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### Interview with Bill Frenzel by Brien Williams

William 'Bill' E. Frenzel

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## ***George J. Mitchell Oral History Project***

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**William E. "Bill" Frenzel**  
(Interviewer: Brien Williams)

**GMOH# 085**  
April 13, 2009

**Brien Williams:** This is an oral history interview with Representative Bill Frenzel for the George J. Mitchell Oral History Project at Bowdoin College in Maine. We are in Representative Frenzel's Washington office at the Brookings Institution, today is Monday, April 13, 2009, and I am Brien Williams. I thought we'd start when, in 1980, George Mitchell came to the Senate, replacing Ed Muskie who'd gone on to State Department. And you'd already been in the House for nine years, and I assume you'd had no contact with Senator Mitchell before he arrived in Washington. Would that be correct?

**Bill Frenzel:** That is correct.

**BW:** So what -

**BF:** I did know Senator Muskie a little bit from Budget work, but I did not know Senator Mitchell at all at the time.

**BW:** So how did you first become aware of him, and what were your early impressions?

**BF:** Well, he came of course with a reputation from having been active in Maine prior to his arrival. And also any new senator in town is a curiosity, and so I tried to keep one eye on him, and it was obvious that he was a bright fellow. And one never knows whether they're going to rise to leadership positions, because there are lots of bright fellows that don't, but he clearly from the beginning was a very strong presence over there.

**BW:** And how did you, under what circumstances were you observing him?

**BF:** Well, really in general circumstances when he first came to Congress, because I didn't have any overlapping committees with him and so I had no personal contact with him, I just kept an eye on him. My business was always economic, Ways and Means Committee and Budget Committee, and so our paths did not cross in those areas until the end of his first decade when the Budget considerations became very important.

**BW:** And would, are you referring to the time when he'd become the majority leader?

**BF:** That's correct, he had been leader, and of course by that time he was clearly identified and he was a powerful force in the Congress. Those, I remember that both on the Republican

and Democrat side, the leaders were legendary; Baker and Dole and Mitchell were very strong forces, but I really didn't run into Senator Mitchell much until we got into the negotiations on the Budget Enforcement Act of 1990, which were carried out at Andrews Air Force Base and later came, moved back to Washington and finished up between the White House and the Capitol, here. And there, of course, he was a strong, if not a dominant, figure.

**BW:** He played a very active role.

**BF:** Yes, it's hard to know because the negotiations are carried on at a lot of levels, and the administration, whose chief negotiator was largely the director of OMB, Dick [Richard Gordon] Darman, and the chief of staff of the president, John Sununu, tended to negotiate with whoever was around, whoever they could make the best bargain with. And sometimes they would be meeting with their people, their Republicans, sometimes they would meet with Senator Byrd who was then the chairman of the Appropriations Committee. And – but often the leaders were involved, and often I was not. I was at the time the ranking Republican member of the House Budget Committee, but the relationships between Republicans and Democrats have always been more difficult in the House than in the Senate, and so there were some things that I was left out of.

But my general impression was that Senator Mitchell was a prominent, or perhaps *the* prominent driving force. And I remember being in meetings with him where I was rather surprised at his technical competence. You know, I expected to him to be a leader, and I expected him to know the things that one needs to know about the budget, about the, where the Democrats were trying to go, where the administration was trying to go, where the Congressional Republicans were trying to go, but more than that I was quite surprised by the fact that he knew a great deal about the budget. I thought I was pretty good, but he was *very* strong.

**BW:** It's my impression that saying that he could go up against John Sununu and Dick Darman and be somewhat persuasive is a statement.

**BF:** Those people, perhaps it is because I am old and have failing memories, seemed like titans, but clearly all of them had histories and experience of very strong achievements, of superior intellects. And it was a wonderful thing to watch them probing and doing their various dances. And I don't remember a lot of the specifics, but I remember thinking, "I'm glad somebody else is doing this rather than myself, because I think the track's a little fast for me." They were strong.

**BW:** Explain the provocation for retiring out of Washington to Andrews.

**BF:** Well, we had begun negotiations at the request of the Congress, and so president's people were negotiating mostly at the Capitol and occasionally at White House offices beginning in May of 1990. We weren't making very good progress, and it was obvious that things were beginning to bubble up in Iraq, we needed to get moving a little more smartly and we were sort of mired down by midsummer. And some great sage decided that if we absented ourselves from

the normal course of business, that, and sequestered ourselves in, at Andrews Air Force Base, that we would be more efficient in getting our work done.

I think that was correct. One of the problems of this gross negotiation was that we had literally dozens of supposed negotiators but many of them were just part of the Greek chorus sitting in the background. There were [only] a few principle negotiators. But the nature of the business, people would come and go, telephones would ring. Thank God we didn't have cell phones then – but people would come with messages and calls to be returned. Committees would meet [on Capitol Hill], and we simply weren't making enough progress. I don't know who suggested we go to Andrews, but it was a good idea, I think, to get off campus. It focused us on the importance of getting the job done, and we knew, well there wasn't a deadline, we were getting down toward the end of a congressional [session]. I think getting out of the Congress was a very good thing. We didn't complete work at Andrews, but we – what do they call it? – cleared a lot of brush down there. And then [we] came back to the Capitol, and there the completed negotiations were done.

