Knott: Annelise Anderson is joining us today for the Reagan Oral History Project. We’re very happy that you’re with us. I guess the best place to begin would be to ask if you could tell us about your first political experiences, perhaps part of the [Barry] Goldwater campaign. You were about to talk about an effort in 1962.

Anderson: In 1962 I was living in Boston and working for the Beacon Press. There was a primary campaign for the Senate on the Republican side. John Lodge was running as one candidate and then a guy named [Laurence] Curtis was running against him. I read Barry Goldwater’s book, The Conscience of a Conservative, and decided that while I thought it was not terribly well argued, I basically agreed with the philosophical viewpoints in it about government and what it should be doing. Curtis was that kind of a conservative Republican, so I decided to help support him in his campaign. I went over to the offices where he had his campaign headquarters and volunteered. Later I went on the payroll and worked for him.

He ran a good campaign in the sense that he achieved a very high percentage of what the pollsters said was his potential vote, but he lost to Lodge. It was a heavy turnout. So that was my first experience before the Goldwater campaign.

Young: Did you like it?

Anderson: Yes I did. I enjoyed it very much.

Young: What did you do in the campaign?

Anderson: I was a lowly office worker and did some secretarial work and made phone calls. I did one project that was interesting. Curtis’s campaign staff had sent out a list of possible supporters, and the people on the list who got this thing were extremely angry. We had to call them and calm them down and apologize. I was one of the callers. If you think cold calling is bad, this was hot calling. [laughter]

We were told how to do it. Someone said, “Don’t argue with people, just say, ‘I’m very sorry.’ Let them yell at you if they do, and say, ‘I’m very sorry, it was a mistake and we’re very sorry
this happened, very sorry.”’’ Actually, it worked quite well. We were very nice, not argumentative, and we truly regretted that that had happened. We really did.

**Young:** Did you turn any angry people into voters for you?

**Anderson:** I don’t know if we turned them into voters, but we did turn them into people who understood that we’d made a mistake. I think some people just said, “That sort of thing shouldn’t happen. You shouldn’t have used my name.” And we would say, “I understand how you feel and we’re very sorry.”

**Knott:** What would you attribute your conservative beliefs to? Where did they come from? Was there a particular teacher, or a series of events?

**Anderson:** I think my father was politically conservative and disagreed with the [Franklin] Roosevelt administration and the New Deal and had fairly well developed views of that kind. I recalled a while ago that my grandmother, who lived in Chicago and was born in 1878 or something like that, was a poll watcher. She did poll watching on a volunteer basis every year and she thought that that was important. She was born in this country but she grew up with a slight German accent.

I think she had a view that it was important to participate in the political process as a citizen. And this was hard work doing poll watching, but I’ve always remembered that and felt that some of the problems that we have with elections, where there’s fraud and so forth, is taken care of by people getting out and doing something about it on a local level. You can’t expect it to happen otherwise. You see to it that your own polling place is honest and well run and that people are running it the way you ought to.

**Knott:** So between 1962 and 1964 you moved to New York City? You were in New York during the Goldwater campaign?

**Anderson:** Yes. After the year in Boston I went to Europe from late ’62 until June of ’63, so I was over there traveling, skiing. My uncle, who lived in London, had given me $1,000 to see Europe as a graduation present from college. I’d graduated from Wellesley in the summer of 1960. I had a year of graduate school at Columbia and then I went over to Europe. I hitchhiked around and stayed in youth hostels. Then I came back to New York in the summer of ’63 and got a job as an editor at McKinsey and Company, the consulting firm. Marty [Anderson] was in New York and he had come over to see me while I was in Europe and wanted me to come back and live in New York. He was teaching in New York at Columbia.

**Knott:** Had you been involved politically while at Wellesley?

**Anderson:** No, not really at all. I think that I didn’t realize the extent to which I was a relatively conservative Republican or Libertarian until I read Goldwater’s book. So that did have an influence.

**Knott:** What was it like campaigning for Goldwater in New York City?
Anderson: I was an election district captain. I went to their headquarters and volunteered and I got an election district, which was the area around where I lived and which would be called a precinct, I think, in other cities. It had about 400 voters. My job was to contact them, encourage them to support Goldwater, and get them to come to the polls. It was on the west side. There were three-story apartment buildings with no elevators, and things like that. I went around and knocked on doors. I got the telephone numbers of everybody. I think they gave that to me at headquarters. I telephoned people, found out whether or not they were for Goldwater. There was a lot of hostility—some people were interested. It wasn’t a really rough neighborhood; it was kind of a lower middle-class neighborhood.

Young: Was it upper west side?

Anderson: Yes.

Young: I lived in that area too.

Anderson: Maybe I have it wrong. Maybe it was east side. I think it was around Yorkville and 80th, 79th, or something like that?

Young: York Avenue? There are a lot of German people in that neighborhood.

Anderson: Yes. I had a little apartment in that area.

Knott: Did you want to do more after the Goldwater experience? Or were you kind of disheartened by the fact that he was defeated?

Anderson: Oh no, I wasn’t disheartened at all. I mean, I don’t think that we expected him to win. We were too knowledgeable about what was going on overall. But I enjoyed working in campaigns. I think campaigns are a lot of fun, partly because everyone is enthusiastic about what they’re doing and because it has a period of time when it’s over. So you have a specific goal, there’s real closure there. You’re working toward something, and since you share that goal you tend to get along on things where you might otherwise have personal conflicts. It’s a pleasant working environment in that sense.

Young: At what point did you—was it your dissertation at Columbia? The book on the crime families?

Anderson: Oh, the organized crime families. After a couple of years at McKinsey, in 1965, when Martin and I got married, I went to business school. I wrote the Ph.D. dissertation on an organized crime family as a business enterprise. That was published as a book by Hoover.

Young: That was very unusual for the Columbia Business School, wasn’t it?

Anderson: I guess it was. Marty had worked for [Richard] Nixon and so had I, quite a lot, in ’67 and ’68 in the research area. Marty was in the administration and was able to arrange for me to
have access to some FBI [Federal Bureau of Investigation] files. John Mitchell was Attorney General and he said, “Give her access to them.” And so I had access as a researcher to the basic files. I just read FBI reports and stuff like that.

**Young:** I didn’t mean to jump you ahead, but the transition from Goldwater to Nixon—we’re interested in having you track your political career and your experience of Presidents and their campaigns or their policies, because although this is a Reagan project, Marty, among others, has taught us to think of the beginnings and of the continuity of personnel—

**Anderson:** Marty was interested in working for Nixon. His account of how he got involved in that is the way that I got involved because I was doing what he was doing.

Nixon was the person on the Republican side of things who could win. So while ideally you might pick someone else, he was the person who really had a possibility of succeeding. When we started working for him, he started off with Pat Buchanan, Ray Price, and Rose Mary Woods, and maybe somebody else to open the mail.

In ’67 we weren’t yet in 450 Park in the Bible Building. We were in a different building and there were more people. There were maybe 20 people who’d turn up in the office. I was volunteering and going to Columbia at the same time and started off helping answer the mail and then got into some of the issue stuff and writing. I worked on some sort of document to be distributed on campuses about Nixon. I remember the first time I decided I’m really thinking like a politician was when I heard Lyndon Johnson say, “I will not be a candidate for the Presidency,” which was on March 30th, or something like that, 1968, and thinking, Oh my God, my brochure is due tonight and I have to revise it.

I went through and instead of talking about Lyndon Johnson, talked about the Johnson-[Hubert] Humphrey administration. I knew already, within half an hour after that program was over, I was presuming and figuring out that it was likely that Humphrey would be the candidate instead. And so the practicality with which you start thinking, I have responsibilities. I have to have the copy turned in on this document, and what does this event mean that I have to do? So you become professional in that sense.

**Knott:** You’d said that Nixon was the candidate that could win—

**Anderson:** I think so. I don’t remember terribly well—Marty decided to work for him and I think political fights within a family are probably one of the most unpleasant things you can do in a marriage if you really feel strongly about your politics. If you did feel that way you would have to disagree, I guess. But if he was going to work for Nixon, that was fine with me.

**Knott:** I just thought it was interesting when you’d spoken about Goldwater saying, “We knew he wasn’t going to win.”

**Anderson:** Well, that’s true.

**Knott:** Had something changed and you just decided that you wanted to be on a—?
Anderson: I don’t think so. I guess the other part of it is that you’ve got to work for someone whom you basically agree with. Otherwise you really are a professional for hire. There are people around who do that of course, who say, “I’ll run your campaign, you just tell me what you want to do and I’ll tell you what you have to say to win, and we’ll go on from there. We’ll do some polls.” You know people who do it. They really don’t care who they’re working for, in a sense. And some people have worked for people in different parties.

Young: Nixon was making his comeback then, was he not?

Anderson: He’d lost the Governorship of California in ’62. He moved to New York. Nixon was an extraordinarily smart guy and hardworking and he really was very capable. Obviously had some flaws that led to serious errors, but he really was very capable, and of course he’d been Vice President of the United States for two terms and Senator—

Young: Marty was sort of in on the ground floor of that moving from an intention into an actual organization to strike out for the nomination and the office.

Anderson: Yes. A presidential campaign of someone running who’s not in office starts off being a core of a few people who fit in a room this size. A couple of offices, you know, one for the candidate, a few phones, a little office machinery to send out letters to be able to communicate, and expands within a space of probably a year and a half to cover the entire country with offices all over and thousands and thousands of people involved. It’s fun to see it expand in that way. Eventually, even before we moved to 450 Park, the mail was coming in in big carts instead of being carried in by someone, being pushed in in a cart and having to be taken out. It gets bigger and bigger.

Young: In the Nixon campaign you were working basically in Marty’s area on the issues side as time went on, is that correct? Or were you doing other—?

Anderson: In the Nixon campaign what evolved during the primaries was that Marty traveled on the plane. Marty’s experience in talking to people who had worked on other campaigns was that once the candidate gets in the airplane and goes out on the road, he loses touch with a staff at an office, at headquarters, wherever it may be. It may be a couple of different places. Marty wanted to travel, that was generally—at least at that time, and until quite recently—that’s where most of the action is. That’s where the candidate is and his top people, a speechwriter, campaign manager, are traveling with him. His press secretary is out there, the press is there. That’s where things are happening. If you lose touch with your staff at the office then you’ve got valuable resources you can’t use and you’re essentially just your traveling staff.

So what Marty did was work very hard on figuring out how we could stay in touch, and how the campaign as it traveled on the road could have the access to the people at the office and what they were able to do in terms of calling people, reading stuff, having a bunch of books on a shelf that you could look at that you couldn’t carry on an airplane. Today of course we have computers; then we didn’t. You could take an enormous amount of data on the road on a CD; at that time that didn’t work. I think Goldwater was the first one who tried to put everything on
computer, but the computers at that time were—you know they tried to feed everything in but they had trouble searching and they had too much stuff in there and so forth.

So basically we were working at headquarters with file cabinets. I worked on a number of different issues but Marty set up a telephone system so that whenever this particular phone rang, it was the red phone and it was the tour calling and nobody else had that phone number. It was to be answered immediately and he could ask us any sort of question or say, “Call so-and-so and call back” and we always knew where they were.

We had an early kind of a fax machine that Xerox had made that took six minutes to transmit a page—that was the best. Every night we could transmit over telephone lines line-by-line as it went through. Early on, my assignment was to go out on Broadway—we were living on the west side then, at 470 West End Avenue. As soon as the New York Times hit the street, which was at 10, or later on at 11 o’clock at night, once daylight savings time went on it would be 11. I’d buy the New York Times and read it to him over the phone.

By the time we were at headquarters, the New York Times was picked up by a guy on a motorcycle as it was thrown out to the trucks when it came off the presses. He’d drive over with two copies and we’d cut it up and paste up the stories and send it over this machine to headquarters, wherever they were. You could get an airplane that went out that was campaigning in Omaha, Nebraska, that hadn’t seen a newspaper for 24 hours, and they had only radio. There probably wasn’t quite as good news on the radio as regularly as there is now. So it was an important means of keeping in touch.

Young: Could I ask the importance of what was being invented here in terms of campaign? The link between the traveling campaign and the staff resources or the headquarters there, that’s one thing. Wasn’t it also the case that until this happened, the candidates’ minding of the issues, there was nobody on the plane that was the issues person. Isn’t that correct? There would be the press person, the scheduler, and Marty. Wasn’t Marty a person who was very abreast of the issues? He could give the substantive ideas, and then could call back for research or information to keep the candidate on top of the issues?

Anderson: Yes, and informed, for instance, about what the opposition had said that may need to be answered. Marty went out as an issues research person, not as a speechwriter. Before, the people who had tried to do this for the candidate were the speechwriters. They were the people who, since they were working on this, knew about Vietnam—Nixon was talking about Vietnam—or whatever. So they were the extent of the traveling brains on the issues. A tour director and a press secretary always know something about these things, of course, but Marty opened up the door through his contacts to the rest of the world through this link. They’d say, “Can you find out such-and-such?” and he’d say, “Yes.” Eventually it got so when the plane hit the ground, people ran out and plugged in telephones.

We didn’t have cell phones at the time. One cell phone was displayed at a convention we went to. It was heavy and cost $4,000. It was extremely expensive and I don’t know what the communications range of it was, but it wasn’t the way cell phones are today. So we didn’t have the telephone link except when we got on the ground and you got the phones plugged in.
Knott: So this was a way that the candidate could stay out front of the issues and digest the issues on a regular basis.

Anderson: And the news, on a daily basis. For instance, one of the things, when I was traveling with [vice presidential candidate George H.W.] Bush, was you know [Walter] Mondale gave a speech at 11 o’clock; we got an advance copy of that maybe an hour ahead of time. The next time Bush met the press, he should know about that speech and be ready to respond. If there’s data that he needs in terms of somebody comparing the Ford administration and another administration on the budget, we should have the answer for him, the data. Obviously you can’t have the budget books and start looking through them, right? Somebody’s got to look through them, and we have to be able to contact a person who can look up the answer if we don’t happen to know it or have the information handy.

Knott: I came across a reference somewhere to you playing a role with Spiro Agnew in the ’68 campaign—

Anderson: In the ’68 campaign I did some issues stuff and kept track. I was the person who knew exactly what Nixon had said about everything. I had a file cabinet with everything organized. If he’d made a statement on a particular topic, I could locate it. But they sent me out to travel with Spiro Agnew as an issues advisor and link to the campaign.

Young: Who was “they” who sent you out?

Anderson: That’s an interesting question. You’re right. You should always know who “they” are, because usually you do. [laughter] I’m not sure whether Agnew asked or whether they thought that somebody should be there. John Sears also traveled with Agnew. I’m not sure who was setting up that tour and asked me to do that. So I traveled with Agnew some of the time.

Young: Were you to Agnew as Marty was to Nixon?

Anderson: Not really. Agnew came with his own staff, as every vice presidential candidate does, and they probably realized, and he probably realized, that he needed links to the Nixon organization on the road. He was making some mistakes, misstatements, or whatever. I don’t know whose idea it was that he have somebody besides Sears.

Young: Well, it makes sense to have a link.

Anderson: Oh yes, it always does.

Young: But it would mean if you were on the road you couldn’t do what you were doing with the New York Times—

Anderson: No, there were other people who did that. The people in the office, various people did it. The people in the Nixon campaign—Dick Allen was the foreign policy guy and Alan Greenspan was the domestic policy. We were all on the top floor of the Bible Building. I was
there except when I was on tour with Agnew, and there were a bunch of other people. One of them was keeping track of everything Humphrey had said. Somebody else was clipping newspapers on issues, going through newspapers and keeping track of stuff like that. We were doing various kinds of research projects, writing background papers, or drafting speeches.

Ken Khachigian was there; he was working on agriculture and Jim Gidwitz was there. So we had a bunch of people who had worked on whatever needed to be worked on. At one point Nixon got annoyed with the press for claiming that he hadn’t been speaking out on the issues. He said he’d spoken out on something like 150 issues and he would have a report at the end of the week on all the issues on which he had taken positions. This assignment devolved on me and Alan Greenspan and Richard Allen. Bill Casey was there. Bill Casey owned a printing press and was going to print this stuff. We gave the copy to Casey’s people who came over every four hours to pick up copy. Of course the number of issues on which you’ve taken a position depends on how you want to divide them up. We knew how many we had to have when we got there.

