Heininger: Why don’t we start at the beginning? Why don’t you tell me when you first met Edward Kennedy?

Goldman: I first met Edward Kennedy in his office on Capitol Hill, which would have been in late December of 1970 or early January of 1971, which grew out of a phone call from him to me, asking me to come up to the Hill and chat with him.

Heininger: Why did he call you?

Goldman: It’s actually amusing. My secretary walked into my office the day that call came and said, “There’s this guy on the phone who wants to talk to you, and he says he’s Ted Kennedy.” I didn’t know whether to believe it or not, but I obviously picked the phone up, and it was Ted Kennedy. He asked me to come up to the Hill to chat with him. He said that he would soon be the chairman of the Senate Subcommittee on Health, and he was interested in talking with me about becoming staff director of that subcommittee. So that’s what took me up to the Hill.

Heininger: Why did he come to you?

Goldman: I don’t know the answer to that question. The position that I held at the time he called was with the Association of American Medical Colleges, in Washington, and I had been with them only a couple of months. For the year prior to that two-month period, I had been on a fellowship on Capitol Hill, the first half of which was spent working with a House Subcommittee, the Subcommittee on Science, Research, and Development. The second half of that fellowship was spent working with the Health Subcommittee in the United States Senate, of which Senator Kennedy was a member.

I worked on legislation for that subcommittee for almost six months, but I never met Senator Kennedy during any of that period of time, and I’d never met him prior to that period of time either. I suspect the explanation for the fact that we didn’t meet was that it was 1970 and he was seeking reelection to the Senate that year and was spending, I suspect—this was in the summer and fall, and that’s, of course, the key time before the November election—I suspect he was spending most of the time in the Commonwealth of Massachusetts campaigning. So I’d never met him, never talked to him until the first phone call.

Heininger: Do you have any idea who might have recommended him to you or how he knew your name?
Goldman: I do not know.

Heininger: So he wanted you to come and be the staff director?

Goldman: That’s what developed in the conversation we had, yes.

Heininger: Had he hired any other staffers at that point?

Goldman: No.

Heininger: Had he had any staffers on his personal staff that were doing health care issues for him up until then? Was he starting fresh, actually?

Goldman: He’d been on the—and this is going to be speculation on my part—he’d been on the Labor and Public Welfare Committee, which was the parent committee, of which the Health Subcommittee is a component. He’d been on that committee for a number of years, I don’t exactly know how many. He almost certainly was a member of the Health Subcommittee—though I can’t say that for sure because I really don’t know—and he would have been junior enough not to have had his own committee staff, and thus he would have had to use his own personal staff to do the committee work, including whatever other health work he was involved in. I don’t know for sure who those folks would have been. The person who almost certainly would know would be Carey Parker, who was on his personal staff at the time, and as far as I know, still is—either was or is—with Kennedy over many decades. Carey would know the answer to that.

Heininger: He’s still there. So who did you talk to at the time, just Kennedy? Did he offer you the job right away?

Goldman: No, he didn’t offer me the job right away, though he and I were the only people who were in that meeting. We agreed, at the end of that meeting, for me to have a period of time to think about it and for us to get together again. A week or two later, we had a second meeting in his office on the Hill, and I told him at that meeting that I would be very interested in accepting that position. He offered it to me, and I accepted it.

Heininger: Why did you want to work for him?

Goldman: I’ll try to make this answer briefer than the full one would be. What brought me to Washington from graduate school was an intense interest in the legislative process and in the interface between the executive branch and the legislative branch. I actually began my federal career in 1964, as a management intern at the National Institutes of Health, and fairly quickly gravitated into a variety of different assignments that had to do with the legislative process. All executive branch agencies have legislative offices. By 1969, I had the opportunity to apply for, and was lucky enough to win, the Congressional fellowship that took me to the Hill.

At the end of that fellowship, another good piece of fortune came along in that I was offered the job as the Director of Federal Liaison for the Association of American Medical Colleges, which I took. I began with the AAMC in October of 1970. I went to the AAMC anticipating that I would be there for quite a number of years. That clearly was a whole new venue; namely, the legislative
process not from the perspective of the executive branch, not from the perspective of the Congress, but rather from the perspective of a private sector organization and their felt need to influence legislation that they found to be of significance.

But out of the blue comes this call from the incoming chairman of the subcommittee, and it was an offer too good to refuse. I would not have anticipated having an opportunity like that either ever or at least for several more years, and when it literally dropped out of the sky, it struck me that it would have been foolish to turn my back on it. So the long-winded answer to your question is, I didn’t see it so much as going to work for him—though that clearly was a crucial part of it—I saw it rather as the opportunity to be the director of a legislative subcommittee for the United States Senate, of which he happened to be the chairman.

[BREAK]

Heininger: Tell me what your relationship was like with him.

Goldman: It was professional, businesslike, and almost always cordial and friendly. He is an easy guy to work for, though he can be a stern taskmaster when the issues heat up. You’ve got to remember here that every United States Senator is a ferociously busy individual, pulled in a multiplicity of directions 365 days a year. It never ends for them. To pick an example of many, the money chase that they are all involved in, beginning to raise campaign funds for their next election, essentially begins the day after they’re reelected, and so they are unbelievably busy. Some of them handle that better than others. My chairman, I thought, handled that exceedingly well.

Beyond the normal frenetic life of a United States Senator, I would argue—and I have full confidence in this—that Senator Kennedy was a special case. He was not your average Senator in a wide variety of different circumstances. The family history, which to varying degrees every American knows, is an example. The personal travails that have affected his family and him have created burdens that most Americans don’t have to carry. The expectations that surround him and his family have been far different and a far greater burden than the average United States Senator has to deal with. So he came to that job as subcommittee chairman with eagerness and with anticipation, but carrying with him an enormous burden of work and effort that he knew was never going to lessen—and it hasn’t.

Heininger: How did you and he go about staffing the subcommittee?

Goldman: It was easy because the total number of staff for the subcommittee was three people. I’m not counting the support staff. I’m talking only about the professional staff.

Heininger: Right. I’m talking about the professional staff.

Goldman: It was three people, and I was one of the three. So there were only two vacancies to fill, and he urged me to get at that job right away. I can assure you, I was anxious to do so
because having spent the last six months or so on the Hill and knowing what the legislative workload of that subcommittee was, I had no interest to try to do it all myself. So I began immediately to look for one of the people to fill those two vacancies. There had been a couple of weeks, of course, where I had been thinking about this job and was it going to be offered. If it was, I was going to take it, and I was thinking what the game plan would be. So this was not something brand new.

It was clear to me that if I could persuade him, and if the Senator would ultimately agree, that the best person to come join me on the staff would be Stan Jones. I had discussions with Stan. He responded positively. He ultimately met with the Senator, the job got offered, and Stan Jones joined the staff, and that filled the second vacancy. The last vacancy was filled by Phil Caper, a physician, and that was done not by me but was done out of the Senator’s office. I can’t tell you how it occurred.

Over the years, the staff was able to enlarge itself through a variety of volunteers. Number one, health was then, as it is today, an issue of great importance in the country and one that attracted lots of young people. Kennedy was also a magnet, an attractive magnet for young people, and so we had no small number of people over the years who would come knocking on the door saying, “Is there a way I can be of help and assistance to the staff?”

While I was there, we had a dentist from the then–Department of Health, Education, and Welfare who was with us for six months or so. We had an ophthalmologist from the Wilmer Eye Institute at Johns Hopkins. We had an internist, whose name was Larry Horowitz, for your own background information. We had a practicing surgeon from Bermuda, and we had an epidemiologist from the Yale School of Public Health. So we were able to draw on lots of additional talent to help us, and there are probably others that we had helping us whose names I can’t recall at the moment. One of the handicaps of doing this oral history project with me today is that you are asking me to call up things that occurred 35 years ago, and that’s not easy.

**Heininger:** How did Larry Horowitz come to work with you?

**Goldman:** I don’t know the beginning of the story. You can obviously get that from Larry when you talk to him, but I think—and you’ll need to verify this with him because I’m not sure this is accurate—but I believe that Larry was on a program that existed in the Department of Health, Education, and Welfare that enabled young men to join the Commissioned Corps of the Public Health Service. This is a uniformed military service. By serving in the Commissioned Corps in an administrative post in the department for a couple of years, they could, by doing that, fulfill their military obligation. I think that Larry did that, and I further think—though, again, I’m not sure—that in that course of serving in the Commissioned Corps, he somehow made contact with the Senator or the Senator’s staff. Somehow that nexus occurred. When he completed that tour of duty in the Commissioned Corps—assuming I’m remembering it right—he then, I think, still faced the completion of his residency requirements. He was a physician, and he needed to do his residency, which he did I believe at Stanford.

It’s at that point that my knowledge base picks up because now we’re to the point where the Senator is chairman of the subcommittee and I’m the staff director and we put Larry on as a consultant to come in periodically from the coast and help us on projects over the course of the
next several years; one of which, for example, was a set of oversight hearings on the Food and Drug Administration.

Heininger: Did those take place early in Kennedy’s tenure, or were those more towards the mid-’70s?

Goldman: The FDA [Food and Drug Administration] hearings?

Heininger: Yes.

Goldman: They were in the mid-’70s. But remember, he became chairman of the subcommittee in ’71.

Heininger: Did Larry work at all on the health-crisis field hearings in ’71?

Goldman: I don’t believe so. I have no recollection of that.

Heininger: When you first came to work for Kennedy, or when he started talking to you about becoming staff director, what did he outline as his priorities for the subcommittee? What were the issues he said he wanted to work on?

Goldman: First and foremost was national health insurance, which is, of course, a problem. It’s by far the most important health issue, but except for a contrivance that we created, the main point here is that national health insurance legislation was not within the jurisdiction of the Senate Health Subcommittee or its parent committee, the Committee on Labor and Public Welfare. So there was this very large obstacle to his objective of enacting national health insurance, because the committee platform that he chaired was one that did not have direct legislative jurisdiction over the program.

Heininger: How did he get around it?

Goldman: It isn’t that we didn’t try, and it isn’t that we didn’t do a lot, but the direct and simple answer to your question is, we didn’t get around it. The proof of the fact that we didn’t get around it is, here we sit 35 years later and America does not have a national health insurance program on the books.

Heininger: But he introduced his own bill.

Goldman: He introduced his own bill. As a matter of fact, it had been introduced prior to the time I went up there. I went up to the Hill in early February of ’71. The bill had already been introduced, and its number was S. 3, the Health Security Act.

Heininger: Do you remember when it was introduced?

Goldman: I do not. It would have been introduced very early in the session because in order to get the very low numbers, you have to go in early. You actually have to do staff-to-staff discussions with the majority leader of the Senate in order to reserve your number for your bill. So it would have been one of the very first to go in.
Heininger: Which means it would have gone in in ’70. So it had been in there since ’70.

Goldman: Yes.

Heininger: So he’s coming to the end of this session of Congress, and he’s already had a bill that’s been introduced for a year. I assume it had been referred to the Finance Committee.

Goldman: It had been referred to the Finance Committee. At some point in the process—and I frankly don’t remember when in the process it occurred—but there was a title in the bill, unlike virtually all other health insurance bills, that proposed amendments to the Public Health Service Act. The proposed amendments were intended to strengthen the organization and delivery of health care in America and to build the infrastructure of health care in America, which, from the chairman’s point of view—and, I would argue, any sensible person’s point of view—made eminently good sense, because if we were going to broaden coverage to millions of people who had no coverage, it would mean there would be greater demand for care by people who had heretofore not received any or much care. That would mean a greater demand on the services system to provide that care. So it seemed to Senator Kennedy, and to those who were supportive of his bill, that it was important to build up the infrastructure in order to be ready to meet that additional demand. The way that his bill proposed to do that was to amend the Public Health Service Act to have additional resources put to the ready.

The Public Health Service Act is the main legislative authority of the Senate Health Subcommittee. Thus, at some point in this process, the bill is cross-referred to both the Senate Finance Committee and to our committee, but our ability to act on the bill was only in respect of the title that dealt with the Public Health Service Act. So we had a legislative vehicle, and we could do things, and we did lots of things, which I suspect you’ll ask me about as this interview goes on. But what we couldn’t do was report the bill and have the Senate act on it, because that required concurrent action by the Senate Finance Committee, which I regarded then as the killing field for national health insurance.

Heininger: Why?

Goldman: First of all, they have the principal jurisdiction for health insurance. The Senate Finance Committee was then and is now one of the most powerful committees in the Senate. The scope of its jurisdiction is enormous. It includes Medicare, Medicaid, national health insurance, taxes, and trade, and that’s enough to keep any committee busy forever. In addition to the breadth and importance of its legislative jurisdiction, the nature of its membership—let me put it this way: the Senate Finance Committee’s political makeup was the antithesis of the political makeup of the Committee on Labor and Public Welfare, our committee. For example, on our committee, you had names like, first and foremost, Kennedy, Pete [Harrison] Williams of New Jersey, Claiborne Pell of Rhode Island, Tom Eagleton of Missouri, Gaylord Nelson of Wisconsin, Alan Cranston of California, Jack Javits of New York, Dick Schweiker of Pennsylvania, and Robert Stafford of Vermont. How much more liberal can you be?

Heininger: You couldn’t get a more liberal group than that, no.

Goldman: The Senate Finance Committee was chaired by Russell Long of Louisiana. I’ll not be able to remember as many here because it was not my committee, but also it included Herman
Talmadge of Georgia. The ranking Republican was Carl Curtis of Nebraska—and at some point, remind me to tell you of a hilarious incident on the Senate floor involving Senator Curtis and Senator Kennedy, Senator Paul Fannin of Arizona, and, I suspect, quite a few other Senators one could fairly characterize as quite conservative. As a matter of fact, I would argue that the Senate, the legislative process, and the American people would have been far better served if both of these committees would have been—if the names would have been put into a hat, pulled out at random, and reassigned. We would have had a better chance at more reasonable legislation had these two committees not been so ideologically polarized.

**Heininger:** What was Kennedy’s relationship with Russell Long?

**Goldman:** I don’t believe that the relationship was close. I can’t think of an example of a piece of legislation on which they worked jointly during the time that I served as staff director. I don’t recall the chairman ever telling me of discussions he had had with Chairman Long about any subject that would have been relevant to report to me or the staff of the Health Subcommittee. I think it was a non-relationship, as best I can recall.

**Heininger:** What about staff-to-staff relationship?

**Goldman:** The person on our staff that I chose to do the heavy lifting on the substance of national health insurance was Stan Jones—and if I may say, a brilliant judgment on my part. He performed magnificently in that role. It was he who worked, or had discussions, or knew reasonably well the staff of all the committees in the Congress that were involved in any important way on health insurance, which of course involved Senate Finance.

On that committee there were two staff people. The preeminent one was Jay Constantine, with whom Stan did not, I believe, have significant work. Jay’s principal reliance was on Jim Mongan, who was a physician, and with whom, I think, Stan met many times. But the meetings were personal; they were informational; they were keeping one another abreast of what was going on. But this stands in stark contrast to work between them on affecting the legislative process on trying to work out a legislative vehicle that could actually be moved through the United States Senate. That wasn’t because of reluctance on our part to do that. It was because they were not open to that, which had to have meant that their committee, their chairman, and their ranking Republican were not open to that.