At that point I became more a member of the Greek chorus than an actual negotiator, because the Democrat majority in the House was carrying the ball, and we [ ] Republicans were left to be represented by the administration, and our ingress to those last negotiations were through Sununu and Darman. That was well enough. You can't complete negotiations with dozens of people, you got to put a couple people head to head, and that's where Mr. Mitchell and Mr. Gephardt and Mr. Sununu and Mr. Darman and Mr. Byrd and a few others were doing their things. And so I had some chance to observe it, but to say that I was a full-fledged participant would be an over-description.

**BW:** Were you sequestered there for days, or how did that work?

**BF:** No, we [were] not. We had rooms there, but I think [only] a couple times we slept overnight. Mostly we were there morning 'til evening. We took our meals there; food was good. I remember the most popular event was a soft ice cream machine in the PX or the gedunk. And a lot of times we were still doing the sparring, we hadn't finished that from the midsummer's negotiations, and we would have long tables of people, and everyone, as is often said in the Congress, that, "Everything has been said but not everyone has said it," and everyone had to say it out there. And so it, there was a lot of spinning of wheels, but that's sort of part of the pawing and stomping that Congress does when it's making an arrangement.

We didn't have the interruptions. We didn't have the staff running in with messages, we didn't have people running out, except to go to the gentlemen's room. So I think it was a useful way to do it.

**BW:** And about how many of you were there when you were in, quote/unquote, 'plenary session?'

**BF:** The plenary, God, we just had tons of people. I can't even remember, but there had to be

forty or fifty people in there.

**BW:** Forty or fifty members of Congress?

**BF:** Yeah. You had senators, and for senators you needed a chairman and a ranking member of half a dozen committees. Over in the House you needed the same thing, plus leaders, plus self-appointed leaders, and people who could convince their own leaders, the speaker and the majority leader, that they needed to be there.

And then you had a horde of staff members, which tend to get in the way. Often staff members are more enthusiastic about their principal's position than the principals are, and so they were an extra complication. But thank heavens there were fewer of them also at Andrews than there were at the Capitol.

I remember the first meeting up at the Capitol was in the Mansfield Room in the Senate, over on the Senate side, and we filled that room. That's a good size room. And when we got to Andrews, it was a little smaller, and so for our leaders, that is the George Mitchells, the Dick Gephardt, the Tom Foleys, et cetera, it must have been a real trial just to keep all the players in line and know who was grinding on you for what committee chairmen thought they were being abused, and what things you really needed to get to support whatever thrust your party wanted at the time. It was very complicated and a very difficult thing.

And the administration didn't make it any easier, because they also had, they had Treasury people, they had White House people, they had OMB people, and their way to negotiate was sort of to confuse and keep everything moving, and it was a mess, it took some strong leadership to make that come out. [ ] We came to an agreement, and the so-called conferees are the people who had been meeting and negotiating, agreed and signed off on an arrangement. When that bill came back, it went to the House first, the budget bill, and there was a rebellion in the ranks of both Republicans and Democrats. The majority of Republicans opposed the bill when it finally came to a vote, and a majority of Democrats opposed the bill when it came to a vote, and the bill was defeated in the House. And then they had to renegotiate, and this time, of course, they were wise enough to confine it to the major leaders. And I was not involved in any of that discussion.

It was a very interesting political situation because I think the Democrats gained substantially by defeating that bill in the House, although that had not been the intention of the leaders. They had made an agreement in good faith, they went back, and both the Republican and Democrat leaders saw their majorities erode and disappear. And what happened is, the Democrats, who had played square. Due to good work by Senator Mitchell and by Gephardt, Foley, et al., they had involved the Republicans. We were part of the deal, [ ] but neither we Republicans nor the Democrats could make a majority in the House [of Representatives].

Once the bill was defeated in the House, the Democrats said, "Hey, if we're not going to get a substantial number of Republicans, we're going to have to make a deal ourselves." And that meant there had to be more taxes and less [expense reduction] in it. So the Republicans [ ] cut

their own throats. From the Democrats' standpoint, they did a little better, and made their [new] agreement. But in the end, I think for both, it turned out to be a huge success because it was the basis, along with a couple of other things, that set the stage for those four years of budget surpluses in the Clinton years that followed. There were several factors: a good economy was one; [the] second one [was] dissolution of the Soviet regime, [which] meant that we could ratchet down DOD [Department of Defense] spending; [the third one was that] Resolution Trust Company began to make money selling the assets it had bought, plus we had some enforceable limitations on spending, through that Budget Enforcement Act of 1990.

