Martin: This is Paul Martin, from the University of Virginia. I am here with James Dyer in his office in Washington, D.C. We are here to talk about his experiences on the Appropriations Committee staff during the Clinton administration.

I wanted to start with your background. How did you get to be majority staff director?

Dyer: I came to the committee in 1971. I worked for about 13½ years for a Congressman from Pennsylvania. Most of my time was spent on the Interior Subcommittee. The last three years of my tour was on defense. I left and pursued some other opportunities in the executive branch. I did two terms in the White House—[Ronald] Reagan and [George H.W.] Bush 41—and I spent two years in the Reagan State Department. I came back to the committee in May of 1994, largely because after 20 years I was 11 months short of my retirement. I went to work on the Foreign Operations Subcommittee, where I was minority clerk. I also was minority clerk on the Legislative Branch Subcommittee. I spent a year there. Then to my surprise, and I think to everybody else’s, the Congress flip-flopped for the first time in 40 years. I was asked in November of that year to become Staff Director. I served in that position until January of 2005 when I retired.

Martin: So it was from November of ’94—

Dyer: To February of 2005.

Martin: So you missed the first year of the Clinton budget stimulus?

Dyer: Yes, I came in in May of 1994. My chief responsibilities were on the Foreign Operations Subcommittee. I had all of the foreign operations accounts, except for State Department operations, which was in a separate subcommittee. We also had the so-called International Financial Institutions. It was about a $15 billion account. I also was a staffer for the legislative branch appropriations bill, which was about a $2.6 billion account that basically funded the operations of Congress, the Library of Congress, and a few other ancillary organizations.

Martin: Can you compare how the Appropriations Committee worked during Bush 41 with how it worked early on in the Clinton administration?
Dyer: As staff director, I spent approximately six years working with the Clinton Presidency and another six years with the Bush Presidency. There were some comparisons. There were some things that were pretty standard and some things that were somewhat different. The process itself is pretty well-defined. The budget comes up at the same time each year. The committee engages in roughly two months of hearings on that budget. It receives its top-line allocation usually in middle April from the Budget Committee. It then proceeds to produce—in my time it was 13 separate appropriations bills; today it is 12 due to a minor consolidation.

There’s a lot of slogging that goes on to try to push these bills through the system and have them wrapped up by the close of the fiscal year, which is at the end of September. Failing that, the process often drags on late into the calendar year. Until we’re able to finalize our bills, we operate on a temporary spending resolution that usually reflects a continuation of spending at current levels, with no new starts, no terminations, and not too many surprises. So that is a standard process under which I worked, and it is the standard process under which the executive branch deals with the congressional branch. Within that operation, then, you get certain variances that reflect the desires of the executive branch and some things that pop up at random, but that’s fundamentally the way it works.

Martin: During your first year back on the committee, Dave Obey becomes the chairman—in May, I believe.

Dyer: Mr. Obey became chairman after he mounted a successful challenge to Congressman Neal Smith, of Iowa, who was the senior member at the time. This was when the seniority system was beginning to crumble a little. Obey challenged Smith and won. The challenge came in the wake of the death of the chairman of the committee, a man by the name of William Natcher, from Kentucky.

I came in May of ’94. In fact Obey and I laugh about the fact that the first time he was chairman, the only staff person he hired was me, and I ended up with the Republicans. That is true. My time at that point, however, was given over to being a professional staffer on two subcommittees, Foreign Operations and Legislative Branch.

Martin: When Obey jumped over Neal Smith, were people on the professional staff starting to think that this was a new arrangement for Congress? Did people recognize that the seniority system was crumbling? Did it have any repercussions for the Republican side?

Dyer: Not necessarily at the staff level. The staff on the committee traditionally has been consistent. It has been likened to the old British Civil Service System where the staff members come in and they’re true professionals. They come out of the agency and budget shops, and they literally are prepared to work on any subcommittee and work for anyone.

Mr. Smith’s style and Mr. Obey’s style were quite different. That may have been one of the things that helped Mr. Obey. He was, and continues to be, a much more aggressive legislator. I don’t know the motives that took place in the Democratic caucus, but he was clearly successful in challenging the seniority system. Subsequent to that time, there have been other successful challenges to it. While it remains in place as the prime determinant of who will run what, the
system has now been modified somewhat to allow for challenges to it. So it was the beginning of what would be a number of rather serious challenges to the committee system.

From my perspective, the fundamental change here is that now, if you're going to chair a committee, you clearly have to be favored for that slot by your own leadership. One of the characteristics of the '90s and of the decade of the 2000s was the far more active involvement on the part of the leadership in running the committees. This is fallout, in my judgment, from the predicament we found ourselves in in the early '90s, where it was perceived, rightly or wrongly, that the Democrats had too many powerful committee chairmen and that they responded to no one but themselves. It was also perceived that some of this lack of responsiveness was due to arrogance, and that arrogance cost the Democrats at the polls.