**Heininger:** What about Mongan himself? Do you have a sense as to where he would have been himself?

**Goldman:** I do not. That’s a good Stan Jones question.

**Heininger:** So you assign to Stan work on national health insurance. What did you assign to Phil Caper? What was his role on the committee?

**Goldman:** The two areas that Phil was central to on the committee were health planning—there was health planning legislation—and the HMO [Health Maintenance Organization] legislation. They were the two that he had the lead on from the staff level.

**Heininger:** What did you have the lead on?
Goldman: Keeping track of the staff in general, of course, to the extent you wish to if you want to pursue further the issue of national health insurance. I was involved, I think, in an important way in that. The scope of the subcommittee’s legislative activities is actually mind-boggling. It includes the health manpower legislation, which I was principally involved in, and the nurse training legislation. It included the National Health Service Corps, which was another one that I was involved in. It included the Community Mental Health Centers Act, which both Stan and I did. It included health services legislation, which Stan did; the health planning legislation, which was Phil; the health services research and development and health statistics legislation, which was me; the medical devices legislation, which was Larry Horowitz; the HMO legislation, which was me; the cancer and the heart, lung, and blood legislation, which was me.

Then there were a wide variety of oversight hearings that the committee did, and there were also legislative actions that we took at the request of other Senators who either were or were not members of the subcommittee, which added to our burden, which we shared, the staff in general. Most of these pieces of legislation that I’ve just mentioned to you had to be reauthorized every three years. They were written in a way so that they expired. So it wasn’t that you could do them and be done with them until you felt like getting back to them. It’s that they kept popping up on a cyclical basis, which means the legislative workload of this subcommittee was, frankly, enormous.

Heininger: So you said Kennedy’s first priority was national health insurance.

Goldman: Yes.

Heininger: How would you outline his other priorities?

Goldman: The truth of the matter is that I think it was not until after he became chairman and we started into this that he realized fully how extensive a legislative workload this subcommittee faced. I do not believe—and I hope I don’t do him a disservice here—but I do not believe that this laundry list of legislative reauthorizations that I’ve just given to you had really a great deal to do with what motivated him to become chairman of the Health Subcommittee.

Heininger: What do you think did?

Goldman: The national health insurance issue.

Heininger: Just the national health insurance?

Goldman: I think that was the centerpiece of it.

Heininger: When he first offered you the job, did he lay out for you an agenda of what he said he wanted to accomplish with this subcommittee?

Goldman: He talked a lot about health insurance and our need to move it forward and that its enactment was long overdue and that that’s what the major push needed to be. He wanted me to know, and he certainly knew that we were going to be climbing a steep mountain, that the deck of legislative cards was stacked against us but that the need was so great that we had an
obligation to do whatever we could do to try to accomplish something that, at that point in time, had been a battle not won for many decades.

This battle for national health insurance actually dates back, as far as I can recall, to 1912, when Teddy Roosevelt’s Progressive Party called for national health insurance in the Progressive Party’s platform. Of course nothing much came of that. Teddy Roosevelt didn’t win the White House in 1912; Woodrow Wilson did. In 1920, the American Medical Association’s House of Delegates voted opposition to national health insurance. So the lines in the sand were being drawn 50 years before Edward Kennedy became chairman of the Health Subcommittee.

In 1932, Franklin Roosevelt called for a national health insurance program as part of the New Deal, and we certainly know that he had enormous Democratic majorities in both Houses of Congress. Yet he backed off pushing his national health insurance program on Capitol Hill because he was afraid that opposition to it might not only prevent its passage but might also derail his Social Security legislation.

In 1945, the principal national health insurance bill in the Senate was called the [James] Murray-[Robert] Wagner-[John] Dingell [Sr.] bill. President [Harry] Truman tried very hard to achieve passage of it, but he failed. Not long after he left office, he was interviewed in Florida by Edward R. Murrow. Murrow asked him, “Mr. President, what do you recall is your most stinging defeat in all your years in the White House?” Truman, without hesitation, responded, “The inability to pass national health insurance.”

In 1960, the year John Kennedy was elected President, the Democratic platform called for national health insurance as a part of Social Security. In 1964, Lyndon Johnson, then President, made national health a part of his Great Society program. Here was another year, with another Democratic President, with enormous Democratic majorities in both houses of Congress, but the best he could get in 1965 was the enactment of Medicare and Medicaid. In 1969, Walter Reuther, the labor leader, formed the Committee of 100, and that’s the committee which was, for Senator Kennedy, the principal ally in support for the enactment of his bill S. 3, the Health Security Act. But for reasons that we’ve discussed partially, S. 3 never moved. The opposition is too strong, even with our having made some fairly innovative efforts to try to counteract that opposition. We couldn’t do it.

Heininger: How much clout did the Committee for National Health Insurance have?

Goldman: With whom?

Heininger: With Congress, with the medical community. Did it just exist in a vacuum where nobody paid attention to it?

Goldman: The Committee of 100 was a creation of Labor, and while it had many members who were not Labor affiliated—churches, for example, individuals, academics—it would be a mistake to understand the committee as anything other than a creature of organized labor. I am not aware of any continuing significant efforts that they made to reach out to those who were not of their thinking to try to effect compromise. Their point of view was, “We have a bill. We think it’s the best bill for the country, and we want to pass our bill. You’re either with us or you’re against us.”
In the way our Congress works and the way our political system works, that’s a prescription for failure.

**Heininger:** Did you see it, therefore, as the chief lobbyist for Labor on behalf of national health insurance?

**Goldman:** If I understand your question, and I’m not sure I do, I think the answer is yes.

**Heininger:** Were there differences among the different Labor groups who either participated in or backed the Committee for National Health Insurance?

**Goldman:** No, not that I was aware of. We had, for example, Mel Glasser, who was, I think, affiliated with the United Autoworkers. We had Bert Seidman, who was affiliated with the AFL-CIO [American Federation of Labor and Congress of Industrial Organizations], and they basically came from the same direction—support S. 3.

**Heininger:** Did that last throughout the time in which you were on the subcommittee?

**Goldman:** The point of view that I have just attributed to them, so far as I know, it did, yes.

**Heininger:** What was Kennedy’s relationship with the committee?

**Goldman:** He would go and speak to them. The relationship was cordial and friendly and supportive, certainly at the outset, not all the way through. There was a point of explosion, but that came farther down the road. They were allies. They were in this together. It was their bill, it was their thinking, it was their ideology. Kennedy agreed with it. In order to effect it, it would have to pass Congress. He was their principal supporter in the Senate—Jim Corman was in the House, the Congressman from Los Angeles. They were in it together to win.

**Heininger:** Who actually wrote the bill? Do you know?

**Goldman:** I don’t know.

**Heininger:** Do you have a sense as to how much of an imprimatur Kennedy had on the bill itself?

**Goldman:** I do not know.

**Heininger:** When you look back on that period of the early 1970s, why did there seem to be a moment of opportunity for enacting national health insurance?

**Goldman:** I’m not sure there was, and with the benefit of hindsight, there wasn’t, because it wasn’t enacted. I suspect that the feeling among those in the Committee for National Health Insurance, the Committee of 100, as well as my chairman, was that this is something that is long overdue and that we need to make the effort and give it our best shot. It was already clear by the 1970s. Remember that Medicare and Medicaid have now been on the books for five or six years. It was already clear that medical costs were skyrocketing far more rapidly than the rate of
inflation and that this was already a significant problem, with every indication that it would become far worse. Indeed it has become far worse.

**Heininger:** Leaving aside the fact that it was not enacted, at the time, was there a sense that there was a consensus? Let’s put it a different way. Was there a coalition in support of national health insurance that went beyond Labor?

**Goldman:** The Committee for National Health Insurance was much broader than Labor. As I said, it included lots of left-leaning academics like Cecil Sheps, at the University of North Carolina; Lester Breslow, the dean at the UCLA School of Public Health; Rashi Fein, the health economist; Ig [Isadore] Falk, who’d been involved in, I believe, the birth of the Social Security Act many decades before; church groups. You could get a much fuller record of this simply by getting a listing of the Committee of 100 and taking a look at the affiliations. It was a left-leaning, broad-based coalition. It did not include the American Medical Association. It did not include the American Hospital Association. It did not include the Health Insurance Industry Association. It did not include Blue Cross and Blue Shield.

**Heininger:** Where was the sense of the public? The assessment at the time, you had Medicare and Medicaid in effect for five to six years.

**Goldman:** Yes.

**Heininger:** Costs are skyrocketing, but you’ve got an organized group pushing this. You’ve got Kennedy having introduced this. Where was the public? Was there a sense of where the public was? Rather, where would Kennedy have said the public was?

**Goldman:** Kennedy said that the public was ready for the enactment of a national program. He said, I think, in every health insurance talk he made or speech that he delivered, that the United States of America and South Africa were the only two industrialized nations on the face of the earth that did not have a national health insurance plan on the books. I don’t know, 35 years later, what’s happened in South Africa. I do know that America still doesn’t have one.

He said, in every speech he gave, that there were more than 40 million Americans who had no health insurance at all and that that was a national disgrace. Today there are 45 million Americans who have no national health insurance, and it’s still a national disgrace. So as far as he was concerned, the enactment of this program was long overdue, the country was ready for it, and that if it was presented in a way that they could understand and that made some sense, that they would, in overwhelming numbers, be supportive of it.

**Heininger:** If you had to do a 30-second sound byte for what S. 3 stood for, how would you describe it? Could it be explained?

**Goldman:** It was a bill of hundreds of pages, and so it’s a daunting task to explain that in 30-second sound bytes, though people far more expert at doing that than I did it then and could still do it today. It was a program that would cover all Americans and thus close this gap of 40 to 45 million who have no coverage. It was a program that had comprehensive benefits, medical and health benefits, including a focus on prevention. It was a program that anticipated a greater demand for services and was preparing the way for that by building the infrastructure. It was a
program that was financed by an increase in Social Security taxes, and it was a program that would not have deductibles or copays. It was a program where you could still choose your own doctor—and with your doctor, choose your own hospital. It was not socialized medicine. The Federal Government would not own the hospitals, and the doctors would not work on salary for the Federal Government. Since I’m not a PR guy, that’s the best I can do in a 30-second sound byte.

Heininger: All right. How would you distinguish it from what Medicare did? How would this differ from Medicare?

Goldman: It would basically extend Medicare to the entire population. To pick one important distinction, Medicare has never provided for drug coverage. I believe S. 3 did.

Heininger: Did Medicare, at that point, require deductibles in co-insurance?

Goldman: I believe that it did, but don’t take my word for it. That’s a Stan Jones question.

Heininger: Where was the White House?


Heininger: Right.

Goldman: Over the course of the years that I was on the Hill, I had two Presidents to deal with—first Richard Nixon and then Gerald Ford. I believe that the Nixon administration did introduce a Nixon national health insurance bill. I cannot give you the details of what it covered. I can assure you, it would have looked nothing like S. 3. Though they had a bill, it was analogous, in a political sense, to Russell Long’s health insurance legislation, which was called “catastrophic” health legislation, because it was a program to insure people against the cost of catastrophic illness, not a broad-based program for all kinds of health needs. It did rely on a mandate.

The analogy that, as far as I’m concerned, is appropriate between Russell Long’s catastrophic bill and the Nixon national health insurance bill is that neither of them intended to enact it. It was a way of having a placeholder so that they could say, “Oh yes, here’s what I’m for.” But there is a very important difference between having a placeholder that you could point to for political reasons, as contrasted to being motivated to actually enact a program. I think neither Nixon nor Russell Long had the motivation to enact their program.

Heininger: Why would Nixon have even felt it necessary to go so far if he saw it only as a placeholder? “Here’s what I’m for.” Why did he feel it necessary to do that?

Goldman: I’ll give you an answer to this question, but it is certainly not one that I can back up with data. Richard Nixon, the man, is a complicated person and a tragic person and a person haunted by demons—demons which ultimately destroyed his Presidency. One of the demons that I believe haunted President Nixon was the fear that Ted Kennedy would run for President against him in 1972. I could not, for the life of me, imagine that occurring, but that’s irrelevant.
The relevant part here, from my point of view, is that Nixon and his people—many of whom were as haunted by demons as was he—were worried about that. I think that the explanation for the introduction of the Nixon health insurance bill is simply a way of saying, “This is not a field of political play that we will cede to Ted Kennedy. We need to make clear that we too are players for national health, so that if indeed we have to face Kennedy down the road here, we’ve got our own program and we’re not caught with our pants down.”

**Heininger:** But if you look at the same time period, we do get Clean Air, Clean Water. There was a surprising amount of progressive legislation enacted under Nixon.

**Goldman:** That’s correct.

**Heininger:** Do you see him having had a greater stake in some of those other things than in health insurance? You see health insurance is being motivated by Kennedy. What about some of the other things?

**Goldman:** You are quite right about a broader point here about President Nixon. He was not, to his credit, an ideologue. He was open to all kinds of different ideas and points of view, and he was willing to take action on them, regardless of whether they fit some cookie-cutter ideological pattern. There are obvious examples here, and they are significant examples. Here was a conservative Republican President who ultimately is the progenitor of wage-and-price controls. To pick the most extraordinary one of all, here is a conservative Republican President who kicks open the door to communist China. So your point is well taken, but whether the motivations around examples like Clean Air and Clean Water were—how different or similar they were to whatever his motivations might have been in respect to national health insurance, I don’t know that in detail well enough to give you an intelligent response. But remember this. All of Nixon’s initiatives were overtaken and crushed by Watergate.

**Heininger:** But you think he was principally motivated by not wanting to cede the territory to Kennedy. Did you see concern in the administration on the part of the skyrocketing health costs?

**Goldman:** They were concerned about costs, but remember, this was an administration that I was not in and didn’t have many doors that I could turn to get in, given the person that I worked for. I can tell you for sure, they would have been concerned about costs. The follow-on question that’s more important is, but what were they willing to do in respect of cost? There, I don’t really know.

But this business of Nixon and his folks being worried about Kennedy and the Presidential thing, I can actually bring a little more data to the support of that proposition, because also in ’71—and I don’t do this to take you off your point, because I suspect we’ll come to it later—but also in ’71, the subcommittee was moving cancer legislation. There is an important part of that story, where we see action by Nixon, which I again believe is principally motivated by what I’ll call the “Kennedy Presidential worry.” When you give me two data points in the same year, within months of one another, they register with me.

**Heininger:** Let’s detour on the War on Cancer at that point then. Where did the idea originate? Did it originate with Kennedy? Did it originate with Nixon? Did it originate with Mary Lasker, Benno Schmidt, Elmer Bobst? Why did it surface when it did?
Goldman: You’ll recall earlier in this conversation, I responded to some of your questions by telling you, “That occurred before I got there.” Well, you’re going to get another dose of that now. Though I know a little bit more about what I’m about to say, simply because, as you will recall, I had been with the subcommittee on the fellowship, which preceded the time that I went to work for Chairman Kennedy.