And so I think the country and the Congress prospered as a result of that act, and the people who did the heavy negotiating, and I was not one, [did a splendid job]. Even though, from my standpoint, the second result, the final result, was not as good as the first one, it was great for the country. [ ] I keep praying for another one of those [agreements]. I suppose Senator Mitchell's not quite ready to come back to work, and I know I'm not, but we could use another one of those negotiations. Maybe not yet, I think we need to get the country recovered first, but after that we need to get back on that budget and get control of it again.

**BW:** One further question about your time at Andrews. Who was setting the agenda, and who was sort of leading the meetings out there?

**BF:** Well, theoretically, they were the Budget chairmen of both houses. But in fact, the Budget chairman could not move without the leadership in both houses, and so I think it's fair to say that there was some kind of coordinated leadership between the leadership and Budget people. And in the last analysis, if there was some kind of dispute, it had to be settled by the speaker of the House and the majority leader of the Senate.

**BW:** Go over just briefly some of the major issues of contention in that 1990 bill.

**BF:** Well, I think some of the most important ones were that we were trying, I think all of us in good faith, in different ways, [ ] to establish control over spending. And the two vehicles that we used, which were similar, were called 'caps on spending,' and a thing called 'pay-as-you-go,' which later became PAYGO. The caps on spending were applied to discretionary spending, but military was exempted. It was obvious we didn't know when the next emergency was going to occur. But fortunately, of course, military spending was on the decline and that wasn't thought to be a terrible thing.

Well, everyone agreed that there should be caps on spending, but everyone disagreed as to what the caps should be: "Where should we start? We know we have to set them." And there were long and contentious discussions between Senator Byrd and Director Darman on that subject, and in the end my impression was that Senator Byrd, goaded by some of his own friends, finally made a deal with Director Darman, who was being goaded by people like me to get the limits down. But when they negotiated long enough, I believe that Senator Mitchell and others said, "Okay, now it's time to make a deal, do something." And so those caps were, I think, one of the last things that was taken care of.

The other question related to entitlement spending, and that was the PAYGO system, and that was contentious because, and it's always been contentious, because there are huge differences in how people approach these things. Democrats, in general, are far more interested in being able to expand entitlements, and [to make] sure that everyone's covered. That's the traditional [Democrat] compassion. Republicans are very much interested in not restricting the reduction of taxes, because that's their bag. And so, [with both sides reluctant], that became a protracted, long negotiation.

But the fact that both of them worked, I think really made Bill Clinton look like an all-star in a couple of years, not taking away anything that he did, because he had to live up to it with his budgets, and did. But I think that agreement of 1990, particularly in those two respects, was just an enormous improvement.

**BW:** So looking from there forward, what was the outcome with both caps and PAYGO?

**BF:** The first two years I believe, or maybe three, the caps were not binding. But when we got into the early-middle, or late-middle '93 or '94, the discretionary caps began to bind, and Congress found themselves cornered by those caps and their spending locked down.

PAYGO began to work pretty well right from the start, and made it exceedingly difficult if you wanted to raise some entitlement. You had to figure out a tax to impose on somebody, or to take away an entitlement from somebody else. That made expansion of entitlements, other than by a demographic gain or a cost of living increase, not possible. And those two restrictions led to those four years of budget surpluses, the glory of the mid nineties. So I think it has to be considered just a huge success. Then again, I credit the leaders with that, and I think Senator Mitchell, Mr. Gephardt, Speaker Foley did a, just a very fine job on that.

**BW:** Where does "read my lips" come into this picture?

**BF:** "Read my lips" of course was what Bush Forty-One said when he was seeking his party's nomination; said he wasn't going to raise taxes. He served for one year, '89 and part of '90, when it became apparent to him that in dealing with the Congress and trying to establish a rational budget, he was not going to get anywhere with a 'no tax' policy. And the problem was that the Democrats said, "Look, we'll talk about making cuts in the budget, but you got to have taxes on the table as well as spending." And that was the George Mitchell position, that was the Tom Foley, Dick Gephardt position, and whether it was reasonable or unreasonable, it seems to me that if you're going to negotiate, it is not unreasonable to [begin by putting] everything on the table. [You then try to] take off that [which] you don't like.

But at any rate, whether it was reasonable or unreasonable, the president and his troops, Sununu, Darman, et al., came to the conclusion that unless they negotiated with Congress, they were gone geese, that they couldn't do anything. Now, at this time Saddam Hussein was beginning to act up in the Gulf. The president was pretty sure by, [perhaps] when the negotiations began, and

certainly by the end of summer when we went to Andrews Air Force Base, that he was going to need money [ ] to go to Kuwait and kick Saddam out of Kuwait, and to do so he was going to have to complete these negotiations. There was no way he could negotiate without giving up some taxes. It was just a fact of life. Democrats had their majorities, and he had to get the best deal he could. He made the best deal he could, then his own party in the House bounced it [because] taxes went up a little bit. [Then they went up even more], enough to satisfy a Democratic majority in the House to get the bill passed.