When the Republicans came to power in '95, the Republican leadership was not prepared to let that happen on the Republican side. They were much more aggressive in establishing who they wanted to have run committees. For instance, my boss in January of 1995 was Bob Livingston, from Louisiana. But to get to Livingston, they had to pass over several other subcommittee chairmen. That was one of the serious challenges to the seniority system. But the root of the challenge was based on the leadership’s desire to have its own people running the committees. In addition, although it was a more hidden desire, the leadership wanted to have a greater role in influencing committee policy.

**Martin:** In ’94 Obey gets all 13 bills through. Was there a reaction to that? Were people thinking that this was too quick, that the process was too speeded up?

**Dyer:** No, it’s almost a fluke of nature. I never attached any great significance to it. If you’re looking for significance, you would probably find that there were very few legislative issues that year. Most of the action was off someplace else in the authorizing committees. I thought it was more of a fluke of nature than anything else.

**Martin:** CQ [Congressional Quarterly] and others made the argument that it was mainly to clear the table so that they could get on to health care.

**Dyer:** Health care was a big issue at that time. Crime was also a big issue. The Democrats had fumbled a major crime bill. They put a crime bill on the floor, and it was rejected. That had a tumultuous effect on the system. There just wasn’t a lot going on in appropriations. There were not a lot of major fights that year.

**Martin:** What kinds of interactions did Clinton and the White House staff have with you when you were staff director? Were they dealing just with the Democrats? Were they dealing with you as well?

**Dyer:** They were dealing with both of us. I had a lot to do. I’ve always had a great fear of failure. Our party had not been in power for 40 years, and it was very important to me that we be perceived as people who knew what we were doing and that we were able to hit the decks running. My first task was to hire staff. The process became controversial because while I did retain all but one of the minority staff members—and we had a small minority staff; there were only about eight or nine of us—I retained a lot of the professional staff on the committee, with
the blessing of my chairmen. While they had worked for the Democrats, I was far more interested in their professionalism than their politics.

It was the beginning of what I thought was a major effort to depoliticize the committee. I thought we had some success. We were criticized by elements of the conservative wing of the party, but that criticism was not substantive. We never let it bother us, and we went forward. The Clinton administration had to, while they consulted with their own people, sit back and watch as we got our act together and decided who would assume positions of leadership. Then the administration could decide how to interact with them. It was a general shakedown, if you will.

**Martin:** The professional staff members you retained, these are folks who normally would have been Democrats, or did you know?

**Dyer:** It’s a very large staff. The staff has almost 100 professionals on it. I never at any time in the process asked a potential applicant about his or her political affiliation. I did that by design, largely because I didn’t care and largely because these were not the types of considerations that I thought were important. I always asked the questions, “Are you comfortable intellectually with us? Can we count on your loyalty when we ask you to cut the budget instead of increase it? Will you be responsive, or does this cause you any intellectual angst?” I never got any negativism out of it. I always assumed, quite correctly in my judgment, that these people all had budget and accounting backgrounds. They all knew programs. In fact, I thought they were as conservative a group of people as I could find. I was comfortable intellectually with what we had.

**Martin:** You were not in charge of the minority staff. This is separate.

**Dyer:** No, I had a minority counterpart, and he assembled his own staff. He assembled a staff of people that he was interested in. We became friends and we remained friends. We were always able to work this out. He had told me the people he was interested in. I knew a lot of them; I was friendly with them. I felt that, in some cases, they were not going to be comfortable intellectually with us, and I was deferential in terms of his willingness to take them. We colluded on a couple of people. We liked these people so much that between the two of us, we would find places for them. I thought it was a pretty smooth transition.

**Martin:** It sounds like it. Let’s move ahead to the beginning of the [Newton] Gingrich era. The election of 1994 comes, to some degree, as a surprise to many people.

**Dyer:** It certainly did to me.

**Martin:** How quickly are you shifting direction? I guess you have from November to January to accomplish the complete staff turnover.

**Dyer:** We did it pretty quickly because they gave me space. I conducted interviews, and I was able to pretty much have the staff in place by about the first of February.

**Martin:** This begins a new relationship with the Clinton administration, which is much more in-depth.
Dyer: Yes. At the time, in 1995, much of the public attention was directed toward something called the Contract for America, a little device that sprung out of the Republican leadership, whereby the Republicans picked approximately 10 to 12 policy issues and said, “We’re going to do an abrupt policy shift here. We’re going to pass this legislation through the Congress.” There was a great deal of hubris, if you will, of us saying, “Look, this is what we want to do, and we’re going to do it, and we have the votes to do it.” There was a strong sense of party unity, a strong sense of the need to achieve some things.