The committee at that time, when I was there on the fellowship—we’re talking now about the summer and fall of 1970—the committee was chaired by Ralph Webster Yarborough of Texas, and the Health Subcommittee was chaired by Ralph Webster Yarborough of Texas. But at the time I joined the subcommittee as a Congressional Fellow, it was actually within 48 hours of the time that Senator Yarborough had been defeated in a primary in Texas, by Lloyd Bentsen. So during the time that I was working with the subcommittee, on the fellowship, and working for Senator Yarborough, he was a lame duck. Virtually all of what I did during that six-month period was working on this recurrent legislation that I’ve described to you earlier that keeps popping up every three years. Well, 1970 was a year in which many pieces of legislation expired and needed to be reauthorized, and that’s what I did.

But I was also aware of something else that was going on, of which I was not a part, and that was the work of a special panel of advisors to the full committee. This was a panel of 26 people, 13 of whom were prominent American citizens, lay people, and 13 of whom were physicians or scientists. There were two co-chairs of this special panel. I believe the lay person who was the chair was I.W. Abel, who was the president of the United Steelworkers. I believe the scientist co-chair was Sidney Farber, who was a cancer physician from Boston. Almost certainly, Mary Lasker, the philanthropist, would have been one of the lay people on this panel.

Their job was to produce a report, a set of recommendations to the full committee, in order to enlarge and make more effective the battle against cancer. Cancer was, at that time, probably still is, the disease Americans fear more than any other disease. So they were working away on their report, and it was completed late in 1970. That panel of experts had their own staff, and they produced this report, which was then submitted to the committee.

Heininger: You left in October?

Goldman: I left in October.

Heininger: Was the report done by then?

Goldman: It was either done or almost done. A bill was drafted based upon the report—in other words, a bill to implement the principal recommendations of the report. That bill was introduced in the Senate and was S. 34.

Heininger: ‘Introduced in early ’71’?

Goldman: Yes.

Heininger: It must have been to have that low a number.
Goldman: Yes. It was introduced by Senator Kennedy, the incoming chairman of the Health Subcommittee, because remember, with the turn of the calendar, Yarborough was gone. The new Yarborough at the full-committee level is Pete Williams of New Jersey. The new Yarborough at the subcommittee level is Ted Kennedy.

Heininger: So Kennedy would have introduced this, because there was a bill that had been drawn up based on the recommendations by a special panel—so not that he necessarily had had any role in the development of this bill necessarily.

Goldman: I’m not aware of his role. That isn’t to say that there wasn’t one, but I’m not aware of it. So the bill was introduced. When I got there, just like S. 3 was there waiting for me, so was S. 34 waiting for me.

Heininger: Do you know the evolution of why the panel was set up? What I’m trying to figure out is, how much was Nixon involved in this, and how much was this members of Congress being concerned about cancer, and how much of this was outside lobbyists who were trying to gin up support?

Goldman: I’ll give you my best guess. Let me take the easy part first. You can forget Nixon. Nixon was a latecomer to this issue. I’d bet the ranch on that proposition. It’s less clear here—though I’m going to give you my considered judgment in a second—it’s less clear whether the impetus comes from within the Senate, as contrasted to out in the private sector. I don’t know for sure, but I would bet you that this is something that comes from the outside in. This is the kind of thing that Mary Lasker and Florence Mahoney and others of that ilk would think of, and they would have both the smarts and the contacts and the motivation to act on it.

There is a wonderful and illuminating article that was written by Elizabeth Brenner Drew in the Atlantic Monthly in 1967. While it obviously is decades old now, it’s as powerful and relevant now as it was then. This article was entitled “The Health Syndicate: Washington’s Noble Conspirators.” It’s the story using health and health research as an example of the way Washington really works, then and now. What Elizabeth Brenner Drew describes—and she’s a wonderful writer, by the way—is an alliance. Again, as I say, she uses health and health research as her example here, as the substance.

An alliance that is, in effect, a permanent alliance among the following players: agency people in the executive branch. Notice I didn’t say the political level. I didn’t say Cabinet Secretary. I’m talking about people like the director of NIH [National Institutes of Health], the director of the Cancer Institute, the director of legislation for the Cancer Institute—these kinds of people at the agency level, plus subcommittee chairmen—notice I didn’t say full committee; notice I didn’t say Senate leadership—subcommittee chairmen and their key staff aides of the subcommittees that hold legislative jurisdiction over the affected area, and key players in the private sector, such as the dean of the Harvard Medical School, to pick a professional player, or Mary Lasker, to pick a lay player. It is the discussions and agreements reached informally and in camera by these three focal points that shape and determine the legislative process.
And that’s what you’ve got occurring here in respect to the cancer panel to the Senate Labor and Public Welfare Committee—a panel that made, in my judgment, two profoundly strategic mistakes in what they did, for which they paid dearly by the end of the legislative process.

Heininger: Which are?

Goldman: Which are, number one, to go only to the relevant committee in the Senate but not the House, because what it did was to anger the chairman of the House Health Subcommittee, Paul G. Rogers of West Palm Beach, Florida, who regarded himself—and in many respects, quite properly so—as Mr. Health. The fact that the Senate had a special panel and the Senate had its own report and the Senate had its own bill was more than enough motivation for the House committee to come to the conclusion that, “You’ve got it wrong, and we’ll fix it for you.” So that was a legislative procedural blunder that should never have been made and for which a large price was paid.

The second mistake, which created even more conflict, was—and there are really two aspects of this. One was the proposal to remove the cancer program, the Cancer Institute, from NIH and make it a freestanding agency, reporting directly to the President of the United States, like NASA [National Aeronautics and Space Administration]. Then, building on the NASA notion, to merchandise this new program as analogous to America’s moon shot, where, as you will recall, President Kennedy called for sending men to the moon by the end of the decade of the ’60s and returning them safely to earth, which we did.

The problems inherent in this removal of NCI [National Cancer Institute] from NIH and describing the program as a moon shot were as follows: There had been a coherence of the focus for biomedical research in this country being located in the National Institutes of Health for a number of decades before 1970. The NIH was, by those who were aware of it—and most Americans were not the focal point for biomedical research.

There was also an understanding that the job of biomedical research is a complicated and tedious job with no guarantee of success, which is not a reason for not undertaking biomedical research. The Cancer Institute had always been the largest institute among the many that comprise the National Institutes of Health. So the notion of lifting up the NCI and taking it away was profoundly unsettling, not only to NIH but to most of the biomedical research community. There was no obvious reason that making that move would accelerate finding cures to cancer, and there was some reason to believe that making that move would have deleterious consequences for the rest of biomedical research.

Then the proponents of this program doubled down their mistake in spades by describing the proposal as a moon shot. That’s just plain factually wrong, and they should have known better. By making that mistake, they exposed themselves to criticism that, in the end, proved devastating. Basically it goes like this: The analogy to moon shot is inaccurate, and it’s inaccurate because when the decision was taken to go to the moon, the theoretical and scientific understandings that we needed in order to accomplish it were already clearly in place. We knew what [Isaac] Newton’s laws of motion were. The job at hand was an engineering job—and I don’t mean to demean in any way the magnitude and complexity of the effort. It was enormous and it was an enormous success. But what was necessary was to build a rocket with enough
thrust to carry that payload to the moon and to equip it with computers powerful enough to handle the data and everything else that the infrastructure requirements would call for. But it was an engineering project—a mammoth one, but an engineering project.

Curing cancer is an entirely different kettle of fish. We didn’t then have the theoretical basis in place to know how to cure cancer—and to a large degree, although enormous progress has been made, we still don’t, some 35 years later. So by saying, “We will take the Cancer Institute out of NIH, and we will embark upon a moon shot,” which implies, if you just appropriate enough money, the cure will come. It was wrong and it created substantial controversy that plagued that legislation right up to the day that President Nixon signed it into law on December 23, 1971 in the White House, a day that reminds me of a piece of trivia here that’s too delicious not to mention, and so for fear that I’ll forget it, I’ll mention it.

Nixon had this wonderful signing ceremony on December the 23rd in the White House. All of the principals who had been involved in this legislation were present, including Senator Kennedy, and me. The White House was magnificently decorated for Christmas. The President was kind enough, at the conclusion of the ceremony, where the President spoke positively about the legislation and about the actions of all those involved—the President was kind enough to give those of us who wanted—and we all did—a tour of the decorated White House.

Some 15 to 20 years later, as more and more pieces of the Nixon tapes are made public, one day I’m reading the Washington Post and it tells me that there was a day where President Nixon had a meeting with Chuck Colson, and the purpose of the meeting was for Colson to brief the President on the dirty tricks that were being planned against Senator Edward Kennedy in the New Hampshire primary that was forthcoming. When was that meeting between Chuck Colson and Richard Milhous Nixon? It was on the afternoon of December 23, 1971. If you want a chilling insight into American politics, there it is.

Heininger: I have not heard that one before. That’s a good one.

Goldman: And by the way, if you want a secondary resource on this, when I read that in the Washington Post that day, which was in the late ’80s, I picked up the phone and I called Carey Parker and pointed out the confluence of the dates to Carey, because I figured the odds were very high that while he would have read the article in the Post, he would not have realized that December 23rd was the day that our boss was in the White House with the President, in the morning, signing the cancer legislation, making nice-nice.

Heininger: You point out the mistakes that were made in the legislation, that I assume were in as a result of how the panel structured its recommendations—

Goldman: I’m sure that’s right.

Heininger: —how it handled the process. The bill gets introduced.

Goldman: Right.

Heininger: As it made its way through the legislative process, did Kennedy have any imprimatur on that? Did Kennedy recognize any of these as being potential problems, pitfalls with it?
Goldman: I pointed this out to him early on in the process. The committee’s hearings were in March of ’71, and I pointed this out to him prior to the hearings. I told him that I saw big-time trouble down the road legislatively, politically, for this bill. I know he heard me, because as I suspect you’ve figured out by now, I speak clearly. He did not say to me whether he agreed or not with my analysis. What he did say was, “The bill’s in, I’m its sponsor, and we are committed to move it forward,” and I said, “Yes, sir.” That’s what we then did, and by December the 23rd, there was a law.

Heininger: This was also very early in your time with Kennedy as staff director too.

Goldman: There was an explosion of activity. You’ve heard me talk about these laws that expire and must be reauthorized. We had a number of these in 1971. We had this incredible scenario surrounding national health insurance, which we’ve only partially discussed.

Heininger: I know.

Goldman: We’ve got all the field hearings on national health insurance across the entire country. We’ve got the trip to Western Europe and Israel, and we’ve got the cancer legislation, and we’ve got Senator Kennedy’s book on national health insurance, and all of that occurs in 1971. It was a year unlike any other. You talk about a baptism of fire. It was, and not just for the staff but for the chairman as well.

Heininger: At that point, he’s unlikely to have been able to roll back what was in the bill, which was to separate out the Cancer Institute. To what extent did you see him trying to draw in Paul Rogers and bring the House along?

Goldman: That occurred principally in the conference with the House after both bodies had passed their legislation.

Heininger: So it had to go all the way until conference before that could—

Goldman: Yes.

Heininger: That’s late.

Goldman: That’s right.

Heininger: Did Paul Rogers’ nose remain out of joint with Kennedy over it?

Goldman: No. Both of these individuals, and I know them both. I know Senator Kennedy far better than I know Paul Rogers, but I know Paul Rogers well. He’d been in Congress a long time. He came to the House in December of 1955 to take the seat held by his father, who had passed away. While he had not been chairman of the Health Subcommittee in the House all that long, he had been very importantly involved in health legislation on the subcommittee for a long time. Rogers was a tireless worker, a very smart man, a very nice guy. He and Kennedy got along basically just fine through the whole of the time that I was up there, which is not to say that they took the same view of what the final legislative product ought to look like. But their interpersonal relationship was fine, and they worked well together.
**Heininger:** Is Rogers somebody that we should interview?

**Goldman:** Oh absolutely. When I last had lunch with him, which now is pushing a decade ago, he was with the firm of Hogan & Hartson, in Washington, as was his chief staff aide, also an important person in these stories, an analogue to me, whose name is Steve Lawton. He also was at Hogan & Hartson.

**Heininger:** Let’s go back to national health insurance.

**Goldman:** And there is, by the way, much of significance on the cancer legislation that we have not covered. I don’t know which one you want to do to the end first, but it’s your call, whatever you want.

**Heininger:** Let’s go back for the moment to national health insurance, and then we’ll go back to cancer. I know that’s skipping around.

**Goldman:** That’s fine.

**Heininger:** Because it raises the question of, when we get to Kennedy-[Wilbur] Mills, with little that’s happening on national health insurance in ’71 or in ’72, we get to Kennedy-Mills in ’73. Whose idea was it to go to Mills? Why not go to Rogers? You had the provision in there that gave you a hook. Why go to Mills? Who thought up the idea of going to Mills?

**Goldman:** I did.

**Heininger:** You did?

**Goldman:** Yes. The Rogers committee basically has the same problem as the Kennedy committee—not the right jurisdiction to get the job done. But in the context of our earlier conversation here this afternoon, Wilbur Mills is the analogue in the House to Russell Long. This is the right committee. If you can’t get Russell Long to play ball on national health insurance, why not try to get Wilbur Mills to play ball on national health insurance? It’s just that simple.

**Heininger:** Why wait until ’73?

**Goldman:** Since I was the one who thought of it, the easy answer to your question is, we couldn’t do it until I thought of it, and that’s when I thought of it. I don’t mean to be flip about it.

**Heininger:** But what made you think of it?

**Goldman:** Actually—and I’m embarrassed to say what I’m about to say—but I’m not sure it was ’73.

**Heininger:** It might have been ’72.

**Goldman:** And it might have been ’71. Let me think here for a moment. It’s not ’73.

**Heininger:** The chief negotiations of the bill take place in the spring of ’73, but you’re right, the issue came up earlier.
**Goldman:** Here’s my best recollection.

**Heininger:** It’s ’72.

**Goldman:** Yes. Mills announces that he’s going to run for President of the United States, and that is the trigger that gets me thinking. Obviously we could find—the public record clearly contains somewhere the date that he made that announcement. But that’s what starts me thinking. My first thought is, Mills’ chance of becoming President is only slightly greater than mine. So at one level it’s laughable.

So what’s he up to? I’m talking to myself here, thinking out loud for you and history. So what’s he up to here? He’s the powerful chairman of the House Ways and Means Committee, someone most Americans have never heard of—a man with no charisma, a man who we learn a few years later is burdened with significant personal problems. What’s going on here? What’s he angling for? Why isn’t he content being the architect of the nation’s tax legislation, Social Security legislation, Medicare legislation, and trade legislation? That ought to be enough to keep you happy. I think maybe he’d like to be Vice President. If I had my choice between chairman of the House Ways and Means Committee and being Vice President, it wouldn’t take me long to figure out, I’d rather be chairman of the House Ways and Means Committee.

