JACK KEMP
ORAL HISTORY PROJECT

SYMPOSIUM

SECRETARY KEMP:
QUARTERBACK IN THE CABINET

June 29, 2012

JACK KEMP FOUNDATION
WASHINGTON, DC

[James P.] Jimmy Kemp: My name is Jimmy Kemp. I'm president of the Jack Kemp Foundation and it's a pleasure to be here at the Bipartisan Policy Center where they've been gracious enough to host another Jack Kemp oral history symposium. Today we'll hear about the HUD [U.S. Department of Housing and Urban Development] years during my father's time from 1989-1993 as secretary of Housing and Urban Development. And we're really grateful for the Bipartisan Policy Center, which is having a Housing Commission currently, that we are, the Jack Kemp Foundation, is participating in, and it's an incredibly important issue and component for our country to achieve the dream that so many of us Americans share, that all people would be housed and have the opportunity to really live what Dad understood to be the American dream—to provide a place for your family where they can grow and thrive. It's a fundamental aspect of life and we're looking forward to hearing the reflections that our panelists have today. Right now I'd like to introduce Julie Anderson, who's vice president of the Bipartisan Policy Center. Julie, thank you for having us.

Julie Anderson: Thank you, Jimmy. I'm Julie Anderson with the Bipartisan Policy Center. I want to just welcome everyone here today. As Jimmy mentioned, we are working with the Kemp Foundation, who is partnering with us, on our Housing Commission. We launched a Housing Commission last fall, it is led by Senators George [J.] Mitchell and [Christopher S.] Kit Bond, and former HUD Secretaries [Melquiades R.] Mel Martinez and Henry [G.] Cisneros. We are working with the Kemp Foundation to get outside the Beltway and host some forums where we can actually hear from real people and stakeholders across the country about this very important issue. We're thrilled to be helping to host the oral history next installment

today, and particularly happy that it's on Jack Kemp's HUD years, and I'm sure there are a lot of lessons we can learn from those years that are still applicable to the tough decisions and issues we're facing today. So welcome everyone, and we look forward to hearing about the HUD years. Thank you.

Morton Kondracke: Welcome to this Jack Kemp Oral History symposium at the Bipartisan Policy Center. I'm Morton Kondracke and I would like the participants who worked with Jack while he was at HUD to first identify yourselves, tell us what you did at HUD or if you weren't at HUD, in Dr. [Robert L.] Woodson's case, what your association with Jack was while he was at HUD, and what was your previous association, how did you get your job at HUD in the beginning. So, starting with Scott [W.] Reed.

Scott Reed: Good morning. My name is Scott Reed. I was Jack's chief of staff at the Department of Housing and Urban Development for three years, '89 through early '92, and prior to that I'd worked with him when he ran for president of the United States. I drew the short straw and was in charge of Iowa and got to spend 75-80 days with him campaigning in Iowa and that's how I developed my working relationship.

Robert Woodson: My name is Bob Woodson. In fact, I was a competitor with Jack for the job of HUD secretary. As John [H.] Sununu and President [H.W.] Bush interviewed me, I was vetted by background check by the FBI, and the President in his infinite wisdom selected Jack, and from that day on I became an unpaid advisor to Jack, helping him to continue to strengthen his relationships with the

end users of HUD services, the public housing residents and people living in those communities served by HUD.

Alfred Dellibovi: I'm Al DelliBovi. I served as the deputy secretary of HUD under Jack Kemp. The job was basically the chief operating officer of the Department. Before that in the Reagan administration I served as administrator of the Urban Mass Transit Administration, and in that role Bob Woodson and I worked together to promote opportunity and entrepreneurship, jobs for low-income people in the transit business and that made me somewhat attractive and known to the HUD constituency and certainly to Jack.

John [C.] Weicher: I'm John Weicher, I'm an economist. I run the Hudson Institute Center for Housing and Financial Markets, and I was assistant secretary for policy development and research through the four years that Secretary Kemp was at HUD. Before that I was at HUD as chief economist when Carla [A.] Hills was the secretary in the [Gerald R.] Ford [Jr.] administration, and after that I was the assistant secretary for housing and Federal Housing commissioner for Secretaries Mel Martinez and Alphonso Jackson in the first term of President George W. Bush.

Kondracke: We're joined by [Stephen] Steve Goldsmith.

Steve Goldsmith: Sorry.

Kondracke: That's okay. Good morning.

[chatter]

The first question to you, Steve, is what was your connection with Jack Kemp, while he was at HUD, before he was at HUD, after he was at HUD? You were mayor of Indianapolis in 1991, but what was the range of your association with Jack?

Goldsmith: Do you want me to do that in one minute or two?

Kondracke: One minute will do.

Goldsmith: Let me see how I can summarize this. I first saw Jack when he came to do a political event in Indianapolis. I think I may have been prosecutor. I don't know if he was running for president or what he was doing. He had a reputation as a football player and I went to listen, and I found myself a relatively well-educated guy, and I thought "That guy knows what he's talking about." He went through the supply-side thing with great detail. It was very motivating, right? A lot of facts. And then eventually I became mayor, I can't remember the chronology, and of course for those of us, there weren't very many Republican mayors of big cities to begin with, right? To have somebody of Jack's energy and intellect advocating bleeding heart conservatism or whatever phrase we want to put on it for purposes of getting started, was quite invigorating. So staying in touch with him, everything that he would advocate at HUD I would try to do, sometimes with the same results, sometimes with not, and lots of experiences associated with that. When I would come in and out of the Bush White House, the first, really, as one of the few Republican mayors, then I'd have the opportunity to intersect with Jack, and then after he left, we stayed as friends and he would, he knew I remained an advocate for his policies, so when he had something particularly

enthusiastic to say he thought mayors should pay attention to he would call and I would repeat it with equal vigor. And, of course, knew Joanne [Kemp] as well. So, just in summary, for those of us who took over as mayor in the nineties, a period that followed a really lot of catastrophically bad urban policy, right, and if we took those jobs because we cared about people who lived in our cities, and at that time Jack's message and the one I thought about was totally congruent, which was that big liberal policies didn't work, and ignoring folks who were poor didn't work either. So it's the empowerment agenda that came together, and Jack's deep respect for people and what they could become that motivated my work, and I'd have to say the work of many of the better mayors in the country during that period of time.

Kondracke: Scott, what do we know about how Jack Kemp got the job, how he got picked, and what did he tell you, each, when he decided to take the job about why he decided to take the job?

Reed: After George H.W. Bush became the nominee, Kemp was a loyal supporter of Bush's, and he campaigned for him some, and he was going through his own transition period at the time where he was going to be leaving Congress after a long career, and he was trying to figure out what he wanted to do with his career for the next phase of his life. I was with Kemp when he got the call down in New Orleans that he was not going to be on the ticket in 1988. It wasn't a surprise, he wasn't really expected to be. But the Bush team treated him well and talked him up and treated him really well by the end of the day. There was never much of a thought, though, if Bush won, he would join the ticket and become part of the administration, but right after

the election he got called by Craig [L.] Fuller, who was at that time the Vice President and President-elect's chief of staff, and I was with him that day, and he asked him to come down and meet with the incoming President. I went down with him, and he really didn't know what this was about, and he was—

Kondracke: This was where?

Reed: This was in the Old Executive Office Building, where the Vice President had his office. He was the President-elect, this was in early December, I think right after Thanksgiving. I didn't go into the meeting, I sat out in the hallway. He offered him the position, and Kemp came out very excited about having been offered this position, and wanting to go home and talk to Joanne and the family about it. But he was really pumped up, because I think the experience of having run for president, obviously been a member of Congress where he was a leading intellectual giant, but then running for president and seeing how public policy is made and how campaigns are run and how message works and motivates people, I think he saw this as a real opportunity to go in and do something non-traditional, something a Republican had never really done before, take kind of a backwater department that had been neglected for eight years by the [Ronald W.] Reagan Administration, President Reagan didn't even know his HUD secretary's name, called him Mr. Mayor, and try to elevate these ideas that Steve was just talking about and take it to a new level. So he saw it as an opportunity, we'll get into more what we tried to do, but that was really how it was set up.

Kondracke: What did he say to you about coming on as chief of staff?

Reed: I first came in as his executive assistant, because we didn't really know what we were doing, [laughs] and he asked me to come and join him. Again I had just spent a lot of time, I had first met him back in the '84 campaign when I was a young field guy for the Reagan/Bush campaign when he had come to New Hampshire, and as Steve said, just kind of energized groups of people for the campaign, and we all saw something there. But he asked me to come over and help him set it up, and my early role was really recruiting men like Al DelliBovi and John Weicher to join the team. We tried to set up, we all recognized if you get a good team over here, then we could go out and do something, and knowing we didn't have a lot of government experience, we turned to someone like Al, who had run a big department at DOT [U.S. Department of Transportation], that we thought he could help be our partner on running the place. That was our first challenge: how do you run an operation like this?

Woodson: I was frankly surprised that Jack did get the call. I was standing next to him at the convention when the call came selecting the VP. At the convention Jack had thousands and thousands of people at the reception for him all championing his selection as vice president, so it was somewhat of a surprise, because there is some competition within the Bush administration. I think Jack was somewhat of a threat to that administration, so I was a little surprised that he was invited into the administration since he was so popular at the convention.

Kondracke: So how did you hear that he was going to be the nominee instead of you for HUD?

Woodson: It was announced. You know how they do it in Washington. They never call you and say no. You turn on the TV and they say "Jack Kemp has been selected HUD secretary." And so that's how it went.

Kondracke: Did Jack call you afterwards?

Woodson: This is interesting. Jack expected me to call him and congratulate him, and when I didn't, he said, "Bob, you didn't call me to congratulate me." I said, "Jack, did it ever occur to you maybe I'm disappointed?" And he said, "Oh, oh, I'm sorry." And I said, "Yes, that's fine." So he asked me would I come as his undersecretary, and I said absolutely not.

Kondracke: Why did you do that?

Woodson: I wasn't looking for a job at the time. You either are HUD secretary or you're not.

Kondracke: And you were at that time—

Woodson: I was vetted and I was introduced—

Kondracke: What was your job?

Woodson: I was the founding president of my current organization, Center for Neighborhood Enterprise. And as I said, I flew in and met with Sununu and President Bush, and we talked about the job, but

Jack, of course, I think was the likely selection, so I supported it afterwards. But I told him I'd help him, but not working for him.

Kondracke: So how did the two of you come to work for HUD and what did Jack say that he wanted to get done when you got hired?