Interestingly enough, however, budget and appropriations matters were not part of that menu. There has always been a lot of agitating on the Republican side for a balanced budget constitutional amendment. The problem with it is, when you get into the substance of the argument, it’s not too hard to scare the conservatives off with all of the logistical problems and all of the difficulties of the issue. It’s just not a viable option. The Contract for America was Congress’s priority, but we were also confronted by a large supplemental bill that the Clintons had sent to us. We had decided to use the supplemental as a vehicle to make some rather large rescissions or some other large cuts in their programs.

This sent a little bit of alarm to them because there had not been a major rescission bill, and the Budget and Impoundment Control Act gives the Congress the right to rescind funds if they’ll assemble these rescissions in a bill and pass it through the system. Then it gets sent to the President. He can sign it; he can veto it, whatever. We decided to create a rather large rescission supplemental bill. We dug deeply into the administration’s pockets, and we came up with about $35 billion in rescissions. There were about $23 million in supplemental expenditures, so we ended up with the largest rescission package that the Congress had seen to date. We got it through the system. It was a tough task. It got us through to a negotiation with the Clinton crowd that dragged us into July, but ultimately we got it passed.

I will say this about these events, and I think this is a truism of Washington, especially in the budget world: These processes, as they start out, are broad-based, and there’s a lot of visibility, and everybody is looking at what you’re doing. As the process drags on, everything tends to tighten up and shrink a little bit, so you get yourself to a point toward the end of the process where, if you are going to pass legislation, you usually end up with a series of five to 10 small issues, and they tend not to be big issues. It’s almost like a variation of Murphy’s Law around here: People fight the hardest for things that cost the least.

We ended up in a protracted negotiation with the Clinton administration. It was the first one we’d had. We were given the authority by the leadership to conduct it. Frankly they had no choice because we were the only ones with program expertise. I say that modestly, but it was true. We ultimately ended up settling on a package. I don’t know if the administration was crazy about it, but they were able to live with it. It got them their money for the supplemental expenditures, and it got us a package of spending cuts that gave some credibility to a Republican revolution that was looking for more fiscal austerity in its budget processes. It was a negotiation basically conducted between the Appropriations Committee and the Office of Management and Budget. At the end of the day, I thought it was a success.

Martin: This was a staff-to-staff negotiation, or were members of Congress involved?
Dyer: Both. It starts at the staff level, and we tend to solve as much as we can. We winnow the number of issues down to a small group of issues. If the members care about it strongly, they'll be involved. We had their budget shop and some of their legislative people involved in it, but everybody reports up the chain about how it's going. I considered it a success largely because it helped me with my concern, which was to demonstrate that we could come out of the box and assemble a professional staff, assemble all the technical support, get our people on the House floor, and basically get something through the system that redounded credit upon us. So that was a positive, and I think that was our first engagement with these people.

Martin: This is the first time the Republicans are in power in 40 years, and you have a professional staff that has been actively involved in the day-to-day details. What about the Republican members of the committee? Do they need to be educated at this point?

Dyer: Yes. In appropriations we have a favorite saying: “We’re the work horses, not the show horses.” The show horses are the Budget Committee crowd, with whom we did not have good relations. Appropriations gives you an opportunity to come into a room, take off your coat, roll up your sleeves, and understand a program. The task of the professional staff is to help the members understand the decisions they’re making, to lay out the options, and ultimately to keep them in charge.

It’s a nice process because it encourages people to do something that is seldom done in Washington, D.C., which is to understand how Federal programs work. It is a satisfying process, especially when you can take it to a successful conclusion—that is, when you can modify or improve a program. Every once in a while you find something that doesn’t work, and you feel satisfaction in taking that down too. But the greatest satisfaction of all, I think, at the professional staff level, is the prospect of participating in a process that comes to a successful conclusion.

The Contract for America, which was a series of authorizations, got through the House, but literally none of the authorizations got through the Senate. That was a different world from the one we lived in. We always produced legislation that was meant to get through the whole system, not just through the one House. That was very satisfying to us.

Martin: You have to get through the whole system; otherwise you have the problems that wind up showing up later in 1995.

Dyer: Yes.

Martin: You say that the Appropriations Committee is the work horse. Are there members who work harder than others, who will lead the committee?

Dyer: Senior membership. The structure of the committee is still based on seniority. There is also a principle of exclusivity involved here. My boss in 1994, Bob Livingston, when I was on foreign operations, was the ranking member of the committee. Bob knew more about foreign affairs budgets than anybody. When a foreign affairs issue came up, he was the first person they turned to. Other members of the subcommittee, who had specific interests in the area, also developed the expertise to be major contributors. I worked on a Legislative Branch Subcommittee, and my ranking member was Bill Young. Bill knew more about the operation of
the Capitol than anybody. They make the decisions, but the job of the staff was always to lay the options out.