And so despite the fact then that the Bush administration was highly successful in the Gulf, had an immediate victory in that war, chased Saddam back, was smart enough at the time not to go too deeply into Iraq, he had broken his tax pledge which, to certain of his core constituencies, was a form of heresy. And I'm not sure that beat him in the election, but it clearly was a factor. [In addition] he campaigned, of course, like a man who didn't want to be running. It was kind of a strange campaign, and one has to wonder whether all the continuing heat he took from his right wing non-tax people didn't have something to do with his attitude and with his eventual loss.

And in the meantime, Clinton turned out to be a very strong, aggressive, positive campaigner and, boom, it was over. And so I guess I will always consider that that "read my lips" was the wrong statement at the convention. [ ] He [felt compelled] to negotiate and, in fact, he didn't make a very bad deal. [It was a] pretty good deal for the country. Maybe not for him, but [ ] you historians will determine how that works out.

**BW:** When we started out, the '90 negotiations were the first thing that came to you, in terms of George Mitchell. Were there other salient issues that he, in your mind, is remembered for?

**BF:** No. I'll tell you what I remember him for, and as I told you before, I didn't have a lot of interfacing with Senator Mitchell. What I remember [of] him is a man of the Senate, who was very soft spoken and very gentlemanly, steely in negotiations and debate, knew what he wanted, [and] a strong, strong will. And again, for me, I was always surprised by the detail, whether he knew it all, or whether he was just terribly well briefed at some meetings that I was in, I don't know. But my experience with the budget led me to believe [he had a] very strong intellect, good retentive memory, good ability to negotiate and debate, and [was] just one of the real titans of the Senate during the time I've been in the Congress. [In all respects he was] a superb guy.

And I notice he's still at it now. He's out 'special envoying.' I noticed [also] he was involved in trying to put Walt Disney back together again at one point. He's had a significant public life all his life, and when summoned he appears and does a great job. All I can say is that, of the people I have served with in Congress, there are a handful that stand out, and Senator Mitchell is one of those. He just inspires confidence, and even if you're on the other side of the argument from him, which I was often, I never terribly worried that the Republic would fail if he won. He's just a very fine guy, and I wish we had more.

**BW:** Without raising any expectations of exclusivity here, what about some of the other titans that sort of go in that class? You said -

**BF:** Well I always think of two of them, the first would be Howard Baker, and George shared something with Howard in that they were both sort of gentlemanly and soft spoken and quiet. And one of Senator Baker's powerful attributes was that he was one of the most patient men in the world. He could sit and wait for, endlessly for Jesse Helms to get in line and do what he's supposed to do, and he would eventually do it. [Bob] Dole had a little different characteristic; Dole had that very sharp sense of humor. And if you were ever with him very much, you understood that it was self-directed as much as at you, and so if you knew him well, you were never offended by it. In fact, you thought he was terribly clever.

George Mitchell was somewhere in between. He was gentlemanly, I was never close enough to him to determine what kind of a sense of humor he had – at least it was not apparent to me. It was apparent to me that he had a really strong focus on the job at hand, I thought he was really businesslike and a really strong personality, powerful intellect. So they were different, but they were similar, and to me they are sort of my three heroes of the Senate, the strongest ones that I've seen. Not to denigrate any of the other fine senators, but to me they stand out. I have three or four heroes like that in the House as well, and those are the people that I will always remember when I think of the Congress.

**BW:** Do you want to mention the names of the House -?

**BF:** Well, yeah, yeah, they're going to be mostly mine because they're the guys I worked with, but I start with Tom Foley, who is one of theirs. And Tom was just a lovely gentleman, good sense of humor, interested, wide-ranging, strong interests. In fact, it seemed to me he was almost too nice a guy to be made speaker, but he made it.

The next one that I call up would be Barber [Benjamin] Conable [Jr.], who was later the president of the World Bank. He was sort of my mentor on the Ways and Means Committee, a very erudite fellow, and a great inspiration to me. And there were a few others, like Bob [Robert Henry] Michel, who was a long time minority leader who I served under for years and years, and just loved. He's the kind of guy you'd like to have living next door, because he'd give you the shirt off [his] back or the sweat off his brow. Whatever he had was yours. Those are sort of the tops of my list.

**BW:** Hmm-hmm. Over the years that you served, which were twenty years, from '71 to '91, did you see any major shifts in the culture of Congress?

**BF:** Yes, I did. When I came, it was, I suppose in the words of Bush Forty-One, "a kinder and gentler Congress." And there are a number of reasons for that. I think partly it was, at least in the House where I was serving, the Republicans were not really a force. We had been a minority for nearly sixty years, except for [ ] [two two-year terms], and so we were not looked upon as dangerous, and if we had an occasional good idea it would be honored or taken up. The committees, some of them, were, acted in rather bipartisan ways, or at least in friendly, courteous ways, and so it was not a bad place to work. It was more like my state legislature.