DelliBovi: Jack called me on the morning of the President's inauguration and said he wanted to talk to me, had to talk to me right away, and that we should meet after the inauguration

Kondracke: How had he known you?

DelliBovi: I'd been at the Urban Mass Transit Administration, we had had some interaction over projects there, and I guess I was viewed as a pretty good manager in the Reagan administration, and that's what Jack said he was looking for. As it turned out we didn't get together that day, we got together shortly thereafter, and Jack basically said he needed somebody to operate the thing day-to-day to help keep the trains running on time so to speak, and offered me the job. And I was frankly very excited. I was under consideration for a deputy secretary job at another department, which is the reason for the call. He had gotten wind of that and basically said that he didn't want me to go the other way. But I was excited. He was the exciting domestic policy person, probably the most exciting of the whole Bush Cabinet, and you know, to be there was going to be a lot more fun than to be at some backwater with, you know, [William J.] Bill Bennett or whoever else there might have been around.

Kondracke: What was the other department?

DelliBovi: The other department was not Bill Bennett's department. It was the Department of Transportation, which I loved, and I was actually very torn. But I had been eight years in the Reagan Administration, and I figured "Let me try something new for breakfast."

Kondracke: John?

Weicher: I got to know Jack primarily during the period between the election and the inauguration. Stuart [M.] Butler at Heritage [Foundation] convened several times groups of housing experts and other people to talk to Jack about the various issues that he would be having to deal with and to talk about what he might want to do at HUD. I had the background, as I said, of having been chief economist at HUD, I'd been on a couple of housing commissions, and I knew more about the subjects that we were talking about, I think it's fair to say, than anyone else in the room, and after the second or third of these meetings he asked me if I'd come and talk to him, and I did. I talked to him and Mary [Brunette Cannon], and he offered me the job.

Kondracke: What do we know about where Jack's interest in urban problems originates? He was an advocate in Congress of enterprise zones and public housing home ownership, but UDAG grants [U.S. Department. of Housing and Urban Development Urban Development Action Grants] and community development block grants and homelessness, I don't associate that with his Congressional agenda, so—

DelliBovi: Jack's Congressional agenda was all about opportunity, and the rich people are already rich, so Jack wasn't worried about making them rich. His concern was making poor people rich. That was the whole model, was all about taking people who didn't have anything and getting them asset-wealthy. What he deplored was the past war on poverty, which the old HUD was part of, and he used to like to say, "Lyndon Johnson declared war on poverty, and poverty won." Billions of dollars were spent and we weren't any better off. So Jack's whole paradigm was about taking people who didn't have anything, giving them opportunity, creating assets, creating jobs, home ownership, all of that, so they would have wealth.

Woodson: Let me just say that early on when Jack was in the Congress, he introduced me to [John V.] Vin Weber, [Harry S.] Steve Bartlett, [Newton L. "Newt"] Gingrich, they were all freshmen. They organized the Opportunity Society, a group of freshmen, Republican conservative Congressmen. So Jack came to my office one day when I had about 10 resident leaders from around the country meeting. Jack called and said could he come over, and he came in with a yellow legal pad, and he sat for three hours and listened to the residents talk about how they were empowering themselves, how they were operating laundry rooms, how they were driving the drug dealers out. And Jack just made copious notes and then said to me, "Bob, we've got to do something to help these people." And from that experience, Jack worked with David [L.] Caprara and myself. He said "Bob, what are the barriers that they face?" So we listed these barriers in several meetings with Jack. We came up with seven amendments to the Housing Act. So what happened, the Opportunity Society did something. They had hearings in public housing here in Washington,

DC. They were Republican conservative members of Congress were asking low-income people in their community about their strengths, how did they drive the drug dealers out, how did they hold their own members to be accountable, and all the Washington press corps out in the front page of the papers. And then the liberal [Henry B.] Gonzalez Banking Committee felt they had to hold forth, so they came two weeks later asking me could they have hearings. But Jack really pushed this agenda and as a consequence we had, he says, "Bob, Democrats control the House. If it's a Republican initiative it's dead on arrival. You get me one Democrat and I'll get you 100 Republicans." So I recruited Walter [E.] Fauntroy, who joined with Jack in supporting these seven amendments. In the Senate Jack introduced me to [William L.] Bill Armstrong, conservative Senator from Colorado. And then we brought Alan [J.] Dixon from Illinois to cosponsor in the Senate, and as a result we had hearings and people were saying "These low-income people are championing a conservative bill, but these are our people." What's significant is that everyone said to Jack "Why are you worrying about public housing residents? They're of no political value to us." But Jack believed that good policies make good politics, and Jack was a man of integrity. He also, as Al said, believed strongly in the empowerment of people, and as a result we had the seven amendments to the Housing Act passed through Jack Kemp's leadership, and President Reagan signed them into law, flanked by myself and seven resident leaders. But Jack Kemp single-handedly made that happen at a time when it was not politically popular, even among his own colleagues.

Kondracke: Scott, what's your impression of where his interest in all this came from?

Reed: Well, I think it came from his upbringing and playing football and being a Member, all the things Bob just ticked through. As I'm listening to this I remember one of the biggest challenges we had was when we got to HUD we kind of inherited this mess, and it would have been very easy, which most people in this town would have just done, to just focus on reform, and you would have done well and you would have gotten all your clapping and everything and everybody would have moved on. Our challenge as a team was constantly to deal with the mess, the reform, but at the same time try to push forward with some type of an offensive agenda, which was what Kemp really wanted to do anyway. And that was a constant struggle, and that was why designing a good, strong team, and it was a strong team of men and women that sometimes were a little stronger than we wanted them to be, to focus on running the place, taking care of the reforms, answering the inspector general, dealing with the Congress, but at the same time Jack was able Tuesday, Wednesday, Thursday, to be running around the country going to nontraditional places, barrios, ghettos, a lot of these places with Bob Woodson, and it was really eye-opening. And the press was amazingly positive. It caught the political intelligentsia, it caught reporters that would never, everybody thought Kemp was kind of done. They were sending him over to HUD and he was dealing with all those, I remember our first day, literally the first day I was there. We had [Marilyn L. Harrell] "Robin HUD." Remember Robin HUD? The woman that ran the DC office that for years was stealing all the money. She was living in a house out in Prince Georges County [Maryland], one of those big dishes on her roof, and she had big RV [recreational vehicle] in her front yard. And they came in and they said she had been stealing all the money for two years.

Those are the kind of things we had to deal with, literally on a day-in, day-out basis. At the same time, push forward with an agenda. When I was talking to Al before we started here, he had his little card. We learned a few things from politics. If you don't have five or six simple messages you're not going to get through. We printed up these little cards and gave them to everybody in the Department, basically said, "If what you're talking to us about is not one of these five or six major initiatives, don't talk to us. Go back and do something else." And it was really a motivating deal to get all these, I don't remember how many employees there were, but it was a huge number. There were 80 offices. It was a motivating factor to kind of push forward an agenda, and it really worked.

Kondracke: What was on the card?

DelliBovi: Well, here's the card. [laughter] It's kind of interesting—

Reed: I lost my card.

DelliBovi: Here's a reproduction of it, but we called it "Recapturing the American Dream," and after I agreed and the White House agreed that I could go to HUD and not somewhere else, I sat down with Jack, and let's face it, Jack had a multitude of agendas and ideas and part of our task was keeping Jack on focus and on message, which was not exactly always the easiest thing to do, because at HUD we really had five business lines: we had HUD; we had the NFL [National Football League], whatever was going on in the NFL with his buddies there, they were there; there was the Jack Kemp family, and they were first in his heart, so whatever was going on, if I remember correctly, Jimmy

was just in his senior year in high school that year, had just right about the time that Jack was sworn in I think is when he signed to go to Wake Forest [University], so the Jack Kemp family business. Then we had the Opportunity Society activities and what his buddies on the Hill were doing, and Jack never left the Opportunity Society caucus or whatever it was. He was on the phone with Newt and Vin Weber and everybody else all the time, and then we had the HUD foreign policy. So it was five businesses and it was a little difficult day-to-day, you know I was brought in to run HUD or help him run HUD, so "What do you want to do, Jack?" We basically pulled out the five priorities. And they were "expanding home ownership and affordable housing opportunities, creating jobs and economic development through enterprise zones, empowering the poor through resident management and homesteading, enforcing fair housing for all and helping to make public housing drug-free." Now that's five. The actually fifth one was "helping to end the tragedy of homelessness." So the original were five, but it didn't have the drug-free. Then Jack went on a trip with, I think Bob was with him, and saw the tragedy of drug addiction going on in public housing, so he came back and he said, "There's no more five; now it's six. Can we do that?" I said, "Jack, you can do whatever you want, but I can only manage five or six. Though I can't manage 500 or 600. We've got to get this down to a reasonable number, so if you want to go with six that's it, but stop the presses." So that's what we did. Sherrie Rollins [Westin] then came up with the idea to print up these little cards. Sherry was our assistant secretary for public relations with whatever it was. Communications, and of course the card looked pretty dull. It was priorities of HUD. I had one to six, I was the management guy. So Jack right away had to write "Priorities of HUD under President George Bush and Secretary Jack

Kemp," so there was a banner, we added that, and then Sherry added the tag line "recapturing the American Dream." And that was our theme. We put it on everything. In the cafeteria as a matter of fact there were TV screens over where people checked out their lunch, and we used to put the priorities up there with pictures of Jack at each issue. We made this the central part of the Department and our recruiting for the team that we put together.

Weicher: Scott mentioned the scandal problem. I had been at OMB [Office of Management and Budget] from November of '87 till I came over to HUD with Secretary Kemp, and I never heard anything at OMB about impending scandals at HUD. And I knew the people who were in the housing branch well, I had known them before I came to OMB, and it was news to everyone. And the summer of 1989 was the most exhilarating summer of my life because every day you picked up the paper to see what HUD story was on the front page now.

Kondracke: It wasn't a good story.

Weicher: Never. We had the Robin HUD business, we had problems with a program that we had inherited from the previous administration, multi-family co-insurance. They went on and on and on. And Jack asked us, told us to get together, and figure out how we could reform HUD, what procedures we could put in place that would prevent this from happening in the future, and so we sat in his conference room a couple of hours a day for several weeks. Luckily enough I had to have my gallbladder out during part of that and so I didn't have to do all of it. We put the legislation together, he took it to the Hill, and they passed it almost verbatim in about three months.