**Martin:** What’s the relationship between the chairman of the overall committee and the individual subcommittees?

**Dyer:** It’s like a board of directors. I used to tell my chairman that he had three tasks. First, you set the schedule; second, you hire the staff; and third, you control the process. You were there to solve problems, move things along, keep the trains running. That was the job of the top leadership. The Republicans made one significant change in their rules. Until 1995, if you were a chairman, you could not chair a subcommittee. Stupid rule, but they did it anyway. The Democrats have never done that. To this day, when Democrats are in power, they can have full-committee chairmen who also run subcommittees. Mr. Obey continues to run the Labor Subcommittee while being chairman. That rule also did not apply in the Senate.

**Martin:** So when you first come in, you have Livingston as the chair.

**Dyer:** Yes.

**Martin:** What was his relationship like with the Speaker and the leadership?

**Dyer:** It was good. Ways and Means, Appropriations, and Budget and Rules were all privileged operators. They got into the leadership meetings and developed the leadership schedule, so it was good. Livingston was a Republican all his life, but he was a fairly bipartisan man, and he was protective of the committee’s prerogatives. I think Bob felt a strong sense, as part of the leadership, not just to make sure that the committee functioned, but to let the leadership know that here were some things we could do, here were some things we couldn't do, and here were some things that if you did them, you got yourself in potential trouble. I believe that was his role, and I think that was the role he exercised.

**Martin:** Let’s talk about the development of the appropriations process through 1995, which leads to the government shutdown.

**Dyer:** A lot of the stuff that the Contract with America advocated bogged down because the Senate just didn’t have the numbers, the manpower, or the desire to advance this contract. In appropriations, as we started to move out with our bills, the leadership decided to put some of these authorizations on our bills. It was a terrible idea. We were like the little engine that could. Except that instead of carrying it over the mountain, the train broke down. We found that we could not proceed apace because we were carrying extremely controversial authorizations that just couldn't be enacted. Again, the genius of the appropriations process, in my judgment, is its bipartisanship. If you can get Republicans and Democrats to agree on a set of principles, usually you can run bills through the system and they have to pass. Other bills, such as Clean Water, Ballistic Missile Defense, and the other stuff they were trying to do, were so controversial you couldn't move them. So instead of us carrying them, they pulled us back.

A series of situations such as these led to the frustration of the Republican leadership about the way things were going. Ultimately they ended up devising one of the worst political strategies in the history of mankind, which was that they were going to start shutting down agencies, and they
were going to start targeting certain people and certain institutions. It didn’t work. The frustration, I think, was that we couldn't make it work, because all of a sudden we had taken a fairly bipartisan process and had made it very partisan. That was not about to work.

There were other forces at work that also hurt us. We would go to full committee and in the Treasury, Postal, and General Government Subcommittee, we had a proposal that was advanced by one member of the committee with help from one outside the committee. It was the so-called [Ernest] Istook-[David] McIntosh proposal, which basically attempted to defund the Left, which was a big priority of the leadership. I think it was germinated in the Heritage Foundation. It was taking money away from all kinds of left wing groups that were getting Federal subsidies.

It was incredibly convoluted because whoever wrote the legislation didn’t understand it. Most people didn’t like it. The irony at the end of the day was that it was rejected because its sponsors didn’t realize the impact of what they were doing. They were shutting down money for Catholic charities and the Red Cross and a whole bunch of worthy things. There were repeated attempts at authorization, which were added to an appropriations process that was doing fine without it but that wasn’t strong enough to carry it through if you were going to make the process a partisan one. As a result it just collapsed.

**Martin:** Did you have a good view of how the Appropriations Committee’s members were interacting with leadership throughout this period?

**Dyer:** Yes.

**Martin:** Can you talk a little bit about those relationships?

**Dyer:** Part of my job was to encourage the Speaker, the majority leader, the whip, and a few others to try to meet with the cardinals, as we called each subcommittee chair, in order to help them understand the uniqueness of their issues, to help them understand the makeup of the committee, and to help them understand what the committee would and wouldn't do.

One of the litmus tests for getting on Appropriations—and I think it still is—is that you had to be very pro-life. We started getting pro-life amendments on everything. We had pro-life amendments on virtually every bill, and they led us into confrontation. It was part of our job to devolve a series of ways that when we got into this trap, we could escape from the trap. Our leadership was very intellectually hidebound. Our guys on the committee, however, were much more conciliatory and much more anxious to do things outside the appropriations process on some of these issues. It led to some tension, some friction, which probably still exists to this day. But the frustration on our end was that we were dealing with the leadership. With all due respect to these men, they were not known as legislators; they were known as idea men. Their concept was to try to lard these ideas onto spending bills and move them through the system. Frankly, it didn’t work.

**Martin:** The breakdowns that you're talking about, were they within the Republican caucus? My guess is that they could have passed everything without Democratic votes anyway.