If you’re going to be Vice President, that means you’ve got to be on the ticket with somebody else. Who might a somebody else be? It could be Ted Kennedy. There’s actually precedent for this. After all, there was John Kennedy, who reached out to a southerner, as Vice President, to win just enough electoral votes to win the White House, and I suspect—

But in any event, there is this analogy of Jack Kennedy and LBJ [Lyndon Baines Johnson], and what about Ted Kennedy and Wilbur Mills? Don’t misunderstand me. I’m not suggesting in any way, shape, or form that I believe that Ted Kennedy had any designs on the White House in 1972. I didn’t. I wouldn’t have taken the job of staff director of the subcommittee if I had believed that.

**Heininger:** But lots of other people thought he did.

**Goldman:** They were all wrong.

**Heininger:** Why were they wrong?

**Goldman:** Because he didn’t. It made no sense at all, and if you want me to divert and tell you why, I’ll be happy to.

**Heininger:** Yes, do.

**Goldman:** Ponder the following answers: Number one, his brother, Jack, had been assassinated as President. His brother, Bob [Kennedy], had been assassinated attempting to become President. Number three, he was responsible as the surrogate father of an enormous number of children as a consequence of those two assassinations, a responsibility that he undertook with vigor, with affection, and with great success. But it was a huge burden. Number four, there was the night that his automobile ran off the Dyke Bridge, creating a national sensation surrounding the death
of Mary Jo Kopechne. Fifth, the Democratic Caucus, in secret vote, had stripped him of his Senate leadership position. Sixth, he wasn’t prepared to be President, and at some level he had to know it.

So the notion that he would become chairman of the Health Subcommittee in January of 1971 only to run in the New Hampshire primary a year later in a quest for the White House, was, on its face, idiotic to my way of thinking. Notice I haven’t addressed the question of whether I thought at some point he would seek the Presidency, because I did believe that at some point he would. I also believe that when that point came, for whatever the reasons, it would turn out to be that he wouldn’t be successful—but certainly not in 1972.

**Heininger:** So you come up with the idea of approaching Mills.

**Goldman:** Yes, because it’s conceivable to me that Mills thinks—just like Nixon thinks, just like, apparently, lots of people think—here comes Ted Kennedy. So I said to myself and to Stan Jones—because we would have coffee almost every morning, and we would talk and make our plan for whatever it is we were up to that day or that week. We were talking about this, and we talked about it over several days, and I said to him, “Maybe there’s an opening here with Mills. Maybe we could get an effort going to effect a Mills-Kennedy joint effort on national health insurance. We’d be in the right committee, and we could modify the bill in order to meet both of their needs in order to garner the votes necessary to move it forward, and maybe we could really do something here.”

You need to know that the bias I bring to this effort, as well as to virtually all of the legislative responsibilities of the subcommittees, was to get the legislative job done. I wasn’t interested in efforts that were posturing. I wasn’t interested in how many TV appearances or newspaper articles we could get. I was interested in the legislative process, in writing the best bill we could write, and in having it be enacted into law. So my interest on national health insurance, which was entirely, as far as I was concerned, consistent with the chairman’s, was to get the program enacted.

Nineteen twelve to 1971 is already too long. This is overdue. We don’t need to be talking about it; we need to be doing it, which means I’m obviously even more frustrated here in 2007 that we’re up to 95 years of failure now. We’re pushing a century of failure on this topic, and we’re less close to it today than we were in 1971 and ’72. We’ve lost ground for a variety of reasons, which we can go into later if you want to. So Jones said, “Maybe you’ve got something here. What the hell? We’re not going anywhere with the Senate Finance Committee.” So the next step in the process is to see whether the Senator will concur in this, because we can dream up ideas, but you only act if the boss says act. We were not independent actors.

So I ran this idea by him, by talking to him in the most common way I used to talk to him, which was by sending a note to the bag. The bag was not a bag; the bag was a briefcase. It was a briefcase that would go with the Senator at the end of the business day every day. Into it would be put whatever briefing materials or questions or issue papers or whatever that any of his staff—and he had a large staff, because not only were there us on the Health Subcommittee, he was also chairman of the National Science Foundation Subcommittee, of our committee; he was chairman of the Refugee Subcommittee of Judiciary; he was chairman of the Administrative Practice and
Procedure Subcommittee of Judiciary; and of course he had his own personal staff. So from all of these sources, there are materials every day of the week flowing into the bag.

The chairman would, either late at night or very early the next morning, do his homework. He was remarkably good about doing this, of opening the bag and reading all this stuff and scrawling notes in his own handwriting at the top of the memos, saying what his decisions were. So I sent a note to the bag saying, in effect, “How about we try this Mills thing?”

Heininger: Generally, to send a note through the bag, was that a more effective way to raise things than to do it with him personally?

Goldman: Oh, absolutely. You learned really fast that if you try to see him, you are up against a wall of competition, much of which are people who rank higher than you, like other Senators, like dignitaries from the private sector, like Hollywood movie stars, like Cabinet Secretaries. So you go around to wherever he and they are, and you stand in a corner, and when he gets done, if he’s going from hearing room A to hearing room B, he says, “Lee, let’s walk,” and you walk along while he talks, for example, to Senator [John] Tunney. You get to hearing room B, and he enters into it and says, “Hold on.” Now what do you do? You stand around and wait while he asks questions for a few hours at another hearing. This is a system of inefficiency that simply does not work unless the matter is so urgent that it can’t wait overnight, at which point you have to be rude and say, “No, sir, we need to talk now,” which rarely, but sometimes occurred. Most times the matter is not urgent, and this matter that we’re talking about was not time urgent like that.

So you send the note to the bag and it comes back. If it says in the upper right hand corner, “See me,” in very large letters, it means see me. If it says, “See me,” in letters so small that you can barely make it out, it means, “I’m angry. Don’t see me. Figure out a different approach.” If it says something substantive, you follow the substantive comment, and if it says okay, you act—and it said okay.

So now the operative question becomes, how do we act now that we have permission to try to do this? How do we do it? Which is by no means clear. The breakthrough comes when we realize that former Secretary of HEW [Health, Education, and Welfare], Wilbur Cohen, is going to be chairing platform committee hearings for the Democratic platform for 1972, and that a witness, one of the many witnesses scheduled to testify at those hearings, is Wilbur Mills. That enables me to conclude, what if Wilbur Cohen, in the Q&A, were to ask Chairman Mills, “What would you think about working with Senator Kennedy and his people on national health insurance?”

So I send a note to the bag saying, “How about we try to do this?” and it comes back, okay. Somehow we found a way to plant the notion for such a question in the mind of Wilbur Cohen, and I don’t remember how we did it, and I hope Stan has already told you. If he hasn’t, call him up and ask him because I don’t remember. What I do know is that Chairman Mills did testify before a Wilbur Cohen-chaired platform committee meeting, and Secretary Cohen did ask him the question, and Mills basically responded by saying that he thought that would be a good idea. Boy, now we were in it. Shortly thereafter, as I recollect it, Mills’ chief health guy, Bill Fullerton, called Stan and said, “We need to talk.” Bill, of course, was blindsided by all of this, which I’m sure he got over quickly. He’s an extraordinarily able man.
What grows out of that are a series of meetings between Stan and Bill Fullerton, where they work out what you might call the outline of a Kennedy-Mills health insurance proposal, nothing anywhere near the detail of the legislative language you would find in the bill. I’m talking about concepts here, talking about things like who’d be eligible for coverage? How would the program be financed? Would there be copays or deductibles? Would it be financed by Social Security taxes? Who would administer the program? What would the role be, if any, for private health insurance companies? In other words, the big conceptual issues that you have to confront the minute you say, “We want to talk about health insurance.”

So Stan and Bill met multiple times and worked out the anatomy of such an outline, which each of them carried back to their principals. This then led ultimately to a series of meetings between Kennedy and Mills, with Jones in attendance, not Fullerton. My recollection is there were three or four or five such meetings. I got reports on the meetings from Stan. I was not present at them. It’s also fair to say that a good chunk of the time in each of these meetings was spent discussing topics other than health insurance.

**Heininger:** How many meetings, three to four?

**Goldman:** Three, four, five.

**Heininger:** Three to five.

**Goldman:** Yes. All cordial, all positive, all with the sense of we need to keep moving this forward. After each meeting, Bill and Stan would go the next step. It ultimately got to the point, I believe, where they actually took the proposal and sent it to the Congressional Research Service of the Library of Congress to have the Library of Congress take their outline and take it to the next level of specificity, which we would call “legislative specs.”

**Heininger:** It went this way rather than the legislative counsel for drafting?

**Goldman:** I think it went to the Library of Congress. I’m not certain of this. It’s worth checking. For some reason, my mind comes up Library of Congress. But you’re right, one would have thought the counsel’s office. In any event, it went to one of those two places. Let’s put it that way. Ultimately we get to the point where Mills moves to schedule a markup session of the Ways and Means Committee with the intention of moving the proposal forward. It fails and the effort dies.

**Heininger:** Why did it fail?

**Goldman:** I can speculate. There hadn’t been adequate homework done in bringing along the rest of the members of the committee to the concept. Even if there had been lots of homework done to bring along the members of the committee, they would have gone back to their home bases, which means places like AMA [American Medical Association], AHA [American Hospital Association], HIAA [Health Insurance Association of America], and organized labor. Had they done that, what would they have encountered? No, no, no, and no, because it didn’t fit either the ideological template of what the bill had to be or because the real interest was in no bill at all.
**Heininger:** So neither the ideological template of Labor or no bill at all.

**Goldman:** Or no bill at all. When you have 95 years of failure, it’s got to mean that the entrenched opposition is very strong. One of the unfortunate lessons that come out of this failure and all the other failures is that the traditional ways of trying to do this won’t work. After you bomb Vietnam long enough, you come to the conclusion that more bombs won’t work. This traditional legislative process has failed for 100 years. It’s not going to work. We’ve got to figure out a new way to do this.

**Heininger:** Did you have a sense that Kennedy, particularly when he started off as chair of the subcommittee and then through the years that you were there, did he believe that it would be possible to enact national health insurance?

**Goldman:** Yes.

**Heininger:** Did he believe that it would come about through the legislative process—

**Goldman:** Yes.

**Heininger:** —or only through negotiations with the White House?

**Goldman:** Oh, no, he would have defined—he’s a smart guy. He knows the culture and the process far better than I or most people who have worked on Capitol Hill. He’s not a lightweight in this regard. He is a heavyweight, a big-time heavyweight. Therefore, for sure he would have understood that to successfully get over all of the hurdles that get you to a signing ceremony in the White House requires not only all the hurdles on Capitol Hill, it requires all the hurdles out there in the lobbying world, and it requires all the hurdles in the executive branch.

**Heininger:** If these hurdles had not been overcome since 1912, why did he think they could be overcome then? What made him feel optimistic about it?

**Goldman:** He is by nature optimistic. I don’t think he could have survived all that he and his family have been through had he not been a wonderful optimist. He had confidence in his own commitment to the issue, and I am sure he believed that if we worked hard enough at it and if we were smart enough in what we did that we had a fighting chance here and that we had an obligation to make the very best effort. We all believed that.

**Heininger:** But what made him think that the tenor of the times was such that it would be possible to achieve this then when it hadn’t been achieved before that?

**Goldman:** I don’t know the answer to that. My estimate of him—and this is a compliment, although it may not sound like it—is that he is not the kind of person who is given over to thinking like that. I would be willing to bet that he didn’t spend eight seconds wondering what is the history of national health insurance. This thing had been going nowhere for 50 years, and here we were with a Republican President, who was a weird Republican President anyway, with special connections to the Kennedy family because of 1960. Russell Long was sitting there like a troll on the top of the Senate Finance Committee bridge. What is our systematic and measured
thought process of what the odds are here and whether this is worth the effort? That’s not Ted Kennedy.

Ted Kennedy thinks, *This country needs a national health program. Things are getting worse rather than better for many of the American people health-wise. We’ve been fighting this fight for 50 years, and we haven’t gotten the ball across the goal line yet. We’ve got an obligation to do it. I’m chairman of the subcommittee. It’s my obligation to make my best effort, and by God that’s what I’m going to do.*

**Heininger:** But was there something in the public tenor of the times that made him think—were there other people who also thought that this was going to be achieved at this time? There were so many plans out there at the time.

**Goldman:** I don’t know, and you can even raise questions—and this is going to get cynical here, so you’ll forgive me for it—but you can even raise questions about whether Labor was serious about the enactment of S. 3. Ponder the following: We know that whenever you talked with them about compromise in order to achieve the movement of the legislation, they were intransigently opposed. We also know that they had been for national health insurance, in terms of their public posture, for a long time. So you would think, if they had working brains, and some of them did, that they would have learned by then that enactment of their pristine vehicle was not something that was going to happen, that compromise was going to be necessary at some point if you wanted a bill that became a law.

We also know that the parts of Labor that were the most aggressive in their support for S. 3 were the autoworkers and the steelworkers. Who had the best negotiated fringe health benefits in America? The autoworkers and the steelworkers. So this raises an interesting question, doesn’t it? Why would they be so aggressive in pushing for a national health program when their members already had it made?

**Heininger:** And the ones who were paying for it were the employers rather than the government.

**Goldman:** Right.

**Heininger:** Why would Labor give up something that costs employers to have it cost the government and benefit people that weren’t them?

**Goldman:** Right, and so this raises real questions of credibility here. These were not questions that we debated at the time. They were not on the table. I recall no discussion of them at all, either at the staff level or with the chairman. Using the benefit of 20/20 hindsight, of course there is a powerful reason why the autoworkers and the steelworkers should have wanted and pushed hard and made the necessary compromises attendant toward the enactment of a national health program. Let’s take a moment and look at both industries.

When World War II ended, the United States had the most productive steelmaking capacity on the face of the Earth. The United States had been the arsenal of democracy, and the backbone of the arsenal was steel. This is a subject I happen to know a little bit about—having nothing whatever to do with Capitol Hill, health care, or Chairman Kennedy—because my father went from high school in 1927 to become a laborer in the largest steel plant in the world, in Gary,
Indiana. He retired from that company 47 years later as one of its senior industrial engineers. I’ve worked in that steel mill during numerous summers to finance a portion of my college education. My father and I, over the decades, had many conversations about the steel industry.

Here was an industry that goes from the absolute pinnacle of success at the end of World War II, and it starts its slide into oblivion, in 1946, with a poisonous and bitter strike by the steelworkers. What you have from then for the next 30 years or so is a steel industry that cannot face the reality that the [George] Marshall Plan has built brand new, modern steel plants all across Western Europe. The Japanese have done exactly the same thing. All of a sudden, the U.S. plants, which the executives of U.S. Steel should have recognized, can no longer compete. While at the same time, the United Steelworkers, with strike threat and strike year after year, demand higher and higher wages and richer and richer fringe benefits, led by the increasingly expensive health benefit. What it does is wreck the United States steel industry.