We produced a book called *Nixon on the Issues* that was organized by topic and listed the issues. Basically my file cabinet on what he had said was the source of that book. It was all direct quotes. We got that assignment, I think, on a Sunday afternoon. They were off somewhere in [Biscayne Bay] Florida, I think. We got that assignment on a Sunday afternoon and had printed books on Friday to the planes.

**Young:** So there’s another invention, am I right? That had never been done—a candidate on the issues. That became almost a standard part, didn’t it, of presidential campaigns? A book to answer the allegation that they’re not really addressing the issues?

**Anderson:** Right.

**Young:** This is fascinating because it’s the development of a campaign.

**Anderson:** That’s right. That was also used to develop a loose-leaf book that could be held at the various campaign headquarters in states and localities. Pages could be sent out and dropped in so you could do a page on law and order, or the Vietnam War, or whatever it was that you wanted to do and kind of slot it into your issues book. Depending on what people wanted to do in a particular state or locality, what was of interest, you could then do a brochure or something on a particular subject that you could make available.

One of the great benefits that we had at the time was that there was no limit on what you could spend in a campaign. This was before the 1974 act and so we could spend whatever we could raise, and I suppose more if you could borrow it. Maury Stans was down the street raising money, and in comparison to some of the things you could spend money on, even printing a book on a short-term basis was probably not horrendously expensive, although it was a very expensive thing to do at the time to produce a bound book.

**Knott:** Ronald Reagan briefly flirted with the idea, or did for a week or two, to challenge Richard Nixon at the Miami convention. I believe there was kind of a last minute flurry of
activity on his behalf to challenge Nixon for the nomination. Do you have any recollections of that and your attitude toward Reagan at this time in your life?

Anderson: I think the attitude, as I recall, we’d been working for Nixon for so long, Reagan was a favorite son. [Nelson] Rockefeller was the other person who was interested in the possibility. As I understand it, mostly from reading since then, they were interested in the possibility that the two of them would have enough delegates with Reagan having California, where he had been asked to run as a favorite son. That avoided, according to him, some conflicts within the California Republican Party. If the two of them had enough, one of them might be able to be a viable candidate in opposition to Nixon.

As it turned out, Nixon had it pretty well locked up at the time that he went down there, although it wasn’t 100 percent certain. The big change that has taken place gradually is that there are more primaries where the delegates are elected and are committed, different ways in different states, to vote on at least the first ballot. In Texas, for example, they vote through the fifth ballot for the candidate for whom they’ve been elected. At that time there were many more caucuses and a great deal more freedom of delegates to make their own decision on a first ballot. So you could negotiate. This was the back room, smoke-filled room politics, which we’ve almost entirely gone away from. Which is why conventions are now mostly shows, rather than of real interest in terms of political negotiations and deals and so forth.

Knott: Were you involved at all in the Nixon transition operation once Nixon defeated Humphrey?

Anderson: Yes, definitely.

Knott: Would you tell us about that?

Anderson: I worked on the staffing operation. This had been extremely badly set up. Glenn Olds, who also had a desk up there on the top floor of the Bible Building, had been asked to develop some names for the Nixon transition. Transition is an extraordinarily short period of time for filling thousands of positions. With all the people who have been working for you all over the country in different capacities and who may not actually know each other very well, how do you get them into your administration? How do you figure out what jobs they should fill, and how do you draw in other people that you may not know that you may need?

Glenn Olds was supposed to figure out what the jobs were and who might fill them, and it turned out that he had left-wing liberals who were totally inappropriate for the Nixon administration. It was really incredible. And he had files and files.

We had offices at the Pierre Hotel. We put these files in a bathtub at the Pierre Hotel and started over. I worked on that with Darrell Trent, Jim Gidwitz, [William] Baroody—one of the Baroody boys. The four of us and some other people would take names and process them through. Before they went to the committee that included Marty and some other people for review and possible appointment, I’d be the last person who’d see the folder. I would sit down and figure out and telephone people and say, “Okay, we have a job and we have some possible people, what do you
think? Who do you recommend?” I remember calling Milton Friedman and asking him about a particular person in relation to a position and trying to get some of these jobs filled. The view was that Nixon didn’t do a great job of staffing the administration and getting people who knew his policies and knew overall what he’d been elected to do and how to carry out their part of it.

**Young:** Glenn Olds had been the person who was accumulating these files. It’s not clear what he was doing with them. But you sort of replaced him as the person in charge of this. How did that assignment come about?

**Anderson:** I wasn’t really in charge. I also worked with Arthur Burns. We had had an enormous number of task forces that Marty had set up. Task forces on issues that provided a wide range of people who supported Nixon and who’d been asked if they would participate in task forces, not politically come out and say they were for Nixon, but if they were willing to provide their expertise, maybe from the business or academic community or somewhere else on a number of issues. There was a range of task forces on different policy issues. There was a chairman of each group that was to produce a report, due after the campaign, on what should be done in a particular area, the economy or housing or energy or whatever it might be.

They had produced these reports and I helped summarize them for the President-elect. We had a big dinner. I took their reports and wrote one page for Nixon to read. Then Arthur Burns and I put that together in a book. So I did that as well. I was really quite busy, worked hard.

**Young:** It’s a logical follow up of the issues book.

**Anderson:** Oh yes.

**Young:** And then you moved from campaigning into governing.

**Anderson:** That’s right.

**Young:** And you have to avoid a disconnect, both in personnel and in terms of carryover of the President’s commitments to programs and priorities of his administration.

**Anderson:** Yes, and how you get into some of the more detailed and practical aspects of what you actually do in government that carries out what you plan to do or thought should be done and promised to do.

**Young:** So Nixon wasn’t telling everybody “do this” and “do that” for him. His people, people like you and Marty and others, were thinking up ways to serve his interests and needs as a candidate and as a President, is that right? So these were not orders to “do this” and “do that” coming from the top, except in certain cases, like “I need to know the issues” for the campaign book. I’m trying to get a sense of how all of this innovation got started and got institutionalized.

**Anderson:** My experience in campaigns is something like the research operation. Nobody has a plan of what it ought to look like or how it ought to work, and the people who get into it try to
figure out how they can be useful, what they can do and what needs to be done in their area, and they develop it on the spot.

For instance, the other machinery we had was teletype and we used that a lot. We teletyped to the campaign and they had a teletype on the road set up during the Nixon campaign. I learned how to use the teletype, but we had some professional operators. We were asked so much for certain statements that Nixon had made. He was asked by the press, “You promised to end the Vietnam War.”

There was a speech he’d given in New Hampshire at which he had made the statement that the press was continually recalling, and we were asked to get a copy of that to the people on the road, over and over and over. That’s why I said, “Okay, I need an organized file of what Nixon said.” So if somebody says, “We want the January 4th New Hampshire speech, I can pull it out and arrange for it to be sent by this Dataphone or teletype. We finally had that particular speech on a teletype tape so we could just feed it in. And it would send itself.

Actually, the people who were working on it figure out what needs to be done and in what way they can be useful. You can look around and say, “I need to hire a person with these skills.” But often the people who want to be involved in the campaign figure out what they can do and how they can be useful and they do what they’re able to do.

We did figure out that one way or another we had to keep track of what Hubert Humphrey was saying. There was a woman who wanted to volunteer; she was a schoolteacher from Brooklyn. She came over after she finished teaching school and we said, “Make a book of everything Humphrey’s done.” She organized that book herself. She knew how to find things in it. It wasn’t inaccessible to anybody else, we did have a Xerox machine, but we didn’t have huge numbers of copies around. We had one black book.

She had Hubert Humphrey on oil and she had the book arranged chronologically and she could put pages in so we could say, “Hubert Humphrey has been on both sides of this issue.” We got a phone call about Hubert Humphrey’s position on, I think, oil depletion allowance, and she looked up in the book and said, “When he was in the Senate, he held this position. When he was Vice President, he said this. He’s been on both sides of this issue.” We quoted that and got it to the campaign and Richard Nixon said, “Hubert Humphrey’s been on both sides of this issue.” Every once in a while we saw it work that way.

So she worked out how to do that. She was, after all, a volunteer. Nobody could tell her exactly what to do and everybody else was busy anyway. People work out what they’re able to do.

**Young:** Some campaigns, at the higher level of campaign director and those who are involved in not just the scheduling but the themes of the campaign, as well as the methodology of the campaign, have developed significant conflicts among the candidates’ advisors, to the point that they’ve had to change horses, as with John Sears in one of the Reagan campaigns. He was dropped and another group was put in. During the Nixon campaigns, did you observe any—as you describe it, it sounds like a very smooth-running, almost fun operation. Were there significant conflicts about what the candidate ought to be saying and doing that you recall?
Anderson: Well, within an organization, a particular part of the organization, you sort of develop your own ways of doing things, and yet there are, obviously, components of doing this. You’ve got people in office who are supporting you. You have people in state organizations who run state parties, and people who are in office in states, Governors, you have a television advertising group. You’ve got other people, probably the people who’ve been with you longest, who are some help on the speechwriters.

You develop a research organization and an organization that handles your mail, develops issues, figures out how to reach out to various groups. You need an advance team that goes out and arranges for your appearance and the hotel rooms and equipment and makes sure that the Xerox machine is there and that there are extra phones and somebody who rents the airplane and books the press and somebody who raises money. So there are a lot of different roles.

Once the President, the candidate, gets looking as if he might be elected, you have what are called boarding parties. They are other people, and one of your main tasks is to work on repelling boarding parties, and there are people who want to get in on the power. It becomes very interesting and relevant to be part of this. I mean here you are in 1967, an idiot supporting Richard Nixon. Now there you are in 1968. He has the nomination, it looks as if he could even be elected, and where have we been? We’d better get in on this, right?

And the other thing that you do as time goes on, you absorb the Republicans from the failed campaigns, people in your own party as best you can. It’s good to do so because you want the entire Republican Party supporting you and the entire Republican Party in its various branches and viewpoints to the extent that they’re compatible at all, should be there and contributing. We took on a guy who’d worked for Nelson Rockefeller and various people.

You have power conflicts within a campaign. Now the Sears conflict within the Reagan campaign was more obviously an internal conflict than a boarding party, and Sears really wanted more. Some of these things are power issues, and some of them arise from really different points of view about what the candidate needs to do in terms of policy positions and campaign priorities, where he advertises, where he goes, who he talks to, who advises him, etc., in order to get elected. And so, within the Republican Party you’ve always had some range of viewpoints from conservative to an eastern liberal establishment to a more libertarian point of view. I mean it’s actually not linear.

Then you can have power conflicts within. People want to be there, tell him what to do. And one thing that happens as the campaign expands is that people get layered in. So you have people who are very close to the candidate and someone gets hired sort of above them, that they then work for, as this organization expands. You can see how that would happen.

Now Sears wanted Reagan to listen only to him, really. He didn’t want other people—[Lyn] Nofziger, [Michael] Deaver, Anderson—in there advising him, as we eventually saw in 1980. He wanted to get rid of Ed [Edwin] Meese as well. He basically wanted to get rid of quite a few of the people who had been substantial, long-term supporters and staff to Reagan during the Governorship and in the interim, when he was really running for office, from ’75 through ’79.
You run into some people who are like that and there’s a conflict of power and personalities. People want to run something.

Sears caused several people to withdraw or go part-time or get into jobs outside of the campaign organization. I think some of the accounts written about this—there’s Marty’s account, Nofziger has written about it. I don’t know the extent to which [Peter] Hannaford touches on it. Deaver has written about it. Lou Cannon has talked to a lot of people and there are reports of various meetings.

Knott: I’m surprised you knew John Sears at least going back to 1967, ’68. Did this—

Anderson: In ’68 we traveled together on the Agnew tour, and I spent a fair amount of time with him. He was engaging to talk to, a very smart guy, political wizard. He knew an awful lot of people. His expertise in terms of people was in the eastern states rather than in the western where, of course, Reagan and some of his people were themselves stronger.

He’s probably one of the people who thought that Reagan knew less than Reagan actually knew. In fact I think he’s told other people as much. And he’s one of the people who didn’t realize, who underestimated Reagan. This is a typical thing that people have done, for various reasons, partly because Reagan doesn’t argue with people in a meeting. He doesn’t say, “Oh, I think you’re wrong.” Or, “Look, I’ve been talking about this for five years, don’t you know what my position is?” or “Of course I agree with that, I’ve said that.” So he doesn’t do that. He says, “Well, thank you very much.”

Selverstone: Was that the source of Sears’ desire to centralize the kind of power—

Anderson: I don’t know what the source of Sears’ desire was. I think that maybe, both on policy and maybe on political focus as well, Sears wanted to make Reagan less conservative. I’m really not sure whether it was personally that he wanted a more central role and he didn’t want other people talking to Reagan. Other people who weren’t boarding parties, they clearly had been close to Reagan for a long period of time and were people that Reagan thought highly of and depended on to do a variety of things and so forth.

Selverstone: Did you see this conflict coming when you asked about knowing Sears for a long time? Was this something that you saw as likely to happen, this kind of conflict between Sears and the other advisors?

Anderson: No, I don’t think so. In the summer of ’79 we were in Marina del Rey. Marty was writing a lot of policy memorandums—numbers 1, 2, and 3. I think I had to teach in 1979 in the fall. I’m trying to remember the timing of it right now. We must have moved to Arlington, Virginia, around that time, no, we did that in 1980. Anyway in the summer of ’79 Marty and Sears, Darryl Trent and I were seeing each other regularly. We were all in the same apartment complex where we’d rented apartments so that we could be near the headquarters. We were all in a building in Marina del Rey, and the campaign was located in Los Angeles. We were seeing Sears regularly. Marty and I had an apartment and he’d come over for breakfast, and sometimes
at night and things seemed to be going really well. It wasn’t until later on—I guess I was teaching in September and October—that things got more difficult.

Marty found out that Sears had set up an alternative research organization that was working in Washington. I think that’s one of the stories in the book. Marty said one day to me, and this is the story he tells, “I’m going on strike. If they want me they can call me, but I’m not going to be around every day,” and so forth. I don’t think Marty explained that specifically to Reagan. I think he talked to Deaver about it, but as Marty says, Deaver was having some difficulty of his own with Sears.

At some point in there Sears tried to reassign Nofziger and he didn’t like it. Reagan asked Nofziger to take over a campaign organization, a money-raising organization, and Nofziger did that, but it was outside the campaign structure. Then Sears got fired the day of the New Hampshire primary.

Knott: Can I get you to back up a bit and discuss your first encounters with Ronald Reagan? When did those occur? Were you involved in the ’76 effort against President Ford?

Anderson: Marty was involved in ’76, and I went to the convention. We had a little office with a research operation where we could get some facts and information for people and talk to the press, or find information for the press if they wanted a statement or whatever. We had about three people down there. That campaign had the most superb phone system any campaign has ever had. We had our telephones and everything. We were working on the possibility that Reagan would have enough delegates to win the nomination.

I was in that office. I had prepared a chart for Reagan that Marty took on one of the trips on the plane that listed all the states and how many delegates were already committed to whom—this was earlier, before the convention—and that figured out how Reagan could get enough delegates. It was all in different colors. Reagan wrote on it, “Thanks, Annelise. Can I go home now?”

Then of course he got 1,070, sixty short of the required number to win in ’76. We were working with Sears on various challenges to the rules, rule 16-C and then a proposed statement about [Henry] Kissinger that platform committee delegates were strongly advised to adopt unanimously, which they did, rather than voting on it. At the time that 16-C failed, we knew that we wouldn’t have enough votes for Reagan to win. I was with Marty up in the skybox with the Reagans and the rest of the staff that night, I think both nights—at least, the night he went down and spoke—I don’t know if I was there the previous night—when Ford called him down. Yes, that was stunningly dramatic.