**Dyer:** Yes, they were within the caucus. But some of these issues transcend party affiliation. For example, the issue of abortion: there are plenty of pro-life Democrats, and you have plenty of
pro-choice Republicans—at least you used to have. There was always the debate, “We don’t need the Democrats to pass this stuff.” The truth of the matter is that they did. These were always pyrrhic victories in the House, because by the time you got to the Senate, you needed 60 votes. You need 60 votes in the Senate today to do anything.

**Martin:** True. Let’s talk about that dynamic between the two. You’re over in the House. I’m sure you're familiar with your counterparts in the Senate.

**Dyer:** Talk to them every day.

**Martin:** What is the view in the Senate of the House?

**Dyer:** I think they thought we were people who took extreme positions, in a nutshell. There’s an old adage in this town about the Senate being the saucer that cools the hot cup of the House, and there was a lot of truth in that. There were a lot of senior Senators who had to talk pretty tough to House members and say, “Look, this is just not going to happen. We don’t have 60 votes here to do all this stuff.” So there was contention between the leadership in the committee, and there was contention between the leadership in the Senate. One of the ironies, to my way of thinking, of the process was how little my own leadership understood the Senate. The Senate has only two rules: exhaustion and unanimous consent. My guys never figured that out.

**Martin:** Is it just because they’re so accustomed in the House to having hierarchical power?

**Dyer:** They’re accustomed to a Rules Committee that is *their* committee; it is *their* traffic cop that does what *they* want it to do. They never really understood. I don’t think they do to this day. “Well, they can get things done in the House. Why can’t you do things in the Senate?” It just didn’t happen.

**Martin:** I think that’s a common problem. I don’t think anybody understands the Senate.

**Dyer:** If you look at the membership, there has been a flow of House members into the Senate. They come over to the Senate and they look around and say, “Why can’t we get this done immediately?” “Because you don’t have a Rules Committee, that’s why. You have a Rules Committee, but it doesn’t set rules for the floor debate.”

**Martin:** Who came up with the strategy of trying to put the policy riders—

**Dyer:** The Speaker.

**Martin:** Can we flesh out the strategy? Is the assumption that Clinton has to sign these bills, and so it is a way to make him swallow tough policy?

**Dyer:** Yes. It’s also a way around the Senate obstinacy. You can’t get the Senate to do these things. Therefore you put them on the bills and try to make them suck it up.

**Martin:** The appropriations bills have to go through, and so the Senate will have to pick them up.
**Dyer:** Yes.

**Martin:** Where are the first stumbling blocks for this policy as it is unfolded? Is the Senate going to knock these things back, or is the Clinton administration issuing veto threats?

**Dyer:** It’s both.

**Martin:** Do you have any memory of how people responded to the first set of struggles?

**Dyer:** I think you can say with confidence that a lot of senior Republicans, especially senior Republicans on Senate Appropriations, would look at stuff such as Istook-McIntosh and say, “We’re not going to pass that. You guys haven’t thought this thing through. This is not going to happen.” It was totally predictable from our perspective. We tried hard to say, “Look, there has to be some compromise here.” But in the heat of the intellectual fervor of partisanship, bipartisanship is hard to come by.

**Martin:** Folks used to say that there are Democrats and there are Republicans and then there are Appropriators.

**Dyer:** That’s a true statement.

**Martin:** In your opinion, did the Appropriations Committee become more partisan during this period?

**Dyer:** I think that the Appropriations Committee today is probably more partisan than it has ever been. It is the result of a general deterioration of comity of the institution that ultimately has washed over the committee. Mr. Obey—who is a friend of mine, by the way—is a very partisan guy. Mr. [Jerry] Lewis, who is also a friend of mine, has become the point man for the leadership and for the administration, so he takes very firm positions. There is still a great deal of comity between the chairman and ranking members of the subcommittees, but at the top it’s not there anymore. You can look at Iraq and see that this is one of the most divisive issues in the country. I mean, it is the appropriators who are dealing with Iraq; it’s not the Armed Services Committee. When the institution becomes excessively partisan, as it has become, that stuff washes over the committee. It’s very difficult to insulate a committee and its bipartisanship from the overall partisanship of the institution.

The other issue here for me is the very partisan way in which budgets are handled. The budget process has become very partisan. Democrats on the Budget Committee and Republicans on the Budget Committee just don’t see eye-to-eye. They use taxes to define an issue. The budget process is so excessively partisan. You talk about a process that’s broken, there it is. You can’t get a budget through the system. They don’t reconcile; they don’t do anything. All of my criticisms of the Budget Committee are valid in my judgment. But appropriators always had to pivot away from the excessive partisanship of the Budget Committee and try to pivot into a bipartisan arrangement, which was difficult.

**Martin:** I want to go back to the relationship between Livingston and the Speaker’s office. The chairman of a committee used to be the central power, one of the most important powers,
especially on the Appropriations Committee. Then power shifted so strongly into the speakership under Gingrich. How does one maintain a sphere of influence if you’re Livingston?