But while we were doing this he would come in to the meetings and he would say "Remember why we're here. We didn't come here to reform HUD. I didn't come here to be the Secretary of Reform." He wanted to be the secretary of empowering people, and everything he did, not just tenant ownership, resident management, enterprise zones, everything he did fed into that agenda. A whole bunch of smaller programs which didn't get the same publicity, but the idea was always how can we use our housing programs to help people become empowered, live better lives, acquire the skills and the initiative to become productive members of society. And I think if we had not passed, done that reform agenda, tenant ownership and resident management would never have gotten through Congress. The fact that he pushed this through, had worked it out, made a difference in the way he was perceived politically by his former colleagues.

Kondracke: How did he find out about the scandals? He walks into HUD, nobody knows about it, and then all of a sudden it blows up?

Reed: We got in the briefings, when we started to go through briefings we learned a little. There were "problems" in parts of housing and other places. But literally in the transition period, the inspector general that had, a gentleman named Paul [A.] Adams, who had been writing all these reports and sending them upstairs, all of a sudden they started flooding out, and people started reading them, and it was a nonstop battle. Just I want to reiterate one thing John just said. It was important to get the reform agenda, and get it done, so that we could move on and be offensive, but the real back story on the reform agenda is we spent months, Al and John and Mary and everybody, collecting everybody's ideas from the Department. I think

we came up with something like 125 solid ideas, and then we culled them down to about 50 or so. Normally when you do something like this and are recommending legislation, you send it over to OMB, they comment on it, it goes back and forth, and then you put it together. We at the time knew that if we did that it would never get done, they'd nitpick us forever. So I remember the night we had announced, we were going to announce it the next day and have a big press conference at HUD, and we informed OMB that night about five o'clock, the way we were doing this tomorrow. They went absolutely bonkers, demanded to talk to Kemp, he had gone home, so we said "Well come on over in the morning." I remember Al, you and I walking in this room, there must have been 30 of them there in our conference room the next morning, and we said "Well, here's what we're doing. There's nothing overly controversial here, and we walked through the public relations part of what we were going to do that day, and we did it at 10 o'clock, and it took off and it was more of a snowball that Kemp created and the public opinion that this ought to be done. It didn't go through the traditional check and balance that goes normally on with OMB. We upset our friends at OMB. We never had a great relationship after then, but we didn't really care, because it worked.

Kondracke: What was the timing of all this? How late into your tenure was that?

Reed: This was in the summer, this was May or June. I remember it was hot.

DelliBovi: We discovered the problems in the early spring. I believe we had the entire reform agenda put together some time in the summer. Jack being Jack, we had the little cards already. So for reform, John is absolutely right, there was no question, he wasn't going to be the secretary of reform. So we had a package, we called it Reform of HUD under President George Bush and Secretary Kemp, and Jack gave it the slogan "Clearing the decks." The idea was we wanted to clear the decks for what we wanted to do. And it basically was three components, it was ethics, it was management and finance and FHA [Federal Housing Administration] reform, and it was signed by the President on December 15th. And between that time, we didn't stop in terms of working on the six priorities. We had people working on that, so that once the decks were cleared, which theoretically they were on December 15th when the President signed the legislation, we could go right into the six priorities and the agenda, which was the opportunity agenda, which was what he came there to do.

Kondracke: Steve, do you have anything to add? You were watching this from Indianapolis?

Goldsmith: These gentlemen worked with him and I was just the beneficiary of his ideas. I would say that I was surprised that nobody mentioned that he's from Buffalo, right? Because the problem we have is generally, Republican disinterest and Democrat hostility, and they don't add up to a very good agenda for urban America. So if you've served in a district where the population is diverse, where there are not insubstantial amounts of poverty, where if you have indeed a commitment that everyone has a right to an opportunity to develop the best that they can be, then these policies seem to me a terribly

logical evolution of that background. I didn't know Jack Kemp then, but as the beneficiary of his work and seeing it from the same exact perspective. And the other issues, those thoughts flow through. I had a little bit to do with compassionate conservatism in 2000, and if you stared at compassionate conservatism in 2000, although other than kind of whispering to several of us, Jack didn't really write it, but he did write it, essentially. I would just kind of reiterate what everybody said, but over and above that, if you're not in Washington and you're in Indianapolis or LA [Los Angeles] or whatever, the rhetoric of empowerment is a lot more important than the reform of HUD. It really is. It's a language, it's invigorating, it sets a tone, and I think we're fortunate that he didn't spend all his time just trying to reform HUD. It would not have had anything near the amplification that his policies had.

Kondracke: Right. We're going to go on to all the other stuff, but I saw a quote from you somewhere that said that "fraud, theft, influence peddling and serious mismanagement were involved in 28 programs representing 94 percent of the money that HUD spent and collected." So it sounds like the—

Reed: That's about right.

Kondracke: —the place was a total mess.

DelliBovi: The place was dysfunctional. It had audit findings in the thousands, that hadn't been dealt with, and it certainly was a major distraction, but I think we managed it well because we did clear the decks, and we did get to move on to the rest of the agenda.

Kondracke: Okay. And we'll go to the rest of the agenda. When Kemp was sworn in at HUD, George Bush actually came there, and George Bush made a speech that embodied the Kemp agenda of enterprise zones and tenant management, tenant ownership, ending the tragedy of homelessness and that sort of thing. Did he really mean it, or was this just rhetoric on Bush's part?

Reed: I think he meant it. I think those were comments that he had seen Kemp make and use during his campaign and picked up on, and I think at the end of the day Bush totally meant it, liked the idea of picking Kemp, which was a little outside of the box, which would kind of keep his team off balance a little, which is kind of his management style in a good way. And, look, that event with the President coming to the HUD cafeteria was a real game-changer in that HUD had been treated as a backwater for years. The President of the United States was coming to, the employees were there, it was a special event, it sent a signal that there's a new day, there's a new level of seriousness, and again, we hadn't found out about all these scandals by the time that happened. But it was a good way to start the relationship, because one of the things Jack did, Al's pointed it out twice today. He'd always go back and it was President Bush's department and Jack Kemp's department. He was always good at bringing the Bush White House in when we needed to show there was a higher level of what we were doing. It was smart politics and it worked well.

Woodson: That is the question that wasn't just for President Bush, but for conservatives period. As Steve alluded to, I think, Bill Bennett

summed it up. He said, "When liberals see poor people, they see a sea of victims and conservatives see a sea of aliens." And that tension continues to exist with the Republicans and with conservatives. The very fact that Steve Goldsmith, who I've worked with for six years, was a popular urban mayor in a city where there was a large black Democratic population, and yet he received a lot of support for reelection, which was an anomaly at the time. Jack Kemp, who because of his experiences in the NFL with racial discrimination, and having to take a position was sensitive to urban, they represent the exceptions. And so I think that that question, Mort, continues to exist today, should be the subject of more discussion within the conservative movement—to what extent are they committed to empowering people, or are they committed to winning the argument.

Kondracke: When the 1992 riots, and we'll get to all this chronologically, but when the 1992 riots broke out, there was an unending stream of stories that said that basically there was no Bush administration urban agenda, Jack Kemp was it, and that the White House really didn't care about it, and Bush finally woke up to it when the streets of Los Angeles were burning. Now to what extent did Bush, beyond coming to the HUD swearing-in, inspire the rest of his administration, to support the Jack Kemp agenda?

Goldsmith: I have one outlier story. I have some reservations speaking in front of these four Jack Kemp insiders. After the riots, the President calls half a dozen mayors. So I go back to the White House, and there's a group of folks, the President was in and out, so let's leave the President out of the story for a second. And the issue was why doesn't America understand our urban agenda? And Jack was

there, and a few of us, and those of us who were sympathetic to the President and in urban America were unsure what the administration's urban agenda was, other than Jack Kemp.

Woodson: That's right.

Goldsmith: And then when Jack would speak, he was the outlier. Nobody else really was invigorated, nobody else would chime in, it was Jack saying what he was for, which was what we were for, but it wasn't clear that that was a pervasive agenda. I left that meeting as a Bush advocate, a Kemp advocate, a Republican mayor, and still disturbed.

Kondracke: Who else was in the meeting?

Goldsmith: The top folks in the White House at the time and four mayors. I'm not trying to be sharply critical, I'm just trying to say I think there was an incongruence here and some gap between Jack Kemp and what we saw as what wanted to the policy to be, and the fact that it was not deeply pervasive, and it was not clear in either its execution or its articulation. So I'm not trying to be so much critical, as saying I left there—I'll be redundant just for a second. When they said, I don't know which one of the mayors said in response to the chief of staff saying "We're disturbed that nobody knows what our urban policy is," the guy next to me said, "What is it, other than Jack?" I left kind of concerned about that.

Reed: That was the climate that existed. Let's face it, Kemp was pretty much allowed to do over at HUD what he wanted to do. It

wasn't a super top priority. I believe prior to that time, and I left the last year, we'd only one presidential event with the secretary of Housing and Urban Development. It was over in Alexandria [Virginia], it took about seven minutes to get there, do it and back. When you're watching people in Washington, one of the ways you're graded is how much time you spend with the President, out on the road, or are you taken out on the road? There was not a high level of commitment there. We didn't sit around and pout about it. We recognized "Well, this is the way it's going to be. Let's take advantage of it, let's go." And we moved, and we moved out, and moved Kemp around the country in a manner that was one notch down from a presidential level in the sense of the type of events he did, the crowds he did, the type of press coverage he got. By the way, the type of members of Congress that all of a sudden all wanted to be there was overwhelming. Our Congressional relations operation was second to none, because now, all of a sudden, everybody wanted to get on the bandwagon. So it was something that grew over time, no one waved a wand, we just saw an opening and we took it.

Woodson: Let me just add a footnote. When at that time, I think the Republican National Convention was in Houston, Texas, and it was a very fractured kind of convention.

Reed: '92.

Woodson: '92, that's right. But the only issue where there was a consensus was the resident management ownership of public housing, and it was on the front page when the Platform Committee passed it, it was on the front page of the *Houston Chronicle*. So Jack's contribution

to bringing the Party together and leading the nation was recognized at the convention. But again, as soon as the election was won—

Goldsmith: Yes, but think about what the other side of his tone was in Houston that was both important and not so widely accepted, which is this advocacy for diversity and folks left behind. That was a convention where there were some tough messages there, and Jack was the voice of discontent against those messages.

Kondracke: Which messages, now?

Goldsmith: This is a continuing battle that Bob and I have. The messages of inclusivity and tolerance.

Kondracke: We're talking about the 1992 convention.