It’s my own guess that Reagan later decided to run in 1980 because his reception when he spoke to the delegates was so stunning, so enthusiastic, that anyone who went through that would feel not down, that they lost, but that they were working on the next one. That would have been Ford’s second term in office. Had he won, he could not have run for re-election. I think that’s right, because he had already served over half a term after Nixon had left office in ’74. So Reagan knew, whether Ford won or lost, that Ford couldn’t run in 1980.
Other people don’t think that he decided to run then, but I think he was so buoyed up by that experience that it’s likely that he thought he could do it right then. He came back real strong on his radio addresses September 1st, taping the first batch. He’d tape ten, of which he wrote seven, or something like that. They were terrific, enthusiastic, and supportive, and they talked about the platform and about the convention and what a wonderful experience campaigning had been, how great the press was. He campaigned out of the box strongly after that loss.

Young: The talk to the convention that he gave—I think it was pretty dicey there for a moment as to whether Ford would call him down or what, but his speech was entirely extemporaneous, he hadn’t prepared for this, is that correct?

Anderson: Peter Hannaford tells a story. Maybe you should ask him. We asked Peter Hannaford about this because one of Reagan’s radio addresses after September 1st, after the loss at the convention, is very similar to what he said at the convention. Shaping the world for 100 years to come is the topic of it, and he tells of riding down the Pacific Coast Highway and being asked to provide something for a time capsule. Peter Hannaford said to Reagan, probably the morning when the vote was to occur, said, “Governor, just in case lightning strikes, we really ought to have something prepared, and Reagan said, “Well, I’ve been thinking of talking about the time I was riding down the Pacific Coast Highway.” And Pete said, “That sounds good.”

So he had a little something in mind. To that extent he’d thought about it. Pete Hannaford, who was in charge of making sure he had what he needed for speeches said, “You know, just in case you’ve got to do it….”

Young: That phrase quoting Reagan keeps cropping up, “I’ve been thinking.” When something’s presented to him or something, “Well, I’ve been thinking about my own talking points and my own speech,” my own this, my own that. It never comes out and hits you in the face. It’s only when you pay attention. The repetition’s very interesting.

Selverstone: Nixon had it, too, with the volunteer army thing.

Young: What was that?

Selverstone: Didn’t Nixon have that as well with the volunteer army? I thought I’d seen that.

Anderson: I don’t remember that.

Knott: It’s somewhere in the briefing materials. Let’s talk a little bit if we could about the 1980 campaign and your role as a senior policy advisor to the campaign. Any recollections that stand out in your mind?

Anderson: I was just thinking of a couple of things about the Sears conflict. Reagan says in one of the letters his position is that these people left because they had other things they needed to do, like Marty needed to be part-time at Hoover. And he said, “After all, how can Marty have left? He’s traveled with me. We just got back from Alaska, and he went on that trip.” I don’t
know when the Alaska trip occurred, but I just thought in view of your interest in the Sears thing—I went to Hawaii with Marty and Reagan. That was the only trip on which I traveled with him and Nancy [Reagan]. There might have been somebody else who was helping with luggage and stuff, but it was an early visit to Hawaii where he spoke to a Republican group. I remember Marty and I met the Reagans at their room and chatted before we went out for a walk on the beach.

I remember Reagan said to me, “My shoulder hurts.” And I said, “What happened?” and he said, “I dislocated it.” I’ve had a dislocated shoulder and I said, “Well, you really ought to have that in a sling while it heals.” And he said, “Oh I couldn’t do that, people would think I wasn’t—they’d have health questions.” I thought that was interesting. We walked on the beach and he told me how he saved 77 people when he was a lifeguard.

Knott: Were your responsibilities similar to the responsibilities you played in the ’68 campaign for Nixon? Were they more extensive, is that a correct assumption on my part?

Anderson: In the 1980 campaign, in Detroit at the convention, I was the liaison to the economic policy committee of the platform and Marty was overall liaison for the platform for Reagan. And of course, once you know who your presidential candidate is going to be, he has strongly the word on the platform. The delegates are for him and they vote on the platform. The platform committee works with the draft that they have, but they decide what’s in the platform.

I worked very closely on the economic policy on the platform, with the delegates, advising them, discussing various issues, and answering any questions that they had. They were revising the draft and deciding what to put in it and we discussed fiscal policy and monetary policy and what the differences were. I was very much involved in that. Then we gave a press conference afterward in which I answered a couple of questions about supply-side economics and explained this to the press and answered the question of how he was going to balance the budget and cut taxes and increase defense spending at the same time. I believe I answered the major questions. I was extremely busy.

Knott: You were basically in the Arlington, Virginia, office most of this time, at least for the general election campaign with Casey and Meese?

Anderson: Yes. As soon as the campaign moved to Arlington, Marty and I got an apartment near there. They had a building where they had some short-term rentals. We all got places there and went to work every day in the Arlington building. I did that. I think that I knew, right after the convention, we had a place. We went to a hotel that was near the LA Airport and we had three or four days of meetings with Marty and the other top staff and Reagan. I think Mrs. Reagan was there. Bush came in because he’d been selected as Vice President, and other people. We met and planned issues and some of the stuff we were going to do. Those were important meetings.

No fziger was there. At that meeting Bush apparently told Reagan, told somebody, that he wanted somebody from the Reagan campaign to act as his issues advisor. And he had an issues advisor [Steph Halperin], he had a guy whom he liked who had been working for him for a while, but he
wanted someone from the Reagan campaign. He told that guy he had to stay home, and they offered me to Bush. He checked me out with Arthur Burns and possibly some other people who recommended me and I think this was Lyn Nofziger’s idea—Lyn offered my name to him. Lyn said, “Do you want to go on the Bush tour?” And I said, “Sure.”

So I did that. From the time that we left Los Angeles, at those meetings that occurred in the hotel near the airport, I went back to Arlington and I worked very, very hard on getting myself ready to go out on that tour. I had about three weeks. I tried to figure out what it was that I needed to take with me. And I tried to work out all the contacts so that from the plane or from the hotel room I could call and find out anything I needed to know, or I could call someone who could give me information on any subject that I needed to know about.

I met with the Republican National Committee, some people in Congress, and a variety of other people. I said, “I’m going to be doing this and I may be calling on you.” Then in the headquarters there was a more formalized version of what Marty had set up for Nixon in ’68, which was a room where the phones would always be answered. That was staffed, and you could call in from the tour. I could call, they could call from the Reagan tour, and surrogate candidates could also call and say, “I need some information on the following, can you find this out for me?”

So I set that up and got acquainted with the people there so they knew who I was and when I’d be calling. I had all the phone numbers so I could call quickly, and if I needed to know about the superfund, or Indians, or whatever it was I needed to know about, I could reach somebody in Congress, the RNC [Republican National Committee], or headquarters or wherever it was. I really worked on figuring out how I could be useful to the campaign.

Bush wanted me there. The other three people who had substantive responsibilities on the campaign were Dean Burch, who was his chief of staff. Sometimes Charlie Greenleaf substituted for Dean Burch on the plane; one or the other of them always came out. Pete Teeley always went on the plane. Pete Teeley was Bush’s press secretary. Vic Gold was his speechwriter.

The four of us sat at a table together and looked at speeches and got briefings ready, listened to the radio, and told him what was happening. Dean Burch gave me some assignments, for instance, getting some briefing papers ready for some national television appearance Bush was making. I don’t know, it was one of the Sunday radio shows or whatever. Mostly I worked on my own. Sometimes Dean Burch would say, “We’ve got to know something about these Haitian or Cuban refugees, Mariel boat lift. What are we going to do about that? Can you find out about that?” So I found out about that and wrote something up.

Young: Were you with Reagan at all during the primaries before the convention?

Anderson: No, I was teaching. Except for the trip to Hawaii with him, and I think that was actually before the primaries, I didn’t travel with him at all. I wasn’t part of the Reagan staff at that time. I really didn’t get into being part of it until the convention, and that was after my teaching. I taught all that year until June of ’80, so I was teaching all of ’79 except for the summer when I was in Los Angeles.
Young: Were you in any kind of position to observe—or what feelings did you have if you didn’t actually observe anything, about Reagan’s selection of Bush as Vice President?

Anderson: I was there in the hotel room. I was in Reagan’s suite the night he did that, briefly. Marty took me over. Marty was in and out.

They went somewhere to have the meeting. I was sitting in the living room and Reagan walked through. Serious. I said, “How’s it going?” and he said, “Not well. He wants to be President.” That was about Ford.

I don’t think anybody else heard that. I look back in retrospect that I had the courage to ask him anything. He might have said, “Hello.” I don’t remember. But he was very serious and he was going from one group meeting to another. That was apparently at the point when Ford—the reason that Ford was of such great interest—[Richard] Wirthlin was a wonderful pollster. A Reagan/Ford ticket polled well against the Democrats. It was a clearly winning ticket and it was such a powerful thing. How do you say, “I’m going to give that up”?

Reagan was viewed as having not too much foreign policy experience, and Ford as being better at that apparently, in spite of thinking that Poland was free. So they naturally thought of that possibility. It turned out that Reagan had met with Ford in June, in fact, I think on June 5th, and Ford had indicated before the convention, according to a letter that Reagan writes, that he wasn’t interested in doing it. It was partly Reagan’s staff that looked at these polls and then other people who thought that Ford could possibly play a major role in a Reagan administration, advisors to Ford like Kissinger, maybe Greenspan, who were encouraging him to possibly get into it, but to demand some stuff. And by the time, at the point where he demanded co-Presidency and got on the television and interviewed with Walter Cronkite, Reagan said, “No.”

Young: Wants to be President.

Anderson: That’s what I heard. That’s what Reagan said to me. I don’t know what he said to anybody else, I wasn’t in the other meetings. And at that point people were talking about—suppose the two of them campaigned together and the formal and proper form of address for Reagan is Governor and that for Ford is Mr. President, even though he’s no longer in office. That didn’t look good. A lot of people were against this and thought it was a terrible idea.

People think that Bush was a sudden last-minute decision. The Bush call was quickly made after Reagan decided against Ford. He had Ford come down to the suite, they went off and talked, and agreed that he never really had wanted to do it anyway and it wasn’t a good thing for him to do it, and I don’t know exactly what Reagan said. Reagan called or had someone call Bush’s staff and then talked to Bush almost immediately. Then he went back to the convention hall and told people that he had selected Bush, because things were roiling by then.

The choice of Bush was extremely logical. Bush was really closer to Reagan than any other candidates had been and he was the second choice of the party and had a lot of delegate support. In fact, it showed that he brought something to the ticket, especially in the northeast. They polled
better in certain states like Pennsylvania and Ohio. When I was campaigning with him on his tour, we went back there. We were in Indiana, Ohio, and Pennsylvania, over and over and over.

**Young:** Well, I’ve got to ask this. You joined Bush with the Bush campaign. You were the chief advisor, the link, liaison to the Republican Campaign Committee on economic policy, and you’re with the candidate who I think used the term “voodoo economics.”

**Anderson:** Voodoo economics and with the guy, Pete Teeley, who thought up the term and put out the press release.

**Young:** Whatever happened? How’d the two of you get along?

**Anderson:** Well, we got along fine. Now when I agreed to do this, I thought, Bush has people who’ve been working for him for a long time and who feel that they’re his advisors. This is going to be a hostile environment. They aren’t going to welcome me like a dear old friend, they’re going to see me as a little bit of an outsider. And I thought, *That’s okay, I can work in that environment and I can do what I have to do. Hostile environment is okay.*

They were nice and courteous, and Bush really wanted me there, but they didn’t immediately share information or anything else. Dean Burch was a little better than Teeley and Vic; they were a little cool. For instance, if they got some information on something Mondale had said, they didn’t immediately tell me. I had to figure out my own sources of information, and so forth.

**Young:** So you were kind of an outsider?

**Anderson:** I was an outsider. Now, one of the things that happened was that I thought that I should be getting some work done and I shouldn’t be running around with the candidate and meeting the Governor of Virginia and all that kind of fun stuff. But Bush would ask for me. Peter Teeley said, “You have to come with us, everywhere we go, because Bush expects you to be there. He asks for you.” So somebody would ask him a question, or say, “I’d like you to consider this proposal.” And he would say, “Where’s Annelise? Talk to Annelise about that.” So I was expected to be there.

**Young:** I interrupted you with a further thought. You were going to say something.

**Anderson:** Go ahead. I thought you asked a question I didn’t answer. I got off on something else.

**Young:** No, no, I was going to pursue the follow-up here. It’s interesting that Bush asked for you then wanted you to be there.

**Anderson:** Yes. Oh, the voodoo economics. My joke—this was after Bush became President and went back on his tax pledge—was that I taught Bush voodoo economics but he keeps taking the pins out of the doll.

**Young:** Great story.
Anderson: Marty had done a table [about Reagan’s economic program] too, and Bush wanted me to explain this. Bush wanted, above all, not to be in conflict with the President. He was totally loyal and he was going to do a good job of it. He wanted to understand Reagan’s economic program and be able to present it effectively.

He knew very well he was going to be asked this question—“You called it ‘voodoo economics,’ what do you think now?” And so I had table 2, which was part of Marty’s policy memorandum number 1. This explained, projected, the budget numbers on the basis of the forecast of the Senate Budget Committee, which had come out in August 1980, and explained how much the tax cut and increase in defense spending were and how the budget would be balanced, what the revenues would be and the outlays and so forth.

There was a table that I gave to Bush and we talked about it. He’d ask me for a copy of table 2 every once in a while and every time he finished an event, a presentation, he would tear up what he had and throw it away. So I finally made 25 copies of table 2 and carried them around with me. When he said, “Annelise, can I have table 2?” I said, “Yes, right there.” He’d take it and do that.

Young: So you were an important link, seeing this through Bush’s eyes, with the Reagan campaign.

Anderson: Well, they expected me to do my work out there. As I say, nobody told me what to do. Time called me the Reagan mole, and Bush thought I would be sensitive and would be hurt by that and said, “Don’t show this copy of Time magazine to Annelise,” as he called me. But, of course I saw it, you couldn’t do that. But I wasn’t a mole. Nobody wanted me to report back to them on Bush or anything else. I was there to help him. The Reagan staff was so busy they were very hard to get to. Bush had a meeting in New Mexico, I think, with the leaders of Indian tribes, so the question was, “What’s Reagan’s position on Indians?”

I called somebody who was an aide, one of the people that I was able to figure out how to reach who was a congressional Republican expert on Indian policy, and he advised me on some things. The basic purpose was to brief Bush. Now, he hadn’t asked me to find out about this, it’s just that if I was to be useful out there and do my job, I should be able to tell him about Indians and Indian policy. I thought that I ought to call the Reagan campaign and find out what Reagan’s position was on Indians, and actually they didn’t have much of a policy specifically on Indians. The person I got on the Reagan campaign happened to be Marty and I said, “What’s Reagan’s position on Indians?” Marty said, “Annelise, he likes them.” That was it.

About all I was able to tell Bush was that he should consult. He was meeting with Indian leaders and they felt they hadn’t been listened to and that their viewpoint hadn’t been taken into account. The thing that would be most effective was to agree to consult and to listen to what they had to say about education, water rights, whatever the issue happened to be. So we didn’t have too much on that.

Young: Can we go back to that meeting at the hotel near the Los Angeles Airport?
Anderson: After the convention.

Young: Right. You said this was an important meeting, and the cast of characters would guarantee that. I’d like to hear more about that meeting and what the de facto agenda was. This was just planning campaigns? Or was it a significant, substantive meeting? Bush was there, Reagan was there, the campaign principals were there, Nancy Reagan was there.

Anderson: Nancy was there some of the time. Other people might have been there as well. I’m sorry I don’t remember that very well or have notes on it, but I believe that some of the things were: What do we need to do? Ed Meese was there. Casey must have been there by that time. I don’t know whether people came in and briefed on substantive issues. Dick Allen was there. What we were basically doing was saying, “What are the main things we have to address, the main themes? What do we have to do in the campaign?” Possibly presenting to the candidates some overviews of issues and stuff.

You know, he’d [Reagan] been speaking for a long time and he’d been giving radio addresses. From ’75 to ’79 he’d given 1,050 radio addresses. He wrote 670 in his own hand and another six or eight that didn’t get used on the air in the end. These were all short essays on issues. So he’d basically been talking about these things for a long time. He knew what he thought. He had positions on the issues.

Now, what do you focus on as main points in a campaign, or what do you develop in terms of advertising strategy or something like that?

Young: And opposition research. Reagan wasn’t running against anybody when he was writing those radio addresses—

Anderson: No, he wasn’t.

