of those five or six [moderate guys]. But there were also occasions when he would see things a little differently, but he would, generally speaking, nothing was done secretly, It was always pretty much above board. We at the White House knew about it, because if he called the President and made suggestions, the President would call say he'd talk to us about it. And that way, we would then talk, or at least I would certainly to Howard, and it would all be out on the table.

DW: Do you have any recollection, what do you recall about your leadership of something that was dubbed the gang of seventeen, in 1982, to try to… bring about a budget revision?

JB: Well, we had a bunch of those. Laxalt was in it, I think. We put him on there, if I'm not mistaken. We had a bunch of those gangs: a gang of six at one time, a gang of seventeen budget negotiation. Generally speaking, President Reagan was not totally enamored with those, and particularly not after we were supposed to get some spending cuts that were agreed to and Congress didn't give them to us.

DW: Do you remember that famous meeting in the President's room on the Senate side, when Reagan and O'Neill were in the same room with a handful of… [what] do you recall about that?

JB: I just remember it blew up. I do remember that. I remember meetings that blew up down at the White House, where, where… O'Neill would make these challenges and the President would get upset, and…. for [the] President to say something, [and] you know,
O'Neill would get upset. _____ he's coming at things from a totally different direction.

DW: Yah, yah.

JB: But they did like to go, they did like to share a drink together… _____ and tell Irish jokes.

DW: Yah. Can you characterize for me the… role Baker played as… as… Republican Leader in these gang negotiation settings, he would, generally speaking, not be a member of the negotiating team, as it were, but would be standing somewhere back.

JB: I don't really remember that.

DW: Yah.

JB: I don't remember [that]. I think he… he picked the Senate Republicans, and the Minority Leader picked the Senate Democrats. We were there for a while, _____.

DW: Let's, let’s shift gears here for just a moment and try to wrap this up… in a reasonable amount of time. When, when did you become aware that… Baker was scheduled to replace Regan as Chief of Staff, do you recall?

JB: I became aware that… that he was one of several they were considering when, when… when I learned from… Mike [Beeber] that there were, that there were substantial, there [was] a good chance _____ that Regan would be ousted. [And] I can’t remember when that was, but they were using my [department]… to conduct some of those secret… meetings and discussions. _____ [there is] a tunnel between the Treasury Department and the White House. And, so we, they had to get the, they had to get the, the approval of the Secretary of [the] Treasury to open our ______. So, that's how they got in there and talked. And I, I’m pretty sure Howard finally _____.

DW: He [could] very well may have.

JB: Yah, I think so, _____.

DW: Were you surprised when he agreed to come in?

JB: A little bit, yah. I really was. Yah, I was. But then that's because I had been, been Chief of Staff longer than anybody in history except two people, and both of them went out under a big cloud, and I knew what the job entailed, and I knew it was the worst job in Washington. So therefore I was really surprised [when] the Senate Majority Leader would
be interested in being White House Chief of Staff.

HS: 

JB: Four years I was ____, four years and two weeks as Chief of Staff. I tell people that I went from being Chief of Staff to being Secretary of the Treasury [and] that's better, that's a better way to go out than to go out to jail. [Of] course, the other, a lot of the other guys [did]. Yah, I really was quite, I really was, because... but you know, this is typical of Howard. He understood the job was not a principal's job. _____ Majority Leader of the United States Senate, and he stepped into that job, which is a staff job, powerful, yes, but a staffer you are. And the minute you forget that, you fail in that job. You look at the people who [failed]. They were always, they were all principals… [but] could not bring themselves to subordinate themselves to the staff role, the staff position. Howard did it, [did it] well. But then he only had to do it for a year, didn't he?

DW: He was [in] about eighteen months.

JB: Eighteen months.

DW: Sixteen to eighteen months, something like that.

JB: Well, it was a pleasure for me to work with him again, and we did, we worked together during the... during the... market meltdown in October of 87, when the market fell five-hundred points _____ we had a crisis on our hands _____ everybody came over to the Treasury Department, we had, we had Greenspan, the newly appointed Fed Chairman, and Howard Baker, the newly appointed White House Chief of Staff. When did he come in as Chief of Staff?

DW: In March of… 87.

JB: Yah, he had been there about four months. _____ I can't remember who else. But we did the right thing, [we got] _____ and --

DW: How does he handle himself in meetings like that, dealing with a particular problem that needs to be addressed?

JB: Very well. [I mean] he's pragmatic... and I'm pragmatic. That's why we always got along so well. Look, _____, he's results-oriented. And I'm results-oriented. So we, I think, you know, I don't know what he'd say if you asked him, but I think he'd say that we worked very well together. He said it at the time. And he was a pleasure to work with. You know,
I never saw Howard as a former... political adversary, even though he had [run] against us, even though he endorsed Reagan [ ]. I never [did see that]. I mean, that was all water... water over the dam.

DW: [You] also had some very difficult budget negotiations yet again, in 19... 1987. In which... you and... Baker were involved with [Jim Reich], particularly, and... and there was a task force that Tom Foley chaired, [and] worked on this. Do you --

JB: This wasn't tax reform, was it? This was --

DW: Well, [ ], budgets and taxes were both in the mix.