**Dyer:** Again, there’s still a lot of power in being chairman of the committee, even at this time. Gingrich was often trying to get the committees to heel. He used to set up task forces to do things, and they all failed because they had no resources and because the people he put on the task forces didn’t know what they were doing. You always had to turn to the committees at the end of the day because they had the resources and the expertise. That’s the center of their power. That ultimately is what saves the day.

Today, I think the Speaker controls the Appropriations Committee because most of the major decisions, the big political decisions, especially the Iraq decisions, come out of the Speaker’s office. The allocation decisions and all of the scheduling decisions are still Obey’s. So there’s still enough power here to go around, still enough to make it worthwhile. A fundamental tenet of political science is that if you're going to run an organization, you’ll have to put somebody at the head of it, and he’ll be in charge. He’s going to subdivide the work load. There’s an expectation that a chairman or anybody heading up the subdivision will be loyal to the structure while at the same time producing a high-quality product. Sometimes it pulls and tugs at you, but I think it is something you can navigate because there is enough to do, and there’s enough power to go around to make it worthwhile.

**Martin:** Are you making a case that the sense that Gingrich controlled the House with an iron fist is overstated?

**Dyer:** No, only early. It began to erode, and it completely eroded when the right wing tried to throw him out. Ironically, the so-called “palace coup” that they had up there, which I’m not an authority on, was blunted by the committee chairmen. Livingston and [Gerald] Solomon and [Dan] Burton and other guys said no. That caused a major rift among House Republicans.

Newt is an interesting guy, and I like him very much, but there began to be a little dissatisfaction with him after about the third or fourth year because the party wasn’t getting stronger, and it wasn’t getting stuff through the system, and the ideas were not being translated into legislation. I think that led to the frustration that led to the attempt to take him out. Plus, there were people up there who didn’t think he was conservative enough. There are certain litmus tests around here that some people may or may not ever pass, and that was one of them.

**Martin:** To some degree, as an outsider, that’s hard to believe. He set himself up as the conservative in the institution. Through 1995, to what degree was the White House dealing with the Democrats as still the minority?

**Dyer:** I think they talked to them all the time. In my world, they had regular conversations. Let me get to the heart of the Clinton thing. As the Clinton Presidency wore on, I got along a little better with them because I actually was trying to help them do a couple of things. There was always an element of partisanship beyond which you couldn't pass, but the Clinton philosophy of governing—there was no real basic philosophy here. They weren’t wedded to “If we do these twenty things, then the country will be better.” In my world, it was always, “We’re fighting for a series of things that basically take care of our people.”
AmeriCorps. We used to fight over AmeriCorps every year. Our guys didn’t like AmeriCorps because they had instance after instance where the program didn’t work. They had instance after instance where these people were involved in political activities. The members were raising holy hell. The Clinton crowd said, “So what?” They weren’t about to upset one of their client groups just because we were upset.

The COPS [Community Oriented Policing Services] program. Clinton always thought that was one of his singular successes, but the truth of the matter was that the Republicans were always more wedded to a concept of a block grant—because local law enforcement officials were telling us, “Hey, we don’t need a lot of cops. We need cars; we need communications; we need stuff.” So our option was, “We’ll give you money and you pick it.” The Clinton crowd didn’t like that because they had become so wedded to and philosophically associated with the COPS concept. They thought it did them good politically, and they wouldn't give in. At the end of the day, we ended up having money for the COPS and for law-enforcement block grants. It was a lot of stuff like that.

I always got the sense that this was more driven by “How do I protect my political clientele?” than by “How do I make some kind of ideological statement?” Their philosophy basically was, “Look, you guys get what you want as long as we have what we want.” That was the thrust. The [George W.] Bush White House is totally different. The Bush White House says, “We want what we want, and we’re not crazy about what you want.”

**Martin:** The programs that you’re talking about, these are nickel-and-dime programs.

**Dyer:** Small stuff is what makes the difference in this town. They had an aversion to the defense budget. It’s not like today. The Pentagon didn’t have a lot of money for anything. They would let the Pentagon run through the back door of our committee, and we always took good care of them. They just didn’t care. They used to say to me, “Go tell your friends up in the Pentagon—” One of their officials at one point bragged about getting the defense budget down to $200 billion. That was just ridiculous. We spent a lot of time trying to keep the defense and intelligence numbers up. The Clinton crowd was just disinterested.

**Martin:** Was that across the board for appropriations?

**Dyer:** Yes.

**Martin:** It seemed like it wasn’t a high priority for them?

**Dyer:** What was a priority for the Clinton crowd, in my eyes, was what kept their client constituency groups happy.

**Martin:** Are we talking about the triangulation of [Richard] Morris?

**Dyer:** When we went in on the original rescission bill, we found money that they weren’t spending that went back to 1981, while they howled like banshees over it because they wanted money for some of their client groups. At the end of the day, they could have obligated that money anywhere. They ended up giving in because they basically conceded the point. But I think
they conceded the point because I think they thought they weren’t hurting any of their client groups.