Young: He was developing, articulating his own positions—

Anderson: In fact, when he was an announced candidate he didn’t do the radio addresses or the newspaper columns. He immediately gave them up. The timing of his announcement, especially the November 13th, 1979, announcement, was fairly late. He could have announced earlier, he knew he was going to run. As soon as he announces, he has to quit doing the newspaper columns and the radio addresses, and he gives up the income from that as well. So until then, he’s speaking on issues. He may criticize a policy but he’s not running against a candidate.

Young: Now he’s got to win an election.

Anderson: Yes.

Young: Was he there to listen, mostly?

Anderson: Yes.
Young: Not to direct?

Anderson: He was there to listen, mostly. The agenda was organized; he didn’t organize the agenda. I wish I had better notes on that or was able to find them because I think he participated actively in terms of asking questions, discussing things, and saying what he wanted to do.

Young: Bush was there to listen also?

Anderson: Bush was only there for one day or for an afternoon or something like that. He wasn’t there the whole time.

Much of the discussion was scheduling. You know scheduling is a major thing. Now some of that may have been already in the works and planned. People discussed what the travel arrangements should be, or whether you tried to visit all of the 50 states in the union or whether you don’t. That means you’ve got to take a big hunk of time to go to Hawaii and Alaska, and I don’t think they did that. Or whether Bush should spend time, what your polls are. I don’t know if Wirthlin was there and he reported on the polls. I just don’t remember.

Young: During the campaign, things went smoothly between the Bush staff and campaign people and the Reagan ones? They didn’t get in each other’s way?

Anderson: No.

Young: Very much in contrast to the Bush-[Danforth] Quayle campaign?

Anderson: I don’t know about the Bush-Quayle campaign.

Young: Well, there was a lot of conflict between them, and Quayle was—

Anderson: Jimmy Baker went into campaign headquarters. He had been Bush’s campaign manager. He’s a very affable, smart, well-organized guy, a lawyer. He started negotiating on the debates. So one of the issues is, “Do you debate? How often? What rules do you set up? Do you want it to be this way or that way? What do you want to try to get?” And so forth. So Jimmy Baker was negotiating on debates. Before I went out on the road, which I did the day after Labor Day or something, was the formal start of the traveling campaign. We had a meeting in the Arlington headquarters every morning with Ed Meese and a bunch of the senior staff, and we talked about issues and things to follow up and what we were focusing on and so forth.

Young: So you didn’t run across Stu Spencer very much?

Anderson: No, I don’t know where Stu was hanging out. He wasn’t traveling. It’s possible he came on a campaign trip now and then, but I don’t think so. Stu Spencer was in headquarters or he might have traveled on the Reagan tour. He was overall political strategy guy and consultant, not a day-to-day—Casey was the day-to-day campaign manager. [Paul] Laxalt was the chairman
of the campaign and a senior, very top level, personal advisor, old friend of the President’s, but not a day-to-day hands-on person. Wirthlin was the pollster.

**Young:** I think Spencer did go on the plane—

**Anderson:** With Reagan.

**Knott:** Yes.

**Anderson:** But not all the time. A lot?

**Knott:** Quite a bit, that’s my recollection of our interview with him.

**Anderson:** The Bush and Reagan folks had one joint appearance, possibly in Houston or somewhere like that, I don’t know.

**Knott:** Could I ask you a question or two about the transition before we break for lunch? Then after lunch we can get right into the administration and get some of your broader reflections on Ronald Reagan as President.

**Anderson:** Okay.

**Knott:** Could you tell us what you did during the Reagan transition? I know you were involved in some personnel matters of some great importance—and why?

**Anderson:** Well, the transition was pretty well organized. We had teams out in the different departments and so forth, and I was one of four or five people working for Pen James who were in charge of staffing different parts of the government. I had three Cabinet departments that I was staffing and a few agencies that I was supposed to pay attention to. So I had Treasury, Transportation, and Commerce that I was responsible for.

**Young:** HUD [Housing and Urban Development]? Which came under your wing at OMB [Office of Management and Budget], but not during the transition?

**Anderson:** Not during the transition.

**Young:** And not Justice?

**Anderson:** No. So those became part of the portfolio at OMB. But at that time I didn’t have the OMB job and I didn’t know what job I’d be doing in the Reagan administration. In fact I didn’t have my eye on that job. After the Bush tour they thought I’d go off to Reagan headquarters for election night, but I stayed with Bush and was the first person there to realize, on the basis of Wirthlin’s numbers, that we we’d win the Senate. So that was really exciting. Marty started right in on what had to be done in policy.
I talked to Ed Meese about the personnel area. Personnel is a truly thankless task. But if you know a lot of people, it’s also enormous leverage to be able to—What Pen James’ office was doing, working for, under the overall direction of Ed Meese, was sub-Cabinet, everything in the government except the Cabinet, everything that was appointed. Now, there are two to three thousand appointed positions. There’s a book, the policy and supporting positions that are the Schedule Cs and the As. It tells what term they serve, when they come up, how much they’re paid, and all of that, and that’s put out every four years for this purpose. So there are appointment people doing this sort of thing now. I did that.

[BREAK]

Knott: I think we left off talking about your role during the transition in terms of personnel selection. Have we exhausted that subject? Are we ready to move on? Unless, Dr. Anderson, you wanted to add anything to that?

Anderson: That’s really pretty interesting. Somebody here asked this question about how we decided what the standards were. We felt that people should agree with the President’s position or philosophy or program if there was one expressed in the area in which they were going to be employed. If they were supporters, it would be nice if they had worked for him in some capacity, or expressed support rather than for the opposition, that they have integrity, and that they be competent in the area in which they were going to be. Those were the basic criteria that we used. We had a huge computer system—it seemed very good—in which there must have been 40,000 names or something like that. This had been set up by Pen James before the election. Most of this has to be done before the election.

There might have been some names in there, but I think most of the names we entered as résumés came in or as people were recommended, and if there might be a job in an area. We had to figure out all these jobs. The Heritage Foundation helped with some descriptions of what these jobs do and what kind of backgrounds you want and what some immediate tasks of the person who takes those jobs might be.

Since these were presidential appointments we were dealing with, we tried to get three choices for each job, all of whom would be people who met the criteria for working for the Reagan administration. This list would be approved by Ed Meese, Marty Anderson, and the other people who would ultimately be advising the President on the appointment. Then the Secretary designated for that area, like Don Regan in Treasury, would receive this book with the description of the jobs and the list of names. He’d be able to interview, ideally, these three people and pick one. That worked precisely and exactly in terms of his Assistant Secretary for Tax Policy, which ultimately became [John] Buck Chapoton. In other areas, we just couldn’t come up with many people. In some areas we couldn’t come up with any people at all.
So, basically, I was putting together the books for the Secretaries and the lists of names and getting them approved through this committee that was ultimately going to recommend them to Reagan. Recommendations were coming from all over. They were coming from state organizations or Republicans, they were coming from other people in the campaign. I had one recommendation from Nancy Reagan for the Assistant Secretary of the Treasury for Domestic Markets, I think. His name was Roger W. Mehle.

I was thinking it was an interesting thing to tell you about Roger Mehle, Assistant Secretary for Domestic Finance. It was the only recommendation that I had for someone for domestic finance, and I noted that Nancy Reagan had recommended him. I determined that Roger Mehle was the son of Suzy, who was a Hollywood reporter. I also checked Roger Mehle out by calling other people, discovered that Roger was a really good guy and that he would be excellent for this position. He really knew about it and so forth. I took Nancy Reagan’s recommendation off the list that I sent forward to the committee. I thought it would hurt Roger, and the fact that his mother was a friend of Nancy and a Hollywood gossip columnist. I left that out, it went forward, and he got the job.

Don Regan eventually interviewed these people, and by the time Don Regan was appointed as Secretary-designate of the Treasury, I had a book with all the people in the Treasury. I also had the recommendations for Don. Treasury had a Deputy Secretary and two undersecretaries, one for monetary policy for which Milton Friedman and other people had recommended Beryl Sprinkel—Beryl Sprinkel got that job—and one for tax policy. The other one was a floating undersecretary and it was possible for Don Regan to designate that job to do anything that he wanted it to do. So we recommended to him that he make that position an undersecretary for economic policy. He had an Assistant Secretary in the structure for economic policy, but we said, “Make this one an undersecretary and you still have the Assistant Secretary.” We got Norm Ture to do the undersecretary for Economic Policy and we had [Paul] Craig Roberts as Assistant Secretary for Economic Policy.

The supply-siders wanted a supply-side person in the monetary policy, and I said, “No, that has to be a real monetarist.” That’s why we had Beryl Sprinkel over there. So there were two sides to the Treasury. There was a monetary side and a supply-side, and Don Regan said once that his meetings were like seminars. I said, “That’s right, that’s exactly what I wanted to achieve.” There were both sides represented in that Treasury, so that was pretty nice. Now Don Regan was very good because he wanted to staff the Department of the Treasury immediately and he considered it very important to move forward and get his staff in place.

The Secretary of Commerce, [Malcolm] Mac Baldrige, was presented with a plan by Joe Wright, who was working in the personnel office. He was presented with a plan for reorganizing the department, which required, I believe, some approval or legislation by Congress. He spent the first six months of the administration trying to figure out how to reorganize something when he didn’t have any people to help him at all. He was very late in getting his people in place and getting things going. He had loads to do.

Drew Lewis was the other area where I helped him staff. Drew had some good ideas. I put some of the paperwork together for him, but basically Drew knew who he wanted to do railroads and
highways, the airline stuff [FAA] in which we had a PATCO [Professional Air Traffic Controllers Association] strike coming up. Basically, he knew that, and who he wanted to run Conrail, which was the other major area. Don Regan didn’t know nearly as much and didn’t know who the people were.

Selverstone: Were you seeing any trends in the people who were showing up? Articles seemed to suggest that there were lots of people coming from business as opposed to academia.

Anderson: I don’t think so because first of all, the Reagan campaign, probably because of Marty, had a huge range of academic advisors and of people who had been contacted and whose input they had, you know? Beryl Sprinkel and Norm Ture both had PhDs. Mac Baldrige was from the business world; Don Regan was of course from Merrill Lynch. Paul Craig Roberts was a professor, an academic, Buck Chapoton was a lawyer. Roger Mehle was a Wall Street type. I think that in the transportation area they were probably people who had worked in these fields, but when you have task forces that have 25 to 50 people in a field, you’ve got to have a lot of at least potential academic input. So I’d be surprised if that would hold up, if you were able to do any counting of numbers.

Knott: Would you talk about your own appointment as Associate Director of OMB? How that came about? You mentioned earlier that it caught you by surprise.

Anderson: I didn’t know what in the administration might be really good for me to do, and I wasn’t a senior enough person in that area to be, say, a member of the Council of Economic Advisors. One possibility was working at the Council in some capacity; however, I’d been teaching finance and economics and I was good at budget and accounting stuff, finance, corporate financial policy, and that sort of thing. Once I got acquainted through the personnel thing with what these departments and agencies did, it seemed to me that the budget, given its centrality to what Reagan wanted to do, was a good place. And that economics, the Associate Director for Economics and Government, which basically is a short way of saying those five Cabinet departments and 40 agencies, was ideal.

I talked to someone who’d held one of these associate director jobs, and we agreed that changing policy meant moving money around, and if you weren’t moving money around, you weren’t changing policy. So numbers, dollars, were involved in virtually every aspect of policy, not everything. There are some things, like perhaps abortion, that don’t involve dollar numbers, although even that converts into a dollar issue too in terms of what you fund and what you don’t, but most of it is more obvious than that. Either you’re supporting a program or you’re cutting it, you’re refusing funds for it or apportioning funds or whatever.

Knott: Had David Stockman been selected prior to you?

Anderson: Yes, David Stockman had been selected and he brought with him probably four people from the Hill. Two of the other associate directors were former Stockman aides, Fred Khedouri and Don Moran, and he brought somebody with him who headed up the congressional relations office and someone who worked with him very definitely on getting legislation passed.
I guess she was connected with that, too, J.L. [Jonna] Cullen. She’d worked extensively with the Rules Committee.

In spite of the fact that these are Director’s appointments and not presidential appointments, I don’t think that he had the right to pick all of the people who worked for him. I think this is one of the conflicts in presidential personnel, that a Secretary or a Director of an agency ought to be able to pick some of the people who worked for them. But they are working for the President and they should feel some commitment to the President that’s independent of their commitment to the Director who hired them.

So a guy like Don Regan, you don’t want everybody working for him to have their commitment only to him, it’s appropriate that they’re presidential appointments. On the other hand, you can’t expect people to hire people they don’t get along with. So I don’t think Al Haig had any choice about his Deputy Secretary of State. I don’t think Stockman had much choice about me, although he could have objected. I think I was recommended by the campaign to him. He was expected to take a couple of people who were so recommended, and he did.

I interviewed him, or he interviewed me, and he wanted to know why I wanted to do it. I told him I thought it was really important, and he said, “Well, let’s see, what do you think about the Small Business Administration?” and I said, “Well, politically it’s impossible to get rid of it, otherwise it’s useless.” He said, “Okay.”

We talked about what we were going to do about the Post Office because obviously it had its—and we agreed. I don’t know if I offered this or he did—that the thing is to keep it from getting into any new areas. Just limit it to what they were doing and eventually other technology would take its place.

It wasn’t a major challenge, but one of the things I did at OMB for instance: The post office made a little bit of effort to try to turn electronic mail into a postal route, treat it the way they treat first class mail, but there’s no competition. And that was the kind of thing, we said, “It’s a white elephant. Let’s just not let it get any bigger.” Then Stockman sent me and some other people—we met with people at OMB before the administration took office and tried to start working on things and getting some numbers together.

Knott: Looking back, how effective do you think David Stockman was as the Director of OMB?

Anderson: I think that he was enormously effective until the Atlantic Monthly article. I think that did him a lot of damage within the administration. Stockman was enormously bright and knew all kinds of details about the budget and he could summarize a great deal of information or outline what he wanted from the staff, get it, and absorb a great deal of information very quickly.

What he had with the Cabinet was the blessing of Reagan and the other senior staff in the White House that what he said about the overall budget was important. If he said, “We have to cut 10 percent from domestic spending,” the Cabinet would pay attention and take it as part of their overall assignment. And if Stockman said, “This much for housing, this much for transportation, this much for commerce,” they would follow that and do it.
After the *Atlantic Monthly* thing, they didn’t pay much attention to him. So, with any kind of a budget you’ve got to look at what box everything has to fit into and unless your box has some authority, the budget just creeps and you can’t do anything. Everything looks good in terms of an expenditure, or just about everything. So unless you have some reason to limit the overall and some authority in doing that, the budget ends up being the sum of what everybody wants.

**Knott:** Did your relationship with Stockman change after the piece came out?

**Anderson:** I think it became a little cooler. You know why—

**Young:** Before that, what was the impact of the working relationship? After your initial interview and you got the Post Office and the Small Business Administration signals straight, did he—

**Anderson:** There were other things.

**Young:** Did he just sort of leave you on your own or—

**Anderson:** Well, we met every morning at 7:30, all the associate directors. There’s also a General Counsel at OMB, who eventually was Michael Horowitz. There’s an economist, who was Larry Kudlow. Larry’s doing the television program right now. Larry Kudlow and I were good friends. I think that Jimmy Miller was the first Director of the Office of Information and Regulatory Affairs. He attended the morning meeting, and David Gerson, who was Stockman’s personal aide, and the four associate directors, and the senior person, who was the head of the civil service staff of OMB, the senior civil servant, was there. So we had quite a big staff meeting.

Ed Harper, the Deputy Director of OMB, was there. Ed would then go off to the White House, to their morning staff meeting at 8 o’clock, and carry over and then bring back anything for OMB. We met at 7:30 in the morning and looked at things we had to do and what Stockman wanted and the news. We were expected to have read the papers at that point, and then we would probably have one or two other reasons to meet on a specific subject during the day or at night.

The first year we worked regularly until seven, eight, or nine every night, and on Saturdays.

**Young:** But in terms of the working relationships, Stockman wasn’t on everybody’s back all the time, or was he? Was he always checking up? How much freedom, how much latitude was he giving to which associates?