Goldsmith: '92, yes. So Jack is there in one way, as a motivating, both of his messages were good. I'm just saying that one, it was widely celebrated and the other, it continues to today, which is how much do you pay attention to minorities and diversity and those issues, and for those of us who followed and admire Jack, they're inherent in a Republican philosophy, but for many Republicans they're not, they're aberrant in Republican philosophy. And I think those two messages are a little bit off.

Weicher: One thing to keep in mind here, this is also the four years when the Soviet Union came apart and the Warsaw Pact disintegrated, and that was the big issue of our time, it really was.

Kondracke: Not to mention the Gulf War.

Weicher: The Gulf War was in there too. And it's not unreasonable for the President, whoever the president is, to be devoting a good deal of his time to foreign policy issues. This was a period that we had never seen this. I didn't expect to see the Soviet Union collapse in my lifetime, and when it happened, I got my small children up there on the TV and said "Look at this, remember this." There must have been millions of us around the country doing that, and that developed after the administration started, after President Bush came to HUD, and there were new things on his agenda which nobody expected to be there.

Kondracke: As I'm told, one of the other first priorities of Kemp at HUD was improving the morale of the bureaucracy, which, I gather, was very low even before the scandals. Tell me about that.

Reed: Well, it started with him having really an open door policy, which for some of us on the staff was kind of frustrating. We'd come back from lunch and there'd be 10 or 12 people in his office with him, [laughter] that he would have gone down to the cafeteria that day and talked with and brought back up to his office. So it was kind of humorous, some days. The first thing he did was he ripped out the whole cafeteria. He said "This place is a dump, no one can eat down here." He brought in a privatized group to fix it, and that was, as I remember, Sharon [Zelaska], one of the first things that he did that really kind of changed the morale. But it was just the whole way, and there were these really depressing pictures all over the building that we tore down, of just awful, depressing projects, and we put up more

patriotic, upbeat pictures, and tried to change the tone. We used to call it 10 floors of basement. It was a very depressing building, and until we put up lights and changed the atmospherics, and made the cafeteria nicer, coupled with Kemp bouncing around the building. He didn't just sit up in his 10th floor office behind the glass and tell everybody what to do. He was all over that building. If he wanted to talk to Weicher, he'd just go down to six or nine or wherever he was and do it. That whole mentality—I'm still in HUD a little these days for some clients, and people still remember me, and they remember Kemp and they remember the attitude that he brought into the building, the upbeat attitude, and people respected him. And it still carries on today, 20 years later.

Weicher: That's true. I was there, I've been there in and out on various policy issues the last few years, to say nothing of the four years I was there as FHA commissioner, and Jack came in after eight years, when, well Secretary [Samuel R. "Sam"] Pierce was not a hands-on manager, and you couldn't run that place without being a hands-on manager. Jack provided a good deal of enthusiasm and energy, and Al and Scott and some others kept the place working and working honestly and honorably. I brought in my field economists for a meeting, and one of them took me apart, an economist in Mississippi, and said "You really have to fix this place. Our neighbors think we're a joke." He meant his personal neighbors, and there was no morale worth thinking of.

DelliBovi: I think a couple of days a week when Jack would come to work he would get off the elevator at some other floor and walk around. He was always in the cafeteria. I actually never knew,

because he'd show up in my office and say "The tacos are no good in the cafeteria today." I didn't know that I was the taco manager, [laughter] but I'd have to find out whatever was the matter with that. It could be something in public housing, he'd get off the elevator and be talking to somebody and find out that the filing cabinets didn't work, or whatever it was, he'd listen and we'd deal with it.

Kondracke: So, according to Sharon Zelaska, who you were referring to, his assistant, personal assistant or executive assistant, the cafeteria got fixed because he had a tuna fish sandwich that he didn't like, that it turned out didn't even come from the cafeteria, but none the less the employees were all the beneficiary of that error. Did he actually have lunch in the cafeteria?

DelliBovi: Occasionally. He would certainly go down there all the time when he was passing by, and talk to people, and I guess if they got a complaint, I got a complaint. I don't know, but he was on top of it.

Reed: In other words he used his retail political skills that he honed in Congress over 20 years and running for president to work the building, and it changed the way people thought about going to work every day. That was the big fundamental difference.

Kondracke: What kind of an administrator was he? You were citing all the agendas that he had, only one of them had to do with HUD, so how did he manage his time doing all of that, and how on top of the business of the Department was he?

DelliBovi: He was very much on top of the business of the Department. That was one of the things that most amazed me, but he was very good with just one or two questions, getting right down to where we were and where the results were. It was fascinating, that management ability, but as he once said to me, "I'm used to having 55,000 screaming maniacs yelling while I'm trying to do a play, so I can handle this stuff. I can handle stress."

Kondracke: But his Congressional office was described as frenetic, or that he was a scrambling quarterback, that he had a million things to do, that he was disorganized, his desk was piled up with papers.

DelliBovi: That was all true, there, and it was true in HUD. The HUD office was not exactly the most orderly place, but that didn't mean that he couldn't find exactly the piece of paper that he wanted. He had that folder that he used to carry around, with all of this stuff it in. But he knew exactly what he wanted to do at all times. The HUD office was like a library. It had all these books around it. He could pull out any book that he needed with a quote that he wanted at any time. It was just amazing. I don't know. I was never an NFL quarterback. Maybe that's where you get the skill. Maybe Jimmy can tell us something about it. But I always remember that quote about the 55,000 screaming fans and his saying that, because he was used to doing that. That's what he did every week. And it seemed that if he could handle them in Buffalo, he had no problem with the House Banking Committee in Washington, DC.

Kondracke: Just to understand what the place looked like, he has a much huger office, bigger office, at HUD than he ever had as a Congressman. How was it all laid out and how did it work?

Reed: He had a big office with a great view of the river, and it was laid out with his working area at a desk, then there was a couch area for casual meetings, and there was a conference table for us for the working part of the day. There was an outer office and there was a bigger conference room where we would have bigger meetings, we would have our senior staff meetings that he would attend. But it was very much a working office. Al's being nice here. We designed an operation to work with Kemp. He was used to being a Congressman, told everybody to do the same thing, they'd all run around, and then he'd go "Whoa." This was a little different. So we designed a group, Sharon, Mary, myself on the inside, and then with all the men and women that were assistant secretaries, everybody knew their role. There was not gray area. It was very black and white and what you were responsible for. That's why having the card was so helpful, because that's how we managed the place. If not, you couldn't manage a place like this if it didn't have that direction. His role was to give it the direction every week or so, internally. Externally people read the clips knew what he was saying. That's how we managed, and it worked.

Kondracke: He also made a lot of trips right from the get go, to visit homeless shelters and that sort of thing. How often was he out making a speech or making a visit?

Reed: In the beginning we did what we call offensive trips, where we wanted to go out on each of our agenda items and make a statement and make some news. Then, after those took off, we had a barrage of members of Congress wanting him to come. And the whole member of Congress relationship was really quite interesting, because in a way he was his own congressional relations guy. He knew all these people. When you run a department the appropriators really matter, your authorizers matter, and the rest really don't. And he had relationships with these men and women, and he was able to deal with them where normally if you're a secretary and you have to go up and testify, you take days and weeks of preparation. Well, he could get the big picture, go up there, charm the birds out of the tree and get what he wanted and get out of there and get back on the road. We would react to what we needed to react to, but we spent most of our time trying to proactively plan what we needed to do to move the agenda and be relevant in the political time, because there was a huge void, and we tried to fill it.

Woodson: What we did when Jack would call me and he was getting ready to go on the road, I said to Jack, I said "Jack, do me a favor. When you're ready to go to these cities, do not get off the plane and go downtown and speak to Rotary. You get off the plane and you go to public housing first, and then you invite the mayors and the governors to join you, because those liberal governors may have never been to public housing." And that became the procedure. I remember he got off the plane, and we would go up to Cabrini-Green [Chicago public housing], there would be a big sign, "Welcome, Secretary Kemp," and then he would invite these liberal officials to join him, and they were embarrassed into coming. And then Jack would always

invite a group of the leaders to join him at the Sheraton Hotel, they would be at a front table, and Jack would reference them in his speech, and that's what happened in each of the cities. I remember in Boston a group of protesters were coming, definitely came to Bromley Heath [public housing], and they got to the project, and there were 20 young men standing there on the bus telling him to get back on the bus and go home.

Kondracke: This is where?

Woodson: In Boston. That Jack Kemp is our friend, that we won't see him embarrassed here, so the protesters got back on their bus and left. So Kemp was never picketed anywhere he went, because we arranged for the resident leaders to always welcome him. That became a standard procedure.

Goldsmith: You know, Mort, again, I'm kind of the outsider, but just to focus on the conversation for a second, there's obviously a tension between being the leading voice to America in an area and the time it takes out of the building, and the most technically proficient housing administrator in the country. I don't know that had Jack been the inside-the-building perfect administrator, we'd be here today. So there are tradeoffs in this, and you have to recognize those tradeoffs, and I think we're the beneficiary of the balance that he chose. I think that's kind of important because otherwise you get a little too far into the administrative issues, which seem important here, and they are important for any of us who've tried to deal with HUD, but the programmatics were really—

Kondracke: It sounds like Al was the inside-the-building—

Goldsmith: So I think Al's the problem, really. [laughter]

DelliBovi: I probably was, but there was a reason we had these six priorities. We took them out of, I mean they were his agenda, they were drawn from the statement the President made when he selected him, the statement the President made on February 13th, 1989 when he came to HUD to swear him in, and that was our business. Jack's travel helped our business, because he was promoting an agenda that was very clearly laid out. We didn't have to sit on the 10th floor trying to figure out what we wanted to do. We knew exactly what we came there to do. We had to figure out how to get it done. And as Scott pointed out, the way you did it was in Congress. We needed action, we needed action on the Hill, and then the paradoxical way of the American democratic system, that means you need to promote it out in the hinterlands so that the people who vote on the Hill will vote for what you want. And that's exactly what he did. Every trip was built around that. I'd also point out that there were some trips that were multi-day, but Jack would very often come into HUD in the morning, then go out, he'd be gone that night, he might be back the next afternoon. Much of the country was in flying distance and he flew commercially almost all the time that I can recall. He was in touch with us and knew what he wanted, and when he left, he always had a little to-do list, and when he came back he remembered what he asked you to do and where it was. That's how he managed, going back to your earlier question. And he never forgot what he asked you to do, and he could be pretty stern if you didn't get it done.

Weicher: In the 1990 election he was in tremendous demand by Republican candidates because he was the one Republican of stature who could go into minority areas and talk with credibility. People used to say to me "What's he running for? Is he running for President?" And I kind of thought he was running for governor of Indiana because he was there over and over again on behalf of Senator [Daniel R.] Dan Coats, who had replaced Senator [James Danforth "Dan"] Quayle and who was making his first race for that seat. And he was going to such uninspiring places as Gary and Hammond and East Chicago, and he was there again and again and again.