What do they do after it’s too late to have anticipated the problem and fixed it with relatively minor surgery? They forfeit on their retirement plans for thousands of retired steelworkers, forcing them to be picked up by the Pension Benefit Guarantee Corporation on the public dole. They run to Congress and say, “Our problem is foreign dumping. Pass tariff protection.” The autoworkers’ story is just as awful. Without going into the lengthy detail of it, look at the recent proposed Ford restructuring. Who is it that they are proposing to buy out from their employee workforce? They are proposing to buy out the union employees because of the retirement cost of the health program.

So you can make up one of two arguments that apply in the 1970s. You can either say Labor was never serious about the enactment of S. 3 because they already had it made, or you could say that there were some seers among them who said, “We’d better get a program like S. 3 on the books, because if we don’t, it’s going to wreck the goose that lays the golden egg for us.” I’m not sure how many of both groups there were. I tend to think there were a lot more of the former and precious few of the latter. But it does raise an interesting question about how serious they were about affecting legislation.

**Heininger:** So why did they kill Kennedy-Mills?

**Goldman:** At some point in the process—and I don’t remember the chronology well enough to be able to illuminate exactly when this occurred, but I know that it did occur—at some point in the process, there was a meeting in the Senator’s office—I was not present; Stan was there—that involved the Senator and Stan and the key people from Labor. I believe Leonard Woodcock, who was then the president of the Autoworkers, was there. I believe Andy Biemiller was there. He was one of the chief lobbyists for the AFL-CIO. Mel Glasser from the Autoworkers would have been there. Bert Seidman from the AFL-CIO would have been there, and perhaps others.

It was at that meeting that the chairman apprised them of the effort with Mills. They were berserk, as I get the story from Stan, absolutely adamant that this shouldn’t have been done, wrong thing to do, huge strategic and political mistake. As a matter of fact, in the meeting, Biemiller accuses the chairman of being a traitor to Labor. This was a very tense and hostile meeting, with acrimony on both sides. The chairman did not take kindly to Labor’s substantive
reaction, to its political reaction, and to the ad hominem comment that they made. It basically broke up an impasse. He opened the door, and out they went.

Heininger: Where did it go from there?

Goldman: I had another idea: if we can’t get enough momentum to break through the logjam by going to Mills, how about Nixon? Again, this is a series of discussions between Stan and me, at coffee, early, over a series of mornings. The essence of the thought, just like the Mills one, is straightforward and simple. It’s: Nixon is terrified of Kennedy. Maybe that would be sufficient to get him to want him to effect a compromise. Remember that by the time I’m having this thought, there’s already the data in respect to the cancer legislation. We’ve already seen the Nixon problem, with Kennedy having the lead on cancer, and we saw what Nixon did. He came up with his own bill. He was willing to deal, and we got a law, or we were in the process of getting a law. So this was not a totally goofy notion of mine. So Jones says, “Who knows?” So I send a memo to the bag, and it says okay. Here we go again.

It turns out, by coincidence, that the Assistant Secretary for Planning and Evaluation—this is a political appointment—in HEW was a guy by the name of Stuart Altman. Coincidentally, at this same time that Stan and I were having these conversations and the chairman concurred in acting on it that Stan and Stuart Altman were going to be together on a panel discussion someplace in New Mexico, probably Albuquerque or Santa Fe. I don’t remember where, and I don’t even know what the group was. But this was not an uncommon thing for both the senior HEW people and for senior Hill people to do.

So he says, “Why don’t I broach it with Stuart while I’m in New Mexico?” and he does. Altman’s initial reaction, I think, is that he’s dumbfounded, like a bolt of lightning out of the blue. The strength of people like Altman, a very nice guy, and Jones is that they’re low key, they’re substantive, and they have their feet on the ground. They’re reasonable people, they’re not radicals, and their day-to-day operation isn’t political. So when you get them involved in something like this, they have the additional strength and credibility of being substantive folks. That’s part of why I stayed away from a lot of these discussions. My judgment was they had a better chance of success if Stan was doing it himself, given the nature of who he was and how he was perceived. I’m just as convinced of that today as I was 35 years ago.

This leads to—just like the thing with Mills—this leads to the beginnings of conversations. These conversations—which I attended none of, by the way—were even more delicate than they were with Mills. I mean, with Mills, both Congressmen; with Mills, both legislative types; with Mills, the legislative process. But with the executive branch, you’ve got executive, legislative; you’ve got Kennedy/Nixon. This is tougher. The worlds are more foreign People are less trusting.

So there was, as I remember it from Stan telling me, was more tiptoeing and dancing around, feeling one another out to figure out what the hell is this really all about? Can you take this guy at face value in terms of what he’s saying? Is he lying to me? We weren’t lying. We were saying, “Do you want to have a serious discussion about working out a compromise health bill that together we would pass, that would improve the health of the American people? That’s what we’re interested in. Hear me, it’s the truth.” That was the truth.
Ultimately they get to the point where they become more trusting, and they begin to have discussions, and they begin to talk about substance, and just like with the Mills things, the discussions are at a fairly conceptual—not legislative specs but fairly conceptual—but nonetheless, the important conceptual issues. Who’s going to be eligible? Who’s going to pay for it? How is the funding going to be handled? How much is going to be on the budget or off the budget? What’s going to be the role for the private insurance companies, if any? Who’s going to administer the program? Are there going to be Social Security taxes? They get pretty far along. Of course Jones has the advantage of having the benefit of all of the discussions with Mills. He’s going to the table with a set of thoughts already previously worked out. The sad conclusion is, it fails.

These discussions, by the way, are all in secret, and to ensure their secrecy, they were conducted in St. Mark’s Episcopal Church, on Capitol Hill. But it all crashes and burns because we’re talking about a subject here where we always know the conclusion—failure. The issue that causes the plane to go down is that the then-Secretary of HEW, Caspar Weinberger—a formidable opponent in the political process, let me tell you—will not agree to financing any part of the program with Social Security taxes. That does it in, and the effort stalls. In my judgment, the best chance we had at success came right away. While it was the best chance, it nonetheless failed.

**Heininger:** Back to Labor for a minute. Did Labor have any comments to Kennedy about the ’74 elections as a factor in their opposition?

**Goldman:** I believe that they argued that enlarged Democratic majorities in Congress—that they anticipated in the ’74 election and that in fact occurred in the ’74 election—would be the better and the correct time to make the move to enact S. 3. I believe they made that argument. There were substantial Democratic gains in ’74. Seventy-four, as you will recall, was the first election after President Nixon had been forced to resign. The other thing to remember is part of the backdrop of much of the period we’re talking about here is this incredible constitutional crisis in America called Watergate. It is important background noise that pervades everything.

But while Labor made that argument, it was disingenuous, in my opinion. First of all, their approach to their support for the bill was ideological. When you stand on an ideological foundation, you are telling me you are not serious about engaging in the legislative process, which requires compromise. That’s number one. Number two, there was no reason to believe that enlarged Democratic majorities in the House and the Senate would have been sufficient to bring about the kinds of changes in committees, like Senate Finance and House Ways and Means, that it would have required to profoundly change how they approach the issue. There was no certainty at all to the proposition that if somehow you could have gotten a bill like S. 3 through the Congress that you would have had majorities large enough to override what would have been a certain veto.

So the whole Labor argument here falls on its face because there was this disconnect between those who wanted to achieve the enactment—and I use my word here precisely—the enactment of a comprehensive program versus those who wanted the enactment of S. 3, or failing that—which, by the way, was a certainty—the ability to use it as a political, ideological talking point for whatever reasons they chose to use for that purpose, which I don’t fully understand. I am
reminded here of turning on its head a favorite line from Don Corleone in *The Godfather*, “Hold your enemies close, but hold your friends closer.”

[BREAK]

**Heininger:** I’m starting again with Lee Goldman, in Flat Rock, North Carolina. Let’s talk a little bit about operations within the Health Subcommittee. Tell me about what your relationship was with the Republican side of the Health Subcommittee. Tell me about how you, as the staff director, and how the other Democratic staff members operated with the minority staff on the subcommittee.

**Goldman:** I’m glad you asked that question, for a variety of reasons. First and most importantly, because it’s a crucially relevant question to an understanding of how the Senate and Senator Kennedy and this subcommittee discharged their responsibilities during the time I was privileged to serve with them, with him, and the rest of the subcommittee. But also because the description that I am going to give you here in a moment is so radically different, in my judgment, than what the answer would be from someone serving in this kind of capacity today or over the last ten to fifteen years. That is to say, I believe that the Congress has changed drastically—and drastically for the worse over the last two decades. Like national health insurance, I don’t see a good outcome in terms of those problems.

The point of departure is the way we worked. The approach that Senator Kennedy had, and it was one that all of us on the staff shared—and shared with enthusiasm—was that our job as a legislative subcommittee was to enact law. As I believe I have previously mentioned to you, virtually all of the laws within our jurisdiction were ones that sunned every three years, so there was this constant process of legislative renewal. Well, the process of legislative renewal is both substantive and political. The political part affects the compromises that are necessary in order to generate a sufficient number of votes in order to ultimately get the President of the United States to sign a bill into law. That’s the objective. One also hopes that the bill he signs into law is one that makes sense substantively and that it will benefit the people that it’s supposed to be directed toward. Nonetheless you have to have a majority of votes.

It’s also been the case that the American people, over much of the last half century, have chosen to have divided government, which means a Congress controlled by one party—or at least one half of a Congress controlled by one party—and a White House controlled by the other party. Since the Congress has been, for the most part, at least during the time we’re talking about, controlled by the Democrats, divided government means you have a Republican President. That means you have to craft legislation that you can not only get through the Congress with your Democratic majorities, but will get you something other than a veto. The way you go about doing that is by working with the minority—in my case, that meant the Republicans—right from the outset.

It turns out, the ranking Republican on our full committee was Jack [Jacob] Javits of New York, a liberal Republican. They weren’t nearly as much an endangered species then as they are now.
The ranking Republican on the subcommittee was Peter Dominick of Colorado, a very conservative Republican. The minority counsel for the Republicans was a man by the name of Jay Cutler. He worked for Javits. He was paid out of the Javits committee budget, but he, being an enlightened man as well as a very sagacious political animal, saw his job as being one that would serve all of the Republicans on the subcommittee, including the conservative ones. He saw his job as one of necessity, requiring compromise with the Democrats, because if he couldn’t compromise with the Democrats, it meant he would lose every time.

Our approach was basically the same: to effect workable compromise with the minority. We did it on every single bill we acted on, and we acted on scores of bills. So I would go to Jay Cutler, who is deceased, by the way. It’s a great shame that this project does not have the benefit of his insights and wisdom. But I would go to Jay and say, “Jay, we’re about to do the blah blah bill. Here’s what we’re thinking of as an approach. How do you react, and what are your thoughts?” Together we would come up, if we could—and we were able to come up with an approach that we could both buy into well over 90 percent of the time.

Once you’ve gotten to that stage in the legislative process, life becomes much simpler and easier, because then, in discussions with the Democratic staff, I would have the powerful advantage of being able to say, “And Jay thinks this is good.” Jay, in discussions with the Republican staff, could say, “I’ve discussed this with Lee, and he thinks it’s good.” That means there is a powerful incentive for the other members of the committee on both sides of the aisle to get on the train, because it has a destination, it has an engineer, and it has a brakeman.

**Heininger:** Did that work with Peter Dominick as a conservative Republican?

**Goldman:** It did. It worked over and over again. As a matter of fact, I cannot give you a single example where it didn’t work. This provides an important insight into the chairman that not only most Americans wouldn’t know, not only that most academicians wouldn’t know, but not even most of the people on Capitol Hill at the time knew. That is, he was proactively motivated to want to work with his Republican counterparts, regardless of their ideological bent. He believed that a part of his job and a part of our job at the staff level was to make that happen. He came to the chairmanship with that perspective and that drive.

You have to remember, at that time he was a young man. He was relatively junior. He’d been in the Senate only a decade. Yet he was astute enough and passionate enough about the need for bipartisan cooperation to expect that that is the way we would go about business. With Jay Cutler we had the perfect ally.

**Heininger:** Did you see it have an effect on other Republican members of the Senate in their views of Kennedy—and for that matter, on other Democratic Senators?

**Goldman:** It became increasingly obvious, as more and more of his legislative behavior occurred, there were more and more witnesses to it. So it was obvious that this behavior was, to some extent—and I would argue, to a large extent—inconsistent with the image of Kennedy the uncompromising liberal, which he never was and still isn’t, even though he is frequently referred to, both in print and in discussions, as the “liberal lion of the Senate.”
Heininger: Why the development of the public image if he was operating differently behind the scenes?

Goldman: Because different organizations and different political players have different motivations. The fact that something’s inaccurate doesn’t slow down lots of folks who are otherwise motivated for lots of reasons. If you want to play Kennedy as the evil incarnation of all that’s wrong in America—and there are plenty of political forces in this country who have and continue to get mileage out of playing him that way—it doesn’t suit your argument to say, “Oh, by the way, he works well with Peter Dominick.” So you just ignore that.

Heininger: But the public persona is that the stances he takes are liberal stances.

Goldman: And he does. He deserves that sort of characterization. He’s earned it. It’s what he believes. But he also believes that when it comes to the passage of legislation, you have to effect compromise to get the ball across the goal line. He’s always been prepared to do that. The fact that he was doing it with Wilbur Mills is proof of it. The fact that he was doing it with Dick Nixon on both cancer and national health insurance is proof of it. The fact that, 40 years later, he was doing it with George Bush on No Child Left Behind education is proof of it. So he is the liberal spokesman for the Senate. For the left-leaning groups, he’s right up there next to Jesus Christ. But when you take off his political hat and put on his legislative hat, he can be, has been, and will continue to be a different person, all to his credit, and the nation’s credit.

Heininger: Did he cultivate both images?

Goldman: Yes.

Heininger: He did it deliberately?

Goldman: Sure, because he deserved both. They were both real. Neither was contrived.

Heininger: In the years that you were working for him, did you see a difference in how other Senators viewed him?

Goldman: No.

Heininger: When you first came and he was relatively junior, how would you have said other Senators viewed him? Then Chappaquiddick takes place.

Goldman: Chappaquiddick took place before I got there. Chappaquiddick was ’69. I arrived in ’71.

Heininger: Right. So you’ve got Chappaquiddick taking place right then, and he becomes chairman of the subcommittee in ’71.

Goldman: As a Legislative Subcommittee chairman, he was, when I got there, an unproven quantity. So was I; so was Stan; so were we all. We worked hard—and I believe very successfully—to change that.
Heininger: Why did he choose unknown quantities to work for him?

Goldman: I have no idea. Ask him. I think he made a fabulous choice, but I can’t get to the motivation on it. He didn’t tell me, and I didn’t ask him.

Heininger: Did it work in reverse? If there was a seeking of consensus for finding common ground on which legislation could be enacted, if there was something that the more right-leaning members of the committee or subcommittee wanted, to what extent did he accommodate their needs?

Goldman: Wherever it was possible to accommodate, he did.