**Anderson:** One of the things I discovered, that I didn’t realize at first, was that I was expected to negotiate budgets with Secretaries or heads of agencies. I finally figured out that anything below about $100 million I would just negotiate on my own without asking him. Anything larger than that amount, I might consult him about where he wanted to come out in the end. But if it was $67 million for the Securities and Exchange Commission, that was not a major amount of money. And whether you got it 10 percent right or wrong didn’t really matter. There were items to
negotiate like a $2.5 billion rail project in the northeast, in the rail that runs between Washington and New York—the Northeast Corridor Improvement Project. That was major.

Then, if you don’t reach an agreement and you can’t get what you think you ought to get, you bring the negotiation to a higher level and then the Secretary would have to meet with Stockman.

Young: You didn’t understand that you would be a negotiator?

Anderson: No, I didn’t know that.

Young: How did you find it out?

Anderson: He said, “Get over there and talk to Drew Lewis about the Northeast Corridor Improvement Project. Try to get a couple hundred million out of that.” Then I had another experience that taught me about this. Somebody called me from—OMB has a legislative—

Young: Reference?

Anderson: Legislative reference, maybe that’s what it’s called.

Young: It’s a nice word.

Anderson: Yes, legislative reference. And they called and said that they needed a position on some Superfund legislation. And I said, “Oh, there are people in Congressional Affairs whom you can call, and I will get the number for you.” And they said, “Annelise, you don’t understand. The people in Congressional Affairs are calling us, and you have to provide the position.” I said, “Oh.” And so they said, “Don’t worry about this. There’s someone on his way to you, even as we speak, with a paper that is a decision memorandum. You need only check the appropriate box.”

Okay, so it said, “What should the position on the Superfund legislation be?” And it said, “Approve,” or—it had a few choices. I talked to this person and I said, “This legislation isn’t good.” After I read it a little bit, all of a sudden I knew right where it was and I said, “We should have something stronger than this.” And they said, “If you want to indicate a veto possibility on this, you can write that this program is inconsistent with the policies of the President.” I said, “Good, that’s what I want to do.” I wrote something else and said, “Inconsistent with the policies of the President,” and handed it back. It was done in about five minutes.

Then they called me up and the staff didn’t like my position on this—the OMB staff—and they said, “Have you consulted with Fred Khedouri?” Fred Khedouri was the Associate Director for Natural Resources and the Environment and he actually had the EPA Agency underneath him. I called Fred and said, “Fred, what do you think about this?” He said, “Oh Annelise, that’s awful legislation.” I said, “Okay, can I put you down as agreeing with this?” He said, “Sure.” So I wrote, “Khedouri concurs.” So that was how I found out that I had to take positions on these things.
Every Friday afternoon there would be a calendar of 20 to 30, maybe even more, pieces of legislation that were to come up in the House on the following Monday or Tuesday, on which the administration had to provide a position, and the administration coordinated the position on legislation for all the agencies so that we spoke with one voice. So if we had to figure out what anybody else thought, it all came through OMB. Eventually, if we had to consult with the White House, then we did, but otherwise, OMB would give out our position on this legislation that stood for the administration.

Every Friday afternoon we had to go through 30, 40, 50 of these things that were going to come up on the exception calendar, that were going to come up in Congress to be voted either up or down. Because you know they do thousands of bills every year. A lot of them they have to do just “yes” or “no” with no amendments. So we had to say whether—if we severely objected, then it would probably be taken off the exceptions calendar and it would not come up that way. We met and spent an hour and ripped through all this legislation saying, “Yes, no, whatever,” so that was part of that too.

Young: On the Superfund issue for example, a big ticket item, what was the means by which you or OMB assured itself that it was in tune with the President’s or the White House’s thinking?

Anderson: That’s interesting.

Young: There wasn’t a routine?

Anderson: No, those of us who were from the Reagan campaign, one of the things that we all had when we went into office, if we’d worked for him—and probably a lot of people who hadn’t—is that we had a confidence that we knew what he thought. His overall thinking about issues and government and philosophy and political approach was very clear. We need only apply it to something specific and we’d know what he would have thought if he’d taken the time to read the details on the issue. I remember one issue on which the staff struggled for ages, and in fact, it took them so long to get the paper to me that I’d already sat down and written it out and sent it forward. There were an enormous number—

Young: Had not been vetted by the staff—

Anderson: Not by the OMB staff. But generally, we didn’t need to consult. If it got to Stockman, to the point where he had questions about what the administration’s policy was or what the President’s policy was, then that was something that was brought up in a White House staff meeting. The White House established—Ed Meese, basically, and Marty—the Cabinet Council, so if there was a new issue or a policy problem that needed to be brought up among a subgroup of Cabinet members and their aides so that they could reach judgment on what ought to be done, then that was done in that way. OMB was part of those. I went to a lot of those meetings.

Young: To Cabinet Councils.

Anderson: Yes.
Young: So the outcome there became your guide. If there was—

Anderson: Then we knew what the policy was. Right.

Young: Those were for the issues that weren’t clear-cut Reagan issues.

Anderson: Right. On major policy directions. But some of this, in terms of legislation, whether you have no objection, or whether you’re for or against it, when you think that there are thousands of bills passed every year, not every one of those is a separate issue that you need to debate. Some of them, it’s pretty obvious where the administration lies or what Reagan has said.

Young: What would happen if OMB decided there ought to be a change in the administration’s, or Reagan’s position? In terms of budget priorities or funding, what would happen there? I’m thinking of the defense budget. These are large issues in which you would have to do more to bring the defense spending under control, if I’m reading from the newspapers correctly, than was being done.

Anderson: Well, I think Bill Schneider was Associate Director of OMB for the defense and international affairs area. Bill Schneider was John Tower’s recommendation. So Schneider was not a Stockman person and he also was interested overall in doing what the defense interests wanted. In other words, he was there to help Tower, and Reagan, and everybody else increase national defense. So he wasn’t particularly interested—

Young: And [Caspar] Cap Weinberger?

Anderson: And Weinberger, right. This is part of, “We need to build this up,” and basically I agreed with that too. But he wasn’t someone to whom Stockman could turn for strategy or even very many specifics. If they knew stuff was going to be cut, Schneider might help figure out the best place to do it that would do the least harm. But Schneider was not promoting controlling the budget.

Stockman made a mistake early on in calculating rates of growth in the defense budget. He admits that he got that wrong, and he did get it badly wrong. So defense was set on a higher level of increase than had been planned and Stockman desperately wanted to produce a balanced budget. Reagan was a lot less concerned. Reagan had always said during the campaign that if you’re going to increase defense and cut taxes, the third objective is balancing the budget. You don’t give up the first two in order to achieve the third, so that’s the one that falls out. And they’re obviously related. So that’s what happened.

Stockman wanted to cut defense. He thought it was increasing too fast, basically had to get some cuts in defense in order to get anywhere with the budget, given that the economy had turned down and the Fed was fulfilling the fourth goal of the Reagan economic program, which was to control inflation. So inflation was coming right down and that knocked the hell out of revenues as well as the recession. So it was partly the steep decrease in the rate of inflation that prevented people from going into higher tax brackets. That was eventually legislated away when the tax
brackets were indexed. But that legislation wasn’t passed until the summer. So you know people
were getting into higher tax brackets and you had the tax revenue coming in. Then that went
away. So, that was a problem.

**Young:** You spoke a moment ago about Stockman’s change in fortunes after the article, after he
spoke to the press, but you were referring to within the administration. Did they also change in
Congress? I believe Stockman was a former member of Congress—

**Anderson:** Yes, from Michigan.

**Young:** The first one to be OMB Director, and that had been his sort of baby in Congress too. So
what happened on the Hill? You began to see at some point, I don’t know at what juncture,
references and news articles, “Reagan’s budget is dead on arrival.”

**Anderson:** Well, that’s true. The Hill kind of threw it out. I mean, they said they wouldn’t
consider it, although it was still the base. It has to be the base for the budget negotiations because
they need a detailed document, and only the Executive branch can produce that detailed
document of something as complex as the federal budget had become.

I believe that it must have affected Stockman on the Hill. I don’t think I ever went up there with
him when he testified. He testified often, but we were busy doing other things. I don’t know to
what extent it hurt him. I think that he had less authority within the administration, and less
ability to carry forth—to be persuasive with the President and the Cabinet. The other thing that
happened to him as a result of the piece in the magazine is that Deaver and Meese thought he
ought to be fired. Only [James] Baker thought he should stay. He kind of got to be Baker’s man,
because any time Baker decided that Stockman was to go, he would probably be gone like that.
Then you have Baker, Deaver, and Meese recommending to the President that he be fired.

The President was very supportive of people until he finally decided that they had to go. And so
he defended them, he wrote nice things about them. Other people wrote to him and complained,
and he said, “He’s doing a job for me, he didn’t mean it,” etc.

**Knott:** He hated to fire people?

**Anderson:** Yes, that’s what everybody says. But he hated also to find that they had betrayed
him. He’d rather find that they made a mistake, or that the reporter to whom Stockman spoke had
not followed the rules that he had agreed on, that Stockman had not expected this to happen, that
he hadn’t meant that he wasn’t in support of the President’s program and so forth.

**Young:** In other words, to think the best he could of the person, not the worst.

**Anderson:** That’s right. That’s what he tries to do.

**Young:** Was that a difference between him and Richard Nixon?
Anderson: Oh, I’d imagine it was, I don’t know. Although we’re talking about people here who worked for Reagan and who knew him personally, not about outsiders, people with whom he may feel opposition or difference. Communists in Hollywood or whatever.

Young: The best of his own people.

Anderson: Right, he wants to think the best of his own people.

Knott: It was reported at the time and it sort of persists to this day that there was this split within the Reagan White House. You had the pragmatists like James Baker and perhaps Michael Deaver on one side, and you had Ed Meese and maybe Martin Anderson and others on the other side. Is that a correct way of looking at the Reagan White House from your perspective? Was there this split, or is that overstated?

Anderson: I was trying to figure this out the other day. I think that overall there was a great deal of agreement, including on Jimmy Baker’s part, who was the chief pragmatist if there was one, on the basic principles and philosophy of government. I think there were disagreements on what could be accomplished both domestically and internationally. For instance, there were great splits, supposedly, in international affairs, and I’m sure that [George] Shultz will mention some of this for you, that some people felt that it was absolutely impossible to negotiate anything with the Soviets. Shultz didn’t hold that view, and I’ll let him speak for himself, but basically he thought that there were at least interests that you could achieve in common, there was some place you could get.

Now, that isn’t a difference between, for instance, Cap Weinberger and George Shultz on the nature of the Soviet system. It isn’t that one of them thinks it’s good and the other thinks it’s bad, okay? Shultz isn’t soft. This is a mistake. It’s a difference in what you can achieve by talking to an opponent, and what’s actually possible. I think there were a lot of disagreements of that type in the Reagan White House, both on the international—[William] Clark was one of the people, like Weinberger, who thought perhaps there’s no way you can do this. Yet he helped Reagan write the letter to [Yuri] Andropov at Camp David. Clark was in office at the time that Reagan wrote the letter to Andropov.

Probably Haig fundamentally disagreed with Reagan on matters of foreign policy. Reagan felt he disagreed. There were disagreements on what could be achieved. Haig was different. Haig really disagreed. Almost nobody agreed at all with Reagan, that it was possible to get rid of nuclear weapons. Everybody thought that that was not a realistic objective in the world. Shultz can tell you about how he worked with people on that issue. But there were disagreements on what could be achieved, what was reasonable to try to accomplish, even when you shared the underlying beliefs.

And there was competition for power. I don’t have a feeling on the extent to which this kind of jockeying for power exists in other administrations. This is a world of power, that’s what it’s about. You want to decide as much as you can—this is what people are interested in. They’re there because they like power, because they are interested in it, because they enjoy its exercise. They may have other objectives. Marty’s probably the least like this of anybody I know in this
area. But they feel strongly about the world and the United States in the world, and they want to determine the direction of it and how it is going to be. They work very hard to get there and whether they’re good guys or bad guys, they want to have this influence over the direction of the world.

Some of them, perhaps, want power for monetary purposes. I think most of the people at this level don’t, really. They want to do okay, but ultimately that’s not the primary motivation. It’s hard to know everybody’s motives in everything.

Knott: Were you at all disappointed, from your position at OMB and your concern with budget deficits, that the President was not tough enough on this issue? I think this is one of the criticisms that David Stockman makes toward—

Anderson: Well, you know Stockman presented—this was sometime during 1982, I have handwritten drafts of some of what he wrote, that was in my area that he worked out. And he presented to the President options A, B, and C on a wide range of programs. I think that this was very difficult because here you get a one-sentence, one-shot thing. What should be done with the land remote sensing program in the Department of Commerce? What is it? What does it do? Is it important? Do people depend on it? How much have we spent before? What does it mean to have or not have a hot spare on the ground? Right? What are we talking about? How long do we have? How many of these programs are there?

So Stockman says, “Severely cut back, provide a reasonable amount, or provide everything the department wants.” Well between A, B, and C, that’s choice B, right? Choice A is too low, C is too high, and B is the only reasonable thing. So he makes his presentation to Reagan, and the President picks B.

Knott: There’s no attempt to evaluate on the substance of these things?

Anderson: Well, what I was saying with the Landsat example, there are only a certain number of things you can elaborate on. I mean the President can ask for more information, but basically, the choices and the numbers were almost predetermined. But do you want too much, not enough, or just the right amount? Of course, you want just the right amount. I mean, you’re a rational man, right? If there’s no other choice.

Then somebody says, “Well, you know, you chose just the right amount on all this stuff, and you haven’t cut the budget at all.” And that really is unfair. And Stockman did that to him. Maybe Stockman needed a different strategy. Maybe sitting down and reviewing the federal budget, even if you allowed two days for it, is simply much more than you can do and there has to be a different way to present these details. Or maybe these budget details should never be presented to the President. Maybe that’s not the way the budget ought to work in this day and age.

[Dwight] Eisenhower remarked on how there were 400 major programs in the domestic area and that if he met with the head of every one of them or considered every one of them each day of the year, he wouldn’t be finished. You know, one a day, and there are many more now. And those are just major programs without details. I don’t know in that sense how you focus budget
decisions, when the budget is one of many things that a President has to do. The only thing Stockman had to do was the budget. I had a part of it, and I could say to Stockman, “This is a good amount for this program,” or “This is reasonable, and I think this is where we ought to get some spending cuts, and I think we can maybe abolish this program, keep this one.” And he can say, “Okay.” But you can’t expect a President to either know or get into the details of something as huge as the federal budget.

**Knott:** Were there exceptions to that? Can you recall any instance where he may have taken a particular interest in a certain small item? We hear constantly of his aversion to detail. Is that an accurate understanding of President Reagan, that this was a person who didn’t particularly care for details?

**Anderson:** I don’t think that it was that he didn’t care for details. I think when he cared about detail he cared very much and got into it. I think he rather focused on the things that were to him really important, and he got into them in his letters. His correspondence indicates that he got into a lot of detail on specific issues when he was interested in doing so and that he found out—whether he requested some information from staff that he knew details of what was happening in the area of inflation and unemployment and things like that.

Shultz brought [Anatoly] Dobrynin over to meet him. They went around, I think Clark, in order to arrange that meeting, although Deaver had to help set it up. He had to be let in through the gate and stuff like that. But they talked for two hours and Reagan prepared fairly carefully for that. He carefully wrote out his own talking points for his meeting with [Andrei] Gromyko. I don’t know if you’ve seen the thing outside Shultz’s office where he wrote the talking points for the September 25th meeting with Gromyko. They’re in the book too.

**Young:** My gut tells me that these simplifications of the White House, Reagan and the White House, they’re simplifications and we have to—the pragmatists versus the ideologues—

**Anderson:** The great linear model where you’re either at the right or the left.

**Young:** Yes, and one of the important tasks of people is to try and understand where Reagan himself is in all of this, and that everything is a battle for the President’s mind. But the President has a mind of his own, you see, and he hasn’t thought through all the details perhaps. But I don’t know what Reagan would seek genuine direction on and what direction he did not need advice about. I have no way of knowing, but I hope you can, as your writings do, help to elaborate on—

**Anderson:** I think Reagan had looked at a lot of issues and spoken out on them. When you’ve done as many essays as he did radio addresses, plus you’ve campaigned for President with major speeches on both foreign and domestic policy and issues, I think he expected the details and the application to be done by his staff. I think he was sometimes surprised that he was even hearing about the details of these things. He was pretty busy worrying about things like the Russians and how to negotiate with them and what to do about some of these things and how to approach people, and how to take the next steps.
I saw him in a lot of Cabinet meetings where I was there because Stockman was there and the issue was something that was in my area. And he was possibly easily bored. He told stories that, as far as I heard them, were always pertinent to the issue at hand and that were supposed to be taken by people as representative of what he was thinking about and where he was, what his basic principles to be applied to this issue were. He didn’t get too much into details in the things that I saw.