They did something stupid one year, which always amazed me. One of the people I liked best in the Clinton administration was Mr. [Leon] Panetta. I always thought he was a class act, and he served the President with great dignity and common sense. One of the guys I used to fight with down there a lot was Mr. [Franklin] Raines. I can’t say the same thing about him. Mr. Raines took it upon himself one year to rescind all Congressional pork projects. It was amusing because the Clinton crowd put a list on the table and gave it to us, and the items were all from Democratic districts, and they were all defense projects that they hadn’t even talked to the Defense Department about. It was just a political show. Of course it didn’t work; it made them look bad. We haven’t seen that type of craziness since, except for what we’re talking about now.

The first two years, I think the Republicans overreacted a little bit to what they could achieve, and I think that helped reelect the President. There were no great big policy initiatives at the time. There was a lot of discontent in the foreign policy world. Not a great deal was happening that our guys were interested in. I think the country looked at us and looked at him and said, “Maybe we’d be better off with divided government here,” and I think that’s what you got for eight years. So there was a standard truce. Every year the struggle, as I recall it, with the Clinton crowd was to sort out what they had to have, to sort out what we had to have, and then to see that the work product at the end of the day contained elements of those things.

**Martin:** So after the 1995 budget shutdown, things develop into a regularly expected routine for appropriations.

**Dyer:** Yes, in my world.

**Martin:** Earmarks rise during this period. Gingrich allegedly changes the rules for how earmarks are allocated.

**Dyer:** There were never any rules.

**Martin:** Unwritten rules. Seniority would count for getting big projects.

**Dyer:** I would modify that in one respect. Not just in appropriations but in a whole bunch of committees, traditionally the big boys get the big pieces of the pie, and that has always gone on. Transportation and Infrastructure Committee, you can do a separate study about how they gave out allocations. If you ran a subcommittee, you got $50,000. If you were off the committee, you got $5,000. That still goes on, to the best of my knowledge. It never really went on in our committee.

What we tried to do on our committee was to try to take care of folks. What grew under the Gingrich era—but not so much under the Gingrich era as under the [Dennis] Hastert era—was the notion that we would use earmarked funds as a big reward, if you will, for help in other areas. Hastert was actively a part of it himself. He got a lot himself. They all did. I worked with [Tom] Delay on a whole bunch of issues, trying to get earmarks in support of trade votes and things like that.
There are a lot of reasons for the proliferation of earmarks, in my judgment. Number one, budget restraint—if there’s less money, people will try to find ways to get some; infrastructure crisis, which is now all over the country, and everybody needs things; breakdown of the authorization process. Appropriations are the only bills in town. Therefore let’s put them on there. There are a lot of reasons for that. Visibility, if you will, public relations, the whole nine yards. I don’t think it’s a bad thing. Some of that stuff is goofy, but some of the tax stuff is goofy too. But under Hastert, more than Gingrich, this type of thing went on exponentially. But there has always been a link, both with the Democrats and with the Republicans, between a system of carrots and sticks, whereby the appropriators provide the carrots.

Martin: The Clinton administration allegedly was also, in the early period, opening up the doors to grant projects for all kinds of things.

Dyer: That’s true, and I don’t have any problem with that.

Martin: Would that have gone through the Appropriations Committee?

Dyer: Yes.

Martin: How would that have worked?

Dyer: It depends on how you do it. There are programs for which you can earmark specific dollars for specific activities in an appropriations bill, or you can see to it that a pot of unearmarked money is funded high enough so that everybody is able to get something. There are other pots that are dictated by grant formulas—the Highway Trust Fund being one such account. Every state gets a percentile. It depends on each program. I may be a bad guy here, but I’ve never seen anything wrong with this approach. I’ve worked in the executive and the legislative branches. I feel strongly that the power of the purse rests with the Congress. If a Congressman wants to redirect funds to his district or to somebody else’s district, I think they have the prerogative to do it. The White House has the power to veto the bills if they don’t like them. This is participatory democracy to me; this isn’t a problem.

Martin: How did the Clinton administration respond to earmarks and increases through the years? Did they care?

Dyer: I don’t think they cared as long as they got their share. This was about, “You do yours; we get ours; we’ll be okay.” To the Democrats’ credit, I’ve never heard the belching and crying about earmarks the way you get it from the Republicans. I don’t mind it if somebody says to me, “I don’t want any earmarks.” Fine, you're an honorable person. If the same people say to me, “I don’t want any earmarks” and then they have a press conference about this stuff and then they come to my back door asking for money, which was very common, I have an intellectual honesty problem with that.