Heininger: Did he regret times when he’d done that?

Goldman: No, quite the contrary.

Heininger: What about the broadening of the definition of HMOs to include individual practice associations?

Goldman: Can’t help you on that one because I was not involved in the details of the HMO legislation. Phil Caper did that.

Heininger: Tell me about how you interacted with your staff. What kind of relationship did you have with Kennedy himself? What kind of relationship did you have with his personal staff? What kind of relationship did you have with the committee staff director? You worked, obviously, closely with the minority counsel, with Jay Cutler.

Goldman: That’s the heart of it. To not get that point is to miss the reality of it. At the staff level for the Health Subcommittee, it was the Goldman-Cutler show. All the rest of the players, while important, are peripheral players. On the committee staff, we all got along well. We were all ferociously busy. Most people have no idea how hard House and Senate committee staff people work. Doing this in a Subcommittee with an enormous recurrent legislative load—plus national health insurance loaded on top is the icing on the cake or the cake itself—and doing it for a very demanding boss—I worked for a very demanding boss. He demanded excellence, competence, and timeliness every single day, and he got it every single day.

In that general context, the staff worked very well together. As I’m sure you can tell from earlier parts of this conversation, Stan Jones and I worked intimately, closely on, for example, the national health insurance issues and others day in and day out for weeks and months and years. I previously described to you the various folks that we had come in and volunteer their services, and there were a lot of them, and they were from very different backgrounds, and they all fit in exceptionally well. There were no significant problems with them.

Heininger: All of which you had supervisory authority over.

Goldman: Yes. With regard to the Senator’s office staff, there you need to be clear about an important cultural issue in the Congress. Committee staff people, by definition, are interested in, and spend their time working on, the legislative process. They have bills that they have to hold
hearings on, write reports on, get marked up, get scheduled on the Senate floor, write floor speeches for, defend, support, or oppose amendments thereto, and then prepare for conference with the House, which is the most exciting part of the legislative process, in my opinion. Then, if you’ve got a President in the other party, be prepared for the potentiality of a veto. That’s what a committee staff’s job is about.

The office staffs for Senator Kennedy and all other Senators have a completely different agenda: doing his own work, political and otherwise, and staffing him on other matters where he doesn’t have the advantage of having his own committee staff, which is in virtually all other areas of his Senate activity. These folks came from Massachusetts or had strong Massachusetts connections, and for a very good reason: the Senator has to stand for reelection every six years. He’s now done it eight times. He’s been successful eight times. In part, that success is because those people who work in his office are connected in multifarious ways to folks in Massachusetts and are keeping them apprised of what he’d doing to represent them in the United States Senate. There’s the whole press operation in the Senator’s office, and for a Kennedy this is a much bigger and more intense operation than it is for what I would say is the average Senator. I mean no criticism of other Senators when I say it that way.

So you have two different cultures between the office and the committee, and these cultures can, do, and, while I was there, did clash, because they have different agendas and different priorities. I need him to come and chair a hearing. His press aide needs him to go and do a press whatchamacallit thing in Worcester, Massachusetts. They are both on the same day. His press person and I end up in a knock-down, drag-out fight because of these kinds of conflicts.

**Heininger:** Who would reconcile those conflicts?

**Goldman:** Our job would be to reconcile them ourselves. What we wouldn’t do is take them to him to reconcile.

**Heininger:** What if you couldn’t?

**Goldman:** We always did. If you thought the problem with the other staffer was difficult, you ain’t seen nothing compared to the problem you would have with him if you went and said, “You fix it, Ted.” That wasn’t part of his job description, and we both understood that.

**Heininger:** His AA [Administrative Assistant] didn’t play that role?

**Goldman:** No.

**Heininger:** Did Carey Parker play that role?

**Goldman:** No. We just worked it out. It doesn’t mean we didn’t fight. It doesn’t mean I won all the time. It doesn’t mean I lost all the time. We worked it out, and for a very good reason: we both worked for the same guy. We both had the same loyalty. We just had different priorities.

The committee staff, the Democrats, the relationships there were good to excellent virtually all the time. Most all of the Democrats, almost all of the time, supported and were important contributors to the legislation we were moving through the subcommittee. If they came with
special features or amendments they wanted in the legislation, if those features were not inconsistent with what the chairman was up to with that legislation, they were included. So it was, in the main, harmonious and positive. There were occasional squabbles. They got worked out. Same thing was true with the Republicans.

With regard to the full committee staff, that’s not really relevant to the heart of this story, but it is probably worth a brief mention. Although the subcommittee had on paper its own budget, in fact all of our budget was full of committee money. So while in a de facto sense I worked for Ted Kennedy, in a du jour sense, I worked for Pete Williams, the chairman of the full committee. Of course Pete Williams had his own staff. Our contact with that staff, unless it was in respect of a provision in a health bill, was almost nonexistent, and that was fine with us. We wanted nothing to do with them. There was no value added in dealing with them. Let me put it that way.

**Heininger:** He was not a member of the subcommittee?

**Goldman:** He was a member of the subcommittee, and he had a staff person we treated like all other staff people. If he had something he wanted in the bill and there was no harm in putting it in, we put it in. I say this in a sense of the reality of the power relationship: the hard fact of the matter is Pete Williams was not a strong chairman, and so his staff, able as they might have been—and some of them were able—were at a significant deficit in effecting whatever they wanted because they had behind them a paper tiger, and both they knew it and we knew it. Of course Pete Williams comes to an unfortunate end himself because he ends up being convicted in the Abscam mess. He resigned, I think, to prevent expulsion from the Senate, and he was ultimately convicted of the Abscam.

**Heininger:** Would it have been different if Yarborough had not lost his primary?

**Goldman:** Yes. He would have stayed as chairman of the Health Subcommittee, and Ted Kennedy would not have been chairman, and we wouldn’t be sitting here today.

**Heininger:** Let’s assume that there had been something that had shifted and he had—but would Yarborough, as full chair, have had a different relationship with Ted Kennedy then?

**Goldman:** Yarborough came out of the left wing of the Democratic Party in Texas, was a full-fledged liberal as much so as Ted Kennedy was. They would have gotten along wonderfully.

**Heininger:** So he would have ceded to Kennedy.

**Goldman:** Yes.

**Heininger:** So Williams did largely because also—

**Goldman:** Right. Also, every time Pete Williams stood for reelection, one of the people stumping with him across the state was Ted Kennedy. Remember that in those days, New Jersey was not the solidly Democratic state it is today. It was a swing state for sure. There was another Senator from New Jersey, whose name was Clifford Case, and he was a Republican.
**Heininger:** So Kennedy had a great luxury in having, as a full committee chair, someone who was not a strong chair. Things might have been a little bit different if in fact he had been under a very strong chair, although not given the composition of that committee.

**Goldman:** It would have been different, for sure. It might have been more difficult, but I don’t think it would have been profoundly different, because the Senator would have found a way to do what he needed to do.

**Heininger:** But his passage was eased.

**Goldman:** Yes indeed.

**Heininger:** Simply by the composition of the committee and like-thinking members and, at this point, a not-strong chair.

**Goldman:** Right. If you go back a couple of hours in this conversation, and if we could have taken all the names from Finance and Labor and Public Welfare, put them in a hat, and on a random basis reconstituted them so that he would have had to deal, for example, with a Herman Talmadge rather than a Gaylord Nelson, that would have changed the dynamic.

**Heininger:** Right.

**Goldman:** Maybe to the benefit of the public policy process and the legislative process, but we will never know.

**Heininger:** How did Phil Caper fit in with the subcommittee staff? You had the three of you and then these volunteers.

**Goldman:** He, like all of us, had specific areas of the legislative agenda that he was responsible for. He took the lead and worked very hard and aggressively on the matters for which he was responsible.

**Heininger:** You weren’t as close to him as you were to Stan Jones?

**Goldman:** No. Phil’s personality was that he marched to his own drummer.

**Heininger:** How would you characterize your relationship with Kennedy?

**Goldman:** Positive, cordial, professional, one of mutual respect.

**Heininger:** Did you participate in all the meetings that took place at his home?

**Goldman:** Yes indeed, you bet. Speaking of his home, before any hearing or markup, we would go by his home early in the morning and sit in his house early in the morning and brief him, and then we would ride in the car to the Hill and continue to brief him. I know 636 Chain Bridge Drive very well.

**Heininger:** You would have to do that every day?
Goldman: Oh no, just before something of significance.

Heininger: Makes for a long day.

Goldman: There were lots of long days, but that’s not a complaint. After all, I asked for it.

Heininger: Now let’s turn to other important events of ’71. Tell me about the health-crisis field hearings. How did they come about? Whose idea were they?

Goldman: They were Edward M. Kennedy’s idea. He called me into his office—it would almost certainly have been in March of 1971, which was the month we were starting the cancer hearings—and said, “I’m thinking we need to do a set of national field hearings.” I said fine. He said, “On the health crisis in America,” which was the same as the need to enact national health insurance. He said, “What we need to do is to find as many different and powerful ways as we can to bring forward and to demonstrate the extent to which there are problems in this health care system that need addressing.” I said, “Great,” because I thought it was great.

I said, “When do you want to do this?” and he said, “Let’s start in April or May.” I thought to myself, but by this time I had begun to know him well enough to know that it would not be smart to say what I was thinking, which was, April or May of what year? But I had come to know him well enough to know that he meant this April or May. So I said fine, having no idea how it would be possible to do this and keep the Senate Subcommittee’s legislative schedule on track. But that was my problem, not his.

But the issue I did raise was to say, “Look, I feel quite comfortable that I’ll know how to pull together portrayals of the variety of these kinds of problems. What I don’t feel comfortable with is knowing how to go about all of the logistics involved in setting these things up so that they come off well,” because I had never done anything like that before. He said, “Call Jimmy.” I said, “Jimmy who?” He said, with some exasperation, “Jim King,” and I said, knowing that this would double down in spades the exasperation, “Who’s Jim King?” because it was a name I had never heard before. Remember, I had only been there two months. He said, “He’s the head of the Boston office. Call him.” I said fine and I left.

That was the initial set of directions for the health crisis hearings—nothing more, nothing less. I called King, introduced myself, told him this story, and said, “I haven’t the slightest idea of how to go about doing this.” He said, “I’ll come down.” The next day, he walked into my office, which began a lifelong friendship. By the way, he is a person that if you haven’t yet interviewed, your story will not be complete if you do not.

Heininger: We have.

Goldman: Excellent. So the field hearings were born, and they occurred over the months of April and May. In order, they started in New York City with a surprise visit, to Lincoln Hospital.

The Lincoln Hospital, in the South Bronx, was in terrible straits at the time. Crime was rampant in the South Bronx. You were just as likely to be shot in front of the hospital as you were to be going in to visit anybody—lead-based paint was peeling off the walls in the stairwells. It was just horrendous. But we did that, and the next day we conducted a hearing at Hofstra University, on
Long Island, in the morning. Then, in the afternoon, we visited health clinics and facilities in Westchester County, north of the city. Then there was a field hearing in Kingwood, West Virginia, where Senator Jennings Randolph, a member of the subcommittee, was present. There were hearings in Cleveland, Ohio, and in Chicago, Illinois, and in Nashville, Tennessee, and in Osceola, Iowa, which is just south of Des Moines, in Denver, in San Francisco, and in Los Angeles.

Heininger: Who was Cleveland?

Goldman: Who staffed Cleveland?

Heininger: No. Which member belonged to Cleveland?

Goldman: There wasn’t any.

Heininger: Oh, no member, okay.

Goldman: The sites were not picked by membership, and there were very few Senators who were present at any of the hearings. Senator [Robert] Packwood, a member of the subcommittee, was present at the Chicago hearing. I remember because there was a picture of him coming out of one of the hospitals the day after—we were there two days, I guess—the day after, in the Chicago Sun Times, where he was identified as “Senator Hackwood,” which I’m sure didn’t make him or his staff aide, Carol Crawford, happy. But no, we didn’t pick the cities based on membership. Membership was irrelevant to us. We picked the places based on where we knew there were problems, a variety of different problems—health problems, medical problems—and where we were able to make the kinds of contacts necessary in order to generate an accurate portrayal of those problems.

Heininger: Who chose the sites?

Goldman: I did.

Heininger: But what made you choose Osceola, Iowa?

Goldman: For two reasons—it was near Des Moines, a center for the health insurance industry, and it was a rural area. We wanted to do rural. Somehow Stan had gotten an indication that there was a woman in Osceola, Iowa, who was using S&H green stamps to pay for health care. You’re probably not old enough to know what green stamps are.

Heininger: I remember green stamps.

Goldman: This seemed to us to be an important and tragic thing to portray in terms of all isn’t right with America’s health care system when you’re using green stamps to pay for your medical care. So that’s how we got to Osceola. The fact that I’m a graduate of Drake University in Des Moines, Iowa, and had a number of Iowa contacts also was helpful.

Heininger: Was this a Kennedy show or a subcommittee show?
Goldman: Both. It was always both.

Heininger: But none of the other subcommittee members showed up?

Goldman: That’s right.

Heininger: Why?

Goldman: What I’m about to say is in no way intended to be derogatory or demeaning. It’s intended to be accurate, and it is accurate. An important component of every Senator’s life is press attention. If what they do is not known to their constituents, they get no credit for it, and there is a requirement in the Constitution that says that every six years they have to stand for election. So it’s important to them, for reasons of survival, to be able to make known to their constituents what it is they’re doing.

The fact of the matter is, if you’re a United States Senator and you’re on the stage with a Kennedy, you stand in the shadows, and that is not to their liking. They don’t like to stand in the shadows. They like to stand up in the bright lights. Why go to a Kennedy hearing and be second fiddle? So this was not a high-priority matter for most of the members of the subcommittee. In fact, the reason we had Senator Packwood in Chicago was because there was concern on the Republican side that this was part of the Presidential movement on Kennedy’s part, that these hearings were the stepping stones to the ’72 election—which was nonsense, but there was worry about that. So for some of the hearings, we had a Republican along to watch what we were up to. But what we were up to was portraying difficulties in the health care system. Once they got clear about that, they relaxed.

Heininger: What effect did they have on the public?

Goldman: I think they were extraordinarily well attended. I was not at all of them. I was at about half of them, but I of course had reports on the ones I didn’t attend. They were extremely well attended. They were extremely well covered by the written and electronic press in every one of the venues. Did they create a national groundswell, calling out for the immediate passage of S. 3? Of course not.

Heininger: Did Kennedy think they might?

Goldman: No. Naïve he isn’t. It’s a way of building a record, and that’s what we were doing. We were building a record. Out of those hearings came a book that was basically a recounting of the central themes and highlights of all of the hearings, which was published—a book by Senator Kennedy—in, I think, late ’71 or early ’72. Much of the writing for it was done by Stan.

Heininger: Tell me about the European tour.