Woodson: The grassroots people always repaid that loyalty. If you look at any file footage of Jack Kemp testifying on Capitol Hill, you will see the first three rows behind him black and brown faces, because we bussed people in three hours before every hearing and filled up all the seats with Kemp advocates every time. We would bus them in and of course drive the staff mad, because Jack would get on the bus and bring 42 people back for lunch—

Scott: For lunch. [laughs]

Woodson: While he had his people out there waiting to see him, Jack was in there with his coat off, having lunch with the resident leaders while you all were looking in, frowning at me—

Scott: We'd call them Woodson specials, is what I used to call them. [laughter]

Kondracke: What are the standout trips that you remember Jack taking? Are there certain classic visits?

Scott: Oh, gosh. I think one of the first classic visits was his first trip he took here in Washington. I think you were with him, Bob. He had just become secretary and he hit the road the next morning, and it was just kind of the beginning of something that we recognized was different and unique and was going to be a lot of fun. Again, I keep going back to it but we saw the void and we just decided to fill it. We didn't wait for anybody in the administration to tell us what to do, we kind of knew what we wanted to do. We took the President's words and we did it. The trips are all kind of a blur to me now. It was a while ago.

Woodson: I remember one in St. Louis that was because Bertha [K.] Gilkey was profiled on *60 Minutes* in Cochran [Gardens, St. Louis] Public Housing. What we did is we had an executive bus meet his plane, and on the bus were 10 CEOs of corporations and grassroots leaders on that bus, and when Jack got off the plane he boarded the bus and then went downtown, and he brought some private sector supporters for the residents. So when he left, some of them funded the program. We wanted that to be the template for Jack--not just to talk about government support, but to use his reputation to bring potential private sector supporters for these grassroots. That was a very successful visit.

Kondracke: Did he actually spend overnights in homeless shelters? I read somewhere that he went to Philadelphia—

DelliBovi: Early on I think it was Philadelphia, there were one or two that he did that in the early stages, if I remember correctly.

Kondracke: What do you think his greatest accomplishments were, and then his greatest disappointments? We'll get into the details of it, but are there things that really stand out as major accomplishments that you could say the world wouldn't have happened if Jack hadn't been secretary?

Reed: You have to start with the influence he had on President Reagan's campaign to run on a supply-side model.

Kondracke: I'm talking about HUD now.

Reed: I know, but that transferred to everything he did at HUD. I think for someone that was never elected President, I think Kemp probably had more impact on public policy than anybody else. These policy initiatives we talked about back in the late eighties, early nineties that are now mainstream. Growth, everybody would talk about growth and everybody'd look at Kemp like he was crazy. Well now growth is the mainstream discussion. Everybody knows we'll never get out of these problems without growth. And I think going to a place like HUD, that was not a top priority, that you could, by having an agenda of enterprise zones and HUD zones, and taking on some of these serious problems of fairness, I think Kemp showed everybody in politics you can make a difference. And I can't get over the number of men and women I run into now that have met Kemp on one of these trips, on one of these Woodson trips around the country, that have been spurred on to go on and become entrepreneurs that are now

wildly successful businessmen and women, and a lot of them go back to Kemp giving them the optimism to go out and give it a try.

Weicher: I think the main accomplishments were things he did because he had to do them. He came to HUD, what he wanted to do was tenant ownership, resident management, enterprise zones. What he had to do was HUD reform and FHA reform, which I think Scott alluded to a few minutes ago. The FHA single-family home mortgage program, the biggest thing within HUD, was supposed to be self-supporting. The premium income collected from mortgagers was supposed to offset the cost of defaults and foreclosures, and it always had, but by the summer of 1989 at the same time we're going through the S and L [savings and loan] bailout legislation, by the summer of '89 the financial situation was very rocky, and so we also put together a program to reform the FHA program raising down payment requirements, raising premiums, tightening underwriting standards, none of which Jack was happy about because this was making home ownership a little less available for people, but he saw we had to do it and we did it. Tenant ownership and resident management is no longer part of the HUD agenda. It was not only a Republican campaign in 1992, Governor [William J. "Bill"] Clinton then campaigned on it as well, but in 1994 they took it out of the budget and repealed it. But the HUD Reform Act is still there. When I was FHA commissioner we were operating within the context of the HUD Reform Act 12-15 years after it was passed. FHA reform was still there. We had established enough of a reserve that we could meet the goals of the 1990 legislation, we could survive a normal post-war recession or a major regional problem, and we survived the recession of 2000-2001 and we survived Hurricane Katrina, which involved a lot

of defaults on mortgages in the Gulf area. In fact now, the FHA Mutual Mortgage Insurance Fund is still barely solvent, which is more than you can say for Fannie Mae [Federal National Mortgage Association] or Freddie Mac [Federal Home Loan Mortgage Corporation] or any subprime lender that I know of, and more than a few prime lenders as well. There isn't much margin, but it's still positive.

Kondracke: Just speaking on that front, he was an advocate of homeownership and expanding homeownership, but did he have any inkling that the expansion would lead to the collapse of Freddie and Fannie and the housing bubble and the collapse of the whole economy, much of which is blamed on this effort to make everybody in America a homeowner.

DelliBovi: Well, I think that the problems in housing were not caused by people having homeownership. They were caused by greed and the fact that Fannie Mae and Freddie Mac got off track, and Jack was very concerned about that. As a matter of fact he wrote to [Treasury] Secretary [Nicholas F.] Brady on August 16 of 1991, our first year, and warned that exactly what happened would happen if the administration allowed this legislation to be watered down, the legislation they had proposed. He warned that there was inadequate capital at Fannie Mae and Freddie Mac, that it was going to lead to abuses, and ultimately cost the taxpayer money. So Jack understood the difference between assets and homeownership, and government mismanagement and what was going on and could go on at Fannie Mae and Freddie Mac if they weren't properly regulated.

Kondracke: I want to get a copy of that.

Woodson: Let me just add that the lessons of Kemp, I think that Steve Goldsmith and Jack Kemp are two of the few conservative leaders that have demonstrated that conservatism has an answer for poverty, and it's embodied in their work. And unfortunately that lesson has been lost in contemporary time.

Kondracke: What would you say are his greatest disappointments? Scott?

Reed: Oh, I think at HUD he would always look back and think we wish we'd been able to do more in the sense of expand homeownership, do a better job getting the Congress to understand the seriousness, do a better job getting the administration. I think probably his biggest disappointment was not getting the administration at the time to really come along. Because the President didn't get reelected that cycle, and there's a reason, and this was probably part of the symptoms of the problem.

Weicher: I'd put in enterprise zones. He couldn't get enterprise zones through Congress even after the Los Angeles riots, even after Mayor [Thomas J. "Tom"] Bradley said to a Senate committee, asked what the Senate should do, he said you must pass enterprise zones.

Goldsmith: But you won that battle 15 years later.

Weicher: Not exactly.

Goldsmith: I mean the idea morphed in a slightly different way, but it was planted out there.

Weicher: Yes, but what finally was enacted in the Clinton administration was in many ways opposite to what Jack was proposing. Jack was proposing tax incentives for people to start businesses in low-income areas and to invest in businesses in low-income areas and to work there. Incentives for capital and incentives for labor. And not picking winners. I can't count the number of times he would say "We don't pick winners here." But the legislation that was passed in 1993 was very much the opposite. It was a set of grants to a handful of areas. Jack wanted the enterprise zone to be an entitlement for any poor community in the country. Half a dozen cities got money, and it didn't seem to make much of a difference.

Kondracke: Empowerment zones, which I think was Clinton's idea, were kind of old-fashioned anti-poverty programs?

Weicher: Very much so.

DelliBovi: And that was a disappointment because Jack wanted to give people a hand-up, and the mayors, unfortunately, Steve, all they wanted was a handout. They wanted money, money, money; they wanted to use the money for stimulus-type activities, that's the way we call them today. In those days it was just a bunch of people standing on their shovels outside some work project. And nothing ever happened. And I think that was the disappointment, because Jack wanted to empower people to build businesses, to build assets, to build success. That's what our enterprise zones were all about.

Goldsmith: I think your parrying these questions is a little complicated in the following way. Obviously a number of these initiatives that were really important as symbols of the opportunity empowerment agenda had mixed results. They had mixed results because they were terminated too early, they had mixed results because Congress didn't pass them in the right function, they had mixed results because the mayors didn't administer them right. There were only so many housing units converted to homeownership, not very many. I remember Jack was talking about all this minority-owned enterprise inside public housing, and I would try to do everything he would say. So I brought in this woman, I had a public housing announcement. It was probably something Woodson got me to do because the reason he keeps complimenting me is because I did whatever he told me to do. [laughter] So this lady comes out and I was talking to her in this public housing, I just had my Jack Kemp moment, and she says "I run a cleaning service." She lives in public housing and she runs a cleaning service. So I'd read that you guys were trying to do variety stores in public housing that are owned by public housing residents, so I said "Great. Would you like to go into a variety store? We need a variety store. Why don't you own a variety store?" She looks at me and goes "I have no idea how to run a variety store. What makes you think I can run a variety store?" So we had a really good idea really badly executed, right? But the idea was important, it had some effect, and eventually had some legs. You read these kind of stories about enterprise zones not maturing the way they were supposed to or the resident ownership not really, but there is a different view as a result of these initiatives. Had there been rhetoric, you can't change all these decades of failed policy without some tilting at windmills, and I

think the ideas that Jack put out there that he advocated had an effect on the policies that we would implement in kind of a zigzag way. I think differentiating between the failures and the successes is a legitimate question, but answering it like that confuses it a little bit.

Woodson: It really is, because like you said, there are very few Steve Goldsmith-kind of mayors and there was a lot of tension between some of those mayors and Jack Kemp's policies, and they couldn't publicly oppose them, but quietly they would undermine them. And that's the kind of tension. They would undermine it. For instance, when I would take Kemp or Bill Bennett on a site visit sometimes, within three months, a grant was cut, was taken from a group. People don't realize that there was a penalty to be paid sometimes for embracing Kemp and others, and that's why what I tried to do with Jack is to try to raise some private dollars so we can indemnify these groups so that when they did come along, you wouldn't have that kind of push.

Kondracke: So what you're saying is that a Democratic mayor would punish a group that had cooperated with—

Woodson: Oh, absolutely, absolutely.