JB: No, the tax reform was a special --

DW: No, no that, this was not tax reform --

JB: [Yah], we did tax reform was in 86.

DW: That was before Baker. Yah.

JB: No, I don't remember much about those. By then I'd been on... five or six of those budget negotiation [deals]. The problem is there's no way to make Congress... no way to hold their feet to the fire, you know? They want you to, you take the action [ ] [they’ve] given you a promise and... maybe it's good and maybe it isn't. How did those turn out, I can’t remember?

DW: Ah... about like the others. The, you've got enough of what you are looking for to... to... to be able to claim a major success. But then the Democrats got a lot, too.

JB: Yah.

DW: Yah. What about, how would you sum up Baker's accomplishments as Chief of Staff? What [he] was able to get done during those eighteen months for the Reagan presidency.

JB: Well, I think he... he was able to come in and restore a sense of... order... to what had become a fairly disorderly situation in the White House because of the lack of faith in... in Reagan... that a lot of people had developed. He also had to come in and... get the White House on the right side of, of the, the Iran Contra investigations. Make it clear that whatever was there was going to be disclosed, and there wasn't going to be any cover-up, and any, you know, dilatory moves for the sake of delay. And I think that was pretty much
it. I mean, he certainly did a darned good job for President Reagan at a time when he badly needed it. He really needed it. And… in retrospect, the Regan [tour] in there didn't turn out well primarily because he'd always [saw] himself as a principal, but… [there was] no reason to believe _____, he was, he had done a great job, frankly, for President Reagan as Treasury Secretary, Regan [had], and he was one of [the]Reagan's, he was probably his favorite Cabinet officer ______. They got along well, [and] were the same age, roughly, although Regan’s a little [bit] younger. But it didn't work out… for a number of reasons, I guess, the most important one, which is, he never, he seemed to have a… an inclination not to surround himself with strong people. And in Washington, to succeed, you have to be willing to surround yourself with strong people. Otherwise you fail. Did someone tell me that John Tuck has gone to Japan?

DW:  I wouldn't be surprised. I would not be surprised, and --

JB:  Now you asked me if I was surprised that he went in as Chief of Staff, and I told you I was because of the nature of the job. I've got to tell you I was really surprised that he wanted to go to Japan.

HS:  So were we.

JB:  I mean really _____, I really was. Knowing what an ambassador's job is, _____ I am really surprised that he wanted to do that.

HS:  _____.

DW:  Well, I don’t, I, I --

JB:  Maybe Nancy wanted him _____.

DW:  Maybe so. I don't know the answer, but I know that he has had a long-standing interest in Japan. And [in] the tradition of following… Tom Foley --

JB:  _____ Mansfield --

DW:  _____ Mike Mansfield --

JB:  _____, yah, and I, I understand that and I appreciate that. And that may be the answer. The [President] President George W. Bush is damn lucky that he wanted to go, _____, when you get to be our age and Howard’s older than I am, _____seventy-eight?
DW:  No no, he's seventy-four [or] seventy-five, something [like that].

HS:  ____.

DW:  Yah.

JB:  Oh, he's seventy-four. Well then, he's not as old as I thought he was. I thought he was George Bush's age, seventy-seven or seventy-eight.

DW:  I think he's a couple of years younger.

JB:  But again, at our age, I'm seventy-two, you start thinking about [smelling the roses]. _____ when you've put in as much public service as, as [he’d] has put in, and I've put in, _____. Well, anyway, [what else?]  

HS:  ____.

DW:  What, what… do you have any particular stories or anecdotes that come to mind about --

JB:  Yah, I'll tell you a [funny] one. I'm sitting in my office. This is after the Convention in 1976, the Kansas City Convention, hard fought. Ford, the sitting President, wins it by only thirty [thousand] votes over… over Reagan. And I'm sitting in my office at the [Press Corp Committee]. I had been elevated to Chairman of the whole deal, to take over for [Rog] Morton, who was sick. And… it's about a week after the Convention [and] I'm sitting in my office there on, on [L] Street, and my aide comes in and says, “There's a guy on the phone, says he’s Governor Reagan, wants to speak to you.” I said, “I can't believe that.” I'd been [the] delegate, _____ basically seen to it that Ford won the nomination. _____ “It's probably some nut, just go back and… and get rid of him.” _____ went back and he said, “No.” He came back and he said, “No.” He said, he says “it is Governor,” he said “it sounds like Governor Reagan.” And I said, “okay. I guess I'll take the call.” I picked up the phone, I said, “Hello.” And this voice, Governor Reagan's voice on the other end of the line says, “Howard?” He was calling Howard Baker. He was calling Howard Baker and he got Jim Baker.

DW:  So how did that all turn out?

JB:  It turned out all right. I said, “Governor Reagan, this is Jim Baker.” “Oh, Jim.” [he said]. [Cause] at that time he didn't know, nor did I, that I'd be his Chief of Staff and his Treasury Secretary, and serve him for eight years… after running two campaigns against him.
DW: Yes, yes… speaking once more of 76, apparently Baker was very, very disappointed that, that… President Ford did not select him as the vice presidential candidate that year, chose Bob Dole. Do you have any insights into that decision?