Goldman: We finished the hearings, and we were months behind in our legislative schedule because of the hearings. So I came back from the hearings thinking, Now all we have to do is to work 48 hours a day to catch up for the two months we’ve missed, because preparing for these hearings was a time-consuming, complex job.
I wasn’t back on the Hill two or three weeks when I had a call to go see the chairman. He said the hearings were good, which from him means he really liked them. He’s not given to flowery language, or at least he wasn’t then. I doubt that he is now. He said, “But I’m thinking we need to take the subcommittee to Europe and the Middle East.” Oh, and by the way, so I don’t forget for the record, Jim King was importantly involved in the logistics and arrangements and orchestration and the necessity for smooth transitions in virtually all of those field hearings. His role was as important as was mine in the successful organization and implementation of those hearings.

He said, “I’m thinking we need to take the subcommittee to Europe and the Middle East.” I’m not now worried about even thinking the thought of what year. It’s clear the answer is 1971. So I said to him, “When?” and he said, “September.” I said, with him not realizing how deeply embedded in my cheek my tongue is, “Oh well, that will give us plenty of time this summer to catch up on the legislation,” to which he said, “Good.” That solved his problem. It didn’t solve mine. I said, “You don’t mind if I call Jimmy, do you?” and he said, “No, go right ahead.” So I went back to my office and called King and said, “Get your ass back down here. We’re going to Europe,” and back down he came.

There was then negotiation, through the bag, about where in Europe we were going, and that ultimately finalized with a focus on England, Denmark, Sweden, and Israel. That’s where we went. Our purpose was to look at their health care systems and also to look at their national health programs and to see what they had done that had worked and not worked—such that, perhaps, America could learn from that.

In September, for a period of about ten days, the Senator came over. No other member of the subcommittee came, though a few staff members came. Pete Williams sent a staff member. Jay, of course, was present, as he was on all the field hearings across the United States. We started in England, and we went from England to Israel, and we went from Israel to Denmark, and we went from Denmark to Sweden, and after that we came home. After that a report was written that chronicles what we did, who we saw, what we heard, and what the strengths and weaknesses were—a report of many hundreds of pages.

Heininger: Who wrote it?

Goldman: I did.

Heininger: What did Kennedy feel he had gotten out of the Europe tour?

Goldman: We both came away with an appreciation and a far better understanding of exactly what we went to find out, namely, what have they done that seems to be working that we could learn from, and what had not worked.

Heininger: How did it affect any subsequent approach on national health insurance?

Goldman: I don’t think it did, because there wasn’t any forward movement on national health insurance. The opportunity to infuse America’s program with that knowledge base never materialized. Were we to actually get going on doing something in this country, we should go and do that again—relying on what was the case 35 years ago would make no sense today.
Heininger: Tell me about the health manpower legislation. What was Kennedy trying to do? What prompted health manpower legislation? What did he do?

Goldman: That book you see over there on the coffee table is one of about ten that size that deal with your question. So the job of synthesizing here is formidable. From the time he became chairman until this battle over the health manpower legislation was joined in ’73 and ’74, he became increasingly aware that health manpower issues, while by no means the only set of issues that cried out for reform, were at or near the center of issues that cried out for reform in the health care system.

You’ve heard me say a number of times in this conversation that the subcommittee had legislation that sunsetted every three years or so and therefore was always coming back for renewal. Well, the health manpower legislation is in this format. We had extended it in ’71, in between doing national health insurance, doing the field hearings, doing Europe, and doing the cancer legislation. So it was pretty much a straightforward extension, but there were enough hearings in that first cycle for him to be at least initially made aware that this was an area that was both complicated and problematic.

As we developed the legislative record, the hearing record, the problems that emerged in his mind as the ones that needed reform fell into four areas. The first is what he called the geographic maldistribution of physicians and dentists. That is to say, if you lived on the Upper West Side of New York City, or in Boca Raton, or, for example, in Pacific Palisades, you didn’t have any problem finding a doctor. But if you lived in Western Nebraska or in the South Bronx, it was a different world. You had big-time trouble finding a doctor. The geographic maldistribution was problem area one.

Problem area two was specialty maldistribution of physicians. That is to say, there were, by the estimates of those who had done serious studies on this subject—and there were many serious studies: the Carnegie Foundation, the Commonwealth Fund, HEW, RAND Corporation, many studies—according to them, there was an overabundance and a rapidly growing overabundance of certain specialties—to pick the prime example, surgeons—and a paucity of other specialties—to pick the prime example, primary care physicians or family physicians. So that was area two.

Area three was the nation’s growing reliance upon foreign medical graduates. A foreign medical graduate would have to take a test in order to gain entry to the United States. I believe it was called the ECFMG [Education Commission for Foreign Medical Graduates]. In the Philippines, that test was administered in a soccer stadium so that there would be enough room to hold all those wanting to come to America. As a matter of fact, at that time in the United States, there were more Filipino FMGs [foreign medical graduates] than there were black American physicians—7,000 to 6,000. Frequently FMGs practiced in big-city hospitals, which raised questions of dual-class systems of care. Frequently FMGs were not fluent in the English language, and many of them were psychiatrists. So this constituted the third area that was problematic for the chairman.

The fourth was licensure. There was growing concern that the licensing of physicians, which was at that time and still is done by states, was inadequate to assure adequately the quality of medical practice at the level that the country had a right to expect. So we put together a bill that proposed
extending the expiring health manpower authorities and deal with these four problem areas. In so doing, we set off an explosion, because the medical schools, which are the principal recipients of the health manpower money, were aggressively opposed to becoming involved as a partner with the Federal Government in dealing seriously with any one of these four problem areas. So what you had develop quite quickly was a Mexican standoff, where the schools took the position, “We want the legislation extended, and we want more money out of it than we’ve ever had before. But all of this other stuff you’re proposing, make it go away—not our job; somebody else’s job. We’re opposed to all of that.”

Heininger: Were capitation payments already in place?

Goldman: Yes.

Heininger: So this was simply jiggering the capitation payments to accomplish certain purposes.

Goldman: Yes, that’s correct. Actually we were proposing to substantially increase the payments under capitation. They liked the increase in the capitation, but none of the rest of it.

Heininger: With conditions.

Goldman: Yes, it’s all a condition. That’s right. They took the position that we were forcing all of this down their throat. We took the position that we believed the medicine we were trying to dispense was in the national interest, but that if they disagreed, they had a perfectly valid way out—they didn’t have to apply for the Federal grant. If they didn’t apply for the grant and didn’t receive the money, they wouldn’t have to meet any of the conditions. Their basic response was, “We must have the grant, we must have more money, and we won’t meet any of the conditions.”

Heininger: How long have capitation payments been in place? Is that a longstanding system?

Goldman: I’m embarrassed to say I’m not certain about the answer to that. They may have been initially added in what we did in ’71. If they preexisted ’71, they hadn’t preexisted it for long. Actually I can put a bookend on this without being able to answer your question with precision.

Federal aid to the medical schools—and by the way, when I say medical schools, this federal aid went to a wide variety of schools beyond medicine. It also included osteopathy, dentistry, veterinary medicine, optometry, podiatry, pharmacy, allied health, nursing, and public health. But the battle here was with medicine, so I’m restricting the conversation that way. The federal aid to medical schools was initially authorized by Congress in 1963, so it was relatively new. It hadn’t been around for decades.

The reason it was relatively new, when you think about it, is quite transparent and clear. There had been great political reluctance in Congress about the notion of federal aid to education. As late as the 1950s, federal aid meant federal control of education, and that that was a bad thing to many members of Congress. The ’60s changed that, and it changed for health manpower in ’63, but this was not a program that had been around for decades and decades. From ’63 until the time we had begun with this effort, the schools had already received over a billion dollars in federal financial assistance.
Heininger: Who won?

Goldman: They did.

Heininger: So none of the problems were solved?

Goldman: That’s right, and today they’re as bad if not worse than they were 35 years ago. Go to the South Bronx and find yourself a doctor. Go to Western Nebraska and find yourself a competent physician.

Heininger: What relationship had Kennedy had with the AMA, the AHA, the HIAA, the medical, AAMC, the health industry associations, etc., prior to this battle? Did this battle alter their views of him?

Goldman: No. You’re really asking two questions with two answers.

Heininger: You’re right, I am.

Goldman: One has to do with his national health insurance proposal and all of the organizations that you’ve mentioned, except the medical schools. I’m not saying the medical schools were uninterested in national health insurance, but it was not their central focus. They were not a major player. Their central focus is biomedical research. Even for them, manpower is an adjunctive issue. It’s a subsidiary issue. They exist to do research. The fact that they train doctors while they’re doing it is—this statement is too strong and therefore not fully accurate—but it’s an afterthought. It’s like the professor in graduate school. His main issue isn’t teaching graduate students. It’s his writing; it’s his research. That’s the analogy I’m trying to make here.

Heininger: Right.

Goldman: That analogy does apply. But on manpower legislation, organizations like the health insurance industry and the Blue Cross/Blue Shield, who are big-time players on the national health insurance front, they’re not even bit players on the health manpower because it’s not central to them. Because where does the money go? It goes to the medical schools. So on the health manpower issues, the medical schools are the gorilla that you have to deal with.

Heininger: Was the relationship adversarial with all of these groups, or did it vary among them?

Goldman: It varied, and it varied within the groups. Also there were variations if the groups or the institutions were in Massachusetts. For example, one of the most provocative health manpower speeches he made was at Harvard. Yet they wanted him to come there so that they could actually dialogue with him directly about their dissent from the way he was thinking and what he was proposing doing. He was, at the time, and I’m confident still is, very close to key health professionals, whether academically based or not, all across the Commonwealth of Massachusetts, as well as elsewhere in the country. There were people that we could deal with in AMA and in AHA and in the health insurance industry. But there’s a difference between being able to deal with somebody and talk to them and have them understand you, and the official position of the organization on a piece of legislation.
Heininger: The fact that this ignited a firestorm, did it have a spillover effect on anything else?

Goldman: No, I don’t think so. These things are all compartmentalized, and I don’t think it had any spillover effect. We lost, and we knew we were going to lose, and he knew we were going to lose. There was an early note to the bag saying, “This one ain’t going to end happily.” But he wanted to do it because he wanted to lay down the marker. It was his hope that as time passed, progress on this front could be made. I think, unfortunately, that hasn’t been the case.

Think of what we were up against. The medical schools were opposed. The Hospital Association was opposed. I remember they cared because of these teaching hospitals that are affiliated with the medical schools. The AMA was opposed because of the notion of removing licensing authority from the states, where they called the shots, and putting it in the Secretary of HEW, where they would have had much more trouble calling the shots. So AHA was opposed. The Nixon administration was opposed. This kind of thing is anathema to a conservative Republican, and furthermore it’s Kennedy, about whom we already know they’re paranoid. Paul Rogers is opposed because Paul Rogers is much closer to these organizations in his track record, his tenure, his legislative approach to issues than is Senator Kennedy. So we were out there by ourselves, but we made the valiant fight. On the amendment that took the central features of the bill out on the Senate floor, we lost, by my reckoning, by about ten votes.

Heininger: Did the increase in capitation stay?

Goldman: It went through anyway.

Heininger: So the money went through.

Goldman: Oh, yes.

Heininger: The conditions failed.

Goldman: The conditions attached to these four critical areas failed, yes. This guy is—at least in this area of public policy, which is the area where I know him best—a big-time risk taker. When you think of what he was willing to do on health insurance and on health manpower, there are not many members of the Senate that I know of who would have been willing to run those kinds of risks. It’s not like he was some naïve, wet-behind-the-ears guy who somehow believed national health insurance was going to pass in a couple of months and somehow believed that these sorts of changes in the nation’s medical schools were going to occur overnight. That’s not who he is.

Heininger: Were you there for the [Jimmy] Carter effort, the national health insurance effort—

Goldman: No, I was in the Carter administration by that time.

Heininger: Why did you leave?

Goldman: We agreed at the beginning that it was going to be a six-year period, and it was slightly longer than that. It was six-plus or seven. The health manpower legislation that did pass, which President Ford signed into law in November of ’76, had in it lots of new authorities—
Unfortunately, not ones that dealt with these four critical areas that we talked about a few minutes ago. Nonetheless it had in it many new authorities concerning primary care—grants for primary care, not conditions—area health-education centers, additional studies to determine how severe these problems were. Carter won in 1976, as you well know. The position in HEW that was central in the Bureau of Health Manpower to putting this new law into operation, to writing the regulations, to figuring out how to make all this stuff work, was vacant. It seemed to me to be a wonderful opportunity, and I jumped at it.

Heininger: What effect does working for Kennedy have on the careers of people who then leave? Most people, except for Carey Parker, go on and leave him at some point.

Goldman: I think they all are the beneficiaries of it. It’s an experience like no other. Not only do you get to know the Senate, but you get to know the public policy process; you get to know the legislative process; you get to know how lobbying works; you get to know how Senators interact with one another. There is no crucible for learning about public policy in America, in my judgment, that can match the United States Senate.

Heininger: Does he help his former staffers?

Goldman: As far as I know, he does, sure.

Heininger: But because of the positions that he’s taken, has that created problems for people who leave Kennedy?

Goldman: Not that I know of.

Heininger: Being stigmatized by, “Oh, one of those Kennedy people.”

Goldman: I don’t think so, no. It would depend where you wanted to go, but most of them would want to go places where that would not inherently be a problem.

Heininger: Where the Kennedy stigma is not going to be a negative.

Goldman: Yes.

Heininger: One last thing. This was also a time period in which there was a lot of additional funding that went into disease-specific concerns: arthritis, sickle cell anemia, diabetes, hemophilia.

Goldman: Right.

Heininger: Were these things that Kennedy had a personal connection to? What caused this cluster? Was it a spawn of the War on Cancer?

Goldman: All of this was a direct outgrowth of the cancer story, which is still incomplete here. Virtually none of this—the term, which was, in part, a term of opprobrium that we used at the time to describe it, was the “disease-of-the-month club.” As a matter of fact, I believe a Washington journalist, whose name is Natalie Spingarn, actually wrote a book about this
disease-of-the-month club thing, where she came at it from a point of view of skepticism about its value. The only reason I remember this—talk about ego—is because I remember that I’m quoted in the book, where I say something like, “The reason other disease groups don’t oppose whichever program is before Congress at the moment—what accounts for their silence is their hope that next month it will be their turn.”

But this phenomenon that you’re inquiring about is not a Kennedy-inspired phenomenon. Much of the legislation in respect to it that goes through the committee is not Kennedy-led legislation, not Kennedy-initiated legislation. For example—and I will not be able to remember all of it—the diabetes legislation, Schweiker; the emergency medical services legislation, Cranston; the sudden infant death syndrome legislation, SIDS, [Walter] Mondale.

Heininger: Arthritis.

Goldman: I don’t remember who arthritis was, but it wasn’t Kennedy.

Heininger: What about sickle cell anemia?

Goldman: I don't remember.

Heininger: So he’s not a backer of the disease-of-the-month club?

Goldman: I would say that’s right. Now, if your question was, “But did he oppose it?” No, he didn’t oppose it. He went along with it. It was a fight not worth having.

Heininger: What about the National Blood Vessel and Lung Act?