**Knot:** I don’t know if we’re at the point to start asking the big, universal Reagan questions. We’re sort of veering in that direction. Do we want to pursue any more OMB-related matters?

**Young:** I have some more topics.

**Selverstone:** The balanced budget amendment. I wouldn’t mind hearing your thoughts on that.

**Anderson:** Oh yes, Reagan supported the balanced budget amendment. He had supported it for a long time. Balanced Budget Tax Limitation Amendment to the Constitution, and there was such an amendment that passed the Senate in 1982. I don’t recall the dates right now. OMB was in charge of this legislation and I wrote Stockman’s testimony on that.

At first Stockman wanted to say, “It’s really not possible to do it and I’m warning you, there will be problems.” In the end, I wrote the first draft that way because he told me to. He said, “What’s the matter, Annelise? This isn’t very enthusiastic.” I said, “Okay, I’ll take care of that.” So in the end it was what I would have wanted to write in the first place, which was a defense of the Balanced Budget Tax Limitation Amendment. That was the kind of thing we had a meeting on of Cabinet and Cabinet Council.

I remember talking to Cap Weinberger about it, in the Cabinet room or the Roosevelt room, and Cap saying, “Oh yes, we have to support this, obviously we have to support that.” And Defense was one of the things most likely to be hit with the Balanced Budget Tax Limitation Amendment because it put everything underneath the overall constitutional control. We, the Reagan administration, worked extremely hard and OMB worked hard on that, getting a discharge petition on the balanced budget legislation in the House. It was HJ Res 52 or 54, something like that, 57 in the Senate, and something else in the House.

The committee was not going to let it go to the floor of the House and we had to go around to get signatures initiated by the Congress, but basically the administration, OMB did a lot of the work to get it out of committee onto the floor of the House where it came to a vote. It failed to get the two-thirds majority necessary to send it out to the states.

Reagan afterwards said he was still trying, but basically that was the big try for a constitutional amendment to balance the budget, and it failed. There wasn’t any chance after that that you could get it. I mean there wasn’t any point in trying.

**Selverstone:** Your role in adding those clauses about “in time of national emergency”—I guess there were a couple of additions to it where there would be some kind of exception for maintaining a balanced budget. I think it was in wartime, but then in a national emergency,
which seemed to be a threshold below war, the ability not to have a balanced budget. Were you in favor of those clauses or did you add them, push for those?

**Anderson:** When were they added, do you know?

**Selverstone:** I don’t know exactly, but incrementally they came in through that—

**Anderson:** I read that Stockman was for that. I was in charge at OMB of the legislation. I was responsible for the administration’s position, partly because nobody else wanted to do it. They would come, all these amendments, to me, in the morning. By 7:30, before our morning meeting, I had to have a position on every amendment. I rolled a piece of paper in the typewriter and I rolled in the page with the amendments on it and I just typed the administration’s position. The girl sitting on the other side grabbed the paper out of the typewriter and went to the Hill with it. We didn’t even get a chance to Xerox it. I took positions on all kinds of things. The administration did have a basic strategy; we did not want to amend the draft on the Hill. So we said, “Not consistent with the position.” We just said, “No.”

**Selverstone:** I’d read that you were at least as interested seemingly in having this generate debate about the budget process itself as about instituting a balanced budget amendment, that the most important thing that could come out of this would be to encourage the American public to think harder—

**Anderson:** Oh, I probably said that in the testimony I gave. Yes, I’ve said that. I didn’t say it at the time, but I said that the process of getting the amendment ratified—after all, it has to go to all the state legislatures for ratification. It has to be ratified by three-fourths of them or something, right? So it’s a huge process. And during that time you’re really debating what the government ought to be doing and who ought to be paying for it, and that’s very valuable debate to have. I don’t think anybody else was making that argument. I made that argument later on.

**Knott:** Would you talk a little bit about the importance of Ed Meese? He’s the sort of domestic policy czar, I hate to use such a terrible term. Could you talk about his influence? During the years that you were at OMB he was in that position as chair. What’s the name of the group? Domestic policy council? Was this an influential force in terms of—

**Anderson:** Yes, all those Cabinet councils ran to determine policy issues, and when you set the agenda and develop the briefing papers for those meetings—which was done by Ed, Ed’s staff and Marty’s staff—you went a long way in the direction of determining what the choices would be and where you might go. So that was a very powerful position.

Ed had a lot of confidence in speaking for Reagan on policy issues, and there were a lot of things that it was assumed it was never necessary to go to the President with. I mean a huge number of little issues, like whether federal regulations should have to do with baggage at airlines, and rules and regulations about baggage and stuff like that. The federal government does absolutely everything. It processes fish, it does research on the processing of fish. And so it’s just incredible the number of things that you can get into. So a lot of people, I’m sure, felt that they were quite
confident, as I did, to make decisions on a fairly wide number of issues without consulting anybody else really.

**Knott:** Do you feel that you made some lasting, tangible progress in terms of getting a handle on the budget and these kinds of programs such as fish processing and so forth that upset you? Did you make some lasting changes?

**Anderson:** I don’t know. I suppose that for a time we managed to make some changes in some spending on some programs that we slowed down the rate of increase. Reagan, and Stockman on his behalf, in trying to cut the budget, at least made the point—and I think that this was an important point—that the overall federal government was just getting too big. Eventually somebody has to say, “Look, we’re spending too much money.” That didn’t apply to the defense area as far as Reagan was concerned. Some programs were eliminated. I got rid of the National Consumer Cooperative Bank. I mean, it’s gone. Of course, it never spent much money anyway. Overall, I think we have the government doing some of the major things that it did before. There might be a little bit of recognition that, say, in the area of welfare it’s possible to create dependency problems that are negative for people. But basically the government is still heavily involved in health and retirement and income maintenance, basic income security. Those are the basic areas that the New Deal got into, and I don’t think there’s a fundamental revision. There may be some revision in the way that we do some of these things, like trying to get away from creating permanent dependency in welfare and trying to get the private market more into things.

I don’t think fundamentally that we changed the role of the federal government. We’re barely holding on in the area of spending for non-defense and non-physical resources, excluding highways and airports and things like that, barely keeping the budget where it’s been. I think the view of the responsibility of the government, and the extent to which things are funded in health and retirement, is increasing rather than decreasing. That would have to be my assessment.

**Young:** Of course a new chapter is probably being written now in terms of government getting big and bigger after 9/11. There was nothing I think comparable to this in the Reagan experience or in the first Bush experience, and now it’s possible that this is becoming a great driving engine—

**Anderson:** I think that’s true.

**Young:** Just look at the numbers. Air security personnel and so forth—it’s a very impressive appearance of federal employees around the gate.

**Anderson:** Right. The internal security, the stuff that’s going to happen on the border, the stuff at airports, I think that biological identifiers or biometric identifiers are just inevitable. I think it’s only a question of—You know, you have to provide a thumbprint on a driver’s license in California at least, and now that information is systematically traded among law enforcement agencies around the country, instead of being solely the province of cases where there’s an interstate crime. All this information is available so that we can figure out who was where when.
When I was at LEAA, Law Enforcement Assistance Administration, during the Nixon administration, I had a job there for a while and I had a grant to work on my Ph.D. dissertation. I remember being quite horrified at the thought that there could be methods to identify automobiles by license numbers as they cross bridges. Now we do this routinely. And we have GPS [Global Positioning System] devices in automobiles. If you turn on your Onstar system, they know where you are. And the reason they want to know where you are is they want to know whether you’re shopping at Sears or Neiman-Marcus so that they can send you the proper stuff. Yet there’s going to be government interest in all this information in terms of where was your automobile, with the assumption that maybe you were in it, or someone in your family, and so we’re going to lose a huge amount of privacy.

Young: Not a libertarian moment.

Anderson: It’s not a libertarian moment, that’s the worst part of 9/11.

Knott: You were a strong opponent of a national ID card, is that correct?

Anderson: Yes, that was part of it with the—William French Smith basically. My view of the Cabinet is that the President puts them in charge of doing certain things and they’re supposed to take care of the special interest groups in these areas on his behalf. If they fail to do that, then they get into trouble and the President needs to replace them. So I don’t think that the problem is so much that they’re captured by their constituents as that they have a real responsibility that the President gives them to go and work with these people and get along with them.

William French Smith was dealing with the problem of illegal immigration and there had been a lot of studies of this and that, how many illegal aliens have been coming in. None of the studies were really that good, but Alan Simpson, the Senator from Wyoming, and somebody in the House wanted to have employer sanctions so that it became illegal to hire an illegal alien.

It was basically a Texas exception that hiring someone was not harboring them, so you could hire someone and if that person turned out to be illegal, you were not harboring an illegal alien. That was the Texas rule. It was the Texas Supreme Court decision about a Texas Supreme Court case. So you could hire anybody you wanted to. I thought that was sort of good because people came here when they wanted to work and they got jobs, and if they didn’t get jobs and they violated law enforcement and so forth, they could get sent back to wherever they came from. But William French Smith wanted employer sanctions where it becomes illegal to hire an illegal alien. You’ve got to check their identification. I opposed a national identity card.

Reagan said in the Cabinet meeting in which this was brought up, finally, someone on his Cabinet did what he always talked about the Cabinet doing, which is all of them advising him on everything. Mostly they just advised him on their own interests. But Jim Watt said that an identification was like the mark of the beast, religiously. This was greatly to be objected to, and Reagan said, “Why don’t we just brand them when they’re babies.” Of course, he’s being sarcastic and indicating that this really is a terrible thing and we should understand that that’s his position on it.
That basically stopped a national identity card in the legislation, but William French Smith continued to support the employer sanctions and it passed in 1986. Didn’t pass until then. Of course then Smith was no longer Attorney General, I think Ed Meese had become Attorney General. He was finally confirmed in 1985.

**Knott:** Could you tell us why you decided to leave OMB in 1983?

**Anderson:** Well, Marty left. Marty felt that the major directions of the administration had been set and that he wanted to get back to the academic world. He worked in Washington for a while. He was working on a book and felt he could stay there and not be in the administration, be part of the Hoover Institution but be in Washington. That worked for a while but not for terribly long. He really needed to come back here to Hoover.

Once he was out here I felt that I should come back. Otherwise I would have liked to stay. I was enjoying it, it was interesting. Stockman delegated, once he was persuaded to do so. Sometimes the budget would be so desperate, he’d say, “I have to see absolutely everything, everything.” Fred Khedouri and I would get together and say, “We’re going to do all the small agencies. We won’t bring those to you; we’ll get those all done. He’d finally say, “Okay.” But it was fun working for him. He was smart, he did delegate.

**Young:** It strikes me that Reagan and a lot of his people had a great sense of humor and a lot of joking relationships. I’m saying this because I don’t see this in the first Bush administration. Am I reading this wrong?

**Anderson:** I don’t know. Of course Reagan had a wonderful sense of humor. One of the stories that people tell—if you ever interview Colin Powell, you have to ask him this—Barney Oldfield was Reagan’s publicist when he was at Warner Brothers after the war, and he and Barney did a lot of stuff together. Barney wrote to the President often, and the President answered in his own hand, not all of the letters, but a few of them. He’d say, “I’m answering your last three letters here.” And Barney Oldfield sent jokes.

Colin Powell told Barney Oldfield, whom he met on the 40th Anniversary of D-Day, that every morning, at the National Security Advisory meeting, Reagan would get out the Barney Oldfield jokes and he’d pass them around and they’d all read the jokes and then they would do the National Security briefing. So you see, he really enjoyed this.

He traded jokes in letters with people. He passed around people’s letters that weren’t humorous, he said he was going to pass them around, but Barney Oldfield wrote jokes, a lot of jokes for him. Reagan loved that and he thought that you should begin a lot of things with them, like a speech. A lot of meetings he started off that way before he got into the serious stuff. Ask Colin Powell about that. I don’t know if he did that with other national security advisors or not.

**Young:** That’s an innovation in presidential history.

**Knott:** One item that we missed that we should have brought up earlier in the day is this 1978 meeting with George Shultz that occurred at your home.
Anderson: It wasn’t at our home. It was at George Shultz’s home on campus at 667 Dolores. That was a very good meeting. I think Michael Boskin was there, I’m not sure, but Marty and I and other fellows from the Hoover Institution. I guess Milton Friedman was there, probably John Cogan. We and some other people talked about a lot of policy issues, and he presented his views. It was very relaxed, quite an extensive discussion. His answers were not too long, to the point, and he was relaxed and friendly. He just sat in a chair.

I think it was the next day, it might have been that same day, Alan Greenspan and Marty and I and the Governor had lunch together. That was really probably a time when Alan Greenspan and “Governor Reagan,” as we called him, “Governor,” got acquainted, and David Stockman consulted Alan Greenspan on the budget during the transition in the early years, but that was extremely important for George Shultz supporting Ronald Reagan. It was critical.

Young: Tell us how this meeting came about.

Anderson: I think that was probably one of Marty’s ideas, that he got together with George and said, “Do you think this is a good idea?” George certainly wanted to get acquainted with and decide whether he was going to support someone who was likely to be a presidential candidate. George Shultz was important in financial support, in a wide range. He was, after all, CEO of Bechtel for quite a while. I don’t know if he was a member of the board at that time or what.

I didn’t know at the time, something else that I should cover, was early in the administration. I’m sure that Marty has mentioned to you this Economic Policy Advisory Board, the President’s Economic Policy Advisory Board that he set up. George Shultz chaired that board until he was appointed Secretary of State, which was, I think, a job that he really had his eye on for quite a while because he was under consideration for that job during the transition and Haig got it. Nixon recommended Haig rather strongly. George was interested in that job.

The President’s Economic Policy Advisory Board would meet, which had a lot of important people including Milton Friedman. The more you read Reagan’s casual statements on the budget or on the economy, the more he sounds like Friedman in terms of the question of the Fed. Do we really need the Fed, or should we be increasing the money supply? It doesn’t seem to make much difference how you take the money away from people, whether it’s through taxing, deficit, or selling bonds, you’re still spending the people’s money. That’s a Friedmanite concept that Friedman has developed, that spending is the real measure of government activity.

So this group met and they discussed major issues. The night before they met, Marty and George Shultz and I had dinner together in the Madison Hotel. George would usually order dinner from room service and have a very private dinner. There might have been somebody else there too, there were sometimes two or three other people there and I’m not sure who they were. And we would discuss—Marty and George would discuss—in detail what were the primary issues that the President needed to hear about from this Economic Policy Advisory Board. Then [the next day] Herb Stein, Art Laffer, Milton Friedman, and everybody would come in. David Stockman and Don Regan, Secretary of the Treasury, were always involved but didn’t really like this because this was outsiders telling your guy things, and then he could not follow your advice or
get off on a different track or whatever. So it was always better if you didn’t have a lot of outsiders feeding in ideas.

George would run the meeting to discuss all of these issues and elicit the opinions and judgment of the different people on the President’s Economic Advisory Board. Then Reagan would come in and George would summarize the discussions and the major issues and say, “The economy is difficult right now, but we think you should stay the course and you’re doing the right thing.” Milton would say something and Art Laffer would question whether it was appropriate to raise the gasoline tax. Reagan would respond to all their questions, but basically listen to their overall advice. He was getting advice from a group consisting of a former budget director, Secretary of the Treasury, Chairman of the Council. Arthur Burns was on this thing before he became Ambassador to Germany, so he was getting superb advice, input, and support.

Then this kind of advisory group turns around and can speak to the public on behalf of the President, not only saying what they think the President ought to do, but they can say, “The President has assured me—” It was confidential and yet it worked to engender support for an economic program that in the early years of the Reagan administration was quite difficult from the time the recession started in August of ’81. The low was in November of ’82. Then things started to improve, and economic growth continued for a long time. But those were hard months until late ’83, when it was pretty obvious that things were getting rolling again.