Goldsmith: Congress kept those public housing authorities as independent socialist fiefdoms. They were really difficult to deal with. Remember that most of the issues we talked about, now no mayor actually had control over any of this stuff. You could advocate, you could mess around with it, but it went through those public housing

authorities, and maybe you all had a better view of them than I did but I viewed them as kind of the enemy of capitalism and progress.

Woodson: No, in other words, the more you destroy your unit, the more the contractors could replace windows and doors, the more money that was made. But it was hostile to the interests of the residents. When Jack came along, when residents took control, then there was a cost savings. We did a cost-benefit analysis of resident management, so not only did it improve the quality of life, but it did so at lower cost to the government, so we were actually driving down the cost. Because under the old laws, if you increase your income and reduce your costs by preventing people from coming on the weekends and washing their cars and all of this, that money was recaptured by the federal government. But under the changed law, the residents could keep that, and so those are examples of the tension that exists with local officials.

Kondracke: In this book that got published at the end of '92 going into the transition document, *HUD's Accomplishments and Challenges,* one of the things that's listed is that you did pass the National Affordable Housing Act of 1990, which I gather involved the HOPE [Home Owners Preserving Equity] program for homeownership and some tenant management. So one, how difficult was it to get it passed, and two, how difficult was it to get funded?

DelliBovi: Well, we got it passed with relative ease. It was a battle, but we got it. Getting it funded was the real problem, and that never happened, and in the funding process some of the major initiatives were actually undermined and converted from an opportunity agenda

to more public housing welfare and more income transfers. When we talked about public housing, I think it's important to remember that among the public housing authorities that we dealt with, the most popular program at HUD was the demolition program. That's the one they wanted the most money for. That was where you did more [unclear] blow them up, knock them down. And that was the one that the public housing authorities wanted more, more, more. They wanted to demolish what they had. That says it all to me.

Kondracke: They didn't want to rebuild them?

DelliBovi: Ah.

Weicher: No.

DelliBovi: They would rebuild them with something else, something different, and very often what they would do is rebuild them in a way that promoted the interests of their private developer friends and created it. Frankly they never got enough money to demolish enough, because they had so many units they wanted demolished. It was amazing to me, because what they wanted to do was tear down; what we wanted to do was build up.

Kondracke: The "they" being public housing authorities.

DelliBovi: Public housing, the intelligentsia, the bourgeoisie of the public housing establishment. That's what they wanted to do.

Weicher: They never wanted to replace them with housing for low-income people. They wanted to replace them with housing with a few low-income people in it and a lot of people who were not low-income. That was easier to manage. Or, with elderly, who were easier tenants than non-elderly.

Kondracke: So just starting with the passage of the bill, though, the administration was behind it I take it, as part of its program? And who were the champions in Congress of passing the bill in the first place?

Reed: I don't remember. I can't remember.

Weicher: I can remember some of the opponents.

Reed: Yes, I do too.

Kondracke: Who were the opponents?

Weicher: Bruce [F.] Vento of Minnesota, who was very much opposed to the FHA reform that was part of the National Affordable Housing Act in 1990, [Thomas J.] Tom Ridge was not enthusiastic about that proposal, and for them it was reducing the number of their people who could be homeowners, and they didn't like that. They had an amendment, which we fought off so we could get the reform we needed.

Kondracke: As I understand it, the bill was authorized at a $1.2 billion a year, and you got something like $351 million to fund it. What was the problem with the appropriations?

Reed: Well as I remember Ms. [Barbara A.] Mikulski was the chairman, wasn't she at the time?

DelliBovi: Yes. But the problem was we were trying to get more money in the wake of the tax problems that President Bush had, and there wasn't more money. There was the famous "Read my lips, no new taxes" thing from the '88 campaign that set the stage. We certainly weren't interested in raising taxes. And unfortunately, remember, both houses were controlled by the Democratic establishment, and they didn't want to do what had to be done, which was take the money away from these failed programs: the demolition program, all of these programs that weren't working, and move it to the programs that would work. And that was the problem. So $350 million, actually it wasn't a bad start, because we weren't equipped and there wasn't the capacity to spend all of the money. It was a good start for us if we could have been able to use it the way the legislation intended.

Kondracke: Let me ask you about the efficacy of the tenant management and ownership provisions of HOPE. There were not very many tenants who actually bought their public housing units, were there?

Woodson: Again, there were all kinds of barriers. Individual units have always been sold, but we were concerned about these large multi-family units. We wanted them to be sold to the residents as cooperatives. In fact, back in Washington, DC, we had to force the hand of both HUD and everyone to turn over that to the residents, but

there was all kinds of opposition and barriers that were thrown. But if you look in Cabrini-Green and in Chicago today, quite a few residents under the HOPE VI now are owners. They partnered with the developer, recognizing that resident management, entrepreneurs tend to be very for bookkeepers, and in recognition of that, residents partnered with developers, who then owned, and they partially owned. So in Cabrini-Green today you have about 40 percent of those units are owned by their tenants. You know, the townhouses that were built. So it exists in measured way around the country.

Kondracke: One of your model management, tenant management programs was Kennilworth-Parkside in DC. And I've read criticisms of that, that there were endless amounts of money poured into that to prop it up to the point where each unit cost like $130,000, whereas you could build a new unit for $50-75,000.

Woodson: But you see, okay, without going into too much detail, this is interesting, because when the residents, the money was allocated to renovate it, right? The residents were supposed to control the process, but what happened, the architect who was a friend of the mayor, received 80 percent of the money before the unit was even, the plans were made. And so the residents had no control and all kind of corruption that the residents had no control over, so all of the contractors got monies and demolitions and all of that. And then they turned around, because the residents had no control, and then after they said, "Look, it's expensive." But if the influence of the residents had been implemented, the residents would have had control. In fact, when HUD was advised not to pay the architect before the project was

completed, but builders got paid 100 percent of the money with the development 50 percent completed.

Kondracke: Okay, I just wanted to clear that up. So Kemp did succeed in getting drugs out of public housing, did he?

Reed: He raised the awareness.

Woodson: The residents did.

Reed: He worked with the residents to do that. I believe we had some initiative where if we allowed a police officer to live there, they would get their place for free. It was kind of a creative idea that came from one of the trips. Someone said, "You know, if we had some cop cars around here maybe this stuff would stop." So we were able to affect it on the margins, as I remember.

DelliBovi: The real success there was in making everyone realize that the residents didn't want—that the residents wanted to be drug-free. It wasn't they who were creating this problem, it was all kinds of predators that were coming in and bringing these drugs into the projects. And I think we helped to alert law enforcement. We obviously didn't make America drug-free, but we contributed to making America understand that public housing residents didn't want to be faced with this plague, and they wanted the projects cleaned.

Woodson: For example, when Kimi Gray and the residents would expel a family because the children were dealing drugs, they'd put them out, and they had rigid standards, what happened is the family

then became certified as homeless. And the ACLU [American Civil Liberties Union] would file suit against the residents, but they were then put on a priority list to come back into the same development. So there was this tension between the ACLU because of a person's misconduct. They were rendered homeless as a result of their misconduct, but because of their condition, they were then placed on priority to come back into a public housing development.

Kondracke: Let's go to enterprise zones. Enterprise zone legislation was proposed in 1989 by the administration, it never passed Congress. Why? What happened?

Reed: Do you remember, John? I don't.

Weicher: Well I think it's, we talked about that in a different context. It wasn't very appealing to Democrats, and it was not going to be helpful to Republicans in their districts, particularly. The places that needed enterprise zones, the places that we identified as deserving of enterprise zones, the poorest places, they were in Democratic congressional districts by and large, and also in states where the senators were usually Democratic. So there wasn't much in it for Republicans, and the Democrats didn't want it at all.

Kondracke: It was tax legislation, right? And so was it ever in the Treasury budget that there would be money for this?

DelliBovi: You didn't need money, because we were going to reduce taxes in the enterprise zones and I don't remember how it was scored, but it was scored well enough to be in the administration proposal, and

to get into the budget. That's how it got introduced. The problem was that the opposition didn't want tax incentives, they wanted cash incentives, and they kept trying to amend the legislation in each case, to turn it into another income transfer scheme.

Kondracke: Let's go to the relations between Jack Kemp and the White House and the rest of the administration. What was his relationship with George Bush like?

Reed: I think it was a good, healthy relationship. Remember they had been competitors in the '87-88 cycle, never really crossed the line in terms of saying anything poorly about each other. He was, I think, surprised to be asked to be in the Cabinet, and recognized that this was an opportunity which would open some new doors and to be able to promote his ideas and thoughts, Jack would. But once he got over there, as John Weicher wisely reminded everybody, there were a lot of other priorities in the world at the time, and so with our scandal problems and our reform needs, we were kind of put on the back burner a little. Kemp would always go to Cabinet meetings, he would usually go with something to say, he would—

Kondracke: About HUD?

Reed: About HUD, or sometimes he would creep into other people's areas, which would get other people upset. I used to get regular phone calls, usually from the Cabinet Affairs, while he was in the car back, to find out exactly what happened to be prepared for. But it wasn't out of a disrespect for the President or the vice president or the team, it was a healthy competition of ideas. And that's really, you

asked what made Kemp. I think the football thing started his whole relationship with the world, and obviously his family, but he liked that competition of ideas and he never hesitated, and I can't tell you how many eyes-only memos we would write to the White House that would appear in columns around the town regularly, because that's how we moved our agenda forward. And that was a wise way to do it.

Kondracke: You leaked them?

Reed: I didn't, but somebody did, I'm sure. [laughter] I was proud of it. But no, it was a tool at the time, back to my void, we decided to fill it, we thought going public with a lot of ideas was often a better way to move the agenda forward. And I think if you look backwards, it did. You're grading all these different things, did they all pass? Did they all get funded? No, no, no, but they were intellectually stimulating to a lot of people, so if you look at mayors today, twenty-some years later, they're talking about these things, they're doing, they're implementing. That was the goal.

Kondracke: [Richard D.] Dick Darman. Supposedly Jack was in endless conflict with Dick Darman, the budget director. Tell me about that.