Earmarks today probably account for less than two percent of the entire discretionary budget. You ask yourself, “Am I willing to pay a two percent premium to have Congressional review and approval of a budget process and in many cases do things that are very advantageous to the system?” The predator that kills more bad guys than we know what to do with was a Congressional add-on because the White House wouldn't budget for it. All of this flap with
MRAPs [Mine Resistant Ambush Protected] trucks—they’re bomb resistant, over in Iraq—they’re Congressional add-ons. All this business with armor, our soldiers didn’t have enough armor in Iraq: Congressional add-ons. Some of this stuff is not totally bad. Some of it is goofy, but this is not an orderly, ideological process. It’s a very practical horse-trading process. When you get into it like that, you do the best you can.

**Martin:** To summarize, your sense of the later Clinton administration is that as long as they were getting theirs, they would go along.

**Dyer:** That was their guiding philosophy behind it, in my opinion.

**Martin:** How did the committee shift when Hastert took over?

**Dyer:** The whole thing was a nightmare. Livingston decided after the ’98 elections that we had done poorly, and he blamed Gingrich for it. He decided to take Newt out. Then Newt announced that he was going to retire, and Livingston was the only candidate. It was right in the middle of the Clinton impeachment. Livingston goes to the floor, and all of a sudden Larry Flynt is going to expose Livingston, so Livingston says, “Well, I’m not going to—” I remember I saw Livingston that day and I asked, “What’s going on here?” He said, “I have a choice between being the Speaker or keeping my family, and I’m going to take my family.” So Livingston was gone.

Then there was a huge vacuum because everything happened so fast. DeLay was in a position, if he wanted to take it himself, to take it, but he was smart enough to know that he was such a polarizing figure at this point that he would have a bad time there. So he picked a guy that he knew and trusted. He was his deputy whip; he was a mid-level guy on the House Commerce Committee who nobody ever thought would run the institution. He took over and he ran it.

Hastert is totally different from Gingrich. Newt is an idea man. Hastert is a day-to-day-plugging type guy. I think he ran the House for, I forget, eight years until his retirement. He was doing all right for starters, but the earmark business became an integral part of his operation, especially for himself. He got a lot of earmarks himself. He believed in them. I remember saying to those guys one day, “If you guys don’t like earmarks, why don’t you stand up in front of the caucus and say, ‘There’ll be no earmarks?’” “No, we’re not going to do that.” His problems arose toward the end of last year as a result of the [Mark] Foley sex scandal and a few other things.

You’ll never meet two men of different temperament, different intellect, different everything. They were totally different. Hastert was a Midwestern teacher. Gingrich is a transplanted Pennsylvanian who moved to Georgia—also a teacher, but a guy who had more ideas than you could fill a room with.

**Martin:** Then Bill Young becomes the chairman of the Appropriations Committee.

**Dyer:** Yes.

**Martin:** How does your job shift from Livingston to Young?
Dyer: Different temperament, different people. Young is a sweetheart of a man. I think the two of them are two of the best people I’ve ever met, but they’re very different. Livingston is younger. He was a black belt in Karate, had a real temper, a very emotional guy, institutionalist, very close to Obey. Everybody looked up to and loved Bob. When Bob left, it was a blow.

Bill comes in. Bill is a steady, solid, older man, not as much flare or bombast, a temper but way deep beneath the surface, not as highly visible or aggressive as Bob. Bill is independent and he wants to do the right thing. He’s not as close to Obey, but he’s a real institutionalist. He kept the trains running on time. I used to say to him that the proudest moment in my life was the last day he presided over a wrap-up bill, and the leadership of both sides came to the floor and gave him a standing ovation. I thought that spoke to the institutional strength of the man, to the fundamental decency of the man. He’s still running, God bless him. He’s 77.

Martin: Yes, he’s ranking on the Defense Committee. Are there differences in terms of White House-Congress relationships when Gingrich leaves? First Hastert and then Livingston shifts to Bill Young.

Dyer: The White House is probably less inclined to tell Newt what to do. Newt’s stewardship is always on Clinton’s watch. Hastert’s stewardship is on Bush’s watch. Historians and political scientists like yourself will document for a long time that this Congress has laid down and played dead for this administration now for about seven years. Lots of stuff will be written about that. I think that’s a fair statement. One of the things Hastert did that really hurt us in my judgment was that he did not believe for the sake of party unity that any bills should be sent to the President that he should veto. So we never sent him a veto bill. We were always negotiating with Hastert’s people rather than negotiating with the White House. Ironically, it probably hurt Bush because the right was always screaming for Bush to veto a bill. What they didn’t know was that Hastert wouldn't let him do it.

Martin: Hastert was protecting him?

Dyer: He thought he was protecting the unity of the Republican Party up there. I understand that. I just think it was bad public policy. I think I’d have rather have fought with the White House.

Martin: I’ll let you go.

Dyer: If you want to do this again, I’m happy to. I just have to go up to the Hill.