As we got into the nineties, and I think it probably began with the House Banking scandal, tempers got shorter. Already the country had begun to be a little more polarized, districts, because of the way we re-district, became more Republican and more Democrat, people began to worry more about losing in primaries than in generals, talk radio was on the rise, gossip TV was coming in. And suddenly your colleagues in Congress were dangerous to your health. I think the big turning point for me was when Senator Jeffords, a Republican, became an Independent and caucused with the Democrats and changed the majority in the Senate. I saw a Republican former chairman in tears, because they were losing something they'd tried all their life to get.

And at that point, people in both houses began to understand that this whole game was up for grabs, and you couldn't afford to be nice to your opponent. Now this is two or three years after I had gotten out of caucus, but I still work for the House, in one way, and so I'm up there occasionally. The well got poisoned, it was extremely difficult. And so, say you're a Democrat in 1996 and the Republicans are a majority in the House and you have a good amendment. You can be sure that no Republican is going to vote for it, because they don't want to be seen as doing you a favor. Next election they may lose their chairmanship because of you.

And it just got more and more difficult, and to tell you the truth, I don't think the cycle has changed yet. I think we are in a bad place. Now it may be that President Obama, as he suggests, will be able to put some bipartisanship, I'm not even sure we need bipartisanship, but we sure need more comity up there to get the job done. There are still a handful of subcommittees that work together pretty well, but typically they're not good committees. They're log-rolling, they're paying each other off, and probably [their bipartisanship is] not doing the Republic any good.

I just saw the Congress sour, sort of before my eyes, and I hope that we reach the bottom of that cycle and begin to come back. And, I don't know, partly it is the constituency. The far left drives the Democrats; the far right drives the Republicans. I keep wondering where the center has gone. David Broder told me on Sunday that we still had a center, but I don't believe him.

**BW:** Are you describing some of the motivations for when you decided to retire from the House?

**BF:** No, I decided to retire because it was somebody else's turn. I told you before that Barber Conable was one of my great heroes in the House, and when he retired I said, "Barber, how did you know when it was time to retire?" And he said, "Don't worry, you'll know." And after eighteen years, I thought, "It's time to retire." But at that time, Bush Forty-One was running and he was a friend, and so I wanted to see how he would do and see if I could help him, so I ran for half of his term. But by that time I knew I had had enough. My district is full of bright, young people, there were hundreds of people who could do what I could do in Congress, and maybe do it better. I have a strong feeling about term limits, I have always supported them. It was the first bill I introduced, a Constitutional amendment for term limits for congressmen, and so I followed my own good advice and retired.

**BW:** What, in your constitutional amendment, how many terms would one serve, be able to serve?

**BF:** Eighteen years. I'd always felt that the over-aggressive far right took over the term limits movement and screwed it up, and they left states like California with these dippy rules where they kick you out after six or eight years or something; I think Florida's got one like that, too. I think those are absurd. My amendment would have allowed crossovers; if you weren't satisfied with eighteen years in the Senate, you could go run for the House, or vice versa. But I just felt a lot of the bad habits were bad habits from members who, who after forty years had had two years' experience twenty times.

**BW:** I asked you to trace the sort of cultural ambiance.

**BF:** Hmm-hmm

**BW:** I read somewhere you were regarded as the principal Republican economics spokesperson in the House.

**BF:** Yes, I think I probably wrote that myself, since I couldn't afford a flack.

**BW:** So then you have to answer this question.

**BF:** Okay.

**BW:** In terms of economic policy, what overall statements would you make about the period of time when you were one of the authors of it?

**BF:** Yeah. As I say, at the time of the, when I came to Congress the last black ink we'd had in a federal budget was, I think, 1968, which was Lyndon Johnson's last year. And I don't know whether they made a mistake and couldn't spend enough money fast enough or something, and so we came out with a black number.

But since then, and I came in '71, we had had deficits all along. So when Andrews Air Force Base came I thought that was a great opportunity. I was disappointed because the first bill was defeated, and yet, as I observed, [the second] turned out to be a good thing for the country. And I still think that we need to get back to some sensible budgeting, we cannot spend twenty-four percent of GDP and tax at eighteen percent of GDP without killing our great-grandchildren.

[ ] I have to say that when I first came to Congress, the culture of the Congress was bad as it is now with respect to spending. They spent what they needed. If Joe wanted an aircraft carrier and Harry wanted a dam and Sam wanted a highway and Louie wanted welfare, they compromised and gave themselves each what they wanted. There was no idea of how we would come out on the budget. So 1974 some, in the House particularly, some very liberal people made

the Budget Act because they realized we were coming apart. And the Budget Act never really worked [very well] until BEA '90, and then it did work for those four wonderful [surplus] years under Bill Clinton.

My own party, which used to be the party of frugality has now become the party of anti-abortion and no taxes and no stem cells. In 1995 Bill Clinton vetoed their budget, which was one of those [ ] continuing appropriation of many, many appropriation [bills]. The Republicans had done, I think, a very good job of trying to at least make good their promises. In the election they ran on frugality. Clinton vetoed it, his veto stuck, Republicans could not override, and whereupon the Republicans just lay down and died and pretended they were Democrats in the spending department for the next years of their [majority]. And until, from 1996 until 2006, they were [raising] spending at something like two and a half times the rate of inflation; they kept more and more and more and more, until the public, responsibly, threw them out in 2006.