DelliBova: Well, I don't know that it was Darman. You know, it was an interesting phenomenon in the White House. There was a group of young staffers, they were basically, remember [Harvey L.] Lee Atwater had run that campaign in '88, and he filled the lower levels of the White House staff with people, the one that comes to mind most was [James P.] Jim Pinkerton. But this whole little class of people below

Darman, maybe two or three levels, and they were young, they were activists, they were conservatives, and they were left high and dry by Darmanomics and the fact that the administration was foundering, frankly, the whole tax thing. And this young group, Pinkerton was the ringleader, clearly Kemp became the hero, because he was the only one in the whole administration who had a proactive agenda. He was on offense; the rest of them were down in the bunker trying to figure out defense. At some time, I think it was 1991 or so, Pinkerton started giving a series of speeches that advocated what he called the "new paradigm," and this was absolutely, it was all Kemp rhetoric and it was built around the things that we were trying to do, and clearly pointing out to other departments that if you could do it at HUD, you could do it over there. And this was really rankling Darman, and he actually finally responded by giving a speech. It was an inside-the-administration speech, and his response to Pinkerton's new paradigm, which was Kemp's stuff, but we didn't write it and we didn't provide it. We inspired it by our behavior—Bob Woodson, what he was doing. And the most famous line of that speech I remember from Darman was "Hey, brother, can you paradigm?" a parody on "Buddy, can you spare a dime?"

Kondracke: Darman's responsibility, as he conceived it, was to keep a lid on the deficit, right?

DelliBovi: Yes.

Kondracke: And in his book he actually says that the two big conservatives in the administration in the Cabinet, Jack Kemp and Bill

Bennett, were the big spenders. Now did Jack actually want to increase the HUD budget net?

DelliBovi: We always proposed reallocating what was in the HUD budget. We never waivered, there was no tax that we ever supported. We always said that what we have, what is being funded, is ineffective, and it should be reprogrammed to other things.

Weicher: Your meetings with Mary and Scott, going through the budget looking at programs, what in here can we get rid of to put the money where we want to put it? And that isn't easy, but we spent a lot of time, and I'm sure Mary and Scott spent more time on that trying to do it. I don't know quite how you can say we were big spenders at HUD. The budget was about $35 billion, which was not a large sum, and it didn't go up that much to speak of.

Kondracke: And you never asked for more? You never asked for increases in the net HUD budget?

Weicher: There were some items that you had to have increases, because there were contractual obligations that you had to honor and they were going up. This was particularly true in some of the privately-owned subsidized housing programs.

Woodson: A lot of the money, some of the money that was used to promote resident management came from recapturing of funds from a region that were unused. Those would be recaptured and reallocated to other areas.

Reed: The reason this took off is because [Patrick J. "Pat"] Buchanan was running against Bush from the right, and Buchanan called Jack and the HUD team "big government conservatives," and that was where it really started to stick. Al's right. We spent most of our time trying to spend the money that was already allocated and reprogram it in a way to one of our priorities, and it was a constant struggle with OMB because they didn't really care, and with the Hill, because they wanted it their way. It was a constant struggle.

Kondracke: So why would Darman not have been in favor of the reprogramming? If you were going to spend the same amount of money, but you were going to spend it differently, why would he be against that?

DelliBovi: He would be against it because he believed that the appropriators were going to ignore the reprogramming request, and use it as an excuse to add more money. That's what ultimately happened. We would say "Let's reprogram;" the appropriators would say, "No, you want to do that? We'll give you some more money." And they'd give you more money to do it and make the budget bigger.

Kondracke: Was he fundamentally resistant to the ideas, the priorities that Jack was promoting?

Reed: Well I think to some degree, yes, and that's why I told my funny story about OMB charging the building the morning we were going to do our deal. There was some tension there. Darman was a green eyeshade guy in our views on how everything was going to be

done. There was no real creativity coming out of him and his shop, and we thought, "We're going to do the opposite."

Kondracke: Did Jack have meetings with him often?

Reed: I don't remember him having many meetings with him. They would interact at the Cabinet meetings. They would talk on the phone occasionally, there'd be a few secret memos written to him that [Robert D.S. "Bob"] Novak would always get, so it was part of the program.

DelliBovi: Usually Mary and I and [Thomas M.] Tom Humbert were sent over to either make peace or negotiate what had to be done. There were one or two meetings. Part of the issue, Jack was a Cabinet secretary and so was, and Darman, that was his rank, so generally if Jack was going to go to the White House to meet, he would want to meet with Sununu.

Kondracke: So how did Darman treat you?

DelliBovi: Well, Darman was all right. He was a gentleman, but he certainly recognized that I was part of this conservative-type agenda and different than he. He was always a gentleman.

Kondracke: John Sununu and then [Samuel K.] Sam Skinner. How did Kemp get along with them, chiefs of staff.

Reed: Always had probably a better relationship with Skinner. Sununu, it was a very kind of gruff chief of staff, as we all know, at the

time, and I think there was some good healthy tension there. Usually it wasn't Sununu that would call, it would usually be [Edward M.] Ed Rogers, one of his deputies who would call me and criticize something we may have done or something that may have been in the papers that morning. But it wasn't a big deal, I mean it really wasn't. We had a plan, we knew what we wanted to do, we had a leader that was helpfully engaged in what we were all trying to do and we just did it. So we didn't spend a lot of time worrying about if the White House personnel guy was going to call and be upset. We'd hire some people occasionally and spread them around the building, and that was it.

DelliBovi: I remember going over to the White House with Jack one time for a meeting with Sununu and Darman. It was about the funding for the HOPE agenda. Darman was giving us very little, and that's what the job of the OMB director is, and Sununu was sympathetic, and we walked away with more than we would have, and certainly Sununu was helpful on that occasion.

Kondracke: Tell me about these Cabinet meetings where Jack was not confined to the HUD agenda. What kind of reports did you get back about Jack's intervention in the business of other departments?

Woodson: Secretary of State you mean?

Reed: I remember there was an issue with an Israeli leader coming over—

Kondracke: Ariel Sharon?

Reed: Sharon, that's right, and the administration was kind of giving him a bit of a stiff arm, and Kemp had breakfast with him or something like that, that was a little out of protocol. That was probably the most high profile poof. But you know, Cabinet meetings in those days were pretty scripted events. The President would have his cards and go through it and people would have been preselected on asking questions and things, and Kemp would just go as a former member of Congress who had been to many meetings at the White House with President Reagan, and let it all hang out. It wasn't like there was a plot and a scheme of what are we going to say at the meeting next Tuesday. It was based on his emotions, what was going on in our world, what was going on in the big picture world, but at the end of the day, he never crossed the line with the President in terms of being loyal and supportive. What he was very clever at doing was using the President's words to remind him what the President had said and what we're trying to do over at HUD. And that was really, in my view and I think in our senior team view, the line that we stayed on all the time.

Kondracke: Dan Coats, his friend, told us that Jack reported to him one time that [James A.] Jim Baker, the Secretary of State, said to him after a Cabinet meeting "Jack, you are the Secretary of Housing and Urban Development. You are not the blankety blank Secretary of Commerce, you are not the blankety blank Secretary of the Treasury, you're not the blantety blank Secretary of State. Did he?

Reed: I believe I remember that happening.

Kondracke: Are there any other such events?

Reed: Al, do you remember? I don't remember them all.

DelliBovi: No, keep in mind, we weren't at the Cabinet meetings and—

Kondracke: I know, but did Jack report back to you?

DelliBovi: Jack was not a negative person. This is one of the things about Jack. Jack was not a complainer. He was very upbeat all the time. What you saw was what we got, so he wasn't likely to tell us about every little skirmish that might have taken place, and he was always focused on what he wanted to get done, not what other people wanted to do to distract him.

Woodson: He was also a former member of Congress. And Jack, I don't think, ever stopped being a member of Congress.

Reed: That's a good point.

Kondracke: Let's jump to the 1992 riots in Los Angeles. The riots break out, what does Jack do?

Reed: I was gone.

Weicher: I think he went there.

Kondracke: He went there and Bush went there.

DelliBovi: What happened was the riots broke out on say a Wednesday, if I remember correctly, and then the White House announced that they were creating a special task force, and the task force was going to be co-chaired by two deputy secretaries, the Deputy Secretary of Education, who was David Karnes [phonetic], and the Deputy Secretary of HUD, that was me. And so we were both sent out there with a bunch of assistant secretaries to try and be the response, and find out what was it we could do within the resources that were available. And ultimately we paved the way for a trip Jack flew out with the President on Air Force One, they toured the areas, they met with a lot of the folks on the ground in the communities. Then I think the President went back, Jack stayed a little bit longer. There was the usual government response in a disaster, and then we crafted something that went beyond it, which was, what did we call them? NOCS, Neighborhood Opportunity Centers. So FEMA [Federal Emergency Management Agency] would come in with their usual applications for disaster relief. They used to call those Disaster Recovery Centers. What we did was after about a month or so when most of the disaster relief was taken care of, we created these Neighborhood Opportunity Centers, which were designed to help rebuild over time.

Kondracke: How was the trip set up where Jack was going to go visit someplace, and he did enlist [James N.] Jim Brown, former football player, and John Mackey, former football player, and various gang members to help protect him, I guess, against another gang that Maxine Waters, the congresswoman from Watts wanted to initiate? Do you remember this?

DelliBovi: What I remember is Jack, I mean Jack had friends everywhere, and this was part of the NFL business line that I told you about, so if he was going somewhere and he had friends, they would set up meetings. I don't remember any gang wars. Jack met with people to find out what was going on and how to help. It wasn't a little West Side Story kind of tableau.

Woodson: It wasn't associated with the riots. I remember when Jack was chosen as the VP—

Kondracke: In 1996?

Woodson: Yes and he was campaigning, I arranged for him to be welcomed by in Maxine Waters' district, by then the person who ran the Boys and Girls Clubs and there was a big sign with 300 black folks saying Welcome Jack Kemp, and Maxine Waters sent over a small group of goons to break it up, and they were met by a group of people that I knew who discouraged them from coming. And they left without incident. And Jack had a successful visit.

Kondracke: Jim Brown and John Mackey were not involved in that one?

Reed: Another Woodson operation. [laughter]

Kondracke: We're almost done here. This is now separate from HUD, but it's the HUD time. Bush agrees to the 1990 budget deal, which involves breaking his pledge of no new taxes. What was Jack's reaction? Newt Gingrich went ballistic, other conservatives were

against it, but what did Jack do, and what did Jack say, and did he go public?

Reed: His first reaction was if he should resign. And he quickly came to the conclusion, no, that would not be for the betterment of his agenda, what he was getting accomplished at HUD.

Kondracke: Who did he discuss resigning with and how long did that last?

Reed: As I remember he got a number of calls from his former colleagues on the Hill. I remember having a few discussions with him about it, but by the time I was discussing it with him he had pretty much decided it wasn't the right thing for him, wasn't the right thing for what he was trying to do at HUD. He thought politically it was a disaster, but it wasn't his disaster. And he moved on. But there was a lot of heat from his friends from the House, and maybe from a few in the Senate, about "you've got to make a statement about this." That's all I remember.