Young: So it was Shultz as an economist who was being tapped and brought in to dialogue with Ronald Reagan.

Anderson: Yes, as an economist, former Secretary of the Treasury, former Secretary of Labor, and former Director of the Office of Management and Budget. He had held those three positions and—

Young: And was a person of corporate—

Anderson: And corporate, right.

Young: America, and California. It all fit.

Anderson: And so it was a very good experience for the President, and it was one of the means that you keep the President current and the President keeps himself from becoming too isolated—

Young: Or too captive to a group very close to the White House.

Anderson: The other means that they use are getting news summaries and summaries of opinion that their communications office prepares for them. And then Reagan used the method of getting some correspondence. There were a wide range of people who could write to him directly because they put a code on it, and then there were some letters that were selected by Anne Higgins of his correspondence department from the general public on different issues. And he
got reports on polls and stuff like that, but it’s hard to stay in touch. He worried, he was concerned about that and looking for ways to do it.

But this kind of a group is very good. Now the Department of Defense has a Defense Policy Advisory Board that has former people in the field of defense and intelligence on it and Marty’s on that, and they meet and come to Washington. This is different from the President’s Foreign Intelligence Advisory Board. This is the Defense Policy Advisory Board, they meet with [Donald] Rumsfeld eventually and Richard Perle sets the agenda.

I wanted to mention something. When you said, “Did they ultimately achieve anything?” It’s hard to control these human resources domestic expenditures, it’s much easier to control defense. You can cut defense any time you really want to because there doesn’t seem to be the same kind of personal stake in the programs as there is in health and retirement and benefits and so forth, so you can build up defense and cut it back.

One area where the Reagan administration really did make significant changes is in deregulation. If you look at the fields in which they deregulated, part of this started under the Carter administration. So there’s no doubt that there were economic pressures to do this and there was even some legislation. But Reagan certainly continued it and furthered it. The field of energy, deregulating oil prices and continuing to do that. This came around in a way when Reagan had complete confidence in the American people, in their ability to produce and create, and in economic growth under circumstances when they weren’t over taxed and over regulated. He had confidence they could do that and that therefore we could compete with the Soviet Union.

There were doubts in the ’70s about whether or not the United States could compete with a centrally controlled economy that could direct resources and repress dissent. We had a free press, we had people deciding what they wanted, placing demands on government for benefits, etc., going out and spending their money on consumer goods instead of investing, possibly unwilling to be taxed for defense. Could we compete with a centrally controlled economy? Reagan thought that we could.

When he deregulated energy he not only had confidence in the market to produce, but also in 1986, when the price of oil dropped again, there were many things that were hard for the Soviet Union like Chernobyl, but the drop in oil prices denied them a major source of foreign currency that they’d been using to fund Cuba and eastern Europe and so forth. As someone within the administration said, “They were out of time, out of money, and out of luck.” So the deregulation was important in what happened. The energy, the domestic policy, and the foreign policy are part of the same package. That’s the basic idea.

The other areas in which there was significant deregulation included finance, where interest rates were decontrolled. You don’t always get it right the first time so we had the S&L [Savings and Loan] problem. Ultimately there was enormous deregulation of financial institutions, and in transportation—trucking, airlines and rail.

In 1981, the first year in office when all the budget stuff was happening, basic legislation made it possible to make Conrail profitable and eventually sell it for $2 billion or $2.6 billion instead of
paying to support it every year. So Conrail was the freight railroad; that was passed in 1981 and bore fruit in '86. Telecommunications—the legislation, the break up of AT&T [American Telephone and Telegraph]. The breakup of AT&T settled an anti-trust suit. They agreed to break up into the baby Bells. So this major telecommunication breakup occurs in basically 1981, I think, or early '82, and the IBM [International Business Machines] suit was dismissed.

These are major deregulations in finance, transportation, telecommunications, energy. And this regulation goes a little bit back and forth, but that has not been reversed. And that approach to the U.S. economy, that basically competition does work and it’s better at least to try to deregulate even if you get it wrong the first time, has held.

Knott: I was wondering if you might talk a bit about the changes, if any, in your perceptions of Ronald Reagan—the Reagan that you knew and worked for, and the Reagan that you found in the last few years doing your research on the first book and the book that will be out in late 2003. Has your understanding of Ronald Reagan changed as a result of your research?

Anderson: I think so. I’ve been absolutely amazed at the amount of the radio addresses that he was writing in the '70s, the speeches. We have his file from the White House of speeches that he wrote as well as earlier speeches that he wrote himself, like the first inaugural address and several other speeches. He got back from Reykjavik and there’s a draft of that speech, four pages or something like that, then they type it up and it gets edited and some people say you should include this, but basically he wrote his address to the nation after the Reykjavik summit.

I’m amazed at the range of issues on which he has a defined and sophisticated position, not only in speeches and radio addresses but also in the correspondence that he answers himself. There are thousands and thousands of letters and there are three or four hundred letters handwritten or dictated by him during the Presidency every year that are not staff-drafted. There are a huge number where there’s a reply in his name that has been previously written as a standard answer. But these are things where he writes the message himself.

The range of people that he keeps in touch with in the press, old friends from Des Moines from his radio days and from college, from Hollywood, from the Governorship and the people who supported him early on for that. Other people, family, you know, quite a few letters to his brother, Neil Reagan. There are other letters that we haven’t seen, a lot of letters to somebody like Walter Annenberg. But there are also letters that we don’t see unless we obtain the collection from the recipient, which we did. We got copies of all the Annenberg correspondence from him before he died. Because Reagan wrote him and put it in an envelope and sealed it and addressed the envelope and said, “Here, mail it for me.” And all the White House does then—or before that nobody—is Xerox the outside of the envelope and they say, “Sealed Presidential.” So there’s correspondence out there we haven’t seen.

So I’m amazed. I knew when we did the first book and we found the radio addresses and a few things from early stories that he wrote up through the Alzheimer’s letter, which is the last public writing, but he was a writer.
Then we found out things. For instance, when he was announcing sports in Iowa he also wrote stories for the newspaper. When he went to Hollywood he wrote stories back about becoming an actor in Hollywood. He writes all the time. Then there was a book of love letters to Nancy. So I think that the sophistication and detail on policy issues, and the sophistication in politics in terms of people’s motives and so forth that comes through this is a surprise to me, just the sheer volume of it. When he found the time to do this and how important it was.

The other thing you realize that he’s doing is that probably from the time that he decides to run for Governor, even after the Governorship and straight on through, he’s kind of running for President. Any idea that Nancy’s the driver and the one who wants to get ahead is completely not true. I mean, I think she supported him, but I think he was interested. He is systematically, consciously, keeping in touch with all the people, even fans from Hollywood who are supporting him, spreading the word. He’s working on it all the time.

Young: Could you say that Reagan was studying for the Presidency in ways, studying by thinking and by expressing himself and his views to other people, or studying for leadership or whatever you want to call it? How did this man come to—I mean, this is an extraordinary career.

Anderson: Yes it is.

Young: It’s difficult to imagine any parallel.

Anderson: It’s very interesting.

Young: Into Hollywood from where he came from—

Anderson: Right, of course he wanted to be an actor.

Young: And another career.

Anderson: But I think that the GE [General Electric] years, from which we have very little correspondence and very little that is handwritten, he was doing Q and A. I think that he decided early on, when he was working for GE and visiting their 135 plants, that Q and A was more effective than speeches.

The guy [Earl Dunckel] who’s traveling with him, who’s done an oral history, I talked to him and he gave me some correspondence. He writes that Reagan was very good at not only talking to the women but then talking to the guys. They walked the floor in these factories, miles and miles a day. You know, he wasn’t speaking to them at a distance. Then he started to do Q and A. First he was defending Hollywood to these people and he was partly promoting the GE Television Theater. This was an enormous audience and he was creating good community relations, which GE always wanted to do in their plants.

Then he would speak to Rotary and whoever else asked him. But he got acquainted with people and what their concerns were and what their feelings about government were when he was doing this Q and A with them. The company never told him what to say. They said, “You talk about
whatever you want to talk about, say whatever you want to say.” It wasn’t until 1962 that it got too much for them and they basically fired him. They asked him if he would just talk about GE products and he said, “No.” He didn’t want to do that. So gradually he went from talking about Hollywood to talking about what he thought the proper role of government was and whether government was getting too big and what it was doing.

By the time he got through with GE in ’62, he had several honed speeches. He always did the Q and A, but he had three or four, I think they were sequential speeches, about government and taxes and welfare and stuff like that that he had developed. So by the time he gave the Goldwater speech in ’64, it was the speech that he’d been giving on the GE tours and to Rotary and to different places. So he’d developed this communication with people and an understanding of how they felt about things.

The difference between the GE and Hollywood is, with Hollywood the audience wasn’t there. They were seeing him in a movie, but he wasn’t in a one-to-one relationship with them.

Young: So this is where the person talking to the audience via the camera eliminated the camera, so to speak, and started connecting with live audiences—

Anderson: And understanding how they felt, hearing from them. They were asking him questions.

Young: That’s from Hollywood to Broadway, where you’ve got a live audience and the audience is a person and the actor, you know, something happens there that doesn’t happen with the camera.

Anderson: That’s right. So he got that.

Young: And this was not show biz but it was discussing serious issues, discussing politics.

Anderson: That’s right, and they were enthusiastic about them. They did know him as an actor, and of course he was on the GE Theater. They probably watched that and it was fun for them to meet him. But the questions they were asking him were the questions about policy and government and big business, and why was government doing this and that and what were they doing about such and such, and expressing their views. I think the GE period was very important.

Young: Do you have any transcripts of those?

Anderson: We don’t have a single transcript of the factory sessions. There are a few recordings of speeches that he gave for a Chamber of Commerce here or there. There are half a dozen of those around, and there are the texts of some of the speeches, a typical speech that he used on those occasions that were recorded different places. So there are a few transcripts of the different speeches, a couple of recordings, but not many. He did hundreds of speeches a year.

Young: How do you know the content of his Q and As? Did he keep notes, or is it just memories of people?
Anderson: For the first couple of years, it was Earl Dunckel who traveled with him for GE. After that, somebody else traveled with him. Dunckel got a different job and I think that man is no longer living who traveled with him after that. He’s reported to have talked about issues. Almost everybody who recalls Reagan, from Des Moines, Iowa, or even earlier recalls him having debates about policy issues with people, talking politics. But then you know, we all do to some extent. They recall that he debated people and he was an FDR Democrat at the time. People recall conversations between Reagan and discussions on policy between Reagan and conservatives. But I think getting in touch with real people was GE. He had fans in an audience before that, but GE was when he got to know people and was able to address the group that was to become—the people who voted him into the Presidency were blue collar.

Young: One of Reagan’s old friends once told us, talking about some of the differences between the Bush people and the Reagan people—that “We’re all blue collar, we’re all self-made people.” I’m trying to think back on that. Where did Reagan get that touch that he wasn’t born with? Because Hollywood didn’t provide that.

Anderson: No, but he was born, of course, poor.

Young: Yes, of course. He left all that, became somebody else.

Anderson: As you know, WOC in the Midwest was a major voice of sports, and Reagan was known all over as a sportscaster of the Cubs. He was kind of an idol at that time, not in touch with them.

Young: It was out there somewhere.

Anderson: It was out there.

Young: So in that light—

Anderson: Sometimes even the ballgame was out there and he was getting a piece of paper—

Young: Of course. But actually you were right there. So your comments about the Q and A moving away from even the speech to the Q and A and then walking the factory floors, this is his first real connection with working class folks, isn’t it?

Anderson: It’s his first connection on a policy basis, where he’s talking to them, except for growing up. His parents were working-class folks.

Young: He wasn’t practicing for that.

Anderson: No, that’s right, he wasn’t, not at all. I think that if you read Dunckel’s oral history interview that Berkeley published, as I recall, it was Reagan’s decision to walk down on the factory floor and talk to these people and shake hands with them and get acquainted with them, joke with them, and all of that. He was good at that. He practiced that a little bit at Eureka.
He read books very early, at the age of five or something. He learned to read by himself because his mother pointed to the words. So he was a bright kid and he got real good grades. He couldn’t see very much. They finally realized he needed glasses; he hated glasses. I think that if he tried he might have been a very good student.

He wanted to be—this is my own theory about Reagan, although other people may hold it also—he wanted to be a regular guy. He didn’t want to be this kid that people didn’t like because he knew the answers. He read books. He used to go to the library, take books out himself when he was ten years old. Now a lot of us read by the age of ten, but he was reading by the age of five. I think that he just decided when he was about ten or twelve years old that he was going to make people like him.

If that meant not studying so hard, or pretending that you weren’t real smart, then he learned to do that too. I think that he did that, and that he was casual. His primary acting role was to be a regular guy. I think that he maintained that. He knew—Nancy said he knew—that he was underestimated, both at home and abroad, and that it functioned sometimes to his advantage. But certainly there were all those people—Al Haig, Stockman, John Sears, Bud McFarlane—who thought that this guy wasn’t very bright and just said, “Well, you know—”

He kept his own counsel on those things and let them think what they thought. That was okay with him. And that’s the puzzle: why he let them think that and why he didn’t get short with them or use his brains to point out that he’d known what they were telling him a long time ago. He didn’t do that.

**Young:** Well, it certainly indicates a lot of self confidence.

**Anderson:** A huge amount of self confidence. That’s partly Marty’s conclusion, that he is so self confident that he doesn’t really care what these people think. Yes, it’s a lot of self confidence.

**Young:** Which had to be built.

**Anderson:** It’s also like a closet intellectual. Intellectual isn’t quite the right word, but it’s not letting somebody know that you really like classical music or something like that. Like you’re keeping your intellectual life to yourself.

**Young:** You don’t wear it on your sleeve.

**Anderson:** And you don’t force it on other people or let them think that you may be smarter than they are.

**Young:** Was he a natural politician, though? Was this an acquired—was the political craft a means to an end of what he wanted to do?

**Anderson:** Well, he gets interested in something other than his own acting career fairly early, but not in college, where he’s mainly engaged in extracurricular activities. He gets concerned
about this when he becomes a member of the Screen Actors Guild. George Murphy is the
president at the time. He writes to Murphy all through his career and he becomes concerned with
what he’s seeing, what he understands as the Communist attempt to affect unions and take over
Hollywood. Then he gets threatened and he has to carry a gun to protect himself, and he’s
concerned for his own life.

At this point he starts to think about politics. He agrees to be an informant for the FBI. He
testifies before the House Un-American Activities Committee in 1947. He goes on later on in his
last term that ends in ’59, or when he resigns in ’59 at the Screen Actors Guild, to negotiate for
residuals. Some people think he made special deals on behalf of Warner Brothers or MGM, I’m
not sure. Other people say that part of the reason all these people are living in the San Fernando
Valley in huge houses is that Reagan negotiated their movie residuals for showings on television
for them.

So he did these two huge negotiations in times of conflict, and he says over and over in letters,
speeches, and stuff like that, that that was the experience, the Communists in Hollywood, that
changed him from an FDR Democrat to a Republican. He attributes it to that. So that is his initial
political experience. Even on tours with Louella Parsons when he goes back to his hometown,
there are reports that he talks to reporters about political matters, about what’s going on abroad.
So he’s not uninterested in world events or the news or anything like that. He’s paying attention
all the time. That’s his initial interest.

Of course he’s already been in the service, and this was a serious thing, this motion picture unit
in Culver City. They not only raised bonds, they also did voice. He did the voice- over for
bombing runs on Tokyo. They had a model of Tokyo that showed exactly what it looked like and
they’d put the camera over it and a pilot could be trained and see exactly what Tokyo was going
to look like.

When they had air strikes in Tokyo and a building got bombed, they’d fix the model and re-
photograph and Reagan would say, “You’re now approaching, you’re 20 miles outside Tokyo,
 flying 350 degrees. On your left you’ll see this, and on your right you’ll see this. Proceed on
course.” Until he said, “Bombs away.”