Now the Democrats are having their difficulties, they [must] restore the economy, and they have some campaign promises that they [must] fulfill. But when they get done with that, they're looking at a worse problem. Twenty years ago, maybe it was solvable. Now, whether it is or it isn't, but I think the Congress may have a chance to come back together when, in – not another Andrews, but some kind of an agreement where they sit down and try to work things out. And Republicans will say, "We're not going to have any taxes," and Democrats will say, "We're never going to touch a hair on Social Security," but they're both going to have to move. And they will someday. I hope I'm around [to see it].

**BW:** What was your reaction to the first two Reagan tax bills?

**BF:** I was not a driver on his first tax bill in 1981, because I was never an Art [Arthur B.] Laffer fan, and at that time I was less of a supply-sider than I am now. I supported it, I thought it was all right, but I wasn't a big pusher for it. Now, I was much more enthusiastic for his reduction of spending, which Congress gave him, or at least gave him partially. I thought that was just a wonderful thing.

Then of course Ronald Reagan made as his chief priority dismantling the Evil Empire, and so he went to Congress and said, "Give me all the defense money I need, you can have whatever you need for your constituents," and *pfffft*. And so we had those wonderful deficits in the Reagan years. Well by 1987, somebody there woke up and they began to tamp down again on spending in '87. That was some kind of a negotiation as well, but [it] was all done at the White House, and we made a little progress back. And [next], of course, we [move to] George Bush and the Andrews Air Force Base summit.

But no, I voted for his tax bill, but I was really enthusiastic about his spending reductions of '81 and '87.

**BW:** What about the Deficit Reduction Act of '84?

**BF:** I didn't think much of it. I don't think it reduced deficits very much, and to tell you the truth, I can't remember a single detail of it.

**BW:** And what about Gramm-Rudman?

**BF:** Well, it's very hard to get Congress to observe any kinds of rules it lays down for itself. Congress often makes promises to itself and breaks them. And Gramm-Rudman was one of those. Any time Gramm-Rudman began to bite, Congress would raise the baseline, or declare an emergency, or move stuff from one year into another year. So it was a failure. I thought it was a cunning idea. Phil Gramm was a smart guy, and apparently that had worked in Texas in days past, and I was always a great admirer of Phil's. And I of course supported Gramm-Rudman, but I didn't believe it was going to work, and it didn't. I would not suggest it in the future.

No Congress is able to bind a future Congress. I think something like PAYGO or caps, they can get around those, but they become, if the numbers are established in advance, harder to [violate]. I think those are better ways to administer discipline to the Congress than a Gramm-Rudman.

But there are lots of things they could do. Jimmy Carter had his zero-based budgeting and everybody laughed at him; that was the best idea we've ever had around here. Of course the Congress can't stand that. It's very hard [ ] to impose discipline [even if the president wants to], as I think most of them have since I've been here. Congressmen are just nuts about what are now called earmarks, [and] they've always been with us. We've had them one way or another. And old programs never die because old congressmen never die, and they just keep raising them up. You would think if we decide to do a problem one way, we'd get rid of our old approach. Nope. We use both of them and run ahead with them. But, so I think eventually we've got to have some kind of collective attempt to do something like was done at Andrews Air Force Base again.

**BW:** I recall that when Bill Clinton came into office, the Republican opposition on matters economic became pretty unforgiving. Was that a mistake, do you think?

**BF:** Yes. Republicans I think in their first year, when they produced that joint resolution, whatever it was, the big appropriation that President Clinton vetoed, I think [they] did well and at least kept their promises. But as soon as they found they couldn't get around the president, they immediately reverted back to the old style of appropriations: let's take care of everybody. And in the end it turned out to be Clinton, I think, serving up what were reasonable budgets and the Congress, a Republican Congress, increasing some of them.

**BW:** Certainly a reversal of roles isn't it?

**BF:** Well, yeah.

**BW:** Traditional.

**BF:** Well, it's like Democrats accepting the trade policies of William McKinley and Republicans using Franklin Roosevelt's trade policies. Things do change over time.

**BW:** I wanted to move on to a little bit of trade issues.

**BW:** Hmm-hmm.

**BF:** Because you had been the, what, for fifteen years you were the congressional representative to GATT.

**BF:** I was.

**BW:** What changes over your career did you see in national trade, and which were positives and what were negatives?

**BF:** Well, the, in international trade we had, after WWII, thanks I think to Bretton Woods and the GATT Agreement, really an unparalleled time in world history of prosperity, and an increase in the human condition, particularly in the benighted Third and Fourth Worlds [ ]. And trade carried a heavy bit of that load. I think trade also carried a heavy load in the dissolution of the evil empire. At first, when I began in politics, everybody thought that China was the wave of the future, and ten years later, I think at least thanks partially to the General Agreement on Tariffs and Trade, we were all looking at the Asian tigers [as economic heroes] and Mao as roadkill.