Goldman: You’ve got it right. It’s a tongue twister, isn’t it? The easy way to understand it—and this was a Kennedy one, because this was one of the recurrent pieces of legislation. So this was part of our regular job. The easy way to dispense with this one is that it is a copycat of cancer, except it doesn’t have all the controversy. In other words, once the cancer battle had been fought and the conclusion had been reached, that same accepted template was then used for heart disease.

Heininger: It spun off the National Heart Institute from NIH?

Goldman: No. There was never a special panel. There was never a recommendation to take it out of NIH. The name of the game was expand its focus to include lung and blood and blood vessels, and give it more money, and give it a broader set of legislative authorities to conduct its business—utterly acceptable to NIH; utterly acceptable to the departments of medical schools that conduct the research; utterly acceptable to the committee; utterly acceptable to the administration. No problemo.

Heininger: Everybody liked this.

Goldman: Right, but cancer was different.

Heininger: We have a little more to cover on cancer.
Goldman: Do you happen to remember where we left off on cancer?

Heininger: The bill had been drawn up and introduced probably early ’71 by Kennedy.

Goldman: Before I got there, right.

Heininger: Yes.

Goldman: Okay, this bill ignited this dual controversy that I had mentioned to you several hours ago. One, this concern about proposing to take the National Cancer Institute out of NIH and making it a freestanding agency. The second, this notion that curing cancer was like going to the moon; it was just a matter of having sufficient money, and you could engineer your way to the surface and back safely to earth. Both of those were sufficient to create a firestorm. The more this controversy built, the more the proponents of the bill dug in their heels and fought to achieve passage of the bill.

The principal spokesperson for the bill in the private sector was a gentleman by the name of Benno Schmidt [Sr.], who was, at the time, the managing partner of J.H. Whitney & Company, an investment banking firm in Manhattan. Benno, with whom I met many times, both in Washington and in his offices in New York, is a remarkable and extraordinary American, and has—and would not, I’m sure, disagree with this characterization—has an ego bigger than all of America. When Benno is convinced he’s right about something and you want to take issue with him, you are in for a battle, and that’s what ensued.

It was made even more intense when the *New York Times* editorialized against these provisions that I’ve mentioned to you in the Kennedy bill. Benno was apoplectic at that and began to write letters to the *New York Times*. One time he even got on the plane, got on the shuttle, came down to Washington, found the Senator, sat the Senator down in his office, and read him the letter that he was about to send to the *New York Times*. We were all sitting there dutifully listening to Benno read Benno’s letter. But he was passionate and as committed as you can imagine anybody being to the passage of that legislation in the form in which it had been introduced.

On the administration side, there developed a bizarre situation. The players that are relevant to this are the President of the United States, Richard Nixon; his Secretary of HEW, Elliot Richardson, who was an intellectual from Boston, who has strong connections to the medical elite in Boston; and Bob Marston, who was the physician, director of NIH. What position does Nixon take? Nixon takes the position that this is good legislation, we need to cure cancer, and/or prevent Senator Kennedy from becoming President. What position does Richardson take? “The President’s right, because I’m his Cabinet official, even though I don’t believe it.” What position does Marston take? “Of course the President and Richardson are right since they are my bosses. However, this legislation is awful. We’ve got to stop it. Where’s the health syndicate when I need it?”

So you have forces at play here that are very complex, in which what’s going on behind the scenes is vastly more important than what’s going on out in the open. These fractures ultimately end up creating an unusual split in the committee itself, where Senator Gaylord Nelson of Wisconsin, a liberal Democrat, ends up becoming one of the strongest opponents of the Kennedy
bill. Of course, sitting on the other side of the Capitol, waiting his turn to do his thing, is Paul Rogers, who’s been left out of the game by Benno.

We hold hearings in March of ’71, and then there is this hiatus. The hearings, by the way, lay out the full scope of this. We didn’t rig the hearings only to let the “good guys” testify. We brought them all in. So the hearing record laid out the whole scope of both the differences in views and the heat of the controversy. Then there was a hiatus because we had to do field hearings. So this was brewing while we were going around the country exploring the health care crisis.

While we’re away, President Nixon decides he’s going to submit a bill. So the administration is now going to become an active player. Up comes the President’s bill, which attempts to be faithful to the necessity for declaring war on cancer and conquering it, while at the same time trying to tiptoe around the areas of controversy. So now the committee has another bill in front of it, on which no hearings have been held. So Jay Cutler comes to me and says, “We’ve got to have a hearing on the administration’s bill.” So we schedule another hearing. That hearing simply reignites the battle, and the Senator decides, after that hearing, that we’re going to go to markup and we’re going to move the legislation.

What I’m now going to describe to you is extraordinary. I’m aware of no other situation like it on Capitol Hill. But for those who don’t know the normal way things happen, when a committee reports a bill, they report the chairman’s bill. They’re reporting the majority bill. The bill that they amend, if they choose to amend it in committee, is the chairman’s bill. Every bill that comes out of any committee is accompanied by a report. That report is written by the chairman. These are prerogatives and strategic advantages that go with being in the majority.

So Senator Kennedy says, “We need to schedule a markup of the cancer legislation.” There are two bills: S. 34, the Kennedy bill, and S. 1828, the administration’s bill, which had been introduced on their behalf by Senator Peter Dominick, the ranking Republican on the subcommittee. So we schedule the markup, and around the table, the predictable happens. Those who favor the Kennedy bill are favoring the Kennedy bill, and those who are opposed are opposed, and it becomes intense. At that point, Senator Kennedy turns to Senator Dominick and says—

**Heininger:** This is before a vote has taken place.

**Goldman:** There have been no votes. Senator Kennedy turns to Senator Dominick and says, “Peter, why don’t we report S. 1828, and maybe that would take some of the controversy out of this issue. Because what we need to be focused on, Peter, is to move forward the effort on cancer. We need more research; we need better research; we need to get that research to the people who need it in a timely way. That’s what this is about, nothing else. If we report the administration’s bill, maybe that will help to make that clear.” You could hear a pin drop in that packed hearing room on the fourth floor of the Dirksen Office Building when he said that, because it was unheard of. “Forget my bill. We’ll report the President’s bill.”

Then, before Dominick could say a word, he said, “And Peter, why don’t you report the bill?” This means the front-page cover of the bill will say, “Mr. Dominick, from the Committee on Labor and Public Welfare.” Dominick sits there stunned, in silence. His committee staffer,
Chuck Woodruff, gets up, walks around the table—he’s a tall man—bends way over, and whispers in my ear. “Lee, I don’t know how to write a report.” I lean back and say, “Not to worry. Jay and I will write it for you.” Dominick says, “Ted, I think this is good.” Kennedy says, “I have an amendment to offer, and the amendment is—” this is now an amendment to S. 1828, the President’s bill, “—strike all after the enacting clause and substitute in lieu thereof the text of S. 34,” and it passes.

Heininger: You’re kidding.

Goldman: No, I’m telling you the truth.

Heininger: And Dominick agreed? Did he understand what was being done?

Goldman: There’s no doubt he understood. What I cannot tell you, and I do not have the reference materials to check it, is whether there were recorded votes, as there probably were, and if so, who voted in which way. I can tell you that it was approved. So Jay and I wrote the report with Chuck Woodruff. We did it as a threesome, so to speak, if you understand me.

Heininger: Yes.

Goldman: The bill went to the floor, and the same issues arose in the floor debate, and the bill passed the Senate and went to the House. By this time, Mr. Rogers and his House subcommittee had passed their own version of the bill, which did not have either of the incendiary features of S. 1828 as modified by S. 34’s language.

We then went to conference with the House in the late fall of 1971. It was a difficult—not mean spirited or vicious or anything like that—but it was a difficult conference. It was the first conference of any significance between Kennedy and Rogers. These issues got compromised by the conferees. The principal player in the conference with the House—who turns out to be a principal player in many subsequent conferences with the House—is the ranking Republican, Congressman Tim Lee Carter of Kentucky, who is a physician—a down home, southern, country physician—who has a son who has cancer—hemophilia, I think—and it is Dr. Carter to whom Kennedy ultimately ends up becoming very close, as well as Rogers.

Kennedy and Rogers had their disagreements, but they worked well together. They discharged their legislative responsibilities professionally and competently, even though they frequently disagreed on what the solutions to legislative problems ought to be. But on this matter, it was Carter who was able to pour enough oil on the water in the conference to get the agreement cobbled together. It was, and the conference report passed easily in both bodies, and on December 23, 1971, President Nixon had a signing ceremony.

NCI was not removed from NIH. It has continued to be the biggest institute of the NIH dollarwise, as it always has been. It has continued, therefore, to be the flagship that has pulled the reset of NIH along in terms of advancing appropriations. Today, as we sit here, the budget of the NIH is about $23 billion a year. It’s bigger than NASA.

Heininger: One last thing. You said I had to make sure that you got that incident that you told me, the anecdote with Curtis and Kennedy on the floor.
Goldman: Oh, Carl Curtis. Yes, thank you.

Heininger: You said to make sure I don’t forget that.

Goldman: I have one last thing of my own too, which will be brief. This is a story told for reasons of humor only. It has no public policy or legislative significance. We are on the floor one day. He is managing a Health Subcommittee bill. I forget which bill it is. It’s irrelevant which bill it is. It’s not a controversial bill. It’s a pro forma. You’re out there for an hour and a half. You pass the bill. If there are any amendments, you accept them because they’re okay or they’ve been worked out ahead of time. It’s no big deal. We’re out there doing our thing, he and I. He’s doing the talking, and I’m doing the thumbing through the papers in case he asks me, “Where’s this? Where’s that?”

Out of the Republican cloak room, who I do not initially notice because I’m sitting—we were way down near the well, and I’m sitting with my back to the cloakrooms. He’s standing up, and I’ve got my head buried in all my notes anyway. Out of the Republican cloakroom comes Carl Curtis. Curtis is an extremely conservative Republican Senator from Nebraska. He’s a short man, always impeccably dressed. A part of his personal attire are these very wide, heavily starched collars to his white shirt. He’s the ranking Republican on the Finance Committee.

As I gather from what’s about to occur—I did not otherwise know it—he and Kennedy are not close. I also come to conclude, after you’ve heard this vignette, that perhaps it’s the case that Kennedy has some reason to be intimidated by Carl Curtis. In any event, he says to me—always, of course, in a hushed voice—he says to me, “What the hell’s Curtis out here for? What’s he up to?” I turn around and here coming down the aisle is Senator Curtis. I haven’t the slightest idea why he’s on the Senate floor, but I’m of the view that the likelihood that it has anything whatsoever to do with the bill we have is as close as zero as you can get without being there. I say, “I don’t know.” A minute or so later Curtis is still on the floor, talking to another Senator. Senator Kennedy says to me, “What’s he up to?” I say, “Senator, I don’t know.” A few minutes after that, Curtis goes up to the well and is in a conversation with Murray Zweben, who is the Senate Parliamentarian, which apparently unnerves my chairman even more, and he says, “What’s he doing with Murray?”

The reason this story is worth telling is because it’s so atypical of my relationship with Senator Kennedy. I look up to him—I’m sitting on one of these little idiot chairs for the staff—I look up to him, and I’m able to keep an absolutely deadpan face. There’s not a hint of smile or happiness on my face, and I say to him, “Senator, I do not know. But if you go over there and yank real hard on his collar, his head will fall off,” and Senator Kennedy loses it. He erupts in laughter. The Presiding Officer of the Senate, the President of the Senate, as he or she is known, is now staring at Senator Kennedy because this is not normal behavior. But Kennedy has lost it. He cannot stop laughing. The fact that he’s lost it causes me to lose it, and I’m now with my head between my legs, just coming apart at the seams. Curtis is now staring at us. After another minute or two, it’s all over. Curtis leaves and we pass the bill.

The last point I’d like to make gets back to where we began, with Senator Kennedy assuming the chair of the Health Subcommittee and doing so because it was the best platform available—by no means the ideal platform—but the best platform available to bring about the passage of a
national health program in this country, a program that had been frustrated in its passage for half a century at the time he began, and a frustration of failure that now is approaching a century in length.

He’s still in the United States Senate. Russell Long, Paul Rogers, Carl Curtis, Senator Murray, Senator Robert Wagner of New York, Congressman John Dingell of Michigan are all long gone. I’m talking about Dingell’s father, not the current Dingell. Claude Pepper is gone. Hubert Humphrey is gone. They’re all gone, but Kennedy remains, and he has an obligation to not let this effort simply dwindle away into failure. He needs to find new and different ways to put together a coalition with an administration—hopefully of the other party, which is necessary for this to have any chance whatsoever—in order to get this program in place. If he doesn’t, it means two things. One is relatively unimportant, and the other is so important it’s hard to quantify.

The unimportant part, relatively speaking, is if he can’t get this done, his legacy will be unfulfilled, because while he’s done many other things and had many other achievements, the centerpiece of his legislative career, the left ventricle of what he’s been about, is health, and within health, it’s the health insurance program. The more important reason as to why this effort needs to be redoubled and rekindled has to do not only with the explosion in health care costs, which have now gotten to be so huge that they have rendered the political establishment incapable of even figuring out how to deal with Medicare and Medicaid, but beyond those cost issues and beyond the exacerbation of the issues we talked about in the health manpower area—geographic and specialty maldistribution, licensure, and reliance upon foreign medical graduates—beyond all of that, there is something else that’s coming, and its arrival is inevitable, and when it arrives, the system as we know it now will fall apart, crack and break, and the surgery that will be required then will be vastly worse than what would be required now.

What I’m referring to is the coming wall of fat. There are 300 million people in this country. Seventy percent of them are overweight or obese, including many children. Statistics show that if a child is obese, the likelihood is that child will remain obese until he or she dies is virtually 100 percent. The rate of growth in obesity is higher in children than in any other age group in America. There are 77 million baby boomers in the baby boomer generation. The front edge of that generation has now begun to retire. Studies already show that that generation is less healthy than their parents’ generation. When this wave of fat crashes into the health care system in the form of heart attacks, congestive heart failure, diabetes, blindness, and joint replacement, to name just a few, our patchwork health care system is going to crash and burn. There will be a political upheaval in this country, the likes of which we have not seen since the Great Depression. So as the lawyers say, “Tempus fugit,” time flies. Thank you very much for coming down here today.

Heininger: Oh, it has been delightful. Is there anybody else that we should talk to? Paul Rogers, I know, is still alive.

Goldman: Yes indeed. Are you going to get to Larry Horowitz?

Heininger: We’re trying.

Goldman: He’s important to talk to.
Heininger: I may need your help.

Goldman: You let me know.

Heininger: I’ll let you know.

Goldman: You’ve got the unlisted number. I don’t. You let me know.

Heininger: Is Carter?

Goldman: Tim Lee Carter, he’s deceased.

Heininger: Is there anybody else you can think of that we should—

Goldman: No, but I have your number, and if I think of any, I’ll give you a call. It’s not been easy trying to remember events that are now 30 to 35 years old.

Heininger: That would be great. Thank you very much. This has been very instructive.