And that was it. They said they knew exactly what it looked like when they flew over. So it was
serious in that sense. The place was classified. There were no civilians. They knew that they
were doing serious work, using a great deal of talent that they had from their movie skills. So
that’s political too, right? It’s current affairs.

Young: It’s war and country.

Anderson: Right, it’s war and country. And that’s strong.

Young: He was in uniform. Very important, I think.

Anderson: Yes, he was in uniform. We have one thing in the files that when he was in uniform
he was Officer of the Day or he would inspect or something like that and he found one room that
was just full of ashtrays and paper and all kinds of stuff, and he wrote it up. He said the light was on, cigarette butts in the ashtray. Then he draws a cartoon and he’s got a little guy in all this paper who says, “But if I turn off the light I won’t be able to see Major So-and-so.” So Reagan draws his own cartoon. So there’s a sense of humor and fun, and yet—

**Young:** He can make a joke about himself.

**Anderson:** Yet he does his job while he’s making a joke about this guy whose room is a mess.

**Young:** But the conversion from Democrat to Republican is one element of where he’s going with his life; the wartime, I think, is another.

**Anderson:** Okay.

**Young:** Being of that age at that time, I guess he couldn’t get into the more active service anyway because of his vision.

**Anderson:** Right.

**Young:** But he did his part, as they say.

**Anderson:** He turned down a final promotion because he didn’t think that people who weren’t on the front lines deserved it.

**Selverstone:** I was just thinking about his desire to lead, to be out in front. You’d talked about your perception of his need to be liked. If being President was the ultimate way for him to achieve that—

**Anderson:** Yes.

**Selverstone:** If that’s really where that came from.

**Anderson:** Well, I think there’s a similarity in a desire to be an actor and have the acclaim of crowds, and a political satisfaction in having people vote for you, and a willingness to try again if you don’t succeed the first time. He also has a great desire to change the country in accordance with the political change in his philosophy. It’s 1962 when he registers Republican, but he campaigns as a Democrat for Nixon in 1960. He votes for Roosevelt four times and [Harry] Truman once in ’48. Maybe after that he’s voting for Eisenhower. So it’s pretty well done, I guess, by then. A combination of GE and Communism.

**Young:** One shouldn’t make too much of this, because everything begins to seem glib if you don’t watch out, but when I asked the question, “Was Reagan a natural-born politician?” some people have said, “No, I don’t think so.” He wasn’t in the sense that he didn’t derive that real zest for working the room, for the backslapping, for ego massaging in the standard Washington sense. That wasn’t his thing.
**Knott:** It almost seems as if issues were his thing, as opposed to working the crowd.

**Anderson:** I think issues were his thing, but I think one of the things that motivated him a great deal, and it’s an interesting contrast to his switch from a Roosevelt Democrat to a Reagan Republican, is that he wanted to help people. He wants to save people, okay? He saved 77 people. This is in a way the metaphor that Lou Cannon uses in his book, the actor metaphor. [Edmund] Morris uses the savior, not in the sense that he thinks he’s God, but that he thinks he can help people. He wants to help people. Apparently he wanted to help people even after his Alzheimer’s disease developed and he no longer remembered that he was President of the United States. So help them, keep them from drowning, keep them from going under when they’re in economic trouble.

Now, here he’s got this relatively tough message: Depend on yourself, let’s cut off unemployment benefits and send you out to work if you’re on welfare because it’s not fair. And yet he gets these letters in the White House from people who are handicapped, people who are in trouble. He sends money, he asks the staff to do things. He used to get these things when he was Governor. He’d call Frank Sinatra and say, “I’ve got a problem at such and such a place, can you help? Because there isn’t any program or any agency that will do this.”

Loads of this stuff was sent out to the agencies. “Is there anything we can do here?” He’s unquestionably enthusiastic about immigrants. If someone says, “I’ve been trying to get a Visa and I can’t do it,” he says, “Get this done.” He’s quite directive in what he writes in letters, in instructions to staff. He says, “Yes, do this,” or, “Get this done.” So his sympathy for people and his ability to get into how someone feels is what his problem is in Iran-Contra because he’s aware. This is the human element.

Whatever the legal stuff, all the paper, the hearings, the findings, are not something that I’m qualified to speak on other than just an ordinary person who occasionally bothered to look at the news on this subject. But I know that his extraordinary empathy with people in trouble could easily lead him to say, “Do whatever you can. Are we working on this? What have we done?” And he works on, for example, the Pentecostal Christians from this book, the ’70s, this is one of the letters he drafts by hand to [Leonid] Brezhnev during the Presidency. So he’s working on this, people in trouble, in a situation of plight he’s concerned about. This gets to him personally. He’s very personally involved in this.

So I think in a way, that’s odd. He doesn’t then extend that to, “Let’s have a program and tax everybody to pay so that everybody can have—” He doesn’t want to redistribute income as a consequence, and yet, when there’s a government program that can help, he wants his staff to find it and do it. Otherwise, he writes a lot of checks himself, not huge ones. Then I think you have to look at what he was saying to people and what concerns he was expressing about these hostages. Different kinds in different places. That’s partly the helping, the rescue. So I think that’s part of it.

**Young:** I’m not so sure—Marc, you asked about the need to be liked. I can understand that in a kid and I can understand that as part of his—
Anderson: Well, we all sort of like—

Young: Nobody likes to be put out, especially at—I mean, the guy couldn’t see much—

Anderson: And he wasn’t an athlete yet. He was a little kid.

Young: And he wasn’t athletic. Even before they discovered he needed glasses he was put at a great disadvantage.

Anderson: Do you give any credence to the alcoholic father theory?

Young: I don’t know what—

Anderson: His father is supposedly an alcoholic. Now, just how frequently he got seriously drunk is uncertain. Reagan says a couple of times a year in his own biography, which is called *Where’s the Rest of Me?* And the “Where’s the rest of me?” is “What’s there besides acting in this world?” He’s looking for something else.

One of the theories is that he’s a successful child of an alcoholic and that they learn to be extremely perceptive about people, about whether they can be trusted right now. You walk into a room, you know exactly how everybody’s feeling. Is this guy going to hit you or is he going to be nice to you now? And you drag the guy in out of the snow a couple of times and you learn to perceive and you learn to be, to act, so that he likes you so that he will treat you well and you’re not in danger. This is a big, drunk guy.

Selverstone: That’s what floats around about [Bill] Clinton as well.

Anderson: Right. That’s what floats around with Clinton. But the successful child of an alcoholic is very perceptive about people and they say, like Clinton, they can walk into a room and in a little while they know exactly how everybody feels, where the tension is, who’s—so I think that some of the skills that he learned at that age, and some of the decisions that he made—I think he was close to his mother. He’s close to Nancy. Other than that, whether he has any real confidants—

I think the other thing children of alcoholics learn is to keep their own counsel, and I think this he does. If you perceive that that person thinks something different, you just be quiet until things change. You don’t say, “Let’s talk about that. I don’t agree with you,” because that’s too dangerous. And so you learn to be this way and you think, *I will always be a nice kid.*

Young: You learn through life. You don’t learn just from the one searing experience of the alcoholic father. You begin to develop and then you have another learning experience, and you also begin to learn what your strengths are and what they aren’t. No President likes to do things that he’s not good at doing, and they all like to do things that they excel at doing.

Anderson: Well, that’s true. Everybody does that.
Young: Yes, and so, “My way, my country. My thinking and my way.” But he doesn’t impose it on anybody because he’s perceptive enough to work his will on the system without dominating others. Some people don’t have that.

Anderson: In that sense he’s totally willful and stubborn. He does what he wants to do. On the question of Nancy’s influence on him, I think that Lou Cannon in The Role of a Lifetime is a good source. He sums up what Nancy wanted him to do and says, “Well, he only did one of those things, didn’t he? The other six he didn’t even think about.” And so he does. He makes his own decisions and follows his own objectives.

I could be wrong about this, but here’s this smart, sophisticated guy who’s perceptive about people and he’s got George Shultz and Caspar Weinberger fighting each other tooth and nail to the point where they come in and George Shultz talks about defense and Caspar Weinberger says, “Well, now that George Shultz has told you about defense policy, I’ll tell you about State, about international affairs.”

They say this in front of the President and he’s looking at them. He knows that they disagree on certain fundamental issues. He knows what he thinks. Basically he works with Shultz on Shultz’s carrying out the details of his approach to the Soviets and Caspar Weinberger is carrying out exactly what Reagan wants done in terms of making the country as strong in as many areas and getting every single dime out of Congress that he can, and out of David Stockman.

Reagan has got to know that these people disagree with each other. People think he’s uncomfortable, he’s unwilling to resolve the argument. I don’t think he wants to resolve the argument. He doesn’t want everybody to agree. He knows they disagree. He thinks it’s just fine. He’ll tell each one to do what he wants them to do and he’s perfectly happy with that, I think. Does that sound—

Young: I’m not giving away any store secrets here, but we do a lot of thinking about Reagan in our off moments, trying to figure Reagan out and learning—

Anderson: We’re still trying.

Young: Yes, and this will go on for a long time I think. I said to Steve, “I’ve been finishing Shultz’s book. You know, this is just like war going on in this administration between these two guys all the time. Could it be that this was serving Reagan’s purposes?” So, in other words, you were saying the President is thinking, Mr. Strong, Mr. Reasonable. Mr. Reasonable is somebody who can do openings to the Soviets and do some negotiating and move in that direction. Mr. Strong is the other element, so it is all working together in Reagan’s mind but not in the mind of either Cap or George.

Anderson: I think that’s right. I think he knows and he’s aware of where they disagree. They also both tell him not to do the Iran-Contra thing and he does it anyway.

Young: Yes, that’s another element here.
Anderson: I think that he’s extremely sure of himself, especially after his survival of the assassination attempt, that he’s even more sure of himself and feels that he was spared for a reason. He said that his remaining time belongs to God and I think it gives him additional confidence in what he’s doing. You know, I think he does it all confidently and with full knowledge that these people are in disagreement and maybe even fighting with each other. He probably wishes they wouldn’t.

Young: But Iran-Contra suggests that this can also blow up in his face.

Anderson: Well, yes, of course.

Young: Did he lose confidence at that point?

Anderson: What he says is, “Where do I get this?” I’ve known this for quite a while, and I don’t remember where I knew it or why I know it, but I recall him saying that what really made him feel down—which he seldom felt, he was a pretty cheerful, optimistic kind of person—was that the people of the United States didn’t believe that he was telling the truth. It’s not that they disagreed with him, or that he was unpopular, but that they didn’t think he was telling the truth. They questioned his integrity, they thought he was lying. I don’t think he ever was lying. I think he had a different understanding of it than was in fact true, which is what he finally admitted in his statement. But I think that’s what discouraged him, that people didn’t believe him.

Young: Well, that would be a heavy blow to somebody who was so confident of his one-ness with the American people. That would be a really serious realization, recognition, or event in his life.

Anderson: I think that eventually he got over that as well. I don’t remember him responding a great deal to the wall coming down. But certainly, when you look back on it in terms of what the Reagan administration achieved—I think that it’s probably too early to say this—but I think that the end of the Cold War was a major event in the latter half of the 20th century. It was the second triumph of the West, especially the United States, over totalitarianism, the first being the Nazis, which Reagan was partly involved in, the second being Communism. You look back on that and some of the Presidents that we view as our greatest, you know [George] Washington with the Revolution, [Abraham] Lincoln with the Civil War, FDR with the Second World War, and Reagan with the Cold War. One, two, three, four.

So I think he’s in that status, and I think that one of the significant areas in the history to which we hope to contribute through the documents that we found and have put together for publication is: What was his role in it? How did he drive it forward? And how can we understand that? I think for so long [Mikhail] Gorbachev was attributed as the moving actor behind the end of the Cold War. One of Kiron Skinner’s initial questions was that the role of the United States and Reagan and the other people in his administration is being ignored, and then she started to discover that some of it he was writing himself. So what the history channel documentary and Frank Sesno said is that if it’s a scripted Presidency, it turns out he wrote a lot of it himself.
So to me, the fascinating questions are how he drove it, how much he drove it, and how soon he drove it. We’re finding real early indications that there’s no shift toward a softness toward the Soviet Union or a willing to negotiate, that that was there all along. He was trying from the time when he met Brezhnev at Nixon’s place [in 1973] to the first Brezhnev letter that he writes in the solarium after he’s been shot, right on through. That’s one pattern.

Young: But the real opening for Reagan—he was always, at least according to Shultz, willing to try to open a dialogue. There were the letters that Reagan himself would write. But it wasn’t until Gorbachev did the real opening, the real possibility—

Anderson: Well, maybe until there was a response. Now, in ’84, that’s before Gorbachev. That’s when Shultz brings Dobrynin over to the Oval Office. He brings Dobrynin over, then he meets Gromyko in September of ’84, after the snowy night dinner on February 13, 1983. That was the night David Stockman got married. I was at the wedding.

Young: I would have never thought it.

Anderson: Yes, it’s fascinating. One of the things that I’ve never heard Shultz talk about as much as I would like him to talk about is one of his conditions of being Secretary of State, or one of the things he established early on. He knew he had a conflict, and I think this conflict just got partly built in between the National Security Council and the Department of State, partly exacerbated by the fact that Henry Kissinger ran both for a while and then they separate out. But partly also that the National Security Council is advising the President on the day-to-day conduct of his relationship with foreign leaders and so is State. They’ve got the same job. That’s a little different from defense. It’s a different kind of situation. So I think the conflict’s built in. Shultz knew that he had to get around the NSC staff, so he demanded to see Reagan. He did see Reagan regularly and in fact they had lunch. They met fairly frequently.

Reagan, as far as I can tell, really wants to do stuff: But from his speech at the convention in ’76 right on through, his concern is nuclear war and the fact that we can blow each other up with these two systems. He’s talking to Shultz about a lot of issues, but this most fundamental interest of his is whether we get through this or not. This is what he’s putting in the time capsule in ’76. You’ll know when you open this a hundred years from now whether or not we’ve succeeded and you have freedom and beauty or whether the world has been blown up. Or perhaps you won’t know unless we do succeed. And this is the challenge before us.

He talks to Shultz about this more than anyone else in the world because this is the person who’s going to carry out his strategy, his direction. If Shultz says, “No, we don’t want to do it that way—” Shultz is very smart. According to his book, which you know well, probably better than I do now, Shultz presented to him, “This is what I want to do. Here are the steps I’m going to take.” And Reagan would say, “Fine.”

So Shultz got his marching orders from the President. I mean he had approval of specific things that he was going to do. But they must have talked about the approach, about what’s good, about what will work, about maybe even about what Cap thinks. Maybe Cap thinks, I shouldn’t talk to these people. I wonder what they talked about, because this is the person with whom Reagan
would have been most open about doubts he has about his own approach, about what his approach should be. Shultz told his staff. I wonder what Shultz argued with the President about getting rid of all nuclear weapons. Everybody thought that was just nuts. Shultz told his staff, “You better get used to it because that’s what he thinks.”

Young: The President believes this and Shultz was convinced quite early that this was the case. The SDI [Strategic Defense Initiative] was straight down that line. Everybody, except a few people who stood to benefit from the SDI in a more material sense, was skeptical of this. This will wreck everything.

Anderson: Getting rid of nuclear weapons or making them ineffective, and therefore getting rid of the deterrent effect of mutual destruction is just out of the picture. Roz Ridgway thought it was out of the picture, Cap Weinberger did, Bill Clark did, probably Bud McFarlane, everybody. So did Shultz, I think. But Shultz understood that this is what the President thinks—

Young: It’s what he told his staff.

Anderson: Well, you’d better learn to work with this belief, that this is the ultimate objective and it’s a good thing to do. Right. And that’s what the President is for. I don’t know in his biography to what extent Shultz was pretty open about these meetings with the President and to what extent there’s more to tell. So you guys ask him. Send me a transcript.

I just have the feeling that in that sense Shultz knows him better than anyone. They were private meetings. I don’t know if Shultz had notes. I don’t think there was anyone present taking notes. I don’t think they were recorded conversations, unlike the Gorbachev-Reagan meetings in a room with a fireplace, for which we now have all the transcripts.

Young: Do you have anything else?

Anderson: I don’t think so. I think that I covered most of the things I had to say.

Knott: This has been very, very rewarding, we want to thank you very much for giving us this time. It was really terrific.