Obviously, economic activity and trade flows and investment flows have been [ ] a wonderful thing in the world prosperity since the war. After the war, the country was united in a kind of a wall-to-wall coalition for free trade, and much of that had its basis in national security [more] than it had in economic security. Labor joined in and didn't mind seeing some of its stuff being made in Japan and in Europe because we wanted Europe and Japan to be strong against the Russians, against the Soviets. But by the time I got to Congress, that wall-to-wall [coalition's] unity was being shattered by the labor unions, and some of what I call the perpetual crippled American industries – the textiles, steel, later on automobiles, shoes – they decided they would be happier with protectionism. Labor decided that we were exporting jobs overseas, and people were working for two fish heads and a bowl of rice, and they were taking our jobs.

And so we began to see the free trade majorities in the Congress disappear. By the time we got through the, whatever it was, [seventh] round of GATT [ ] Uruguay in 1994, and just before that NAFTA in 1993, things had changed considerably. The huge majorities which we had, had been eroded in the House. When I was working on NAFTA for President Clinton, we set quotas where we needed ninety-five percent of the Republicans and forty percent of the Democrats to get the bill passed, and we barely made it. On the Uruguay round we did a little bit better. Then as we moved into the Republican majorities in the Congress [after 1994], we found trade bills being passed by one vote, which was [a dangerous] strategy. It played into the hands of the unions and kind of soured the Democrats. They thought they were getting pushed around.

Republicans should have outreached more. They should have worked harder to get Democrat votes, but they didn't [ ].

So right now, of course the president has no negotiating authority, it expired in December, he's probably not going to ask for it because there are no major treaties that, except the ones left over from last year, and I doubt he wants to take those on until we can see some recovery in our economy. This president will have a hard time with trade. He made some statements, I guess his own "read my lips" statement on trade about NAFTA, and since then he's been much better but his core constituencies are pretty anti-trade. And the world, ever since we've gotten into this terrible recession, has begun to cut back. The World Trade Organization says there's seventeen major changes by countries since the recession that have raised tariffs or made it more difficult to trade, items of protectionism, one of them being the Buy American provision in the U.S. stimulus bill.

So I think we're going down. We also have had the feeling, which is separate from the trade feeling but works with it; [ ] that globalization is out of control and is a bad factor. And that occurs not just in the United States but throughout the world; that somebody has planned this and it's bad for people. I think economic studies do not show that that's correct. Nevertheless, people feel it, and especially in a recession. And that too contributes to a rise of protectionism. I think this president's going to have a heck of a time keeping international trade afloat; he's going to have to work very hard because it has always been the United States that's been the demander, and insisted that we keep pushing for more open and freer trade – some of our policies don't look that way, but we've [always] been the cheerleader [for World Trade].

And Europeans have been sort of reluctant followers, and some of the, we used to call them NICs, now we call them BRICs, I guess – Brazil, Russia, India, China – do not seem to have understood, and they've gone along very reluctantly. In fact, we give India full credit for screwing up the Doha development round. But it looks like a tough world out there to keep opened up. I hope this president will be able to do it. I hope he will want to do it, because I believe it is good for us and good for the world.

**BW:** Do you have any recollections of the Maine delegation, senators and House members taking a particular position on trade, in view of the economic consequences in the shoe and paper and probably other industries?

**BF:** New England had bad experiences, and I agree with you that Maine had its own particular set of circumstances. I can recall Maine farmers standing at the border, trying to disrupt trucks of potatoes coming in from Nova Scotia or wherever Canadians grow potatoes. But I've always thought that the Maine representatives, including Senator Mitchell, were pretty sensible. Yes, Senator Mitchell at one time was a real pest on some item of fisheries, I think it was lobsters. It had to do with the size of lobsters. And for some reason the Maine lobstermen decided that the Canadians were cheating because they were shipping smaller lobsters, too young, that was robbing the cradle, or going to destroy the catch up there. And Senator Mitchell, because he was from Maine, felt that he should support them, and did, and of course the

Canadian lobsters were growing in much colder water and they weren't growing anywhere near as fast as ours, and they were approximately the same age. And, it was, in my judgment at least, a bogus call.

But those things come up, and in a Congress like ours, it seems to me that we can well afford to let people represent their districts. Let [some] ninny in Montana complain about Canadian mad cow disease when there is none, to protect his own ranchers and get them to sell more cows, or whatever. And the Maine guys have fishery problems, and potato problems, and shoe problems, and you can afford to let people get off the reservation, [but] still keep a majority [for free trade]. And those people who committed what I would call violations of free trade policy, in general, supported free trade and understood it. And I think that's true of every senator I've known from Maine, from Muskie on out.

**BW:** I was intrigued by a title of an article that you wrote, that I was unable to access on the Internet, about filibustering, called "Defending the Dinosaur."