JB: Not a lot, I wasn't in the room. ______ that was before I got up to the level where I'd be in the room on all those conversations. I was the delegate hunter for Ford. I know Anne Armstrong’s name was in there, and Dole and… I really don't, I do have a view, and my view is that, that if we, if President Ford, [well] I’ll tell you another interesting bit of history, but first of all, my view is that President Ford _____ asked… Nelson Rockefeller to get off the ticket, he might well have been… selected over Carter. And… I say that… not because of Bob Dole's performance as a vice presidential candidate, which I thought was good, and [fine], I thought it was all right. But Kansas is a state ______. I just think that [started a span of time] ______, I think we lost some votes when that happened. But what I was going to tell you is that… when we won at the Convention, and we sent word to the Reagan people that we wanted to have a unity meeting [with them, but agreed it would be] held after the Convention. Whoever won would [meet with] the losing candidate, put the Party back together and, the Reagan campaign sent us notice that they were prepared to have a unity meeting, but only if President Ford would agree not to ask Governor Reagan to be Vice President. And President Ford said, “Okay.” He didn't want ______, so President Ford said, “Okay, I won't do that.” And we had a, had the unity meeting. And I told President Reagan about that, [and he], ______President Reagan [and I] talked about this at length… during… on, on any number of occasions during that period when I was his Chief of Staff. ______ just sitting there [alone, we’re shooting] the breeze and, and he said, “______ you know Jim,” he said, “I've never heard that before,” about our sending word that I wouldn't take the vice presidency, because he said, “If President Ford had offered it to me, I would have felt duty-bound to take it. And I would have taken it.” And I said, “Well, maybe, Mr. President, it's when your campaign sent word [to the Ford campaign]… that they wouldn't have the meeting if they wouldn't [be], if they wouldn't offer you the vice presidency.” He said, “Well, that may be, but any such message was unauthorized.” And I said, “Well, when you think about it, it's a really, [a] remarkable… situation, because if President Ford had offered you the vice presidency in 76, we would have won. We were only seventeen thousand votes [behind] in two states. We would have won. And the chances are you probably would [had] never have been president.” And he said, “That's right. I believe ______.” But he’s firm, he was just so firm on this, and I [had] several conversations with him about it. _____ he would have felt duty-bound to take the vice presidency if President Ford had offered it to him, and that he didn't authorize anybody in his campaign to come to us and say, “______ the vice presidency.”
I'll make this the last question. Talk about Reagan and Baker's relationship… at the personal level… based on the way in which they thought about one another, based upon the way in which they interacted when they were in the same room in a meeting, a so on.

Well, it's been said that President Reagan really never gets close, or got close, to people… other than Nancy and maybe a few, one or two others. I think that President Reagan… really liked Howard, [and] appreciated the job he did for him. And I think Howard had an affectionate… feeling for President Reagan, who was [an] older, but became president, and _____ [with his] respect for the office. It's pretty much the way I _____[that I felt] my relationship with President Reagan. [I think] President Reagan is not somebody, you know, remember when they asked _____ to take the job, and… President Reagan came to me, even though I [run] campaigns against him because his wife and Mike [Beeber] and Steve Spencer said, “we need somebody who knows Washington; pick this guy.” And… and President Reagan was [broad bridged] enough to say, “Okay.” But… at the time I took the job, [and I don’t] forget Steve Spencer saying to me, “If you [need] President Reagan –“ because he’d run some of his campaigns _____, he said, “let _____ Chief of Staff, don’t expect him to call you, you call him. He is not the type that’s going to pick up the phone and call you, and… and [schmuse].” And I'm sure that was the same way he was with… with Howard. I think he appreciated very much the job that he did for him. He was… warm and friendly, [and] he saw us as his loyal colleagues, but that's pretty much the way I think]. And I think Howard had this… affection. I say that I think he had it for him because I had it for him. _____ that’s the way I [would have] _____ And now, _____ and now, I mean, I never will forget, standing on the steps of the Capitol when my pal of thirty-five years, George Bush, was sworn in as President of the United States, and… and not being able to stop the tears… that were flowing down my cheeks because Ronald Reagan was leaving Washington.

I mean it was so, such an emotional, and here I was, _____ I was the Secretary of State designate of the United States, and [yet] I was sad… because Ronald Reagan was leaving… Washington. And he inspired that kind of feelings, you know. He, he… he, he made people feel good. He would referee these divisive Cabinet debates, and the loser would always come out of it feeling okay. So I, I really don't, I can't tell you –
would work for me, and I would bet you… [it was] pretty much the same way with Howard.

DW: In a way, what you just described is… somewhat like your description of Baker’s relationship with his colleagues as Baker was referee, the differences being called out among them, _____.

JB: Yah, yah, _____he was a good, he was a good Majority Leader in that sense. He knew you had to come back to _____.

DW: Okay. Thank you very, very much.

JB: You're welcome, now when are you all --

END OF TAPE