Kondracke: Do all of you remember any of this?

Weicher: The only thing I remember is him saying at a staff meeting that he called the President and said "How can I help you?"

Kondracke: So then, the 1992—

Reed: After he decided not to run.

Kondracke: The 1993 budget comes out, and he goes on some Sunday show and pronounces that it was full of gimmicks, and Mary Cannon has actually told us that [Max] Marlin Fitzwater called up and said "Turn that around but quick." Do you remember this?

DelliBovi: No.

Kondracke: And there were news reports at the time that George [F.] Will and [William F.] Bill Buckley [Jr.]were actually agitating in public that Jack should replace Dan Quayle as the vice presidential candidate, and others were saying that Jack ought to be named the domestic czar of the next administration, none of which happened, obviously, but do you remember any of that?

DelliBovi: No. I do remember that people were always trying to manufacture these controversies and these rivalries, particularly with Quayle. There were a lot of people doing that. And I always found Jack to be very cooperative with the Vice President and the Vice President's staff was certainly very cooperative with us—

Reed: Considered him a great friend.

DelliBovi: —and Dan Quayle was a gentleman. Nevertheless there were people who were promoting this, and Jack never said to me once anything derogatory about Quayle and was always of the view that we should promote him, help him, and he always helped us. He was, frankly, he was the antidote to the Darman problem over in the White House.

Kondracke: Did Jack Kemp campaign for Bush actively in ’92?

DelliBovi: As I recall he did whatever they asked him to do, and he was on the road a great deal of the time. Scott was gone.

Kondracke: When Jack reflected on his HUD years, did he think that he had been a successful Secretary or not?

Woodson: Jack always believes he’s successful at whatever he does.

DelliBovi: Think of what Jack—Jack was a professional football player. He won some, he lost some. He wasn’t constantly rerunning last week’s game, that just wasn’t him. For public policy he was all forward-looking, and it was always about the next victory, it was never about last month’s defeat, never.

Woodson: That is true.

Kondracke: What have I not asked you that you think needs to be said about Kemp’s tenure?

Reed: Don’t start with me. Start with Goldsmith.

Goldsmith: Thanks. Maybe a few quick comments. One, with respect to your last question, when Jack would call to tell me what Governor Bush would be advocating in the 2000 campaign, or he’d call John and John would call me, he was obviously, there was no reservation about his confidence in his policies, his enthusiasm for them. So if you’re question is did he think he was successful, the definition of success is

continuing to espouse important policies that were hatched in that period, then the answer is unequivocally yes. And in fact, the other thread that goes through this is his irrepressible enthusiasm for those issues. One would hope would necessarily bring him into conflict with others, even in his own party, because that's the nature of who he was and why he was important. So, kind of like the earlier issue about outside-inside manager or whatever, Jack was who Jack was, and had he rounded off those edges, I doubt he would have been that successful. I think in terms of what you missed, I think, I know you're kind of looking at the HUD period more, but these issues are really important right now. Republicans and immigration, it's a really important issue. Appreciating diversity and opportunity, a really important issue. How do you address the issues in America today between haves and have-nots, these are really important issues. And so I think probably the legacy of the policies. I don't quite share the enthusiasm of the other four guys about how easy it was to deal with HUD. As a mayor, trying to implement Kemp policies, it was a struggle.

Reed: As all bureaucracies are.

Goldsmith: As all bureaucracies. That wasn't Jack's fault. So if you say why wasn't there more of this? why wasn't there more of that? These four gentlemen and Jack and I could have gotten together and told Congress what to HUD, it would have been easier to do, so again, I just return to the theme that a lot of heavy lifting on important policies permeated that, and we should pay attention to that now. The dilution of those policies because of some of the bureaucratic

institutional, congressional issues, may be just as much a badge of honor as it is a criticism.

Kondracke: Let me fold as a final question, what I last asked you about. What I haven't asked you, what is the ongoing importance of Jack Kemp's example as HUD Secretary or as a politician in general for contemporary American politics? Large question.

Reed: I think it starts with the basic that ideas matter, that politics is about ideas. Bob said it earlier, good policy can be good politics, and I learned a tremendous amount from Kemp campaigning with him, working at HUD, experience we all worked together on was great. I've watched a lot of these departments' heads and Cabinet secretaries for the last 25 years. I'm here in town and I work with a lot of them. Either you're usually loved or you're feared in this town. Kemp had an ability to be both. He was loved by his constituents around the country. They cared what we were trying to all accomplish. And he was feared by guys at the White House that didn't like it and didn't think it was part of their agenda, and he was able to use that. By the way, not many other secretaries that I follow have been able to be loved on the outside, feared on the inside and be able to promote your agenda all together. That's kind of a unique combination, and I think it was based on his upbringing, his football experience, being a politician, a member of Congress, knowing how to work with people. I think the experience of running for president was a good sobering effort for him. He ran on ideas, they didn't work, he lost, he picked up his shoes and kept on going. And I think in a way HUD was kind of a culmination of all those experiences.

Kondracke: Do you think he has had a lasting influence on the Republican Party? And if not, what should the Republican Party be doing to model itself on it?

Reed: Oh, there's not doubt about it. The whole model of hope, growth, and opportunity that many people have run for president on, that started in the Kemp [unclear]. He would probably be having a difficult time right now in the Republican Party.

Woodson: That's right.

Reed: Over some of the issues that are on the front burner today. Immigration probably being the number one. He would have been going crazy over the spending and the lack of growth in the economy right now. And I think he'd be somebody that people would be looking to as a wise man in these troubled times right now, not just for the Party but for the country, on how to get through some of these problems.

DelliBovi: The part of the legacy that we haven't touched on is the people. I wish I had Sharon Zelaska's Rolodex in front of me so that I could go through those names, but just a couple of them, [John K.] Ken Blackwell in Ohio, [Francis A.] Frank Keating, went from HUD to go on to be governor of Oklahoma, and Paul [D.] Ryan is a great example. And there are scores more at other levels, from county government to state government to the Congress, who were inspired by Jack, interned with Jack, worked with us at HUD.

Woodson: Let me just say that I think that I don't see very many Steve Goldsmith, Jack Kemp Republicans today. Jack understood the importance of recruiting people to conservative principles based upon demonstrating that they improve the quality of life. That people on the left have a ground game. You can say what you want about George Soros and the rest, but they understand that you must demonstrate those principles in the actual lives. Jack understood that, so he had a ground game. Republicans today and conservatives, if they were running the invasion of Normandy, they would have a naval bombardment and an Air Force. No Marines and no Army. And Jack Kemp was a person who understood if you wanted to recruit people to your principles, demonstrate to them, not preach to them, but demonstrate to them that these principles have consequences. And Jack was willing to stand by and demonstrate the consequence of embracing these principles. That's lost today. Conservatives are more concerned about winning arguments than anything.

Weicher: Following up on that, we hear a lot, I've heard a lot over the years about the Republican need to reach out to minority groups. Jack was doing it before anybody else was doing it and before anybody else was talking about it. And it was perfectly genuine. I was in meetings with him with all sorts of people from lobbyists down to public housing residents, and he got a lot more pleasure out of meeting with the public housing residents than he got out of meeting with the lobbyists. Some of those meetings were fun. He did have a foreign policy, and I remember several meetings where some lobbyist would come in to him about some issue, and about halfway through Jack would get on the subject of freedom for Lithuania, and the lobbyist, who didn't know

a thing about Lithuania, he didn't know where it was, didn't care where it was—

DelliBovi: Our policy business line.

Weicher: Yes. Would have to be playing along. And those were great fun for all of us except the lobbyist. But he was focused on making a difference not only in America but around the world. He was a great believer in democracy and freedom and he meant it every day.

Kondracke: Okay, I think we're done. Thank you so much all of you for participating. Now we'll have a final word from Jimmy Kemp.

Jimmy: Well, I want to thank Mort Kondracke and all our panelists for a great discussion on the HUD years, when my father was Secretary of Housing and Urban Development. The mission of the Jack Kemp Foundation is to develop, engage and recognize exceptional leaders who champion the American idea. Dad believed that the American idea was actually the human idea, the idea that people naturally want to be free, that they want to improve their condition and lot in life. And in a speech in 1989 in his first year, he wrote about the time in history that everybody was experiencing, with the breakdown of Communism, and he wrote this, or spoke these words.

> The world is changing before our very eyes. The sweep of that change is profound in its implications for international relations, for the global marketplace, and for the welfare of your communities, your neighbors and mine. We have seen what people can do, people determined to be free, people driven to

> change for the better their condition in life. The Chinese students, Hungarians, Czechoslovakians, and Polish people yearn for the same freedom and opportunity we so often take for granted. Indeed, from Asia to South Africa and from the Baltic to the Adriatic, the Iron Curtain of Communism is crumbling, and the idea of democracy, justice, and equality of opportunity is rising.

What we heard about today in this Kemp oral history on the HUD years, is that Dad cared about people, and he linked that to people around the world. These truths were not just truths for the inner city, but they were true for everyone. And the names that he put in this speech included Kimi Gray from DC, all of these folks are people who he met in the housing projects who cared about where they lived. He had Kimi Gray from Washington, DC; Rosa Parish from Nashville, Irene Johnson from Chicago, Mildred Haley from Boston, Bertha Gilke from St. Louis, Alicia Rodriguez in East Los Angeles, Laura Lawson in Atlanta, and he knew that those individuals who cared about their lot in life, and the lots of those neighbors around them, was what drove everyone around the world to yearn for freedom and opportunity. And he passionately believed that poverty was not a permanent state, that poverty is not a poverty of the soul or the spirit, nor is there a poverty of ideas, nor of will. My dad was convinced that people have the drive and determination to overcome their economic poverty if we but offer our assistance in removing the walls and barriers to their growth, independence, and self-fulfillment. The American idea, the human idea, Dad believed, was based on the desire for freedom, the necessity for growth, and the importance and priority of family. Those three things were the bedrock of what Dad understood to be the American idea, and these ideas live on in the Jack Kemp Foundation and with the

recollection of people like on this housing symposia panel. Our effort is to carry on the legacy and ideas that have such an incredible impact. They weren't Dad's ideas, but they were ideas that he had an incredible ability to communicate well and clearly, and to inspire not only our nation but people throughout the world. So thank you all for being a part of this and we look forward to what the future has to come. As Dad would say, this is the most important, exciting time in the history of civilization, to see what is coming. Thank you very much.