**BF:** Hmm-hmm.

**BW:** What's your take on filibusters?

**BF:** Well, I'm a great fan of James Madison, and I love the fact that he created an institution that doesn't work very well. And the rationale, I believe, that he applied was that, "Government isn't very good, and King George [is] really terrible and the parliament [is] not quite as bad but terrible too, so let's invent something that inflicts the least possible damage on the people." And so he made one that worked very slowly, and very poorly, and delivered very little government, compared to most of the parliamentary democracies of the world.

And somewhere along the line, some sage arose in the Senate and built into its rules the filibuster rule. I don't know the history of it at all, but what I do know is that it slows down the course of Senate business. And I think there's a nice mix, because in the House there sort of are no rules [to protect the minority]. The House passes a rule. There are no amendments. There's no debate. Boom, you move it over with a one-vote majority. That's too fast, that's too hard.

The Senate is much more difficult; it's got holds and all kinds of strange things, and the filibuster, which often is a huge frustration. But as I look at it over history, except for what it did to retard the growth of civil rights, to me it's been a pretty good thing. I like a little less government, a little less program. I like people to think about programs a lot, I don't care if they pass them this year if it's a better bill next year. And so the idea of the filibuster has appealed to me from the very beginning.

And of course what it does, often, is to make the minority leader of the Senate more powerful than the majority leader. And the three guys that I mentioned in the Senate, the three titans, have all been through both sides of that game and they know it well. It must be just a source of intense frustration when you are, when you're the majority leader, to find that the other guy's got

more horsepower than you do.

Nevertheless, it seems to me that if the cause is strong enough, it is very hard for a minority to maintain their forty-one votes. They can do it sometimes out of sheer ornery-ness, and it may be in the future, if we continue to polarize, that I'm not going to be for the filibuster. But at least in the times that I knew it, I thought it was really useful, it fit my concept of government. It delivered a little less government. It made what was delivered more deliberate. It caused compromise. It caused – what was my colleague, Bill [Willis David] Gradison's [Jr.] phrase? – “creeping incrementalism.” And so for that reason, I always liked the idea of the filibuster. I never worked in a filibuster environment so I never knew the frustration of having to work your way through.

And I am just as strong for ways to beat the filibuster. I believe in what we used to call the ‘fast-track process’ for trade bills, but you vote them up or down, fifty-one percent, or fifty percent plus one vote wins on those. And base closings I believe are the same way, I believe they're exempt from filibuster. Sometimes you have to get around it. But the fact is that we always find a way around it. It's a little bit like breaking down segregation through the courts when Congress won't move. There's always another way to do it in a democracy. It takes a lot longer, but on the other hand, may be better.

**BW:** Philosophically, did you feel that you shared ground with George Mitchell, or you as a Republican and he as a Democrat, just, there weren't many areas where you crossed over?

**BF:** I never even thought about that very much. I always thought that with a good person like George Mitchell, there's a way to find something that would suit us both, knowing that the guy who's in the majority is going to have the most horsepower, it's going to suit him the most-most. And the guy who's in the minority, he's going to have to take crumbs rather than the whole loaf. But no, in those days I never worried about George Mitchell or really any Democrats. I figured we were all working in the same Republic and we were all trying to get to the same goal in a little different way.

Nowadays, I worry a whole bunch. I see the parties continually dividing to right and left, polarizing, and so I'm worried about the people I see in there now, and, perhaps unnecessarily. But no, I never worried about that with him.

**BW:** How do you think he ought to be rem- ?

**BF:** You know, I didn't worry [about] Tip O'Neill, who I would consider to be far to left of George Mitchell, far to the left of everybody I knew, practically, in those days. I never had any trouble with him at all.

**BW:** Well, you're talking about personal relationships?

**BF:** No-no, I'm talking about the issues, too.

**BW:** Political philosophy.

**BF:** Yeah, if he had the votes, he won. If occasionally I could get something done, I won, but rarely.

**BW:** But I mean in terms of the Democratic viewpoint versus the Republican viewpoint.

**BF:** Oh, I think there was substantial difference, it was, when I called it a kinder and gentler era, it clearly was an active arena, there were a lot of black eyes and bloody noses, but quite different from today. Today is really mean-spirited. But no, I think it's appropriate for Republicans and Democrats to be different. If you sometimes go abroad and you will get people saying there isn't a dime's worth of difference between the parties in the United States. I've always felt there was a difference. I am sort of disappointed by my party now, but I'm also disappointed by the Democrats. And we'll see what happens. I still think there is a middle out there that's useful. But sometimes you got to be on the right, sometimes you got to have a Ronald Reagan or you got to have a Bill Clinton or you got to have a Barack Obama, it's the way the world works.

**BW:** And a Bill Frenzel, and who?

**BF:** Who knows.

**BW:** Well, you certainly have had a remarkable career, and judging from things we haven't even talked about, you're very active today.

**BF:** Yes, I have had the luxury of a nice government pension, so I've been able to do the things I want to do, it's been great fun.

**BW:** Good, well thank you very much for your time today.

**BF:** Thank you, Brien.

**BW:** Good.

End of Interview